



# GILAT PRESS RELEASE

## Gilat Reports Second Quarter 2023 Results

*Presents a Robust 22% Year-over-Year Growth in Revenues; GAAP Operating Income More Than Tripled and Adjusted EBITDA Grew by 74%. The Company Raises its Full Year 2023 Guidance*

**Petah Tikva, Israel – August 8, 2023** – Gilat Satellite Networks Ltd. (NASDAQ: GILT, TASE: GILT), a worldwide leader in satellite networking technology, solutions and services, reported today its results for the second quarter, ended June 30, 2023.

### Second Quarter 2023 Financial Highlights

- **Revenues** of \$67.6 million, up 22% compared with \$55.5 million in Q2 2022;
- **GAAP operating income** of \$5.4 million, compared with \$1.5 million in Q2 2022;
- **Non-GAAP operating income** of \$6.1 million, compared with \$2.4 million in Q2 2022;
- **GAAP net income** of \$4.3 million, or \$0.08 earnings per diluted share, compared with \$0.5 million, or \$0.01 earnings per diluted share in Q2 2022;
- **Non-GAAP net income** of \$4.9 million, or \$0.09 earnings per diluted share, compared with \$1.4 million, or \$0.03 earnings per diluted share in Q2 2022;
- **Adjusted EBITDA** of \$9.2 million, up 74% compared with \$5.3 million in Q2 2022;

### Forward-Looking Expectations

The Company today raised its 2023 revenues guidance to between \$265 to \$285 million, representing year-over-year growth of 15% at the mid-point, as well as increased its GAAP operating income guidance to between \$18 to \$22 million, representing year-over-year growth of 101% at the mid-point and its adjusted EBITDA guidance to between \$33 to \$37 million, representing year-over-year growth of 39% at the mid-point.

### Adi Sfadia, Gilat's CEO, commented:

"We are very pleased with our strong second quarter results, with solid growth in revenue, which was up 22% year-over-year, and a stronger growth in Adjusted EBITDA, up 74% year-over-year, demonstrating operating leverage in our business model. The revenue growth was broad across most of our business areas, a testimony to the strong market interest in Gilat's solutions as well as growing interest in satellite communications overall.

We are experiencing a significant expansion in our in-flight connectivity (IFC) business with a growing demand for both electronically steered antennas (ESA) and Solid-State Power Amplifiers (SSPA) from existing and new customers.



We signed a significant agreement and received the first orders from Satcom Direct, for the development and supply of new ultra-low profile electronically steered antennas (ESA) to operate over OneWeb's LEO constellation. This ESA project is an important turning point and an important future growth engine as we increase our presence by entering new market segments such as IFC for business jets, as well as connectivity for government and military aviation.

We are progressing in obtaining the necessary regulatory approvals for our acquisition of DataPath Inc., which was announced during the first quarter. Conditioned upon this process's satisfactory conclusion, we anticipate that the closing of the transaction will occur in Q4 2023.

**Mr. Sfadia concluded**, "Not only did we report strong results in the quarter, but we also had strong bookings and signed some strategic deals this quarter, all of which led us to increase our 2023 guidance and makes me confident about our ability to materialize our long-term growth potential."

### Key Recent Announcements

- Satcom Direct and Gilat Sign Strategic Agreement for Joint ESA Project to Expand Plane Simple® Portfolio
- Tier 1 Telecom Operator Selects Gilat Satellite Connectivity for a Major Western European Utility Company
- Gilat Awarded Millions of Dollars in Orders for Cellular Backhaul Over Satellite Project in Mexico

### Conference Call Details

Gilat's management will discuss its second quarter 2023 results and business achievements and participate in a question-and-answer session:

Date: Tuesday, August 8, 2023  
Start: 09:30 AM EDT / 16:30 IDT  
Dial-in: US: 1-888-407-2553  
International: +972-3-918-0609

A simultaneous webcast of the conference call will be available on the Gilat website at [www.gilat.com](http://www.gilat.com) and through this link: <https://veidan.activetrail.biz/gilatq2-2023>

The webcast will also be archived for a period of 30 days on the Company's website and through the link above.

### Non-GAAP Measures

The attached summary unaudited financial statements were prepared in accordance with U.S. Generally Accepted Accounting Principles (GAAP). To supplement the consolidated financial statements presented in accordance with GAAP, the Company presents non-GAAP presentations of gross profit, operating expenses, operating income, income before taxes on income, net income (loss), adjusted EBITDA, and earnings (losses) per share. The adjustments to the Company's GAAP results are made with the intent of providing both management and investors with a more complete understanding of the Company's underlying operational results, trends, and performance. Non-GAAP financial measures mainly exclude, if and when applicable, the effect of non-cash stock-based compensation expenses, amortization of purchased



intangibles, amortization of intangible assets related to acquisition transactions, lease incentive amortization, impairment of held for sale asset, income tax effect on adjustments, one-time changes of deferred tax assets, and other operating expenses (income), net.

Adjusted EBITDA is presented to compare the Company's performance to that of prior periods and evaluate the Company's financial and operating results on a consistent basis from period to period. The Company also believes this measure, when viewed in combination with the Company's financial results prepared in accordance with GAAP, provides useful information to investors to evaluate ongoing operating results and trends. Adjusted EBITDA, however, should not be considered as an alternative to operating income or net income (loss) for the period and may not be indicative of the historic operating results of the Company; nor is it meant to be predictive of potential future results. Adjusted EBITDA is not a measure of financial performance under GAAP and may not be comparable to other similarly titled measures for other companies. Reconciliation between the Company's net income (loss) and adjusted EBITDA is presented in the attached summary financial statements.

Non-GAAP presentations of gross profit, operating expenses, operating income, income before taxes on income, net income (loss), adjusted EBITDA and earnings (losses) per share should not be considered in isolation or as a substitute for any of the consolidated statements of operations prepared in accordance with GAAP, or as an indication of Gilat's operating performance or liquidity.

## About Gilat

Gilat Satellite Networks Ltd. (NASDAQ: GILT, TASE: GILT) is a leading global provider of satellite-based broadband communications.

With over 35 years of experience, we create and deliver deep technology solutions for satellite, ground and new space connectivity and provide comprehensive end-to-end solutions and services, powered by our innovative technology. We believe in the right of all people to be connected and are united in our resolution to provide communication solutions to all reaches of the world.

Delivering high value solutions, our portfolio is comprised of a cloud-based platform and high performance satellite terminals designed to work in harmony with satellite constellations, including Very High Throughput Satellites (VHTS) and Software-Defined Satellites (SDS) in multiple orbits; high performance Satellite On-the-Move (SOTM) antennas; and highly efficient, high-power Solid State Power Amplifiers (SSPA) and Block Upconverters (BUC).

Gilat's comprehensive solutions support multiple applications with a full portfolio of products to address key applications including broadband access, mobility, cellular backhaul, military, government, and enterprise, all while meeting the most stringent service level requirements. For more information, please visit: [www.gilat.com](http://www.gilat.com)

*Certain statements made herein that are not historical are forward-looking within the meaning of the Private Securities Litigation Reform Act of 1995. The words "estimate", "project", "intend", "expect", "believe" and similar expressions are intended to identify forward-looking statements. These forward-looking statements involve known and unknown risks and uncertainties. Many factors could cause the actual results, performance or achievements of Gilat to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements, including, among others, risks associated with the outbreak and global spread of the coronavirus (COVID-19) pandemic; changes in general economic and business conditions, inability to maintain market acceptance to Gilat's products, inability to timely develop and introduce new technologies, products and applications, rapid*



*changes in the market for Gilat's products, loss of market share and pressure on prices resulting from competition, introduction of competing products by other companies, inability to manage growth and expansion, loss of key OEM partners, inability to attract and retain qualified personnel, inability to protect the Company's proprietary technology and risks associated with Gilat's international operations and its location in Israel. For additional information regarding these and other risks and uncertainties associated with Gilat's business, reference is made to Gilat's reports filed from time to time with the Securities and Exchange Commission. We undertake no obligation to update or revise any forward-looking statements for any reason.*

**Contact:**

Gilat Satellite Networks  
Doreet Oren, Senior Director Corporate Communications  
[DoreetO@gilat.com](mailto:DoreetO@gilat.com)

Gilat Satellite Networks  
Mayrav Sher, Head of Finance and Investor Relations  
[MayravS@gilat.com](mailto:MayravS@gilat.com)

EK Global IR  
Ehud Helft, Managing Partner  
[ehud@ekgir.com](mailto:ehud@ekgir.com)