



GILAT PRESS RELEASE

Gilat Presents Strong Growth and Results for Third Quarter 2022

Revenue of \$60.4 million, up 21% year-over-year, GAAP operating income of \$3.4 million versus \$0.8 million in Q3 last year, and adjusted EBITDA of \$7.3 million, up 88% year-over-year

Petah Tikva, Israel – November 14, 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 third quarter ended September 30, 2022.

Third Quarter 2022 Financial Highlights

- **Revenues** of \$60.4 million, up 21% compared with \$49.8 million in Q3 last year;
- **GAAP operating income** of \$3.4 million versus \$0.8 million in Q3 last year;
- **Non-GAAP operating income** of \$4.4 million versus \$1.3 million in Q3 last year;
- **GAAP net income** of \$2.1 million versus breakeven in Q3 last year;
- **Non-GAAP net income** of \$3 million versus \$0.6 million in Q3 last year;
- **Adjusted EBITDA** of \$7.3 million versus \$3.9 million in Q3 last year;

Forward-Looking Expectations

The Company adjusted and narrowed the range of its 2022 revenue guidance, with expectations of between \$240 million and \$245 million, representing year-over-year growth of approximately 13%.

The Company also increased and narrowed the GAAP operating income guidance range to between \$8 million to \$10 million representing significant year-over-year growth versus \$2.2 million in 2021.

The Company increased and narrowed the adjusted EBITDA range to between \$23 to \$25 million, representing year-over-year growth of approximately 56%.

Management Commentary

Adi Sfadia, Gilat's CEO, commented: "We are very pleased with our strong third quarter results showing continued year-over-year growth and a recovery in all our markets, in particular IFC. We are also very encouraged with the solid and continued improvement in our profitability demonstrating substantial improvement in our gross, operating and net margins with adjusted EBITDA growing by 88% year-over-year.



Strategically we are very excited with the progress of our newly launched, world leading, SkyEdge IV platform. During the third quarter, a leading service provider selected SkyEdge IV, Gilat's high-performance, multi-orbit platform, to power maritime connectivity. We are confident that this platform will allow us to focus and gain market share in the growing multibillion-dollar market of the next era of satellite communication.

The mobility business continued to pick up, with recent IFC orders of over \$12 million. We further solidified our leadership in the cellular backhaul market this quarter, with multimillion-dollar orders from both new customers and mobile operators trusting Gilat's technology to extend their networks even further. In addition, we received multimillion-dollar orders in the Defense segment, where we see significant potential and have increased our focus, as well as in the Enterprise sector for utility and banking applications."

Mr. Sfadia concluded, "Our pipeline continues to increase and broaden, and the release of our next generation platform and growth engine – the SkyEdge IV for VHTS & NGSO satellites – is gaining strong traction among new and existing customers. As such, we are increasingly optimistic and expect to maintain our strong momentum ahead. For 2022 as a whole, we are tracking ahead of our profitability targets, and we look forward to continuing the growth trend into 2023."

Key Recent Announcements

- World-Leading UAV Manufacturer Selects Gilat in Multi-Year, Multimillion-Dollar Strategic Agreement for UAV Terminals
- Telefónica Global Solutions Selects Gilat to Extend 4G Cellular Coverage for Mobile Operators in Latin America
- Antamina Selects Gilat for Multimillion-Dollar E-Learning Project
- Gilat Awarded Over \$10M to Power IFC Applications of Tier-1 Global Aerospace System Integrator
- Gilat Selected by Sencinet for Petrobras' Oil and Gas Industry Satellite Connectivity Project
- SES and Gilat Extend Global Strategic Cooperation with Orders for GEO VHTS and O3b mPOWER NGSO Constellation

Conference Call Details

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

Date: Monday, November 14, 2022
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/gilatq3-2022>

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, other expenses, income tax effect on adjustments 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 over 30 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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