**UNITED STATES DISTRICT COURT**
**DISTRICT OF NEW JERSEY**

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| IN RE KORNIT DIGITAL LTD. SECURITIES LITIGATION | Master File No. 2:23-cv-00888-MCA-AME<br><br>CLASS ACTION |

# NOTICE OF (I) PENDENCY OF CLASS ACTION AND PROPOSED SETTLEMENT; (II) SETTLEMENT HEARING; AND (III) MOTION FOR ATTORNEYS' FEES AND LITIGATION EXPENSES

***A Federal Court authorized this Notice. This is not a solicitation from a lawyer.***

**NOTICE OF PENDENCY OF CLASS ACTION:** Please be advised that your rights may be affected by the above-captioned securities class action (the "Action") pending in the United States District Court for the District of New Jersey (the "Court"), if you purchased or otherwise acquired the ordinary shares of Kornit Digital Ltd. ("Kornit" or the "Company") (i) during the period from February 17, 2021 through July 5, 2022, inclusive (the "Class Period"); and/or (ii) pursuant and/or traceable to Kornit's secondary offering of ordinary shares in November 2021.[1]

**NOTICE OF SETTLEMENT:** Please also be advised that the Court-appointed Lead Plaintiffs Genesee County Employees' Retirement System, Kranot Hishtalmut Le Morim Tichoniim Havera Menahelet LTD, Kranot Hishtalmut Le Morim Ve Gananot Havera Menahelet LTD, and Hachshara Insurance Company Ltd. ("Lead Plaintiffs"), on behalf of themselves and the Settlement Class (as defined in ¶ 25 below), have reached a proposed settlement of the Action for **$19,500,000** in cash that, if approved, will resolve all claims in the Action (the "Settlement").

**PLEASE READ THIS NOTICE CAREFULLY. This Notice explains important rights you may have, including the possible receipt of cash from the Settlement. If you are a member of the Settlement Class, your legal rights will be affected whether or not you act.**

**If you have any questions about this Notice, the proposed Settlement, or your eligibility to participate in the Settlement, please DO NOT contact the Court, the Office of the Clerk of the Court, Kornit, any other Defendants in the Action, or their counsel. All questions should be directed to Lead Counsel or the Claims Administrator (*see* ¶ 76 below).**

1. **Description of the Action and the Settlement Class:** This Notice relates to a proposed Settlement of claims in a pending securities class action brought by investors alleging that Kornit and certain of its executives during the relevant time period—Chief Executive Officer, Ronen Samuel, and Chief Financial Officer, Alon Rozner (together, the "Individual Defendants")—violated the federal securities laws by making false and misleading statements during the Class Period concerning Kornit's business. A more detailed description of the Action is set forth in paragraphs 10-24 below. If the Court approves the proposed

[1] All capitalized terms used in this Notice that are not otherwise defined herein shall have the meanings ascribed to them in the Stipulation and Agreement of Settlement dated July 2, 2026 (the "Stipulation"), which is available at www.KornitSecuritiesLitigation.com.

Settlement, the Action will be dismissed and members of the Settlement Class (defined in paragraph 25 below) will settle and release all Released Plaintiffs' Claims (defined in paragraph 39 below).

2. **Statement of the Settlement Class's Recovery:** Subject to Court approval, Lead Plaintiffs, on behalf of themselves and the Settlement Class, have agreed to settle the Action in exchange for a settlement payment of $19,500,000 in cash (the "Settlement Amount") to be deposited into an escrow account. The Net Settlement Fund (*i.e.*, the Settlement Amount plus any and all interest earned thereon (the "Settlement Fund") less (a) any Taxes, (b) any Notice and Administration Costs, (c) any Litigation Expenses awarded by the Court, (d) any attorneys' fees awarded by the Court, and (e) any other costs or fees approved by the Court) will be distributed in accordance with a plan of allocation that is approved by the Court, which will determine how the Net Settlement Fund shall be allocated among members of the Settlement Class. The proposed plan of allocation (the "Plan of Allocation") is attached hereto as Appendix A.

3. **Estimate of Average Amount of Recovery Per Share:** Based on Lead Plaintiffs' damages expert's estimate of the number of Kornit ordinary shares purchased during the Class Period that may have been affected by the misstatements alleged in the Action and assuming that all Settlement Class Members elect to participate in the Settlement, the estimated average recovery (before the deduction of any Court-approved fees, expenses and costs as described herein) is $0.53 per eligible share. Settlement Class Members should note, however, that the foregoing average recovery per share is only an estimate. Some Settlement Class Members may recover more or less than this estimated amount depending on, among other factors, when and at what prices they purchased or sold their Kornit ordinary shares, and the total number and value of valid Claims submitted. Distributions to Settlement Class Members will be made based on the Plan of Allocation set forth in Appendix A or such other plan of allocation as may be ordered by the Court.

4. **Average Amount of Damages Per Share:** The Parties do not agree on the average amount of damages per share that would be recoverable if Lead Plaintiffs were to prevail in the Action. Among other things, Defendants expressly deny that Lead Plaintiffs have asserted any valid claims as to any of them, and expressly deny any and all allegations of fault, liability, wrongdoing, or damages whatsoever.

5. **Attorneys' Fees and Expenses Sought:** Plaintiffs' Counsel, which have been prosecuting the Action on a wholly contingent basis, have not received any payment of attorneys' fees for their representation of the Settlement Class and have advanced the funds to pay expenses necessarily incurred to prosecute this Action. Court-appointed Lead Counsel, Bernstein Litowitz Berger & Grossmann LLP, will apply to the Court for an award of attorneys' fees for all Plaintiffs' Counsel in an amount not to exceed 22% of the Settlement Fund.[2] In addition, Lead Counsel will apply for payment of Litigation Expenses incurred in connection with the institution, prosecution, and resolution of the Action, in an amount not to exceed $350,000, which may include an application for reimbursement of the reasonable costs and expenses incurred by Lead Plaintiffs directly related to their representation of the Settlement Class, pursuant to the Private Securities Litigation Reform Act of 1995 ("PSLRA"). Any fees and expenses awarded by the Court will be paid from the Settlement Fund. Settlement Class Members are not personally liable for any such fees or expenses. The estimated average cost per affected Kornit ordinary share, if the Court approves Lead Counsel's fee and expense application, is $0.13 per share.

6. **Identification of Attorneys' Representatives:** Lead Plaintiffs and the Settlement Class are represented by James A. Harrod of Bernstein Litowitz Berger & Grossmann LLP, 1251 Avenue of the Americas, 44th Floor, New York, NY 10020, (800) 380-8496, settlements@blbglaw.com.

[2] Plaintiffs' Counsel means Lead Counsel; Carella, Byrne, Cecchi, Olstein, Brody & Agnello, P.C.; and VMT Law P.C.

7. **Reasons for the Settlement:** Lead Plaintiffs' principal reason for entering into the Settlement is the substantial immediate cash benefit for the Settlement Class without the risk or the delays inherent in further litigation. Moreover, the substantial cash benefit provided under the Settlement must be considered against the significant risk that a smaller recovery—or indeed no recovery at all—might be achieved after further contested motions, a trial of the Action and the likely appeals that would follow a trial. This process could be expected to last several years. Defendants, who, as stated above, deny all allegations of wrongdoing or liability whatsoever, are entering into the Settlement solely to eliminate the uncertainty, burden, and expense of further protracted litigation.

| YOUR LEGAL RIGHTS AND OPTIONS IN THE SETTLEMENT: | |
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| **SUBMIT A CLAIM FORM *POSTMARKED OR SUBMITTED ONLINE* NO LATER THAN DECEMBER 10, 2026.** | This is the only way to be eligible to receive a payment from the Settlement Fund. If you are a Settlement Class Member and you remain in the Settlement Class, you will be bound by the Settlement as approved by the Court and you will give up any Released Plaintiffs' Claims (defined in ¶ 39 below) that you have against Defendants and the other Released Defendants' Parties (defined in ¶ 40 below), so it is in your interest to submit a Claim Form. |
| **EXCLUDE YOURSELF FROM THE SETTLEMENT CLASS BY SUBMITTING A WRITTEN REQUEST FOR EXCLUSION SO THAT IT IS *RECEIVED* NO LATER THAN OCTOBER 28, 2026.** | If you exclude yourself from the Settlement Class, you will not be eligible to receive any payment from the Settlement Fund. This is the only option that allows you ever to be part of any other lawsuit against any of the Defendants or the other Released Defendants' Parties concerning the Released Plaintiffs' Claims. Please note, if you decide to exclude yourself from the Settlement Class, you may be time barred from asserting the claims covered by the Action by a statute of limitations or statute of repose. |
| **OBJECT TO THE SETTLEMENT BY SUBMITTING A WRITTEN OBJECTION SO THAT IT IS *RECEIVED* NO LATER THAN OCTOBER 28, 2026.** | If you do not like the proposed Settlement, the proposed Plan of Allocation, or the request for attorneys' fees and Litigation Expenses, you may write to the Court and explain why you do not like them. You cannot object to the Settlement, the Plan of Allocation, or the fee and expense request unless you are a Settlement Class Member and do not exclude yourself from the Settlement Class. |
| **ATTEND A HEARING ON NOVEMBER 18, 2026 AT 3:00 P.M. EASTERN TIME, AND FILE A NOTICE OF INTENTION TO APPEAR SO THAT IT IS *RECEIVED* NO LATER THAN OCTOBER 28, 2026.** | Filing a written objection and notice of intention to appear by October 28, 2026 allows you to speak in Court, at the discretion of the Court, about the fairness of the proposed Settlement, the Plan of Allocation, and/or the request for attorneys' fees and Litigation Expenses. If you submit a written objection, you may (but you do not have to) attend the hearing and, at the discretion of the Court, speak to the Court about your objection. |

| YOUR LEGAL RIGHTS AND OPTIONS IN THE SETTLEMENT: | |
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| **DO NOTHING.** | If you are a member of the Settlement Class and you do not submit a valid Claim Form, you will not be eligible to receive any payment from the Settlement Fund. You will, however, remain a member of the Settlement Class, which means that you give up your right to sue about the claims that are resolved by the Settlement and you will be bound by any judgments or orders entered by the Court in the Action. |

**These rights and options—and the deadlines to exercise them—are further explained in this Notice. Please Note: the date and time of the Settlement Hearing—currently scheduled for November 18, 2026 at 3:00 p.m. Eastern time—is subject to change without further notice to the Settlement Class. If you plan to attend the hearing, you should check the Settlement website, www.KornitSecuritiesLitigation.com, or with Lead Counsel as set forth above to confirm that no change to the date and/or time of the hearing has been made.**

## WHAT THIS NOTICE CONTAINS



## WHY DID I GET THIS NOTICE?

8. The purpose of this Notice is to inform potential Settlement Class Members of the existence of this case, that it is a class action, how you (as a Settlement Class Member) might be affected, and how to exclude yourself from the Settlement Class if you wish to do so. This Notice is also intended to inform you of the terms of the proposed Settlement, and of a hearing to be held by the Court to consider the fairness, reasonableness, and adequacy of the Settlement, the proposed Plan of Allocation, and the motion by Lead Counsel for attorneys' fees and Litigation Expenses (the "Settlement Hearing"). *See* ¶¶ 64-65 below for details about the Settlement Hearing, including the date and location of the hearing.

9. The issuance of this Notice is not an expression of any opinion by the Court concerning the merits of any claim in the Action, and the Court still has to decide whether to approve the Settlement. If the Court approves the Settlement and a plan of allocation, then payments to Authorized Claimants will be made after any appeals are resolved and after the completion of all claims processing. Please be patient, as this process can take some time to complete.

## WHAT IS THIS CASE ABOUT?

10. Kornit is an Israel-based company that manufactures and sells commercial textile printers and the ink and supplies needed to use them. Kornit ordinary shares were listed on and have traded on the NASDAQ under the ticker symbol "KRNT" at all times relevant to this Action. This Action involves allegations that, during the Class Period (from February 17, 2021 through July 5, 2022, inclusive), Kornit and the Individual Defendants made material misrepresentations and omissions related to Kornit's business and operations. Lead Plaintiffs allege that these alleged misrepresentations and omissions caused the price of Kornit ordinary shares to be inflated during the Class Period, and that the price declined when the truth was disclosed through disclosures on May 11, 2022 and July 5, 2022.

11. On February 15, 2023, an initial class action complaint was filed in the Court alleging violations of the Securities Exchange Act of 1934 (the "Exchange Act") and SEC Rule 10b-5.

12. On August 30, 2023, the Court appointed Lead Plaintiffs as Lead Plaintiffs, approved Lead Plaintiffs' selection of Bernstein Litowitz Berger & Grossmann LLP as Lead Counsel for the class, and captioned the action *In re Kornit Digital Ltd. Securities Litigation.*

13. On October 27, 2023, Lead Plaintiffs filed the Consolidated Class Action Complaint. Among other things, the Consolidated Class Action Complaint alleged false and misleading statements related to Kornit's business and operations. The Consolidated Class Action Complaint asserted claims under Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and SEC Rule 10b-5, 17 C.F.R. § 240.10b-5, promulgated thereunder, against all Defendants; claims under Section 20(a) of the Exchange Act, 15 U.S.C. § 78t(a), against the Individual Defendants; and claims under Sections 11, 12(a)(2), and 15 of the Securities Act of 1933, 15 U.S.C. §§ 77k, 77l, and 77o, against the Company, the Former Underwriter Defendants, and the Individual Defendants.

14. On December 21, 2023, Defendants filed a motion to dismiss the Consolidated Class Action Complaint. Following an oral argument, on August 15, 2024, the Court entered an Order granting without prejudice the motion to dismiss.

15. On November 8, 2024, Lead Plaintiffs filed the Amended Consolidated Class Action Complaint (the "Complaint"). Among other things, the Complaint alleged false and misleading statements related to Kornit's business and operations. The Complaint asserted claims under Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and SEC Rule 10b-5, 17 C.F.R. § 240.10b-5, promulgated thereunder, against all Defendants; claims under Section 20(a) of the Exchange Act, 15 U.S.C. § 78t(a), against the Individual Defendants; and claims under Sections 11, 12(a)(2), and 15 of the Securities Act of 1933, 15 U.S.C. §§ 77k, 77l, and 77o, against the Company, the Former Underwriter Defendants, and the Individual Defendants.

16. On January 24, 2025, Defendants filed a motion to dismiss the Complaint. Following oral argument, on September 4, 2025, the Court entered an Order granting in part and denying in part the motion to dismiss.

17. Following the denial of Defendants' motion to dismiss, the Parties submitted a proposed scheduling order to the Court and began discovery, including the exchange of requests for the production

of documents. On December 30, 2025, the Court entered the Parties' proposed schedule in a Pretrial Scheduling Order.

18. On December 4, 2025, Defendants filed an Answer to the Complaint and filed a motion for judgment on the pleadings, which was fully briefed and was still pending at the time the settlement was reached.

19. On March 6, 2026, the Parties filed a letter to the Court informing the Court of the Parties' agreement to conduct a private mediation before Jed D. Melnick of JAMS. On March 11, 2026, the Court granted the Parties' request to stay discovery pending the outcome of their private mediation.

20. The Parties engaged in pre-mediation document discovery, with Defendants making a production of documents directed at key liability issues in the case. Thereafter, the Parties exchanged mediation briefs and participated in an in-person mediation before Mr. Melnick on April 7, 2026. The case did not settle at that session but the parties continued to negotiate through Mr. Melnick.

21. On April 14, 2026, the Parties filed a letter to the Court, regarding a continued stay of discovery pending the outcome of ongoing settlement negotiations. On April 20, 2026, the Court granted the Parties' request.

22. Following the mediation session, Mr. Melnick made a recommendation that the Action be settled for $19.5 million, which the Parties accepted on April 28, 2026. The terms of the Parties' agreement to settle were memorialized in a Confidential Term Sheet executed on May 11, 2026.

23. On July 2, 2026, the Parties entered into a Stipulation and Agreement of Settlement (the "Stipulation"), which sets forth the terms and conditions of the Settlement. The Stipulation can be viewed at www.KornitSecuritiesLitigation.com.

24. On July 21, 2026, the Court preliminarily approved the Settlement, authorized that notice of the Settlement be disseminated to potential Settlement Class Members, and scheduled the Settlement Hearing to consider whether to grant final approval to the Settlement.

## HOW DO I KNOW IF I AM AFFECTED BY THE SETTLEMENT? WHO IS INCLUDED IN THE SETTLEMENT CLASS?

25. If you are a member of the Settlement Class, you are subject to the Settlement, unless you timely request to be excluded. The Settlement Class consists of:

> all persons and entities who purchased or otherwise acquired ordinary shares of Kornit (i) during the period from February 17, 2021 through July 5, 2022, inclusive (the "Class Period"); and/or (ii) pursuant and/or traceable to Kornit's secondary offering of ordinary shares in November 2021

Excluded from the Settlement Class are (a) Defendants; (b) the Immediate Family Members of the Individual Defendants; (c) the Former Underwriter Defendants;[3] (d) the subsidiaries and affiliates of Kornit and the Former Underwriter Defendants; (e) any person who is an officer, director or controlling person of Kornit; (f) any entity in which any Defendant or Former Underwriter Defendant has a controlling interest; (g) Defendants' directors' and officers' liability insurance carriers, and any affiliates or subsidiaries thereof; (h) the Former Amazon Defendants;[4] and (i) the legal representatives, heirs,

[3] The "Former Underwriter Defendants" are Citigroup Global Markets Inc., Barclays Capital Inc., Goldman Sachs & Co. LLC, and Morgan Stanley & Co. LLC.

[4] The "Former Amazon Defendants" are Amazon.com NV Investment Holdings LLC and Amazon.com, Inc.

successors or assigns of any such excluded party. Notwithstanding the foregoing, any investment company or business entity, or pooled investment fund, including but not limited to, mutual fund families, exchange traded funds, fund of funds, and hedge funds, in which the Former Underwriter Defendants, or any of them, have, has or may have a direct or indirect interest, or as to which their respective affiliates may act as an investment advisor, but in which any Former Underwriter Defendant alone or together with its respective affiliates, is not a majority owner or does not hold a majority beneficial interest, shall not be excluded from the Settlement Class.

26. Also excluded from the Settlement Class are any persons or entities who or which exclude themselves by submitting a request for exclusion that is accepted by the Court in accordance with the requirements set forth in this Notice. *See* "What If I Do Not Want To Be A Member Of The Settlement Class? How Do I Exclude Myself?," on page 13 below.

**Please Note: Receipt of this Notice or the mailed Postcard Notice does not mean that you are a Settlement Class Member or that you will be entitled to receive proceeds from the Settlement.**

**If you are a Settlement Class Member and you wish to be eligible to participate in the distribution of proceeds from the Settlement, you are required to submit a Claim Form and the required supporting documentation as set forth therein postmarked (or submitted online) no later than December 10, 2026.**

## WHAT ARE LEAD PLAINTIFFS' REASONS FOR THE SETTLEMENT?

27. Lead Plaintiffs and Lead Counsel believe that the claims asserted against Defendants have merit. They recognize, however, the significant expense and length of the continued proceedings that would be necessary to pursue their claims against Defendants through the completion of discovery, certification of the class, summary judgment, trial, and appeals, as well as the substantial risks they would face in establishing liability and damages and in recovering a substantial judgment against Defendants. The Court's decision on Defendants' motion to dismiss the Complaint significantly narrowed the scope of Lead Plaintiffs' and the Settlement Class's claims—while allowing the case to proceed on five statements, it dismissed more than 90% of the alleged misstatements and all of the Securities Act claims. Additionally, the Court specifically noted during the motion to dismiss hearing that certain of the sustained statements were a "close call." That decision limited Lead Plaintiffs' liability claims and affected the scope of the damages and loss causation arguments that could be asserted on behalf of the Settlement Class. Notwithstanding the limitations on the scope of the Complaint that the Court sustained, Defendants have argued, and would continue to argue concerning the remaining claims, that they did not violate the federal securities laws. Among other things, Defendants have argued, and would continue to argue, that (1) they did not make any false or misleading statements, (2) they did not act with "scienter," or fraudulent intent, and (3) Lead Plaintiffs could not prove damages or loss causation with respect to any alleged false or misleading statements.

28. For example, Defendants would continue to assert that even as to the sustained claims they made no false or misleading statements regarding the length and mandatory nature of Kornit's service contracts, the health of Kornit's business, the revenue "pull-forward," and demand for Kornit's products. As to the service contract statement, Defendants had argued, and would continue to argue, that Kornit's service contracts contained automatic renewal provisions that rendered them "multiple year" agreements in practice, that Kornit maintained a high "attach rate," and that the Company's SEC filings disclosed the terms of those contracts such that no reasonable investor could have been misled. As to Defendant Samuel's positive statement about the health of Kornit's business, Defendants argued, and would continue to argue, that the statement constituted corporate puffery and that the decline in demand for Kornit's

products did not emerge until after the statement was made. As to the "pull-forward" statement, Defendants argued, and would continue to argue, that the pull-forward did not violate accounting rules and that Defendant Rozner answered the analyst's question accurately from an accounting perspective. Indeed, these risks were highlighted by the fact that the Court's motion to dismiss order significantly narrowed the case.

29. Defendants also would continue to argue that they did not act with fraudulent intent, and that there was no scheme in place to defraud investors. Defendants would continue to assert, among other things, that the challenged statements reflected the honestly held beliefs and expectations of Defendants about Kornit's business and operations at the time they made those statements. For example, as to the statement regarding the health of Kornit's business in February 2022, Defendants would continue to assert that Mr. Samuel subjectively believed that Kornit's business was in a better position than ever, that he had a good-faith basis for his opinion, and that he did not know of the Company's declining performance until after making the statement.

30. Lead Plaintiffs also faced risks with respect to proving loss causation and damages. Defendants filed a motion for judgment on the pleadings, which was pending at the time the Parties reached a settlement, arguing that the Court should dismiss the February 2021 service contract statement on loss-causation grounds because none of the alleged corrective disclosures mentioned Kornit's service contracts or revealed any inaccuracy in that statement. If granted, that motion would have reduced the alleged Class Period by nearly a year (such that it would begin in February 2022) and reduced recoverable damages significantly. Additionally, Defendants challenged whether the two alleged corrective disclosures were sufficiently connected to the remaining alleged false and misleading statements, such that those statements could be considered the cause of any damages to the Class. Moreover, Defendants were expected to vigorously dispute what portion (if any) of Kornit's stock price declines following each of the alleged corrective disclosures was attributable to the sustained alleged misstatements—as opposed to other factors affecting Kornit's business.

31. Finally, Lead Plaintiffs faced a possibility that any available recovery would be reduced, including because Defendants' remaining available insurance was being consumed by the ongoing litigation. The proposed Settlement avoids these risks and, if approved, will provide a prompt and certain benefit to the Settlement Class.

32. In light of these and other risks, the amount of the Settlement, and the immediacy of recovery to the Settlement Class, Lead Plaintiffs and Lead Counsel believe that the proposed Settlement is fair, reasonable, and adequate, and in the best interests of the Settlement Class. The Settlement provides a substantial benefit to the Settlement Class, namely $19,500,000 in cash (less the various deductions described in this Notice), as compared to the risk that the claims in the Action would produce a smaller recovery, or no recovery at all, after further proceedings on Lead Plaintiffs' motion for class certification and likely summary judgment motions, trial, and appeals, possibly years in the future.

33. Defendants have denied the claims asserted against them in the Action and deny that the Settlement Class was harmed or suffered any damages as a result of the conduct alleged in the Action. Defendants have agreed to the Settlement solely to eliminate the burden and expense of continued litigation. Accordingly, the Settlement may not be construed as an admission of any wrongdoing by Defendants.

## WHAT MIGHT HAPPEN IF THERE WERE NO SETTLEMENT?

34. If there were no Settlement and Lead Plaintiffs failed to establish any essential legal or factual element of their claims against Defendants, neither Lead Plaintiffs nor the other members of the Settlement Class would recover anything from Defendants. Also, if Defendants were successful in proving any of

their defenses, either at summary judgment, at trial, or on appeal, the Settlement Class could recover less than the amount provided in the Settlement, or nothing at all.

## HOW ARE SETTLEMENT CLASS MEMBERS AFFECTED BY THE ACTION AND THE SETTLEMENT?

35. As a Settlement Class Member, you are represented by Lead Plaintiffs and Lead Counsel, unless you enter an appearance through counsel of your own choice at your own expense. You are not required to retain your own counsel, but if you choose to do so, such counsel must file a notice of appearance on your behalf and must serve copies of his or her appearance on the attorneys listed in the section entitled, "When And Where Will The Court Decide Whether To Approve The Settlement?," on page 13 below.

36. If you are a Settlement Class Member and do not wish to remain a Settlement Class Member, you may exclude yourself from the Settlement Class by following the instructions in the section entitled, "What If I Do Not Want To Be A Member Of The Settlement Class? How Do I Exclude Myself?," on page 13 below.

37. If you are a Settlement Class Member and you wish to object to the Settlement, the Plan of Allocation, or Lead Counsel's application for attorneys' fees and Litigation Expenses, and if you do not exclude yourself from the Settlement Class, you may present your objection(s) by following the instructions in the section entitled, "When And Where Will The Court Decide Whether To Approve The Settlement?," on page 13 below.

38. If you are a Settlement Class Member and you do not exclude yourself from the Settlement Class, you will be bound by any orders issued by the Court. If the Settlement is approved, the Court will enter a judgment (the "Judgment"). The Judgment will dismiss with prejudice the claims against Defendants and will provide that, upon the Effective Date of the Settlement, Lead Plaintiffs and each of the other Settlement Class Members, on behalf of themselves, and their respective successors, assigns, executors, administrators, representatives, attorneys, and agents, in their capacities as such, will have fully, finally, and forever compromised, settled, released, resolved, relinquished, waived, and discharged each and every Released Plaintiffs' Claim (as defined in ¶ 39 below) against Defendants and the other Released Defendants' Parties (as defined in ¶ 40 below), and shall forever be barred and enjoined from prosecuting any or all of the Released Plaintiffs' Claims against any of the Released Defendants' Parties.

39. "Released Plaintiffs' Claims" means all claims, actions, causes of action, demands, losses, rights, duties, obligations, debts, sums of money, suits, contracts, agreements, judgments, matters, issues, promises, damages and liabilities of every nature and description, whether known or Unknown Claims, whether arising under federal, state, common, foreign or other applicable law, rule, or regulation that Lead Plaintiffs, former plaintiff Indiana State Police Pension Trust, any other member of the Settlement Class, or any other Releasing Plaintiffs' Party: (i) asserted in the Complaint, or (ii) could have asserted in any forum that arise out of, are based on, or relate in any way to, directly or indirectly, any of the allegations, acts, transactions, facts, events, matters, occurrences, representations or omissions involved, set forth, alleged or referred to, in the Complaint, and which arise out of, are based upon, or relate in any way, directly or indirectly, to the purchase or acquisition of Kornit ordinary shares by any members of the Settlement Class during the Class Period. This release shall not include (i) any claims relating to the enforcement of the Settlement; and (ii) any claims of any person or entity who or which submits a request for exclusion from the Settlement Class that is accepted by the Court.

40. "Released Defendants' Parties" means (i) each Defendant; (ii) Defendants' directors' and officers' liability insurance carriers, and any affiliates or subsidiaries thereof; (iii) the Immediate Family Members of the Individual Defendants; (iv) direct or indirect parent entities, direct and indirect subsidiaries, related

entities, and all affiliates of the Company; (v) any trust of which any Individual Defendant is the settlor or which is for the benefit of any Individual Defendant and/or his or her Immediate Family Members; (vi) any entity in which a Defendant has a controlling interest; (vii) the Former Underwriter Defendants; (viii) the Former Amazon Defendants; and (ix) for any of the persons or entities listed in parts (i) through (viii), as applicable, their respective past, present, and future general partners, limited partners, principals, shareholders, joint venturers, officers, directors, managers, managing directors, supervisors, employees, contractors, consultants, experts, auditors, accountants, financial advisors, insurers, reinsurers, indemnitors, trustees, trustors, agents, attorneys, predecessors, successors, assigns, heirs, executors, administrators, estates, and any controlling person thereof; all in their capacities as such.

41. "Unknown Claims" means any and all Released Plaintiffs' Claims against the Released Defendants' Parties that Lead Plaintiffs or any other Settlement Class Member does not know or suspect to exist in his, her, or its favor at the time of the release of such claims, and any Released Defendants' Claims against the Released Plaintiffs' Parties that any Defendant does not know or suspect to exist in his or its favor at the time of the release of such claims, including without limitation those that, if known by such Lead Plaintiff, Settlement Class Member or Defendant, might have affected his, her, or its decision(s) with respect to this Settlement or the Releases. With respect to any and all Released Claims, the Parties stipulate and agree that, upon the Effective Date of the Settlement, Lead Plaintiffs and Defendants shall expressly waive, and each of the other Settlement Class Members shall be deemed to have waived, and by operation of the Judgment or the Alternate Judgment, if applicable, shall have expressly waived, any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States, or principle of common law, which is similar, comparable, or equivalent to California Civil Code § 1542, which provides:

> **A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party**.

Lead Plaintiffs and Defendants acknowledge, and each of the Settlement Class Members shall be deemed by operation of law to have acknowledged, that the foregoing waiver was separately bargained for and a key element of the Settlement.

42. The Judgment will also provide that, upon the Effective Date of the Settlement, Defendants, on behalf of themselves, and their respective successors, assigns, executors, administrators, representatives, attorneys, and agents, in their capacities as such, will have fully, finally, and forever compromised, settled, released, resolved, relinquished, waived, and discharged each and every Released Defendants' Claim (as defined in ¶ 43 below) against Lead Plaintiffs and the other Released Plaintiffs' Parties (as defined in ¶ 44 below), and shall forever be barred and enjoined from prosecuting any or all of the Released Defendants' Claims against any of the Released Plaintiffs' Parties.

43. "Released Defendants' Claims" means all claims and causes of action of every nature and description, whether known or Unknown Claims, whether arising under federal, state, common, or foreign law, that arise out of or relate in any way to the institution, prosecution, or settlement of the claims asserted in the Action. This release does not cover, include, or release any claims relating to the enforcement of the Settlement.

44. "Released Plaintiffs' Parties" means (i) Lead Plaintiffs, and former plaintiff Indiana State Police Pension Trust, all Settlement Class members, any other plaintiffs in the Action and their counsel, Lead Counsel and Plaintiffs' Counsel, and Cohen Milstein Sellers & Toll PLLC (counsel for former plaintiff Indiana State Police Pension Trust), and (ii) each of their respective Immediate Family Members, and their

respective partners, general partners, limited partners, principals, shareholders, joint venturers, members, officers, directors, managing directors, supervisors, employees, contractors, consultants, experts, auditors, accountants, financial advisors, insurers, investigators, trustees, trustors, agents, attorneys, predecessors, successors, assigns, heirs, executors, administrators, and any controlling person thereof, all in their capacities as such. Nothing in this paragraph shall affect any claims, demands, rights, or causes of action and liabilities: (a) between or among Defendants; or (b) between Defendants and their insurers.

## HOW DO I PARTICIPATE IN THE SETTLEMENT? WHAT DO I NEED TO DO?

45. To be eligible for a payment from the Settlement, you must be a member of the Settlement Class and you must timely complete and return a Claim Form with adequate supporting documentation ***postmarked (if mailed), or submitted online*** **at www.KornitSecuritiesLitigation.com no later than December 10, 2026**. You may obtain a Claim Form from the website maintained by the Claims Administrator for the Settlement, www.KornitSecuritiesLitigation.com. You may also request that a Claim Form be mailed to you by calling the Claims Administrator toll free at 1-855-961-0955 or by emailing the Claims Administrator at KDLSecurities@KornitSecuritesLitigation.com. **Please retain all records of your ownership of and transactions in Kornit ordinary shares, as they will be needed to document your Claim.** The Parties and Claims Administrator do not have information about your transactions in Kornit ordinary shares.

46. If you request exclusion from the Settlement Class or do not submit a timely and valid Claim Form, you will not be eligible to share in the Net Settlement Fund.

## HOW MUCH WILL MY PAYMENT BE?

47. At this time, it is not possible to make any determination as to how much any individual Settlement Class Member may receive from the Settlement.

48. Pursuant to the Settlement, Defendants have agreed to cause $19,500,000 in cash (the "Settlement Amount") to be paid into an escrow account. The Settlement Amount plus any interest earned thereon is referred to as the "Settlement Fund." If the Settlement is approved by the Court and the Effective Date occurs, the "Net Settlement Fund" (that is, the Settlement Fund less (a) all federal, state and/or local taxes on any income earned by the Settlement Fund and the reasonable costs incurred in connection with determining the amount of and paying taxes owed by the Settlement Fund (including reasonable expenses of tax attorneys and accountants); (b) the costs and expenses incurred in connection with providing notice to Settlement Class Members and administering the Settlement on behalf of Settlement Class Members; (c) any attorneys' fees and Litigation Expenses awarded by the Court; and (d) any other costs or fees approved by the Court) will be distributed to Settlement Class Members who submit valid Claim Forms, in accordance with the proposed Plan of Allocation or such other plan of allocation as the Court may approve.

49. The Net Settlement Fund will not be distributed unless and until the Court has approved the Settlement and a plan of allocation, and the time for any petition for rehearing, appeal or review, whether by certiorari or otherwise, has expired.

50. Neither Defendants nor any other person or entity that paid any portion of the Settlement Amount on their behalf are entitled to get back any portion of the Settlement Fund once the Court's order or judgment approving the Settlement becomes Final. Defendants shall not have any liability, obligation, or responsibility for the administration of the Settlement, the disbursement of the Net Settlement Fund, or the plan of allocation.

51. Approval of the Settlement is independent from approval of a plan of allocation. Any determination with respect to a plan of allocation will not affect the Settlement, if approved.

52. Unless the Court otherwise orders, any Settlement Class Member who fails to submit a Claim Form postmarked (or submitted online) on or before December 10, 2026 shall be fully and forever barred from receiving payments pursuant to the Settlement but will in all other respects remain a Settlement Class Member and be subject to the provisions of the Stipulation, including the terms of any Judgment entered and the releases given. This means that each Settlement Class Member releases the Released Plaintiffs' Claims (as defined in ¶ 39 above) against the Released Defendants' Parties (as defined in ¶ 40 above) and will be enjoined and prohibited from prosecuting any of the Released Plaintiffs' Claims against any of the Released Defendants' Parties whether or not such Settlement Class Member submits a Claim Form.

53. Participants in and beneficiaries of any employee retirement and/or benefit plan covered by ERISA ("ERISA Plan") should NOT include any information relating to shares of Kornit ordinary shares purchased through the ERISA Plan in any Claim Form they submit in this Action. They should include ONLY shares of Kornit ordinary shares purchased during the Class Period outside of an ERISA Plan. Claims based on any ERISA Plan's purchases of Kornit ordinary shares during the Class Period may be made by the plan's trustees.

54. The Court has reserved jurisdiction to allow, disallow, or adjust on equitable grounds the Claim of any Settlement Class Member.

55. Each Claimant shall be deemed to have submitted to the jurisdiction of the Court with respect to his, her or its Claim Form.

56. Only Settlement Class Members or persons authorized to submit a claim on their behalf will be eligible to share in the distribution of the Net Settlement Fund. Persons and entities that are excluded from the Settlement Class by definition or that exclude themselves from the Settlement Class pursuant to request will not be eligible to receive a distribution from the Net Settlement Fund and should not submit Claim Forms. The only securities that are included in the Settlement are Kornit ordinary shares.

**57. Appendix A to this Notice sets forth the Plan of Allocation for allocating the Net Settlement Fund among Authorized Claimants, as proposed by Lead Plaintiffs. At the Settlement Hearing, Lead Plaintiffs will request that the Court approve the Plan of Allocation. The Court may modify the Plan of Allocation, or approve a different plan of allocation, without further notice to the Settlement Class.**

## WHAT PAYMENT ARE THE ATTORNEYS FOR THE SETTLEMENT CLASS SEEKING? HOW WILL THE LAWYERS BE PAID?

58. Plaintiffs' Counsel have not received any payment for their services in pursuing claims against the Defendants on behalf of the Settlement Class, nor have Plaintiffs' Counsel been reimbursed for their out-of-pocket expenses. Before final approval of the Settlement, Lead Counsel will apply to the Court for an award of attorneys' fees for all Plaintiffs' Counsel in an amount not to exceed 22% of the Settlement Fund. At the same time, Lead Counsel also intends to apply for payment of Litigation Expenses in an amount not to exceed $350,000, which may include an application for reimbursement of the reasonable costs and expenses incurred by Lead Plaintiffs directly related to their representation of the Settlement Class, pursuant to the PSLRA. The Court will determine the amount of any award of attorneys' fees or Litigation Expenses. Such sums as may be approved by the Court will be paid from the Settlement Fund. Settlement Class Members are not personally liable for any such fees or expenses.

## WHAT IF I DO NOT WANT TO BE A MEMBER OF THE SETTLEMENT CLASS? HOW DO I EXCLUDE MYSELF?

59. Each Settlement Class Member will be bound by all determinations and judgments in this lawsuit, whether favorable or unfavorable, unless such person or entity mails or delivers a written Request for Exclusion from the Settlement Class, addressed to *Kornit Securities Litigation*, EXCLUSIONS, c/o JND Legal Administration, P.O. Box 91050, Seattle, WA 98111. The Request for Exclusion must be ***received*** **no later than October 28, 2026**. You will not be able to exclude yourself from the Settlement Class after that date. Each Request for Exclusion must: (i) state the name, address, and telephone number of the person or entity requesting exclusion, and in the case of entities, the name and telephone number of the appropriate contact person; (ii) state that such person or entity "requests exclusion from the Settlement Class in *In re Kornit Digital Ltd. Securities Litigation*, Case No. 2:23-cv-888-MCA-AME (D.N.J.)"; (iii) state the number of Kornit ordinary shares that the person or entity requesting exclusion (A) held as of the opening of trading on February 17, 2021 and (B) purchased/acquired and/or sold from February 17, 2021 through July 5, 2022, inclusive, as well as the date, number of shares, and prices of each such purchase/acquisition and sale; and (iv) be signed by the person or entity requesting exclusion or an authorized representative. A Request for Exclusion shall not be effective unless it provides all the information called for in this paragraph and is received within the time stated above, or is otherwise accepted by the Court.

60. If you do not want to be part of the Settlement Class, you must follow these instructions for exclusion even if you have pending, or later file, another lawsuit, arbitration, or other proceeding relating to any Released Plaintiffs' Claim against any of the Released Defendants' Parties.

61. If you ask to be excluded from the Settlement Class, you will not be eligible to receive any payment out of the Net Settlement Fund. If you validly request exclusion from the Settlement Class you will retain the right to individually pursue any legal claims that you may have against any Defendants with respect to the claims asserted in the Action. However, Defendants will have the right to assert any defenses to your claims. **<u>Please note</u>, if you decide to exclude yourself from the Settlement Class, you may be time-barred from asserting claims covered by the Action by a statute of limitation or statute of repose.**

62. Kornit has the right to terminate the Settlement if valid requests for exclusion are received from persons and entities entitled to be members of the Settlement Class in an amount that exceeds an amount agreed to by the Parties.

## WHEN AND WHERE WILL THE COURT DECIDE WHETHER TO APPROVE THE SETTLEMENT? DO I HAVE TO COME TO THE HEARING? MAY I SPEAK AT THE HEARING IF I DON'T LIKE THE SETTLEMENT?

63. **Settlement Class Members do not need to attend the Settlement Hearing. The Court will consider any submission made in accordance with the provisions below even if a Settlement Class Member does not attend the hearing. You can participate in the Settlement without attending the Settlement Hearing**.

64. **<u>Please Note</u>**: The date and time of the Settlement Hearing may change without further written notice to the Settlement Class. The Court may decide to allow Settlement Class Members to appear at the hearing by phone, without further written notice to the Settlement Class. **In order to determine whether the date and time of the Settlement Hearing have changed, it is important that you monitor the Court's docket and the Settlement website, <u>www.KornitSecuritiesLitigation.com</u>, before making**

**any plans to attend the Settlement Hearing. Any updates regarding the Settlement Hearing, including any changes to the date or time of the hearing or updates regarding in-person or remote appearances at the hearing, will be posted to the Settlement website, www.KornitSecuritiesLitigation.com.**

65. The Settlement Hearing will be held on **November 18, 2026 at 3:00 p.m. Eastern Time**, before the Honorable Madeline Cox Arleo of the United States District Court for the District of New Jersey, either in person in Courtroom 4A of the Martin Luther King Building & U.S. Courthouse, 50 Walnut Street, Newark, NJ 07101, or by telephone or videoconference (in the discretion of the Court). At the Settlement Hearing, the Court will consider: (a) whether the proposed Settlement is fair, reasonable, and adequate to the Settlement Class, and should be finally approved; (b) whether a Judgment substantially in the form attached as Exhibit B to the Stipulation should be entered dismissing the Action with prejudice against Defendants; (c) whether the Settlement Class should be certified for purposes of the Settlement; (d) whether the proposed Plan of Allocation for the proceeds of the Settlement is fair and reasonable and should be approved; (e) whether the motion by Lead Counsel for attorneys' fees and Litigation Expenses should be approved; and (f) other matters that may properly be brought before the Court in connection with the Settlement. The Court reserves the right to approve the Settlement, the Plan of Allocation, Lead Counsel's motion for an award of attorneys' fees and Litigation Expenses, and/or any other matter related to the Settlement at or after the Settlement Hearing without further notice to the members of the Settlement Class.

66. Any Settlement Class Member that does not request exclusion may object to the Settlement, the proposed Plan of Allocation, and/or Lead Counsel's motion for attorneys' fees and Litigation Expenses. Objections must be in writing. You must file any written objection, together with copies of all other papers and briefs supporting the objection, electronically with the Court or by letter mailed to the Clerk's Office at the United States District Court for the District of New Jersey, at the address set forth below **on or before October 28, 2026**. You must also serve the objection and supporting papers on Lead Counsel and on Defendants' Counsel at the addresses set forth below so that the objection and supporting papers are ***received* on or before October 28, 2026.**

| Clerk's Office | Lead Counsel | Defendants' Counsel |
|---|---|---|
| United States District Court<br>District of New Jersey<br>Clerk of the Court<br>Martin Luther King Building<br>& U.S. Courthouse<br>50 Walnut Street, Room 4015<br>Newark, NJ 07101 | **Bernstein Litowitz Berger<br>& Grossmann LLP**<br>James A. Harrod<br>1251 Avenue of the Americas<br>44th Floor<br>New York, NY 10020 | **Davis Polk & Wardwell LLP**<br>Edmund Polubinski III<br>450 Lexington Avenue<br>New York, NY 10017 |

67. Any objection must include: (a) the name of this proceeding, *In re Kornit Digital Ltd. Securities Litigation*, Case No. 2:23-cv-888-MCA-AME (D.N.J.); (b) the objector's full name, current address, email address (if applicable), and telephone number; (c) the objector's signature; (d) a statement providing the specific reasons for the objection, including a detailed statement of the specific legal and factual basis for each and every objection and whether the objection applies only to the objector, to a specific subset of the Settlement Class, or to the entire Settlement Class; and (e) documents sufficient to prove membership in the Settlement Class, including documents showing the number of Kornit ordinary shares that the objecting Settlement Class Member (i) held as of the opening of trading on February 17, 2021, (ii) purchased/acquired and/or sold from February 17, 2021 through July 5, 2022, inclusive, and (iii) the date, number of shares, and prices of each such purchase/acquisition and sale. The documentation

establishing membership in the Settlement Class must consist of copies of trade confirmations or monthly account statements, or an authorized statement from your broker or financial institution containing the transactional and holding information found in a trade confirmation or account statement.

68. You may not object to the Settlement, the Plan of Allocation, or Lead Counsel's motion for attorneys' fees and Litigation Expenses if you exclude yourself from the Settlement Class or if you are not a member of the Settlement Class.

69. You may file a written objection without having to appear at the Settlement Hearing. You may not, however, appear at the Settlement Hearing to present your objection unless you first file and serve a written objection in accordance with the procedures described above, unless the Court orders otherwise.

70. If you wish to be heard orally at the hearing in opposition to the approval of the Settlement, the Plan of Allocation, and/or Lead Counsel's motion for an award of attorneys' fees and Litigation Expenses, and if you timely file and serve a written objection as described above, you must also file a notice of appearance with the Clerk's Office so that it is ***received*** **on or before October 28, 2026**. Such persons may be heard orally at the discretion of the Court. Objectors who enter an appearance and desire to present evidence at the Settlement Hearing in support of their objection must include in their written objection or notice of appearance the identity of any witnesses they may call to testify and any exhibits they intend to introduce into evidence at the hearing.

71. You are not required to hire an attorney to represent you in making written objections or in appearing at the Settlement Hearing. However, if you decide to hire an attorney, it will be at your own expense, and that attorney must file a notice of appearance with the Court so that the notice is ***received*** **on or before October 28, 2026**.

72. The Settlement Hearing may be adjourned by the Court without further written notice to the Settlement Class, other than a posting of the adjournment on the Settlement website, www.KornitSecuritiesLitigation.com. If you plan to attend the Settlement Hearing, you should confirm the date and time with Lead Counsel.

73. **Unless the Court orders otherwise, any Settlement Class Member who does not object in the manner described above will be deemed to have waived any objection and shall be forever foreclosed from making any objection to the proposed Settlement, the proposed Plan of Allocation and/or Lead Counsel's motion for attorneys' fees and Litigation Expenses. Settlement Class Members do not need to appear at the Settlement Hearing or take any other action to indicate their approval.**

## WHAT IF I BOUGHT SHARES ON SOMEONE ELSE'S BEHALF?

74. If you purchased Kornit ordinary shares from February 17, 2021 through July 5, 2022, inclusive, for the beneficial interest of persons or organizations other than yourself, you must either: (a) within seven (7) calendar days of receipt of this Notice, request from the Claims Administrator sufficient copies of the Postcard Notice to forward to all such beneficial owners and, within seven (7) calendar days of receipt of those Postcard Notices, forward them to all such beneficial owners; or (b) within seven (7) calendar days of receipt of this Notice, provide a list of the names, mailing addresses and, if available, email addresses of all such beneficial owners to *Kornit Securities Litigation*, c/o JND Legal Administration, P.O. Box 91050, Seattle, WA 98111, or info@KornitSecuritiesLitigation.com. If you choose the second option, the Claims Administrator will send a copy of the Postcard Notice to the beneficial owners. Upon full compliance with these directions, such nominees may seek payment of their reasonable expenses actually incurred, by providing the Claims Administrator with proper documentation supporting the expenses for which reimbursement is sought. **Brokers, nominees, and their agents shall forward the Postcard Notice to**

**(or identify names, mailing addresses, and e-mail addresses of)** ***all*** **beneficial owners who purchased Kornit ordinary shares during the Class Period, regardless of whether or not those beneficial owners have enrolled in a claim-filing program with their broker or financial institution.** Reasonable expenses shall not exceed $0.05 per mailing record provided to the Claims Administrator; $0.05 per unit for each Postcard Notice actually mailed plus postage at the rate used by the Claims Administrator; and $0.05 per Postcard Notice sent via email. Such properly documented expenses incurred by nominees in compliance with these directions shall be paid from the Settlement Fund, with any disputes as to the reasonableness or documentation of expenses incurred subject to review by the Court.

75. Copies of this Notice and the Claim Form may also be obtained from the website maintained by the Claims Administrator, www.KornitSecuritiesLitigation.com, or by calling the Claims Administrator toll free at 1-855-961-0955.

## CAN I SEE THE COURT FILE? WHOM SHOULD I CONTACT IF I HAVE QUESTIONS?

76. This Notice contains only a summary of the terms of the proposed Settlement. For more detailed information about the matters involved in this Action, you are referred to the papers on file in the Action, including the Stipulation, which may be reviewed by accessing the Court docket in this case through the Court's Public Access to Court Electronic Records (PACER) system at https://ecf.njd.uscourts.gov, or by visiting the office of the Clerk of the Court for the United States District Court for the District of New Jersey, Martin Luther King Building & U.S. Courthouse, 50 Walnut Street, Room 4015, Newark, NJ 07101. Additionally, copies of the Stipulation and any related orders entered by the Court will be posted on the website maintained by the Claims Administrator, www.KornitSecuritiesLitigation.com.

All inquiries concerning this Notice and the Claim Form should be directed to:

*Kornit Securities Litigation*
c/o JND Legal Administration
P.O. Box 91050
Seattle, WA 98111

1-855-961-0955
www.KornitSecuritiesLitigation.com

or

James A. Harrod
BERNSTEIN LITOWITZ BERGER
& GROSSMANN LLP
1251 Avenue of the Americas, 44th Floor
New York, NY 10020
800-380-8496
settlements@blbglaw.com

**DO NOT CALL OR WRITE THE COURT, THE OFFICE OF THE CLERK OF THE COURT, DEFENDANTS OR THEIR COUNSEL REGARDING THIS NOTICE.**

Dated: August 12, 2026

By Order of the Court
United States District Court
District of New Jersey

## Appendix A

## PLAN OF ALLOCATION OF THE NET SETTLEMENT FUND

77. As discussed above, the Settlement provides $19,500,000 in cash for the benefit of the Settlement Class. The Settlement Amount and any interest it earns constitute the "Settlement Fund." The Settlement Fund, after deduction of Court-approved attorneys' fees and Litigation Expenses, Notice and Administration Costs, Taxes, and any other fees or expenses approved by the Court, is the "Net Settlement Fund." If the Settlement is approved by the Court, the Net Settlement Fund will be distributed to eligible Authorized Claimants, i.e., members of the Settlement Class who timely submit valid Claim Forms that are accepted for payment by the Court, in accordance with a plan of allocation to be adopted by the Court. Settlement Class Members who do not timely submit valid Claim Forms will not share in the Net Settlement Fund, but will otherwise be bound by the Settlement.

78. The Plan of Allocation (the "Plan") set forth herein is the plan that is being proposed to the Court for approval by Lead Plaintiffs after consultation with their damages expert. The Court may approve the Plan with or without modification, or approve another plan of allocation, without further notice to the Settlement Class. Any Orders regarding a modification to the Plan will be posted to www.KornitSecuritiesLitigation.com. Defendants have had, and will have, no involvement or responsibility for the terms or application of the Plan.

79. The objective of the Plan of Allocation is to equitably distribute the Net Settlement Fund among Authorized Claimants who suffered economic losses as a proximate result of the alleged wrongdoing. The calculations made pursuant to the Plan of Allocation are not intended to be estimates of, nor indicative of, the amounts that Settlement Class Members might have been able to recover after a trial. Nor are the calculations pursuant to the Plan of Allocation intended to be estimates of the amounts that will be paid to Authorized Claimants pursuant to the Settlement. The computations under the Plan of Allocation are only a method to weigh the claims of Authorized Claimants against one another for the purposes of making *pro rata* allocations of the Net Settlement Fund.

80. The Plan of Allocation was created with the assistance of Lead Plaintiffs' damages expert and reflects the assumption that Defendants' alleged false and misleading statements and material omissions proximately caused the price of Kornit ordinary shares to be artificially inflated throughout the Class Period. In calculating the estimated artificial inflation allegedly caused by Defendants' alleged misrepresentations and omissions, Lead Plaintiffs' damages expert considered price changes in Kornit ordinary shares in reaction to certain public announcements allegedly revealing the truth concerning Defendants' alleged misrepresentations and material omissions, adjusting for price changes on those days that were attributable to market or industry forces and adjusting for risks associated with Lead Plaintiffs' ability to prove liability, loss causation and damages.

81. In order to have recoverable damages, the disclosure of the allegedly misrepresented information must be the cause of the decline in the price of Kornit ordinary shares. In this case, Lead Plaintiffs allege that Defendants made false statements and omitted material facts during the Class Period, which had the effect of artificially inflating the price of Kornit ordinary shares. Lead Plaintiffs further allege that corrective information was released to the market on May 11, 2022 and July 5, 2022, which removed the artificial inflation from the price of Kornit ordinary shares on May 11, 2022 and July 6, 2022.

82. Recognized Loss Amounts are based primarily on the difference in the amount of alleged artificial inflation in the prices of Kornit ordinary shares at the time of purchase or acquisition and at the time of sale, or the difference between the actual purchase price and sale price. Accordingly, in order to have a Recognized Loss Amount under the Plan of Allocation, a Settlement Class Member that purchased or

otherwise acquired Kornit ordinary shares during the Class Period must have held those shares through at least one of the dates where new corrective information was released to the market and partially removed the artificial inflation from the price of Kornit ordinary shares. In addition, in recognition of the additional difficulties affecting claims on purchases of Kornit ordinary shares between February 17, 2021 and February 14, 2022, which would have related to both liability and loss causation, adjusted Recognized Loss Amounts have been applied to purchases in this portion of the Class Period.[5]

## CALCULATION OF RECOGNIZED LOSS AMOUNT

83. Based on the formula stated below, a "Recognized Loss Amount" will be calculated for each purchase or acquisition of Kornit ordinary shares during the Class Period that is listed on the Claim Form and for which adequate documentation is provided. If a Recognized Loss Amount calculates to a negative number or zero under the formula below, that Recognized Loss Amount will be zero.[6]

84. For each Kornit ordinary share purchased or otherwise acquired from February 17, 2021, through February 14, 2022, and:

A. Sold prior to the close of trading on May 10, 2022, the Recognized Loss Amount will be $0.00.

B. Sold from May 11, 2022 through the close of trading on July 5, 2022, the Recognized Loss Amount will be ***the lesser of***: (i) $0.25 per share; or (ii) the purchase/acquisition price minus the sale price.

C. Sold from July 6, 2022 through the close of trading on October 3, 2022, the Recognized Loss Amount will be ***the least of***: (i) $1.24 per share; (ii) the purchase/acquisition price minus the average closing price from July 6, 2022 through the date of sale as stated in Table B below; or (iii) the purchase/acquisition price minus the sale price.

D. Held as of the close of trading on October 3, 2022, the Recognized Loss Amount will be ***the lesser of***: (i) $1.24 per share, or (ii) the purchase/acquisition price *minus* $28.67.[7]

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[5] Specifically, Claimants who purchased or acquired Kornit ordinary shares from February 17, 2021 through February 14, 2022 and held those shares until the end of the Class Period will have a maximum Recognized Loss Amount of $1.24 per share (equal to 15% of the $8.28 decline in alleged artificial inflation removed on July 6, 2022). Claimants who purchased or acquired Kornit ordinary shares from February 17, 2021, through February 14, 2022 and sold those shares from May 11, 2022 through July 5, 2022 (holding over only the first alleged corrective disclosure) will have a maximum Recognized Loss Amount of 20% of that amount, or $0.25 per share.

[6] Any transactions in Kornit ordinary shares executed outside of regular trading hours for the U.S. financial markets shall be deemed to have occurred during the next regular trading session.

[7] Pursuant to Section 21D(e)(1) of the Exchange Act, "in any private action arising under this title in which the plaintiff seeks to establish damages by reference to the market price of a security, the award of damages to the plaintiff shall not exceed the difference between the purchase or sale price paid or received, as appropriate, by the plaintiff for the subject security and the mean trading price of that security during the 90-day period beginning on the date on which the information correcting the misstatement or omission that is the basis for the action is disseminated to the market." Consistent with the requirements of the Exchange Act, Recognized Loss Amounts are reduced to an appropriate extent by taking into account the

85. For each Kornit ordinary share purchased or otherwise acquired from February 15, 2022, through July 5, 2022, and:

E. Sold prior to the close of trading on May 10, 2022, the Recognized Loss Amount will be $0.00.

F. Sold from May 11, 2022 through the close of trading on July 5, 2022, the Recognized Loss Amount will be ***the lesser of***: (i) the amount of artificial inflation per share on the date of purchase/acquisition as stated in Table A below *minus* the amount of artificial inflation per share on the date of sale as stated in Table A below; or (ii) the purchase/acquisition price minus the sale price.

G. Sold from July 6, 2022 through the close of trading on October 3, 2022, the Recognized Loss Amount will be ***the least of***: (i) the amount of artificial inflation per share on the date of purchase/acquisition as stated in Table A below; (ii) the purchase/acquisition price minus the average closing price from July 6, 2022 through the date of sale as stated in Table B below; or (iii) the purchase/acquisition price minus the sale price.

H. Held as of the close of trading on October 3, 2022, the Recognized Loss Amount will be ***the lesser of***: (i) the amount of artificial inflation per share on the date of purchase/acquisition as stated in Table A below, or (ii) the purchase/acquisition price *minus* $28.67.

## (a) <u>ADDITIONAL PROVISIONS</u>

86. **Calculation of Claimant's "Recognized Claim":** A Claimant's "Recognized Claim" will be the sum of his, her, or its Recognized Loss Amounts as calculated under ¶¶ 84 and 85 above.

87. **FIFO Matching:** If a Claimant made more than one purchase/acquisition or sale of Kornit ordinary shares during the Class Period, all purchases/acquisitions and sales will be matched on a First In, First Out ("FIFO") basis. Class Period sales will be matched first against any holdings at the beginning of the Class Period and then against purchases/acquisitions in chronological order, beginning with the earliest purchase/acquisition made during the Class Period.

88. **Purchase/Sale Prices:** For the purposes of calculations in ¶¶ 84 and 85 above, "purchase/acquisition price" means the actual price paid, excluding any fees, commissions, and taxes, and "sale price" means the actual amount received, not deducting any fees, commissions, and taxes.

89. **"Purchase/Acquisition/Sale" Dates:** Purchases or acquisitions and sales of Kornit ordinary shares will be deemed to have occurred on the "contract" or "trade" date as opposed to the "settlement" or "payment" date. The receipt or grant by gift, inheritance, or operation of law of Kornit ordinary shares during the Class Period will not be deemed a purchase, acquisition, or sale of Kornit ordinary shares for the calculation of a Claimant's Recognized Loss Amount, nor will the receipt or grant be deemed an assignment of any claim relating to the purchase/acquisition/sale of Kornit ordinary shares unless (i) the donor or decedent purchased or otherwise acquired or sold such Kornit ordinary shares during the Class Period; (ii) the instrument of gift or assignment specifically provides that it is intended to transfer such

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closing prices of Kornit ordinary shares during the "90-day look-back period," from July 6, 2022, through October 3, 2022. The mean (average) closing price for Kornit ordinary shares during this period was $28.67.

rights; and (iii) no Claim was submitted by or on behalf of the donor, on behalf of the decedent, or by anyone else with respect to shares of such shares of Kornit ordinary shares.

90. **Short Sales:** The date of covering a "short sale" is deemed to be the date of purchase or acquisition of the Kornit ordinary shares. The date of a "short sale" is deemed to be the date of sale of the Kornit ordinary shares. In accordance with the Plan of Allocation, however, the Recognized Loss Amount on "short sales" and the purchases covering "short sales" is zero.

91. In the event that a Claimant has an opening short position in Kornit ordinary shares, the earliest purchases or acquisitions of Kornit ordinary shares during the Class Period will be matched against such opening short position, and not be entitled to a recovery, until that short position is fully covered.

92. **Ordinary Shares Purchased/Sold Through the Exercise of Options:** Option contracts are not securities eligible to participate in the Settlement. With respect to Kornit ordinary shares purchased or sold through the exercise of an option, the purchase/sale date of the ordinary shares is the exercise date of the option and the purchase/sale price is the exercise price of the option.

93. **Market Gains and Losses:** The Claims Administrator will determine if the Claimant had a "Market Gain" or a "Market Loss" with respect to his, her, or its overall transactions in Kornit ordinary shares during the Class Period. For purposes of making this calculation, the Claims Administrator shall determine the difference between (i) the Claimant's Total Purchase Amount[8] and (ii) the sum of the Claimant's Total Sales Proceeds[9] and the Claimant's Holding Value.[10] If the Claimant's Total Purchase Amount *minus* the sum of the Claimant's Total Sales Proceeds and the Holding Value is a positive number, that number will be the Claimant's Market Loss; if the number is a negative number or zero, that number will be the Claimant's Market Gain.

94. If a Claimant had a Market Gain with respect to his, her, or its overall transactions in Kornit ordinary shares during the Class Period, the value of the Claimant's Recognized Claim will be zero, and the Claimant will in any event be bound by the Settlement. If a Claimant suffered an overall Market Loss with respect to his, her, or its overall transactions in Kornit ordinary shares during the Class Period but that Market Loss was less than the Claimant's Recognized Claim, then the Claimant's Recognized Claim will be limited to the amount of the Market Loss.

95. **Determination of Distribution Amount:** The Net Settlement Fund will be distributed to Authorized Claimants on a *pro rata* basis based on the relative size of their Recognized Claims. Specifically, a "Distribution Amount" will be calculated for each Authorized Claimant, which will be the Authorized Claimant's Recognized Claim divided by the total Recognized Claims of all Authorized Claimants, multiplied by the total amount in the Net Settlement Fund.

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[8] The "Total Purchase Amount" is the total amount the Claimant paid (excluding all fees, taxes, and commissions) for all shares of Kornit ordinary shares purchased or acquired during the Class Period.

[9] The Claims Administrator shall match any sales of Kornit ordinary shares during the Class Period first against the Claimant's opening position in Kornit ordinary shares (the proceeds of those sales will not be considered for purposes of calculating market gains or losses). The total amount received (not deducting any fees, taxes and commissions) for sales of the remaining shares of Kornit ordinary shares sold during the Class Period is the "Total Sales Proceeds."

[10] The Claims Administrator shall ascribe a "Holding Value" of $23.46 to each share of Kornit ordinary shares purchased or acquired during the Class Period that was still held as of the close of trading on July 5, 2022.

96. If an Authorized Claimant's Distribution Amount calculates to less than $10.00, no distribution will be made to that Authorized Claimant. Those funds will be included in the distribution to Authorized Claimants whose Distribution Amount is $10.00 or more.

97. After the initial distribution of the Net Settlement Fund, the Claims Administrator will make reasonable and diligent efforts to have Authorized Claimants cash their distribution checks. To the extent any monies remain in the Net Settlement Fund six (6) months after the initial distribution, if Lead Counsel, in consultation with the Claims Administrator, determines that it is cost-effective to do so, the Claims Administrator will conduct a re-distribution of the funds remaining after payment of any unpaid fees and expenses incurred in administering the Settlement, including for such re-distribution, to Authorized Claimants who have cashed their initial distributions and who would receive at least $10.00 from such re-distribution. Additional re-distributions to Authorized Claimants who have cashed their prior checks may occur thereafter if Lead Counsel, in consultation with the Claims Administrator, determines that additional re-distributions, after the deduction of any additional fees and expenses incurred in administering the Settlement, including for such re-distributions, would be cost-effective. At such time as it is determined that the re-distribution of funds remaining in the Net Settlement Fund is not cost-effective, the remaining balance will be contributed to one or more non-sectarian, not-for-profit, 501(c)(3) organizations to be selected by Lead Counsel and approved by the Court.

98. Payment pursuant to the Plan of Allocation, or such other plan of allocation as may be approved by the Court, will be conclusive against all Claimants. No person shall have any claim against Lead Plaintiffs, Plaintiffs' Counsel, Lead Plaintiffs' damages experts, Lead Plaintiffs' consulting experts, Defendants, Defendants' Counsel, or any of the other Released Plaintiff Parties or Released Defendants' Parties, or the Claims Administrator or other agent designated by Lead Counsel arising from distributions made substantially in accordance with the Stipulation, the plan of allocation approved by the Court, or further Orders of the Court. Lead Plaintiffs, Defendants, and their respective counsel, and all other Released Defendants' Parties, shall have no responsibility or liability whatsoever for the investment or distribution of the Settlement Fund or the Net Settlement Fund; the plan of allocation; the determination, administration, calculation, or payment of any Claim or nonperformance of the Claims Administrator; the payment or withholding of Taxes; or any losses incurred in connection therewith.

## TABLE A

| **Estimated Artificial Inflation in Kornit Ordinary Shares February 17, 2021 through July 5, 2022** | |
|---|---|
| **Date Range** | **Estimated Artificial Inflation Per Share** |
| February 17, 2021, through February 14, 2022 | $1.24 |
| February 15, 2022, through May 10, 2022 | $20.21 |
| May 11, 2022, through July 5, 2022 | $8.28 |
| July 6, 2022, or after | $0.00 |

**TABLE B**

**90-Day Look-back Table for Kornit Ordinary Shares**
**Closing Price and Average Closing Price**
**July 6, 2022, through October 3, 2022**

| Date | Closing Price | Average Closing Price from July 6, 2022, through Date Shown | Date | Closing Price | Average Closing Price from July 6, 2022, through Date Shown |
|---|---|---|---|---|---|
| 7/6/2022 | $23.46 | $23.46 | 8/19/2022 | $31.77 | $28.47 |
| 7/7/2022 | $26.37 | $24.92 | 8/22/2022 | $30.60 | $28.53 |
| 7/8/2022 | $26.14 | $25.32 | 8/23/2022 | $30.34 | $28.58 |
| 7/11/2022 | $24.11 | $25.02 | 8/24/2022 | $30.01 | $28.62 |
| 7/12/2022 | $24.12 | $24.84 | 8/25/2022 | $31.79 | $28.71 |
| 7/13/2022 | $24.00 | $24.70 | 8/26/2022 | $30.31 | $28.75 |
| 7/14/2022 | $22.17 | $24.34 | 8/29/2022 | $30.10 | $28.78 |
| 7/15/2022 | $23.64 | $24.25 | 8/30/2022 | $30.58 | $28.83 |
| 7/18/2022 | $25.41 | $24.38 | 8/31/2022 | $31.08 | $28.88 |
| 7/19/2022 | $26.98 | $24.64 | 9/1/2022 | $29.24 | $28.89 |
| 7/20/2022 | $27.34 | $24.89 | 9/2/2022 | $28.89 | $28.89 |
| 7/21/2022 | $27.03 | $25.06 | 9/6/2022 | $27.29 | $28.85 |
| 7/22/2022 | $26.19 | $25.15 | 9/7/2022 | $28.44 | $28.85 |
| 7/25/2022 | $25.71 | $25.19 | 9/8/2022 | $29.28 | $28.86 |
| 7/26/2022 | $25.15 | $25.19 | 9/9/2022 | $31.38 | $28.91 |
| 7/27/2022 | $26.13 | $25.25 | 9/12/2022 | $31.56 | $28.96 |
| 7/28/2022 | $26.68 | $25.33 | 9/13/2022 | $30.42 | $28.99 |
| 7/29/2022 | $27.21 | $25.44 | 9/14/2022 | $30.62 | $29.03 |
| 8/1/2022 | $27.29 | $25.53 | 9/15/2022 | $30.14 | $29.05 |
| 8/2/2022 | $28.34 | $25.67 | 9/16/2022 | $28.33 | $29.03 |
| 8/3/2022 | $29.98 | $25.88 | 9/19/2022 | $28.53 | $29.02 |
| 8/4/2022 | $29.58 | $26.05 | 9/20/2022 | $27.29 | $28.99 |
| 8/5/2022 | $29.34 | $26.19 | 9/21/2022 | $26.98 | $28.96 |
| 8/8/2022 | $31.26 | $26.40 | 9/22/2022 | $26.41 | $28.91 |
| 8/9/2022 | $29.67 | $26.53 | 9/23/2022 | $25.86 | $28.86 |
| 8/10/2022 | $35.47 | $26.88 | 9/26/2022 | $25.37 | $28.80 |
| 8/11/2022 | $35.51 | $27.20 | 9/27/2022 | $26.61 | $28.76 |
| 8/12/2022 | $35.25 | $27.48 | 9/28/2022 | $28.22 | $28.75 |
| 8/15/2022 | $34.96 | $27.74 | 9/29/2022 | $27.25 | $28.73 |
| 8/16/2022 | $34.85 | $27.98 | 9/30/2022 | $26.61 | $28.69 |
| 8/17/2022 | $34.27 | $28.18 | 10/3/2022 | $27.45 | $28.67 |
| 8/18/2022 | $34.00 | $28.36 | | | |