



## Press Release

### **Gilat Reports First Quarter 2024 Results**

#### ***Strong Revenue Growth of 29% Year-over-Year, GAAP Operating Income of \$5.4 Million and Adjusted EBITDA of \$9.3 Million***

**Petah Tikva, Israel, May 8, 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 first quarter, ended March 31, 2024.

#### **First Quarter 2024 Financial Highlights**

- **Revenue** of \$76.1 million, up 29% compared with \$59.0 million in Q1 2023;
- **GAAP operating income** of \$5.4 million, compared with \$7.0 million in Q1 2023;
  - The decline is mainly due to lower other income, higher stock-based compensation, mainly related to the Datapath acquisition, and amortization of purchased intangibles;
- **Non-GAAP operating income** of \$6.6 million, up 25% compared with \$5.3 million in Q1 2023;
- **GAAP net income** of \$5.0 million, or \$0.09 per diluted share, compared with \$5.6 million, or \$0.10 per diluted share, in Q1 2023;
- **Non-GAAP net income** of \$6.0 million, or \$0.11 per diluted share, almost doubled compared with \$3.8 million, or \$0.07 per diluted share, in Q1 2023;
- **Adjusted EBITDA** of \$9.3 million compared with \$8.4 million in Q1 2023.

#### **Forward-Looking Expectations**

The Company today reiterated its guidance for 2024.

Expectations are for revenue between \$305 and \$325 million, representing year-over-year growth of 18% at the midpoint. GAAP operating income is expected to be between \$15 and \$19 million, and Adjusted EBITDA is expected to be between \$40 and \$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 our financial results representing another strong quarter of growth and profitability, with revenue up 29% year-over-year and Adjusted EBITDA up 11% year-over-year. Our revenue growth was driven by solid organic growth in both our Satellite Networks and our Network Infrastructure and Services segments, as well as a full quarter of contribution from Datapath, the defense communications business we acquired in November of last year. Our pipeline of potential orders throughout our business continues to increase and broaden, supported by our next-generation platforms and growth engines."

**Mr. Sfadia added,** "Our strong revenue growth demonstrates the continued growing traction for many of Gilat's products and services among both new and existing customers. In particular, we are pleased with the strong level of orders from the Defense sector in recent months, which is a strategic growth vector for us. We continue to work on extracting potential synergies from the Datapath acquisition, which we believe will increasingly benefit our profitability over the coming quarters."

**Mr. Sfadia concluded,** "Given the fundamental advantages of satellite communications that are driving market interest and generating growing orders for our leading technological solutions, we are excited by Gilat's potential in both the near and long term. Furthermore, Gilat's strong financial position is allowing us to explore potential inorganic growth opportunities, which we believe can significantly accelerate our growth trajectory."

## Key Recent Announcements

- SES's O3b mPOWER System Launches Service via Gilat's SkyEdge IV Platform
- Gilat Received Approximately \$5 Million for Providing Services to a Leading LATAM Service Provider
- Gilat Received Multimillion-Dollar Order from a Leading Defense Organization
- Gilat Expanding into Additional IFC Market Segments After Receiving Over \$3 Million in Orders from a Leading IFC Service Provider
- Gilat Awarded Over \$3M Follow-On Order for Public WiFi Service in Latin America
- Gilat Awarded over \$5 Million Order from the US Department of Defense
- US Army Awards \$12 Million Contract Extension to Gilat to Sustain Anytime, Anywhere Satellite Connectivity
- Gilat Awarded Over \$13M in Additional Orders from Satellite Operators for its World Leading SkyEdge IV and SkyEdge II-c Platforms



## Conference Call Details

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

Date: Wednesday, May 8, 2024

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](http://www.gilat.com) and through this link: <https://veidan.activetrail.biz/gilatq1-2024>

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 integration expenses, one-time changes of deferred tax assets, 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 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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