21 December 2016

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

BATM’s Adaltis receives Chinese investment

Further to the announcement on 30 June 2016, 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 its wholly-owned subsidiary, Adaltis, a manufacturer of medical diagnostics equipment, has now received the investment from its Chinese Joint Venture partner, Egens Biotechnology Company Ltd. (“Egens”), a leading biotechnology company combining biological material development and diagnostic reagent manufacturing.

Egens has paid RMB20m (approximately US$2.85m) to Adaltis in exchange for 4.93% of Adaltis’ enlarged share capital, valuing Adaltis at approximately US$58m.

As previously announced, Egens has also made the further investment, by way of a shareholder loan, to Adaltis Bio Med Company (“ABC”) of US$1.5m. Adaltis’ interest in ABC remains at 40%. Egens also has an option to purchase a further 10% of Adaltis’ share capital, which will be exercisable for 90 days after the approval of either Adaltis’ 2016 or 2017 financial statements. The purchase price is expected to be based on a valuation of Adaltis at 5.5 times turnover.

Dr Zvi Marom, Chief Executive Officer of BATM, said: “China is one of the world’s largest and growing markets and a key target market for our Biomed solutions. We are pleased that our long-term partner has completed the investment in Adaltis. We expect to be able to serve and support major customers in China and gain market share in this important market.”

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