



Aviat Networks (NASDAQ: AVNW)

February 2022

Forward-Looking Statements

The information contained in this presentation includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 21E of the Securities Exchange Act and Section 27A of the Securities Act, including expectations regarding our results for the fiscal 2022 second quarter and six months periods. All statements, trend analyses and other information contained herein about the markets for the services and products of Aviat Networks, Inc. and trends in revenue, as well as other statements identified by the use of forward-looking terminology, including "anticipate," "believe," "plan," "estimate," "expect," "goal," "will," "see," "continue," "delivering," "view," and "intend," or the negative of these terms or other similar expressions, constitute forward-looking statements. These forward-looking statements are based on estimates reflecting the current beliefs of the senior management of Aviat Networks, Inc. These forward-looking statements involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements.

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

Aviat Networks Company Profile

OVERVIEW

- Aviat Networks is a leading pureplay wireless microwave transport equipment, software and services provider
 - US Headquarters (Austin, TX)
 - Global Customer Base (3000+ customers)
 - Global Manufacturing Capabilities
 - Leading Technology (200+ patents)
 - Strong Position with Global Service Providers and Private Network Operators

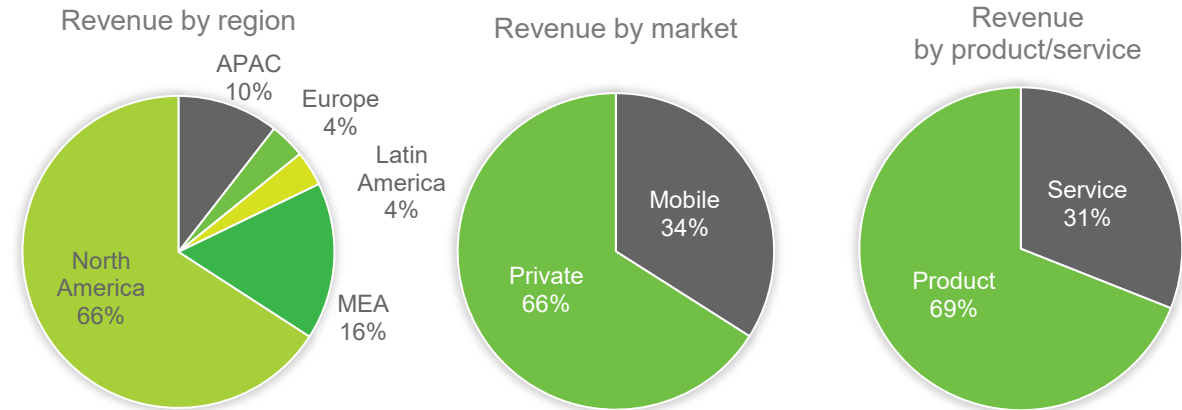
- End-to-End Wireless Transport Solutions Portfolio



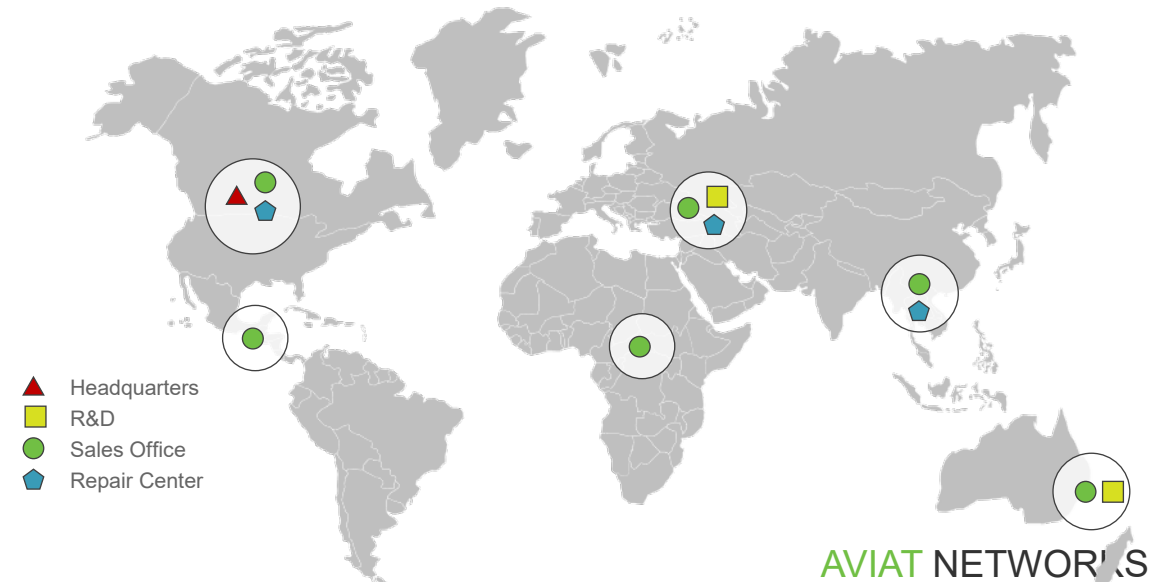
Radios, Routers, Software, Services

- Points of excellence
 - Lowest Total Cost of Ownership
 - Mission Critical Solutions Leader
 - Unrivaled Microwave Expertise
 - Unique and Compelling Innovations

REVENUE SUMMARY



GLOBAL PRESENCE, SERVICE & SUPPORT



Business Financial Summary

KEY STATISTICS

Trading Symbol	AVNW
Shares outstanding	~11.2 million
Stock Price	\$29.39*
Market Cap	~\$329 million*
Headquarters	Austin, Texas
# of Employees	~660
52 Week High/Low	\$43.76 / \$18.28**

*As of 2/1/2022

** Reflects 2 for 1 Stock split effected April 2021

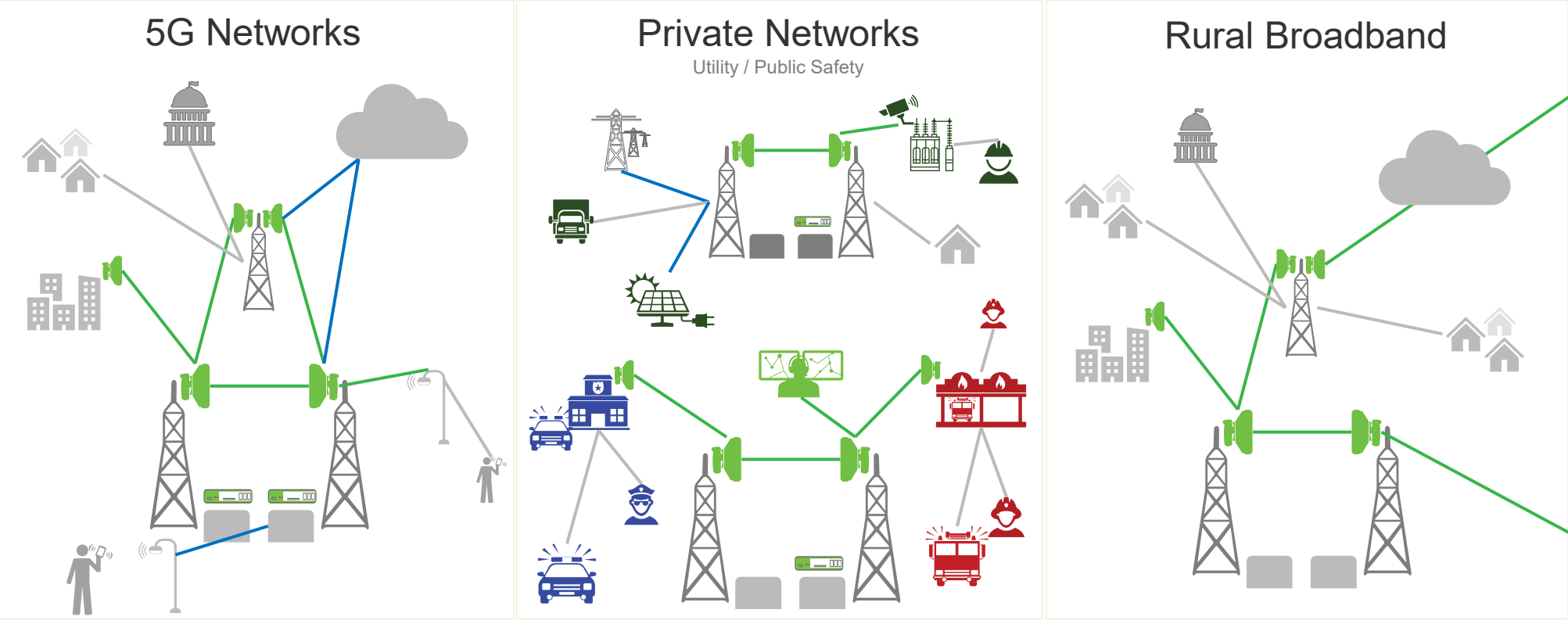
KEY FINANCIAL METRICS LTM

REVENUE	\$289.1M
Adjusted EBITDA*	\$34.0M
Cash	\$42.3M
Debt	\$0.0M
Operating Cash Flow	\$4.9M

*Adjusted EBITDA is defined as GAAP net income before interest, taxes, depreciation, amortization and non-GAAP items (e.g., share-based compensation, restructuring charges, etc.).

Strong Balance Sheet... Consistent Performance Drives Cash

Aviat – Pureplay Wireless Transport Solutions



Aviat
 Differentiation

Best in Class
 Wireless Transport Products

Unique
 Software and Services

Disruptive
 Supply Chain and Ecommerce








AVIAT EQUIPMENT
 MICROWAVE
 RADIO ACCESS / CELLULAR
 FIBER

Other applications »

- OIL/GAS/OFFSHORE
- TRANSPORTATION
- SCHOOL/ENTERPRISE
- ISP
- HIGH FREQUENCY TRADING

Aviat Differentiation is Aligned with 5G, Private Networks and Rural Broadband

Recent Wins

5G Networks		Private Networks	
<p>Dish Network Corporation</p> <p>High capacity 5G wireless transport</p> 	<p>Safaricom</p> <p>5G transport</p> 	<p>Globe</p> <p>Extension of contract » 2024</p> 	<p>Virginia State Police</p> <p>Complete network</p> 
Rural Broadband			
<p>Nextlink Internet</p> <p>High-speed wireless backhaul</p> 	<p>LTD Broadband</p> <p>Middle mile & fiber redundancy</p> 	<p>150+ new rural broadband accounts via Aviat Store since FY20</p>	
			

Key Customer Wins Validate Aviat's Differentiated Wireless Transport Solutions

Aviat's Investment Thesis

Tremendous Market Opportunity

- 5G, Critical Communications, Rural Broadband, Emerging Economies Underpin Demand
- 6% Share in a \$3B Market, Significant Opportunity for Growth

Well Positioned to Capture Growth

- Strong Incumbency to Grow with Installed Base
- Compelling Value Proposition to Capture New Accounts (Tier 2 / ISP) and expand reach with reseller arrangement

Highly Differentiated Solutions

- Innovative products and Services for Lower Total Cost of Ownership
- Software & Services to Simplify Wireless Transport Lifecycle
- Expanding E-commerce and Supply Chain Capabilities to Disrupt Go-to-Market Models

Rural Broadband Opportunity

“There are up to 42 million Americans for whom this essential network is not available, and millions more for whom it is available but unaffordable.”

Brookings Institute

\$73B+ in Available Funding

\$1.5B
CAF II

\$20B
Rural Digital Opportunity Fund (RDOF)

\$9B
5G Fund for Rural America

\$42B*
Broadband Funding in \$1.2T Bipartisan Infrastructure Framework

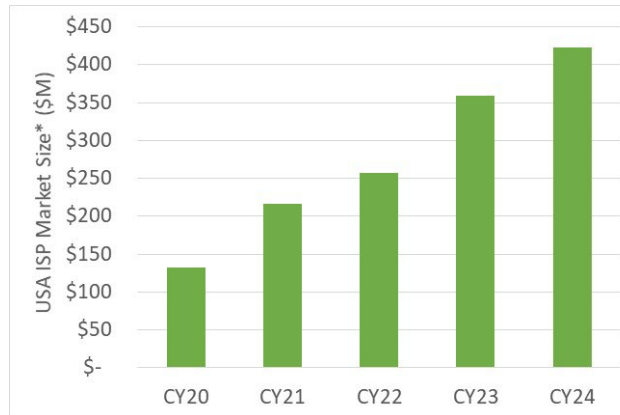
\$635M
USDA Reconnect Program

** proposed*

Wireless Transport is the Solution

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

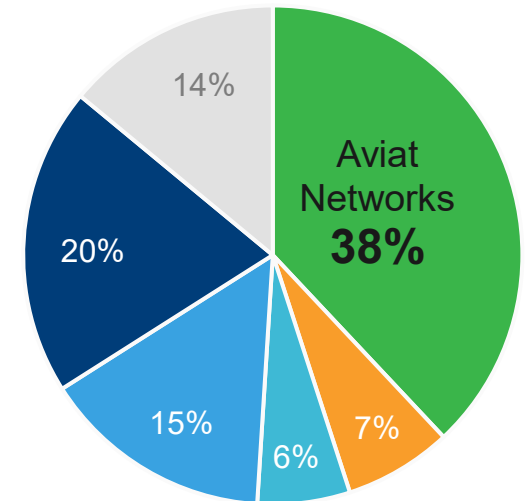
\$423M TAM in USA rural broadband segment by 2024 (34% CAGR)



Source: Sky Light Research, 2021

Aviat is #1 in USA Rural Broadband Transport

38% share of demand in wireless transport for NA ISP segment in Q4, FY21 (up from 13% share of demand in Q1 FY21)



Source: FCC filings new links Q2 2021, ISP segment

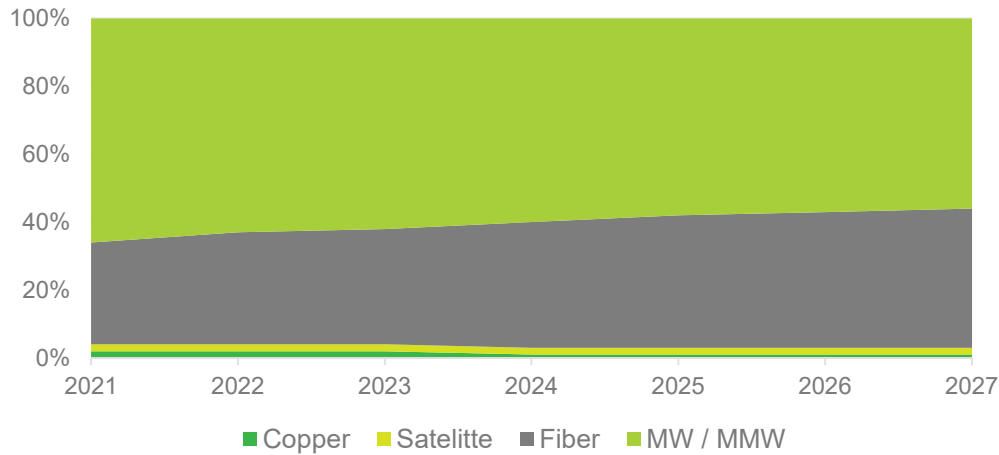
Large Investments to Bridge the Digital Divide Create Opportunities for Wireless Transport
AVIAT IS #1 IN WIRELESS TRANSPORT FOR THIS SEGMENT IN USA

Aviat's Large and Growing 5G Opportunity

Wireless transport accounts for 60% of global cellular transport links from 2021 through 2027

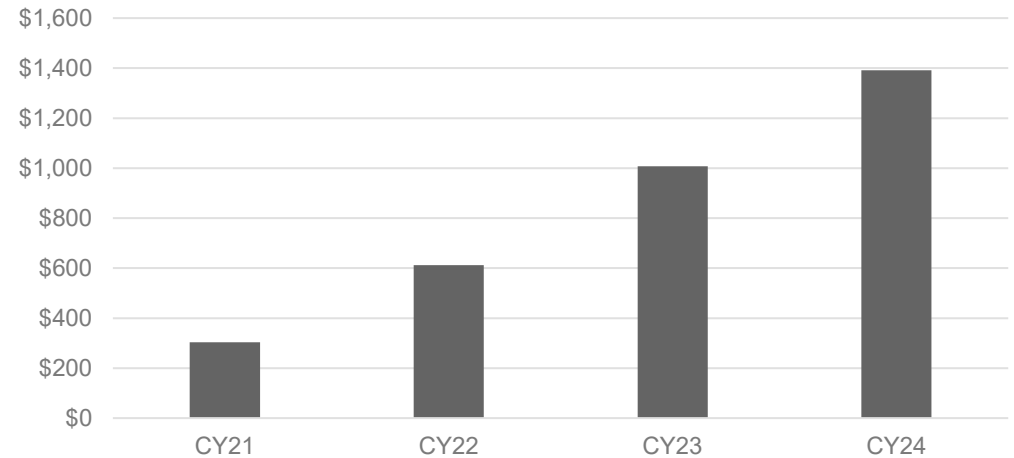
Modest growth in overall wireless transport with significant 5G market growth rates (41% CAGR)

Transport Technologies



Source: Dell 'Oro

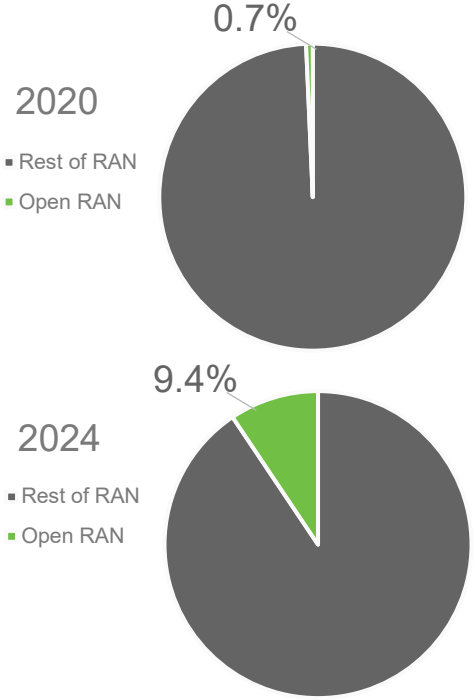
5G Wireless Transport Market Forecast (\$M)



Source: Dell 'Oro

The Demand for Wireless Transport is Strong with a Growing Addressable Market Driven by 5G

OpenRAN is becoming a global commercial reality



OpenRAN is a rapidly growing architecture for 5G

Allows operators to select best transport solution, and avoid getting “locked-in” to bundled deals



Operators adopting OpenRAN. Source: TelecominfraProject

When Networks Go OpenRAN, Aviat Wins! (as Evidenced with DISH)

Well Positioned in Growing 5G and Rural Broadband Markets

- **Best in Class Wireless Transport Products**

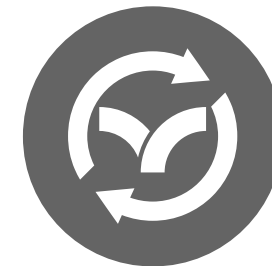
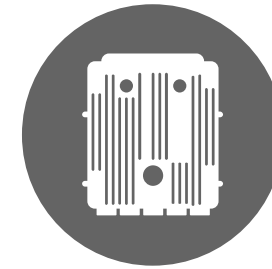
- Industry's highest capacity, highest power radios on the market for lowest TCO
- First to integrate microwave and IP/MPLS routing
- Unique multi-band solution for 5G

- **Unique Software (SaaS) and Services**

- Industry's only interference monitoring software for microwave
- Full turnkey services including network operations center (NOC)
- Network operations automation with ProVision Plus, Aviat Design

- **Disruptive Delivery and Supply Chain Offerings**

- E-commerce go to market model with Aviat Store
- US and Intl. manufacturing, industry best lead times



Aviat is Highly Differentiated, Lowest TCO for 5G and Rural Broadband Applications



Why we win

Growth Drivers

Segments We Address

Aviat Leadership

ARPA Funding
(\$350B for US States' water, sewer and broadband infrastructure). States upgrading their public safety communications to broadband

Gas
Water
Electric Utilities

Mission Critical Product Differentiation
- Highest Power Radios
- IP/MPLS Integration
- Software Innovations

Growth in Private LTE and Industrial IoT
(\$16B for Private LTE by 2025)


National / Regional Government

Strong Global Partners In Security & Defense



Growing Complexity, Vendor Outsourcing
Share of Wallet Opportunity

Public Safety and Security

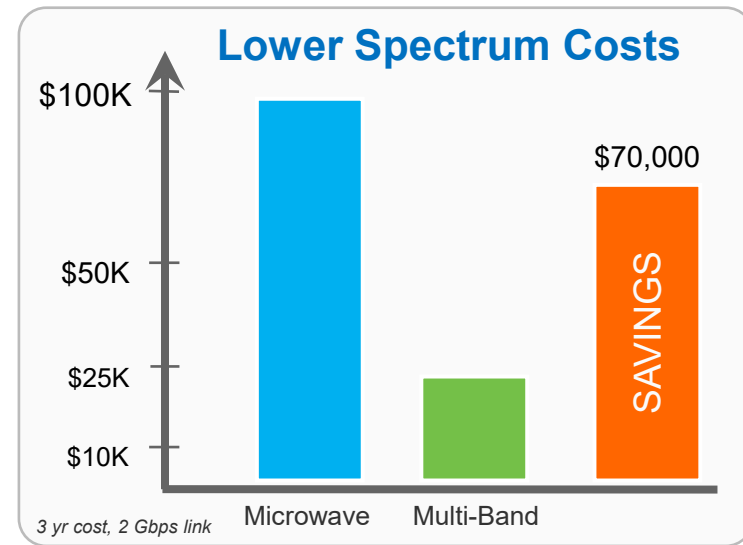
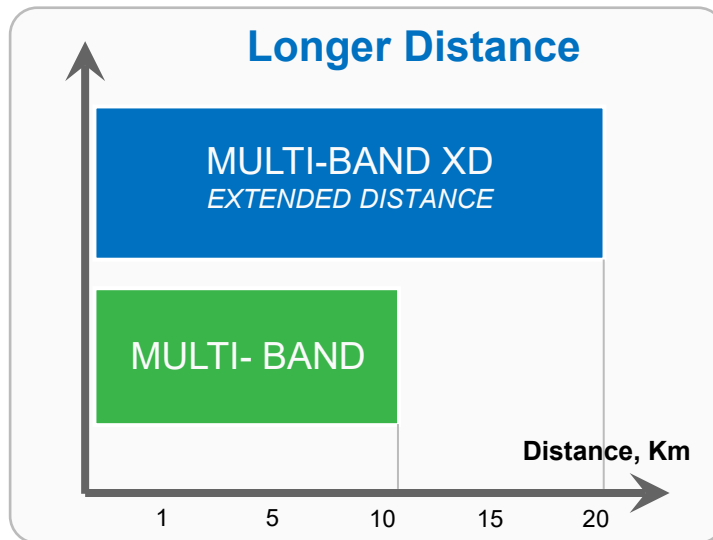
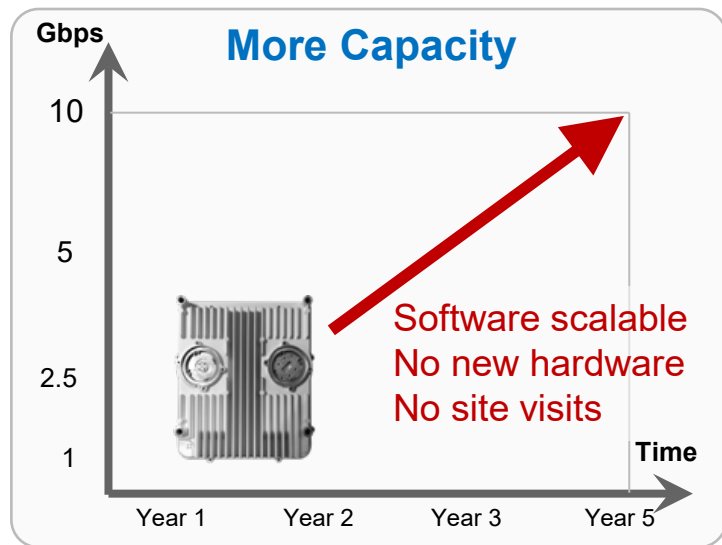
Differentiated Services Offering: Design, Install, Support, Managed Services incl. NOC



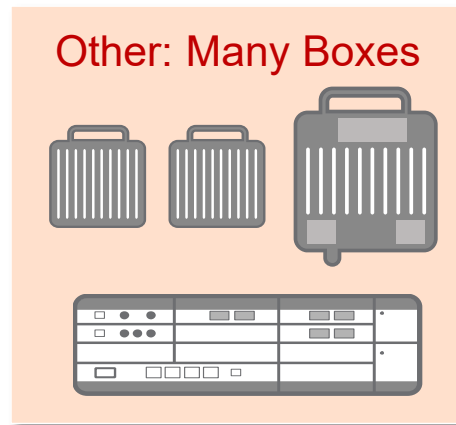
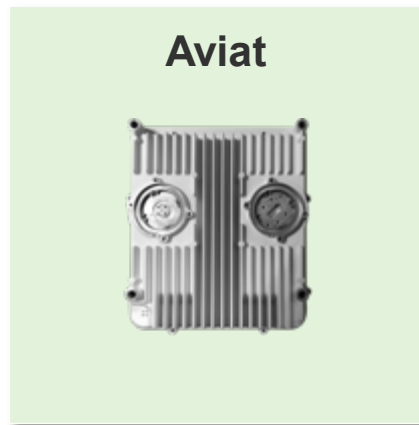
Source: ABI Research

Aviat - A Differentiated TCO Value Proposition for Private Networks

Multi-Band: The Ideal Solution for 5G Transport



Aviat's Multi-Band Advantage



Superior Solution
Less hardware
Lowest TCO

**Aviat's Multi-Band is Up to \$10,000/link Lower TCO vs Competitive Multi-Band Solutions.
Lower TCO Alternative to Fiber up to 20km**

Aviat – A Highly Differentiated Offering

Innovations in Products, Software & Services, & Supply Chain

	WIRELESS TRANSPORT PRODUCTS Ex: MULTI-BAND	SOFTWARE & SERVICES Ex: FREQUENCY ASSURANCE SOFTWARE (FAS)	SUPPLY CHAIN & DELIVERY Ex: AVIAT STORE
Unique Attribute	Industry's only single box multi-band solution, integrated design solution	Industry's only expert system for interference monitoring and analysis	Disintermediation of complex distribution / channel market
Demand Driver	Global 5G rollouts	WiFi 6e in USA; lax spectrum regulation worldwide	5G; rural broadband
Customers / Market	5G networks globally; countries with high spectrum costs	Mobile operators and private networks in US; customers globally with interference concerns	Mobile operators and private networks; customers that buy from channel today
Competitor Offering	3 boxes, complex design solution	More network downtime	Channel / distribution
Customer Benefit	Lowest OPEX	More reliability / uptime	Lower cost, simpler experience

Innovations Solve Customers' Economic, Reliability and Supply Chain Challenges

Innovative SaaS Cloud-Based Platform

AVIATCLOUD

Secure Hosted Software and Services (www.aviatcloud.com)

	AVIAT EDUCATE*	AVIAT DESIGN	AVIAT STORE*	AVIAT MY ORDERS	AVIAT CARE*	AVIAT MANAGED SERVICES*
Capability	Online & in-person training & certifications	Cloud-based path design application	E-commerce	Determine order status & shipping info	SW Licensing, TAC, repair/return, documentation training, e-learning, certification	Network monitoring Managed services Interference monitoring and resolution
Benefits	Keep your staff current with MW with the format that's right for you	Simple, easy design Advanced features Free to use	Simplified purchasing Fast deliveries	Eliminate waiting on emails & calls	Portal to Aviat Service and Support	Lower cost network operations Self-service management tools Better network reliability and performance
Competitor Offering	Limited offering	None – use 3rd party tools	Channel / direct sales	None	Complex tools. Inferior service and support	None

* Denotes Revenue services

Simplify Wireless Transport and Lower TCO for 5G, Public Safety, and Rural Broadband

Competitive Positioning: Why We Will Win Versus...

Specialists »

Aviat Advantage

Competitor Implication

Products

Modular radio platform. Full portfolio of radios and routers. Better RF performance, Multi-Band

Highly leveraged in chipsets, products designed for cost – difficult to create new product variants quickly, and unable to invest in routing and other products. Higher TCO

Software and services

Turnkey services portfolio. Software innovations targeted at lowering microwave TCO like AviatCloud, FAS, MPLS

Product only. Makes it difficult to compete in private networks. Lack of investment in software

Supply chain

Aviat has core competence vs specialists. Fast deliveries, disruptive models like Aviat Store

Lack of modularity limits supply chain flexibility. Unable to create new business models or react to Aviat innovations. Longer lead times

Generalists »

Aviat Advantage

Competitor Implication

Products

Differentiated radio products. Better RF performance, Multi-Band

Microwave not a core competence / focus. Less responsive and agile in bringing radio solutions to market

Software and services

Software innovations targeted at lowering microwave TCO like AviatCloud, FAS

Lack a focus on dedicated software solutions for transport networks

Supply chain

Aviat has core competence vs generalists. Fast deliveries, disruptive models like Aviat Store

Microwave supply chain not a priority vs RAN. Cannot react to Aviat innovations. Longer lead times

Bottom line: Aviat Provides More Innovation, Lower TCO, Better Value Than our Competitors

Aviat Values and ESG Framework

Corporate Values	Description	Link to ESG	ESG Area	ESG KPI
 Customer Focus	We listen to understand our customers' needs and use our combined talents, skill and capabilities to create solutions that exceed expectations.	Customer satisfaction underpinned by supplier sustainability	Supplier Sustainability	<ul style="list-style-type: none"> • Conflict Minerals • Business Alliance (RBA) • ISO 14001 registered and audit preparations underway for 2023 • Innovations for customer carbon footprint reduction
 Exceptional Teamwork	The best team wins! We collaborate across boundaries to exceed the expectations of our customers, to enable the growth and success of our company.	Best team wins	Board Diversity	<ul style="list-style-type: none"> • 16.6% women on board of directors • 16.6% under-represented groups on board of directors
 Integrity, Ethics & Safety	We act with honesty, respect, safety and in the best interest of our employees, customers and other stakeholders.	Non-negotiable	Safety	<ul style="list-style-type: none"> • Total number of work-related injuries • Total number of work-related fatalities • Covid-19 protocols and policies successful in keeping workforce safe while on site. • Our product design & development teams focus on product reliability and continuous improvement.
 Accountability	We take ownership and deliver results that keep our promises to our customers, investors and to each other. We act with urgency and decisiveness in all we do.	Board and management accountability drives employee engagement	Employee Engagement	<ul style="list-style-type: none"> • 7% Annual percent attrition • 87% response rate to annual employee feedback survey. • 43.8% employees hold equity
 Continuous Improvement	We strive everyday to improve, innovate and drive cost efficiency to achieve higher performance.	Commitment to AVNW value drives ESG KPI improvement		

Aligned Aviat Values and ESG Framework Drives Investor Returns

Approximate yearly savings with Aviat solutions:

- Reduction in diesel fuel consumption: **5 million liters**
- Cost saving per year: **\$4 million** (at 80c/liter)
- Reduction in CO2 emissions: **13,000 metric tons**

Second Fiscal Quarter 2022 Financial Highlights and Historical Performance

Second Fiscal Quarter 2022 Non-GAAP Financial Highlights

Continued to Demonstrate Consistency and Improvements in Performance

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

Year-Over-Year Comparison		
(\$'s in millions)	Q2 FY22 Actual	Q2 FY21 Actual
Revenue	\$77.9	\$70.5
Gross Margin %	36.3%	38.3%
Operating Expenses	\$19.2	\$18.3
Operating Income	\$9.0	\$8.7
Adjusted EBITDA	\$10.1	\$10.1
Adjusted EBITDA Margin	13.0%	14.3%

Year-Over-Year Comparison		
(\$'s in millions)	LTM Actual	FY21 Actual
Revenue	\$289.1	\$274.9
Gross Margin %	36.7%	37.5%
Operating Expenses	\$77.2	\$75.6
Operating Income	\$28.9	\$27.4
Adjusted EBITDA	\$34.0	\$32.8
Adjusted EBITDA Margin	11.8%	11.9%

- Total Q2 Fiscal 2022 Revenue of \$77.9 Million, Up 10% Year-Over-Year.
- Q2 Fiscal 2022 Adjusted EBITDA of \$10.1 Million, flat Year-Over-Year.
- Q2 Fiscal 2022 Adjusted EBITDA Margin of 13.0%
- Inflation and supply chain environment pressuring gross margins in the near term. Price action expected to offset in future quarters.

Balance Sheet Highlights

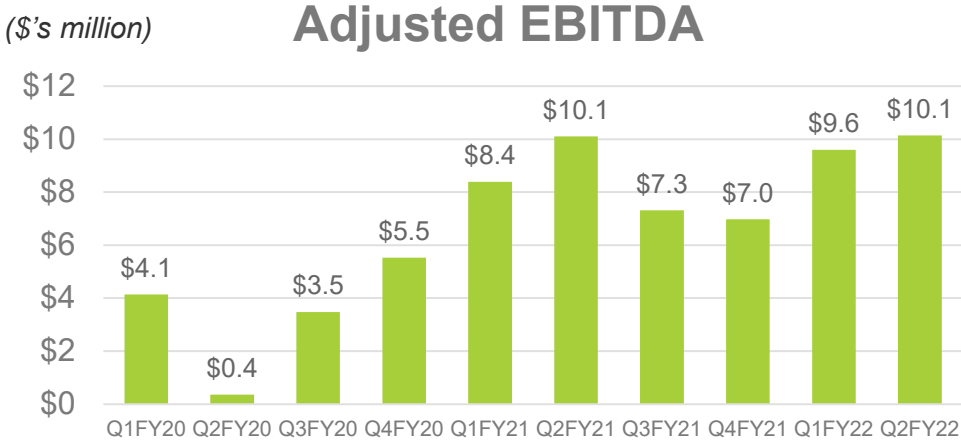
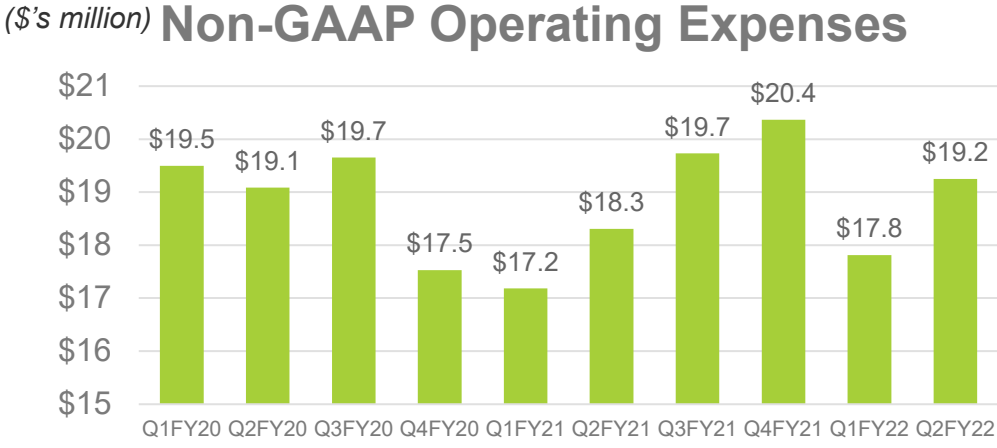
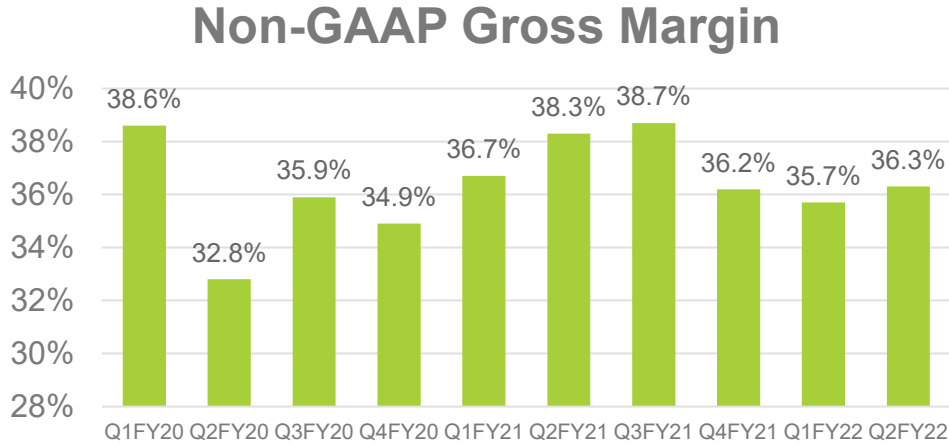
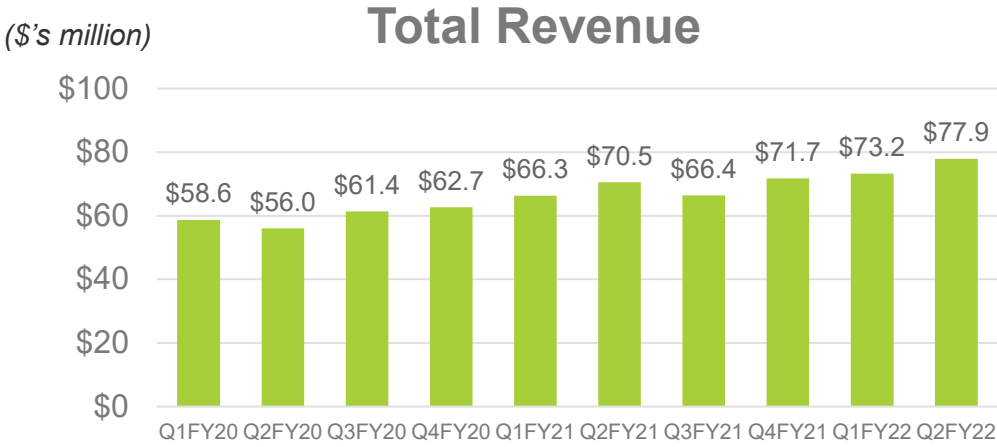
\$42.3 Million Net Cash, (\$5.0) Million from prior sequential quarter

Investing in working capital to ensure supply chain continuity, and to drive International growth

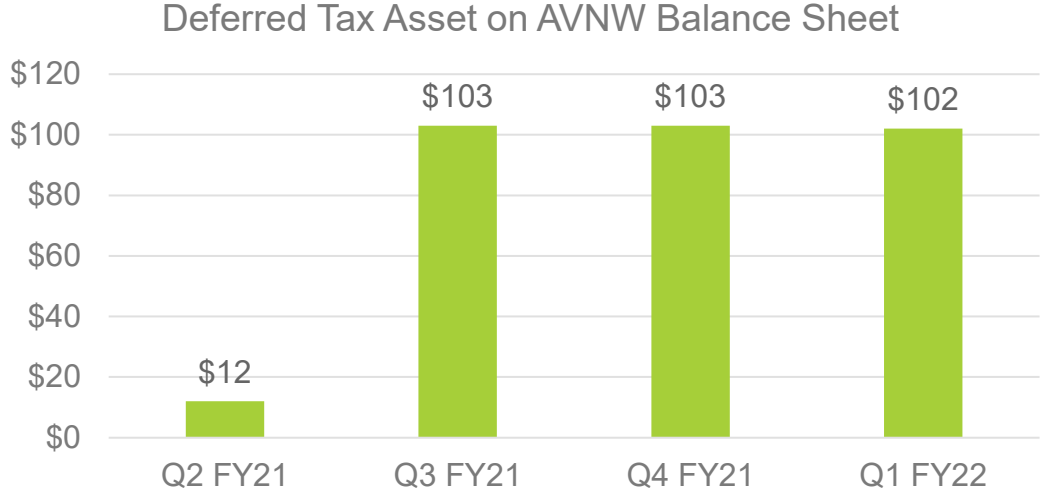
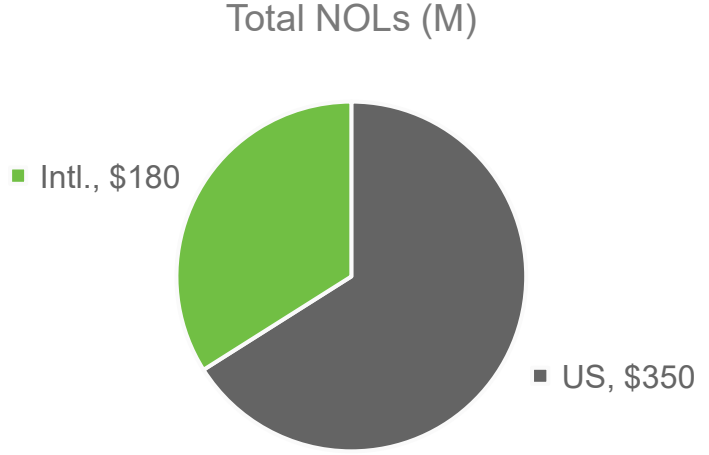
No loan outstanding at quarter end

<i>(\$'s in millions, except for DSO, DPO and Turns)</i>	Q2 FY22 Actual	Q1 FY22 Actual	Q4 FY21 Actual	Q3 FY21 Actual	Q2 FY21 Actual	Q1 FY21 Actual
Cash and Cash Equivalents	\$42.3	\$47.3	\$47.9	\$45.8	\$43.0	\$36.2
Third-Party Debt	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Net Cash	\$42.3	\$47.3	\$47.9	\$45.8	\$43.0	\$36.2
Accounts Receivable	\$69.1	\$59.4	\$48.1	\$47.6	\$49.5	\$45.0
DSO's	81	74	61	65	64	62
DSO's with Unbilled	131	123	110	117	105	105
Accounts Payable	\$43.5	\$39.4	\$32.4	\$37.2	\$37.6	\$31.7
DPO's	80	76	65	83	79	69
Inventory	\$27.4	\$25.5	\$24.9	\$23.1	\$18.8	\$15.7
Turns	7.2	7.4	7.4	7.0	9.3	10.7

Historical Performance



Cash Benefit of Historical Net Operating Losses (NOLs)



- Over \$530 million of historical NOLs
- NOL's reduce Aviat's statutory tax rate of ~24% to an effective cash tax rate of ~4%
 - This saved the company \$5.4 million in cash taxes in FY21.
 - **NOLs expected to deliver \$6 million or more in cash tax savings in FY22.**

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

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



Aviat
NETWORKS



WWW.AVIATNETWORKS.COM