

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

	Twelve months ended December 31,		Three months ended December 31,	
	2025		2024	
	Unaudited	Audited	Unaudited	2024
Revenues	\$ 451,657	\$ 305,448	\$ 136,959	\$ 78,128
Cost of revenues	318,313	192,117	98,671	47,107
Gross profit	133,344	113,331	38,288	31,021
Research and development expenses, net	46,651	38,136	11,227	10,108
Selling and marketing expenses	35,114	27,381	9,572	6,657
General and administrative expenses	31,345	26,868	11,496	6,192
Other operating income, net	(3,206)	(6,751)	(6,964)	(4,706)
Total operating expenses	109,904	85,634	25,331	18,251
Operating income	23,440	27,697	12,957	12,770
Financial income (expenses), net	(4,526)	1,504	(1,348)	63
Income before taxes on income	18,914	29,201	11,609	12,833
Taxes on income	1,809	(4,352)	(2,818)	(1,069)
Net income	\$ 20,723	\$ 24,849	\$ 8,791	\$ 11,764
Basic earnings per share	\$ 0.35	\$ 0.44	\$ 0.14	\$ 0.21
Diluted earnings per share	\$ 0.34	\$ 0.44	\$ 0.13	\$ 0.21
Weighted average number of shares used in computing earnings per share				
Basic	59,428,823	57,016,920	65,075,472	57,017,032
Diluted	60,402,165	57,016,920	67,377,192	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 December 31, 2025			Three months ended December 31, 2024		
	GAAP	Adjustments (*)	Non-GAAP	GAAP	Adjustments (*)	Non-GAAP
	Unaudited			Unaudited		
Gross profit	\$ 38,288	3,517	\$ 41,805	\$ 31,021	575	\$ 31,596
Operating expenses	25,331	1,270	26,601	18,251	3,680	21,931
Operating income	12,957	2,247	15,204	12,770	(3,105)	9,665
Income before taxes on income	11,609	2,247	13,856	12,833	(3,105)	9,728
Net income	<u><u>\$ 8,791</u></u>	<u><u>4,633</u></u>	<u><u>\$ 13,424</u></u>	<u><u>\$ 11,764</u></u>	<u><u>(3,252)</u></u>	<u><u>\$ 8,512</u></u>
Basic earnings per share	<u><u>\$ 0.14</u></u>	<u><u>\$ 0.07</u></u>	<u><u>\$ 0.21</u></u>	<u><u>\$ 0.21</u></u>	<u><u>\$ (0.06)</u></u>	<u><u>\$ 0.15</u></u>
Diluted earnings per share	<u><u>\$ 0.13</u></u>	<u><u>\$ 0.07</u></u>	<u><u>\$ 0.20</u></u>	<u><u>\$ 0.21</u></u>	<u><u>\$ (0.06)</u></u>	<u><u>\$ 0.15</u></u>
Weighted average number of shares used in computing earnings per share						
Basic	<u><u>65,075,472</u></u>		<u><u>65,075,472</u></u>	<u><u>57,017,032</u></u>		<u><u>57,017,032</u></u>
Diluted	<u><u>67,377,192</u></u>		<u><u>68,130,573</u></u>	<u><u>57,017,032</u></u>		<u><u>57,024,316</u></u>

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

	Three months ended December 31, 2025		Three months ended December 31, 2024	
	GAAP	Unaudited	GAAP	Unaudited
GAAP net income	\$ 8,791		\$ 11,764	
Gross profit				
Stock-based compensation expenses	197		133	
Amortization of purchased intangibles	3,320		389	
Other integration expenses	-		53	
	<u><u>3,517</u></u>		<u><u>575</u></u>	
Operating expenses				
Stock-based compensation expenses	1,842		653	
Stock-based compensation related to business combination	2,657		140	
Amortization of purchased intangibles	1,112		216	
Other operating income, net	(6,964)		(4,706)	
Other integration expenses	83		17	
	<u><u>(1,270)</u></u>		<u><u>(3,680)</u></u>	
Taxes on income	<u><u>2,386</u></u>		<u><u>(147)</u></u>	
Non-GAAP net income	<u><u>\$ 13,424</u></u>		<u><u>\$ 8,512</u></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)

	Twelve months ended December 31, 2025			Twelve months ended December 31, 2024		
	GAAP	Adjustments (*)	Non-GAAP	GAAP	Adjustments (*)	Non-GAAP
	Unaudited			Unaudited		
Gross profit	\$ 133,344	9,659	\$ 143,003	\$ 113,331	3,673	\$ 117,004
Operating expenses	109,904	(9,388)	100,516	85,634	(500)	85,134
Operating income	23,440	19,047	42,487	27,697	4,173	31,870
Income before taxes on income	18,914	19,047	37,961	29,201	4,173	33,374
Net income	20,723	18,272	38,995	24,849	3,376	28,225
Basic earnings per share	\$ 0.35	\$ 0.31	\$ 0.66	\$ 0.44	\$ 0.06	\$ 0.50
Diluted earnings per share	\$ 0.34	\$ 0.30	\$ 0.64	\$ 0.44	\$ 0.05	\$ 0.49
Weighted average number of shares used in computing earnings per share						
Basic	59,428,823		59,428,823	57,016,920		57,016,920
Diluted	60,402,165		61,254,135	57,016,920		57,041,778

(*) Adjustments reflect the effect of stock-based compensation as per ASC 718, amortization of purchased intangibles, other operating 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.

	Twelve months ended December 31, 2025		Twelve months ended December 31, 2024	
	GAAP	Non-GAAP	GAAP	Non-GAAP
	Unaudited		Unaudited	
GAAP net income	\$ 20,723		\$ 24,849	
Gross profit				
Stock-based compensation expenses	814		518	
Amortization of purchased intangibles	8,781		2,412	
Other non-recurring expenses	-		466	
Other integration expenses	64		277	
	9,659		3,673	
Operating expenses				
Stock-based compensation expenses	5,262		2,771	
Stock-based compensation related to business combination	2,344		3,437	
Amortization of purchased intangibles	4,385		988	
Other operating income, net	(3,206)		(6,751)	
Other integration expenses	603		55	
	9,388		500	
Taxes on income	(775)		(797)	
Non-GAAP net income	\$ 38,995		\$ 28,225	

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

ADJUSTED EBITDA:

	Twelve months ended December 31,		Three months ended December 31,	
	2025	2024	2025	2024
	Unaudited	Unaudited	Unaudited	Unaudited
GAAP net income	\$ 20,723	\$ 24,849	\$ 8,791	\$ 11,764
Adjustments:				
Financial expenses (income), net	4,526	(1,504)	1,348	(63)
Taxes on income	(1,809)	4,352	2,818	1,069
Stock-based compensation expenses	6,076	3,289	2,039	786
Stock-based compensation related to business combination	2,344	3,437	2,657	140
Depreciation and amortization (*)	23,850	13,777	7,392	3,068
Other operating income, net	(3,206)	(6,751)	(6,964)	(4,706)
Other non-recurring expenses	-	466	-	-
Other integration expenses	667	332	83	70
Adjusted EBITDA	\$ 53,171	\$ 42,247	\$ 18,164	\$ 12,128

(*) Including amortization of lease incentive

SEGMENT REVENUES:

	Twelve months ended December 31,		Three months ended December 31,	
	2025	2024	2025	2024
	Unaudited	Unaudited	Unaudited	Unaudited
Commercial	\$ 281,352	\$ 155,344	\$ 75,118	\$ 36,962
Defense	100,430	97,755	33,336	29,358
Peru	69,875	52,349	28,505	11,808
Total revenues	\$ 451,657	\$ 305,448	\$ 136,959	\$ 78,128

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

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
	<u>Unaudited</u>	<u>Audited</u>
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 168,907	\$ 119,384
Short-term deposits	16,433	-
Restricted cash	88	853
Trade receivables, net	79,383	49,600
Contract assets	36,987	24,941
Inventories	45,430	38,890
Other current assets	38,325	21,963
Total current assets	385,553	255,631
LONG-TERM ASSETS:		
Restricted cash	-	12
Long-term contract assets	7,890	8,146
Severance pay funds	6,941	5,966
Deferred taxes	15,558	11,896
Operating lease right-of-use assets	5,922	6,556
Other long-term assets	19,871	5,288
Total long-term assets	56,182	37,864
PROPERTY AND EQUIPMENT, NET		
INTANGIBLE ASSETS, NET		
GOODWILL		
TOTAL ASSETS	\$ 740,427	\$ 429,748

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

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
	<u>Unaudited</u>	<u>Audited</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Current maturities of long-term loan	\$ 2,000	\$ -
Trade payables	31,614	17,107
Accrued expenses	59,797	45,368
Advances from customers and deferred revenues	71,953	18,587
Operating lease liabilities	2,957	2,557
Other current liabilities	41,529	17,817
Total current liabilities	209,850	101,436
LONG-TERM LIABILITIES:		
Long-term loan	-	2,000
Accrued severance pay	7,508	6,677
Long-term advances from customers and deferred revenues	67	580
Operating lease liabilities	3,102	4,014
Other long-term liabilities	19,622	10,606
Total long-term liabilities	30,299	23,877
SHAREHOLDERS' EQUITY:		
Share capital - ordinary shares of NIS 0.2 par value	3,765	2,733
Additional paid-in capital	1,115,030	943,294
Accumulated other comprehensive loss	(3,768)	(6,120)
Accumulated deficit	(614,749)	(635,472)
Total shareholders' equity	500,278	304,435
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 740,427	\$ 429,748

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

	Twelve months ended December 31,		Three months ended December 31,	
	2025		2024	
	Unaudited	Audited	Unaudited	2024
Cash flows from operating activities:				
Net income	\$ 20,723	\$ 24,849	\$ 8,791	\$ 11,764
Adjustments required to reconcile net income to net cash provided by (used in) operating activities:				
Depreciation and amortization	23,651	13,554	7,349	3,012
Stock-based compensation expenses	8,420	6,726	4,696	926
Accrued severance pay, net	(145)	(89)	10	(72)
Deferred taxes, net	(3,662)	1,834	2,663	298
Increase in trade receivables, net	(35,839)	(5,393)	(25,226)	(2,328)
Decrease (increase) in contract assets	(11,831)	4,565	(22,284)	11,506
Decrease in other assets and other adjustments (including short-term, long-term and effect of exchange rate changes on cash, cash equivalents and restricted cash)	16,021	11,661	3,951	8,590
Decrease (increase) in inventories	1,539	(1,928)	4,897	544
Increase (decrease) in trade payables	(2,195)	3,196	17,180	(1,884)
Increase (decrease) in accrued expenses	7,896	(5,906)	6,869	(8,581)
Decrease in advances from customers and deferred revenues	(894)	(16,390)	(9,519)	(4,228)
Decrease in other liabilities	(3,009)	(5,010)	(5,677)	(3,265)
Net cash provided by (used in) operating activities	20,675	31,669	(6,300)	16,282
Cash flows from investing activities:				
Purchase of property, equipment and intangible assets	(11,490)	(6,610)	(3,230)	(2,515)
Investment in other asset	(3,500)	-	-	-
Investments in short-term deposits	(16,433)	-	(16,433)	-
Acquisitions of subsidiary, net of cash acquired	(104,943)	-	-	-
Net cash used in investing activities	(136,366)	(6,610)	(19,663)	(2,515)
Cash flows from financing activities:				
Repayment of credit facility, net	-	(7,453)	-	-
Repayment of short-term debts	-	(7,836)	-	(3,793)
Proceeds from short-term debts	-	7,836	-	1,066
Proceeds from long-term loan, net of associated costs	58,970	(654)	-	(654)
Repayment of long-term loan	(60,000)	-	(58,500)	-
Proceeds from issuance of Ordinary shares in a private placement, net	164,060	-	98,735	-
Proceeds from exercise of stock options	166	-	-	-
Net cash provided by (used in) financing activities	163,196	(8,107)	40,235	(3,381)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	1,241	(1,454)	(173)	(896)
Increase in cash, cash equivalents and restricted cash	48,746	15,498	14,099	9,490
Cash, Cash equivalents and Restricted cash at the Beginning of the Period	120,249	104,751	154,896	110,759
Cash, cash equivalents and restricted cash at the end of the period	\$ 168,995	\$ 120,249	\$ 168,995	\$ 120,249