



GILAT PRESS RELEASE

Gilat Reports Third Quarter 2023 Results

*Revenues Grew 6% to \$63.9 million;
GAAP Operating Income of \$12.7 million and Adjusted EBITDA of \$9.5 million, 30% Growth Year-over-Year*

Petah Tikva, Israel – November 7, 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 third quarter, ended September 30, 2023.

Third Quarter 2023 Financial Highlights

- **Revenues** of \$63.9 million, up 6% compared with \$60.4 million in Q3 2022;
- **GAAP operating income** of \$12.7 million compared with \$3.4 million in Q3 2022; GAAP operating income in this quarter includes one-time other income, net, of \$7.4 million that was recorded with respect to a settlement of legal proceedings in the Philippines and a real estate sale in Bulgaria;
- **Non-GAAP operating income** of \$6.1 million, up 40% compared with \$4.4 million in Q3 2022;
- **GAAP net income** of \$10.2 million, or \$0.18 per diluted share, compared with \$2.1 million, or \$0.04 per diluted share in Q3 2022; GAAP net income in Q3 2023 excluding the one-time other income, net, mentioned above and its relevant tax effect, was \$3.8 million, or \$0.07 per diluted share;
- **Non-GAAP net income** of \$4.6 million, or \$0.08 per diluted share, up 51% compared with \$3 million, or \$0.06 per diluted share in Q3 2022;
- **Adjusted EBITDA** of \$9.5 million, up 30% compared with \$7.3 million in Q3 2022.

Forward-Looking Expectations

The Company narrowed the range of its 2023 revenue guidance, with expectations of between \$265 million to \$275 million, representing year-over-year growth of 13% at the mid-point. The Company increased the range of its GAAP operating income guidance range to between \$29 million to \$31 million representing significant year-over-year growth compared with \$10 million in 2022. The Company also narrowed the range of its Adjusted EBITDA guidance to between \$35 to \$37 million, representing year-over-year growth of 43% at the mid-point.



Adi Sfadia, Gilat's CEO, commented:

“We are deeply saddened by the tragic events of October 7th in Israel. Our thoughts and prayers are with the victims of this horrific attack – the murdered, the hostages, the wounded and their families. We are very proud of our employees’ response to this crisis and their dedication to the company during these times. We also want to thank our customers and suppliers and the world community at large for their full-hearted support.

As a strong global company with operation and development centers worldwide, our operations remain unaffected by recent events in Israel. We continue to closely monitor the situation and have implemented relevant measures, and refreshed our business continuity plans to minimize any potential effect, if at all, to our business.”

Mr. Sfadia continued, “We are pleased with our results, particularly the continued revenue growth combined with the solid improvement in our profitability. We reported significantly improved profitability including Adjusted EBITDA, demonstrating the operating leverage inherent in our business. The ongoing good performance was due to the continued growing interest in our solutions as well as advancements in the satellite communications space in general.”

Mr. Sfadia concluded, “Our strong performance in 2023 to date has generated Adjusted EBITDA of \$27 million in the nine months ended September 30, 2023, which already exceeds the Adjusted EBITDA from the whole of 2022. Given our leading position in the market and the opportunities we see ahead, we look forward to continuing our growth into 2024 and beyond.”

Key Recent Announcements

- Gilat Awarded Approximately \$20 Million in Contract Renewal and Extension from Tier-1 MNO in the USA
- Gilat Awarded Contract for Satellite Network Modernization at Ethio Telecom

Conference Call Details

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

Date: Tuesday, November 7, 2023
Start: 09:30 AM EST / 16:30 IST
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 and through this link: <https://Veidan.activetrail.biz/gilatq3-2023>

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, adjusted EBITDA, and earnings 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 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 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, adjusted EBITDA and earnings 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

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.

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