

LEI: 213800FLQUB9J289RU66

4 January 2022

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

Dividend Declaration

Further to the Group's announcement of 14 December 2021, BATM (LSE: BVC; TASE: BVC), a leading provider of real-time technologies for networking solutions and medical laboratory systems, gives notice of how eligible shareholders who are not Israeli tax residents can apply for, and benefit from, a reduced withholding tax rate with regards to the dividend payment.

Withholding Tax Rate

In accordance with Israeli tax regulation, the Group will withhold at source 16.74% (the "Withholding Tax Rate") of the gross amount of the dividend. Shareholders or holders of depositary interests in respect of ordinary shares in the Company who are subject to a lower withholding tax rate as a resident of a country with which Israel has a treaty for the avoidance of double taxation, such as the UK, may be eligible to benefit from a reduced withholding tax rate ("Eligible Shareholder").

Under the Double Taxation Treaty between Israel and the UK, a shareholder or depositary interest holder who is a British tax resident (and does not have a permanent establishment in Israel) and whose dividend income is subject to tax in the UK, is entitled to a reduced withholding tax rate of 15.00% or 5.00% if the beneficial owner of the dividend is a company (the "Reduced Withholding Tax Rate").

Dividend Payment Process and Applying for Reduced Withholding Tax Rate

The Group has appointed IBI Trust Management as its trustee and sub-paying agent (the "Tax Trustee"). The Group will transfer 16.74% of the gross amount of the dividend to the Tax Trustee and the remaining balance will be paid to shareholders or depositary interest holders through Link Group or a shareholder's relevant broker.

Eligible Shareholders can apply to the Tax Trustee to reclaim the difference between the amount withheld in accordance with the Withholding Tax Rate and the amount that would be withheld if the Reduced Withholding Tax Rate (or equivalent rate for Eligible Shareholders in jurisdictions other than the UK) were applied.

To apply for a reduced withholding tax rate, Eligible Shareholders must deliver to the Tax Trustee, via the email address below, scanned copies of specified tax residency and banking documentation and a completed application form (the "Application") by 15 February 2022 (the "Application Deadline"). The documents required to be included in the Application are detailed in the application form, which is available for download at the following link or by contacting the Tax Trustee:

<https://www.batm.com/media/1486/tax-withholding-form.pdf>

The Tax Trustee will review the Applications and refund to Eligible Shareholders, who submitted approved and complete Applications by the Application Deadline, any excess tax withheld in accordance with any applicable reduced withholding tax rate. Following the repayments of such refunds, the Tax Trustee will remit all remaining funds to the Israel Tax Authority.

Tax Trustee Contact Information

The contact information for the Tax Trustee, including the email address for submitting Applications, is as follows:

IBI Trust Management

Address: 9 Ehad Ha'am (Shalom Tower), Tel Aviv, Israel

Email: IBI-CM@IBI.co.il

Phone: +972 506 209 410

Shareholders are advised to consult with their own personal tax and financial advisers as to the tax consequences resulting from their personal tax situation.

Enquiries:

BATM Advanced Communications

Dr Zvi Marom, Chief Executive Officer

+972 9866 2525

Moti Nagar, Chief Financial Officer

Shore Capital

Mark Percy, Anita Ghanekar, James Thomas (Corporate Advisory)

+44 20 7408 4050

Henry Willcocks (Corporate Broking)

Luther Pendragon

Harry Chathli, Claire Norbury

+44 20 7618 9100