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

COVID-19 Update

BATM (LSE: BVC; TASE: BVC), a leading provider of real-time technologies for networking solutions and medical laboratory systems, provides the following update regarding COVID-19.

The effectiveness of the Group's response has been enabled by the significant investments it has made in advancing its Bio-Medical division in recent years, which is now able to quickly provide solutions that include diagnostic kits for any new pathogen that appears and devices like diagnostic instruments, ventilators, pathogenic waste disposal and more. The Group also responded rapidly to prepare its Bio-Medical division when it was first alerted to the potential outbreak.

Consequently, the Group was able to launch a new diagnostics kit to detect COVID-19 that underwent clinical verification and evaluation by leading universities and hospitals in February and received certification in March 2020. Since then, production and sales have been ramping up. The Group is also in the process of developing, in partnership with Novamed, a rapid COVID-19 diagnostics kit for home-use testing, which is expected to be complete within the next three months.

In addition, as announced last week, the Group received an order of €29m (c. \$31m) from a European government to provide 1,000 critical ventilators to support their response to COVID-19. The Group has received an upfront fee of €7.25m and expects the balance to be paid on completion of delivery in the second half of 2020.

The Group's primary facilities in the Bio-Medical division, in Israel, Italy and Hungary, have remained operational throughout this period. They are able to produce at a substantial capacity despite the measures taken to ensure the health and safety of employees in those locations as well as several regulatory limitations and other impacts of lockdown.

In the Networking & Cyber division, the Group's facilities have remained open in both Israel and the US subject to public health controls. During Q1 2020, the effect of the outbreak was minimal. As a result of COVID-19, some customers are temporarily postponing certain projects and the Group is currently unable to perform some activities due to the restrictions on travelling to the premise of a customer or a supplier. Consequently, it is prudent to anticipate some lost revenue in this division, however it is too early in the current financial year to determine if this will have any material impact on the Networking & Cyber division.

As a result of the above, the Group expects the Bio-Medical division to perform well and the Networking & Cyber division to experience a temporary slowdown. Given the uncertainty surrounding the length and economic severity of the crisis, it is too early to estimate the financial impact on BATM for full year 2020.

BATM continues to work hard to ensure its employees are fully supported in remaining safe, well and able to work. Today, BATM is well positioned in large markets showing long-term growth potential and with a set of technologies, services and solutions to meet its customers' evolving needs. As a result, the Board believes that, with the actions taken to date in response to the pandemic along with the further work to be undertaken to achieve the Group's strategic objectives in 2020, BATM will continue to deliver shareholder value.

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