

GILAT SATELLITE NETWORKS LTD.
CONSOLIDATED STATEMENTS OF INCOME
U.S. dollars in thousands (except share and per share data)

	Nine months ended September 30,		Three months ended September 30,	
	2025	2024	2025	2024
	Unaudited		Unaudited	
Revenues	\$ 314,698	\$ 227,320	\$ 117,691	\$ 74,611
Cost of revenues	219,642	145,010	82,960	46,928
Gross profit	95,056	82,310	34,731	27,683
Research and development expenses, net	35,424	28,028	11,494	9,481
Selling and marketing expenses	25,542	20,724	9,075	6,615
General and administrative expenses	19,849	20,676	6,822	6,162
Other operating expenses (income), net	3,758	(2,045)	(206)	(1,320)
Total operating expenses	84,573	67,383	27,185	20,938
Operating income	10,483	14,927	7,546	6,745
Financial income (expenses), net	(3,178)	1,441	(992)	662
Income before taxes on income	7,305	16,368	6,554	7,407
Taxes on income	4,627	(3,283)	1,544	(588)
Net income	\$ 11,932	\$ 13,085	\$ 8,098	\$ 6,819
Earnings per share (basic and diluted)	\$ 0.21	\$ 0.23	\$ 0.14	\$ 0.12
Weighted average number of shares used in computing earnings per share				
Basic	57,546,606	57,016,883	58,477,579	57,017,032
Diluted	58,077,156	57,016,883	59,852,657	57,017,032

GILAT SATELLITE NETWORKS LTD.
RECONCILIATION BETWEEN GAAP AND NON-GAAP CONSOLIDATED STATEMENTS OF INCOME
FOR COMPARATIVE PURPOSES

U.S. dollars in thousands (except share and per share data)

	Three months ended September 30, 2025			Three months ended September 30, 2024		
	GAAP	Adjustments (*) Unaudited	Non-GAAP	GAAP	Adjustments (*) Unaudited	Non-GAAP
Gross profit	\$ 34,731	2,774	\$ 37,505	\$ 27,683	755	\$ 28,438
Operating expenses	27,185	(2,526)	24,659	20,938	(767)	20,171
Operating income	7,546	5,300	12,846	6,745	1,522	8,267
Income before taxes on income	6,554	5,300	11,854	7,407	1,522	8,929
Net income	<u>\$ 8,098</u>	<u>3,685</u>	<u>\$ 11,783</u>	<u>\$ 6,819</u>	<u>1,325</u>	<u>\$ 8,144</u>
Basic earnings per share	<u>\$ 0.14</u>	<u>\$ 0.06</u>	<u>\$ 0.20</u>	<u>\$ 0.12</u>	<u>\$ 0.02</u>	<u>\$ 0.14</u>
Diluted earnings per share	<u>\$ 0.14</u>	<u>\$ 0.05</u>	<u>\$ 0.19</u>	<u>\$ 0.12</u>	<u>\$ 0.02</u>	<u>\$ 0.14</u>
Weighted average number of shares used in computing earnings per share						
Basic	<u>58,477,579</u>		<u>58,477,579</u>	<u>57,017,032</u>		<u>57,017,032</u>
Diluted	<u>59,852,657</u>		<u>60,839,694</u>	<u>57,017,032</u>		<u>57,017,032</u>

(*) Adjustments reflect the effect of stock-based compensation as per ASC 718, amortization of purchased intangibles, other operating expenses (income), net, other integration expenses and income tax effect on such adjustments which is calculated using the relevant effective tax rate.

	Three months ended September 30, 2025 Unaudited	Three months ended September 30, 2024 Unaudited
GAAP net income	\$ 8,098	\$ 6,819
Gross profit		
Stock-based compensation expenses	215	85
Amortization of purchased intangibles	2,559	596
Other integration expenses	-	74
	<u>2,774</u>	<u>755</u>
Operating expenses		
Stock-based compensation expenses	1,436	696
Stock-based compensation related to business combination	-	1,131
Amortization of purchased intangibles	1,120	248
Other operating expenses (income), net	(206)	(1,320)
Other integration expenses	176	12
	<u>2,526</u>	<u>767</u>
Taxes on income	<u>(1,615)</u>	<u>(197)</u>
Non-GAAP net income	<u>\$ 11,783</u>	<u>\$ 8,144</u>

GILAT SATELLITE NETWORKS LTD.
RECONCILIATION BETWEEN GAAP AND NON-GAAP CONSOLIDATED STATEMENTS OF INCOME
FOR COMPARATIVE PURPOSES
U.S. dollars in thousands (except share and per share data)

	Nine months ended September 30, 2025			Nine months ended September 30, 2024		
	GAAP	Adjustments (*) Unaudited	Non-GAAP	GAAP	Adjustments (*) Unaudited	Non-GAAP
Gross profit	\$ 95,056	6,142	\$ 101,198	\$ 82,310	3,098	\$ 85,408
Operating expenses	84,573	(10,658)	73,915	67,383	(4,180)	63,203
Operating income	10,483	16,800	27,283	14,927	7,278	22,205
Income before taxes on income	7,305	16,800	24,105	16,368	7,278	23,646
Net income	<u>11,932</u>	<u>13,639</u>	<u>25,571</u>	<u>13,085</u>	<u>6,628</u>	<u>19,713</u>
Basic earnings per share	<u>\$ 0.21</u>	<u>\$ 0.23</u>	<u>\$ 0.44</u>	<u>\$ 0.23</u>	<u>\$ 0.12</u>	<u>\$ 0.35</u>
Diluted earnings per share	<u>\$ 0.21</u>	<u>\$ 0.22</u>	<u>\$ 0.43</u>	<u>\$ 0.23</u>	<u>\$ 0.12</u>	<u>\$ 0.35</u>
Weighted average number of shares used in computing earnings per share						
Basic	<u>57,546,606</u>		<u>57,546,606</u>	<u>57,016,883</u>		<u>57,016,883</u>
Diluted	<u>58,077,156</u>		<u>58,961,990</u>	<u>57,016,883</u>		<u>57,047,599</u>

(*) Adjustments reflect the effect of stock-based compensation as per ASC 718, amortization of purchased intangibles, other operating expenses (income), net, other non-recurring expenses, other integration expenses and income tax effect on such adjustments which is calculated using the relevant effective tax rate.

	Nine months ended September 30, 2025 Unaudited	Nine months ended September 30, 2024 Unaudited
GAAP net income	\$ 11,932	\$ 13,085
Gross profit		
Stock-based compensation expenses	617	385
Amortization of purchased intangibles	5,461	2,023
Other non-recurring expenses	-	466
Other integration expenses	64	224
	<u>6,142</u>	<u>3,098</u>
Operating expenses		
Stock-based compensation expenses	3,420	2,118
Stock-based compensation related to business combination	(313)	3,297
Amortization of purchased intangibles	3,273	772
Other operating expenses (income), net	3,758	(2,045)
Other integration expenses	520	38
	<u>10,658</u>	<u>4,180</u>
Taxes on income	<u>(3,161)</u>	<u>(650)</u>
Non-GAAP net income	<u>\$ 25,571</u>	<u>\$ 19,713</u>

GILAT SATELLITE NETWORKS LTD.
SUPPLEMENTAL INFORMATION
U.S. dollars in thousands

ADJUSTED EBITDA:

	Nine months ended		Three months ended	
	September 30,		September 30,	
	2025	2024	2025	2024
	Unaudited		Unaudited	
GAAP net income	\$ 11,932	\$ 13,085	\$ 8,098	\$ 6,819
Adjustments:				
Financial expenses (income), net	3,178	(1,441)	992	(662)
Taxes on income	(4,627)	3,283	(1,544)	588
Stock-based compensation expenses	4,037	2,503	1,651	781
Stock-based compensation related to business combination	(313)	3,297	-	1,131
Depreciation and amortization (*)	16,458	10,709	6,412	3,266
Other operating expenses (income), net	3,758	(2,045)	(206)	(1,320)
Other non-recurring expenses	-	466	-	-
Other integration expenses	584	262	176	86
Adjusted EBITDA	\$ 35,007	\$ 30,119	\$ 15,579	\$ 10,689

(*) Including amortization of lease incentive

SEGMENT REVENUES:

	Nine months ended		Three months ended	
	September 30,		September 30,	
	2025	2024	2025	2024
	Unaudited		Unaudited	
Commercial	\$ 206,234	\$ 118,380	\$ 72,957	\$ 33,787
Defense	67,094	68,398	24,090	30,994
Peru	41,370	40,542	20,644	9,830
Total revenues	\$ 314,698	\$ 227,320	\$ 117,691	\$ 74,611

GILAT SATELLITE NETWORKS LTD.
CONSOLIDATED BALANCE SHEETS
U.S. dollars in thousands

	September 30, 2025	December 31, 2024
	Unaudited	Audited
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 154,451	\$ 119,384
Restricted cash	430	853
Trade receivables, net	54,381	49,600
Contract assets	14,703	24,941
Inventories	51,344	38,890
Other current assets	44,680	21,963
Total current assets	319,989	255,631
LONG-TERM ASSETS:		
Restricted cash	15	12
Long-term contract assets	7,890	8,146
Severance pay funds	6,693	5,966
Deferred taxes	18,222	11,896
Operating lease right-of-use assets	5,593	6,556
Other long-term assets	18,633	5,288
Total long-term assets	57,046	37,864
PROPERTY AND EQUIPMENT, NET	72,849	70,834
INTANGIBLE ASSETS, NET	58,160	12,925
GOODWILL	167,706	52,494
<u>TOTAL ASSETS</u>	<u>\$ 675,750</u>	<u>\$ 429,748</u>

GILAT SATELLITE NETWORKS LTD.
CONSOLIDATED BALANCE SHEETS (Cont.)
U.S. dollars in thousands

	September 30, 2025	December 31, 2024
	Unaudited	Audited
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Current maturities of long-term loan	\$ 3,750	\$ -
Trade payables	13,534	17,107
Accrued expenses	52,648	45,368
Advances from customers and deferred revenues	81,407	18,587
Operating lease liabilities	2,782	2,557
Other current liabilities	31,519	17,817
Total current liabilities	185,640	101,436
LONG-TERM LIABILITIES:		
Long-term loans	55,525	2,000
Accrued severance pay	7,249	6,677
Long-term advances from customers and deferred revenues	140	580
Operating lease liabilities	2,975	4,014
Other long-term liabilities	33,620	10,606
Total long-term liabilities	99,509	23,877
SHAREHOLDERS' EQUITY:		
Share capital - ordinary shares of NIS 0.2 par value	3,199	2,733
Additional paid-in capital	1,014,112	943,294
Accumulated other comprehensive loss	(3,170)	(6,120)
Accumulated deficit	(623,540)	(635,472)
Total shareholders' equity	390,601	304,435
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 675,750	\$ 429,748

GILAT SATELLITE NETWORKS LTD.
CONSOLIDATED STATEMENTS OF CASH FLOWS
U.S. dollars in thousands

	Nine months ended		Three months ended	
	September 30,		September 30,	
	2025	2024	2025	2024
	Unaudited		Unaudited	
Cash flows from operating activities:				
Net income	\$ 11,932	\$ 13,085	\$ 8,098	\$ 6,819
Adjustments required to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization	16,302	10,542	6,360	3,209
Stock-based compensation expenses	3,724	5,800	1,651	1,912
Accrued severance pay, net	(155)	(17)	(79)	(77)
Deferred taxes, net	(6,325)	1,536	(2,092)	(188)
Decrease (increase) in trade receivables, net	(10,613)	(7,019)	(1,379)	10,715
Decrease (increase) in contract assets	10,453	(2,987)	(6,099)	(5,969)
Decrease (increase) in other assets and other adjustments (including short-term, long-term and effect of exchange rate changes on cash, cash equivalents and restricted cash)	12,070	3,071	316	(2,441)
Increase in inventories	(3,358)	(2,472)	(3,454)	(3,446)
Increase (decrease) in trade payables	(19,375)	5,080	(4,685)	1,501
Increase in accrued expenses	1,027	2,675	5,614	4,904
Increase (decrease) in advances from customers and deferred revenues	8,625	(12,162)	24,051	(2,676)
Increase (decrease) in other liabilities	2,668	(1,745)	142	432
Net cash provided by operating activities	26,975	15,387	28,444	14,695
Cash flows from investing activities:				
Purchase of property, equipment and intangible assets	(8,260)	(4,095)	(4,004)	(1,445)
Investment in other asset	(3,500)	-	-	-
Acquisitions of subsidiary, net of cash acquired	(104,943)	-	-	-
Net cash used in investing activities	(116,703)	(4,095)	(4,004)	(1,445)
Cash flows from financing activities:				
Repayment of credit facility, net	-	(7,453)	-	-
Repayment of short-term debts	-	(4,043)	-	(2,703)
Proceeds from short-term debts	-	6,770	-	5,301
Proceeds from long-term loan, net of associated costs	58,970	-	-	-
Repayment of long-term loan	(1,500)	-	(750)	-
Proceeds from issuance of Ordinary shares in a private placement, net	65,325	-	65,325	-
Proceeds from exercise of stock options	166	-	166	-
Net cash provided by (used in) financing activities	122,961	(4,726)	64,741	2,598
Effect of exchange rate changes on cash, cash equivalents and restricted cash	1,414	(558)	298	160
Increase in cash, cash equivalents and restricted cash	34,647	6,008	89,479	16,008
Cash, Cash equivalents and Restricted cash at the Beginning of the Period	120,249	104,751	65,417	94,751
Cash, cash equivalents and restricted cash at the end of the period	\$ 154,896	\$ 110,759	\$ 154,896	\$ 110,759