



GILAT PRESS RELEASE

Gilat Reports First Quarter 2023 Results

Demonstrates Strong Revenue Growth of 15% Year-over-Year and Increased Profitability with GAAP Operating Income of \$7 Million and Adjusted EBITDA of \$8.4 Million

Company Raises its GAAP Operating Income and Adjusted EBITDA Guidance for 2023

Petah Tikva, Israel – May 9, 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 first quarter, ended March 31, 2023.

First Quarter 2023 Financial Highlights

- **Revenue** of \$59.0 million, up 15% compared with \$51.4 million in Q1 2022;
- **GAAP operating income** of \$7.0 million, compared with GAAP operating loss of \$1.0 million in Q1 2022;
- **Non-GAAP operating income** of \$5.3 million, compared with a non-GAAP operating loss of \$0.3 million in Q1 2022;
- **GAAP net income** of \$5.6 million, or \$0.10 earnings per diluted share, compared with GAAP net loss of \$2.5 million, or loss of \$0.04 per share, in Q1 2022;
- **Non-GAAP net income** of \$3.8 million, or \$0.07 earnings per diluted share, compared with non-GAAP net loss of \$1.8 million, or loss of \$0.03 per share, in Q1 2022;
- **Adjusted EBITDA** of \$8.4 million compared with \$2.5 million in Q1 2022;

Forward-Looking Expectations

The Company today raised its GAAP operating income guidance to between \$16 to \$20 million, representing year-over-year growth of 81% at the mid-point and its adjusted EBITDA guidance to between \$31 to \$35 million, representing year-over-year growth of 31% at the mid-point. The company reiterated its 2023 revenue guidance.

Adi Sfadia, Gilat's CEO, commented:

"The first quarter of 2023 was a very strong opening for the year and is another quarter in which we showed strong year-over-year growth in revenues and profitability. Our growth was broad, across multiple business areas, demonstrating the increased interest in satellite communications and in Gilat's leading position in the industry. Adding to that is the significant improvement in our profitability metrics, with gross margins reaching a multi-year high of 42%



and Adjusted EBITDA of 14% of revenues or \$8.4 million, more than tripled that of the same quarter last year.”

“I am pleased we continued to make great inroads with our strategy to be the partner of choice for satellite operators with multimillion-dollar orders during the first quarter. In addition, on the defense front, we made significant progress in executing on our growth strategy. We signed a definitive agreement to acquire DataPath Inc. a US Defense integrator, to boost our defense offering with a focus on the US Department of Defense.”

Mr. Sfadia concluded, "I believe that Gilat today is in the best position it has been in a long time – revenue is growing strongly, with bookings, backlog, and the pipeline all at a very healthy level. This, coupled with our strong performance in Q1, has led us to increase our profitability guidance for 2023.”

Key Recent Announcements

- Financial Institution in Latin America Deploying Millions of Dollars of Gilat Technology for Satellite Connectivity
- Gilat Receives Multimillion-Dollar Order for Expansion of Advanced Disaster Response Network in Asia
- Intelsat Strengthens Strategic Partnership and Expands Service Capabilities with Significant Multimillion-Dollar Orders for Gilat’s Multi-service Platforms and Terminals
- SES Certifies Gilat’s SkyEdge IV Platform for O3b mPOWER, O3b and SES-17
- ST Engineering iDirect and Gilat Satellite Networks Successfully Showcase Proof of Concept Utilizing DIFI Standard at Satellite 2023
- Gilat Signs Definitive Agreement to Acquire DataPath, Market Leader in Trusted Communications for US DoD, Military & Gov’t Sectors
- Gilat Announces Launch of Endurance, a New Line of “Always-On” SSPA Products
- Hispasat and Gilat Expand Strategic Partnership with the Selection of Gilat’s SkyEdge IV Platform for Amazonas Nexus
- Gilat Announces Availability of SkyEdge IV Taurus-M, New Satellite Modem for Military and Government Markets
- Gilat Enables TIM Brasil to Be First Network Operator with Coverage to 100% of Brazilian Cities

Conference Call Details

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

Date: Tuesday, May 9, 2023
Start: 09:30 AM EDT / 16:30 IDT
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/gilatq1-2023>



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 stock-based compensation, 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 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 (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 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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