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 **May 2025**

Commission File Number **001-35751**

STRATASYS LTD.

(Translation of registrant's name into English)

c/o Stratasys, Inc.	**1 Holtzman Street, Science Park**
5995 Opus Parkway	**P.O. Box 2496**
Minnetonka Minnesota	**Rehovot, Israel**
55343	**76124**

(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 ☐

The contents of this Report of Foreign Private Issuer on Form 6-K (this "Form 6-K"), including Exhibits 99.1, 99.2 and 101 annexed hereto, are incorporated by reference into the Registrant's registration statements on Form S-8, SEC file numbers 333-190963, 333-236880, 333-253694, 333-262951, 333-262952, 333-27049, 333-277836 and 333-285590, filed by the Registrant with the SEC on September 3, 2013, March 4, 2020, March 1, 2021, February 24, 2022, February 24, 2022, March 3, 2023, March 12, 2024 and March 6, 2025, respectively, and Form F-3, SEC file number 333-251938, filed by the Registrant with the SEC on January 7, 2021, and shall be a part thereof from the date on which this Form 6-K is furnished, to the extent not superseded by documents or reports subsequently filed or furnished.

CONTENTS

Quarterly Financial Statements and Review of Results of Operations, Financial Condition and Prospects

On May 8, 2025, Stratasys Ltd., or Stratasys, released its financial results for the three months ended, March 31, 2025.

Attached hereto as Exhibit 99.1 are the unaudited, condensed consolidated financial statements of Stratasys as of, and for the three months ended, March 31, 2025 (including the notes thereto), or the Q1 2025 Financial Statements.

Attached hereto as Exhibit 99.2 is Stratasys' review of its results of operations and financial condition for the three months ended, March 31, 2025, including the following:

(i) Operating and Financial Review and Prospects

(ii) Quantitative and Qualitative Disclosures About Market Risk

(iii) Legal Proceedings

(iv) Risk Factors

Attached hereto as Exhibit 101 are the Q1 2025 Financial Statements, formatted in IXBRL (eXtensible Business Reporting Language), consisting of the following sub-exhibits:

Exhibit Number	Document Description
99.1	Unaudited, condensed consolidated financial statements of Stratasys as of, and for the three months ended, March 31, 2025
99.2	Stratasys' review of its results of operations and financial conditionas of, and for the three months ended, March 31, 2025
EX-101.INS	IXBRL Taxonomy Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document
EX-101.SCH	IXBRL Taxonomy Extension Schema Document
EX-101.CAL	IXBRL Taxonomy Calculation Linkbase Document
EX-101.DEF	IXBRL Taxonomy Extension Definition Linkbase Document
EX-101.LAB	IXBRL Taxonomy Label Linkbase Document
EX-101.PRE	IXBRL Taxonomy Presentation Linkbase Document
EX-104	Cover Page Interactive Data File – the cover page interactive data file does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document

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.

	STRATASYS LTD.	
Dated: May 8, 2025	By:	/s/ Eitan Zamir
	Name:	Eitan Zamir
	Title:	Chief Financial Officer

Exhibit 99.1

STRATASYS LTD.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED

MARCH 31, 2025

(UNAUDITED)

INDEX TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2025

(UNAUDITED)

STRATASYS LTD.
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(Unaudited)

Consolidated Balance Sheets

(U.S. $ in thousands, except share data)

	March 31, 2025	December 31, 2024
ASSETS		
Current assets		
Cash and cash equivalents	$ 70,061	$ 70,200
Short-term bank deposits	80,000	80,500
Accounts receivable, net of allowance for credit losses of $3,048 and $3,058 as of March 31, 2025 and December 31, 2024, respectively	156,150	152,979
Inventories	169,881	179,809
Prepaid expenses	10,616	7,630
Other current assets	20,923	21,843
Total current assets	507,631	512,961
Non-current assets		
Property, plant and equipment, net	186,866	184,379
Goodwill	99,463	99,082
Other intangible assets, net	101,619	106,253
Operating lease right-of-use assets	31,097	32,169
Long-term investments	81,518	80,205
Other non-current assets	14,950	14,697
Total non-current assets	515,513	516,785
Total assets	$ 1,023,144	$ 1,029,746
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable	$ 38,032	$ 44,977
Accrued expenses and other current liabilities	36,310	39,749
Accrued compensation and related benefits	34,905	29,206
Deferred revenues - short-term	51,897	46,347
Operating lease liabilities - short-term	6,921	6,935
Total current liabilities	168,065	167,214
Non-current liabilities		
Deferred revenues - long-term	20,138	19,057
Deferred income taxes	459	507
Operating lease liabilities - long-term	24,363	25,155
Contingent consideration - long-term	5,089	4,933
Other non-current liabilities	20,189	19,889
Total non-current liabilities	70,238	69,541
Total liabilities	$ 238,303	$ 236,755
Contingencies (see note 12)		
Equity		
Ordinary shares, NIS 0.01 nominal value, authorized 180,000 shares; 72,657 shares and 71,982 shares issued at March 31, 2025 and December 31, 2024, respectively; 72,391 shares and 71,716 shares outstanding at March 31, 2025 and December 31, 2024, respectively	$ 203	$ 202
Treasury shares at cost,266 shares at March 31, 2025 and December 31, 2024	(1,995)	(1,995)
Additional paid-in capital	3,129,236	3,123,024
Accumulated other comprehensive loss	(9,340)	(8,031)
Accumulated deficit	(2,333,263)	(2,320,209)
Total equity	784,841	792,991
Total liabilities and equity	$ 1,023,144	$ 1,029,746

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Consolidated Statements of Operations and Comprehensive Loss

(U.S. $ in thousands, except per share data)	Three Months Ended March 31,	
	2025	**2024**
Revenues		
Products	$ 93,795	$ 99,196
Services	42,251	44,854
	136,046	144,050
Cost of revenues		
Products	47,268	49,757
Services	28,539	30,396
	75,807	80,153
Gross profit	60,239	63,897
Operating expenses		
Research and development, net	18,792	23,977
Selling, general and administrative	53,851	64,373
	72,643	88,350
Operating loss	(12,404)	(24,453)
Financial income, net	1,473	1,217
Loss before income taxes	(10,931)	(23,236)
Income tax expenses	455	716
Share in losses of associated companies	1,668	2,031
Net loss	$ (13,054)	$ (25,983)
Net loss per share - basic and diluted	$ (0.18)	$ (0.37)
Weighted average ordinary shares outstanding - basic and diluted	71,967	69,993
Comprehensive loss		
Net loss	(13,054)	(25,983)
Other comprehensive loss, net of tax:		
Foreign currency translation adjustments	1,726	(2,186)
Unrealized gains (losses) on derivatives designated as cash flow hedges, net	(3,035)	682
Other comprehensive loss, net of tax	(1,309)	(1,504)
Comprehensive loss	$ (14,363)	$ (27,487)

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Consolidated Statements of Changes in Equity

(U.S. $ in thousands)

Three Months Ended March 31, 2025	**Ordinary Shares**		**Treasury Shares**					
	Number of shares	**Par Value**	**Number of shares**	**Par Value**	**Additional Paid-In Capital**	**Accumulated Deficit**	**Accumulated Other Comprehensive Loss**	**Total Equity**
Balances as of December 31, 2024	71,982	$ 202	(266)	$ (1,995)	$ 3,123,024	$ (2,320,209)	$ (8,031)	$ 792,991
Issuance of shares in connection with stock-based compensation plans	675	1	—	—	(1)	—	—	—
Stock-based compensation	—	—	—	—	6,213	—	—	6,213
Comprehensive loss	—	—	—	—	—	(13,054)	(1,309)	(14,363)
Balances as of March 31, 2025	72,657	$ 203	(266)	$ (1,995)	$ 3,129,236	$ (2,333,263)	$ (9,340)	$ 784,841

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Consolidated Statements of Changes in Equity

(U.S. $ in thousands)

Three Months Ended March 31, 2024	**Ordinary Shares**					
	Number of shares	**Par Value**	**Additional Paid-In Capital**	**Accumulated Deficit**	**Accumulated Other Comprehensive Loss**	**Total Equity**
Balances as of December 31, 2023	69,656	$ 195	$ 3,091,649	$ (2,199,926)	$ (7,079)	$ 884,839
Issuance of shares in connection with stock-based compensation plans	784	2	147	—	—	149
Stock-based compensation	—	—	8,649	—	—	8,649
Comprehensive loss	—	—	—	(25,983)	(1,504)	(27,487)
Balances as of March 31, 2024	70,440	$ 197	$ 3,100,445	$ (2,225,909)	$ (8,583)	$ 866,150

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Consolidated Statements of Cash Flows

U.S. $ in thousands	Three Months Ended March 31,	
	2025	**2024**
Cash flows from operating activities		
Net loss	$ (13,054)	$ (25,983)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	10,771	12,266
Stock-based compensation	6,213	8,649
Foreign currency transaction (gain) loss	(2,288)	2,054
Share in losses of associated companies	1,668	2,031
Revaluation of investments	180	1,747
Revaluation of contingent consideration	506	511
Deferred income taxes, net and uncertain tax positions	123	183
Other non-cash items, net	21	493
Change in cash attributable to changes in operating assets and liabilities:		
Accounts receivable, net	(4,772)	15,461
Inventories	9,945	897
Other current assets and prepaid expenses	(2,077)	1,872
Other non-current assets	1,486	3,148
Accounts payable	(9,329)	(9,507)
Other current liabilities	(80)	(115)
Deferred revenues	6,127	(2,202)
Other non-current liabilities	(898)	(4,165)
Net cash provided by operating activities	4,542	7,340
Cash flows from investing activities		
Purchase of property and equipment	(3,753)	(2,329)
Investments in short-term bank deposits	(40,000)	(10,000)
Proceeds from short-term bank deposits	40,500	20,000
Investments in unconsolidated entities	(330)	(4,993)
Purchase of intangible assets	(485)	(658)
Other investing activities	(20)	(120)
Net cash provided by (used in) investing activities	(4,088)	1,900
Cash flows from financing activities		
Proceeds from exercise of stock options	—	149
Payment of contingent consideration	(100)	(430)
Other financing activities	300	465
Net cash provided by financing activities	200	184
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(841)	(925)
Net change in cash, cash equivalents and restricted cash	(187)	8,499
Cash, cash equivalents and restricted cash, beginning of period	71,076	82,864
Cash, cash equivalents and restricted cash, end of period	$ 70,889	$ 91,363
Supplemental disclosures of cash flow information:		
Transfer of inventories to fixed assets	1,701	545
Transfer of fixed assets to inventories	—	4,692
Reconciliation of cash, cash equivalents and restricted cash reported in the consolidated balance sheets:		
Cash and cash equivalents	70,061	91,089
Restricted cash included in other current assets	828	274
Total cash, cash equivalents and restricted cash shown in the consolidated statement of cash flows	$ 70,889	$ 91,363

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Note 1. Business Description and Basis of Presentation

Stratasys Ltd. (collectively with its subsidiaries, the “Company” or “Stratasys”) is a global leader in connected, polymer-based 3D printing solutions, across the entire manufacturing value chain. The Company leverages its competitive advantages, which include a broad set of best-in-class 3D printing platforms, software, a materials and technology partner ecosystem, innovative leadership, and global GTM infrastructure, in order to position itself to capture share in a significant and growing global marketplace, with a focus on manufacturing, which the Company views as having the largest and fastest growing total addressable market. The Company’s approximately 2,300 granted and pending additive technology patents to date have been used to create models, prototypes, manufacturing tools, and production parts for a multitude of industries including aerospace, automotive, transportation, healthcare, consumer products, dental, medical, fashion and education. Stratasys’ products and comprehensive solutions improve product quality, development time, cost, time-to-market and patient care. The Company’s 3D ecosystem of solutions and expertise includes 3D printers, materials, software, expert services, and on-demand parts production.

The condensed consolidated interim financial information herein is unaudited; however, such information reflects all adjustments (consisting of normal, recurring adjustments), which are, in the opinion of management, necessary for a fair statement of results for the interim period. The condensed consolidated interim financial statements include the accounts of Stratasys Ltd. and its subsidiaries. All intercompany accounts and transactions, including profits from intercompany sales not yet realized outside the Company, have been eliminated in consolidation.

The Company’s financial statements are prepared in conformity with U.S. generally accepted accounting principles (“GAAP”), which require the Company to make estimates based on assumptions about current and, for some estimates, future economic and market conditions which affect reported amounts and related disclosures in its financial statements. Although the Company’s current estimates contemplate current and expected future conditions, as applicable, it is reasonably possible that actual conditions could differ from the Company’s expectations, which could materially affect the Company's results of operations and financial position.

In October 2023, Israel was attacked by a terrorist organization and entered a state of war. As of the date of these financial statements, Israel's war on various fronts is ongoing and continues to evolve. One of the Company’s global headquarters and one of its manufacturing facilities are located in Israel. As of the publication date of these financial statements, the Company's activities in Israel remain largely unaffected by the war. During the three months ended March 31, 2025, the impact of the war on the Company’s results of operations and financial condition was limited, but such impact may change, and could be significant, as a result of the further continuation, escalation or expansion of the war. The Company continues to maintain business continuity plans backed by its inventory levels located outside of Israel.

In addition to Israel's multi-front war, a number of global developments that have been impacting, and may continue to impact, macroeconomic conditions also may affect the accounting estimates and assumptions that underlie the Company's financial statements, including, most prominently: the manner and extent (if at all) to which new tariffs slow economic growth and impact the industries into which the Company sells its products; the degree to which inflation remains moderate; whether and when interest rate cuts are implemented by central banks, whether tight credit markets are loosened; whether capital markets rise once again; and whether global supply chains fully recover. As a result of those uncertainties, the accounting estimates and assumptions underlying these consolidated financial statements may change over time. Such changes could have an additional impact on the Company’s long-lived asset and intangible asset valuation, and the Company's allowance for expected credit losses. These financial statements reflect the effects of global developments based upon Stratasys' management’s estimates and assumptions utilizing the most currently available information.

The results of operations for the three months ended, March 31, 2025 are not necessarily indicative of results that could be expected for the entire fiscal year. Certain financial information and footnote disclosures normally included in the annual consolidated financial statements prepared in accordance with GAAP have been condensed or omitted. The reader is referred to the Company's audited consolidated financial statements and notes thereto for the year ended December 31, 2024, filed with the U.S. Securities and Exchange Commission (the “SEC”) on March 6, 2025 as part of the Company’s Annual Report on Form 20-F for such year.

Note 2. New Accounting Pronouncements

Recently issued accounting pronouncements, not yet adopted

In December 2023, the FASB issued ASU 2023-09 “Income Taxes (Topic 740): Improvements to Income Tax Disclosures”. This guidance is intended to enhance the transparency and decision-usefulness of income tax disclosures. The amendments in ASU 2023-09 address investor requests for enhanced income tax information primarily through changes to disclosure regarding rate reconciliation and income taxes paid both in the U.S. and in foreign jurisdictions. ASU 2023-09 is effective for fiscal years beginning after December 15, 2024 on a prospective basis, with the option to apply the standard retrospectively. Early adoption is permitted. The Company is currently evaluating this guidance to determine the impact it may have on its consolidated financial statements disclosures.

In November 2024, the FASB issued ASU 2024-03 “Income Statement: Reporting Comprehensive Income— Expense Disaggregation Disclosures,” which requires more detailed information about specified categories of expenses (purchases of inventory, employee compensation, depreciation, amortization, and depletion) included in certain expense captions presented on the face of the income statement, as well as disclosures about selling expenses. Additionally, in January 2025, the FASB issued ASU 2025-01 to clarify the effective date of ASU 2024-03. This ASU is effective for fiscal years beginning after December 15, 2026 and for interim periods within fiscal years beginning after December 15, 2027. Early adoption is permitted. The amendments may be applied either (1) prospectively to financial statements issued for reporting periods after the effective date of this ASU or (2) retrospectively to all prior periods presented in the financial statements. The Company is currently evaluating this guidance to determine the impact it may have on its consolidated financial statements disclosures.

Note 3. Certain Transactions

MakerBot and Ultimaker transaction ("Ultimaker")

On August 31, 2022, Stratasys completed the merger of MakerBot (previously, a wholly-owned subsidiary) with Ultimaker, which together formed a new entity under the name Ultimaker.

The Company accounts for its investment in the combined company Ultimaker according to the equity method in accordance with ASC Topic 323, as it has retained the ability to exercise significant influence but does not control the new entity. The Company recognized an equity method investment in a total amount of $105.6 million comprised of the assumed fair value of the MakerBot shares and additional amount invested in cash by the Company, representing a share of 46.5% in the new entity.

On March 22, 2024, Ultimaker's shareholders agreed to provide it with additional funding of $8.0 million in cash, out of which $4.5 million was funded by the Company.

During 2024, Ultimaker experienced an improvement in its operating results. However, market conditions remained challenging, especially in the market segment of Ultimaker, with significant competition, resulting in actual revenue that was lower than under prior expectations. The Company considered such events as indicators of potential impairment and accordingly performed an impairment analysis for its investment in Ultimaker. Based on such valuation, the fair value of the investment was estimated below its carrying amount and such reduction in fair value was determined to be other than temporary.

Accordingly, the Company recorded an impairment charge in an amount of $ 30.1 million, which was recorded in share in losses of associated companies in the Consolidated Statements of Operations and Comprehensive Loss. Management’s cash flow projections for the fair value of the Company's investment in Ultimaker are based on significant judgments and assumptions relating to the cash flow projections, future growth and future profitability. Actual results could differ from those estimates, and such differences could be material and may result in other than temporary reduction in fair value, which could lead to additional impairments in the carrying value of the Ultimaker investment.

As of March 31, 2025 and December 31, 2024 the Company's equity investment in Ultimaker amounted to $ 37.4 million and $39.1 million, respectively, which represents the Company's investment in Ultimaker, net of the Company's share in Ultimaker's net losses. The Company's share in losses of Ultimaker for the three-month periods ended March 31, 2025 and 2024 was approximately $1.7 million and $1.9 million, respectively.

Other long-term investments

In addition to the investment in Ultimaker, other investments included under Long-term investments represent investments in non-marketable equity securities and convertible notes of several companies without readily determinable fair value in which the Company does not have a controlling interest or significant influence. One entity from this group became public during the first quarter of 2021 and accordingly the investment is now treated as a marketable equity investment. During the three months ended March 31, 2025 and during 2024, the Company invested a total of $4.1 million and $13.8 million, respectively, in non-marketable equity securities and convertible notes of several companies. As of March 31, 2025 and December 31, 2024, the total amount invested by the Company in other long-term investments was $43.4 million and $41.1 million, respectively.

Note 4. Revenues

Disaggregation of Revenues

The following table presents the Company’s revenues disaggregated by geographical region (based on the Company's customers' locations) and revenue type for the three months ended, March 31, 2025 and 2024:

	Three Months Ended March 31,	
	2025	2024
	(U.S. $ in thousands)	
Americas*		
Systems	$ 16,541	$ 17,993
Consumables	34,181	35,542
Service	30,706	33,273
Total Americas	81,428	86,808
EMEA		
Systems	10,022	9,723
Consumables	19,060	21,170
Service	7,613	7,580
Total EMEA	36,695	38,473
Asia Pacific		
Systems	4,609	5,169
Consumables	9,382	9,599
Service	3,932	4,001
Total Asia Pacific	17,923	18,769
Total Revenues	$ 136,046	$ 144,050

*Revenues in the United States for the three months ended, March 31, 2025 and 2024 amounted to $ 76.8 million and $81.7 million, respectively, and are included under the Americas region in the above table.

The following table presents the Company's revenues disaggregated based on the timing of revenue recognition (at a specific point in time or over the course of time) for the three months ended, March 31, 2025 and 2024:

	Three Months Ended March 31,	
	2025	2024
	(U.S. $ in thousands)	
Revenues recognized in point in time from:		
Products	$ 93,795	$ 99,196
Services	12,615	13,773
Total revenues recognized in point in time	106,410	112,969
Revenues recognized over time from:		
Services	29,636	31,081
Total revenues recognized over time	29,636	31,081
Total Revenues	$ 136,046	$ 144,050

Contract Assets and Contract Liabilities

Contract assets are recorded when the Company's right to consideration is conditioned on constraints other than the passage of time. The Company had no material contract assets as of March 31, 2025 and December 31, 2024.

Contract liabilities include advance payments and billings in excess of revenue recognized, which are primarily related to advanced billings for service type warranty. Contract liabilities are presented under deferred revenue. The Company's deferred revenue as of March 31, 2025 and December 31, 2024 was as follows:

	March 31, 2025	December 31, 2024
	U.S. $ in thousands	
Deferred revenue *	$ 72,035	$ 65,404

*Includes $20.1 million and $19.1 million under long-term deferred revenue in the Company's consolidated balance sheets as of March 31, 2025 and December 31, 2024, respectively.

Revenue recognized in 2025 that was included in deferred revenue balance as of December 31, 2024 was $ 15.7 million for the three months ended, March 31, 2025.

Remaining Performance Obligations

Remaining Performance Obligations ("RPO") represent contracted revenue that has not yet been recognized, which includes deferred revenue and amounts that will be invoiced and recognized as revenue in future periods. As of March 31, 2025, the total RPO amounted to $93.4 million. The Company expects to recognize $62.7 million of this RPO during the next 12 months, $14.7 million over the subsequent 12 months and the remaining $16.0 million thereafter.

Incremental Costs of Obtaining a Contract

Sales commissions earned mainly by the Company's sales agents are considered incremental costs of obtaining a contract with a customer, as the Company expects the benefit of those commissions to be longer than one year. The majority of the sales commissions are not subject to capitalization, as the commission expense is recognized as the related revenue is recognized. Sales commissions for initial contracts related to the service type warranty are deferred and then amortized on a straight-line basis over the expected customer relationship period if the Company expects to recover those costs. Amortization expense is included in selling, general and administrative expenses in the consolidated statements of operations. As of March 31, 2025 and December 31, 2024, the deferred commissions amounted to $9.9 million and $10.3 million, respectively.

Note 5. Inventories

Inventories consisted of the following:

	March 31, 2025	December 31, 2024
	U.S. $ in thousands	
Finished goods	$ 83,366	$ 90,702
Work-in-process	8,994	7,491
Raw materials	77,521	81,616
	$ 169,881	$ 179,809

Note 6. Goodwill and Other Intangible Assets

Goodwill

Changes in the carrying amount of the Company's goodwill during the three months ended March 31, 2025 were as follows:

	U.S. $ in thousands
Goodwill as of January 1, 2025	$ 99,082
Currency translation adjustments	381
Goodwill as of March 31, 2025	$ 99,463

Other Intangible Assets

Other intangible assets consisted of the following:

	March 31, 2025			December 31, 2024		
	Carrying Amount, net of Impairment	Accumulated Amortization	Net book value	Carrying Amount, net of Impairment	Accumulated Amortization	Net book value
	U.S. $ in thousands					
Developed technology	$ 403,213	$ (322,846)	$ 80,367	$ 402,976	$ (318,312)	$ 84,664
Patents	22,452	(12,152)	10,300	21,902	(11,726)	10,176
Trademarks and trade names	22,201	(18,218)	3,983	22,149	(17,957)	4,192
Customer relationships	102,721	(95,752)	6,969	102,560	(95,339)	7,221
Capitalized software development costs	3,117	(3,117)	—	3,117	(3,117)	—
	$ 553,704	$ (452,085)	$ 101,619	$ 552,704	$ (446,451)	$ 106,253

Amortization expenses relating to intangible assets for the three-month periods ended March 31, 2025 and 2024 were approximately $ 5.4 million and $6.9 million, respectively.

As of March 31, 2025, the estimated amortization expenses relating to intangible assets for each of the following future periods were as follows:

	Estimated amortization expenses
	U.S. $ in thousands
Remaining 9 months of 2025	$ 16,127
2026	21,451
2027	20,531
2028	16,432
2029	10,910
2030 and thereafter	16,168
Total	$ 101,619

Note 7. Net Loss Per Share

The following table presents the numerator and denominator of the basic and diluted net loss per share computations for the three months ended, March 31, 2025 and 2024:

	Three Months Ended March 31,	
	2025	2024
	U.S. $ in thousands, except per share amounts	
Numerator:		
Net loss for basic and diluted net loss per share	$ (13,054)	$ (25,983)
Denominator:		
Weighted average shares, net of treasury shares - for basic and diluted net loss per share	71,967	69,993
Net loss per share		
Basic and diluted	$ (0.18)	$ (0.37)

The computation of diluted net loss per share excluded share awards of 2.9 million shares and 2.3 million shares for the three months ended March 31, 2025 and 2024, respectively, because the inclusion of those shares would have had an anti-dilutive effect on the diluted net loss per share.

Note 8. Income Taxes

The Company had income tax expenses of $0.5 million for the three-month period ended March 31, 2025, compared to income tax expenses of $0.7 million for the three-month period ended March 31, 2024. The Company's effective tax rate as of March 31, 2025, was primarily impacted by the geographic mix of its earnings and losses, movements in its valuation allowance and changes in its uncertain tax positions.

Note 9. Fair Value Measurements

The following table summarizes the Company's financial assets and liabilities that are carried at fair value on a recurring basis, in its consolidated balance sheets:

	March 31, 2025			December 31, 2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
	(U.S. $ in thousands)					
Assets:						
Foreign exchange forward contracts not designated as hedging instruments	$ —	$ 110	$ —	$ —	$ 71	$ —
Foreign exchange forward contracts designated as hedging instruments	—	1,294	—	—	4,005	—
Convertible notes	—	—	11,525	—	—	10,486
Marketable securities	416	—	—	596	—	—
Liabilities:						
Foreign exchange forward contracts not designated as hedging instruments	—	(63)	—	—	(21)	—
Foreign exchange forward contracts designated as hedging instruments	—	(70)	—	—	(3)	—
Contingent consideration*	—	—	(13,099)	—	—	(12,694)
	$ 416	$ 1,271	$ (1,574)	$ 596	$ 4,052	$ (2,208)

*Includes $8.0 million and $7.8 million under accrued expenses and other current liabilities in the Company's consolidated balance sheets as of March 31, 2025 and December 31, 2024, respectively.

The Company's foreign exchange forward contracts are classified as Level 2, as they are not actively traded and are valued using pricing models that use observable market inputs, including interest rate curves and both forward and spot prices for currencies (Level 2 inputs).

Contingent consideration represents liabilities recorded at fair value in connection with acquisitions, and thus represents a Level 3 measurement within the fair value hierarchy (refer to Note 3).

Other financial instruments consist mainly of cash and cash equivalents, short-term deposits, current and non-current receivables, accounts payable and other current liabilities. The fair value of these financial instruments approximates their carrying values.

Note 10. Derivative instruments and hedging activities

Since the Company conducts its operations globally, it is exposed to global market risks and to the risk that its earnings, cash flows and equity could be adversely impacted by fluctuations in foreign currency exchange rates. The Company enters into transactions involving foreign currency exchange derivative financial instruments. The Company manages its foreign currency exposures on a consolidated basis, which allows the Company to net exposures and take advantage of any natural hedging. The transactions are designed to manage the Company's net exposure to foreign currency exchange rates and to reduce the volatility of earnings and cash flows associated with changes in foreign currency exchange rates. The Company does not enter into derivative transactions for trading purposes.

The Company is primarily exposed to foreign exchange risk with respect to recognized assets and liabilities and forecasted transactions denominated in the New Israeli Shekel ("NIS"), Euro, British Pound, Korean Won, Chinese Yuan and the Japanese Yen. The gains and losses on the hedging instruments partially offset losses and gains on the hedged items. Financial markets and currency volatility may limit the Company's ability to hedge these exposures. These contracts mature through December 2025.

The following table summarizes the consolidated balance sheets classification and fair values of the Company's derivative instruments:

		Fair Value		Notional Amount	
	Balance sheet location	**March 31, 2025**	**December 31, 2024**	**March 31, 2025**	**December 31, 2024**
		U.S. $ in thousands			
Assets derivatives - Foreign exchange contracts, not designated as hedging instruments	Other current assets	$ 110	$ 71	$ 75,880	$ 29,244
Assets derivatives - Foreign exchange contracts, designated as cash flow hedge	Other current assets	1,294	4,005	96,204	89,414
Liability derivatives - Foreign exchange contracts, not designated as hedging instruments	Accrued expenses and other current liabilities	(63)	(21)	24,282	82,818
Liability derivatives - Foreign exchange contracts, designated as cash flow hedge	Accrued expenses and other current liabilities	(70)	(3)	5,322	5,687
		$ 1,271	$ 4,052	$ 201,688	$ 207,163

Foreign exchange contracts not designated as hedging instruments

As of March 31, 2025, the notional amounts of the Company's outstanding exchange forward contracts, not designated as hedging instruments, were $100.2 million, and were used to reduce foreign currency exposures of the Euro, New Israeli Shekel (the "NIS"), British Pound, Japanese Yen, Korean Won and Chinese Yuan. With respect to such derivatives, a loss of $ 2.5 million and a gain of $ 1.3 million were recognized under financial income, net for the three-month periods ended March 31, 2025 and 2024, respectively. Such gains and losses partially offset the revaluation losses of the balance sheet items which are also recognized under financial income, net.

Cash Flow Hedging - Hedges of Forecasted Foreign Currency Payroll and other operating expenses

As of March 31, 2025, the Company had in effect foreign exchange forward contracts, designated as cash flow hedges for accounting purposes, for the conversion of $45.4 million into NIS. The Company uses short-term cash flow hedge contracts to reduce its exposure to variability in expected future cash flows resulting mainly from payroll costs denominated in New Israeli Shekels. The changes in fair value of those contracts are included in the Company's accumulated other comprehensive loss.

Cash Flow Hedging - Hedges of Forecasted Foreign Currency Revenue

The Company transacts business in U.S. Dollars and in various other currencies. The Company may use foreign exchange or forward contracts to hedge certain cash flow exposures resulting from changes in these foreign currency exchange rates. These foreign exchange contracts, carried at fair value, have maturities of up to twelve months. The Company enters into these foreign exchange contracts to hedge a portion of its forecasted foreign currency denominated revenue in the normal course of business, and accordingly, they are not speculative in nature.

As of March 31, 2025, the Company had in effect foreign exchange forward contracts, designated as cash flow hedges for accounting purposes, for the conversion of €50.4 million into dollars.

Note 11. Equity

a. Share capital

The Company's issued share capital is composed of ordinary shares, NIS 0.01 par value per share ("ordinary shares"). Ordinary shares confer upon their holders the right to receive notice to participate and vote in general meetings of the Company, and the right to receive dividends if declared. The Company's ordinary shares are traded in the United States on the Nasdaq Global Select Market under the ticker symbol "SSYS". As of March 31, 2025 and December 31, 2024, there were 72,657 thousand ordinary shares and 71,982 thousand ordinary shares issued and 72,391 thousand ordinary shares and 71,716 thousand ordinary shares outstanding, net of treasury shares, respectively. The change in the issued and outstanding ordinary shares during the three months ended March 31, 2025 was attributable to exercises of share options and RSUs under the Company's share-based compensation plans. During the three months ended March 31, 2025, the Company's board of directors increased the reserve pool under the Company's 2022 Share Incentive Plan by 2.7 million shares.

b. Share Repurchase Program and Treasury Stock

On September 16, 2024, the Company's Board of Directors authorized a share repurchase program that provides for the repurchase of up to $50 million of the Company's ordinary shares, from time to time. Under the share repurchase program, the Company may effect repurchases by way of a variety of methods, including open market purchases, privately negotiated transactions or otherwise, all in accordance with U.S. securities laws and regulations, including Rule 10b-18 under the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act"). The Company may also, from time to time, enter into plans that are compliant with Rule 10b5-1 of the Exchange Act to facilitate repurchases of its ordinary shares under the Board authorization. The repurchase program does not obligate the Company to acquire any particular number or value of ordinary shares, and the repurchase program may be suspended or discontinued at any time at the Company's discretion. In accordance with Section 7C of the Israeli Companies Regulations, the share repurchase program became effective 30 days after notice of Company's board of directors' adoption of the repurchase program was provided to the Company's material creditors and secured creditors.

During the year ended December 31, 2024, the Company repurchased 266 thousand ordinary shares for approximately $2.0 million at a weighted average cost of $7.50 per share.

c. Share-based compensation program

Share-based compensation expenses for equity-classified share options, restricted share units ("RSUs") and performance-based restricted share units ("PSUs") were allocated as follows:

	Three Months Ended March 31,	
	2025	2024
	U.S $ in thousands	
Cost of revenues	$ 708	$ 952
Research and development, net	1,240	2,131
Selling, general and administrative	4,265	5,566
Total stock-based compensation expenses	$ 6,213	$ 8,649

A summary of the Company's share option activity for the three months ended March 31, 2025 is as follows:

	Number of Options	Weighted Average Exercise Price
Options outstanding as of January 1, 2025	1,250,004	19.18
Forfeited	(37,619)	19.66
Options outstanding as of March 31, 2025	1,212,385	19.17
Options exercisable as of March 31, 2025	1,017,312	20.00

As of March 31, 2025, the unrecognized compensation cost of $0.2 million related to all unvested, equity-classified share options is expected to be recognized as an expense over a weighted-average period of 0.81 years.

A summary of the Company's RSUs and PSUs activity for the three months ended March 31, 2025 is as follows:

	Number of RSUs and PSUs	Weighted Average Grant Date Fair Value
Unvested as of January 1, 2025	3,945,120	13.67
Granted	2,010,477	10.43
Vested	(662,640)	17.36
Forfeited	(177,182)	17.13
Unvested as of March 31, 2025	5,115,775	11.80

The fair value of RSUs and PSUs is determined based on the quoted price of the Company's ordinary shares on the date of the grant.

As of March 31, 2025, the unrecognized compensation cost of $ 54.0 million related to all unvested, equity-classified RSUs and PSUs is expected to be recognized as expense over a weighted-average period of 2.93 years.

d. Accumulated other comprehensive loss

The following tables present the changes in the components of accumulated other comprehensive income (loss), net of taxes, for the three months ended March 31, 2025 and 2024, respectively:

	Three Months Ended March 31, 2025		
	Net Unrealized Gain (Loss) on Cash Flow Hedges	Foreign Currency Translation Adjustments	Total
	U.S. $ in thousands		
Balance as of January 1, 2025	$ 4,907	$ (12,938)	$ (8,031)
Other comprehensive income (loss) before reclassifications	(1,778)	1,726	(52)
Amounts reclassified from accumulated other comprehensive loss	(1,257)	—	(1,257)
Other comprehensive income (loss)	(3,035)	1,726	(1,309)
Balance as of March 31, 2025	$ 1,872	$ (11,212)	$ (9,340)

	Three Months Ended March 31, 2024		
	Net Unrealized Gain (Loss) on Cash Flow Hedges	Foreign Currency Translation Adjustments	Total
	U.S. $ in thousands		
Balance as of January 1, 2024	$ 1,790	$ (8,869)	$ (7,079)
Other comprehensive income (loss) before reclassifications	1,493	(2,186)	(693)
Amounts reclassified from accumulated other comprehensive loss	(811)	—	(811)
Other comprehensive income (loss)	682	(2,186)	(1,504)
Balance as of March 31, 2024	$ 2,472	$ (11,055)	$ (8,583)

Note 12. Contingencies

Legal proceedings

Ordinary course litigation

The Company is a party to various legal proceedings from time to time, the outcome of which, in the opinion of management, will not have a significant effect on the financial position, profitability or cash flows of the Company.

Note 13. Segment

The Company's chief operating decision maker ("CODM") manages the Company's business activities as a single operating and reportable segment and reviews financial information prepared on a consolidated basis. The Company's reportable segment generates revenues through the sale of its 3D printing systems, related services and consumables and by providing additive manufacturing ("AM") solutions. The CODM reviews and utilizes budget-to-actual variances of profit measures and functional expenses (cost of revenues, research and development, net, and selling, general and administrative), at the consolidated level to manage the Company's operations and to make key operating decisions. Other segment items included in consolidated net income are financial income, net and income tax expenses, which are reflected in the consolidated statements of operations and comprehensive loss.

Note 14. Restructuring costs

In August 2024, the Company announced cost savings initiatives (the "Restructuring Plan") that includes a global workforce reduction. As a result of this restructuring plan, the Company expects $40 million of aggregate annualized cost savings. The Company substantially completed the implementation of this initiative by the end of 2024.

During the three months ended March 31, 2025 the Company recorded the following activity related to the 2024 Restructuring Plan in accrued expenses and other current liabilities on the balance sheet (in thousands):

	Three Months Ended March 31, 2025	
	(U.S. $ in thousands)	
Accrued expenses and other current liabilities as of January 1, 2025	$	3,859
Restructuring charges and exchange rate impact		386
Cash payments		(704)
Accrued expenses and other current liabilities as of March 31, 2025	$	3,541

During the three months ended March 31, 2025 the Company recognized the following restructuring charges, which were expensed as follows (in thousands):

	Three Months Ended March 31, 2025	
	(U.S. $ in thousands)	
Research and development, net	$	256
Selling, general and administrative		20
Interest and other (expense) income, net		110
Total restructuring charges	$	386

Note 15. Subsequent events

Closing of PIPE Transaction

On April 8, 2025, The Company completed its previously-reported private investment in public equity transaction (the “PIPE”) pursuant to which FF6-SSYS, Limited Partnership (“FF6-SSYS”), an affiliate of Fortissimo Capital, an Israeli private equity fund (together with its affiliates, collectively, “Fortissimo”) invested $120 million in Stratasys and acquired 11,650,485 newly-issued ordinary shares of the Company at a price of $10.30 per share.

Exhibit 99.2

OPERATING AND FINANCIAL REVIEW AND PROSPECTS.

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our unaudited consolidated financial statements and the related notes included as Exhibit 99.1 to the Report of Foreign Private Issuer on Form 6-K to which this Operating and Financial Review and Prospects is attached, or the Form 6-K. The discussion below contains forward-looking statements (within the meaning of the United States federal securities laws) that are based upon our current expectations and are subject to uncertainty and changes in circumstances. Actual results may differ materially from these expectations due to inaccurate assumptions and known or unknown risks and uncertainties, including those identified in “Forward-Looking Statements and Factors that May Affect Future Results of Operations” below, as well in the “Risk Factors” in Item 3.D of our Annual Report on Form 20-F for the year ended December 31, 2024, filed with the Securities and Exchange Commission, or SEC, on March 6, 2025, or our 2024 Annual Report.

Overview of Business and Trend Information

We are a global leader in connected, polymer-based 3D printing solutions, across the entire manufacturing value chain. Leveraging distinct competitive advantages that include a broad set of best-in-class 3D printing platforms, software, materials, technology partner ecosystem, innovative leadership, and global GTM infrastructure, we are positioned to capture share in a significant and growing global marketplace, with a focus on manufacturing, which we view as having the largest and fastest growing total addressable market.

Our approximately 2,300 granted and pending additive technology patents to date have been used to create models, prototypes, manufacturing tools, and production parts for a multitude of industries including aerospace, automotive, transportation, healthcare, consumer products, dental, medical, fashion and education. Our products and comprehensive solutions improve product quality, development time, cost, time-to-market and patient care. Our 3D ecosystem of solutions and expertise includes 3D printers, materials, software, expert services, and on-demand parts production. By the end of 2024, we estimate that we derived over 36.0% of our revenues from manufacturing solutions.

A series of acquisitions and other transactions in the last several years has strengthened our leadership in various facets of our business, and has added incremental growth engines to our platform. In December 2020, we entered the market of manufacturing of end-use parts via our acquisition of Origin Laboratories, Inc. and its P3 Programmable PhotoPolymerization technology. Since the first quarter of 2021, we are a provider of industrial stereolithography 3D printers and solutions, and in November 2021, we accelerated our growth in production-scale 3D printing. In September 2022, we improved our competitive stance in the desktop 3D printing segment, disposing of our interest in MakerBot and acquiring instead an approximate 46.5% stake in Ultimaker, a new entity with a broad technology offering and a large scale within that segment. As a result of an October 2022 asset acquisition, we have fully integrated a cloud-based software solution into our GrabCAD® Additive Manufacturing Platform, thereby enabling us to better compete for manufacturing customers for their end-use parts production. In April 2023, we strengthened our portfolio of 3D printing materials by acquiring Covestro and its resins, which are compatible with our Origin P3™, Neo® stereolithography, and H350™ printers. As part of that acquisition, we also significantly expanded our IP portfolio, obtaining ownership over hundreds of patents and pending patents that were held by Covestro.

Recent Developments

Share Repurchase Program

On September 16, 2024, we announced that our board of directors has authorized a program for our repurchase of up to $50 million of our ordinary shares from time to time.

Under the share repurchase program, we may effect repurchases by way of a variety of methods, including open market purchases, privately negotiated transactions or otherwise, all in accordance with U.S. securities laws and regulations, including Rule 10b-18 under the Exchange Act. We may also, from time to time, enter into plans that are compliant with Rule 10b5-1 of the Exchange Act to facilitate repurchases of our ordinary shares under the board authorization.

The repurchase program does not obligate us to acquire any particular number or value of ordinary shares, and the repurchase program may be suspended or discontinued at any time at our discretion.

In accordance with Section 7C of the Israeli Companies Regulations (Leniencies for Companies Whose Securities are Listed for Trading Outside of Israel), 5760-2000, the share repurchase program went into effect 30 days after notice of our board of directors' adoption of the repurchase program was provided to our material creditors and secured creditors (if any).

Impact of Strategic Restructuring Plan

The authorization of our share repurchase program described above was part of a number of strategic actions we have taken to enhance shareholder value, building upon our previously announced comprehensive process to explore strategic alternatives for our company, in order to maximize value for all Stratasys shareholders, which we had initiated on September 28, 2023 (as described in our Report of Foreign Private Issuer on Form 6-K that we furnished to the SEC on that day, available at the following link: https://www.sec.gov/Archives/edgar/data/1517396/000121390023080136/ea185964-6k_stratasys.htm), and which we completed during the second quarter of 2024. The goals of that process were to further solidify our leadership in additive manufacturing, while focusing our business model to deliver a significantly improved and consistently profitable, cash-flow positive additive manufacturing company, throughout cycles. At the conclusion of that process, our board of directors identified restructuring initiatives in two important areas to further those goals and to best position Stratasys to maximize value:

(i) Our first initiative was to adjust our cost structure to better match current market conditions, primarily through an approximate 15% headcount reduction that was expected to drive the majority of $40 million in annual run rate savings. This initiative is expected to generate an annualized EBITDA margin of 8% at current revenue levels. The first full-quarter's benefit of these cost savings was felt in the first quarter of 2025, during which our operating expenses decreased by 17.8%, primarily driven by a decrease in employee and other costs of $10.5 million associated with the reduction in headcount.

(ii) Our second initiative was to enhance our efforts to remove barriers and help customers increase their pace of adoption of additive manufacturing. This involves addressing the total cost of ownership, which is largely influenced by materials consumption. We have begun to increase our investment of resources to better educate and support our customers' engineers, who are still learning to fully utilize additive manufacturing design and workflow benefits. We have also increased efforts to standardize additive manufacturing to better align with traditional manufacturing processes, making it easier for broader adoption. As part of this initiative, we have begun to leverage our scale and breadth of technology to focus our go-to-market efforts on areas we view as the main growth drivers of our business— applications where additive manufacturing presents the most compelling benefits relative to conventional methods.

PIPE Transaction

On February 2, 2025, we entered into a securities purchase agreement under which FF6-SSYS, Limited Partnership (as assignee of Fortissimo Capital Fund VI, L.P.) (together with its affiliates, referred to collectively as Fortissimo), an Israeli private equity fund, completed a private investment in public equity, or PIPE, with respect to our company on April 8, 2025, investing $120 million and acquiring 11,650,485 newly-issued ordinary shares of Stratasys at a price of $10.30 per share, reflecting a premium of 10.6% over the closing market price of the ordinary shares on Nasdaq on January 31, 2025. Upon completion of the PIPE, Fortissimo holds approximately 15.4% of our issued and outstanding ordinary shares. The additional capital we have received from the PIPE investment has increased our available capital for potential value-enhancing, inorganic opportunities in the 3D printing industry.

Upon the closing of the PIPE, Fortissimo became subject to a lock-up for 18 months, during which period it will be prohibited from transferring any ordinary shares, subject to limited, customary exceptions. Following that lock-up period, we will be required to file with the SEC a registration statement to register Fortissimo's resale of the ordinary shares sold to it in the PIPE. In connection with the PIPE, our board of directors exempted any acquisitions of ordinary shares by Fortissimo pursuant to the PIPE and thereafter from the application of our Rights Plan (described below under "Extension of Limited-Duration Shareholder Rights Plan"). Fortissimo is, however, subject to certain standstill and voting restrictions, including (i) not being permitted to surpass 24.99% ownership of our issued and outstanding ordinary shares, and (ii) not being permitted to vote more than 20% of the outstanding ordinary shares, unless Fortissimo owns 35% or more of the outstanding ordinary shares, which ownership level it can only reach through a tender offer for at least 15% of the issued and outstanding ordinary shares. The closing of such a tender offer would require the approval of our shareholders

Upon the closing of the PIPE, we entered into a shareholder agreement with FF6-SSYS, Limited Partnership, pursuant to which our board of directors appointed Yuval Cohen, Fortissimo's initial designee, to serve on our board of directors, replacing Yoav Zeif, who remains our chief executive officer. Under the shareholder agreement, Fortissimo is also permitted to designate a non-voting observer who may attend all of our board meetings; Eliezer Blatt was so designated by Fortissimo and affirmed by our board to serve in that position. Under the shareholder agreement, to the extent Fortissimo's beneficial ownership equals at least 20% of the issued and outstanding ordinary shares, if Fortissimo requests, we are required to nominate for election by our shareholders a second Fortissimo designee as a voting member of our board of directors. The number of Fortissimo's board designees is subject to phase-out to the extent Fortissimo's holdings of the ordinary shares drops below certain thresholds.

The terms of the PIPE were described in a Report of Foreign Private Issuer on Form 6-K that we filed with the SEC on February 2, 2025, which is available at the following link: https://www.sec.gov/Archives/edgar/data/1517396/000162828025003575/ssysform6-kfebruary4th.htm.

Extension of Limited-Duration Shareholder Rights Plan

On December 19, 2024, our board of directors unanimously approved the extension of the expiration date of our limited-duration shareholder rights plan, or the Rights Plan, by an additional year, to December 19, 2025, which extension was effective immediately prior to the original expiration of the Rights Plan on December 19, 2024. This step was taken to preserve for all shareholders the long-term value of our company in the event of a takeover or acquisition of a controlling stake without the payment of a control premium for all Stratasys ordinary shares. The Rights Plan, if triggered, would significantly dilute the ownership of any Acquiring Person (as defined in the Rights Plan). The Rights Plan contains enhanced shareholder protections that are intended to limit the scope of the Rights Plan. The Rights Plan is designed to give all of our shareholders (other than an Acquiring Person) a way to voice their position directly to the board on certain types of offers— via an advisory shareholder vote as to whether the plan should apply to those offers— and, in other circumstances, exempts a qualifying offer from the rights under the plan altogether.

Business Performance in Macro-Economic Environment

Our current outlook, as well as our results of operations for the first quarter of 2025, should be evaluated in light of current global macroeconomic conditions, including certain challenging trends that have also impacted the additive manufacturing industry. Our revenues in the three-month period ended March 31, 2025 decreased by 5.6% relative to the corresponding three months ended March 31, 2024. This decrease in revenues was mostly due to macro-economic pressure on the capital expenditure budgets of our customers, which has been causing longer sales cycles for our systems and occasional deferral of orders of our systems.

We continue to closely monitor macroeconomic conditions, including the prospect of increased and/or reciprocal import tariffs that may be imposed by the U.S. and other countries, and the impact that will have on inflation, interest rates and economic activity on a global scale, and on the additive manufacturing industry and our company, in particular. Capital spending by our customers has been hampered in the last couple of years by relatively high interest rates and adverse credit conditions. That has lengthened our sales cycles and reduced our product revenues. We have been assessing, on an ongoing basis, the implications of potentially increased tariffs and other macroeconomic conditions for our operations, supply chain, liquidity, cash flow and customer orders, and have been acting in an effort to mitigate adverse consequences to the extent possible. If new tariffs are not, in the end, imposed at high levels and do not adversely impact macroeconomic conditions in a material way, and inflationary pressures further ease and credit conditions improve (including lower interest rates), we believe that our products revenues will once again improve, as a result of shorter sales cycles, which will, in turn, enable us to execute on our growth plans.

Specific developments that may potentially affect our operating performance in an adverse manner include:

- Israel's retaliatory war against Hamas, Hezbollah and other nearby terrorist organizations, and intermittent military conflict with Iran and the Houthi terrorist group in Yemen, which up to the present time have had a limited impact on our Israeli and global operations. Because one of our global headquarters and one of our manufacturing facilities are located in Israel, if the war widens into a more intense regional conflict and/or worsens Israeli or global economic conditions, that could have an adverse impact on our operations;
- the reluctance of central banks in Europe and the U.S. to reduce interest rates for fear of triggering upwards inflationary pressure, which would leave interest rates at relatively high levels

for a longer period of time, thereby leaving in place unfavorable credit/financing conditions for our customers;

- the impact that new or reciprocal import tariffs could have in significantly increasing the prices we pay for raw materials and adversely impacting demand for our products and services in industries and countries in which our affected customers operate; and
- potential contraction of economic activities and recessionary conditions that could arise as a result of a weaker labor market and a decrease in consumer demand.

We cannot provide any assurances as to the extent of our resilience to the adverse impact of these specific developments in future periods.

We ended the first quarter of 2025 with $150.1 million in cash, cash equivalents and short-term deposits. We also received an additional $120 million from the PIPE completed with Fortissimo during April 2025. We believe that we are well suited to continue to manage the current global macro-economic climate with a strong balance sheet and no debt, while focusing on cost controls and cash generation. We have continued to selectively apply certain cost controls, while ensuring that our new product introduction, or NPI, programs are well-funded, and we plan to continue investing as needed in order to support our new product development programs. Now that we have completed the PIPE, we may consider deploying our available capital towards potential value-enhancing, inorganic opportunities in the 3D printing industry.

Summary of Financial Results

Our unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America, or GAAP. In the opinion of our management, all adjustments considered necessary for a fair statement of the unaudited condensed consolidated financial statements have been included herein and are of a normal recurring nature. The following discussion compares the actual results, on a GAAP basis, for the three months ended, March 31, 2025 with the corresponding period in 2024.

Results of Operations

Comparison of Three Months Ended March 31, 2025 to Three Months Ended March 31, 2024

The following table sets forth certain statement of operations data for the periods indicated:

	Three Months Ended March 31,			
	2025		2024	
	U.S. $ in thousands	% of Revenues	U.S. $ in thousands	% of Revenues
Revenues	$ 136,046	100.0 %	$ 144,050	100.0 %
Cost of revenues	75,807	55.7 %	80,153	55.6 %
Gross profit	60,239	44.3 %	63,897	44.4 %
Research and development, net	18,792	13.8 %	23,977	16.6 %
Selling, general and administrative	53,851	39.6 %	64,373	44.7 %
Operating loss	(12,404)	(9.1) %	(24,453)	(17.0) %
Financial income, net	1,473	1.1 %	1,217	0.8 %
Loss before income taxes	(10,931)	(8.0) %	(23,236)	(16.1) %
Income tax expenses	455	0.3 %	716	0.5 %
Share in losses of associated companies	1,668	1.2 %	2,031	1.4 %
Net loss	$ (13,054)	(9.6) %	$ (25,983)	(18.0) %

Discussion of Results of Operations

Revenues

Our products and services revenues in the three months ended March 31, 2025 and 2024, as well as the percentage change reflected thereby, were as follows:

	Three Months Ended March 31,		
	2025	2024	% Change
	U.S. $ in thousands		
Products	$ 93,795	$ 99,196	(5.4) %
Services	42,251	44,854	(5.8) %
Total Revenues	$ 136,046	$ 144,050	(5.6) %

Products Revenues

Revenues derived from products (including systems and consumable materials) decreased by $5.4 million, or 5.4%, for the three months ended March 31, 2025, as compared to the three months ended March 31, 2024, mainly as a result of a decrease in systems revenues of $1.7 million, and a decrease in consumables revenues of $3.7 million, mainly attributable to longer sales cycles.

Revenues derived from systems decreased by $1.7 million, or 5.2%, for the three months ended March 31, 2025, as compared to the three months ended March 31, 2024. The decrease was mainly attributable to longer sales cycles.

Revenues derived from consumables decreased by $3.7 million, or 5.6%, for the three months ended March 31, 2025, as compared to the three months ended March 31, 2024. The decrease in consumables revenues was mainly attributable to longer sales cycles.

Services Revenues

Services revenues (including Stratasys Direct Manufacturing, or SDM, maintenance contracts, time and materials and other services) decreased by $2.6 million for the three months ended March 31, 2025, or 5.8%, as compared to the three months ended March 31, 2024, mainly attributable to a decrease in products revenues and lower Stratasys Direct Manufacturing, or SDM, revenues. Within services revenues, customer support revenue, which includes revenues generated mainly by maintenance contracts on our systems, decreased by 4.6%.

Revenues by Region

Revenues and the percentage of revenues by region for the three months ended March 31, 2025 and 2024, as well as the percentage change in revenues in each such region reflected thereby, were as follows:

	Three Months Ended March 31,				
	2025		2024		
	U.S. $ in thousands	% of Revenues	U.S. $ in thousands	% of Revenues	% Change
Americas*	$ 81,428	59.9 %	$ 86,808	60.3 %	(6.2) %
EMEA	36,695	27.0 %	38,473	26.7 %	(4.6) %
Asia Pacific	17,923	13.1 %	18,769	13.0 %	(4.5) %
	$ 136,046	100 %	$ 144,050	100 %	(5.6) %

*Consists of the United States, Canada and Latin America. The only single country in any region in which revenues exceeded 10% of our consolidated, aggregate revenues was the United States, in which revenues amounted to $76.8 million and $81.7 million in the three months ended March 31, 2025 and 2024, respectively.

Revenues in the Americas region decreased by $5.4 million, or 6.2%, to $81.4 million for the three months ended March 31, 2025, compared to $86.8 million for the three months ended March 31, 2024. The decrease was mainly attributable to longer sales cycles.

Revenues in the EMEA region decreased by $1.8 million, or 4.6%, to $36.7 million for the three months ended March 31, 2025, compared to $38.5 million for the three months ended March 31, 2024. The decrease was primarily attributable to a decrease in consumables revenues as a result of longer sales cycles in an amount of $2.1 million, partially offset by an increase in systems revenues of $0.3 million.

Revenues in the Asia Pacific region decreased by $0.8 million, or 4.5%, to $17.9 million for the three months ended March 31, 2025, compared to $18.8 million for the three months ended March 31, 2024. The decrease was mainly attributable to longer sales cycles.

Gross Profit

Gross profit from our products and services, as well as the percentage change reflected thereby, were as follows:

	Three Months Ended March 31,		
	2025	2024	% Change
Gross profit attributable to:	U.S. $ in thousands		
Products	$ 46,527	$ 49,439	(5.9) %
Services	13,712	14,458	(5.2) %
	$ 60,239	$ 63,897	(5.7) %

Gross profit as a percentage of revenues from our products and services was as follows:

	Three Months Ended March 31,	
Gross profit as a percentage of revenues from:	2025	2024
Products	49.6 %	49.8 %
Services	32.5 %	32.2 %
Total gross margin	44.3 %	44.4 %

Gross profit attributable to products revenues decreased by $2.9 million, or 5.9%, to $46.5 million for the three months ended March 31, 2025, compared to gross profit of $49.4 million for the three months ended March 31, 2024. Gross margin attributable to products revenues for the three months ended March 31, 2025 decreased to 49.6%, as compared to 49.8% for the three months ended March 31, 2024. The decrease in gross profit and gross margin were mainly attributable to the impact of the decrease in products revenues, partially offset by a decrease of $0.6 million in amortization expenses.

Gross profit attributable to services revenues decreased by $0.7 million, or 5.2%, to $13.7 million for the three months ended March 31, 2025, compared to $14.5 million for the three months ended March 31, 2024. Gross margin attributable to services revenues increased to 32.5% in the three months ended March 31, 2025, as compared to 32.2% for the three months ended March 31, 2024. The decrease in gross profit was mainly a result of the decrease in services revenues, partially offset by higher operational efficiency due to our restructuring initiative. The increase in our gross margin from services revenues was mainly a result of higher operational efficiency due to our restructuring initiative, partially offset by a decrease in services revenues.

Operating Expenses

The amount of each type of operating expense for the three months ended March 31, 2025 and 2024, as well as the percentage change reflected from period to period, and total operating expenses as a percentage of our total revenues in each such quarter, were as follows:

	Three Months Ended March 31,		
	2025	2024	% Change
	U.S. $ in thousands		
Research and development, net	$ 18,792	$ 23,977	(21.6)%
Selling, general and administrative	53,851	64,373	(16.3)%
	$ 72,643	$ 88,350	(17.8)%
Percentage of revenues	53.4 %	61.3 %	

Operating expenses were $72.6 million in the first quarter of 2025, compared to operating expenses of $88.4 million in the first quarter of 2024. The decrease in operating expenses was primarily driven by a decrease of $10.5 million in employee and other costs that were associated with the decrease in our headcount in connection with our restructuring initiative plan, $1.9 million lower costs related to prospective and potential mergers and acquisitions, and related professional fees, $1.9 million lower charges related to revaluation of an investment, and a $1.5 million decrease in amortization expenses.

Research and development expenses decreased by $5.2 million, or 21.6%, to $18.8 million for the three months ended March 31, 2025, compared to $24.0 million for the three months ended March 31, 2024. The amount of research and development expenses constituted 13.8% of our revenues for the three months ended March 31, 2025, as compared to 16.6% for the three months ended March 31, 2024. The decrease in research and development expenses was mainly attributable to a $4.6 million reduction in employee and other costs associated with a decrease in headcount as a result of our restructuring initiative.

We continue to invest in strategic long-term initiatives that include advancements in our core FDM and PolyJet technologies and in our new powder-based and photopolymer-based, SAF and P3 technologies, advanced composite materials, software and development of new applications that will enhance our current solutions offerings.

Selling, general and administrative expenses decreased by $10.5 million, or 16.3%, to $53.9 million for the three months ended March 31, 2025, compared to $64.4 million for the three months ended March 31, 2024. The absolute decrease in selling, general and administrative expenses, was mainly attributable to a $5.9 million reduction in employee and other costs associated with a decrease in headcount as a result of our restructuring initiative, $1.9 million lower costs related to prospective and potential mergers and acquisitions, and related professional fees, the absence, in the three months ended March 31, 2025, of the $1.9 million of charges related to revaluation of an investment that we recorded during the three months ended March 31, 2024, as well as $1.5 million lower amortization expenses in the three months ended March 31, 2025. The amount of selling, general and administrative expenses constituted 39.6% of our revenues for the three months ended March 31, 2025, as compared to 44.7% for the three months ended March 31, 2024.

Operating Loss

Operating loss and operating loss as a percentage of our total revenues were as follows:

	Three Months Ended March 31,	
	2025	2024
	U.S. $ in thousands	
Operating loss	$ (12,404)	$ (24,453)
Percentage of revenues	(9.1)%	(17.0)%

Operating loss amounted to $12.4 million for the three months ended March 31, 2025, compared to an operating loss of $24.5 million for the three months ended March 31, 2024. The absolute decrease in the operating loss of $12.0 million was primarily due to the $15.7 million decrease in operating expenses, partially offset by the $3.7 million decrease in gross profit. The decrease of operating loss as a percentage of revenues by 7.9%, was attributable to the decrease in operating expenses as a percentage of revenues, partially offset by a decrease in our gross margin, for the reasons described in the discussion of the above line items.

Financial Income, net

Financial income, net, which was primarily comprised of foreign currencies effects, interest income and interest expenses, was $1.5 million for the three months ended March 31, 2025, compared to financial income, net of $1.2 million for the three months ended March 31, 2024.

Income Tax Expenses

Income tax expenses, and income tax expenses as a percentage of loss before income taxes, were as follows for the three months ended March 31, 2025 and 2024:

	Three Months Ended March 31,	
	2025	2024
	U.S. $ in thousands	
Income tax expenses	$ 455	$ 716
As a percentage of loss before income taxes	(4.2)%	(3.1)%

We had an effective tax rate of 4.2% for the three months ended March 31, 2025, compared to an effective tax rate of 3.1% for the three months ended March 31, 2024. Our effective tax rate in the first quarter of 2025 was primarily impacted by the geographic mix of our earnings and losses, movements in our valuation allowance and changes in our uncertain tax positions.

Share in Losses of Associated Companies

Share in losses of associated companies reflects our proportionate share of the losses of unconsolidated entities accounted for by using the equity method of accounting. During the three months ended March 31, 2025, the net losses of our equity method investments was $1.7 million, compared to net losses of $2.0 million in the three months ended March 31, 2024.

Net Loss and Net Loss Per Share

Net loss and net loss per share were as follows:

	Three Months Ended March 31,	
	2025	2024
	U.S. $ in thousands, except per share amounts	
Net loss	$ (13,054)	$ (25,983)
As a percentage of revenues	(9.6)%	(18.0)%
Basic and diluted net loss per share	$ (0.18)	$ (0.37)

Net loss was $13.1 million for the three months ended March 31, 2025 compared to net loss of $26.0 million for the three months ended March 31, 2024. The absolute decrease in net loss as well as the decrease in our net loss as a percentage of revenues, were mainly attributable to the decrease in our operating loss of $12.0 million.

Net loss per share was $0.18 for the three months ended March 31, 2025 as compared to net loss per share of $0.37 for the three months ended March 31, 2024. The weighted average, basic and diluted number of shares outstanding was 72.0 million during the three months ended March 31, 2025, compared to 70.0 million during the three months ended March 31, 2024.

Supplemental Operating Results on a Non-GAAP Basis

The following non-GAAP data, 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 and divestments related expense or gains and restructuring-related charges or gains, 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.

The items eliminated in our 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 our 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 relative to other companies in our industry. Investors and other readers should consider non-GAAP measures only as supplements to, and 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 the tables below.

Reconciliation of GAAP to Non-GAAP Results of Operations

The following tables present our financial results in accordance with generally accepted accounting principles in the U.S., or GAAP, our corresponding non-GAAP financial results, and the non-GAAP adjustments whereby we derived the non-GAAP results from the GAAP results for the applicable periods:

		Three Months Ended March 31,					
		2025 GAAP	Non-GAAP Adjustments	2025 Non-GAAP	2024 GAAP	Non-GAAP Adjustments	2024 Non-GAAP
		U.S. dollars and shares in thousands (except per share amounts)					
	Gross profit (1)	$ 60,239	$ 5,410	$ 65,649	$ 63,897	$ 6,139	$ 70,036
	Operating income (loss) (1,2)	(12,404)	15,450	3,046	(24,453)	23,254	(1,199)
	Net income (loss) (1,2,3)	(13,054)	15,932	2,878	(25,983)	24,299	(1,684)
	Net income (loss) per diluted share (4)	$ (0.18)	$ 0.22	$ 0.04	$ (0.37)	$ 0.35	$ (0.02)
(1)	Acquired intangible assets amortization expense		4,488			5,084	
	Non-cash stock-based compensation expense		708			952	
	Restructuring and other related costs		214			103	
			5,410			6,139	
(2)	Acquired intangible assets amortization expense		940			2,459	
	Non-cash stock-based compensation expense		5,505			7,697	
	Restructuring and other related costs		1,132			920	
	Revaluation of investment		—			1,900	
	Contingent consideration		645			511	
	Legal and other expenses		1,818			3,628	
			10,040			17,115	
			15,450			23,254	
(3)	Corresponding tax effect		84			234	
	Equity method related expenses		841			964	
	Finance income		(443)			(153)	
			$ 15,932			$ 24,299	
(4)	Weighted average number of ordinary shares outstanding- Diluted	71,967		72,625	69,993		69,993

Reconciliation of GAAP net loss to Adjusted EBITDA

	Three Months Ended March 31,	
	2025	2024
	(U.S. $ in thousands)	
Net loss	$ (13,054)	$ (25,983)
Financial income, net	(1,473)	(1,217)
Income tax expenses	455	716
Share in losses of associated companies	1,668	2,031
Depreciation expense	5,124	5,305
Amortization expense	5,428	7,543
Non-cash stock-based compensation expense	6,213	8,649
Revaluation of investment	—	1,900
Contingent consideration	645	511
Legal and other expenses	1,818	3,628
Restructuring and other related costs	1,346	1,023
Adjusted EBITDA	$ 8,170	$ 4,106

Liquidity and Capital Resources

A summary of our statements of cash flows is as follows:

	Three months ended March 31,	
	2025	2024
	(U.S. $ in thousands)	
Net loss	$ (13,054)	$ (25,983)
Depreciation and amortization	10,771	12,266
Stock-based compensation	6,213	8,649
Foreign currency transaction (gain) loss	(2,288)	2,054
Other non-cash items, net	2,498	4,782
Change in working capital and other items	402	5,572
Net cash provided by operating activities	4,542	7,340
Net cash provided by (used in) investing activities	(4,088)	1,900
Net cash provided by financing activities	200	184
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(841)	(925)
Net change in cash, cash equivalents and restricted cash	(187)	8,499
Cash, cash equivalents and restricted cash, beginning of period	71,076	82,864
Cash, cash equivalents and restricted cash, end of period	$ 70,889	$ 91,363

Our cash, cash equivalents and restricted cash balance decreased to $70.9 million as of March 31, 2025 from $71.1 million as of December 31, 2024. The decrease in cash, cash equivalents and restricted cash in the three months ended March 31, 2025 was primarily due to our use of $4.1 million of cash in investing activities, as well as a reduction of $0.8 million of cash due to the effect of exchange rate changes on cash, cash equivalents and restricted cash, partially offset by $4.5 million of cash provided by operating activities and $0.2 million of cash provided by financing activities.

Cash flows from operating activities

We generated $4.5 million of cash from operating activities during the three months ended March 31, 2025. Cash provided by operating activities reflects our net loss of $13.1 million, as adjusted to eliminate non-cash line items that increased our net loss, including depreciation and amortization in an aggregate amount of $10.8 million and $6.2 million of share-based compensation, as well as positive adjustments related to our working capital in an aggregate amount of $0.4 million and other non-cash items in an aggregate amount of $2.5 million, partially offset by the elimination of non-cash foreign currency transactions gains of $2.3 million that reduced our net loss. The $0.4 million of positive adjustments to net cash provided by our operating activities due to working capital was mainly driven by a decrease of $9.9 million in inventories, partially offset by a decrease of $9.3 million in accounts payable.

Cash flows from investing activities

We used $4.1 million of cash in our investing activities during the three months ended March 31, 2025. The cash used in investing activities during this three-month period was mainly attributable to cash used for purchases of property and equipment and intangible assets, in an aggregate amount of $4.2 million, as well as cash used for investments in unconsolidated entities, in an amount of $0.3 million.

Cash flows from financing activities

Financing activities provided $0.2 million of cash during the three months ended March 31, 2025. The sources of financing-related cash were mostly related to other financing activities.

Capital resources and capital expenditures

Our total current assets amounted to $507.6 million as of March 31, 2025, of which $150.9 million consisted of cash, cash equivalents, short-term deposits and restricted cash. Total current liabilities amounted to $168.1 million. Most of our cash and cash equivalents and short-term deposits are held in banks in Israel and the U.S.

The credit risk related to our accounts receivable is limited, due to the relatively large number of customers and their wide geographic distribution. In addition, we seek to reduce the credit exposure related to our accounts receivable by imposing credit limits, conducting ongoing credit evaluation, and by implementing account monitoring procedures, as well as credit insurance for many of our customers.

We believe that we will have adequate cash and cash equivalents to fund our ongoing operations and that these sources of liquidity will be sufficient to satisfy our capital expenditure and working capital needs for the next twelve months.

Critical Accounting Estimates

We have prepared our consolidated financial statements and related disclosures in conformity with GAAP. This has required us to make estimates, judgments and assumptions that affect the amounts we report. Actual results may differ from those estimates. To better understand our business activities and those accounting policies that are important to the presentation of our financial condition and results of operations and that require management's subjective judgements, please see our 2024 Annual Report. We base our judgements on our experience and various assumptions that we believe to be reasonable under the circumstances.

Forward-Looking Statements and Factors That May Affect Future Results of Operations

Certain information included in or incorporated by reference into the Report of Foreign Private Issuer on Form 6-K to which this Operating and Financial Review and Prospects is appended, or the Form 6-K, may be deemed to be “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements are those that predict or describe future events or trends and that do not relate solely to historical matters. You can generally identify forward-looking statements as statements containing the words “may,” “will,” “could,” “should,” “expect,” “anticipate,” “intend,” “estimate,” “believe,” “project,” “plan,” “assume” or other similar expressions, or negatives of those expressions, although not all forward-looking statements contain these identifying words.

These forward-looking statements may include, but are not limited to, statements relating to our objectives, plans and strategies, statements that contain projections of results of operations or of financial condition and all statements (other than statements of historical facts) that address activities, events or developments that we intend, expect, project, believe or anticipate will or may occur in the future.

You should not place undue reliance on our forward-looking statements because the matters they describe are subject to certain risks, uncertainties and assumptions that are difficult to predict. Our forward-looking statements are based on the information currently available to us and speak only as of the date of the Form 6-K. Over time, our actual results, performance or achievements may differ from those expressed or implied by our forward-looking statements, and such difference might be significant and materially adverse to our shareholders. We undertake no obligation to update publicly any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

Forward-looking statements are not guarantees of future performance and are subject to risks and uncertainties. We have based these forward-looking statements on assumptions and assessments made by our 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 extent of our success at introducing new or improved products and solutions that gain market share;
- the extent of growth of the 3D printing market generally;
- the global macro-economic environment, including uncertainty caused by potential new and reciprocal tariffs that may be imposed by the United States and other countries, and the impact of those tariffs on inflation, interest rates, economic growth and, potentially, currency exchange rates;
- changes in our overall strategy, including as related to restructuring activities that we have implemented to streamline operations and enhance our go-to-market strategy;
- the impact of shifts in prices or margins of the products that we sell or services we provide, including due to a shift towards lower margin products or services;
- the impact of competition and new technologies, and developments involving competitors in our industry, which could impact potential merger and acquisition activity involving us and other companies in our industry;

- impairments of goodwill or other intangible assets in respect of companies that we acquire;
- the extent of our success at efficiently and successfully integrating the operations of various companies that we have acquired or may acquire;
- the degree of our success at locating and acquiring additional value-enhancing, inorganic technology that furthers our business plan to lead in the realm of polymers;
- the potential adverse impact that recent global interruptions and delays involving freight carriers and other third parties may have on our supply chain and distribution network, and, consequently, our ability to successfully sell both our existing and newly-launched 3D printing products;
- global market, political and economic conditions, and in the countries in which we operate in particular;
- the degree to which our company's operations remain resistant to potential adverse effects of Israel's war against the terrorist organizations Hamas and Hezbollah, and, intermittently, Iran and the Houthis in Yemen;
- government regulations and approvals;
- litigation and regulatory proceedings;
- infringement of our intellectual property rights by others (including for replication and sale of consumables for use in our systems), or infringement of others' intellectual property rights by us;
- potential cyber attacks against, or other breaches to, our information technologies systems;
- the extent of our success at maintaining our liquidity and financing our operations and capital needs;
- impact of tax regulations on our results of operations and financial conditions; and
- those factors referred to in Item 3.D, "Key Information - Risk Factors", Item 4, "Information on the Company", and Item 5, "Operating and Financial Review and Prospects" in our 2024 Annual Report, as supplemented herein, as well as in other portions of the 2024 Annual Report.

Readers are urged to carefully review and consider the various disclosures made throughout the Form 6-K, our 2024 Annual Report, and in our other reports that we file with or furnish 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.

QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

Reference is made to Item 11, “Quantitative and Qualitative Disclosures About Market Risk” in our 2024 Annual Report.

LEGAL PROCEEDINGS

We are subject to various litigation and other legal proceedings from time to time. For a discussion of our litigation status, se e Note 12 -“Contingencies” in the notes to our unaudited condensed consolidated interim financial statements attached as Exhibit 99.1 to the Form 6-K.

RISK FACTORS

As of the current time, we do not have any updates to the risk factors contained in the 2024 Annual Report. Please see “Item 3. Key Information— D. Risk Factors” in our 2024 Annual Report.