



Press Release

Gilat Presents Fourth Quarter and Full Year 2023 Results

Q4 Revenue of \$75.6 million, GAAP Operating Income of \$2.9 million and Adjusted EBITDA of \$9.4 million

2023 Revenue of \$266.1 million, up 11% year over year, GAAP Operating Income of \$28.1 million and Adjusted EBITDA of \$36.4 million, up 44% YoY

Petah Tikva, Israel, February 26, 2024 — Gilat Satellite Networks Ltd. (NASDAQ: GILT, TASE: GILT), a worldwide leader in satellite networking technology, solutions and services, today reported its unaudited results for the fourth quarter and full year ended December 31, 2023.

Fourth Quarter 2023 Financial Highlights

- **Revenue** of \$75.6 million, up 4% compared with \$72.6 million in Q4 2022;
- **GAAP operating income** of \$2.9 million, compared with \$6.1 million in Q4 2022;
- **Non-GAAP operating income** of \$6.1 million, compared with \$7.1 million in Q4 2022;
- **GAAP net income** of \$3.4 million, or \$0.06 per diluted share, compared with GAAP net loss of \$6.0 million, or \$0.11 loss per share, in Q4 2022;
- **Non-GAAP net income** of \$6.5 million, or \$0.11 per diluted share, compared with \$7.9 million, or \$0.14 per diluted share, in Q4 2022;
- **Adjusted EBITDA** of \$9.4 million compared with \$10.1 million in Q4 2022.

Full year 2023 Financial Highlights

- **Revenue** of \$266.1 million, up 11% compared with \$239.8 million in 2022;
- **GAAP operating income** of \$28.1 million, almost tripled compared to \$10.0 million in 2022;
- **Non-GAAP operating income** of \$23.5 million, up 73% compared with \$13.6 million in 2022;
- **GAAP net income** of \$23.5 million, or \$0.41 per diluted share, compared with GAAP net loss of \$5.9 million in 2022, or \$0.10 loss per share;
- **Non-GAAP net income** of \$19.9 million, or \$0.35 per diluted share, almost doubled compared to non-GAAP net income of \$10.6 million or \$0.19 per diluted share in 2022;
- **Adjusted EBITDA** was \$36.4 million, up 44% compared with adjusted EBITDA of \$25.2 million in 2022.

Forward-Looking Expectations

Management's financial guidance for 2024 is for revenues of between \$305 to \$325 million, representing year-over-year growth of 18% at the midpoint. GAAP operating income is expected to be between \$15 to \$19 million, and Adjusted EBITDA is expected to be between \$40 to \$44 million, representing year-over-year growth of 15% at the mid-point.

Management Commentary

Adi Sfadia, Gilat's CEO, commented: "We are pleased with the financial results, capping off a very strong 2023 with \$266.1 million in revenue, up 11% over last year, and very strong growth in EBITDA at \$36.4 million, up 44% over last year. This demonstrates the operating leverage inherent to our business model combined with a favorable product revenue mix during 2023.

"Furthermore, 2023 was also particularly successful from a strategic perspective. Looking back, we have a lot to be proud of. In mid-November, we concluded the acquisition of DataPath in the US, which brings several synergies for both businesses and we see DataPath as a significant long-term growth asset for Gilat in the defense sector. Moreover, our strong cash position is allowing us to explore additional inorganic growth opportunities and we are currently exploring several of these opportunities.

Mr. Sfadia added, "Throughout the year, we achieved highly strategic contract wins with market-dominating satellite operators, and we extended Gilat's market leadership in satellite-based cellular backhaul and In-Flight Connectivity, including a very significant Electronic Steered Antenna (ESA) award for business aviation.

Mr. Sfadia concluded, "Our ongoing success is due to the continued growing market interest in the satellite communications sector in general and for our leading technological solutions in particular. We see these favorable trends continuing into 2024 and therefore our expectations for the year ahead are for continued strong growth in revenue and profit."



Key Recent Announcements

- Gilat Awarded \$10 Million Follow-On Order from the US Department of Defense
- Gilat Awarded Multimillion-Dollar Defense Satellite Connectivity Project
- Gilat Awarded \$17 Million by Pronatel for Expansion of Regional Telecommunications Project in Peru
- Gilat Announces New Brand Identity Embracing the Company's Commitment to the New Space Revolution
- Gilat Awarded Approximately \$3M for a Satellite Connectivity Project for a National Police Force
- US Army Awards Nearly \$20 Million Contract Extension to Gilat to Sustain Anytime, Anywhere Satellite Connectivity
- Gilat Completes Acquisition of DataPath, Inc.

Conference Call Details

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

Date: Monday, February 26, 2024

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/gilatq4-2023>

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

Unaudited Results

The attached summary unaudited financial statements represent the most current information available to management. Audited results will be reported in our annual report on Form 20-F.

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, other expenses, one-time changes of deferred tax assets, one-time tax expense related to the release of historical tax-trapped earnings, other operating expenses (income), net and income tax effect on the relevant adjustments.

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 (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, 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, secure end-to-end solutions and services for mission-critical operations, 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.

Our portfolio includes a diverse offering to deliver high value solutions for multiple orbit constellations with very high throughput satellites (VHTS) and software defined satellites (SDS). Our offering is comprised of a cloud-based platform and high-performance satellite terminals; high performance Satellite On-the-Move (SOTM) antennas; highly efficient, high-power Solid State Power Amplifiers (SSPA) and Block Upconverters (BUC) and includes integrated ground systems for commercial and defense, field services, network management software, and cybersecurity services.

Gilat's comprehensive offering supports multiple applications with a full portfolio of products and tailored solutions to address key applications including broadband access, mobility, cellular backhaul, enterprise, defense, aerospace, broadcast, government, and critical infrastructure clients 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, 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, including those related to the current terrorist attacks by Hamas, and the war and hostilities between Israel and Hamas and Israel and Hezbollah. 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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