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

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 27, 2026

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _______ to _______

Commission File Number 001-33278

AVIAT NETWORKS, INC.

(Exact name of registrant as specified in its charter)

Delaware	**20-5961564**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
200 Parker Drive, Suite C100A, Austin, Texas	**78728**
(Address of principal executive offices)	**(Zip Code)**

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

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

Title of each class	Trading Symbol(s)	Name of each exchange on which Registered
Common Stock	AVNW	The Nasdaq Stock Market LLC
Preferred Share Purchase Rights		The Nasdaq Stock Market LLC

Indicate by checkmark whether the registrant (l) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☒
Non-accelerated filer	☐	Smaller reporting company	☐
Emerging growth company	☐		

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. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The number of shares outstanding of the registrant's common stock as of April 30, 2026 was 12,939,463.

AVIAT NETWORKS, INC.

QUARTERLY REPORT ON FORM 10-Q

For the Quarterly Period Ended March 27, 2026

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

AVIAT NETWORKS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

(In thousands, except per share amounts)	Three Months Ended March 27, 2026	Three Months Ended March 28, 2025	Nine Months Ended March 27, 2026	Nine Months Ended March 28, 2025
Revenues:				
Product sales	$ 68,405	$ 76,824	$ 224,699	$ 220,252
Services	31,598	35,816	94,096	99,014
Total revenues	100,003	112,640	318,795	319,266
Cost of revenues:				
Product sales	51,009	51,370	158,155	158,540
Services	19,711	21,974	59,593	60,756
Total cost of revenues	70,720	73,344	217,748	219,296
Gross profit	29,283	39,296	101,047	99,970
Operating expenses:				
Research and development	7,656	7,704	21,163	28,334
Selling and administrative	20,365	22,121	66,125	68,348
Restructuring charges	323	177	344	1,592
Total operating expenses	28,344	30,002	87,632	98,274
Operating income	939	9,294	13,415	1,696
Interest expense, net	1,848	1,557	5,468	4,252
Other expense (income), net	1,400	3,068	(371)	4,047
(Loss) income before income taxes	(2,309)	4,669	8,318	(6,603)
(Benefit from) provision for income taxes	(244)	1,141	4,503	(2,747)
Net (loss) income	$ (2,065)	$ 3,528	$ 3,815	$ (3,856)
Net (loss) income per share of common stock outstanding:				
Basic	$ (0.16)	$ 0.28	$ 0.30	$ (0.30)
Diluted	$ (0.16)	$ 0.27	$ 0.29	$ (0.30)
Weighted-average shares outstanding:				
Basic	12,918	12,689	12,844	12,672
Diluted	12,918	12,838	13,030	12,672

See accompanying Notes to Unaudited Condensed Consolidated Financial Statements.

AVIAT NETWORKS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE (LOSS) INCOME
(Unaudited)

(In thousands)	Three Months Ended		Nine Months Ended	
	March 27, 2026	**March 28, 2025**	**March 27, 2026**	**March 28, 2025**
Net (loss) income	$ (2,065)	$ 3,528	$ 3,815	$ (3,856)
Other comprehensive income (loss):				
Net change in cumulative translation adjustments	813	1,108	1,055	(155)
Other comprehensive income (loss)	813	1,108	1,055	(155)
Comprehensive (loss) income	$ (1,252)	$ 4,636	$ 4,870	$ (4,011)

See accompanying Notes to Unaudited Condensed Consolidated Financial Statements.

AVIAT NETWORKS, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS

(In thousands, except share and par value amounts)	March 27, 2026 (Unaudited)	June 27, 2025
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 78,129	$ 59,690
Accounts receivable, net of allowances of $5,707 and $3,583	187,624	180,321
Unbilled receivables	85,260	105,870
Inventories	72,609	83,979
Other current assets	26,740	33,715
Total current assets	450,362	463,575
Property, plant and equipment, net	18,990	17,453
Goodwill	19,473	19,655
Intangible assets, net	24,395	26,897
Deferred income taxes	86,977	88,149
Right-of-use assets	2,214	3,113
Other assets	14,134	14,454
Total assets	$ 616,545	$ 633,296
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	$ 112,063	$ 148,093
Accrued expenses	40,082	38,897
Operating lease liabilities	547	1,090
Advance payments and unearned revenue	67,845	73,735
Other current liabilities	160	1,757
Current portion of long-term debt	5,595	18,624
Total current liabilities	226,292	282,196
Long-term debt	98,668	68,966
Unearned revenue	9,724	8,063
Long-term operating lease liabilities	1,858	2,241
Other long-term liabilities	328	430
Reserve for uncertain tax positions	3,724	3,242
Deferred income taxes	4,175	4,975
Total liabilities	344,769	370,113
Commitments and contingencies (Note 12)		
Stockholders' equity:		
Preferred stock, $0.01 par value, 50.0 million shares authorized, none issued	—	—
Common stock, $0.01 par value, 300.0 million shares authorized, 12.9 million and 12.7 million shares issued and outstanding as of March 27, 2026 and June 27, 2025, respectively	129	127
Treasury stock 0.3 million and 0.2 million shares as of March 27, 2026 and June 27, 2025, respectively	(7,576)	(7,076)
Additional paid-in-capital	870,340	866,119
Accumulated deficit	(573,357)	(577,172)
Accumulated other comprehensive loss	(17,760)	(18,815)
Total stockholders' equity	271,776	263,183
Total liabilities and stockholders' equity	$ 616,545	$ 633,296

See accompanying Notes to Unaudited Condensed Consolidated Financial Statements.

AVIAT NETWORKS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

(In thousands)	Nine Months Ended March 27, 2026	Nine Months Ended March 28, 2025
Operating Activities		
Net income (loss)	$ 3,815	$ (3,856)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation of property, plant and equipment	2,099	3,959
Amortization of intangible assets	2,148	1,976
Provision for uncollectible receivables	2,171	1,282
Share-based compensation	4,483	5,626
Deferred taxes	(285)	(3,500)
Inventory write-downs	2,078	1,856
Non-cash lease expense	993	1,138
Loss on extinguishment of debt	—	485
Net loss (gain) on marketable securities	—	(133)
Other non-cash operating activities, net	336	243
Changes in operating assets and liabilities:		
Accounts receivable	(9,147)	(24,899)
Unbilled receivables	22,012	(11,693)
Inventories	9,107	(30,947)
Accounts payable	(33,273)	40,904
Accrued expenses	1,176	(4,752)
Advance payments and unearned revenue	(4,618)	26,975
Income taxes payable	(939)	175
Other assets and liabilities	8,316	(9,629)
Net cash provided by (used in) operating activities	10,472	(4,790)
Investing Activities		
Purchase of property, plant and equipment	(6,853)	(10,703)
Purchase of marketable securities	(974)	—
Proceeds from sale of asset held for sale	—	2,589
Acquisition, net of cash acquired	—	(18,150)
Net cash used in investing activities	(7,827)	(26,264)
Financing Activities		
Proceeds from revolver	75,000	55,000
Repayments of revolver	(75,000)	(55,000)
Proceeds from term loan	20,000	75,000
Repayments of term loan	(3,242)	(49,687)
Payments of deferred financing costs	(204)	(529)
Payments of deferred consideration for acquisitions	—	(5,815)
Payments for repurchase of common stock - treasury shares	(500)	(598)
Payments for taxes related to net settlement of equity awards	(810)	(942)
Proceeds from issuance of common stock under employee stock plans	550	156
Net cash provided by financing activities	15,794	17,585
Effect of exchange rate changes on cash, cash equivalents, and restricted cash	(206)	214
Net increase (decrease) in cash, cash equivalents, and restricted cash	18,233	(13,255)
Cash, cash equivalents, and restricted cash, beginning of period	62,013	64,934
Cash, cash equivalents, and restricted cash, end of period	$ 80,246	$ 51,679

See accompanying Notes to Unaudited Condensed Consolidated Financial Statements.

AVIAT NETWORKS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF EQUITY
(Unaudited)

	Three Months Ended March 27, 2026						
	Common Stock		**Treasury Stock**				
(In thousands)	**Shares**	**$ Amount**	**$ Amount**	**Additional Paid-in Capital**	**Accumulated Deficit**	**Accumulated Other Comprehensive Loss**	**Total Equity**
Balance as of December 26, 2025	**12,893**	**$ 129**	**$ (7,076)**	**$ 868,423**	**$ (571,292)**	**$ (18,573)**	**$ 271,611**
Net loss	—	—	—	—	(2,065)	—	(2,065)
Other comprehensive income	—	—	—	—	—	813	813
Issuance of common stock under employee stock plans	46	—	—	340	—	—	340
Shares withheld for taxes related to vesting of equity awards	—	—	—	(3)	—	—	(3)
Stock repurchase	(20)	—	(500)	—	—	—	(500)
Share-based compensation	—	—	—	1,580	—	—	1,580
Balance as of March 27, 2026	**12,919**	**$ 129**	**$ (7,576)**	**$ 870,340**	**$ (573,357)**	**$ (17,760)**	**$ 271,776**

	Three Months Ended March 28, 2025						
	Common Stock		**Treasury Stock**				
(In thousands)	**Shares**	**$ Amount**	**$ Amount**	**Additional Paid-in Capital**	**Accumulated Deficit**	**Accumulated Other Comprehensive Loss**	**Total Equity**
Balance as of December 27, 2024	**12,684**	**$ 127**	**$ (6,978)**	**$ 862,918**	**$ (585,897)**	**$ (20,583)**	**$ 249,587**
Net income	—	—	—	—	3,528	—	3,528
Other comprehensive income	—	—	—	—	—	1,108	1,108
Issuance of common stock under employee stock plans	16	—	—	60	—	—	60
Shares withheld for taxes related to vesting of equity awards	(3)	—	—	(56)	—	—	(56)
Stock repurchase	(5)	—	(99)	—	—	—	(99)
Share-based compensation	—	—	—	1,988	—	—	1,988
Balance as of March 28, 2025	**12,692**	**$ 127**	**$ (7,077)**	**$ 864,910**	**$ (582,369)**	**$ (19,475)**	**$ 256,116**

See accompanying Notes to Unaudited Condensed Consolidated Financial Statements.

	Nine Months Ended March 27, 2026							
	Common Stock		Treasury Stock					
(In thousands)	Shares	$ Amount	$ Amount	Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total Equity
Balance as of June 27, 2025	**12,740**	**$ 127**	**$ (7,076)**	**$ 866,119**	**$ (577,172)**	**$ (18,815)**	**$ 263,183**
Net income	—	—	—	—	3,815	—	3,815
Other comprehensive income	—	—	—	—	—	1,055	1,055
Issuance of common stock under employee stock plans	235	2	—	548	—	—	550
Shares withheld for taxes related to vesting of equity awards	(36)	—	—	(810)	—	—	(810)
Stock repurchase	(20)	—	(500)	—	—	—	(500)
Share-based compensation	—	—	—	4,483	—	—	4,483
Balance as of March 27, 2026	**12,919**	**$ 129**	**$ (7,576)**	**$ 870,340**	**$ (573,357)**	**$ (17,760)**	**$ 271,776**

	Nine Months Ended March 28, 2025						
	Common Stock		Treasury Stock				
(In thousands)	Shares	$ Amount	$ Amount	Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total Equity
Balance as of June 28, 2024	**12,622**	**$ 126**	**$ (6,479)**	**$ 860,071**	**$ (578,513)**	**$ (19,320)**	**$ 255,885**
Net loss	—	—	—	—	(3,856)	—	(3,856)
Other comprehensive loss	—	—	—	—	—	(155)	(155)
Issuance of common stock under employee stock plans	146	1	—	155	—	—	156
Shares withheld for taxes related to vesting of equity awards	(36)	—	—	(942)	—	—	(942)
Stock repurchase	(40)	—	(598)	—	—	—	(598)
Share-based compensation	—	—	—	5,626	—	—	5,626
Balance as of March 28, 2025	**12,692**	**$ 127**	**$ (7,077)**	**$ 864,910**	**$ (582,369)**	**$ (19,475)**	**$ 256,116**

AVIAT NETWORKS, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

Note 1. The Company and Basis of Presentation

The Company

Aviat Networks, Inc. (“Aviat,” the “Company,” “we,” “us,” and “our”) designs, manufactures, and sells wireless networking and access networking solutions and services to mobile and fixed telephone service providers, private network operators, government agencies, transportation and utility companies, public safety agencies and broadcast system operators across the globe. Aviat’s products include broadband wireless access base stations and customer premises equipment for fixed and mobile, point-to-point digital microwave radio systems for access, backhaul, trunking and license-exempt applications, supporting new network deployments, network expansion, and capacity upgrades.

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States (“U.S. GAAP”) and with the rules and regulations of the Securities and Exchange Commission (“SEC”) for interim financial information, and Aviat has made estimates, assumptions and judgments affecting the amounts reported in its unaudited condensed consolidated financial statements and the accompanying notes, as discussed in greater detail below. Accordingly, the statements do not include all information and footnotes required by U.S. GAAP for annual consolidated financial statements. In the opinion of the Company’s management, such interim financial statements reflect all adjustments (consisting of normal recurring adjustments) considered necessary for a fair statement of its financial position, results of operations and cash flows for such periods. The results for the nine months ended March 27, 2026 are not necessarily indicative of the results that may be expected for the full fiscal year or future operating periods. The information included in this Quarterly Report on Form 10-Q should be read in conjunction with the consolidated financial statements and footnotes thereto included in Aviat’s Annual Report on Form 10-K for the fiscal year ended June 27, 2025.

The unaudited condensed consolidated financial statements include the accounts of the Company and its wholly-owned and majority-owned subsidiaries. All intercompany transactions and accounts have been eliminated. Certain amounts in the financial statements have been reclassified for comparative purposes to conform to the current period financial statement presentation.

Aviat’s fiscal year includes 52 or 53 weeks and ends on the Friday nearest to June 30. The three months ended March 27, 2026 and March 28, 2025 both consisted of 13 weeks. Fiscal year 2026 contains 53 weeks and will end on July 3, 2026. Fiscal year 2025 contained 52 weeks and ended on June 27, 2025.

Use of Estimates

The preparation of unaudited condensed consolidated financial statements in accordance with U.S. GAAP requires the Company to make estimates, assumptions and judgments affecting the amounts reported and related disclosures. Estimates are based upon historical factors, current circumstances and the experience and judgment of the Company’s management. The Company evaluates estimates and assumptions on an ongoing basis and may employ outside experts to assist in making these evaluations. Changes in such estimates, based on more accurate information, or different assumptions or conditions, may affect amounts reported in future periods. Such estimates affect significant items, including revenue recognition, provision for uncollectible receivables, inventory valuation, goodwill and identified intangible assets in business combinations, valuation allowances for deferred tax assets, uncertainties in income taxes, contingencies and recoverability of long-lived assets. Actual results may differ materially from estimates.

Summary of Significant Accounting Policies

There have been no material changes in the Company’s significant accounting policies as of and for the nine months ended March 27, 2026, as compared to the significant accounting policies described in the Company’s Annual Report on Form 10-K for the fiscal year ended June 27, 2025.

Recently Adopted Accounting Pronouncements

In November 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2023-07, Segment Reporting (Topic 280): *Improvements to Reportable Segment Disclosures*. The ASU expands reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expenses that are regularly presented to the chief operating decision maker. The disclosures required under ASU 2023-07 are also required for public entities with a single reportable segment. ASU 2023-07 is effective for the Company's annual reporting beginning in fiscal 2025 and for interim periods beginning in fiscal 2026. The Company adopted ASU 2023-07 for the year ended June 27, 2025. The adoption of this standard did not have a material impact on the Company's consolidated financial statements.

Accounting Standards Not Yet Adopted

In September 2025, the FASB issued ASU 2025-06, *Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software*, which modernizes the accounting for internal-use software. The ASU requires entities to consider whether significant development uncertainty has been resolved before starting to capitalize software costs. ASU 2025-06 is effective for annual and interim reporting periods beginning after December 15, 2027, and can be applied prospectively, retrospectively, or using a modified transition method, with early adoption permitted. The Company is currently evaluating the impact of this ASU on its consolidated financial statements and disclosures.

In November 2024, the FASB issued ASU 2024-03 (Subtopic 220-40): *Disaggregation of Income Statement Expenses*. The ASU requires disclosures about specific types of expenses included in the expense captions presented on the face of the income statement as well as disclosures about selling expenses. ASU 2024-03 is effective for the Company's annual reporting beginning in fiscal 2028 and for interim periods beginning in fiscal 2029. The Company is currently evaluating the impact of this ASU on its consolidated financial statements and disclosures.

In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): *Improvements to Income Tax Disclosures*. The ASU enhances the transparency and usefulness of income tax information through improvements to disclosures primarily related to the rate reconciliation and income taxes paid information. ASU 2023-09 is effective for the Company's annual reporting beginning in fiscal 2026. The Company is currently evaluating the impact of this ASU on its consolidated financial statements and disclosures.

The Company considers the applicability and impact of all ASUs issued by the FASB. The Company determined at this time that all other ASUs issued but not yet adopted are either not applicable or are expected to have a minimal impact on its financial position and results of operations.

Note 2. Net (Loss) Income Per Share of Common Stock

The following table presents the computation of basic and diluted net (loss) income per share:

	Three Months Ended		Nine Months Ended	
(In thousands, except per share amounts)	March 27, 2026	March 28, 2025	March 27, 2026	March 28, 2025
Numerator:				
Net (loss) income	$ (2,065)	$ 3,528	$ 3,815	$ (3,856)
Denominator:				
Weighted-average shares outstanding, basic	12,918	12,689	12,844	12,672
Effect of potentially dilutive equivalent shares	—	149	186	—
Weighted-average shares outstanding, diluted	12,918	12,838	13,030	12,672
Net (loss) income per share of common stock outstanding:				
Basic	$ (0.16)	$ 0.28	$ 0.30	$ (0.30)
Diluted	$ (0.16)	$ 0.27	$ 0.29	$ (0.30)

The following table summarizes the weighted-average equity awards that were excluded from the diluted net (loss) income per share calculations since they were anti-dilutive:

	Three Months Ended		Nine Months Ended	
(In thousands)	March 27, 2026	March 28, 2025	March 27, 2026	March 28, 2025
Stock options	288	308	270	374
Restricted stock units and performance stock units	173	395	54	200
Total shares of common stock excluded	461	703	324	574

Note 3. Revenue Recognition

Contract Balances

(In thousands)	March 27, 2026	June 27, 2025
Contract assets		
Accounts receivable, net	$ 187,624	$ 180,321
Unbilled receivables	85,260	105,870
Capitalized commissions	2,494	3,921
Contract liabilities		
Advance payments and unearned revenue	$ 67,845	$ 73,735
Unearned revenue, long-term	9,724	8,063

Significant changes in contract balances may arise as a result of recognition over time for services, transfer of control for equipment, and periodic payments (both in arrears and in advance).

From time to time, the Company may experience unforeseen events that could result in a change to the scope or price associated with an arrangement. When such events occur, the transaction price and measurement of progress for the performance obligation are updated and this change is recognized as a cumulative catch-up to revenue. Because of the nature and type of contracts, the timeframe to completion and satisfaction of current and future performance obligations can shift; however, this will have no impact on the Company's future obligation to bill and collect.

As of March 27, 2026, the Company reported $77.6 million in advance payments and unearned revenue and long-term unearned revenue, of which approximately 85% is expected to be recognized as revenue in the next twelve months and the remainder thereafter. Approximately $9.6 million and $56.8 million of revenue was recognized during the three and nine months ended March 27, 2026, respectively, which was included in advance payments and unearned revenue at June 27, 2025.

Remaining Performance Obligations

The aggregate amount of transaction price allocated to unsatisfied (or partially unsatisfied) performance obligations was approximately $136.1 million at March 27, 2026 relating to long-term field service projects. Of this amount, approximately 50% is expected to be recognized as revenue during the next 12 months, with the remaining amount to be recognized thereafter.

Note 4. Balance Sheet Components

Cash, Cash Equivalents, and Restricted Cash

The following provides a summary of cash, cash equivalents, and restricted cash reported within the unaudited condensed consolidated balance sheets that reconciles to the corresponding amount in the unaudited condensed consolidated statement of cash flows:

(In thousands)	March 27, 2026	June 27, 2025
Cash and cash equivalents	$ 78,129	$ 59,690
Restricted cash included in long-term other assets	2,117	2,323
Total cash, cash equivalents, and restricted cash	$ 80,246	$ 62,013

Inventories

(In thousands)	March 27, 2026	June 27, 2025
Finished products	$ 44,854	$ 55,972
Raw materials and supplies	26,674	26,273
Customer service inventories	1,081	1,734
Total inventories	$ 72,609	$ 83,979
Consigned inventories included within raw materials and supplies	$ 21,098	$ 21,047

The Company records charges to adjust inventories due to excess and obsolete inventory resulting from lower sales forecasts, product transitioning or discontinuance. The charges incurred during the three and nine months ended March 27, 2026 and March 28, 2025 were included in cost of product sales as follows:

	Three Months Ended		Nine Months Ended	
(In thousands)	March 27, 2026	March 28, 2025	March 27, 2026	March 28, 2025
Excess and obsolete inventory	$ 428	$ 565	$ 913	$ 1,178
Customer service inventory write-downs	111	215	201	678
Total charges	$ 539	$ 780	$ 1,114	$ 1,856

Property, Plant and Equipment, net

(In thousands)	March 27, 2026	June 27, 2025
Buildings and leasehold improvements	$ 2,086	$ 2,086
Software and equipment	81,706	77,566
Total property, plant and equipment, gross	83,792	79,652
Less: accumulated depreciation	(64,802)	(62,199)
Total property, plant and equipment, net	$ 18,990	$ 17,453

Included in the total property, plant and equipment, gross were $12.5 million and $10.3 million of assets in progress which have not been placed in service as of March 27, 2026 and June 27, 2025, respectively.

Depreciation expense related to property, plant and equipment was $0.7 million and $1.2 million for the three months ended March 27, 2026 and March 28, 2025, respectively. Depreciation expense related to property, plant and equipment was $2.1 million and $4.0 million for the nine months ended March 27, 2026 and March 28, 2025, respectively.

Accrued Expenses

(In thousands)	March 27, 2026	June 27, 2025
Taxes	$ 11,818	$ 12,467
Compensation and benefits	10,261	9,929
Project costs	6,851	4,573
Warranties	3,281	3,352
Professional fees	1,256	1,412
Commissions	1,614	1,311
Other	5,001	5,853
Total accrued expenses	$ 40,082	$ 38,897

The Company accrues for the estimated cost to repair or replace products under warranty. Changes in the warranty liability were as follows:

	Three Months Ended		Nine Months Ended	
(In thousands)	March 27, 2026	March 28, 2025	March 27, 2026	March 28, 2025
Balance as of the beginning of the period	$ 3,283	$ 3,926	$ 3,352	$ 2,996
Warranty provision recorded during the period	269	230	1,124	1,488
Assumed in acquisition	—	—	—	406
Consumption during the period	(271)	(406)	(1,195)	(1,140)
Balance as of the end of the period	$ 3,281	$ 3,750	$ 3,281	$ 3,750

Advance Payments and Unearned Revenue

(In thousands)	March 27, 2026	June 27, 2025
Advance payments	$ 17,940	$ 11,812
Unearned revenue	49,905	61,923
Total advance payments and unearned revenue	$ 67,845	$ 73,735

Excluded from the balances above are $9.7 million and $8.1 million in long-term unearned revenue as of March 27, 2026 and June 27, 2025, respectively.

Note 5. Fair Value Measurements of Assets and Liabilities

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in the principal market (or most advantageous market in the absence of a principal market) for the asset or liability in an orderly transaction between market participants as of the measurement date. The Company maximizes the use of observable inputs and minimizes the use of unobservable inputs in measuring fair value and established a three-level fair value hierarchy that prioritizes the observable inputs used to measure fair value. The three levels of inputs used to measure fair value are as follows:

- Level 1 — Observable inputs such as quoted prices in active markets for identical assets or liabilities;
- Level 2 — Observable market-based inputs or observable inputs that are corroborated by market data; and
- Level 3 — Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The estimated fair values and valuation input levels of assets and liabilities that are measured at fair value on a recurring basis as of March 27, 2026 and June 27, 2025 were as follows:

(In thousands)	March 27, 2026	June 27, 2025	Valuation Inputs
Assets:			
Cash and cash equivalents:			
Money market funds	$ 811	$ 2,782	Level 1
Bank certificates of deposit	4,084	3,660	Level 2
Marketable securities	1,288	453	Level 1

Items are classified within Level 1 if quoted prices are available in active markets. The Company's Level 1 items are primarily money market funds and marketable securities. As of March 27, 2026 and June 27, 2025, the money market funds were valued at $1.00 net asset value per share.

Items are classified within Level 2 if the observable inputs to quoted market prices, benchmark yields, reported trades, broker/dealer quotes or alternative pricing sources are available with reasonable levels of price transparency. The Company's bank certificates of deposit are classified within Level 2. The carrying value of bank certificates of deposit approximates their fair value. The Company did not have any recurring assets or liabilities that were valued using significant unobservable inputs.

Note 6. Credit Facility and Debt

The Company entered into a Secured Credit Facility Agreement (the "Credit Facility"), dated May 9, 2023, amended as of November 22, 2023, October 18, 2024 and August 28, 2025, with Wells Fargo Bank, National Association, as administrative agent, swingline lender and issuing lender and Wells Fargo Securities LLC, Citigroup Global Markets Inc., and Regions Capital Markets as lenders. On August 28, 2025, the Company entered into an amendment under the Credit Facility to increase the Term Loan and Revolver commitments by $20 million for each instrument. The Credit Facility provides for a $95.0 million revolving credit facility (the "Revolver") and a $95.0 million Term Loan Facility (the "Term Loan") with a maturity date of October 18, 2029. The $95.0 million Revolver can be borrowed with a $20.0 million sub-limit for letters of credit, and a $10.0 million swingline loan sub-limit.

In November 2023, the Company borrowed $50.0 million against the Term Loan to primarily settle the cash portion of the consideration associated with the NEC Transaction (as defined below). See Note 11. Acquisitions for further information.

As of March 27, 2026, the available credit under the Revolver was $71.3 million, reflecting the available limit of $95 million less outstanding borrowings of $15 million and outstanding letters of credit of $8.7 million. The Company borrowed and repaid $75.0 million against the Revolver during the nine months ended March 27, 2026. The Company borrowed $20.0 million and repaid $3.2 million against the Term Loan during the nine months ended March 27, 2026.

The following summarizes the Company's outstanding long-term debt as of March 27, 2026:

(In thousands)		
Revolver	$	15,000
Term loan		89,883
Less: unamortized deferred financing costs		(620)
Total debt		104,263
Less: current portion of long-term debt		(5,595)
Total long-term debt	$	98,668

Outstanding borrowings under the Credit Facility bear interest at either: (a) Adjusted Term Secured Overnight Financing Rate ("SOFR") plus the applicable margin; or (b) the Base Rate plus the applicable margin. The pricing levels for interest rate margins are determined based on the Consolidated Total Leverage Ratio as determined and adjusted quarterly. As of March 27, 2026, the applicable margin on Adjusted Term SOFR and Base Rate borrowings was 2.75% and 1.75%, respectively. The effective rate of interest on the outstanding Term Loan borrowings as of March 27, 2026 was 6.5%.

The Credit Facility requires the Company and its subsidiaries to maintain a fixed charge coverage ratio to be greater than 1.25 to 1.00 as of the last day of any fiscal quarter of the Company. The Credit Facility also requires that the Company maintain a maximum leverage ratio of 3.00 times EBITDA, with a step-down to 2.75 times EBITDA after four full quarters, and 2.50 times EBITDA after eight full quarters. The current maximum leverage ratio requirement is 2.75 times EBITDA. The Credit Facility contains customary affirmative and negative covenants, including, among others, covenants limiting the ability of the Company and its subsidiaries to dispose of assets, permit a change in control, merge or consolidate, make acquisitions, incur indebtedness, grant liens, make investments, make certain restricted payments, and enter into transactions with affiliates, in each case subject to customary exceptions. As of March 27, 2026, the Company was in compliance with all financial covenants contained in the Credit Facility.

As of March 27, 2026, scheduled maturities of outstanding long-term debt by fiscal year are as follows:

(In thousands)		
Remainder of 2026	$	1,152
2027		6,914
2028		10,371
2029		11,523
2030		74,923
Total	$	104,883

Note 7. Restructuring

The following table summarizes restructuring related activities during the nine months ended March 27, 2026:

(In thousands)	Employee Severance and Benefits		Facilities and Other		Total	
Balance as of June 27, 2025	$	1,757	$	—	$	1,757
Cash payments		(687)		—		(687)
Balance as of September 26, 2025	$	1,070	$	—	$	1,070
Charges, net		—		21		21
Cash payments		(626)		(21)		(647)
Balance as of December 26, 2025	$	444	$	—	$	444
Charges, net		—		323		323
Cash payments		(284)		(323)		(607)
Balance as of March 27, 2026	$	160	$	—	$	160

As of March 27, 2026, the accrued restructuring balance of $0.2 million was included in other current liabilities on the unaudited condensed consolidated balance sheets. Included in the above were positions identified for termination that have not been executed from a restructuring perspective.

Fiscal 2025 Plans

During fiscal 2025, the Company's Board of Directors approved restructuring plans, primarily associated with reductions in workforce in certain of the Company's operations to optimize skill sets and align cost structure. The fiscal 2025 plans are expected to be completed through the end of fiscal 2026.

Note 8. Stockholders' Equity

Stock Repurchase Program

In November 2021, the Company's Board of Directors approved a stock repurchase program to purchase up to $10.0 million of the Company's common stock. As of March 27, 2026, $5.8 million remains available and Aviat may choose to suspend or discontinue the repurchase program at any time. Repurchased shares are recorded as treasury stock. During the third quarter of fiscal 2026, the Company repurchased 20,180 shares of its common stock in the open market for an aggregate purchase price, including commissions, of $0.5 million.

Stock Incentive Programs

As of March 27, 2026, the Company had one active stock incentive plan for its employees and non-employee directors, the 2018 Incentive Plan (the "2018 Plan"). The 2018 Plan provides for the issuance of share-based awards in the form of stock options, stock appreciation rights, restricted stock awards and units, and performance share awards and units.

Under the 2018 Plan, option exercise prices are equal to the fair market value of Aviat common stock on the date the options are granted using the closing stock price. After vesting, options generally may be exercised within seven years after the date of grant.

Restricted stock units are not transferable until vested and the restrictions lapse upon the achievement of continued employment or service over a specified time period. Restricted stock units issued to employees generally vest three years from the date of grant (three-year cliff or annually over three years). Restricted stock units issued annually to non-executive board members generally vest on the day before the annual stockholders' meeting.

Vesting of performance share awards and units is subject to the achievement of predetermined financial performance and share price criteria, and continued employment through the end of the applicable period.

During the nine months ended March 27, 2026, the Company granted 234,225 restricted stock units and 128,629 performance share awards.

The Company recognizes compensation cost for share-based payment awards on a straight-line basis over the requisite service period. For awards with a performance condition vesting feature, share-based compensation costs are recognized when achievement of the performance conditions is considered probable. Forfeitures are recognized as they occur.

Total compensation expense for share-based awards included in the unaudited condensed consolidated statements of operations was as follows:

(In thousands)	Three Months Ended March 27, 2026	Three Months Ended March 28, 2025	Nine Months Ended March 27, 2026	Nine Months Ended March 28, 2025
By Expense Category:				
Cost of revenues	$ 37	$ (1)	$ 105	$ 214
Research and development	35	149	98	456
Selling and administrative	1,508	1,840	4,280	4,956
Total share-based compensation expense	$ 1,580	$ 1,988	$ 4,483	$ 5,626
By Type of Award:				
Options	$ 140	$ 240	$ 472	$ 842
Restricted stock and performance share awards and units	1,440	1,748	4,011	4,784
Total share-based compensation expense	$ 1,580	$ 1,988	$ 4,483	$ 5,626

As of March 27, 2026, there was approximately $0.2 million of total unrecognized compensation expense related to non-vested stock options granted which is expected to be recognized over a weighted-average period of 0.42 years. As of March 27, 2026, there was $9.5 million of total unrecognized compensation expense related to non-vested stock awards which is expected to be recognized over a weighted-average period of 1.82 years.

Note 9. Segment and Geographic Information

Aviat operates in one reportable business segment: the design, manufacturing, and sale of a range of wireless networking and access networking products, solutions, and services. Aviat conducts business globally and its sales and support activities are managed on a geographic basis. The Company's Chief Executive Officer ("CEO") is the Chief Operating Decision Maker (the "CODM"). The CODM manages the business primarily by function globally and reviews financial information on a consolidated basis, accompanied by disaggregated information about revenues by geographic region, for purposes of allocating resources and evaluating financial performance. The profitability of geographic regions is not a determining factor in allocating resources and the CODM does not evaluate profitability below the level of the consolidated company. Significant segment expenses are not analyzed by segment within the Company's internal reporting. Significant segment expenses are presented in Aviat's consolidated statement of operations.

The Company reports revenue by region and country based on the location where its customers accept delivery of products and services. Revenue by region for the three and nine months ended March 27, 2026 and March 28, 2025 was as follows:

(In thousands)	Three Months Ended March 27, 2026	Three Months Ended March 28, 2025	Nine Months Ended March 27, 2026	Nine Months Ended March 28, 2025
North America	$ 46,165	$ 49,402	$ 151,713	$ 149,589
Africa and the Middle East	16,446	15,086	43,868	38,210
Europe	10,333	9,429	29,318	23,376
Latin America and Asia Pacific	27,059	38,723	93,896	108,091
Total revenue	$ 100,003	$ 112,640	$ 318,795	$ 319,266

Revenue by country comprising more than 10% of total revenue for the three and nine months ended March 27, 2026 and March 28, 2025 was as follows:

	Three Months Ended		Nine Months Ended	
(In thousands)	March 27, 2026	March 28, 2025	March 27, 2026	March 28, 2025
United States	$ 45,613	$ 46,161	$ 147,902	$ 136,201
Other international	54,390	66,479	170,893	183,065
Total revenue	$ 100,003	$ 112,640	$ 318,795	$ 319,266

Long-lived assets, consisting primarily of net property, plant and equipment and operating lease right-of-use assets, by geographic areas based on physical location as of March 27, 2026 and June 27, 2025 were as follows:

(In thousands)	March 27, 2026	June 27, 2025
United States	$ 4,658	$ 6,074
Slovenia	9,028	7,760
New Zealand	2,606	1,598
Singapore	2,552	2,263
Other countries	2,360	2,871
Total	$ 21,204	$ 20,566

Note 10. Income Taxes

The Company's effective tax rate varies from the U.S. federal statutory rate of 21% primarily due to state taxes, losses in certain jurisdictions for which no tax benefit can be recognized, stock-based compensation and foreign operations that are subject to income taxes at different statutory rates. During interim periods, tax expense or benefit are accrued for jurisdictions that are anticipated to be profitable for fiscal 2026.

The determination of income taxes for the nine months ended March 27, 2026 and March 28, 2025 was based on the Company's estimated annual effective tax rate adjusted for losses in certain jurisdictions for which no tax benefit can be recognized. The tax expense for the nine months ended March 27, 2026 was primarily related to U.S. and profitable foreign subsidiaries. The tax benefit for the nine months ended March 28, 2025 was primarily resulting from year-to-date losses.

The Company files income tax returns in the U.S., Singapore, and various state and foreign jurisdictions. The Company is currently under examination in Singapore for fiscal years 2015-2021 and in various other foreign jurisdictions. The Company remains subject to potential audits in the U.S. for fiscal years after 2021, and in Singapore for fiscal years after 2014. Additionally, all net operating losses and tax credits generated to date in these two jurisdictions are subject to adjustment.

The Company continues to have a valuation allowance against certain foreign deferred tax assets. However, given the Company's current earnings and anticipated future earnings outside of the United States, the Company believes there is a reasonable possibility that within the next 12 months, sufficient positive evidence may become available to allow the Company to conclude a significant portion of this valuation allowance will no longer be needed. Release of the valuation allowance would result in recognition of certain deferred tax assets, and a decrease to income tax expense for the period the release is recorded. However, the exact timing and amount of the valuation release are subject to change on the basis of the level of profitability that the Company is able to achieve.

Interest and penalties related to unrecognized tax benefits are accounted for as part of the provision for federal, foreign, and state income taxes. Such interest expense was not material for the nine months ended March 27, 2026 and March 28, 2025.

On March 11, 2021, the U.S. enacted the American Rescue Plan Act of 2021 ("ARPA") which expands Section 162(m) to cover the next five most highly compensated employees for the taxable year, in addition to the "covered employees" effective for taxable years beginning after December 31, 2026. The Company will continue to examine the elements of the ARPA and the impact it may have on future business.

On July 4, 2025, the One Big Beautiful Bill Act (“OBBBA”) was enacted. At this time the Company does not expect a material effect on our consolidated financial statements, but will continue to examine the impacts of OBBBA on current and future business.

Note 11. Acquisitions

4RF Limited

On July 2, 2024, the Company acquired 4RF Limited (“4RF”), a New Zealand company. Aviat purchased all of the issued and outstanding shares of 4RF in an all-cash transaction for $18.2 million, net of $1.2 million cash acquired. 4RF is a leading provider of industrial wireless access solutions, including narrowband point-to-point/multi-point radios and Private LTE and 5G routers. The acquisition of 4RF allows Aviat to expand its product offering for the global industrial wireless access markets including Private LTE/5G.

The 4RF acquisition was accounted for as a business combination using the acquisition method of accounting. During the fourth quarter of fiscal 2025, the Company finalized purchase accounting adjustments for the valuation of intangible and tangible assets acquired. The fair value of the acquired intangible assets are based on estimates and assumptions that are considered reasonable to the Company.

A summary of the finalized purchase price allocation is as follows:

(In thousands)		
Cash and cash equivalents	$	1,215
Accounts receivable, net		2,575
Inventories		5,123
Property, plant and equipment, net		235
Identifiable finite-lived intangible assets:		
Customer relationships		7,100
Technology		1,800
Trade names		300
Other assets		4,647
Accounts payable		(5,104)
Advance payments and unearned revenue		(323)
Other liabilities		(2,202)
Goodwill		3,999
Net assets acquired	$	19,365

The final purchase price allocation was updated during the fourth quarter of fiscal 2025 for certain measurement period adjustments based on revised estimates of fair value, which primarily resulted in a $1.7 million decrease to inventories, a $1.1 million increase in other assets, a $0.4 million increase in identifiable intangible assets and a $0.3 million increase to goodwill. The goodwill from this acquisition is non-deductible for tax purposes.

NEC’s Wireless Transport Business

On May 9, 2023, the Company entered into a Master Sale of Business Agreement (as amended on November 30, 2023, the “Purchase Agreement”) with NEC Corporation (“NEC”) to acquire NEC’s wireless transport business (the “NEC Transaction”). The Company completed the NEC Transaction on November 30, 2023.

Prior to the acquisition date, NEC was a leader in wireless backhaul networks with an extensive installed base of their Pasolink series products. The completion of the NEC Transaction increases the scale of Aviat, enhances the Company’s product portfolio with a greater capability to innovate, and creates a more diversified business. The results of operations of the NEC Transaction have been included in the consolidated financial statements since the date of acquisition.

The fair value of the consideration transferred at the closing of the NEC Transaction was comprised of (i) cash of $32.2 million, and (ii) the issuance of 736,750 shares or $22.3 million of common stock of the Company. The fair value of the shares issued was determined based on the closing market price of the Company’s common stock on the acquisition date.

Aggregate consideration transferred at closing was approximately $54.5 million, which was subject to certain post-closing adjustments. The Company funded the cash portion of the consideration with Term Loan borrowings under its Credit Facility. Refer to Note 6. Credit Facility and Debt for further information.

In the second and fourth quarters of fiscal 2025, the Company transferred consideration of $5.8 million and $12.7 million, respectively, to settle the post-closing working capital adjustment.

Note 12. Commitments and Contingencies

Purchase Orders and Other Commitments

From time to time in the normal course of business, the Company may enter into purchasing agreements with its suppliers that require the Company to accept delivery of and remit full payment for (i) finished products that it has ordered, (ii) finished products that it requested be held as safety stock, and (iii) work in process started on its behalf, in the event it cancels or terminates the purchasing agreement. Because these agreements do not specify fixed or minimum quantities, do not specify minimum or variable price provisions, and do not specify the approximate timing of the transaction, and the Company has no present intention to cancel or terminate any of these agreements, the Company currently does not believe that it has any future liability under these agreements. As of March 27, 2026, the Company had outstanding purchase obligations with its suppliers or contract manufacturers of $43.3 million. In addition, the Company had purchase obligations of approximately $5.9 million associated with software as a service and software maintenance support.

Financial Guarantees and Commercial Commitments

Guarantees issued by banks, insurance companies, or other financial institutions are contingent commitments issued to guarantee performance under borrowing arrangements, such as bank overdraft facilities, tax and customs obligations, and similar transactions, or to ensure performance under customer or vendor contracts. The terms of the guarantees are generally equal to the remaining term of the related debt or other obligations and are generally limited to two years or less. As of March 27, 2026, the Company had no guarantees applicable to its debt arrangements.

The Company has entered into commercial commitments in the normal course of business including surety bonds, standby letters of credit agreements, and other arrangements with financial institutions primarily relating to the guarantee of future performance on certain contracts to provide products and services to customers. As of March 27, 2026, the Company had commercial commitments outstanding of $36.0 million, that were not recorded on the unaudited condensed consolidated balance sheets. The Company does not believe, based on historical experience and information currently available, that it is probable that any significant amounts will be required to be paid on these performance guarantees in the future.

The following table presents details of the Company’s commercial commitments:

(In thousands)		March 27, 2026
Letters of credit	$	8,698
Bonds		27,312
	$	36,010

Indemnifications

Under the terms of substantially all of the Company’s license agreements, it has agreed to defend and pay any final judgment against its customers arising from claims against such customers that the Company’s products infringe the intellectual property rights of a third party. As of March 27, 2026, the Company has not received any notice that any customer is subject to an infringement claim arising from the use of its products; the Company has not received any request to defend any customers from infringement claims arising from the use of its products; and the Company has not paid any final judgment on behalf of any customer related to an infringement claim arising from the use of its products. Because the outcome of infringement disputes is related to the specific facts of each case and given the lack of previous or current indemnification claims, the Company cannot estimate the maximum amount of potential future payments, if any, related to its indemnification provisions. As of March 27, 2026, the Company had not recorded any liabilities related to these indemnifications.

Legal Proceedings

The Company is subject from time to time to disputes with customers concerning its products and services. From time to time, the Company may be involved in various other legal claims and litigation that arise in the normal course of its operations. The Company is aggressively defending all current litigation matters. Although there can be no assurances and the outcome of these matters is currently not determinable, the Company currently believes that none of these claims or proceedings are likely to have a material adverse effect on its financial position. There are many uncertainties associated with any litigation and these actions or other third-party claims against the Company may cause it to incur costly litigation and/or substantial settlement charges. As a result, the Company's business, financial condition, results of operations, and cash flows could be adversely affected. The actual liability in any such matters may be materially different from the Company's estimates, if any.

On August 13, 2025 and October 21, 2025, NEC issued letters of arbitration to the Company originally demanding $19 million of additional component purchases, which the Company believes is unfounded and not required under the Manufacturing Supply Agreement ("MSA"). NEC further demanded the escrow under the Purchase Agreement which Aviat counter-claimed for the same escrow funds. The NEC arbitration letters also included a demand for payment of the outstanding accounts payable balances which are reflected in Accounts payable of the Company's consolidated balance sheets and disclosed in Note 14. Related Party Transactions. As of March 27, 2026, the Company cannot predict the outcome of these matters and is asserting certain counterclaims and continues to work through the arbitration process. As such, no loss accrual is deemed necessary. The Company will continue to evaluate the proceedings and the expected outcome of this matter.

The Company records accruals for its outstanding legal proceedings, investigations or claims when it is probable that a liability will be incurred and the amount of loss can be reasonably estimated. The Company evaluates, at least on a quarterly basis, developments in legal proceedings, investigations or claims that could affect the amount of any accrual, as well as any developments that would result in a loss contingency to become both probable and reasonably estimable. The Company has not recorded any significant accrual for loss contingencies associated with such legal claims or litigation discussed above.

Contingent Liabilities

The Company records a loss contingency as a charge to operations when (i) it is probable that an asset has been impaired or a liability has been incurred at the date of the financial statements; and (ii) the amount of the loss can be reasonably estimated. Disclosure in the notes to the financial statements is required for loss contingencies that do not meet both conditions if there is a reasonable possibility that a loss may have been incurred. Gain contingencies are not recorded until realized. The Company expenses all legal costs incurred to resolve regulatory, legal and tax matters as incurred.

In March 2016, an enforcement action by the Indian Department of Revenue, Ministry of Finance was brought against Aviat's subsidiary Aviat Networks (India) Private Limited ("Aviat India") relating to the non-realization of intercompany receivables and non-payment of intercompany payables, which originated from 1999 to 2012, within the time frames dictated by the Indian regulations under the Foreign Exchange Management Act. In November 2017, the Indian Department of Revenue, Ministry of Finance also initiated a similar action against Telsima Communications Private Limited ("Telsima India"), a subsidiary of the Company, relating to the non-realization of intercompany receivables and non-payment of intercompany payables which originated from the period prior to the acquisition of Telsima India in February 2009. In September 2019, the directors of Aviat India appeared before the Ministry of Finance Enforcement Directorate. The Company appeared before the Joint Director of Enforcement to review the transactions at issue in March 2024, and again on May 22, 2025 to provide additional information. No subsequent hearing date has been scheduled as of March 27, 2026. The Company has accrued an immaterial amount representing the estimated probable loss for which it would settle the matter. The Company currently cannot form an estimate of the range of loss in excess of its amounts already accrued. If the outcome of this matter is greater than the current immaterial amount accrued, the Company intends to dispute it vigorously.

Periodically, the Company reviews the status of each significant matter to assess the potential financial exposure. If a potential loss is considered probable and the amount can be reasonably estimated, the estimated loss is reflected in the results of operations. Significant judgment is required to determine the probability that a liability has been incurred or an asset impaired and whether such loss is reasonably estimable. Further, estimates of this nature are highly subjective, and the final outcome of these matters could vary significantly from the amounts that have been included in the consolidated financial statements.

As additional information becomes available, the Company will reassess the potential liability related to its pending claims and litigation and may revise estimates accordingly. Such revisions in the estimates of the potential liabilities could have a material impact on the Company's results of operations and financial position.

Note 13. Goodwill and Intangible Assets

The following presents details of goodwill and intangible assets:

(In thousands)	March 27, 2026	June 27, 2025
Goodwill	$ 19,473	$ 19,655

The Company performs its annual goodwill impairment test on the first day of its fourth fiscal quarter. No indicators of impairment were identified during the current period that required the Company to perform an interim assessment or recoverability test.

(In thousands, except useful life)	Useful life in Years	March 27, 2026	June 27, 2025
Intangible assets:			
Technology	7	$ 4,916	$ 4,998
Patents	10	690	690
Customer relationships	10 — 15	23,700	24,022
Trade names	3 — 16	1,616	1,630
Total gross intangible assets		$ 30,922	$ 31,340
Accumulated amortization		(6,527)	(4,443)
Total net intangible assets		$ 24,395	$ 26,897

Amortization of finite-lived intangibles was \$0.7 million and \$0.7 million for the three months ended March 27, 2026 and March 28, 2025, respectively. Amortization of finite-lived intangibles was \$2.1 million and \$2.0 million for the nine months ended March 27, 2026 and March 28, 2025, respectively, and is included in selling and administrative expenses. There were no impairment charges recorded for the three and nine months ended March 27, 2026.

As of March 27, 2026, the estimated future amortization expense of finite-lived intangible assets is as follows (in thousands):

Remainder of 2026	$ 711
2027	2,843
2028	2,748
2029	2,748
2030	2,748
Thereafter	12,597
Total	$ 24,395

Note 14. Related Party Transactions

NEC Corporation

On November 30, 2023, the Company completed the NEC Transaction. See Note 11. Acquisitions for further information. A portion of the total consideration in the NEC Transaction included the issuance of 736,750 shares in Company common stock to NEC. The Company and NEC entered into a Registration Rights and Lock-Up Agreement, restricting NEC's ability to transfer shares (the "Lock-Up"), except for certain limited exceptions as provided in the Registration Rights and Lock-Up Agreement, until one day after the one-year anniversary of the acquisition date (the "Initial Lock-Up Expiration Date"). Starting one day after the Initial Lock-Up Expiration Date, one-twelfth of the issued shares shall be released from the Lock-Up each month, such that all issued shares shall be released from Lock-Up by the two-year anniversary of the acquisition date. The Lock-Up expired on November 30, 2025. As of March 27, 2026, NEC held approximately 5.7% of the Company's outstanding common stock.

In connection with the closing of the NEC Transaction and as of the acquisition date, the Company and NEC entered into agreements covering the performance of certain post-closing services and licensing arrangements. The agreements include arrangements covering manufacturing services and product supply, transition services, distribution services, research and development services, and licensing of trademark and intellectual property ("IP"). The transition services are complete.

The Manufacturing and Supply Agreement included arrangements for NEC to manufacture and supply Pasolink products on behalf of and to the Company and its customers. The licensing agreements include arrangements where the Company will grant NEC a non-exclusive license to certain Pasolink trademarks in Japan, and NEC will grant the Company a non-exclusive, worldwide (excluding Japan) license to certain NEC IP, including mobile backhaul-related patents. The licensing agreements are royalty-free and perpetual.

A summary of the related party activity between the Company and NEC is as follows:

	Three Months Ended		Nine Months Ended	
(In thousands)	March 27, 2026	March 28, 2025	March 27, 2026	March 28, 2025
Transition services received	$ —	$ 1,131	$ —	$ 3,026
Research and development services received	—	—	—	5,401
Purchase of inventories	13	12,407	7,680	35,746

The Company's outstanding related party balances with NEC included in the unaudited condensed consolidated balance sheets are as follows:

(In thousands)	March 27, 2026	June 27, 2025
Accounts receivable, net	$ 4,052	$ 8,223
Accounts payable	24,865	41,670

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

This Quarterly Report on Form 10-Q, including "Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations," contains forward-looking statements that involve risks and uncertainties, as well as assumptions that, if they do not materialize or prove correct, could cause our results to differ materially from those expressed or implied by such forward-looking statements. All statements other than statements of historical fact are statements that could be deemed to be forward-looking statements, including without limitation statements of, about, concerning or regarding: our ability to maintain effective internal control over financial reporting and management systems and remediate material weaknesses; our plans, strategies and objectives for future operations, including with respect to growing our business and sustaining profitability; our restructuring efforts; our research and development efforts and new product releases and services; trends in revenue; drivers of our business and the markets in which we operate; future economic conditions, performance or outlook, and changes in our industry and the markets we serve; the outcome of contingencies; the value of our contract awards; beliefs or expectations; the sufficiency of our cash and our capital needs and expenditures; our intellectual property protection; our compliance with regulatory requirements and the associated expenses; expectations regarding litigation; our intention not to pay cash dividends; seasonality of our business; the impact of foreign exchange and inflation; taxes; 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 assumptions underlying any of the foregoing. Forward-looking statements may be identified by the use of forward-looking terminology, such as "anticipates," "believes," "expects," "may," "should," "would," "will," "intends," "plans," "estimates," "strategy," "projects," "targets," "goals," "seeing," "delivering," "continues," "forecasts," "future," "predict," "might," "could," "potential," or the negative of these terms, and similar words or expressions.

These forward-looking statements are based on estimates reflecting the current beliefs of the senior management of Aviat Networks, Inc. ("Aviat," the "Company," "we," "us," and "our"). 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. Forward-looking statements should therefore be considered in light of various important factors, including those set forth in this Quarterly Report on Form 10-Q.

See "Item 1A. Risk Factors" in the Company's fiscal 2025 Annual Report on Form 10-K filed with the SEC on September 10, 2025 for more information regarding factors that may cause its results to differ materially from those expressed or implied by the forward-looking statements contained in this Quarterly Report on Form 10-Q.

You should not place undue reliance on these forward-looking statements, which reflect our management's opinions only as of the date of the filing of this Quarterly Report on Form 10-Q. Forward-looking statements are made in reliance upon the safe harbor provisions of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), along with provisions of the Private Securities Litigation Reform Act of 1995, and we expressly disclaim any obligation, other than as required by law, to update any forward-looking statements to reflect further developments or information obtained after the date of filing of this Quarterly Report on Form 10-Q or, in the case of any document incorporated by reference, the date of that document.

Overview of Business; Operating Environment and Key Factors Impacting Fiscal 2026 and 2025 Results

The following Management's Discussion and Analysis ("MD&A") is intended to help the reader understand Aviat's results of operations and financial condition. MD&A is provided as a supplement to, and should be read in conjunction with, the Company's unaudited condensed consolidated financial statements and accompanying notes. In the discussion herein, the fiscal year ending July 3, 2026 is referred to as "fiscal 2026" or "2026" and the fiscal year ended June 27, 2025 is referred to as "fiscal 2025" or "2025."

Overview

Aviat is a global supplier of microwave networking and access networking solutions, backed by an extensive suite of professional services and support. Aviat sells radios, routers, software and services integral to the functioning of data transport networks. Aviat has more than 3,000 customers and significant relationships with global service providers and private network operators. Aviat's North America manufacturing base consists of a combination of contract manufacturing and assembly and testing operated in Austin, Texas by Aviat. Additionally, Aviat utilizes a contract manufacturer based in Asia for much of its international equipment demand. Aviat's technology is underpinned by more than 400 patents. Aviat competes on the basis of total cost of ownership, microwave radio expertise and solutions for mission critical communications. Aviat has a global presence.

Operations Review

The market for mobile backhaul continued to be the Company's primary addressable market segment globally in the first nine months of fiscal 2026. In North America, the Company supported 5G and long-term evolution ("LTE") deployments of its mobile operator customers, public safety network deployments for state and local governments, and private network implementations for utilities and other customers. In international markets, the Company's business continued to rely on a combination of customers increasing their capacity to handle subscriber growth and the ongoing build-out of some large LTE and 5G deployments. Aviat's position continues to be to support its customers for 5G and LTE readiness and ensure that its technology roadmap is well aligned with evolving market requirements. Aviat's strength in turnkey and after-sale support services is a differentiating factor that wins business for the Company and enables it to expand its business with existing customers. Additionally, Aviat operates an e-commerce platform that provides low-cost services, simple experience, and fast delivery to mobile operators and private network customers. In early 2025, U.S. tariffs on foreign imports were introduced. Aviat will attempt to mitigate these tariffs; however, as disclosed below and in the "Risk Factors" section in Item 1A of its Annual Report on Form 10-K filed with the SEC on September 10, 2025, a number of factors could prevent the Company from achieving its objectives, including ongoing pricing pressures attributable to competition and macroeconomic conditions in the geographic markets that it serves.

Revenue

The Company manages its sales activities primarily on a geographic basis in North America and three international geographic regions: (1) Africa and the Middle East, (2) Europe, and (3) Latin America and Asia Pacific. Revenue by region for the three and nine months ended March 27, 2026 and March 28, 2025 and the related changes were as follows:

	Three Months Ended				Nine Months Ended			
(In thousands, except percentages)	March 27, 2026	March 28, 2025	$ Change	% Change	March 27, 2026	March 28, 2025	$ Change	% Change
North America	$ 46,165	$ 49,402	$ (3,237)	(6.6)%	$ 151,713	$ 149,589	$ 2,124	1.4 %
Africa and the Middle East	16,446	15,086	1,360	9.0 %	43,868	38,210	5,658	14.8 %
Europe	10,333	9,429	904	9.6 %	29,318	23,376	5,942	25.4 %
Latin America and Asia Pacific	27,059	38,723	(11,664)	(30.1)%	93,896	108,091	(14,195)	(13.1)%
Total revenue	$ 100,003	$ 112,640	$ (12,637)	(11.2)%	$ 318,795	$ 319,266	$ (471)	(0.1)%

Revenue in North America decreased by $3.2 million during the third quarter of fiscal 2026 compared with the same period of fiscal 2025 primarily due to lower demand for products of 17%. Revenue in North America increased by $2.1 million during the first nine months of fiscal 2026 compared with the same period of fiscal 2025 primarily due to increases in demand for services and software offerings of 10% and 5% respectively, partially offset by a decrease in demand for products of 4%.

Revenue in Africa and the Middle East increased by $1.4 million during the third quarter of fiscal 2026 compared with the same period of fiscal 2025 primarily due to increases in demand for software offerings and products of 133% and 13%, respectively, partially offset by a decrease in demand of 35% for services. Revenue in Africa and the Middle East increased by $5.7 million during the first nine months of fiscal 2026 compared with the same period of fiscal 2025, primarily due to increases in demand for software offerings and products of 36% and 15%, respectively.

Revenue in Europe increased by $0.9 million during the third quarter of fiscal 2026 compared with the same period of fiscal 2025 primarily due to increases in demand for software offerings and services of 52% and 16%, respectively. Revenue in Europe increased by $5.9 million during the first nine months of fiscal 2026 compared with the same period of fiscal 2025. The increase for the first nine months of fiscal 2026 was primarily due to increases in demand for software offerings and products of 48% and 31%, respectively.

Revenue in Latin America and Asia Pacific decreased by $11.7 million during the third quarter of fiscal 2026 compared with the same period of fiscal 2025 primarily due to lower demand for software offerings, services, and products of 64%, 25% and 18%, respectively. Revenue in Latin America and Asia Pacific decreased by $14.2 million during the first nine months of fiscal 2026 compared with the same period of fiscal 2025 primarily due to lower demand for services and products of 29% and 11% respectively, partially offset by an increase of 12% on software offerings.

Gross Margin

	Three Months Ended				Nine Months Ended			
(In thousands, except percentages)	March 27, 2026	March 28, 2025	$ Change	% Change	March 27, 2026	March 28, 2025	$ Change	% Change
Revenue	$ 100,003	$ 112,640	$ (12,637)	(11.2)%	$ 318,795	$ 319,266	$ (471)	(0.1)%
Cost of revenue	70,720	73,344	(2,624)	(3.6)%	217,748	219,296	(1,548)	(0.7)%
Gross margin	$ 29,283	$ 39,296	$ (10,013)	(25.5)%	$ 101,047	$ 99,970	$ 1,077	1.1 %
% of revenue	29.3 %	34.9 %			31.7 %	31.3 %		
Product margin %	25.4 %	33.1 %			29.6 %	28.0 %		
Service margin %	37.6 %	38.6 %			36.7 %	38.6 %		

Gross margin for the third quarter of fiscal 2026 decreased by $10.0 million compared with the same quarter of fiscal 2025 primarily due to sales volumes and the mix of product and service offerings. Gross margin for the first nine months of fiscal 2026 increased by $1.1 million due to sales volumes and the mix of product and service offerings.

Research and Development

	Three Months Ended				Nine Months Ended			
(In thousands, except percentages)	March 27, 2026	March 28, 2025	$ Change	% Change	March 27, 2026	March 28, 2025	$ Change	% Change
Research and development	$ 7,656	$ 7,704	$ (48)	(0.6)%	$ 21,163	$ 28,334	$ (7,171)	(25.3)%
% of revenue	7.7 %	6.8 %			6.6 %	8.9 %		

Research and development expenses decreased by $48 thousand and $7.2 million for the three and nine months ended March 27, 2026, respectively, compared with the same periods in fiscal 2025, primarily due to cost management initiatives.

Selling and Administrative

	Three Months Ended				Nine Months Ended			
(In thousands, except percentages)	March 27, 2026	March 28, 2025	$ Change	% Change	March 27, 2026	March 28, 2025	$ Change	% Change
Selling and administrative	$ 20,365	$ 22,121	$ (1,756)	(7.9)%	$ 66,125	$ 68,348	$ (2,223)	(3.3)%
% of revenue	20.4 %	19.6 %			20.7 %	21.4 %		

Selling and administrative expenses decreased by $1.8 million for the third quarter of fiscal 2026 compared with the same quarter of fiscal 2025 primarily due to lower administrative costs and cost management initiatives. Selling and administrative expenses decreased by $2.2 million for the first nine months of fiscal 2026 compared with the same period of fiscal 2025 primarily due to lower administrative costs and cost management initiatives.

Interest Expense, net

(In thousands, except percentages)	Three Months Ended				Nine Months Ended			
	March 27, 2026	March 28, 2025	$ Change	% Change	March 27, 2026	March 28, 2025	$ Change	% Change
Interest expense, net	$ 1,848	$ 1,557	$ 291	18.7 %	$ 5,468	$ 4,252	$ 1,216	28.6 %

Interest expense, net increased by $0.3 million and $1.2 million for the three and nine months ended March 27, 2026, respectively, primarily due to interest expense incurred on incremental Term Loan borrowings compared to the prior year period.

Other Expense, net

(In thousands, except percentages)	Three Months Ended				Nine Months Ended			
	March 27, 2026	March 28, 2025	$ Change	% Change	March 27, 2026	March 28, 2025	$ Change	% Change
Other expense (income), net	$ 1,400	$ 3,068	$ (1,668)	(54.4)%	$ (371)	$ 4,047	$ (4,418)	(109.2)%

Other expense (income), net decreased by $1.7 million and $4.4 million for the three and nine months ended March 27, 2026, respectively, compared with the same quarter of fiscal 2025 primarily as a result of fluctuation in foreign currencies.

Income Taxes

(In thousands, except percentages)	Three Months Ended				Nine Months Ended			
	March 27, 2026	March 28, 2025	$ Change	% Change	March 27, 2026	March 28, 2025	$ Change	% Change
(Loss) income before income taxes	$ (2,309)	$ 4,669	$ (6,978)	(149.5)%	$ 8,318	$ (6,603)	$ 14,921	(226.0)%
(Benefit from) provision for income taxes	$ (244)	$ 1,141	$ (1,385)	(121.4)%	$ 4,503	$ (2,747)	$ 7,250	(263.9)%

The Company estimates its annual effective tax rate at the end of each quarterly period and records the tax effect of certain discrete items in the interim period in which they occur, including changes in judgment about uncertain tax positions and deferred tax valuation allowances.

The tax expense for the first nine months of fiscal 2026 was primarily attributable to tax expense related to U.S. and profitable foreign subsidiaries. The tax benefit for the first nine months of fiscal 2025 was primarily resulting from year-to-date losses.

Liquidity, Capital Resources, and Financial Strategies

Sources of Cash

As of March 27, 2026, the Company's total cash and cash equivalents were $78.1 million. Approximately $16.2 million was held in the United States. The remaining balance of $61.9 million, or 79%, was held outside the United States.

Operating Activities

Operating cash flows are presented as net income (loss) adjusted for certain non-cash items and changes in operating assets and liabilities. Net cash provided by (used in) operating activities was $10.5 million for the first nine months of fiscal 2026, compared with $(4.8) million in the prior year. The $15.3 million increase is primarily attributable to increased earnings and increases in working capital compared to the prior year.

Investing Activities

Net cash used in investing activities was $7.8 million for the first nine months of fiscal 2026, compared to $26.3 million in the prior year. The $18.4 million decrease is primarily due to the absence of prior year acquisition payments associated with the NEC Transaction in the current year.

Financing Activities

Financing cash flows consist primarily of borrowings and repayments under the Company's Credit Facility and proceeds from the exercise of employee stock options. Net cash provided by financing activities was $15.8 million for the first nine months of fiscal 2026, compared with $17.6 million in the prior year. The $1.8 million decrease is primarily due to reduced net Term Loan borrowings of $16.8 million compared to $25.3 million in the prior year and the absence of prior year payments of deferred consideration for acquisitions of $5.8 million.

As of March 27, 2026, the Company's principal sources of liquidity consisted of $78.1 million in cash and cash equivalents, $76.4 million of available credit under its Credit Facility, and future collections of receivables from customers. On August 28, 2025, the Company entered into an amendment under the Credit Facility to increase the Term Loan and Revolver commitments by $20 million for each instrument. The Company regularly requires letters of credit from certain customers, and, from time to time, these letters of credit are discounted without recourse shortly after shipment occurs in order to meet immediate liquidity requirements and to reduce its credit and sovereign risk. Historically, the Company's primary sources of liquidity have been cash flows from operations and credit facilities.

The Company believes that its existing cash and cash equivalents, the available borrowings under its Credit Facility and future cash collections from customers will be sufficient to provide for its anticipated requirements and plans for cash for at least the next 12 months. In addition, the Company believes these sources of liquidity will be sufficient to provide for its anticipated requirements and plans for cash beyond the next 12 months.

The Company borrowed and repaid $75.0 million against the Revolver during the first nine months of fiscal 2026 and had $15.0 million borrowings outstanding under the Revolver. As of March 27, 2026, the Company had $89.9 million outstanding under its Term Loan and during the first nine months of fiscal 2026 borrowed $20.0 million and repaid $3.2 million against the Term Loan. As of March 27, 2026, the Company was in compliance with all financial covenants contained in the Credit Facility.

Critical Accounting Estimates

For information about the Company's critical accounting estimates, see the "Critical Accounting Estimates" section of "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" in its fiscal 2025 Annual Report on Form 10-K.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

In the normal course of doing business, the Company is exposed to risks associated with foreign currency exchange rates and changes in interest rates. The Company employs established policies and procedures governing the use of financial instruments to manage its exposure to such risks. Information about the Company's market risk is presented in Part II, Item 7A in its fiscal 2025 Annual Report on Form 10-K. There have been no material changes to the Company's market risk during the first nine months of fiscal 2026.

Exchange Rate Risk

The Company conducts business globally in numerous currencies and is therefore exposed to foreign currency risks. From time to time, the Company uses derivative instruments to reduce the volatility of earnings and cash flows associated with changes in foreign currency exchange rates. The Company does not hold or issue derivatives for trading purposes or make speculative investments in foreign currencies.

From time to time, the Company enters into foreign exchange forward contracts to mitigate the change in fair value of specific non-functional currency assets and liabilities on the balance sheet. All balance sheet hedges are marked to market through earnings every period. Changes in the fair value of these derivatives are largely offset by re-measurement of the underlying assets and liabilities. The Company did not have any foreign exchange forward contracts outstanding as of March 27, 2026.

Certain of the Company's international business are transacted in non-U.S. dollar ("USD") currencies. From time to time, the Company utilizes foreign currency hedging instruments to minimize the currency risk of non-USD transactions. The impact of translating the assets and liabilities of foreign operations to USD is included as a component of stockholders' equity. As of March 27, 2026 and June 27, 2025, the cumulative translation adjustment decreased stockholders' equity by $17.8 million and $18.8 million, respectively.

Interest Rate Risk

The Company's exposure to market risk for changes in interest rates relates primarily to its cash equivalents and borrowings under its Credit Facility. Refer to Note 6. Credit Facility and Debt of the Notes for further information.

Exposure on Cash Equivalents

The Company had $78.1 million in total cash and cash equivalents as of March 27, 2026. Cash equivalents totaled $4.9 million as of March 27, 2026 and were comprised of money market funds and bank certificates of deposit. Cash equivalents have been recorded at fair value. Fair value is measured using inputs that fall into a three-level hierarchy that prioritizes the inputs used to measure fair value based on observability of such inputs. For more information on the fair value measurements of cash equivalents, refer to Note 5. Fair Value Measurements of Assets and Liabilities of the Notes for further information.

The Company's cash equivalents earn interest at fixed rates; therefore, changes in interest rates will not generate a gain or loss on these investments unless they are sold prior to maturity. A 10% change in interest rates on the Company's cash equivalents is not expected to have a material impact on its financial position, results of operations, or cash flows.

Exposure on Borrowings

The Company borrowed and repaid $75.0 million against the Revolver during the first nine months of fiscal 2026 and had $15.0 million borrowings outstanding under the Revolver. As of March 27, 2026, the Company had $89.9 million outstanding under its Term Loan and during the first nine months of fiscal 2026 borrowed $20.0 million and repaid $3.2 million against the Term Loan. As of March 27, 2026, the Company was in compliance with all financial covenants contained in the Credit Facility.

The Company's borrowings under the current Credit Facility bear interest at either: (a) Adjusted Term SOFR plus the applicable margin; or (b) the Base Rate plus the applicable margin. The pricing levels for interest rate margins are determined based on the Consolidated Total Leverage Ratio as determined and adjusted quarterly. As of March 27, 2026, the applicable margin on Adjusted Term SOFR and Base Rate borrowings was 2.75% and 1.75%, respectively. The effective rate of interest on the outstanding Term Loan borrowings as of March 27, 2026 was 6.5%.

A 10% change in interest rates is estimated to have a $0.6 million impact on annual interest expense on the Company's outstanding long-term debt as of March 27, 2026.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

As disclosed in the Company's Annual Reports on Form 10-K for the fiscal years ended June 28, 2024, and June 27, 2025, the Company's management concluded that our disclosure controls and procedures were not effective due to certain material weaknesses in internal control over financial reporting. Refer to Part II, Item 9A. Controls and Procedures in the Company's Annual Reports on Form 10-K for the fiscal years ended June 28, 2024 and June 27, 2025, for further information.

During fiscal 2025 and continuing into the third quarter of fiscal 2026, the Company implemented actions designed to improve our internal control over financial reporting and remediate these material weaknesses, including (i) providing training to the applicable control performers related to the importance of timely execution of control activities for which they are responsible; (ii) the redesign of controls over the determination of the appropriate period for revenue recognition, controls over arrangements where revenue is recognized over time and controls related to the review and approval of journal entries, and (iii) implementing a formal monitoring program to perform the necessary evaluations to ascertain whether the components of internal control are present and functioning, including implementing corrective actions as necessary.

These steps are subject to ongoing senior management review, as well as oversight by the audit committee of our Board of Directors. While significant progress has been made to remediate the material weaknesses, the material weaknesses will not be considered remediated until the associated controls operate effectively for a sufficient period of time and management concludes, through testing, that the controls are operating effectively. We will continue to monitor the design and effectiveness of these and other processes, procedures and controls and make further changes management deems appropriate.

The Company's management, with the participation of our President and CEO, and Chief Financial Officer ("CFO"), completed an evaluation of the effectiveness of the design and operation of the disclosure controls and procedures as of March 27, 2026. The Company's CEO and CFO have concluded that our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, were not effective as of March 27, 2026, due to the material weaknesses described above not being fully remediated as of the date of the evaluation.

Changes in Internal Controls over Financial Reporting

Except as noted above, there were no changes to our internal controls over financial reporting as defined in Rules 13a-15(f) or 15d-15(f) that occurred during the quarter ended March 27, 2026 that have materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting.

Inherent Limitations on Effectiveness of Controls

The Company's management, including its CEO and CFO, does not expect that its disclosure controls and procedures or its internal control over financial reporting will prevent or detect all errors and all fraud. A control system, no matter how well-designed and operated, can provide only reasonable, not absolute, assurance that the control system's objectives will be met. The design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Further, because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that misstatements due to error or fraud will not occur or that all control issues and instances of fraud, if any, have been detected. The design of any system of controls is based in part on certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Projections of any evaluation of the effectiveness of controls to future periods are subject to risks. Over time, controls may become inadequate because of changes in conditions or deterioration in the degree of compliance with policies or procedures.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

For a discussion of legal proceedings as of March 27, 2026, please refer to "Legal Proceedings" and "Contingent Liabilities" under Note 12. Commitments and Contingencies of the Notes to the unaudited condensed consolidated financial statements in this Quarterly Report on Form 10-Q, which are incorporated into this item by reference.

Item 1A. Risk Factors

Investors should carefully review and consider the information regarding certain factors which could materially affect our business, operating results, cash flows, and financial condition set forth under Item 1A, Risk Factors, in our fiscal 2025 Annual Report on Form 10-K filed with the SEC on September 10, 2025.

Other than as described below, there have been no material changes from the risk factors described in our Annual Report, although we may disclose changes to such factors or disclose additional factors from time to time in our future filings with the SEC. Additional risks and uncertainties not presently known to us or that we currently deem immaterial also may impair our business operations.

Negative reports, commentary, or publicity by short sellers, activist investors, or other third parties could harm our reputation and materially adversely affect our business and stock price.

We have and may again from time to time be the subject of negative publicity, commentary, or reports, including reports that may be published by short sellers, activist investors, or other third parties. Such reports have and may allege improper conduct, accounting irregularities, business weaknesses, or other concerns, and may be published without regard to the accuracy or completeness of the information contained therein. Even when allegations are unfounded, we have been and may be required to devote significant management time and resources to address such matters, and our reputation with customers, suppliers, employees, and investors may be harmed. In addition, such reports, commentary, or publicity could cause the market price of our common stock to decline significantly, increase trading volatility, and increase the risk of stockholder litigation or regulatory inquiries.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Stock Repurchase Program

In November 2021, the Company's Board of Directors approved a stock repurchase program to purchase up to $10.0 million of the Company's common stock. As of March 27, 2026, $5.8 million remains available and Aviat may choose to suspend or discontinue the repurchase program at any time. Repurchased shares are recorded as treasury stock.

The following table summarizes the Company's repurchases of its common stock during the third quarter of fiscal 2026:

Period	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Programs	Approximate Dollar Value of Shares that May Yet be Purchased Under the Program (in thousands)
December 27, 2025 — January 30, 2026	—	$ —	—	$ 6,330
January 31, 2026 — February 27, 2026	20,180	24.75	20,180	5,831
February 28, 2026 — March 27, 2026	—	—	—	5,831
Total	20,180		20,180	$ 5,831

Item 3. Defaults Upon Senior Securities

Not applicable.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

Insider Trading Arrangements

On February 6, 2026, Erin Boase, General Counsel, Vice President Legal Affairs, adopted a new trading plan intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) under the Exchange Act. The trading plan is intended to permit Ms. Boase to sell an aggregate of 10,169 shares. Ms. Boase's plan will expire on February 11, 2027.

During the three months ended March 27, 2026, no other officers or directors adopted, modified, or terminated a "Rule 10b5-1 trading arrangement" or a "non-Rule 10b5-1 trading arrangement," as defined in Item 408 of Regulation S-K.

Item 6. Exhibits

The following exhibits are filed or furnished herewith or are incorporated by reference to exhibits previously filed with the SEC:

Exhibit Number	Descriptions
3.1	Amended and Restated Certificate of Incorporation of Aviat Networks, Inc., as amended (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K filed with the SEC on November 13, 2023, File No. 001-33278).
3.2	Amended and Restated Bylaws of Aviat Networks, Inc. (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K filed with the SEC on August 24, 2023, File No. 001-33278).
4.1	Amendment No. 2 to the Amended and Restated Tax Benefit Preservation Plan, dated as of February 27, 2026, by and between Aviat Networks, Inc. and Computershare Inc., as Rights Agent (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K filed with the SEC on February 27, 2026, File No. 001-33278).
31.1*	Rule 13a-14(a)/15d-14(a) Certification of President and Chief Executive Officer
31.2*	Rule 13a-14(a)/15d-14(a) Certification of Chief Financial Officer
32.1**	Section 1350 Certification of Chief Executive Officer and Chief Financial Officer
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)
*	Filed herewith.
**	Furnished herewith.

SIGNATURES

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 thereunto duly authorized.

AVIAT NETWORKS, INC.
(Registrant)

Date: May 4, 2026

By: /s/ Andrew C. Schmidt

Andrew C. Schmidt
Senior Vice President and Chief Financial Officer

AMENDMENT NO. 2

TO THE AMENDED AND RESTATED TAX BENEFIT PRESERVATION PLAN

This AMENDMENT NO. 2 TO THE AMENDED AND RESTATED TAX BENEFIT PRESERVATION PLAN (this "Amendment"), dated as of February 27, 2026, is by and between Aviat Networks, Inc., a Delaware corporation (the "Company"), and Computershare Inc., a Delaware corporation, as rights agent (the "Rights Agent").

RECITALS

WHEREAS, on August 27, 2020, the Company and the Rights Agent entered into that certain Amended and Restated Tax Benefit Preservation Plan, which the Company and the Rights Agent then amended on February 28, 2023 (the "Plan");

WHEREAS, pursuant to Section 28 (Supplements and Amendments) of the Plan, the Company desires to amend the Plan to extend the Final Expiration Date; and

WHEREAS, pursuant to Section 28 of the Plan, the Company hereby delivers a certificate from its Senior Vice President and Chief Financial Officer, attached hereto as Exhibit A, stating that this Amendment is in compliance with the terms of Section 28 of the Plan.

AGREEMENT

NOW THEREFORE, in consideration of the premises and the mutual agreements herein set forth, the parties hereto agree as follows:

1. **Definitions.** Capitalized terms used and not defined in this Amendment have the respective meanings assigned to them in the Plan.

2. **Amendments to the Plan.** As of the Effective Date (defined below), the Plan is hereby amended as follows:

A. Section 1(aa) of the Plan is hereby deleted in its entirety and replaced with the following:

"(aa) "**Final Expiration Date**" means March 3, 2029."

B. Exhibit B to the Plan is hereby amended by deleting the first sentence in the Legend and replacing it with the following:

"NOT EXERCISABLE AFTER THE FINAL EXPIRATION DATE (AS DEFINED IN THE PLAN (AS DEFINED BELOW)) OR SUCH EARLIER DATE AS THE RIGHTS ARE REDEEMED, EXCHANGED OR TERMINATED."

3. **Ratification of the Plan.** This Amendment will be deemed effective as of the date first written above (the "Effective Date"). Except as expressly provided in this Amendment, all terms and provisions of the

Plan are and will remain in full force and effect and are hereby ratified and confirmed by the parties hereto. Without limiting the generality of the foregoing, the amendments contained herein will not be construed as an amendment to or a waiver of any other provision of the Plan or as a waiver of or consent to any further or future action on the part of either party hereto that would require the waiver or consent of the other party. On and after the Effective Date, each reference in the Plan to "this Plan", "the Plan", "hereunder", "hereof", "herein", or words of like import will mean and be a reference to the Plan as amended by this Amendment.

4. **<u>Counterparts</u>.** This Amendment and any supplements or further amendments hereto may be executed in any number of counterparts and each of such counterparts will for all purposes be deemed to be an original, and all such counterparts will together constitute one and the same instrument, it being understood that all parties need not sign the same counterpart. A signature to this Amendment executed and/or transmitted electronically (including by .pdf) will have the same authority, effect, and enforceability as an original signature. No party hereto may raise the use of such electronic transmission to deliver a signature, or the fact that any signature or agreement or instrument was transmitted or communicated through such electronic transmission, as a defense to the formation of a contract.

(Signature Page Follows.)

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed as of the Effective Date.

COMPANY

Aviat Networks, Inc.

By: /s/ Andy Schmidt
Andy Schmidt
Senior Vice President & Chief Financial Officer

RIGHTS AGENT

Computershare Inc.

By: /s/ Patrick Hayes

Name: Patrick Hayes

Title: Manager, Client Management

EXHIBIT A
Certificate of Company

The undersigned, Andy Schmidt, hereby certifies he is the duly elected, qualified and acting Senior Vice President & Chief Financial Officer of Aviat Networks, Inc. (the “Company”), and that as such, he is duly authorized to execute and deliver this Certificate on behalf of the Company.

He hereby further certifies on behalf of the Company that the foregoing Amendment No. 2 to the Amended and Restated Tax Benefit Preservation Plan is in compliance with the terms of Section 28 of the Amended and Restated Tax Benefit Preservation Plan, dated as of August 27, 2020, by and between the Company and Computershare Inc., as rights agent, as may be amended from time to time.

IN WITNESS WHEREOF, the undersigned has executed this Certificate on behalf of the Company as of this 27 day of February, 2026.

Aviat Networks, Inc.

By: /s/ Andy Schmidt
Andy Schmidt
Senior Vice President & Chief Financial Officer

The undersigned hereby certifies that the person named above is the duly elected, qualified and acting Senior Vice President & Chief Financial Officer of the Company, and that the signature appearing above is his true and valid signature.

IN WITNESS WHEREOF, the undersigned has executed this Certificate on behalf of the Company as of this 27 day of February, 2026.

Aviat Networks, Inc.

By: /s/ Erin Boase
Erin Boase
General Counsel, Vice President Legal Affairs

Exhibit 31.1

CERTIFICATION PURSUANT TO SECTION 302(a)
OF THE SARBANES-OXLEY ACT OF 2002

I, Peter A. Smith, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the fiscal quarter ended March 27, 2026, of Aviat Networks, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 4, 2026

/s/ Peter A. Smith

Name: Peter A. Smith
Title: President and Chief Executive Officer

Exhibit 31.2

**CERTIFICATION PURSUANT TO SECTION 302(a)
OF THE SARBANES-OXLEY ACT OF 2002**

I, Andrew C. Schmidt, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the fiscal quarter ended March 27, 2026, of Aviat Networks, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 4, 2026

/s/ Andrew C. Schmidt

Name:	Andrew C. Schmidt
Title:	Senior Vice President and Chief Financial Officer

Exhibit 32.1

CERTIFICATIONS OF CHIEF EXECUTIVE OFFICER AND PRINCIPAL FINANCIAL OFFICER OF AVIAT NETWORKS, INC. PURSUANT TO TITLE 18 OF THE UNITED STATES CODE SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the filing of the Quarterly Report on Form 10-Q of Aviat Networks, Inc. (“Aviat Networks”) for the fiscal quarter ended March 27, 2026, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), we, Peter A. Smith, President and Chief Executive Officer of Aviat Networks, and Andrew C. Schmidt, Senior Vice President and Chief Financial Officer of Aviat Networks, hereby certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. §1350, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Aviat Networks as of the dates and for the periods expressed in the Report.

Date: May 4, 2026	/s/ Peter A. Smith
	Name: Peter A. Smith
	Title: President and Chief Executive Officer
Date: May 4, 2026	/s/ Andrew C. Schmidt
	Name: Andrew C. Schmidt
	Title: Senior Vice President and Chief Financial Officer