



## Press Release

### **Gilat Reports Third Quarter 2024 Results**

***Revenues Increased by 17% Year-over-Year  
GAAP Operating Income of \$6.7 Million  
Adjusted EBITDA of \$10.7 Million***

**Petah Tikva, Israel, November 13, 2024** — Gilat Satellite Networks Ltd. (NASDAQ: GILT, TASE: GILT), a worldwide leader in satellite networking technology, solutions and services, today reported its results for the third quarter, ended September 30, 2024.

#### **Third Quarter 2024 Financial Highlights**

- **Revenues** of \$74.6 million, up 17% compared with \$63.9 million in Q3 2023;
- **GAAP operating income** of \$6.7 million, compared with \$12.7 million in Q3 2023;
  - GAAP operating income includes other income, net, of \$1.3 million. Q3 2023 GAAP operating income included other income, net, of \$7.4 million;
- **Non-GAAP operating income** of \$8.3 million, up 36% compared with \$6.1 million in Q3 2023;
- **GAAP net income** of \$6.8 million, or \$0.12 per diluted share, compared with \$10.2 million, or \$0.18 per diluted share, in Q3 2023;
  - GAAP net income includes other income, net, of \$1.3 million. Q3 2023 GAAP net income included other income, net, of \$7.4 million;
- **Non-GAAP net income** of \$8.1 million, or \$0.14 per diluted share, almost doubled compared with \$4.6 million, or \$0.08 per diluted share, in Q3 2023;
- **Adjusted EBITDA** of \$10.7 million, up 13% compared with \$9.5 million in Q3 2023.

## Forward-Looking Expectations

The Company narrowed the range of its 2024 revenue guidance. Expectations of revenue between \$305 million to \$315 million now represent year-over-year growth of 17% at the mid-point. The main effect on the revenue guidance is the company's decision to terminate its activities in Russia due to limitations and constraints that are imposed with regard to operations there.

The Company raised and narrowed the range of its 2024 GAAP operating income guidance to between \$24 million to \$26 million, mainly due to the receipt of approximately \$11 million in proceeds from an arbitration in Peru in H2 2024.

The Company also narrowed the range of its Adjusted EBITDA guidance to between \$41 to \$43 million, representing year-over-year growth of 15% at the mid-point.

## Management Commentary

**Adi Sfadia, Gilat's CEO, commented:** "We performed strongly in the third quarter, achieving solid growth driven by our Satellite Network segment. This growth highlights the progress we are making in expanding our defense opportunities following our acquisition of DataPath at the end of 2023. This is highly encouraging for Gilat, as our defense business represents a rapidly growing strategic segment for the company. Our innovative satellite solutions are meeting the specialized demands of government and military customers, reinforcing our position as a trusted partner. In addition, our in-flight connectivity solutions continue to set new benchmarks for reliability and performance, addressing the increasing need for seamless airborne connectivity. Together, these efforts underscore our commitment to capturing growth in these critical markets."

**Mr. Sfadia added,** "We continued to broaden our pipeline of potential orders throughout our business, supported by our next-generation platform, as we capture new LEO satellite communications opportunities. Gilat is extremely well-positioned to leverage the growing demand for NGSO with an emphasis on LEO based on our comprehensive product offering and satellite expertise."

**Mr. Sfadia concluded,** "We are continuing to work towards the closing of our acquisition of Stellar Blu Solutions, a leader and first-to-market of Electronically Steerable Antenna for the In-Flight-Connectivity market, and are awaiting the receipt of final regulatory approvals, documentation and other customary closing conditions. Stellar Blu's production ramp is progressing very well, and it has already begun delivering antennas to its customers. We are more confident today that Stellar Blu will add between \$120-\$150 million in annual revenues and be accretive to our Non-GAAP results. Furthermore, we estimate that once Stellar Blu reaches its target manufacturing capacity during the second half of 2025, its EBITDA margin will be above 10%."



## Key Recent Announcements

- Gilat Receives Approximately \$5 Million in Orders from US Defense Customers
- Gilat Received Over \$4 Million Order from the US Department of Defense
- Gilat Secures Approximately \$15 Million in Orders from Leading Satellite Operators for GEO, MEO and LEO Constellations
- Gilat Satellite Networks Awarded approximately \$4 Million Contract to Provide Connectivity for rural areas in Latin America
- Gilat Satellite Networks Receives Multimillion Service Contract from Leading Satellite Operator in APAC region
- Gilat Satellite Networks Awarded Over \$5M in Support of the US Department of Defense
- Gilat Secures Over \$12 Million Orders for SkyEdge Platforms from Leading Satellite Operator

## Conference Call Details

Gilat's management will discuss its third quarter 2024 results and business achievements and participate in a question-and-answer session:

Date: Wednesday, November 13, 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](http://www.gilat.com) and through this link: <https://veidan.activetrail.biz/gilatq3-2024>

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 stock-based compensation expenses, amortization of purchased intangibles, lease incentive



amortization, other non-recurring expenses, other integration expenses, other operating 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 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](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, 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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