



GILAT PRESS RELEASE

Gilat Reports Strong Second Quarter 2022 Results

Revenue of \$55.5 million, operating profit \$1.5 million and Adjusted EBITDA of \$5.3 million; Reiterates 2022 guidance

Petah Tikva, Israel – August 9, 2022 – Gilat Satellite Networks Ltd. (NASDAQ: GILT, TASE: GILT), a worldwide leader in satellite networking technology, solutions and services, today reported its results for the second quarter ended June 30, 2022.

Second Quarter 2022 Financial Highlights

- **Revenues** of \$55.5 million, up 1.2% compared with Q2 of last year;
- **GAAP operating income** of \$1.5 million versus operating loss of \$0.4 million in Q2 last year;
- **Non-GAAP operating income** of \$2.4 million versus Non-GAAP operating income of \$0.1 million in Q2 last year;
- **GAAP net income** of \$0.5 million versus loss of \$0.2 million in Q2 last year;
- **Non-GAAP net income** of \$1.4 million versus Non-GAAP income of \$0.3 million in Q2 last year;
- **Adjusted EBITDA** of \$5.3 million versus Adjusted EBITDA of \$2.4 million in Q2 last year;
- **Reiterates and on-track with 2022 financial guidance;**

Forward-Looking Expectations

The Company reiterates its 2022 guidance issued in 2022, of revenues between \$245 to \$265 million, representing year-over-year growth of between 14% and 23%, GAAP operating income of between \$5 to \$9 million and Adjusted EBITDA of between \$20 to \$24 million, representing year-over-year growth of Adjusted EBITDA between 30% to 56%.

Management Commentary

Adi Sfadia, Gilat's CEO, commented: "We are pleased with our strong results, especially with the solid improvement in our profitability. We continue to successfully capitalize on the opportunities in our pipeline, and we see increasing growth potential in our end-markets for the coming years. Looking out to the rest of the year, we feel increasingly comfortable and remain on target to meet our goals.

This was an exceptional quarter with significant multimillion dollar orders for Gilat's next generation platform, SkyEdge IV. We expanded the global strategic relationships with our partners, the satellite operators, SES and Intelsat, and are competing on important GEO VHTS opportunities in our pipeline with additional major satellite operators. Furthermore, our SSPA



business for this new and exciting market is progressing as planned, and as such, we believe we are well positioned to seize opportunities in the multibillion market of the next era of satellite communication.

We received more than \$10 million in new Cellular Backhaul orders this quarter as we continue to expand our global leadership. We are encouraged with the progress in our strategic markets of Inflight Connectivity and Maritime as well as with our growing business in Defense and Enterprise, and we see a growing set of additional opportunities."

Mr. Sfadia concluded, "Given our ongoing strong performance, we reiterate our 2022 guidance and expect a year of solid growth in revenue and improved profitability."

Key Recent Announcements

- Internet Para Todos Expands Services Contract with Gilat
- Gilat Signs Agreement to Enable a Central Asian Government to Provide Digital Services over Satellite
- Gilat and Intelsat Expand Their Strategic In-Flight Connectivity Partnership in Japan
- Tier-1 MNO Awards Multimillion-Dollar Order to Gilat for 4G Cellular Backhaul Network Expansion in Latin America
- Gilat Awarded Order of Over \$7M from Tier-1 Mobile Network Carrier in APAC for 4G Cellular Backhaul Network Expansion
- Gilat Awarded Follow-On Orders to Expand Defense Force SATCOM Network in an Asian Nation
- Gilat Receives Over \$8 Million Follow-On Order for Support of Low Earth Orbit Constellation

Conference Call Details

Gilat's management will discuss its second quarter 2022 results and business achievements and participate in a question and answer session:

Date: Tuesday, August 9, 2022
Start: 09:30 AM EDT / 16:30 IDT
Dial-in: US: 1-866-744-5399
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/gilatq2-2022>

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 net income, operating 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 a more complete understanding of the Company's underlying



operational results, trends and performance. Non-GAAP financial measures mainly exclude the effect of stock based compensation, amortization of purchased intangibles, lease incentive amortization, litigation expenses, income related to trade secrets claims, restructuring and reorganization costs, merger, acquisition and related litigation expense (income), impairment of held for sale asset, and one-time changes of deferred tax assets.

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 Operating income and Adjusted EBITDA is presented in the attached summary financial statements.

Non-GAAP presentations of net income, operating 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 30 years of experience, we design and manufacture cutting-edge ground segment equipment, and provide comprehensive solutions and end-to-end services, powered by our innovative technology. Delivering high value competitive solutions, our portfolio comprises of a cloud based VSAT network platform, high-speed modems, high performance on-the-move antennas and high efficiency, high power Solid-State 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, Cellular Backhaul, enterprise, in-flight connectivity, maritime, trains, defense and public safety, 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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