



FULL YEAR RESULTS

March 2023



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The term 'ongoing operations' in this presentation is used for comparative purposes only and is not used in the same context as in accounting standards. For further information see 'Note 3 – Other alternative measures' in the notes to the Company's full year results announcement.

Presentation Team



Moti Nagar
CEO

- CEO of BATM since January 2023
- Served as CFO since 2015
- Prior to BATM, held several senior positions at Deloitte, which he joined in 2005
- MBA and Certified Public Accountant



Ran Noy
CFO

- CFO of BATM since February 2023
- Served as VP Finance since 2021
- 10 years' experience at ADAMA Ltd as Financial Reporting Manager
- Certified Public Accountant, having started his career at EY

2022 Highlights



Solid performance in Networking & Cyber and Bio-Medical divisions – 12.7% revenue growth when excluding contribution from exceptional COVID-19 sales



Key milestones achieved with signing of multi-year contract with CityFibre for deployment of Edgility and award of \$26m cyber order in January 2023



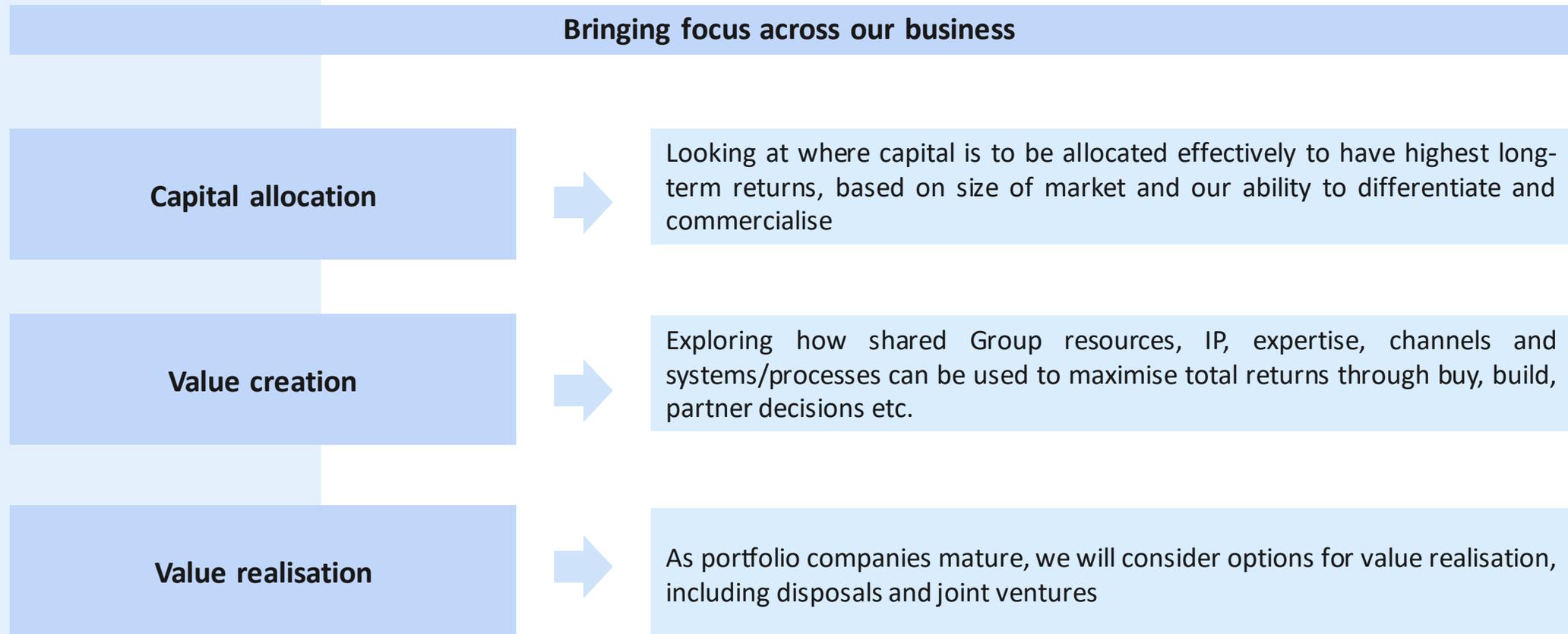
Continued to realise inherent value within BATM with \$4.5m property sale



Returned \$1.3m to shareholders through share buyback programme



Focus on Value Creation



Financial Highlights

In \$m	2022 Adjusted*	2021 Adjusted*
Revenue	116.1	132.8
Revenue on a constant currency basis**	125.6	-
Gross profit	38.4	50.2
Gross margin	33.0%	37.8%
Operating profit	3.7	11.3
EBITDA	8.0	15.7
Profit per share (cents)		
Cash and short-term investments in deposits and other securities		

2022 Reported	2021 Reported
116.1	140.0
-	-
38.0	51.1
32.7%	36.5%
3.1	24.4
8.0	29.6
0.06¢	3.26¢
44.2	67.8

- Revenue and gross margin reduction due to exceptional contribution to 2021 from COVID-19 products – achieved **strong growth on an underlying basis**
- Currency impact reflects the strengthening of the US dollar

* Adjusted to present the results on an ongoing operations basis by excluding (1) the contribution to 2021 from NGSoft, a subsidiary that the Group sold in March 2021, and (2) the amortisation of intangible assets for both periods. The term 'ongoing operations' in this announcement is used for comparative purposes only and is not used in the same context as in accounting standards.

** Revenue from ongoing operations for 2022 based on the currency rates prevailing in 2021.

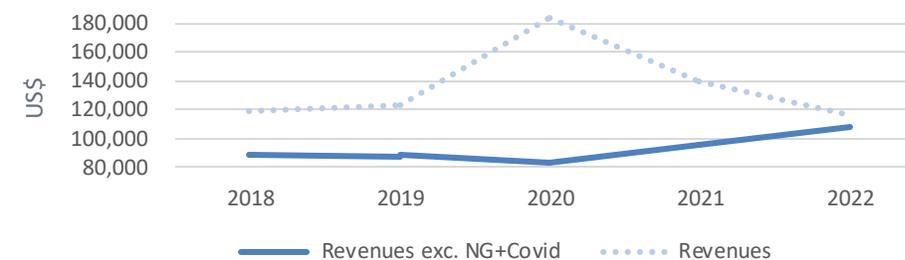
Underlying Growth

Sustained growth excluding sales of COVID-19 products and NGSoft

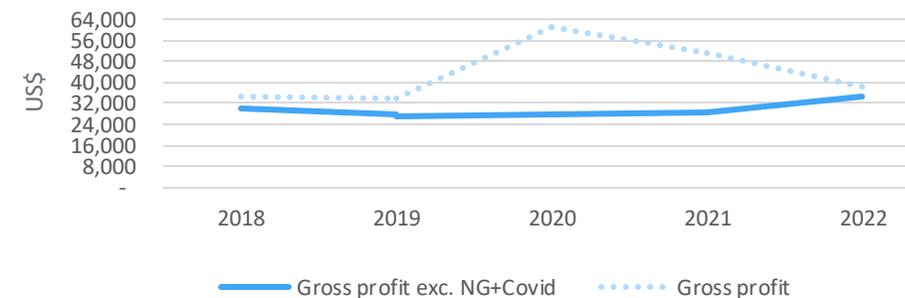
In \$m	2022	2021	
Revenues	107.8	95.6	+12.7%
Gross profit	34.6	28.4	+21.7%
Gross margin	32.0%	29.7%	+230bps

- The results also exclude amortisation

Revenues



Gross profit

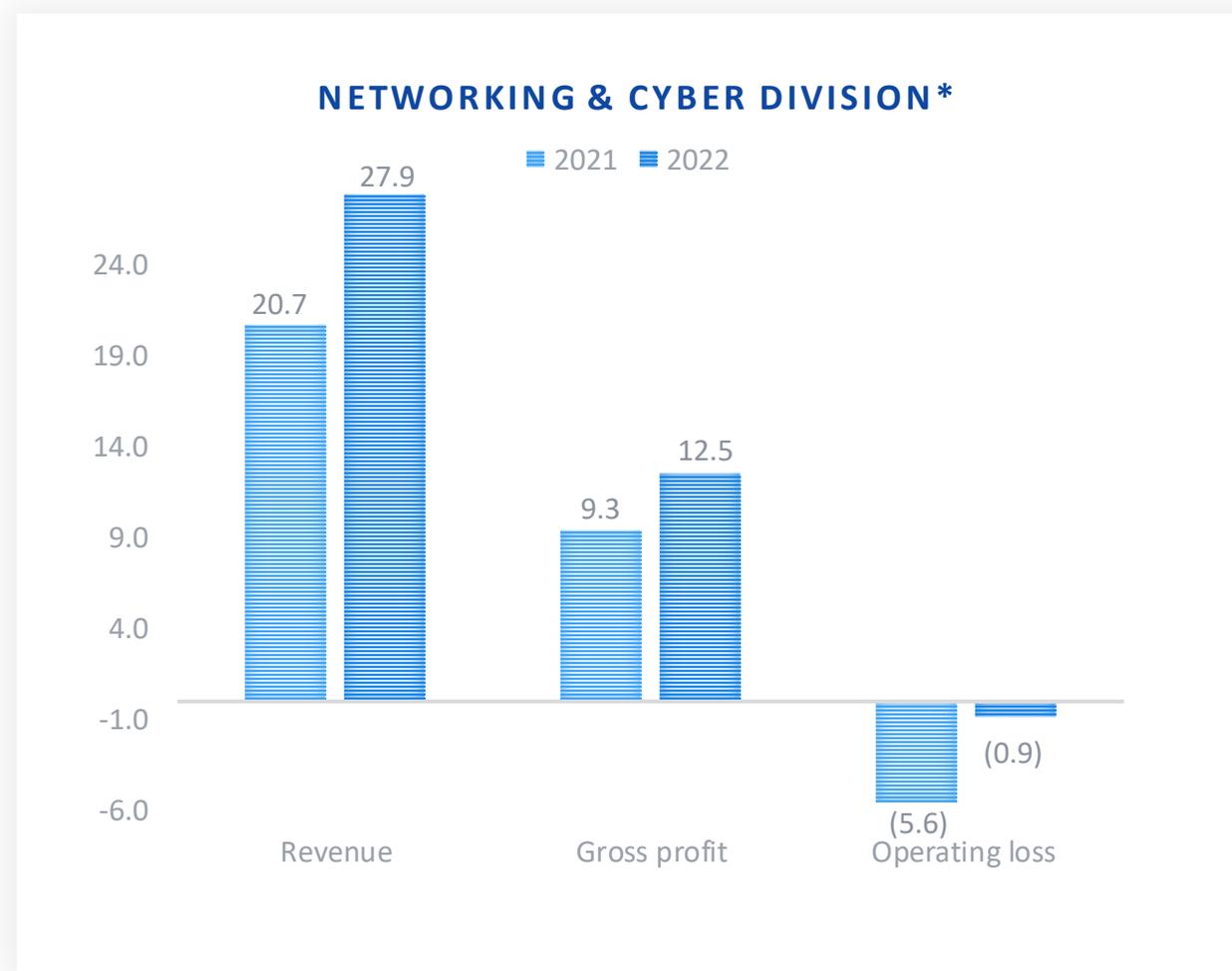


Networking & Cyber Division

Adjusted* (\$m)	2022	2021
Revenues	27.9	20.7
Cost of sales	15.4	11.4
Gross profit	12.5	9.3
Gross margin	44.7%	45.0%
Operating expenses	13.4	15.0
Operating loss	(0.9)	(5.6)

* Adjusted to present the results on an ongoing operations basis by excluding (1) the contribution to 2021 from NGSoft, a subsidiary that the Group sold in March 2021, and (2) the amortisation of intangible assets for both periods.

- Robust revenue growth in both units on an ongoing operations basis
- Increase in gross margin in both units respectively – reduction on a blended basis due to revenue mix
- Generated other operating income of \$2.1m from the sale of property



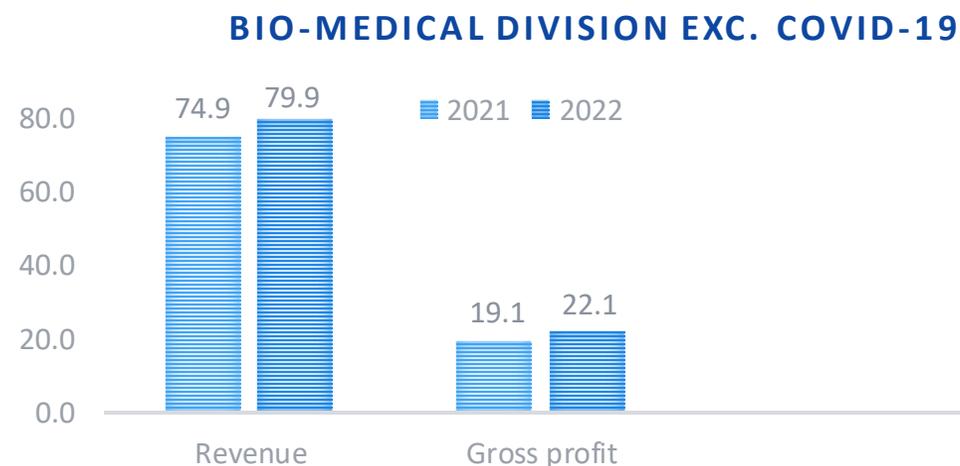
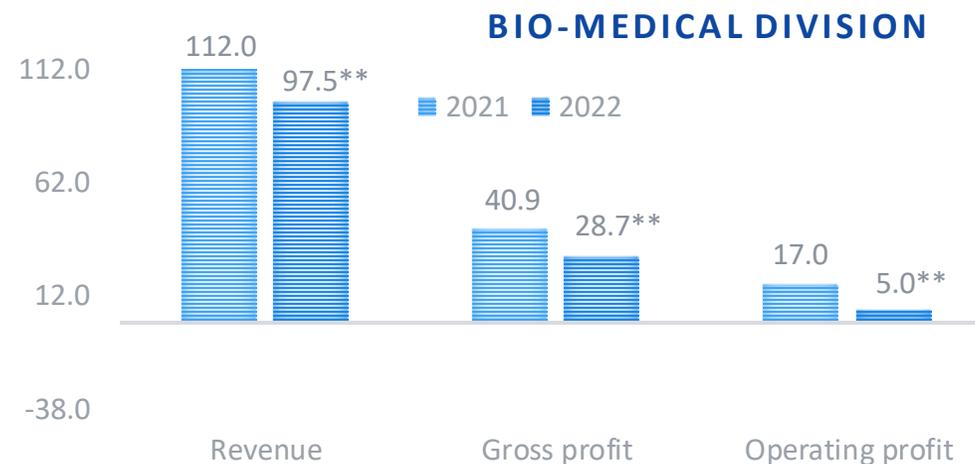
Bio-Medical Division

Adjusted* (\$m)	2022	2021
Revenues	88.3	112.0
Revenues on constant currency basis**	97.5	-
Cost of sales	62.3	71.1
Gross profit	25.9	40.9
Gross margin	29.4%	36.5%
Operating expenses	21.3	23.9
Operating profit	4.6	17.0

* Adjusted to exclude the amortisation of intangible assets

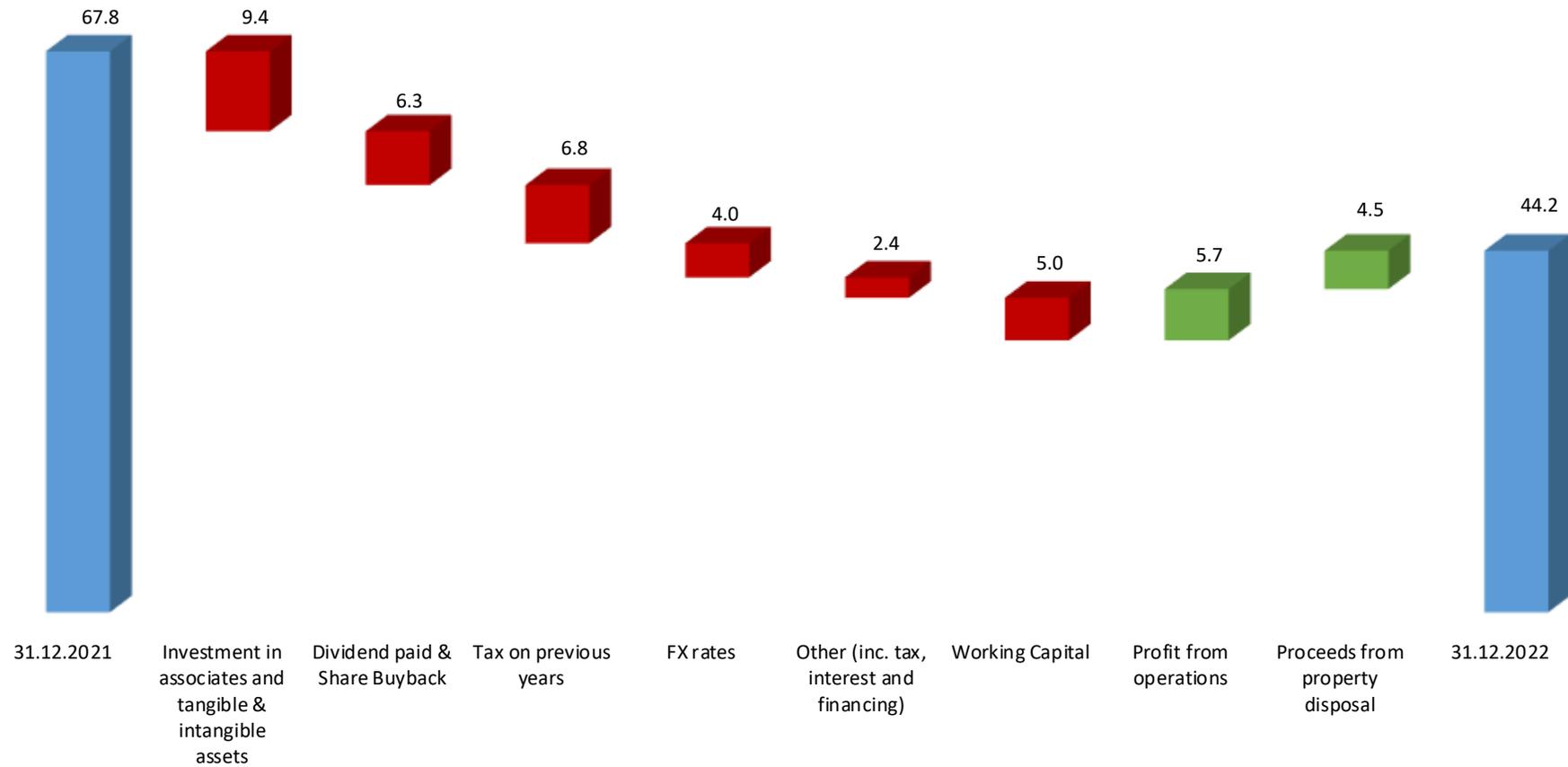
** Based on the currency rates prevailing in 2021

- Revenue excluding COVID-19 products increased 6.7% to \$79.9m (2021: \$74.9m)
- Gross margin excluding COVID-19 products improved to 27.6% (2021: 25.4%)



Cash Management

Cash and short-term investments in deposit and other securities(\$m)



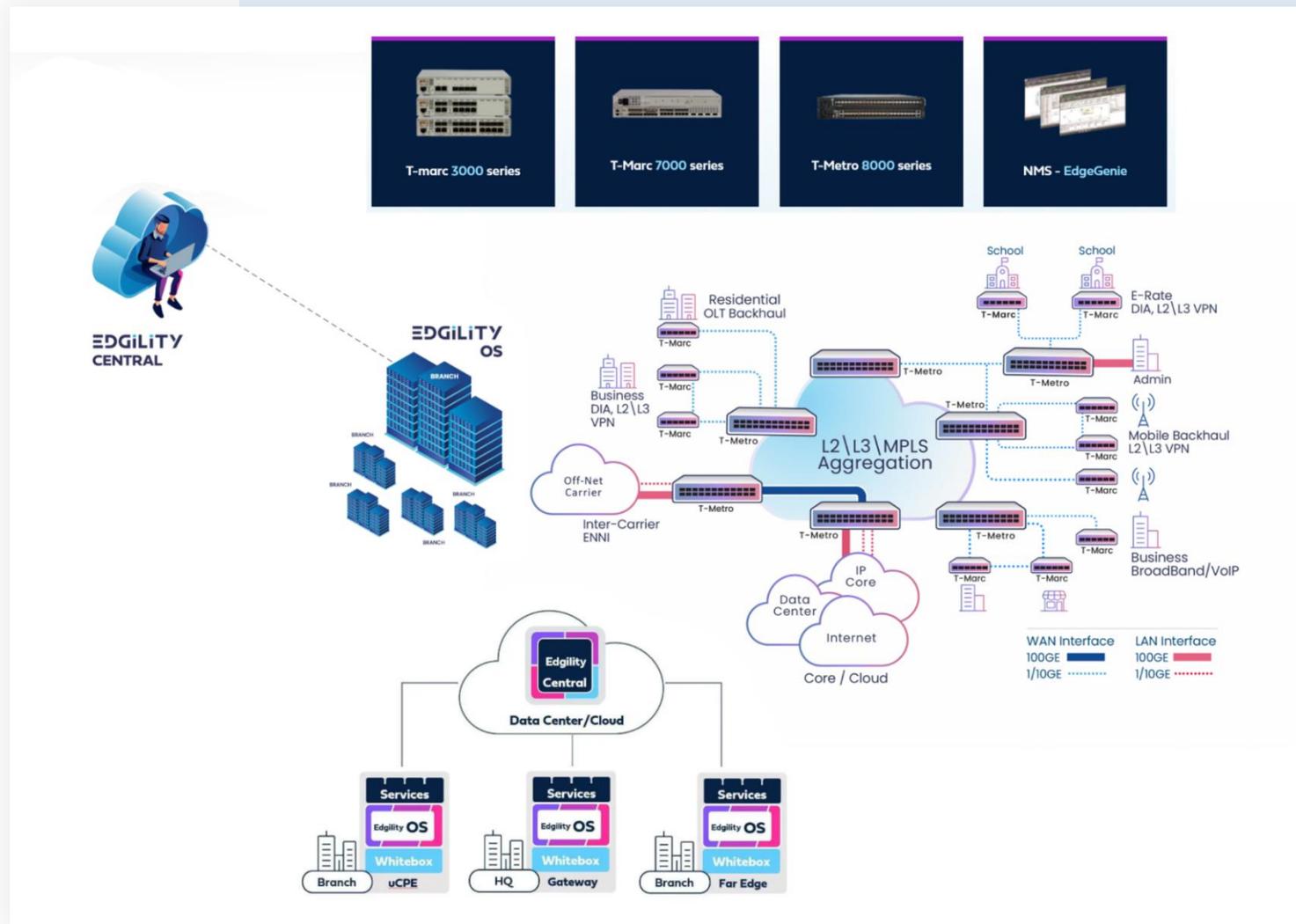
Business Review



NETWORKING & CYBER DIVISION

TELCO SYSTEMS

CYBER



Networking & Cyber Division – Networking Unit

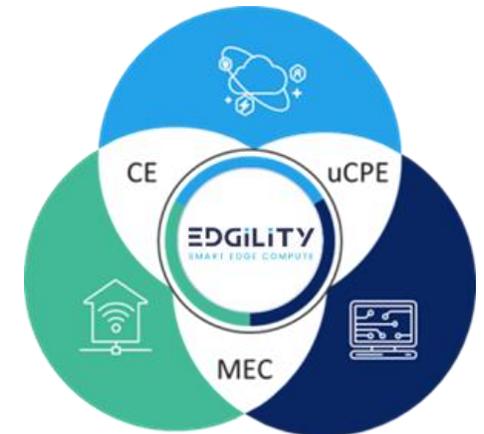
Revenue increased by 20.5% in Networking Unit for ongoing operations

Network Edge (Carrier Ethernet)

- Strong revenue growth from sales price and volume increases, despite ongoing supply chain challenges
- New orders received primarily from existing customers for latest high-capacity solutions e.g. TM-8104 aggregation platform
- Introducing new products to expand portfolio and addressable market

Edgility – key driver of future growth

- Multi-year contract signed with leading UK network provider, CityFibre, following extensive piloting
- First revenue generated under contracts with CEMEX and e-Qual
- Partnerships established with Advantech and NEXCOM International
- Sustained engagement with potential customers – proof-of-concepts undertaken in Q4 2022 and 2023
- Backlog at year end of \$5.2m
- In 2023, expect increase sales from new customers and expansion with existing customers



Networking & Cyber Division – Cyber Unit

Revenue increased by 73.1% in the Cyber unit

Cyber

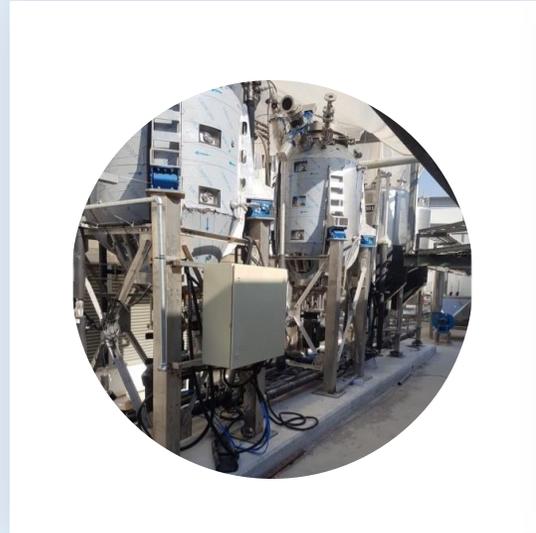
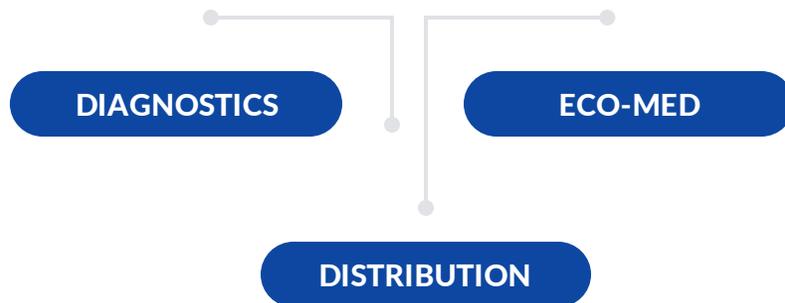
- Substantial increase in revenue from high-value contracts won in the previous year
- Won \$26m multi-year order from government defence customer post period – with more expected
- Working on product development and regulatory approval to expand cyber security customer base

Networking & Cyber division on track for strong revenue growth in both units – expected to generate **operating profit for FY 2023**

Business Review



BIO-MEDICAL DIVISION



Bio-Medical Division

DISTRIBUTION UNIT



- Delivered greater volume of regular business and increased sales prices – enabled good growth on constant currency basis
- Gained control of an associated company towards the end of the year
- Distribution activities expected to remain robust owing to regular activity and launch of new products

ECO-MED UNIT



- Delivery completed of two contracts for ISS AGRI
- Two further ISS AGRI installations significantly advanced – on track to complete delivery in 2023
- Received €3.6m order for ISS-based bio-waste treatment solutions for medical settings from new customer
- Further contracts for ISS AGRI solution expected this year

Bio-Medical Division contd.

DIAGNOSTICS UNIT



- Increase in revenue from molecular diagnostic products that are not COVID-19 related
- New molecular diagnostics test for multiple respiratory pathogens launched commercially
- Developed new diagnostics kits, such as for sepsis
- Established new collaborations – Stop TB (tuberculosis) and BIOASTER (STIs)
- Opened state-of-the-art laboratory in Israel and new product assembly rooms in Rome
- ADOR established novel isothermal rolling circle amplification method – being incorporated into a multi-respiratory disease panel; BATM and partners invested an additional \$10m
- **Significant growth expected in Diagnostics in 2023**
 - Increasing demand for molecular diagnostic products not related to COVID-19
 - Expanding molecular diagnostics product portfolio
 - Focused on establishing further strategic collaborations

Group Outlook

BATM entered 2023 with strong momentum across the business

- Double-digit revenue growth (%) expected in all units for 2023
- Networking & Cyber division growth to be driven by Edgility
- Bio-Medical division is expected to remain the largest contributor to revenue
 - Growth to be based on products not related to COVID-19
- Significantly higher backlog than at the same point last year
- Business foundations have been strengthened – and assessing strategy and preparing a plan to accelerate sustainable growth
- The Board continues to explore all options to deliver shareholder value

Appendix



FY 2022 Profit and Loss

	2022		2021	
(\$000's)		% rev.		% rev.
Revenues	116,123		140,038	
Gross profit	37,958	32.7	51,061	36.5
Operating expenses				
Sales and marketing expenses	17,209	14.8	18,290	13.1
General and administrative expenses	13,018	11.2	12,243	8.7
Research and development expenses	7,025	6.0	8,713	6.2
Other operating income	(2,428)	-	(12,563)	-
Total operating expenses	34,824		26,683	
Operating profit	3,134		24,378	

FY 2022 Balance Sheet

	31 December 2022	30 June 2022	31 December 2021
(\$000's)			
Cash and short-term investment in deposits and other securities	44,167	47,364	67,763
Total assets	175,181	173,871	193,164
Total liabilities	61,180	56,411	69,030
Net assets	114,001	117,460	124,134

FY 2022 Cash Flow

	2022	2021
(\$000's)		
Net cash from (used in) operations	(1,074)	8,672
Cash paid for tax and interests	(1,710)	(3,080)
Net cash from (used in) investing activities	(16,342)	15,069
Net cash used in financing activities	(7,050)	(4,937)
Net increase (decrease) in cash and cash equivalents	(26,176)	15,724
Cash and cash equivalents at December 2021	65,331	50,575
Cash and cash equivalents at December 2022	35,156	65,331
Cash and short-term investments in deposits and other securities	44,167	67,763