

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

If you are in any doubt as to what action you should take, you are recommended to seek your own financial advice from your stockbroker or other independent adviser authorised under the Financial Services and Markets Act 2000.

If you have sold or transferred all of your shares in BATM Advanced Communications Ltd., please forward this document, together with the accompanying documents, as soon as possible either to the purchaser or transferee or to the person who arranged the sale or transfer so they can pass these documents to the person who now holds the shares.

Please note that this document sets out different voting processes for securities traded on the London Stock Exchange and for securities traded on the Tel-Aviv Stock Exchange. You must follow the correct process applicable to the securities you hold. If you hold multiple types of securities, you must follow a different process for each portion of your holdings (see note 12 below in the Notes to the Notice of Annual General Meeting for further information regarding the process).

**BATM ADVANCED COMMUNICATIONS LTD.**

**Notice of Annual General Meeting**

**of 17 December 2020**



**International H.Q.**

4 Ha'harash Street, Nave Ne'eman Ind. Area,  
P.O.B. 7318, 4524075 Hod Hasharon, Israel

**52-0042813 – Registered in Israel**

## **Chairman's Letter**

23 November 2020

Dear Shareholder,

### **Annual General Meeting**

I am pleased to enclose the notice of the Annual General Meeting ("AGM" or the "Meeting") of BATM Advanced Communications Ltd. (the "Company"), which is to be held at 10.00 a.m. GMT on 17 December 2020 at the Company's offices at 4 Ha'harash Street, Nave Ne'eman Industrial Area, P.O.B. 7318, 4524075 Hod Hasharon, Israel. While the Board recognises that the AGM represents an important opportunity to engage with shareholders and provides a forum that enables shareholders to speak directly with the Board, in light of the evolving COVID-19 situation and related public health guidance and legislation, shareholders will not be able to attend the Meeting in person. The Company will make arrangements such that the legal requirements to hold the AGM can be satisfied and that the Meeting is quorate, but no other shareholders will be permitted entry to the physical meeting.

**Shareholders are therefore strongly encouraged to submit their vote in advance of the AGM, in accordance with the Notes to the Notice of Annual General Meeting set out on pages 7 to 10 below.** Given the restrictions on attendance at the AGM, shareholders should appoint the Chairman of the AGM as their proxy, and holders of depositary interests should instruct Link Market Services Trustees to vote on their behalf, rather than a named person who will not be permitted to attend the AGM or cast their vote.

In order to enable shareholder engagement and participation, shareholders will be able to listen to the Meeting via a teleconference and are invited to submit questions in writing in advance of the AGM that will be answered orally during the Meeting. Please note that the teleconference will allow shareholders to listen to the business of the AGM only – it will not be possible to use this facility to vote or ask questions. To register to listen to the AGM or to submit a question, please email [sigalit@batm.com](mailto:sigalit@batm.com), stating your full name, at your earliest opportunity and no later than 5.30 p.m. GMT on 15 December 2020.

### **Recommendation**

The directors of the Company consider that all resolutions to be considered at the AGM are in the best interests of the Company and its members as a whole and are most likely to promote the success of the Company for the benefit of its members as a whole.

The directors unanimously recommend that you vote in favour of all the proposed resolutions as they intend to do so in respect of their own beneficial holdings to the extent that they have any, which in aggregate accounts for 22.7% of the issued share capital of the Company.

Yours sincerely,

Dr. Gideon Chitayat  
Chairman

Notice is hereby given that the Annual General Meeting of BATM Advanced Communications Ltd. will be held at 10.00 a.m. GMT on 17 December 2020 at the Company's offices at 4 Ha'harash Street, Nave Ne'eman Industrial Area, P.O.B. 7318, 4524075 Hod Hasharon, Israel.

## **IMPORTANT INFORMATION ABOUT THE AGM**

The Company is closely monitoring developments relating to the current outbreak of COVID-19, including the related public health guidance and legislation.

**In light of current measures restricting public gatherings, and to protect the health and safety of our employees, shareholders and the wider community, shareholders will not be able to attend the AGM in person.**

The Company will ensure that the legal requirements to hold the AGM can be satisfied through the attendance of a minimum number of directors or employee shareholders, either in person or by electronic means.

While shareholders will not be able to attend in person, the Board remains committed to shareholder engagement and participation, and therefore shareholders will be able to access the Meeting via a teleconference. Please note that this will allow shareholders to listen to the business of the AGM only – it will not be possible to use this facility to vote or ask questions. Shareholders are invited to submit questions in writing in advance of the AGM, which will be answered orally at the Meeting. To register to listen to the AGM or to submit questions, please email [sigalit@batm.com](mailto:sigalit@batm.com), stating your full name, as soon as possible and, in any event, by no later than 5.30 p.m. GMT on 15 December 2020.

**Importantly, with these arrangements in mind, shareholders are strongly urged to vote by proxy in advance of the AGM. To have their vote counted, shareholders should appoint the Chairman of the Meeting as their proxy before 10.00 a.m. GMT on 15 December 2020 and holders of depositary interests should instruct Link Market Services Trustees to vote on their behalf by 10.00 a.m. GMT on 14 December 2020.**

If there are any changes to the current arrangements for the AGM, the information will be made available by an announcement via a Regulatory Information Service.

## **PROPOSED RESOLUTIONS**

The business of the AGM will be to consider and, if thought fit, pass the following resolutions:

### **Ordinary Resolutions**

1. To receive, consider and adopt the Company's audited annual accounts for the financial year ended 31 December 2019 together with the directors' report and the auditor's report on those accounts.
2. To approve the report of the Company's Remuneration Committee for the financial year ended 31 December 2019 together with the auditor's report on the auditable part of the remuneration report.
3. To re-appoint the auditors of the Company (Brightman Almagor Zohar & Co., a member firm of Deloitte Global Network) as external auditors for the 2020 financial year and to authorise the Board of Directors to fix the auditor's remuneration for such period.

4. Election of directors

To re-elect the directors mentioned in 4.1 - 4.3 below for a one-year term until the next Annual General Meeting of the Company (Note A):

4.1 Dr. Gideon Chitayat

4.2 Dr. Zvi Marom

4.3 Mr. Moti Nagar

**Special Resolutions**

5. To approve an amendment to the Company's Articles of Association, by adding Articles 10A – 10D, as set forth in Annex A attached to this Notice (Note B).
6. To approve an amendment to Article 35.2.1 (Borrowing Powers) of the Company's Articles of Association, as set forth in Annex B attached to this Notice (Note C).
7. To approve the extension of the current Remuneration Policy for the Company's executive officers, for an additional one-year period until the next AGM of the Company in 2021 (Note D).
8. To approve the payment of a one-time annual bonus to the Chief Financial Officer, Moti Nagar, of US\$120,000 for 2019 (at the representative rate of the Israeli NIS on the date of approval by the Board), in accordance with his entitlement under his employment contract (Note E).

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**EXPLANATORY NOTES TO THE RESOLUTIONS**

**Note A:** In addition to the above-mentioned directors, there are three external directors who are currently within their three-year term of office and therefore under the Israeli Companies Law 5759-1999 (the "Israeli Companies Law"), these external directors need not be proposed for re-election at the Meeting. These external directors are: Mr. Harel Locker, Prof. Varda Shalev and Prof. Ari Shamiss. The re-election of Messrs. Gideon Chitayat and Moti Nagar requires a simple majority and the re-election of Dr. Zvi Marom requires a special majority as set forth in section 275 (a) (3) of the Israeli Companies Law.

**Note B:** Resolution 5 proposes to amend the Company's Articles of Association (the "Articles") by adding new Articles 10A – 10D (for the creation of pre-emption rights and disapplication of pre-emption rights) that will, if passed, give the directors power, pursuant to the authority, to allot equity securities (as defined by section 560 of the CA 2006) or sell treasury shares for cash without first offering them to existing shareholders in proportion to their existing holdings as the directors otherwise consider necessary, up to a maximum nominal amount equal to 10% of the issued and allotted share capital of the Company (post allotment)(excluding treasury shares). Other than in respect of the specific deviation set out below, this proposed resolution is in line with guidance by the Investment Association (as updated in July 2016), the Pre-Emption Group's Statement of Principles as updated in March 2015 and the template resolutions published by the Pre-Emption Group in May 2016.

The Company is incorporated in Israel where the law does not require listed companies to have pre-emption rights. In order not to deviate substantially from local market practice, the waiver being suggested by the directors will allow a disapplication of pre-emption rights in respect of 10% of the Company's issued and allotted share capital for any specific allotment. In this respect, this proposed resolution deviates from and does not strictly follow the guidance set out by the Investment Association.

In accordance with proposed Article 10D, the authority granted to directors to allow a disapplication of pre-emption rights would expire on the earlier of (i) 15 months from the adoption of this resolution, or if earlier, (ii) the next annual general meeting of the Company taking place following the annual general meeting at which this resolution was adopted (unless renewed, varied or revoked by the Company prior to or on that date), save that the Company may, before such expiry, make an offer or agreement

which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired.

**Note C:** Resolution 6 proposes to amend the figures currently set forth in Article 35.2.1 to enable the Company's management to procure bank guarantees and/or bank performance bonds of an increased annual amount of up to US\$10 million (from US\$2 million). This reflects the significant development of the Company's business over the last year, especially in the increase in size of tender and RFP procurement transactions with customers.

The language of the proposed amendments to the Articles are set forth in Annex A and B attached.

**Note D:** The current Remuneration Policy of the Company was approved by the shareholders at the annual general meeting held in October 2017. Pursuant to the provisions of the Israeli Companies Law, if the policy's term is for more than three (3) years, the Company must bring it for approval by the shareholders at the end of every three-year period. The Company has begun, in concert with UK independent remuneration consultants, the preparation of a new remuneration policy for the Company, which it hopes will be more aligned with current UK recognised incentive schemes and structure. However, due to the current COVID-19 restrictions, the completion of this process is taking longer than initially anticipated. In order to abide by the provisions of the Israeli Companies Law, the Board is requesting approval of the shareholders to extend the term of the current policy until the next annual meeting in 2021, by which time the Company expects to bring to the shareholders for their approval a new Remuneration Policy.

Pursuant to the Israeli Companies Law, the approval to extend the term of the current Remuneration Policy requires the affirmative vote of the Company's shareholders holding at least a majority of the Company's Ordinary Shares present, in person or by proxy, and voting on the matter, provided that either (i) such a majority includes at least the majority of the votes of shareholders who are not controlling shareholders or do not have personal interest in the approval of the Remuneration Policy (abstentions will not be taken into account); or (ii) the total number of votes against such proposal among the shareholders mentioned in clause (i) above does not exceed two percent (2%) of the total voting rights in the Company.

If you do not state whether or not you are a controlling shareholder or do not confirm whether or not you have personal interest, your shares will not be voted for this resolution.

For this purpose, "personal interest" is defined under the Companies Law as: (1) a shareholder's personal interest in the approval of an act or a transaction of the Company, including (i) the personal interest of any of his or her relatives (which includes for these purposes foregoing shareholder's spouse, siblings, parents, grandparents, descendants, and spouse's descendants, siblings, and parents, and the spouse of any of the foregoing); (ii) a personal interest of a corporation in which a shareholder or any of his/her aforementioned relatives serve as a director or the chief executive officer, owns at least 5% of its issued share capital or its voting rights or has the right to appoint a director or chief executive officer; and (iii) a personal interest of an individual voting via a power of attorney given by a third party (even if the empowering shareholder has no personal interest), and the vote of an attorney-in-fact shall be considered a personal interest vote if the empowering shareholder has a personal interest, and all with no regard as to whether the attorney-in-fact has voting discretion or not, but (2) excludes a personal interest arising solely from the fact of holding shares in the Company.

For this purpose, a "controlling shareholder" is any shareholder that has the ability to direct the Company's activities (other than by means of being a director or office holder of the Company). A person is presumed to be a controlling shareholder if he or she holds or controls, by himself or together with others, one half or more of any one of the "means of control" of a company; in the context of a transaction with an interested party, a shareholder who holds 25% or more of the voting rights in the company if no other shareholder holds more than 50% of the voting rights in the company, is also presumed to be a controlling shareholder. "Means of control" is defined as any one of the

following: (i) the right to vote at a general meeting of a company, or (ii) the right to appoint directors of a company or its chief executive officer.

**Note E:** Given that the CFO, Moti Nagar, also holds the position of an executive director in the Company, section 270 (3) of the Israeli Companies Law-1999 provides that the proposed resolution relating to his employment terms requires the approval of the Remuneration Committee, the Board of Directors and, following this, the approval by a simple majority of the shareholders. The Remuneration Committee of the Company as well as the Board discussed the proposed resolution to pay the CFO a one-time annual bonus and noted that the CFO had exceeded the financial and personal targets set for him for 2019 (as described below and as set out in the Directors' Remuneration Report in the annual report and accounts for the year ended 31 December 2019) and is therefore contractually eligible to receive the maximum bonus allowed under the Remuneration Policy of six monthly salaries (US\$150,000). However, the Committee felt, in consideration for the business' focus on re-investing to advance the commercialisation of its new products, that it was appropriate to grant the bonus at a level of around five salaries in the amount of US\$120,000 and this was accepted and supported by the CFO. **As such, this proposed resolution is being brought as a formality in order to conform with the requirements of the Israeli Companies Law.** The Board noted and took account of the following financial and personal achievements by the CFO when making its recommendation to the shareholders and approving payment of the aforementioned bonus:

**Financial achievements:**

	<b>2019 target</b>	<b>2019 actual</b>
<b>EBITDA</b>	\$4.3m	\$9.8m
<b>Cash from operating activities</b>	>\$2.6m	\$7.2m

**Personal achievements:**

<b>Target</b>	<b>Delivery</b>
Investment Agreement for Ador	<ul style="list-style-type: none"> <li>Led negotiations for signing of a conditional investment agreement for up to \$30m, with first instalment of \$14.5m received into Ador during 2019</li> </ul>
Fundraising for the Company	<ul style="list-style-type: none"> <li>Successful fundraising of £14.1m gross in June 2019</li> </ul>
Secondary listing on Tel Aviv Stock Exchange (TASE), including gaining a significant institutional Israeli shareholder	<ul style="list-style-type: none"> <li>Listed on TASE in July 2019 and became a constituent of the TA-125, TA-90, TA-SME150, TA-Rimon, TA Global BlueTech, TA-Technology, TA Tech – Elite and TA-AllShare indices in September 2019</li> <li>A tier 1 Israeli institutional investor, became a significant shareholder in BATM</li> </ul>
Sale of the Company's rights in IBC	<ul style="list-style-type: none"> <li>Negotiated sale of the Company's rights in IBC to Cellcom, generating a capital gain of \$3.4m</li> </ul>

Dated: 23 November 2020

By order of the Board  
Dr. Zvi Marom  
Chief Executive Officer

Company number: 52-0042813

Registered office: 4 Ha'harash Street, Nave Neeman, PO Box 7318, Hod Ha'sharon, 4524075 Israel

### Notes to the Notice of Annual General Meeting

1. Only those members registered on the Company's register of members at close of business on 7 December 2020 (the "**Record Date**") shall be entitled to vote at the Meeting. As noted above, shareholders will not be able to attend the Meeting in person. As such, shareholders and holders of depositary interests are urged to submit their vote in advance of the AGM in accordance with the procedures set out in Notes 4 – 12 below. Information regarding the Meeting is available and can be found on the Company's website at [www.batm.com](http://www.batm.com)
2. Quorum and adjourned meeting – The quorum shall be two or more shareholders present in person or by proxy. If such quorum is not present within one hour from the time scheduled for the Meeting, the Meeting will be adjourned for one week (to the same day, time and place). Any two members present in person or by proxy at the adjourned meeting, shall be deemed a quorum.
3. Enclosed with this document is (1) a form of proxy for holders of certificated securities admitted to trading on the London Stock Exchange (a "Form of Proxy"), (2) a form of direction for holders of uncertificated securities (i.e. Depositary Interests) representing ordinary shares admitted to trading on the London Stock Exchange (the "Form of Direction"), and (3) a form of proxy for holders of the Company's shares listed on the Tel-Aviv Stock Exchange (a "Form of Proxy to a TASE Member"). Please note that this document sets out different processes for securities admitted to trading on the London Stock Exchange and securities traded on the Tel-Aviv Stock Exchange. You must follow the correct process applicable to the securities you hold. If you hold multiple types of securities, you must follow a different process for each portion of your holdings.
4. **Shareholders holding through the London Stock Exchange** - If you are a member of the Company at the time set out in Note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights at the Meeting. A proxy need not be a member of the Company but must attend the Meeting to represent you. Please note, given the restrictions on attendance at the Meeting, to have your voted counted, you must appoint the Chairman of the Meeting as your proxy rather than another named person who will not be able to attend the Meeting and vote. Details on how to appoint your proxy are set out in the notes to the proxy form. **In order to be valid, proxy forms must be lodged by 10 a.m. GMT on 15 December 2020 (or not less than 48 hours prior to any adjourned meeting) at either 1) Link Group, PXS, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU; or 2) at the registered office of the Company in Israel marked for the attention of the CFO.** A form of proxy appears below. In the case of a member which is a corporation, the proxy (or any related document) should be given under its common seal or under the hand of an officer or attorney duly authorised in writing. Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such party or authority) must be included with the proxy form.
5. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is

determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

6. A corporation which is a shareholder can appoint one or more corporate representative who may exercise, on its behalf, all its powers as a shareholder provided that no more than one corporate representative exercises powers over the same share.
7. To change your proxy instructions, simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also applies in relation to amended instructions. Any amended proxy appointment received after the relevant cut-off time will be disregarded.

Where you have appointed a proxy using the hard copy proxy form, please contact the Company's Registrars, Link Group, via the details in Note 16 below.

If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

In order to revoke a proxy instruction, you will need to inform the Company by sending a hard copy notice clearly stating your intention to revoke your proxy appointment to Link Group at the address referred to in Note 5 above. The revocation notice must be received by Link Group not less than 48 hours prior to the Meeting.

8. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If you either select the "Discretionary" option or if no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Meeting.
9. In the case of holders of Depository Interests representing shares in the Company, a Form of Direction must be completed in order to direct Link Market Services Trustees Limited, the Depository, to vote on the holder's behalf at the Meeting (in person or by proxy) or, if the Meeting is adjourned, at the adjourned meeting. **In order to be effective, a completed and signed Form of Direction (and any power of attorney or other authority under which it is signed) must be delivered to Link Group, PXS, 34 Beckenham Road, Beckenham, Kent, BR3 4TU by no later than 10.00 a.m. GMT on 14 December 2020 (or by no later than 72 hours before any adjourned meeting).** A Form of Direction appears below.
10. CREST members and, where applicable, their CREST sponsors or voting service providers, should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST Personal Member, or sponsored member, or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
11. **Shareholders holding through the TASE** - Shareholders may vote their shares by appointing the TASE Member (bank, broker or other nominee that is admitted as a member of the TASE) through which they hold their shares as "proxies" to vote on their behalf, and they must direct the TASE Member on how to vote their shares. A duly executed Form of Proxy must be received by the TASE Member no later than 10.00 a.m. Israel-time on 10 December 2020 in order to be counted in the vote to be held in the Meeting. A shareholder's returned proxy may be



revoked at any time prior to its exercise by giving a written notice to the TASE Member of such revocation, sending a duly executed Form of Proxy bearing a later date, no later than 10.00 a.m. Israel-time on 10 December 2020, requesting the return of the original Form of Proxy. The vote at the Meeting shall be carried out by the TASE Clearing House. The TASE Member shall direct the TASE Clearing House on how to vote the shares held by it, according to the TASE Clearing House by-laws, and submit to the TASE Clearing House a summary of the final results of all the proxies received by it and which it requests the TASE Clearing House to vote in its name, including the information required in the Form of Proxy regarding personal interests of the shareholders, if they are senior officers in the Company or controlling shareholders in the Company or a foreign institutional client, joint investment fund manager or trust fund, by no later than 2.00 p.m. Israel-time on 10 December 2020. A shareholder whose ordinary shares are registered with a TASE Member and are not registered on the Company's shareholder register is entitled to receive from the TASE Member who holds the ordinary shares on the shareholder's behalf, by email, for no charge, a link to the text of the Form of Proxy and to the position statements posted on the Israel Securities Authority website unless the shareholder has notified that he or she is not so interested, provided that the notice was provided with respect to a particular securities account prior to the Record Date. As noted above, shareholders will not be able to attend or vote at the Meeting in person and, to have their vote counted, will have to follow the voting instructions detailed in this Note 11 and in the Form of Proxy to a TASE Member.

12. While in ordinary circumstances the appointment of a proxy does not preclude shareholders from attending the Meeting and voting in person (except for shareholders whose shares are listed on the TASE, to whom Note 11 herein shall apply), this year it is not possible to attend the Meeting. If for any reason a change occurs and a physical meeting takes place, if you have appointed a proxy and then attend the Meeting in person, your proxy appointment will automatically be terminated.
13. The Company will answer any question you ask relating to the business being dealt with at the Meeting unless:
  - 13.1 answering the question would interfere unduly with the preparation for the Meeting or involve the disclosure of confidential information;
  - 13.2 the answer has already been given on a website in the form of an answer to a question; or
  - 13.3 it is undesirable in the interest of the Company or the good order of the Meeting that the question be answered.
14. As at 23 November 2020, the Company's issued share capital comprised 440,434,124 ordinary shares at 0.01 NIS each. Each ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 23 November 2020 is 440,434,124.
15. If you hold securities traded on the London Stock Exchange and do not have a proxy form or Form of Direction and believe that you should have one, or if you require additional forms, please contact Link Group on 0371 664 0300 if calling from the UK (calls are charged at the standard geographic rate and will vary by provider) or +44 (0)371 664 0300 if calling from outside the UK. Lines are open between 9.00 a.m. – 5.30 p.m. UK-time Monday to Friday excluding public holidays in England and Wales.
16. You may not use any electronic address provided either:
  - 16.1 in this notice of AGM; or
  - 16.2 any related documents (including the Chairman's letter and proxy form)to communicate with the Company for any purposes other than those expressly stated.

17. The following documents will be available for inspection at **the registered office of the Company** from 23 November 2020 until the time of the Meeting:
- 17.1 A copy of the Company's revised Articles of Association

## **ANNEX A**

### **Proposed amendments to the Company's Articles – Articles 10A – 10D**

To amend Article 10 (Allotment of shares) by adding three new articles to be designated as articles 10A – 10D, as follows:

#### **10A Existing shareholders' right of pre-emption**

- (1) A company must not allot equity securities as defined in section 560 of the United Kingdom companies act 2006 (CA 2006) (equity securities) to a person on any terms unless:
- (a) it has made an offer to each person who holds ordinary shares in the company to allot to him on the same or more favourable terms a proportion of those securities that is as nearly as practicable equal to the proportion in nominal value held by him of the ordinary share capital of the company; and
  - (b) the period during which any such offer may be accepted has expired or the company has received notice of the acceptance or refusal of every offer so made.
- (2) Securities that a company has offered to allot to a holder of ordinary shares may be allotted to him, or anyone in whose favour he has renounced his right to their allotment, without contravening article 10A.
- (3) Shares held by the company as treasury shares are disregarded for the purposes of this section, so that:
- (a) the company is not treated as a person who holds ordinary shares; and
  - (b) the shares are not treated as forming part of the ordinary share capital of the company.

#### **10B Disapplication of pre-emption rights: directors acting under general authorisation**

- (1) The directors of the company may be given power by the articles, or by a special resolution of the company, to allot equity securities pursuant to that authorisation as if Article 10A (existing shareholders' right of pre-emption):
- (a) did not apply to the allotment; or
  - (b) applied to the allotment with such modifications as the directors may determine.
- (2) The power conferred by this article ceases to have effect when the authorisation to which it relates:
- (a) is revoked; or
  - (b) would (if not renewed) expire.

But if the authorisation is renewed the power may also be renewed, for a period not longer than that for which the authorisation is renewed, by a special resolution of the company.

- (3) Notwithstanding that the power conferred by this article has expired, the directors may allot equity securities in pursuance of an offer or agreement previously made by the company if the power enabled the company to make an offer or agreement that would or might require equity securities to be allotted after it expired.

#### **10C Disapplication of pre-emption rights by special resolution**

- (1) The company may by special resolution resolve that Article 10A (existing shareholders' right of pre-emption):
- (a) does not apply to a specified allotment of equity securities to be made pursuant to that authorisation; or
  - (b) applies to such an allotment with such modifications as may be specified in the resolution.
- (2) Where such a resolution is passed the provisions of this Article have effect accordingly.
- (3) A special resolution under this section ceases to have effect when the authorisation to which it relates:
- (a) is revoked; or
  - (b) would (if not renewed) expire.

But if the authorisation is renewed the resolution may also be renewed, for a period not longer than that for which the authorisation is renewed, by a special resolution of the company.

- (4) Notwithstanding that any such resolution has expired, the directors may allot equity securities in pursuance of an offer or agreement previously made by the company if the resolution enabled the company to make an offer or agreement that would or might require equity securities to be allotted after it expired.
- (5) A special resolution under Article 10B and Article 10C, or a special resolution to renew such a resolution, must not be proposed unless it is recommended by the directors.

#### **10D Disapplication of pre-emption rights**

The directors be generally empowered to allot equity securities pursuant to the authority conferred by Article 10B as if Article 10A (existing shareholders' right of pre-emption) did not apply to the allotment provided that this power shall:

- (a) be limited to the allotment of such number of equity securities which equal 10% of the issued and allotted share capital of the company (post allotment); and
- (b) expire on the earlier of (i) 15 months from the adoption of the resolution conferring this authority, or if earlier, (ii) the next annual general meeting of the Company taking place following the annual general meeting at which the resolution conferring this authority was adopted (unless renewed, varied or revoked by the company prior to or on that date), save that the company may, before such expiry, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by such resolution has expired.

## **ANNEX B**

The proposed language of the amended article is as follows:

### *35.2.1. Borrowing Powers*

Subject as provided in articles 35.2.2 to 35.2.11, the Board of directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital, or any part of it, and subject to the provisions of the Companies Law, to issue debentures and other securities whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party. Notwithstanding the aforementioned, the power and authority for requesting bank guarantees and/or performance bonds, guarantees for tenders and/or documentary credits to be issued for the benefit of the Company and/or the Company's subsidiaries by the Company's bankers (including extensions for such bank guarantees) and giving security and/or charges to the Company's bankers for this purpose and/or for the issuing by the Company of parent company performance guarantees for the benefit of the Company's subsidiaries in an amount not exceeding ten million USD (\$10,000,000) or its equivalent in other currencies per calendar year shall be with the senior management of the Company and the signatures of any two of the following shall bind and obligate the Company: Chairman of the Board, Chief Executive Officer and Chief Financial Officer.

## **ANNEX C**

**The current Remuneration Policy is available for review on the Company's website ([www.batm.com](http://www.batm.com)) in Remuneration Report section of the Annual Report 2019**

**Form of Proxy**  
(for holders of securities listed on the London Stock Exchange)

**For use at the 2020 Annual General Meeting  
of BATM Advanced Communications Ltd. to be convened  
at 10.00 a.m. GMT on 17 December 2020 at the Company's registered office**

I/We .....

of .....

being a member of the Company hereby appoint ...../ the Chairman of the meeting to act as my/our proxy and to vote for me/us as indicated below with an "X" at the Annual General Meeting of the Company convened for 17 December 2020 at 10.00 a.m. GMT and at any adjournment.

Date ..... Signed .....

Please indicate how you wish to vote with an "X" in the appropriate box opposite each resolution. If no specific indication as to voting is given, the proxy will vote or abstain in their own direction as they will on any other matter arising at the meeting.

<b>Ordinary Resolutions</b>	<b>FOR</b>	<b>AGAINST</b>
1. Receipt of the directors' report and annual accounts	<input type="checkbox"/>	<input type="checkbox"/>
2. Approval of the report of the remuneration committee	<input type="checkbox"/>	<input type="checkbox"/>
3. Re-appointment of the auditors and authorising the Board of Directors to fix the auditor's remuneration	<input type="checkbox"/>	<input type="checkbox"/>
4. Election of directors:		
4.1 Re-appointment of Dr. Gideon Chitayat	<input type="checkbox"/>	<input type="checkbox"/>
4.2 Re-appointment of Dr. Zvi Marom	<input type="checkbox"/>	<input type="checkbox"/>
4.3 Re-appointment of Mr. Moti Nagar	<input type="checkbox"/>	<input type="checkbox"/>

With respect to proposed resolution 4.2 for the re-election of Zvi Marom, I/we hereby confirm that I/we do not have a personal interest in this proposed resolution. (Please confirm this by checking the box – if you do not check the box, your vote will not be counted for this resolution.)

### Special Resolutions

- |    |   |                          |                          |
|----|---|--------------------------|--------------------------|
| 5. | To approve an amendment to the Company's Articles of Association, by adding new Articles 10A-10D, as set forth in Annex A to the Notice of AGM.   | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. | To approve an amendment to Article 35.2.1 of the Company's Articles of Association, as set forth in Annex B to the Notice of AGM.   | <input type="checkbox"/> | <input type="checkbox"/> |
| 7. | To approve the extension of the current Remuneration Policy for the Company's executive officers for an additional one-year period until the next AGM of the Company.   | <input type="checkbox"/> | <input type="checkbox"/> |
| 8. | To approve the payment of a one-time annual bonus to the Chief Financial Officer, Moti Nagar, of US\$120,000 for 2019 (at the representative rate of the Israeli NIS on the date of approval by the Board), in accordance with his entitlement under his employment contract. | <input type="checkbox"/> | <input type="checkbox"/> |

### Notes:

1. For this form of proxy to be valid it must be completed, signed and deposited with Link Group at **Link Group, PXS, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU** or at the registered office of the Company, marked for the attention of the CFO, not less than 48 hours before the time fixed for the meeting.
2. In the case of a corporation, this proxy should be under its common seal, or if not so required, under the hand of an officer duly authorised in writing.
3. In the case of joint holders, the signature of any one of them will suffice but the vote of the senior who tenders a vote whether in person or by proxy will be accepted to the exclusion of the votes of the other joint holders and for this purpose, seniority shall be determined by the order in which the names stand on the Company's register of members in respect of the joint holding.
4. Any alteration made in the form of proxy should be initialled.
5. You are referred to the Notes to the Notice of Annual General Meeting for further information.

**Form of Direction**

**For use by holders of Depositary Interests representing shares on a one-for-one basis in  
BATM Advanced Communications Ltd. in respect of the Annual General Meeting to be  
convened on 17 December 2020 at 10.00 a.m. GMT at the Company’s registered office**

I/We .....

of .....

being a holder of Depositary Interests representing shares in BATM hereby direct Link Market Services Trustees Limited, the Depositary, to vote for me/us and on my/our behalf in person or by proxy at the Annual General Meeting of BATM to be held on the above date (and at any adjournment thereof) as directed by an “X” in the appropriate box opposite each resolution. **If no indication is given, you will be deemed as instructing the Depositary to abstain from voting.**

<b>Ordinary Resolutions</b>	<b>FOR</b>	<b>AGAINST</b>
1. Receipt of the directors’ report and annual accounts	<input type="checkbox"/>	<input type="checkbox"/>
2. Approval of the report of the remuneration committee	<input type="checkbox"/>	<input type="checkbox"/>
3. Re-appointment of the auditors and authorising the Board of Directors to fix the auditor’s remuneration	<input type="checkbox"/>	<input type="checkbox"/>
4. Election of directors:		
4.1 Re-appointment of Dr. Gideon Chitayat	<input type="checkbox"/>	<input type="checkbox"/>
4.2 Re-appointment of Dr. Zvi Marom	<input type="checkbox"/>	<input type="checkbox"/>
4.3 Re-appointment of Mr. Moti Nagar	<input type="checkbox"/>	<input type="checkbox"/>

With respect to proposed resolution 4.2 for the re-election of Zvi Marom, I/we hereby confirm that I/we do not have a personal interest in this proposed resolution. (Please confirm this by checking the box – if you do not check the box, your vote will not be counted for this resolution.)

**Special Resolutions**

5. To approve an amendment to the Company's Articles of Association, by adding new Articles 10A-10D as set forth in Annex A to the Notice of AGM.	<input type="checkbox"/>	<input type="checkbox"/>
6. To approve an amendment to Article 35.2.1 of the Company's Articles of Association, as set forth in Annex B of the Notice of AGM.	<input type="checkbox"/>	<input type="checkbox"/>

- |    |   |   |   |
|----|---|---|---|
| 7. | To approve the extension of the current Remuneration Policy for the Company's executive officers, for an additional one-year period until the next AGM of the Company.  | □ | □ |
| 8. | To approve the payment of a one-time annual bonus to the Chief Financial Officer, Moti Nagar, of US\$120,000 for 2019 (at the representative rate of the Israeli NIS on the date of approval by the Board), in accordance with his entitlement under his employment contract. | □ | □ |

Signature: .....

Date: .....

Notes:

1. To be effective, this Form of Direction and the power of attorney or other authority (if any) under which it is signed, or a notarised or otherwise certified copy of such power of attorney, must be deposited at Link Group, PXS, 34 Beckenham Road, Beckenham, Kent, BR3 4TU not later than 72 business hours before the time appointed for holding the meeting.
2. Any alterations made to this Form of Direction should be initialled.
3. In the case of a corporation, this Form of Direction should be given under its common seal or under the hand of an officer or attorney duly authorised in writing.
4. Please indicate how you wish your votes to be cast by placing "X" in the boxes provided. On receipt of this form duly signed, you will be deemed to have authorised Link Market Services Trustees Limited to vote, or to abstain from voting, as per your instructions.
5. The Depositary will appoint the Chairman of the meeting as its proxy to cast your votes. The Chairman may also vote or abstain from voting as he or she thinks fit on any other resolution (including amendments to resolutions) that may properly come before the meeting.
6. You are referred to the Notes to the Notice of Annual General Meeting for further information.



**Form of Proxy**

**(for Holders of Shares Listed on the Tel-Aviv Stock Exchange)**

**For use at the 2020 Annual General Meeting  
of BATM Advanced Communications Ltd. to be convened  
at 10.00 a.m. GMT on 17 December 2020 at the Company's registered office**

I/We .....

of .....

being a holder of share(s) of the Company listed on the Tel-Aviv Stock Exchange and entitled to attend and vote hereby appoint ..... (the "TASE MEMBER") to vote on my behalf in person or by proxy as indicated below with an "X" at the Annual General Meeting of the Company convened for 17 December 2020 at 10.00 a.m. GMT and at any adjournment thereof.

Date ..... Signed .....

Please indicate how you wish to vote with an "X" in the appropriate box opposite each resolution. If no specific indication as to voting is given, the TASE Member (or his proxy) will vote or abstain in their own direction as they will on any other matter arising at the meeting.

<b>Ordinary Resolutions</b>	<b>FOR</b>	<b>AGAINST</b>
1. Receipt of the directors' report and annual accounts	<input type="checkbox"/>	<input type="checkbox"/>
2. Approval of the report of the remuneration committee	<input type="checkbox"/>	<input type="checkbox"/>
3. Re-appointment of the auditors and authorising the Board of Directors to fix the auditor's remuneration	<input type="checkbox"/>	<input type="checkbox"/>
4. Election of directors:		
4.1 Re-appointment of Dr. Gideon Chitayat	<input type="checkbox"/>	<input type="checkbox"/>
4.2 Re-appointment of Dr. Zvi Marom	<input type="checkbox"/>	<input type="checkbox"/>
4.3 Re-appointment of Mr. Moti Nagar	<input type="checkbox"/>	<input type="checkbox"/>

With respect to proposed resolution 4.2 for re-election of Zvi Marom, I/we hereby confirm that I/we do <u>not</u> have a personal interest in this proposed resolution. (Please confirm this by checking the box – if you do not check the box, your vote will not be counted for this resolution.)	<input type="checkbox"/>
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## Special Resolutions

- |    |   |                          |                          |
|----|---|--------------------------|--------------------------|
| 5. | To approve an amendment to the Company's Articles of Association, by adding new Articles 10A-10D as set forth in Annex A to the Notice of AGM.  | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. | To approve an amendment to Article 35.2.1 of the Company's Articles of Association, as set forth in Annex B to the Notice of AGM.   | <input type="checkbox"/> | <input type="checkbox"/> |
| 7. | To approve the extension of the current Remuneration Policy for the Company's executive officers, for an additional one-year period until the next AGM of the Company.  | <input type="checkbox"/> | <input type="checkbox"/> |
| 8. | To approve the payment of a one-time annual bonus to the Chief Financial Officer, Moti Nagar, of US\$120,000 for 2019 (at the representative rate of the Israeli NIS on the date of approval by the Board), in accordance with his entitlement under his employment contract. | <input type="checkbox"/> | <input type="checkbox"/> |

### Notes:

1. For this form of proxy to be valid, the broker, bank or other nominee company through which the shareholder holds his shares must receive, by no later than 10.00 a.m. (Israel-time) on 10 December 2020, a legible PDF scan of the duly completed and signed form of proxy.
2. In the case of a corporation, this proxy should be under its common seal, or if not so required, under the hand of an officer duly authorised in writing.
3. In the case of joint holders, the signature of any one of them will suffice but the vote of the senior who tenders a vote whether in person or by proxy will be accepted to the exclusion of the votes of the other joint holders and, for this purpose, seniority shall be determined by the order in which the names stand on the Company's register of members in respect of the joint holding.
4. The TASE Member or his proxy will appoint the Chairman of the meeting as their proxy to cast your votes. The Chairman may also vote or abstain from voting as he or she thinks fit on any other resolution (including amendments to resolutions) that may properly come before the meeting.
5. Any alteration made in the form of proxy should be initialled.
6. You are referred to the Notes to the Notice of Annual General Meeting for further information.