
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934
Date of Report (Date of earliest event reported): April 13, 2022**

AVIAT NETWORKS, INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-33278
(Commission File
Number)

20-5961564
(I.R.S. Employer
Identification No.)

(Address of principal executive offices, including zip code)

200 Parker Dr., Suite C100A, Austin, Texas 78728

Registrant's telephone number, including area code: (408)-941-7100

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, par value, \$0.01 per share	AVNW	The Nasdaq Global Select Market
<input type="checkbox"/> Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2)		
<input type="checkbox"/> If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.		

Item 7.01 Regulation FD Disclosure.

Aviat Networks, Inc. (“Aviat” or the “Company”) and Aviat, U.S., Inc., a wholly-owned subsidiary of the Company, entered into an Arrangement Agreement (“Arrangement Agreement”) with Redline Communications Group Inc. (“Redline”), a Canadian corporation (TSX: RDL), whereby Aviat agreed to purchase all of the issued and outstanding shares of Redline in an all-cash transaction valued at \$12.9 million (\$16.2 million Canadian dollars (“CAD”)) on a fully diluted basis, or \$0.71 (\$0.90 CAD) per share (the “Transaction”). The Company and Redline issued a joint press release dated April 13, 2022, announcing the execution of the Arrangement Agreement. A copy of the press release is attached here to as Exhibit 99.1.

On April 14, 2022, in connection with the announcement of the Arrangement Agreement, the Company will hold a conference call available to investors and the public. The presentation (the “Investor Presentation”) which shall be referenced during such call is available on the Company’s website at www.aviatnet.com under the “Investor Relations” tab..

No Offer or Solicitation

Communications in this document do not constitute an offer to sell or the solicitation of an offer to subscribe for or buy any securities or a solicitation of any vote or approval with respect to the proposed Transaction or otherwise, nor shall there be any sale, issuance or transfer of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

Cautionary Statement Regarding Forward-Looking Statements

Certain statements in this document concerning the proposed Transaction, including any statements regarding the expected timetable for completing the proposed Transaction, the results, effects, benefits and synergies of the proposed Transaction, future opportunities for the combined company, future financial performance and condition, guidance and any other statements regarding Aviat’s or Redline’s future expectations, beliefs, plans, objectives, financial conditions, assumptions or future events or performance that are not historical facts are “forward-looking” statements based on assumptions currently believed to be valid. Forward-looking statements are all statements other than statements of historical facts. The words “anticipate,” “believe,” “ensure,” “expect,” “if,” “intend,” “estimate,” “probable,” “project,” “forecasts,” “predict,” “outlook,” “aim,” “will,” “could,” “should,” “would,” “potential,” “may,” “might,” “anticipate,” “likely” “plan,” “positioned,” “strategy,” and similar expressions or other words of similar meaning, and the negatives thereof, are intended to identify forward-looking statements. Specific forward-looking statements include statements regarding Aviat’s and Redline’s plans and expectations with respect to the proposed Transaction and the anticipated impact of the proposed Transaction on the combined company’s results of operations, financial position, growth opportunities and competitive position. The forward-looking statements are intended to be subject to the safe harbor provided by Section 27A of the Securities Act of 1933, Section 21E of the Securities Exchange Act of 1934 and the Private Securities Litigation Reform Act of 1995.

These forward-looking statements involve significant risks and uncertainties that could cause actual results to differ materially from those anticipated, including, but not limited to, the possibility that shareholders of Redline may not approve the Transaction; the risk that a condition to closing of the proposed Transaction may not be satisfied, that either party may terminate the Arrangement Agreement or that the closing of the proposed Transaction might be delayed or not occur at all; potential adverse reactions or changes to business or employee relationships, including those resulting from the announcement or completion of the Transaction; the diversion of management time on Transaction-related issues; the ultimate timing, outcome and results of integrating the operations of Aviat and Redline; the effects of the business combination of Aviat and Redline, including the combined company’s future financial condition, results of operations, strategy and plans; the ability of the combined company to realize anticipated synergies in the timeframe expected or at all; changes in capital markets and the ability of the combined company to finance operations in the manner expected; regulatory approval of the Transaction; the effects of commodity prices and inflation; and the fact that operating costs and business disruption may be greater than expected following the public announcement or consummation of the proposed Transaction. Expectations regarding business outlook, including changes in revenue, pricing, capital expenditures, cash flow generation, strategies for our operations, market conditions, legal, economic and regulatory conditions are only forecasts regarding these matters.

Additional factors that could cause results to differ materially from those described above can be found in Aviat’s Annual Report on Form 10-K for the year ended July 2, 2021 and in its subsequently filed Quarterly Reports on Form 10-Q, each of which is on file with the SEC and available from Aviat’s website at www.aviatnet.com under the “Investors Relations” tab, and in other documents Aviat files with the SEC, and in Redline’s Annual Information Form for the year ended December 31, 2021 filed on SEDAR at www.sedar.com and available from Redline’s website at www.rdlcom.com under the “Investor Relations” tab, and in other documents Redline files with the Canadian securities regulatory authorities.

All forward-looking statements speak only as of the date they are made and are based on information available at that time. Neither Aviat nor Redline assumes any obligation to update forward-looking statements to reflect circumstances or events that occur after the date the forward-looking statements were made or to reflect the occurrence of unanticipated events except as required by federal securities laws. As forward-looking statements involve significant risks and uncertainties, caution should be exercised against placing undue reliance on such statements.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No. Description

99.1 [Press Release, issued by Aviat Networks, Inc. and Redline Communications Group Inc. on April 13, 2022](#)

104 Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AVIAT NETWORKS, INC.

April 13, 2022

By: /s/ David M. Gray

Name: David M. Gray

Title: Senior Vice President and Chief Financial Officer



www.aviatnetworks.com

Aviat Networks Announces Intent to Acquire Redline Communications

Expands Aviat's Private Networks Offering with Private LTE/5G, Unlicensed Wireless Access Solutions

Creates an integrated end-to-end offering for wireless access and transport in the Private Networks segment
Leverages Aviat's sales channel to address a \$8 billion Private LTE/5G addressable market
Increases Aviat's reach in mission-critical industrial Private Networks
Expected to be accretive to Gross Margin %, Adjusted EBITDA, Non-GAAP EPS, and Free Cash Flow in first year
Aviat to host conference call Thursday, April 14th, at 8:30am (ET)

AUSTIN, Texas, and TORONTO, Ontario April 13, 2022 -- Aviat Networks, Inc. ("Aviat") (Nasdaq: AVNW) , the leading expert in wireless transport solutions, and Redline Communications Group, Inc. ("Redline") (TSX: RDL), a leading provider in mission-critical data infrastructure, announced today that they have entered into an arrangement agreement (the "Arrangement Agreement") under which Aviat will acquire all outstanding shares of Redline for CAD\$0.90 per common share (approximately USD\$0.71 per share), in an all-cash transaction (the "Transaction") valued at approximately CAD \$16.2 million (approximately USD\$12.9 million). Aviat expects to fully fund the acquisition from cash on hand. Subject to customary closing conditions and necessary regulatory approvals, the transaction is expected to close within four months.

Commenting on the Transaction, Pete Smith, Aviat CEO, said, "This is an exciting opportunity for both Aviat and Redline. The acquisition expands Aviat's share in private networks by adding Redline's wireless network access capabilities in industrial PTP/PTMP and licensed Private LTE and 5G to Aviat's existing wireless transport backhaul solutions. Redline products will leverage Aviat's sales and marketing presence for broader reach. Likewise, Aviat will benefit from Redline's presence in the Oil & Gas, and Transportation verticals."

Smith continued, "We expect this deal to be immediately accretive to Aviat's gross margin %, Adjusted EBITDA, non-GAAP EPS, and Free Cash Flow all in the first year. We look forward to finalizing this transaction which we believe will generate significant value for our shareholders."

Richard Yoon, President and CEO, Redline added that, "Aviat is a great partner for Redline. We look forward to leveraging our portfolio in conjunction with Aviat's global scale."

This Transaction is expected to provide both Aviat and Redline customers with a broader, more integrated portfolio of wireless access and transport solutions and reinforces Aviat's roadmap and commitment to the future of Private Networks as the environment evolves to 5G and beyond.

Transaction Details

Aviat intends to fund the acquisition with cash from the balance sheet.

Aviat and Redline will run independently until the closing of the Transaction.

The Transaction will be carried out by way of a Court-approved plan of arrangement (the “Arrangement”) under the Canada Business Corporations Act, pursuant to which Aviat will acquire all the outstanding common shares of Redline (the “Redline Shares”). The implementation of the Arrangement will be subject to the approval of at least 66 2/3% of the votes cast by Redline shareholders present in person or represented by proxy at the annual general and special meeting of Redline shareholders (the “Meeting”) and a majority of all of the votes cast by Redline shareholders present in person or represented by proxy at the Meeting after excluding votes of certain persons whose votes must be excluded in accordance with Canadian Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions, and the receipt of applicable approvals from the Ontario Superior Court of Justice. The implementation of the Arrangement will also be subject to the completion of a reduction in the stated capital of the Redline Shares, which will require the approval of at least 66 2/3% of the votes cast by Redline shareholders present in person or represented by proxy at the Meeting.

The Arrangement Agreement provides for, among other things, customary representations, warranties and covenants, including a non-solicitation covenants from Redline, subject to customary “fiduciary out” provisions that allow Redline to accept a superior proposal in certain circumstances and a five-business day “right to match period” in favour of Aviat. The Arrangement Agreement also provides for the payment of a termination fee of CAD\$ 0.65 million to Aviat in the event the Transaction is terminated in certain specified circumstances, including if Aviat does not exercise its right to match in the context of a superior proposal supported by Redline. The completion of the transaction is not subject to any financing condition.

All directors and executive officers of Redline and certain other shareholders of Redline, holding approximately 29.7% of the issued and outstanding Redline Shares as of the date hereof, have entered into voting and support agreements in favour of Aviat pursuant to which, among other things, they have agreed to vote their Redline Shares in favour of the Transaction.

A management information circular relating to the Meeting and containing further details regarding the Arrangement and the Arrangement Agreement will be mailed to Redline shareholders and made available on SEDAR under Redline’s profile at www.sedar.com. Further details related to the Transaction can be also found on the Investor Relations tab at www.aviatnetworks.com.

Board of Director Approvals

The Transaction has been unanimously approved by Aviat’s Board of Directors.

Redline’s Board of Directors established a Special Committee of independent directors (D. Neil McDonnell and Josef Vejvoda) to oversee the Transaction discussions and the Arrangement. The Special Committee unanimously recommended the Transaction to the Board of Directors, and the full Board of the Directors of Redline unanimously approved the Transaction, determined that the Transaction is fair to Redline shareholders and in the best interests of Redline, and passed a resolution to recommend that Redline shareholders vote in favour of the Transaction. Evans & Evans, Inc , financial advisor to Redline, has provided a fairness opinion to the Board of Directors of Redline that, subject to the assumptions, limitations and qualifications set out in such fairness opinion, the Consideration to be received by Redline shareholders pursuant to the Transaction is fair from a financial point of view to Redline shareholders.

D. Neil McDonnell, Chair of the Company’s Board of Directors and Special Committee, commented: “We are pleased to announce our acquisition by Aviat, which strategically aligns Redline with a proven market leader, providing access to additional customers and markets and generating operational efficiencies. After careful deliberation, the Special Committee and Redline’s Board of Directors have unanimously concluded that the Transaction is fair to Redline’s shareholders from a financial point of view offering an opportunity to monetize their investment and is in the best interests of Redline and its employees.”

The Arrangement Agreement will be available on SEDAR under Redline’s profile at www.sedar.com within 10 days following the date of this press release.

Conference Call

Aviat will host a conference call for investors and industry analysts to discuss the transaction at 8:30am (ET) Thursday, April 14th.

To listen to the live conference call, please dial toll-free (US/CAN) 800-289-0438 or toll-free (INTL) 1 323-794-2423 conference ID: 8638497. We ask that you dial-in approximately 10 minutes prior to the start time.

About Aviat Networks

Aviat Networks, Inc. is the leading expert in wireless transport solutions and works to provide dependable products, services and support to its customers. With more than one million systems sold in 170 countries worldwide, communications service providers and private network operators including state/local government, utility, federal government and defense organizations trust Aviat with their critical applications. Coupled with a long history of microwave innovations, Aviat provides a comprehensive suite of localized professional and support services enabling customers to simplify both their networks and their lives. For more than 70 years, the experts at Aviat have delivered high-performance products, simplified operations, and the best overall customer experience. Aviat Networks is headquartered in Austin, Texas. For more information, visit www.aviatnetworks.com or connect with Aviat Networks on [Twitter](#), [Facebook](#) and [LinkedIn](#).

About Redline Communications

Redline Communications (TSX:RDL) designs and manufactures powerful wide-area wireless networks for mission-critical applications in challenging locations. Redline networks are used by Oil & Gas companies onshore and offshore, Mining companies on surface and underground operations, by municipalities to remotely monitor infrastructure, and by specialized telecom service providers to deliver premium services. Thousands of businesses worldwide rely on Redline to engineer, plan and deliver ruggedized, secure and reliable networks for their IoT, voice, data, and video communications needs. For more information visit www.rdlcom.com.

Forward-Looking Statements

The information contained in this document includes forward-looking statements within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995, and "forward looking information" under the provisions of Canadian provincial securities laws. Such statements include with respect to Aviat and Redline, their beliefs and expectations regarding the ability to close the Transaction, the ability to obtain the approval of Redline shareholders, the satisfaction of other conditions to the closing of the Transaction on proposed terms and in the time assumed, expectations regarding business conditions, new product solutions, customer positioning, revenue, future orders, bookings, new contracts, cost structure, operating income, profitability in fiscal 2022, process improvements, realignment plans and review of strategic alternatives. All statements, trend analyses and other information contained herein regarding the foregoing beliefs and expectations, as well as about the markets for the services and products of Aviat and Redline and trends in revenue, and other statements identified by the use of forward-looking terminology, including, without limitation, "anticipate," "believe," "plan," "estimate," "expect," "goal," "will," "see," "continue," "delivering," "view," and "intend," or the negative of these terms or other similar expressions, constitute forward-looking statements. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, forward-looking statements are based on estimates reflecting the current beliefs, expectations and assumptions of the senior management of Aviat and Redline regarding the future of its business, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions. Such forward-looking statements involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. Forward-looking statements should therefore be considered in light of various important factors, including those set forth in this document. Therefore, you should not rely on any of these forward-looking statements. Important factors that could cause actual results to differ materially from estimates or projections contained in the forward-looking statements include the following:

- the ability to close the Transaction;
- the ability of Redline to obtain the approval of Redline shareholders and the satisfaction of other conditions to the closing of the Transaction on proposed terms and in the time assumed;
- the impact of COVID-19 on our business, operations and cash flows;
- continued price and margin erosion as a result of increased competition in the microwave transmission industry;
- the impact of the volume, timing, and customer, product, and geographic mix of our product orders;
- the timing of our receipt of payment for products or services from our customers;
- our ability to meet projected new product development dates or anticipated cost reductions of new products;

- our suppliers' inability to perform and deliver on time as a result of their financial condition, component shortages, the effects of COVID-19 or other supply chain constraints;
- the effects of inflation and the timing and extent of changes in the prices and overall demand for and availability of our inputs;
- customer acceptance of new products;
- the ability of our subcontractors to timely perform;
- weakness in the global economy affecting customer spending;
- retention of our key personnel;
- our ability to manage and maintain key customer relationships;
- uncertain economic conditions in the telecommunications sector combined with operator and supplier consolidation;
- our failure to protect our Intellectual property rights or defend against Intellectual property infringement claims by others;
- the results of our restructuring efforts;
- the ability to preserve and use our net operating loss carryforwards;
- the effects of currency and interest rate risks;
- the effects of current and future government regulations, including the effects of current restrictions on various commercial and economic activities in response to the COVID-19 pandemic;
- general economic conditions, including uncertainty regarding the timing, pace and extent of an economic recovery in the United States and other countries where we conduct business;
- the conduct of unethical business practices in developing countries;
- the impact of political turmoil in countries where we have significant business;
- the impact of tariffs, the adoption of trade restrictions affecting our products or suppliers, a United States withdrawal from or significant renegotiation of trade agreements, the occurrence of trade wars, the closing of border crossings, and other changes in trade regulations or relationships; and
- Aviat's ability to implement its stock repurchase program or the extent to which it enhances long-term stockholder value.

For more information regarding the risks and uncertainties for Aviat's business, see "Risk Factors" in Aviat's Annual Report on Form 10-K filed with the U.S. Securities and Exchange Commission ("SEC") on August 25, 2021 as well as other reports filed by Aviat with the SEC from time to time. For additional information on the risks and uncertainties for Redline's business and the Arrangement, see Redline's most recently filed Annual Information Form and Annual Management Discussion & Analysis, which are available on SEDAR at www.sedar.com and on Redline's website at www.rdlcom.com. Neither Aviat nor Redline undertakes any obligation to update publicly any forward-looking statement, whether written or oral, for any reason, except as required by law, even as new information becomes available or other events occur in the future.

For further information:

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