



21 March 2017

BATM Advanced Communications Limited
("BATM" or "the Group")

BATM awarded network upgrade contract by Internet Solutions Kenya

New infrastructure will enable Internet Solutions Kenya to expand network capacity and improve services

BATM Advanced Communications Limited (LSE: BVC), a leading provider of real-time technologies for networking solutions and medical laboratory systems, is pleased to announce that its wholly-owned Telco Systems ("Telco") subsidiary has been awarded a contract by Internet Solutions Kenya, a telecoms service provider to public and private organisations, to upgrade its network infrastructure to increase bandwidth capacity and enable an expansion in its service offering. The contract, which has a value of US\$2.8m, is to be delivered over a two-year period commencing immediately with approximately 50% of the revenues to be recognised in 2017 based on the installation plan.

Internet Solutions Kenya is the Kenyan operations of Internet Solutions, a Pan-African telecoms service provider whose ultimate parent company is NTT Group. The company provides advanced Cloud, communication, connectivity and carrier services to public and private sector organisations in Kenya and across East Africa.

Richard Hechle, Managing Director of Internet Solutions Kenya, commented: "In the last two years, we have been experiencing a growing demand for higher capacity and other layered services from our customers, especially the large ones. We are pleased to be expanding our long-standing relationship with BATM and we are confident that the Group's innovative networking technologies will enable us to deliver more capacity and will allow us to better utilise our infrastructure in order to better serve customers with new and improved services."

The Group will provide its software solutions (supported by some hardware) to upgrade Internet Solutions Kenya's existing network to a fully automated software-defined network (SDN) with the capacity to support 10GE. This will enable Internet Solutions Kenya to improve the quality of the services it provides to its clients, support more data traffic and meet the growing bandwidth requirements of its customers as well as offer new advanced business services.

Dr. Zvi Marom, CEO of BATM, said: "We are delighted to have been awarded this contract. Firstly, it reflects our ability to offer a high-quality Software-Defined Network solution that can provide the customer with a state-of-the-art network without needing a significant hardware investment – as demonstrated by our successful delivery of a new high capacity network for the Kenya Education Network last year as well as other similar major network upgrades, enabling our customers to take on more business and expand their service offerings.

"Secondly, in providing this advanced solution to a leading telecoms provider in Kenya, we can stand proud that we are fulfilling our goal to provide best-in-class solutions that make a real difference to our customers. We are sure that this will prove to be a pioneering move and result in the adoption of the solution in other African countries where there is a great need for substantial network upgrades without prohibitive level of capital expenditure.

“As a result, with the transition to Software-Defined Networks continuing to increase, we believe that we are well-positioned to benefit from this trend, and can expect to receive further contracts from existing and new customers.”

Enquiries:

| | |
|---------------------------------------|------------------|
| BATM Advanced Communications | |
| Dr Zvi Marom, Chief Executive Officer | +972 9866 2525 |
| Moti Nagar, Chief Financial Officer | |
| | |
| finnCap | |
| Stuart Andrews, Scott Mathieson | +44 20 7220 0500 |
| | |
| Shore Capital | |
| Mark Percy, Anita Ghanekar | +44 20 7408 4050 |
| | |
| Luther Pendragon | |
| Harry Chathli, Claire Norbury | +44 20 7618 9100 |