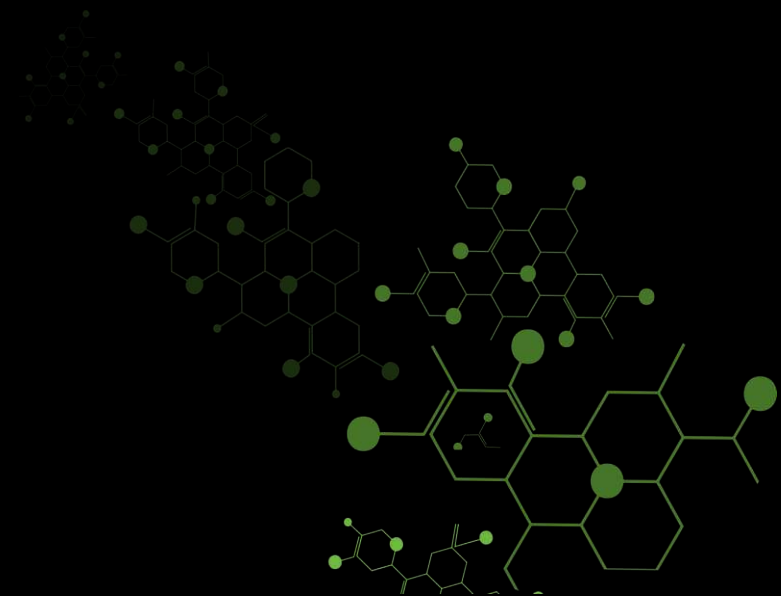


BATM

Full Year Results

February 2021



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FY 2020 Summary



Transformational year, with significant financial and operational delivery



Long-term investments and operational responsiveness enabled BATM to benefit from a surge in demand for bio-medical products



Acceleration of beneficial market and adoption trends across both divisions



Group **revenue grew by 49%** to \$183.6m (2019: \$123.4m)



Group **gross margin improved** by 620bps to 33.1%, reflecting higher margin product mix



EBITDA doubled to \$19.7m (2019: \$9.8m)



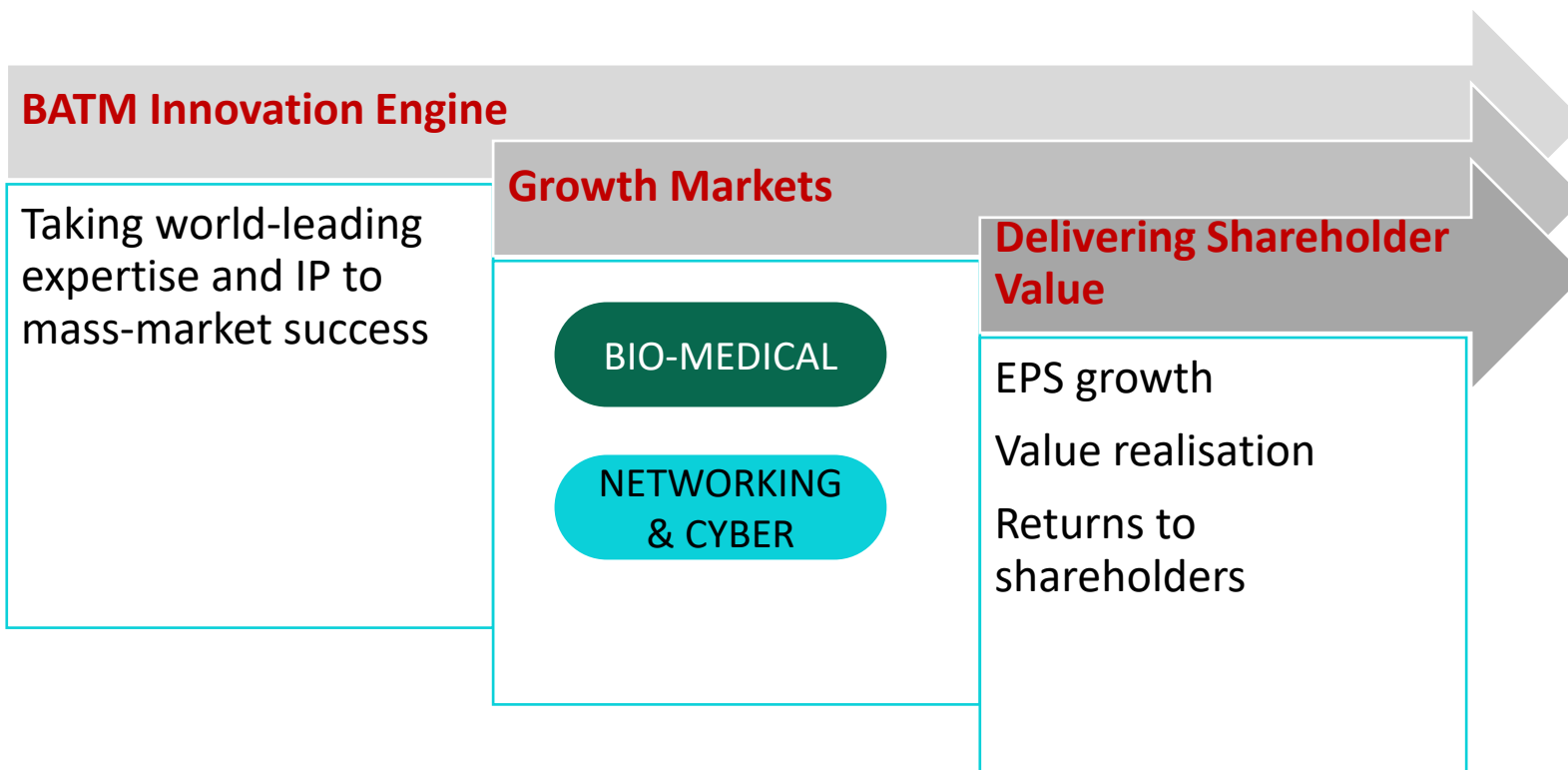
\$20.1m cash from operations (2019: \$8.4m) and cash and financial assets of \$53.4m (Dec 2019: \$44.8m)



Board resolves to **declare a dividend** for 2020, following the publication of the Annual Report

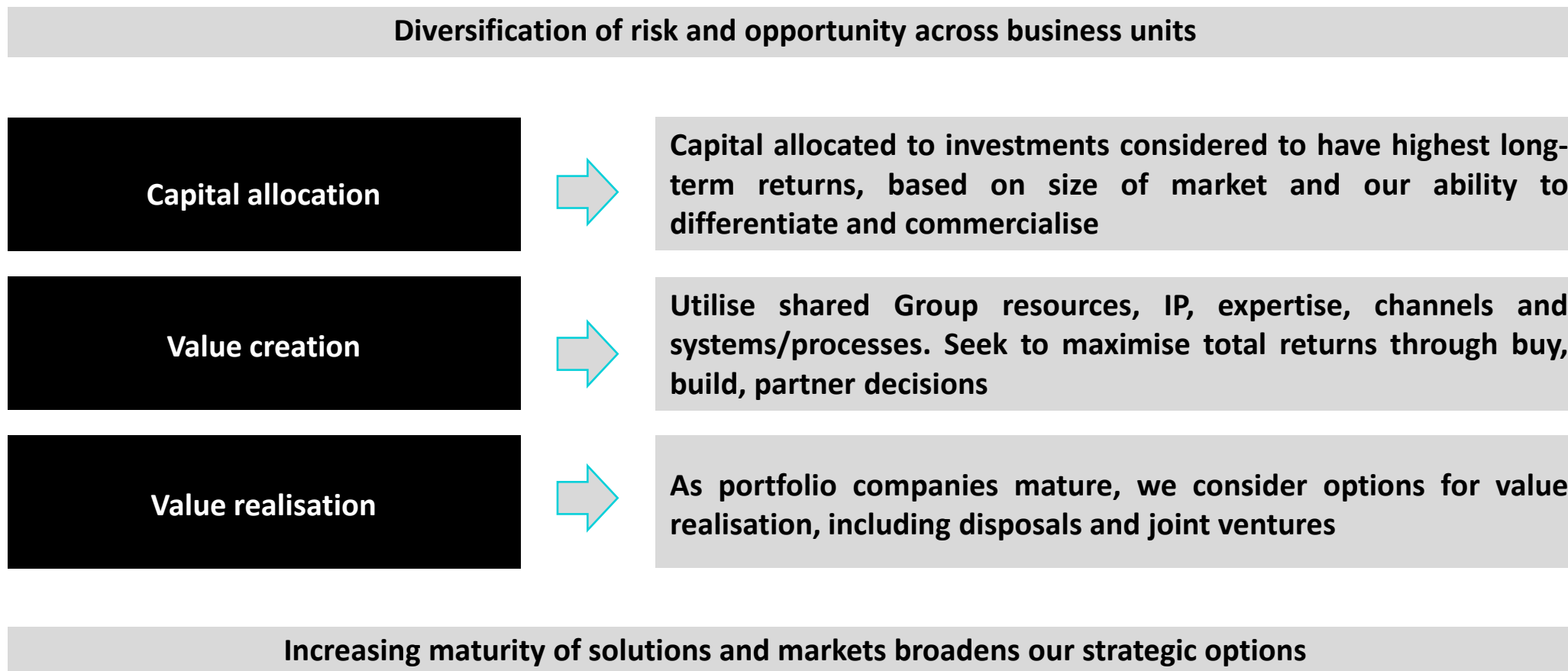
Group Strategy

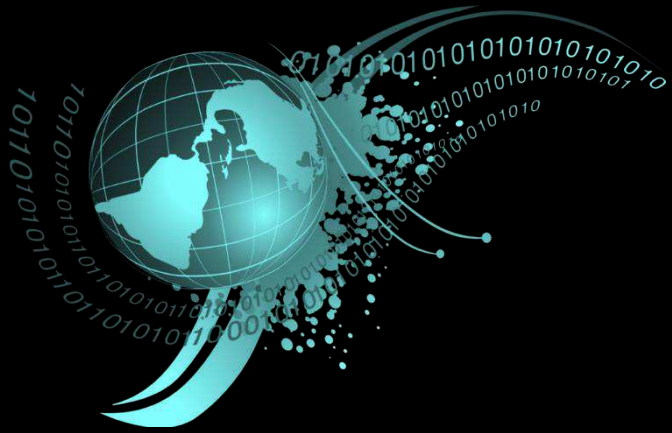
BATM brings high-technology solutions to complex, mission-critical applications in the global sectors of bio-medicine and networking



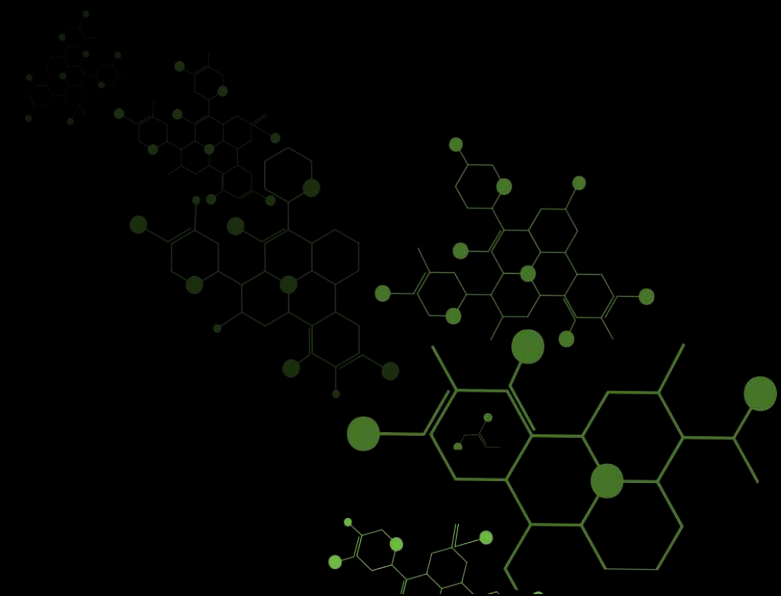
Targeting significant growth in organic revenue and operating profit as well as complementary acquisitions over the next five years

Focus on Value Creation





FINANCIAL REVIEW



FY 2020 Financial Summary

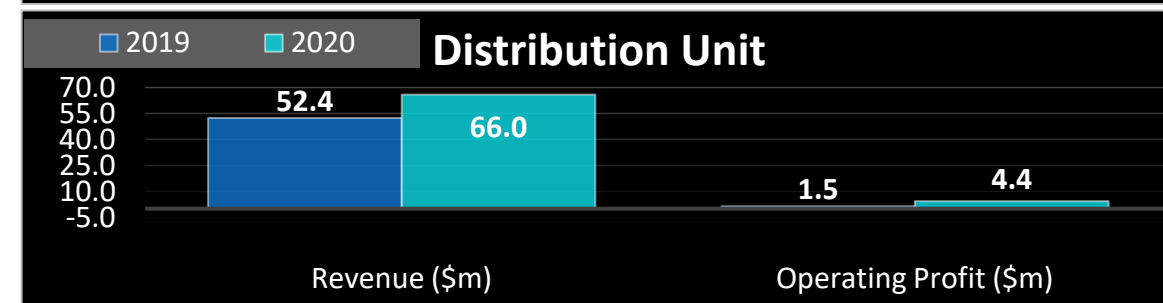
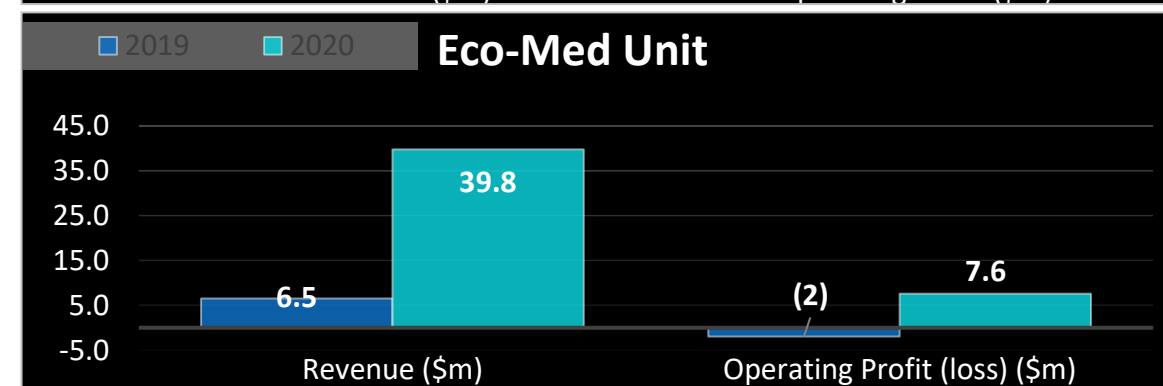
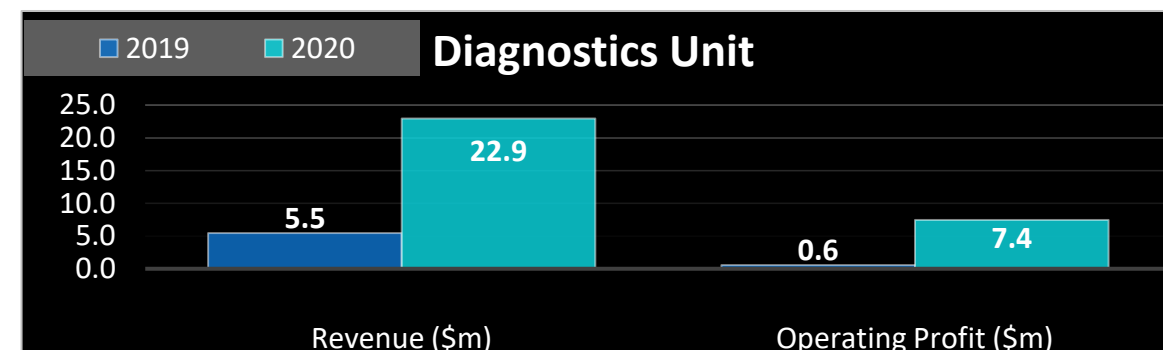
	2020	2019	Change
	\$m	\$m	
Revenue	183.6	123.4	+49%
Gross profit	60.7	33.1	+83%
Gross margin	33.1%	26.9%	+620bps
Operating profit	14.2	4.5	+218%
Adj.* operating profit	15.0	5.3	+183%
EBITDA	19.7	9.8	+100%
Cash from operations	20.1	8.4	+138%
Earnings per share (cents)	2.22¢	0.93¢	+139%
Cash and financial assets	53.4	44.8	+19%

* Adjusted to exclude amortisation of intangible assets

Bio-Medical

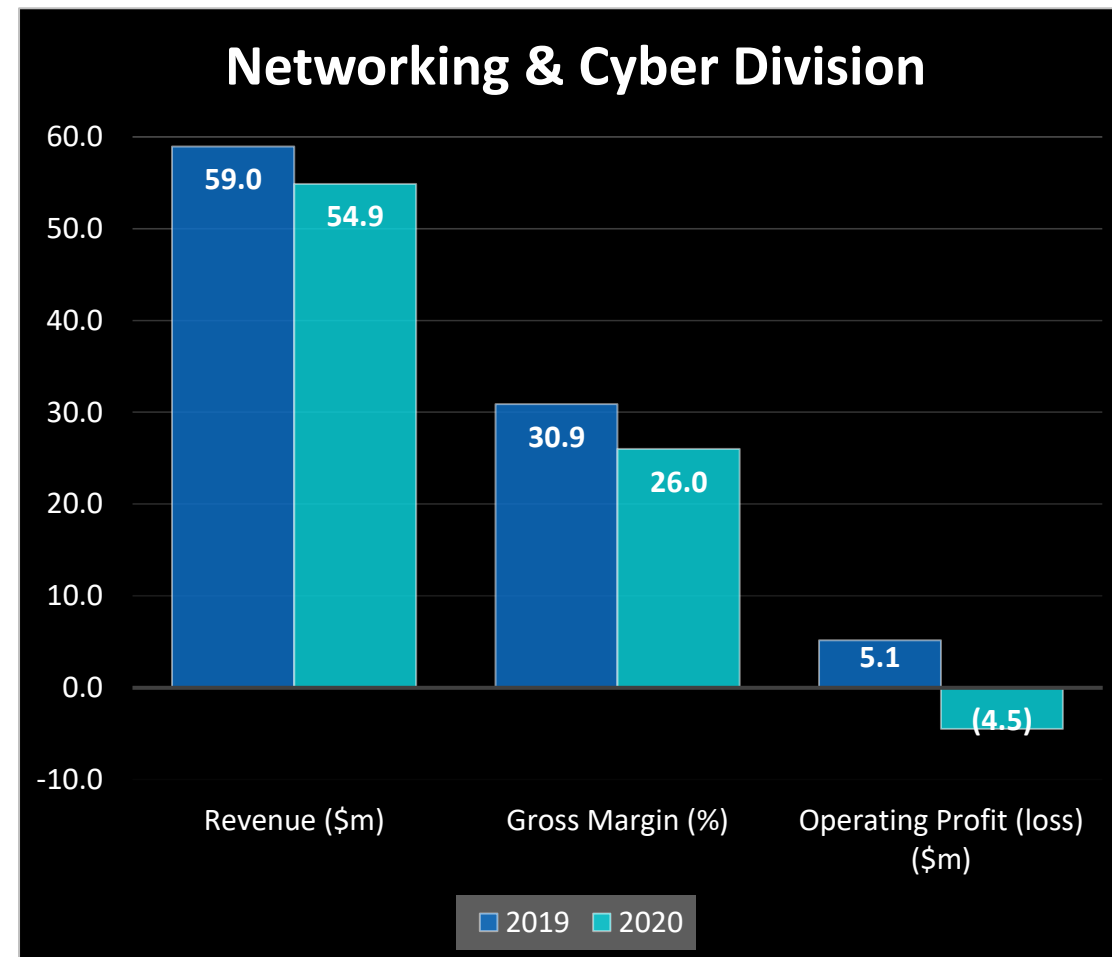
(\$000's)	2020	2019
Revenues	128,682	64,436
Cost of sales	81,827	49,072
Gross profit *	46,855	15,364
Gross margin	36.4%	23.8%
Operating expenses		
- R&D	4,630	2,024
- S&M	15,430	10,676
- G&A	7,778	5,693
- Other operating income	(413)	(3,161)
Adj.* operating profit	19,430	132

* Adjusted to exclude amortisation of intangible assets



Networking & Cyber

	2020	2019
(\$000's)		
Revenues	54,884	58,960
Cost of sales	40,616	40,757
Gross profit *	14,268	18,203
Gross margin	26.0%	30.9%
Operating expenses		
- R&D	5,628	4,748
- S&M	4,767	5,631
- G&A	8,106	6,060
- Other operating expenses (income)	246	(3,380)
Adj.* operating profit (loss)	(4,479)	5,144



* Adjusted to exclude amortisation of intangible assets

Investments and Disposals

Ador Diagnostics (Associate)

- Investment of \$10m in the period, of which \$3m from BATM, to expedite development of new RCA-based diagnostics system
- Enterprise Value of \$54.5m
- Following the investment, BATM holds 36.7% of Ador Diagnostics
- \$0.6m positive re-valuation in P&L in 2020

NG Soft – Option to sell

- NGSoft is a software and digital services company providing creative and digital and technology solutions. It forms part of BATM's Networking & Cyber division
- 12 January 2021, BATM entered into an option agreement to sell NGSoft for a cash consideration of NIS 105.1m (approx. \$33.1m) to Aztek Technologies (1984) Ltd
- Option is exercisable up to and including 1 March 2021 and can be extended by the Group to 17 May 2021

Capital Allocation Priorities

1. Investment

- Our primary use of capital is investment in research and development, our go-to-market strategy, capital expenditure and working capital

2. Acquisitions

- Targeting strategic acquisitions, principally in the biomedical sector, where we see consolidation opportunities

3. Returns to Shareholders

- Progressive dividend policy and expect to increase dividends in line with adj EPS growth
- In the event of surplus capital, BATM will also consider other forms of returns to shareholders

Business Review



BIO-MEDICAL DIVISION

DIAGNOSTICS

ECO-MED

DISTRIBUTION



Bio-Medical FY 2020 Highlights



Diagnostics (Revenue +318%)

- Long-term investment in molecular diagnostics enabled rapid delivery of solutions based on emergence of new pathogens
- Expanded production capacity of Adaltis facility (Rome)
- COVID-19 antibody and antigen test kits developed and deployed at scale
- Innovative technology using Rolling Circle Amplification (“RCA”) method developed by Ador Diagnostics
- Entered agreements with leading universities for co-development of new molecular diagnostics solutions



Eco-Med (Revenue +509%)

- Focused efforts on delivery of critical care ventilators to a European government (€29m contract)
- Completed the delivery of first new Integrated Steriliser and Shredder (“ISS”) instrument for recovering insect proteins and oils to Belgian customer

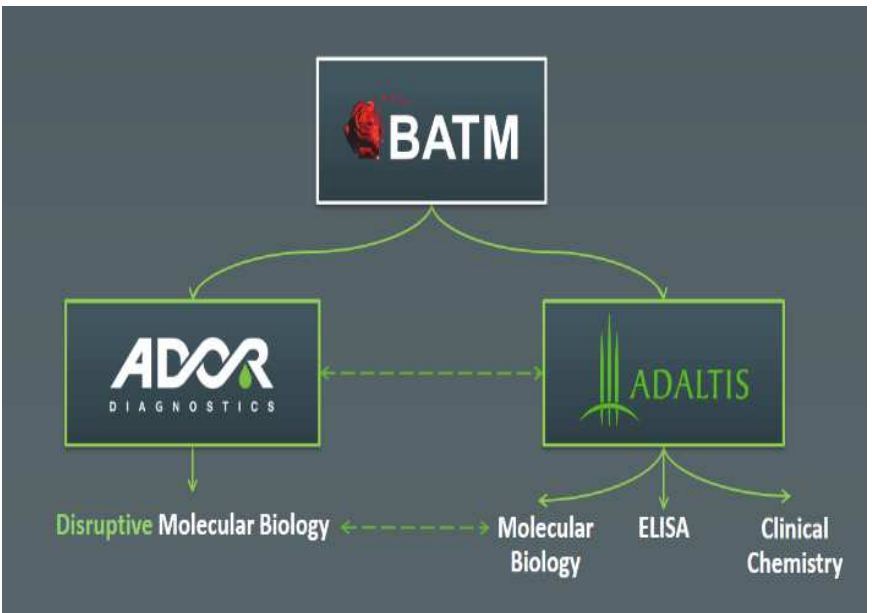


Distribution (Revenue +26%)

- Increased existing activities and provided third-party reagents for COVID-19 tests to Eastern European health authorities
- Romanian lab commenced COVID-19 tests for private sector customers
- Established infrastructure to expand operations to Hungary

Diagnostics Platform

In-vitro Diagnostics
Instruments (systems) and Reagents (assay kits)
To detect viral infections, diagnose immune system diseases and measure human hormone responses



Molecular Diagnostics
 Application of molecular biology techniques to study human diseases, including infectious disease

Platform technology, infectious disease diagnosis and genomics testing

For disease areas such as COVID-19, Tuberculosis, STIs, HIV, gastrointestinal, genetic (e.g. haemostatic disorders)

Capable of detecting low viral loads and accurate detection of variants

MicroELISA
 Micro Enzyme Linked Immunosorbent Assay

Detecting or quantifying antibodies

For disease areas such as COVID-19, Hepatitis, ToRCH, autoimmune disorders, vitamin deficiency

Sensitivity and specificity of COVID-19 tests as good as any product in the market

Clinical Chemistry
 Qualitative and quantitative analysis of body fluids

Measuring substances in the body

For disease areas such as diabetes and measuring substances in the body (e.g. electrolytes, fats, proteins, enzymes)

Diagnostics – Competitive Edge

BATM's differentiated approach

- Infrastructure of knowhow that enables rapid development of new diagnostics
- Ability to make both instruments and reagents enables development of comprehensive systems
- Focus on point of care concept (not mega labs)
 - Specifically designed for small to mid-size labs, specific hospital settings and mobile units

BATM's disruptive technology

- Disruptive technology being developed within Ador:
 - Proprietary technology combines both molecular diagnostics and rapid tests within the same machine without compromising accuracy
 - In addition to the reader machines, developing panels, which gives the Group its competitive edge – more panels equates to more market segments
- Unique software development for future systems better than any known

Clear benefits to customers

- Cost effective solutions with smaller footprint providing the same level of speed and accuracy as market leading brands
- Molecular diagnostics solutions in development will offer greater speed and advanced disease identification

Bio-Medical Division Outlook

- **Sustained momentum expected in Diagnostics in 2021**
 - Testing expected to remain a key component of pandemic management measures globally, improving disease monitoring and controls, improving health outcomes and providing a tool to assist in re-opening of economies
 - Order book significantly stronger than at the equivalent period last year
 - New, advanced molecular diagnostics tests to be launched this year
 - Continued investment in diagnostics functionality, accuracy and speed; and cost reduction
 - Diagnostics sector receiving high levels of attention and funding

- **Eco-Med returning its focus to its ISS solutions**
 - Installation at food manufacturing customers in the Philippines and Taiwan in 2021

- **Distribution activities expected to remain robust owing to diagnostics-related distribution activities**

- **Ventilator sales not expected to repeat at the same level of 2020**

Business Review



NETWORKING & CYBER DIVISION

TELCO SYSTEMS

CYBER

NGSOFT



Networking & Cyber Overview

Network Market Drivers

Network providers and owners need robust and cost-effective solutions to meet demands from consumers, enterprises and other organisations



- Expanded service range and coverage
- Bandwidth demands
- Business cloud services
- 5G deployments
- Internet of Things

Focus Areas

Network Function Virtualisation (NFV)

- An open software suite for automating and managing telco network services

Carrier Ethernet

- A broad portfolio of network solutions

Cyber Security

- Network monitoring for large-scale, high-speed networks

Goals

Significant growth over next 5 years and high margin recurring licence fee revenues

Steady growth through portfolio and customer expansion

Double-digit annual revenue growth and rising gross margins

CE & Cyber FY2020 Highlights

Carrier Ethernet

- Reduction in revenue from the installation and servicing of equipment. However, long-term drivers for higher bandwidth remain very strong
- Continued product development in the year, including expanding multiservice business router series to support home broadband demand
- Increasing customer interest in ultra-high capacity service aggregation and cloud gateway products

Cyber

- Reduction in revenue due to diversion of government budgets to COVID-19
- \$4m contract awarded and mostly delivered in-year from long-standing government defence department
- Postponed government spending expected to increase in 2021

NFV – Competitive Edge

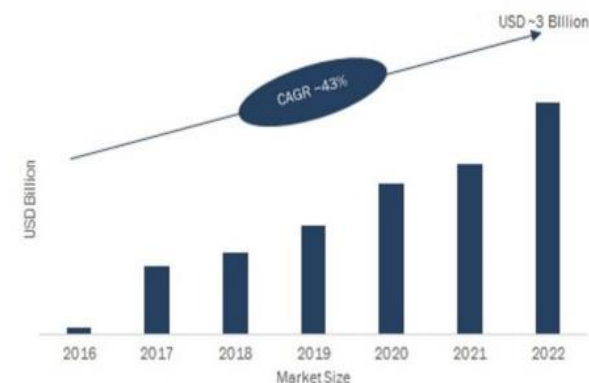
BATM's differentiated solution

- Hardware agnostic and 'bring your own device' model
- Only solution that can run on both Intel (x86) and Arm for ultra low-cost networks (Internet of Things)
- Low cost but high-performance solution, scalable up and down
- Easy to deploy and manage
- Virtual Machine and Container hybrid

Clear benefits to customers

- Reduces cost and complexity of purchasing, operating and maintaining many different network devices
- Faster and lower cost deployments; automated provisioning, operations and easy management
- Lower energy consumption, operating costs and emissions

NFV: uCPE SW & HW Vertical



- CPE software market to grow from \$283.4 million in 2018 to **\$2.2 billion** in 2022 at a CAGR of 51.2%
- virtual CPE hardware (uCPE) market expected to grow from a base of \$146.8 million in 2018 to \$915 million in 2022 at a CAGR of 44.2%.

Source: IDC

NFV FY 2020 Highlights

Significant technical and commercial progress in 2020

Secured first tier 1 customer, PCCW Global, for a three-year licensing agreement

Successful proofs-of-concept with European tier 1 operators, including PoC with Vodafone on Arm-based equipment

Meeting and exceeding performance expectations, handling high-traffic requirements

Significant interest from potential customers, with evaluation ongoing with several leading network operators and multi-service providers worldwide

Continued technical progress, including (in early 2021) certification for use for public cloud environments, expanding customer base to those who operate cloud-based networks

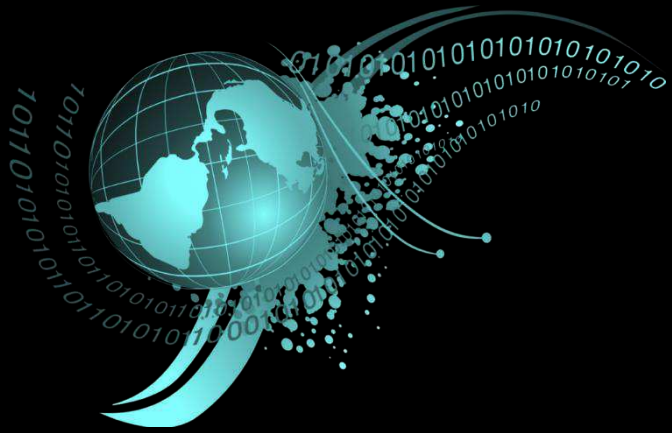
NFV Time

- **NFVTime is a software solution (operating system) that:**
- **Enables multiple network devices – router, firewall SD-WAN etc – to be replaced with a single generic hardware platform that runs many network functions simultaneously**
- **Drives the de-coupling of hardware and software that increases business and operational agility, along with opex and capex savings**

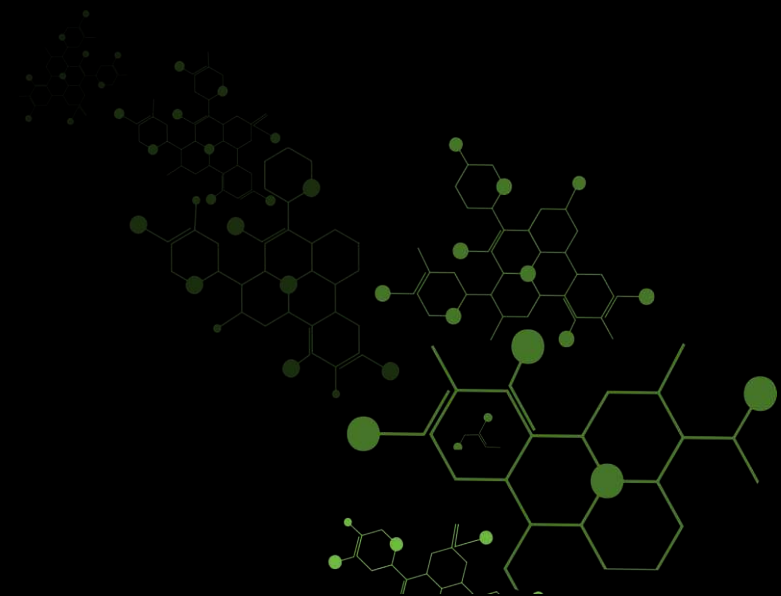
NFV expected to make a material contribution to Networking & Cyber division sales in 2021

Group Outlook

- **BATM enters 2021 with confidence and momentum in our key focus areas of diagnostics and NFV**
- Sustained demand for diagnostics solutions as a key tool in pandemic and disease management
 - Bio-Medical division expected to remain the largest contributor to Group revenues in 2021
- NFV sales expected to make a material contribution to divisional sales in 2021
- Carrier Ethernet and Cyber revenues expected to return to growth once lockdown restrictions are lifted
- Option to sell NGSoft for approximately \$33m Q1/Q2
- Overall, the Group expects revenue growth from continuing operations, excluding the impact of the large ventilator contract received in 2020, and a further improvement in gross margin due to revenue mix
- Strong balance sheet supports progressive dividend policy and potential acquisitions



Appendix



FY 2020 P&L

	2020		2019	
(\$000's)		% rev.		% rev.
Revenues	183,566		123,396	
Gross profit*	61,123	33.3	33,567	27.2
Operating expenses				
Sales and marketing expenses	20,197	11.0	16,307	13.2
General and administrative expenses	15,884	8.7	11,753	9.5
Research and development expenses	10,258	5.6	6,772	5.5
Other operating income*	(167)	-	(6,541)	-
Total operating expenses	46,172		28,291	
Adj.* operating profit	14,951		5,276	

FY 2020 Balance Sheet

	31 Dec 2020	31 Dec 2019
(\$000's)		
Cash and financial assets	53,378	44,838
Total assets	200,106	173,830
Total liabilities	81,343	69,414
Net assets	118,763	104,416

FY 2020 Cash Flow

	2020	2019
(\$000's)		
Net cash from operations	20,063	8,439
Net cash used in investing activities	(5,481)	(2,582)
Net cash from (used in) financing activities	(3,249)	15,482
Net Increase in cash and cash equivalents	9,729	20,066
Cash and cash equivalents at the beginning of the year	40,584	20,811
Cash and cash equivalents at the end of the year	50,575	40,584