
**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): December 7, 2023**

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.)

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

(Address of principal executive offices, including zip code)

(408)-941-7100

Registrant's telephone number, including area code

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:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common Stock, par value \$0.01 per share	AVNW	NASDAQ Stock Market LLC
Preferred Share Purchase Rights		NASDAQ Stock Market LLC

- Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2).
 - 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.
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Item 7.01 Regulation FD Disclosure.

On December 7, 2023, Aviat Networks, Inc. (“Aviat” or the “Company”) posted an updated investor relations presentation to its investor relations portion of its public website: www.investors.aviatnetworks.com. The Company will begin using the investor relations presentation in connection with presentations to existing and prospective investors. A copy of the investor relations presentation is attached as Exhibit 99.1 to this Current Report on Form 8-K.

The information in this Item 7.01, including Exhibit 99.1 hereto, shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the Exchange Act), or otherwise subject to the liabilities under that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, regardless of any general incorporation language in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

The following exhibits are filed with this Current Report on Form 8-K:

<u>Exhibit No.</u>	<u>Description</u>
99.1*	Aviat Networks, Inc. Investor Presentation, December 7, 2023.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

* Furnished herewith.

Forward-Looking Statements

The information contained in this Current Report on Form 8-K includes forward-looking statements within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995, including Aviat’s beliefs and expectations regarding the Transaction with NEC, outlook, business conditions, new product solutions, customer positioning, future orders, bookings, new contracts, cost structure, profitability in fiscal 2024, process improvements, plans and objectives of management, realignment plans and review of strategic alternatives and expectations regarding future revenue, Adjusted EBITDA, operating income of earnings or loss per share. 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 trends in revenue, and other statements identified by the use of forward-looking terminology, including “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 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: disruption the NEC Transaction may cause to customers, vendors, business partners and our ongoing business; our ability to integrate the operations of the acquired NEC Corporation businesses with our existing operations and fully realize the expected synergies of the NEC Transaction on the expected timeline; the impact of COVID-19; disruptions relating to the ongoing conflict between Russia and Ukraine and the conflict in Israel and surrounding areas; continued price and margin erosion in the microwave transmission industry; the impact of the volume, timing, and customer, product, and geographic mix of our product orders; our ability to meet financial covenant requirements; the timing of our receipt of payment; our ability to meet product development dates or anticipated cost reductions of products; our suppliers’ inability to perform and deliver on time, component shortages, or other supply chain constraints; the effects of inflation; 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 relationship; 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; the results of our restructuring efforts; the effects of currency and interest rate risks; the effects of current and future government regulations; 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; our ability to realize the anticipated benefits of any proposed or recent acquisitions; 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; our ability to implement our stock repurchase program or that it will enhance long-term stockholder value; and the impact of adverse developments affecting the financial services industry, including events or concerns involving liquidity, defaults or non-performance by financial institutions.

For more information regarding the risks and uncertainties for Aviat’s business, see “Risk Factors” in Aviat’s Form 10-K for the fiscal year ended June 30, 2023 filed with the U.S. Securities and Exchange Commission (“SEC”) on August 30, 2023, as well as other reports filed by Aviat with the SEC from time to time. Aviat undertakes no 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.

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.

Date: December 7, 2023

By: /s/ David M. Gray

Name: David M. Gray

Title: Senior Vice President and Chief Financial Officer



Aviat Networks Investor Presentation

Fiscal Q1 2024

December 7, 2023

Forward-Looking Statements

The information contained in this presentation includes forward-looking statements within the meaning of the Securities Litigation Reform Act of 1995, Section 21E of the Securities Exchange Act and Section 27A of the Securities Act, including expectations regarding our results for the fiscal year 2024. All statements, trend analyses and information contained herein about the markets for the services and products of Aviat Networks, Inc. and total revenue, as well as other statements identified by the use of forward-looking terminology, including "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. These forward-looking statements are based on estimates reflecting the current beliefs of the senior management of Aviat Networks, Inc. These 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.

For more information regarding the risks and uncertainties for our business, see "Risk Factors" in our most recent 10-K filed with the U.S. Securities and Exchange Commission ("SEC"), as well as other reports filed by Aviat Networks, Inc. with the SEC from time to time. Aviat Networks, Inc. undertakes no obligation to update publicly any forward-looking statement for any reason, except as required by law, even as new information becomes available or other events occur in the future.

Company Overview

Aviat Networks is the leading wireless transport and access solutions provider



NASDAQ Listed: AVNW

Headquartered in Austin, TX

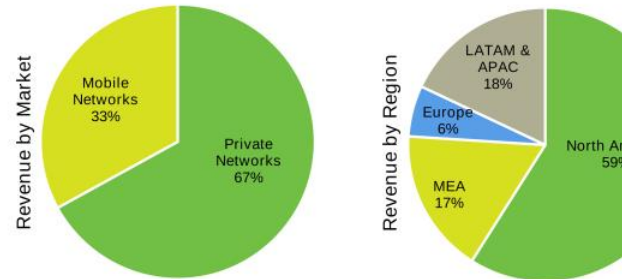
3,000+ Customers Worldwide

Global Manufacturing Capabilities

Leading Technologies – 200+ Patents

Revenue Summary

LTM Revenue: \$353 Million



Points of Excellence

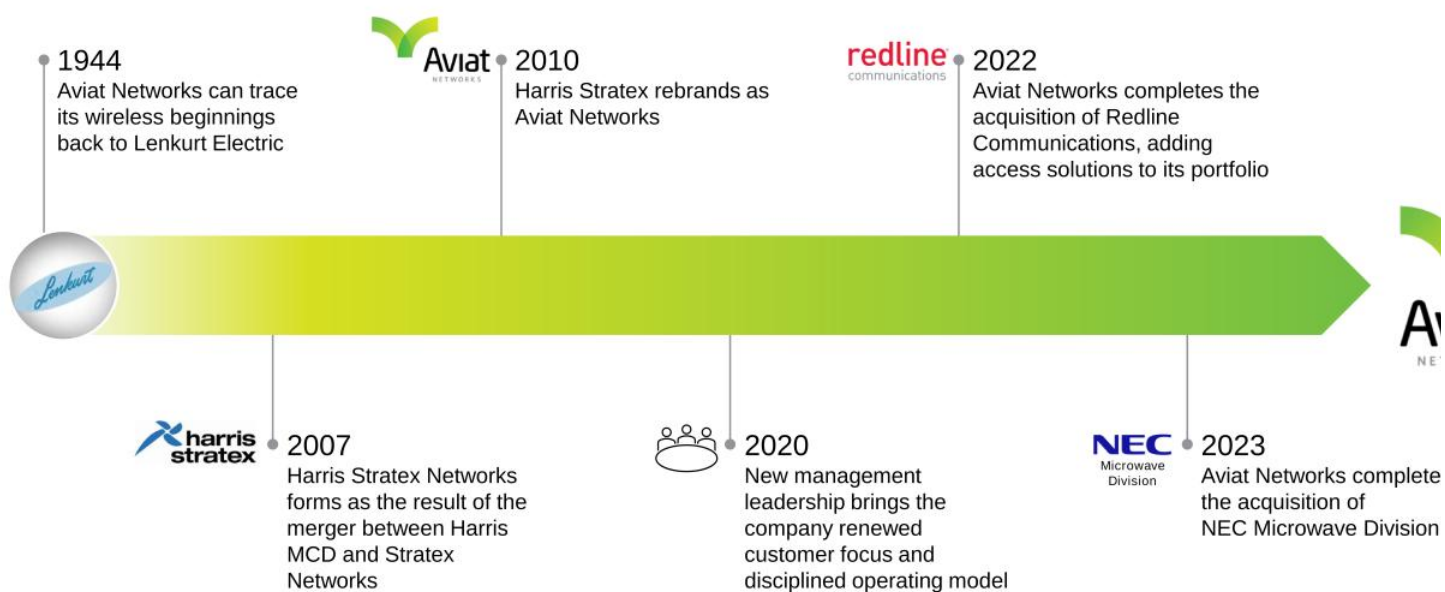
Lowest Total Cost of Ownership

Mission Critical Solutions Leadership

Unrivalled Microwave Expertise

Innovative Products and Services

Over 75 Years of Expertise



A Long History of Wireless Leadership Invigorated by New Leadership and Consistent Execution

NEC Microwave Transaction Summary

Transaction Overview	<ul style="list-style-type: none">• Aviat Networks acquired the microwave backhaul business NEC Corporation for \$65.5 million, structured as an asset purchase<ul style="list-style-type: none">– Anticipate addition of \$140 million in annual revenue• Transaction closed on November 30, 2023
Financing	<ul style="list-style-type: none">• \$23.4 million of Aviat shares priced at \$31.74<ul style="list-style-type: none">– Subject to 12-month lock-up• \$42.1 million cash to be funded by delayed draw term loan facility<ul style="list-style-type: none">– 0.1x net debt Aviat's standalone adjusted EBITDA
Outlook	<ul style="list-style-type: none">• Expect first four quarters to contribute \$140 million of annual revenue<ul style="list-style-type: none">– Revenue to ramp with stronger contribution in first half of Aviat's fiscal 2025• Expect transaction to be accretive by fourth quarter of integration (Aviat's fiscal second quarter)• Aviat to update fiscal 2024 annual guidance in upcoming fiscal 2024 second quarter earnings release

Transaction Significantly Increases Aviat's Scale and Strengthens Position as the Leading Microwave Specialist Company

Combined Financial Profile



A global provider of wireless transport products and services for 5G, rural broadband, and private networks

Last Twelve Months



A leader in wireless backhaul networks with extensive installed base and recognized Pasolink brand

Pro-Forma



The leading global wireless transport specialist

Pro-Forma

Scale Revenue
Margins Gross Margin
Profitability Adj. EBITDA
Leverage Net Debt / EBITDA

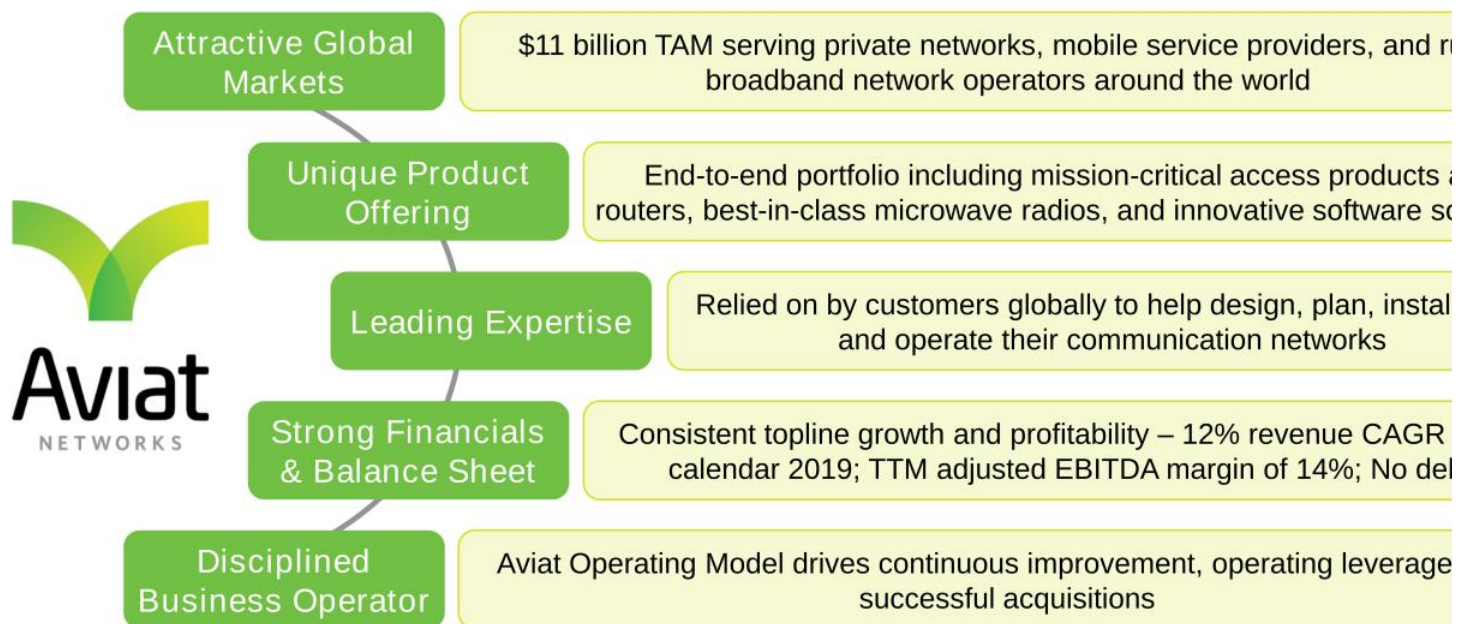
\$353M
36%
14%
-0.7x

~\$140M
~30%
~0%
NA

~\$493M
~33% Goal to improve margins through Aviat Operating Model
Combined business reach 11-13% by end of Year 2
0.1x net leverage on a standalone adj. EBITDA

Transaction Creates a Larger Company with Global Scale, Increase Operating Leverage, and Stronger Innovation and Ability to Serve

Investment Opportunity



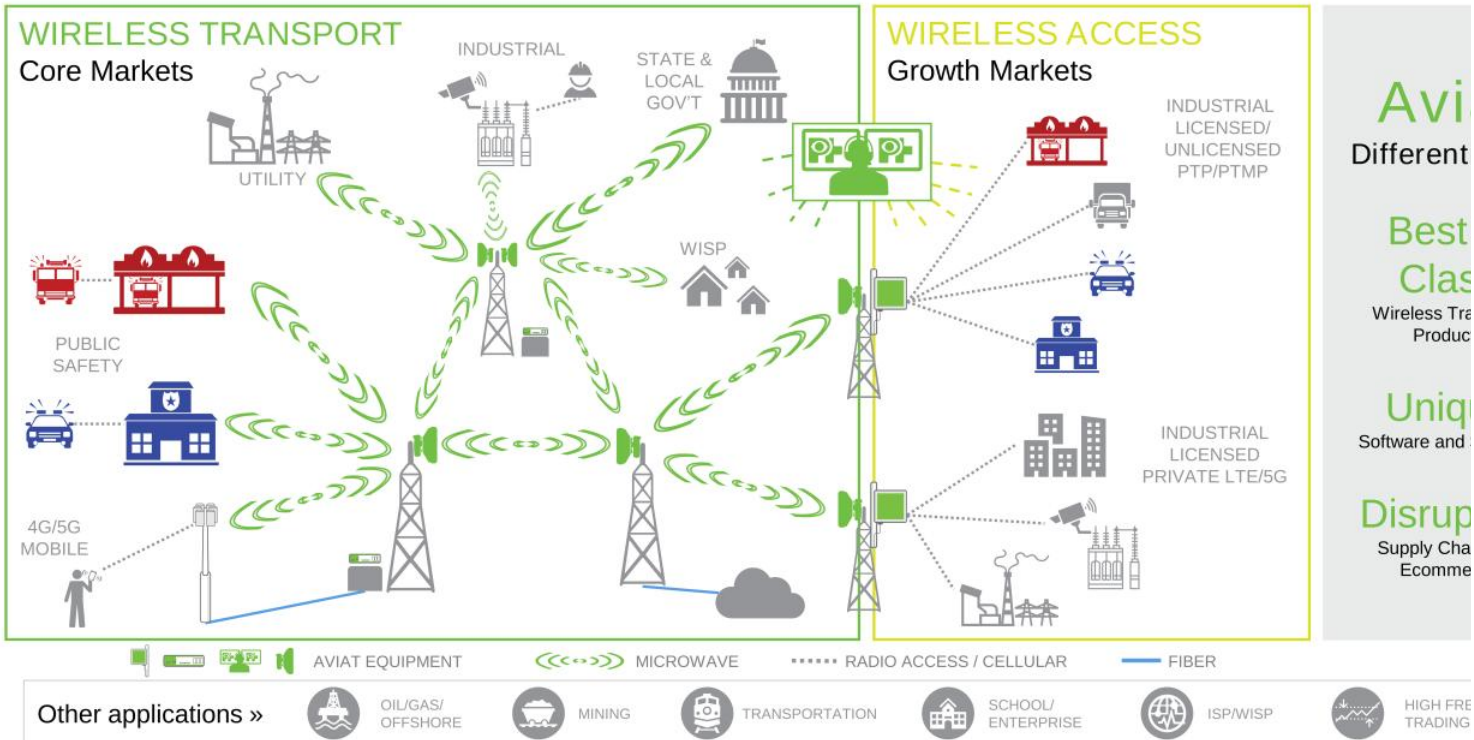
Global Investment in Mission Critical, 5G, and Rural Broadband Networks Underpin Strong and Growing Demand Environment

Why Aviat Wins

	Aviat's Competitive Advantage	vs. Microwave Specialists	vs. Wireless General
Products	<ul style="list-style-type: none"> ✓ Modular radio platform ✓ End-to-end offering of radios, multi-band, routers, access ✓ Better RF performance 	<ul style="list-style-type: none"> • Highly leveraged in chipsets • Difficult to create new product variants quickly • Unable to invest in routing and other products 	<ul style="list-style-type: none"> • Microwave not focus • Less responsive and a bringing radio solutions market
Software & Services	<ul style="list-style-type: none"> ✓ Turnkey services portfolio (design, planning, install) ✓ Software innovations to ease network operations and total cost of ownership (AviatCloud, Assurance software) 	<ul style="list-style-type: none"> • Product focus and lack of software investment • Lack of experience and services make competing in private networks difficult 	<ul style="list-style-type: none"> • Lack focus on dedicate software solutions for transport networks
Supply Chain	<ul style="list-style-type: none"> ✓ Core competence – fast deliveries and disruptive go-to-market like the Aviat Store 	<ul style="list-style-type: none"> • Lack modularity limits supply chain flexibility • Unable to create new business models or react to Aviat innovations 	<ul style="list-style-type: none"> • Microwave supply chain priority vs. RAN • Cannot react to Aviat innovations

Aviat Provides More Innovation and Better Value Than Our Competitors

Wireless Transport and Access Markets Overview



Avi
Different
Best
Clas
Wireless Tra
Produc
Uniq
Software and
Disrup
Supply Cha
Ecomm

Aviat Differentiation Aligned with Private Networks, 5G and Rural Broad

Aviat Product Portfolio



Health Assurance (HAS)
 Continuously analyzes the network
 Detailed reports on network issues
 Reduces downtime



ProVision Plus
 Simplifies network management
 Easy trouble shooting with multi-layer visualization
 Quick provisioning allows for rapid deployment



Frequency Assurance (FAS)
 Monitors and reports interference
 Protects against WiFi-6E
 Improves link performance/uptime

Wireless Transport

Split-Mount Systems iPasolink, IAG/P3

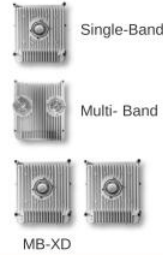
- 6 to 38GHz freq. band with carrier aggregation
- Sub-band free ODU option
- Modular and scalable indoor units
- Standard and High Power Outdoor Units
- No single point of failure configuration
- Multiband configuration
- 10 Gbs interfaces



Markets: Mobile Service Providers, Utilities, Public Safety, Oil & Gas, Mining, Transportation

All-Outdoor Systems WTM4000, EX-A/D, iX/A

- Dual Transceiver design in a Single Compact Box
- Available in Single- or Multi-Band
- Full IP/ MPLS Capabilities
- Software Upgradeable to 20 Gbps
- 25GbE connectivity



Markets: Mobile Service Providers, WISPs, Utilities, Public Safety, Oil & Gas, Mining, Transportation

Wireless Access

RDL 6000 Private LTE

- Power of a Macro in Small Cell footprint
- Scalable EPC
- Ruggedized
- Low Power Consumption
- Lower TCO



Markets: Utilities, Public Safety, Oil & Gas, Mining, Transportation

RDL 3000 Virtual Fiber

- Hardened
- High-Capacity up to 440 Mbps
- Nomadic Self-Aligning Antennas ATEX/Hazloc options
- Backhaul

Microwave Routers CTR8000 Series

- Microwave and IP in One Box
- Fewer Devices for Microwave Transport and Routing
- Compatible with All-indoor, Split-Mount, and Trunking Architectures
- IP/ MPLS / Segment Routing
- Up to 10 Gbps



Markets: Mobile Service Providers, WISPs, Utilities, Public Safety, Oil & Gas, Mining, Transportation

Indoor Radio IRU600, TRP, Eclipse

- Ultra-High Tx Power, +37dBm
- Compact/expandable antenna branching
- Tough, Durable and Dependable
- Comprehensive native TDM features
- Strong Security (FIPS)



Markets: Utilities, Public Safety, Oil & Gas, Mining, Transportation

Trunking Systems STR 4500, OBC2, 7000iP TRP

- Split Mount, All-Indoor, and All-Outdoor Trunking Systems
- Up to 16+0, 8+0 with SD
- 10Gbps connectivity
- Flexible aggregation options



Markets: Mobile Service Providers, Utilities, Public Safety, Oil & Gas, Mining, Transportation

Portfolio Focused on Lowering Total Cost of Ownership

How Aviat Lowers Total Cost of Ownership

1. Reduced Tower Footprint

What: Lower power consumption, faster installation, smaller antennas, reduced tower loading, lower lease costs

How: Fewer boxes, high system gain, Multi-Band

2. Capacity Scalability

What: Less congestion, fewer truck rolls, less hardware

How: Multi-Band, A2C+, on-demand capacity upgrades

3. Integrated Routing

What: Reduced or zero indoor footprint, fewer boxes, simplified operations, lower power consumption

How: All-Outdoor at the edge, CTR/WTM integrated IP/MPLS

4. Spectrum Fee Savings

What: Reduced recurring spectrum fees

How: Moving capacity from Microwave to E-Band, Multi-Band

5. Higher Network Reliability

What: Better performance, increased resilience to outages, faster fault-finding/restoration, lower OPEX

How: High MTBF, High Availability Routing, Aviat Assurance Software (HAS, FAS)

6. Simplified Logistics

What: Easy online design and ordering, fast deployment, Reduced inventory and warehouse costs

How: Aviat Design, Aviat Store, regional stock, demand capacity and license upgrades



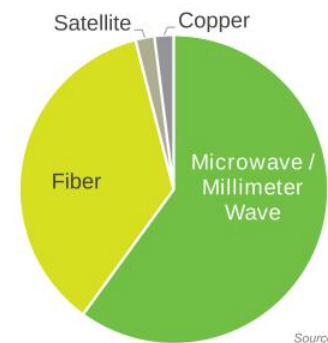
Microwave is a Crucial Backhaul Technology



	Microwave	Fiber
Speed to Deploy	✓	
High Reliability	✓	
Low Latency	✓	
Terrain Flexibility	✓	
Capacity		✓
Cost	Per Link	Per Foot

Microwave is ideally suited for mission-critical private networks, rural broadband, and challenging deployment environments

Wireless transport accounts for 60% of cellular transport links



Source: Dell'Oro; Excludes I

Service providers rely on microwave in their networks to provide cost-effective and reliable bandwidth

Microwave Backhaul is Essential in Communication Networks Globally

Aviat's Market Opportunities

Private Networks

- Upgrade cycle in public safety, utilities and other private networks driven by increase bandwidth needs
- Private LTE / 5G market to be \$8B by 2027
- Aviat's end-to-end product and services allow for increasing share of wallet capture and competitive advantage

Mobile Networks & 5G

- Early stages of global 5G upgrade cycle; mobile network data traffic expected to grow at 26% CAGR through 2028
- Wireless transport makes up 60% of cellular transport links
- Microwave radio market for global 5G transport market expect to grow at a 39% CAGR through CY2025

Rural Broadband

- Over \$70 billion in U.S. government funding programs to build out rural broadband networks
- Microwave is a compelling solution for operators to lower total cost of ownership and increase speed to deploy
- Aviat's unique e-commerce platform allows for direct network operator channel

Aviat Networks is Capturing Additional Market Share Because of Its Innovative Portfolio and Focus on Lowest Total Cost of Ownership

Private Network Summary

Growth Drivers

- Growth in Private LTE and Industrial IoT driven by video and modern applications
- States and municipalities upgrading their public safety communications
 - State and local budgets remain healthy; growing public safety funding
- American Rescue Plan Act (ARPA) funding of \$350 billion for U.S. States' water, sewer, public safety, and broadband infrastructure
- Vendor outsourcing and declining microwave expertise creates share of wallet opportunities

Segments Addressed

Public Safety and Security



Oil & Gas

Water

Electric Utilities



National / Regional Government

Enterprise



Aviat's Leadership

- Mission critical product differentiation
 - Highest powered radios
 - Ruggedized access products
 - IP/MPLS integration
 - Software innovations to simplify network management (PV-FAS)
- Strong state relationships and global partners
- Differentiated services offering
 - Network design and testing
 - Install
 - Support
 - Managed services (incl. NC)

Aviat Offers a Compelling Value Proposition to Private Network Operators

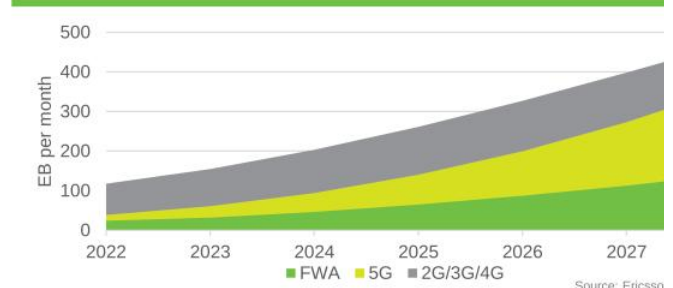
Mobile Networks & 5G Market Summary

- Mobile service provider market driven by increasing bandwidth demand in 4G and 5G networks
 - Data from global networks is anticipated to grow rapidly (26% CAGR) through 2028, driven by 5G adoption and expanding 4G networks
- Aviat's product portfolio enables operators to increase their network capacity while lowering total cost of ownership (TCO)
 - Single-box multi-band lowers tower leasing costs while increase capacity
 - Vendor-agnostic multi-band allows operators to utilize existing radios and layer on Aviat's solution, lowering the barrier to entry for Aviat into a network
 - Multi-band XD enables longer distances between links which helps to minimize total network capex
 - Highest capacity radio available on the market (20 Gbps)
- Aviat's multi-band is up to \$10,000/link lower TCO vs competitive multi-band offerings
 - Superior solution → Less hardware → Lowest TCO

Global 5G Wireless Transport Mar



Global Mobile Network Data Traffic



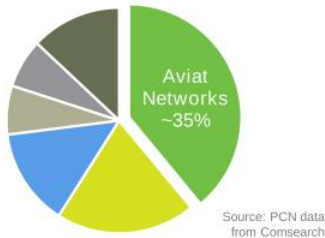
Source: Ericsson

Demand for Wireless Transport Driven by Increasing Data Consumpt

Rural Broadband Summary

Aviat E-Commerce Platform Leads Rural Broadband

Aviat is uniquely suited to serve WISPs through its Aviat Store and AviatCloud applications like Design (network planning and product recommendation) and automated radio and license applications



Source: PCN data from Comsearch

Leading wireless transport share of demand for North American ISPs

Wireless Transport is the Solution

Wireless transport is ideal for rural communities and is lower cost, more reliable, and faster to deploy than fiber

Growing number of Fixed Wireless Access (FWA) deployments favors wireless backhaul

Estimate the USA rural broadband segment to be a ~\$420M TAM in 2024





Over \$70B in Available Funding

\$1.5 Billion	CAF II
\$20 Billion	Rural Digital Oppor Fund (RDOF)
\$9 Billion	5G Fund for Rural
\$42.5 Billion	Broadband Equity Access, and Depl (BEAD) Program
\$635 Million	USDA Reconnect

Large Investments in Broadband Infrastructure Creates Opportunities for Wireless Transport

Aviat Operating Model Framework

Excellence in

	Customer Focus	Innovation	Talent	Supply Chain
				
Our Actions	We listen during the commercial and sales process to understand our customers' needs and use our combined talents, skill and capabilities to create solutions that exceed expectations.	We deliver innovative, high-quality solutions that meet key customer segment needs. Voice of customer informs investment decisions. Release to market within budget, timeframe and scope.	We drive a performance culture and invest in our talent management programs to support evolving strategic business needs and implement organizational structures to facilitate results.	We achieve a competitive advantage by delivering quality products with best-in-class lead times.
Our Processes	<ul style="list-style-type: none"> • Standard global VOC process • Sales Goal planning • eCommerce platform • AviatCare customer service and support 	<ul style="list-style-type: none"> • Aviat Operating System for software • New Product Introduction (NPI) process • Portfolio management • Agile development methodology 	<ul style="list-style-type: none"> • Performance Management Process • Career Framework • Talent Management Review • Employee Ownership Program 	<ul style="list-style-type: none"> • S&OP Planning • Next day delivery e-commerce • Order to Cash process • Strategic sourcing to meet customer objectives globally

Continuous Improvement | We Strive Everyday...

To improve, innovate and drive cost efficiency to achieve higher performance and to promote our continuous improvement culture.

Aviat Operating Model Supports Growth-Centric Culture by Leveraging Continuous Improvement and Driving Competitive Excellence



First Quarter Fiscal 2024 Financial Highlights and Historical Performance

First Quarter Fiscal 2024 Highlights

Revenue
&
Non-GAAP
Gross Margin



Adjusted
EBITDA
&
Adj. EBITDA
Margin



- Revenue of \$87.6 million, up 7.8% compared to the same period last year
- Record Q1 North America bookings
- GAAP operating income of \$5.5 million, up 41.8% year-over-year
- Adjusted EBITDA up \$12.1 million, up 13.1% compared to the same period last year
- Non-GAAP earnings per share up 16.0% year-over-year
- Strong profit growth from disciplined cost management and topline execution
- Continued to demonstrate consistency and improvements in performance

Laser Focused on Increasing Revenue, Capturing Aviat's Differentiator, Driving Costs Out, and Increasing Overall Shareholder Value

First Quarter Fiscal 2024 Balance Sheet Highlights

(\$'s in millions, except for DSO, DPO and Turns)	Q2 FY22 Actual	Q3 FY22 Actual	Q4 FY22 Actual	Q1 FY23 Actual	Q2 FY23 Actual	Q3 FY23 Actual	Q4 FY23 Actual	Q1 FY24 Actual
Cash Equivalents and Marketable Securities	\$42.3	\$33.8	\$47.8	\$22.9	\$21.4	\$22.5	\$22.2	\$35.5
Third-Party Debt	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	(\$6.2)	\$0.0	\$0.0
Net Cash and Marketable Securities	\$42.3	\$33.8	\$47.8	\$22.9	\$21.4	\$16.3	\$22.2	\$35.5
Accounts Receivable	\$69.1	\$76.2	\$73.2	\$72.5	\$91.4	\$88.5	\$101.7	\$94.5
Unbilled Receivables	\$42.9	\$45.7	\$45.9	\$50.4	\$53.6	\$63.3	\$58.6	\$61.0
Advance Payments and Unearned Revenue	(\$43.7)	(\$45.7)	(\$42.7)	(\$43.3)	(\$46.7)	(\$48.0)	(\$51.7)	(\$53.7)
DSO's	75	89	88	82	82	98	95	102
DSO's net of Unbilled/Unearned	72	88	90	87	89	110	106	109
Accounts Payable	(\$43.5)	(\$40.6)	(\$42.4)	(\$48.2)	(\$59.8)	(\$61.7)	(\$60.1)	(\$61.8)
DPO's	76	81	76	80	84	103	95	100
Inventory	\$27.4	\$30.5	\$27.2	\$35.0	\$37.1	\$40.9	\$33.1	\$30.7
Turns	7.5	6.5	6.9	6.7	6.5	5.5	6.3	7.0

Asset / (Liability)

- Robust cash generation, drive profitability and lower working capital
- No debt
- Inventory levels reduced as A consumed buffer stock that h to navigate supply chain issu over the past two years

Strong Balance Sheet; Consistent Performance Drives Cash Generat

Rolling Trailing Twelve Months Historical Performance

(\$'s million)

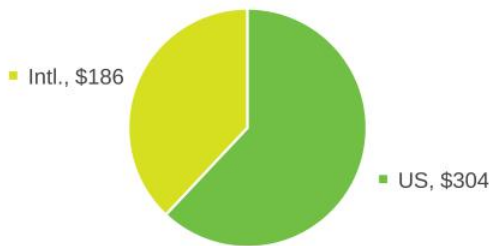


(\$'s million)



Cash Benefit of Historical Net Operating Losses (NOLs)

Total NOLs (M)



Deferred Tax Asset on AVNW Balance Sheet



- \$490 million of gross NOLs
- NOL's reduce Aviat's statutory federal and state blended tax rate of ~25% to an effective cash tax rate of ~5%
 - This saved Aviat \$5.9 million in cash taxes in FY22 and \$14.1 million in cash taxes in FY23

- Improved financial performance and outlook for resulted in a full release of the valuation allowance against U.S. NOLs in Q3 of fiscal 2021
 - A one-time benefit of \$92 million was recognized Income and Deferred Tax Assets

Cash Tax Savings Will Continue for the Foreseeable Future (>5 years)
Levels Commensurate with our Earnings Before Tax Performance

GAAP to Non-GAAP Reconciliation

RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES ⁽¹⁾ Condensed Consolidated Statements of Operations (Unaudited)

	Three Months Ended			
	29-Sep-2023	% of Revenue	30-Sep-2022	% of Revenue
	(In thousands, except percentages and per share amounts)			
GAAP gross margin	\$31,852	36.4%	\$29,454	36.3%
Share-based compensation	183		172	
Merger and acquisition related expense	43		—	
Non-GAAP gross margin	32,078	36.6%	29,626	36.5%
GAAP research and development expenses	\$6,424	7.3%	\$6,087	7.5%
Share-based compensation	(146)		(135)	
Non-GAAP research and development expenses	6,278	7.2%	5,952	7.3%
GAAP selling and administrative expenses	\$19,237	22.0%	\$17,504	21.5%
Share-based compensation	(1,505)		(1,531)	
Merger and acquisition related expense	(2,672)		(1,516)	
Non-GAAP selling and administrative expenses	15,060	17.2%	14,457	17.8%
GAAP operating income	\$5,547	6.3%	\$3,913	4.8%
Share-based compensation	1,834		1,838	
Merger and acquisition related expense	2,715		1,516	
Restructuring charges	644		1,950	
Non-GAAP operating income	10,740	12.3%	9,217	11.3%
GAAP income tax provision	\$641	0.7%	\$3,877	4.8%
Adjustment to reflect pro forma tax rate	(341)		(3,577)	
Non-GAAP income tax provision	300	0.3%	300	0.4%

	Three Months Ended			
	29-Sep-2023	% of Revenue	30-Sep-2022	% of Revenue
	(In thousands, except percentages and per share amounts)			
GAAP net income (loss)	\$4,005	4.6%	(\$2,746)	(3.4%)
Share-based compensation	1,834		1,838	
Merger and acquisition related expense	2,715		1,516	
Restructuring charges	644		1,950	
Other expense, net	802		2,659	
Adjustment to reflect pro forma tax rate	341		3,577	
Non-GAAP net income	\$10,341	11.8%	\$8,794	10.8%
Diluted net income (loss) per share:				
GAAP	\$0.34		(\$0.25)	
Non-GAAP	\$0.87		\$0.75	
Shares used in computing diluted net income (loss) per share				
GAAP	11,943		11,200	
Non-GAAP	11,943		11,777	
Adjusted EBITDA:				
GAAP net income (loss)	\$4,005	4.6%	(\$2,746)	(3.4%)
Depreciation and amortization of property, plant and equipment and intangible assets	1,344		1,468	
Other expense, net	901		2,782	
Share-based compensation	1,834		1,838	
Merger and acquisition related expense	2,715		1,516	
Restructuring charges	644		1,950	
Provision for income taxes	641		3,877	
Adjusted EBITDA	\$12,084	13.8%	\$10,685	13.2%

(1) The adjustments above reconcile our GAAP financial results to the non-GAAP financial measures used by us. Our non-GAAP net income excluded share-based compensation, and other non-recurring charges (recovery). Adjusted EBITDA was determined by excluding depreciation and amortization on property, plant and equipment, interest, provision for or benefit from income taxes, and non-GAAP pre-tax adjustments, as set forth above, from GAAP net income. We believe that the presentation of these non-GAAP items provides meaningful supplemental information to investors, when viewed in conjunction with, and not in lieu of, our GAAP results. However, the non-GAAP financial measures have not been prepared under a comprehensive set of accounting rules or principles. Non-GAAP information should not be considered in isolation from, or as a substitute for, information prepared in accordance with GAAP. Moreover, there are material limitations associated with the use of non-GAAP financial measures.



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