

8 September 2015

BATM Advanced Communications Limited
(“BATM” or “the Group”)

Second major pathogenic waste treatment contract win in agricultural sector

Pathogenic Waste Treatment and Sterilisation unit to supply leading food group with ISS-based solution for cattle farming

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 it has been awarded a contract by the largest and leading food group in Israel for the installation of the Group’s pathogenic waste treatment and sterilisation solution for agri-business at one of the customers’ cattle processing facilities. The contract, which is the Group’s second major contract win in the agricultural sector for its new solution, has an initial value of approximately \$0.7m, which the Group expects to recognise during 2016 and 2017.

The customer provides fresh and frozen food products – such as dairy, eggs, poultry, beef, fish and pastry – primarily in Israel where it supplies approximately 18,000 customers each day. It operates from 36 sites across Israel, receiving raw materials from a network of 1,600 farmers and selling through 6,500 suppliers.

BATM will install its new technology, based on its Integrated Sterilizer and Shredder (“ISS”), at a cattle processing facility where it will form a key part of the customer’s waste disposal solution. The ISS will treat the byproduct of cattle processing to render it safe for disposable as well as suitable for use in producing other commercial products such as Meat and Bone Meal for animals and Meat and Bone Fat. The Group’s solution will enable a significant reduction in the costs and environmental risks associated with the landfilling of waste as well as generate an additional source of revenue for the client.

Under the terms of the contract, the Group will receive payment for the ISS-based units through a revenue share agreement based on the sale of the usable byproducts. The Group will treat up to 20 tonnes per day.

Dr Zvi Marom, Chief Executive Officer of BATM, said: “We are delighted to have been awarded this contract by a leading food group in Israel. That it so quickly follows the launch of this solution and the award of our first major contract in the agricultural sector with a poultry farming business – both of which have occurred this year – provides further vindication of our strategy to expand the applications of our unique ISS technology beyond medical waste. We believe that these projects are at the forefront of the industry and will be watched closely by food producers across the world as our technology presents a solution to the problems of waste disposal in food processing.”

Enquiries

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