

KAMADA LTD.
7 Sapir Street
Kiryat Weizmann Science Park
P.O Box 4081
Ness Ziona 74140, Israel

NOTICE OF 2016 ANNUAL GENERAL MEETING OF SHAREHOLDERS

Dear Shareholder:

We cordially invite you to attend the 2016 Annual General Meeting of Shareholders of Kamada Ltd. to be held at our offices at 7 Sapir Street, Kiryat Weizmann Science Park, Ness Ziona, Israel, on Tuesday, August 30, 2016, at 2:00 p.m. (Israel time), for the following purposes:

1. To elect five directors to serve as members of our Board of Directors until our next annual general meeting of shareholders and in accordance with our Articles of Association.
2. To elect Mr. Avraham Berger as an outside director, within the meaning of the Israeli Companies Law, 1999 (the "Israeli Companies Law"), for an initial three-year term.
3. To ratify and approve our entering into an indemnification and exculpation agreement with each of Dr. Michael Berelowitz and Mr. Saadia Ozeri and, subject to approval of Proposal 2, to approve our entering into an indemnification and exculpation agreement with Mr. Avraham Berger.
4. To approve the grant of options to each of our directors, other than the outside directors.
5. Subject to approval of Proposals 2 and 4, to approve the grant of options to our outside directors.
6. To approve amended compensation and the grant of options and, subject to approval of Proposal 8, restricted shares to Mr. Amir London, our Chief Executive Officer.
7. To approve certain amendments to our Articles of Association related to the service of outside directors on our Board of Directors and to approve and adopt an English language version of the amended Articles of Association as our governing Articles of Association.
8. To approve an amended and restated Compensation Policy for Executive Officers and Directors.
9. To ratify and approve the reappointment of Kost Forer Gabbay & Kasierer, a member of Ernst & Young Global, as our independent registered public accountants for the year ending December 31, 2016 and for such additional period until our next annual general meeting.
10. To review and discuss our consolidated financial statements for the year ended December 31, 2015.

Our Board of Directors recommends that you vote in favor of each of the proposals, which are described in the attached Proxy Statement.

Shareholders of record at the close of business on July 21, 2016, are entitled to notice of and to vote at the meeting. You can vote either by mailing in your proxy or in person by attending the meeting. If voting by proxy, we will generally not be able to include your vote in the tally of ordinary shares voted at the meeting unless your proxy is received by our transfer agent or at our registered office in Israel at least 48 hours prior to the appointed time of the meeting. If you attend the meeting, you may vote in person and your proxy will not be used. If you are a beneficial owner of shares registered in the name of your broker, bank, trustee or nominee and you wish to vote in person at the meeting, you must first obtain a "legal proxy" from your broker, bank, trustee or nominee that holds your shares giving you the right to vote the shares at the meeting. If you are a beneficial owner of shares registered in the name of a member of the Tel Aviv Stock Exchange and wish to vote, either by proxy or in person by attending the meeting, you must deliver to us a proof of ownership in accordance with the Israeli Companies Law and the Israeli Companies

Regulations (Proof of Ownership of Shares for Voting at General Meetings), 2000. Detailed proxy voting instructions are provided both in the Proxy Statement and on the enclosed proxy card.

Sincerely,

Leon Recanati
Chairman of the Board of Directors

July 21, 2016

KAMADA LTD.
7 Sapir Street
Kiryat Weizmann Science Park
P.O Box 4081
Ness Ziona 74140, Israel

PROXY STATEMENT

2016 ANNUAL GENERAL MEETING OF SHAREHOLDERS

This Proxy Statement is being furnished in connection with the solicitation of proxies on behalf of the Board of Directors of Kamada Ltd. to be voted at the 2016 Annual General Meeting of Shareholders (the "Meeting"), and at any adjournment thereof, pursuant to the accompanying Notice of 2016 Annual General Meeting of Shareholders. The Meeting will be held at our offices at 7 Sapir Street, Kiryat Weizmann Science Park, Ness Ziona, Israel, on Tuesday, August 30, 2016, at 2:00 p.m. (Israel time).

This Proxy Statement, the attached Notice of 2016 Annual General Meeting and the enclosed proxy card are being mailed to shareholders on or about July 26, 2016.

Purpose of the Annual General Meeting

At the Meeting, shareholders will be asked to consider and vote upon the following: (1) election of five directors to serve as members of our Board of Directors until our next annual general meeting of shareholders and in accordance with our Articles of Association; (2) election of Mr. Avraham Berger as an outside director, within the meaning of the Israeli Companies Law, 1999 (the "Israeli Companies Law") for an initial three-year term; (3) ratification and approval of our entering into an indemnification and exculpation agreement with each of Dr. Michael Berelowitz and Mr. Saadia Ozeri and, subject to approval of Proposal 2, to approve our entering into an indemnification and exculpation agreement with Mr. Avraham Berger; (4) approval of the grant of options to each of our directors, other than the outside directors; (5) subject to approval of Proposals 2 and 4, approval of the grant of options to our outside directors; (6) approval of amended compensation and the grant of options and, subject to approval of Proposal 8, restricted shares to Mr. Amir London, our Chief Executive Officer; (7) approval of certain amendments to our Articles of Association related to the service of outside directors on our Board of Directors and to approve and adopt an English language version of the amended Articles of Association as our governing Articles of Association; (8) approval of an amended and restated Compensation Policy for Executive Officers and Directors (the "Compensation Policy"); and (9) ratification and approval of the reappointment of Kost Forer Gabbay & Kasierer, a member of Ernst & Young Global, as our independent registered public accountants for the year ending December 31, 2016 and for such additional period until our next annual general meeting. In addition, our consolidated financial statements for the year ended December 31, 2015 will be reviewed and discussed at the Meeting.

We are not aware of any other matters that will come before the Meeting. If any other matters properly come before the Meeting, the persons designated as proxies intend to vote on such matters in accordance with the judgment and recommendation of the Board of Directors.

Recommendation of the Board of Directors

Our Board of Directors recommends a vote FOR each of the proposals set forth in this Proxy Statement.

Who Can Vote

You are entitled to notice of, and to vote in person or by proxy at, the Meeting, if you are a holder of record of our ordinary shares as of the close of business on July 21, 2016. You are also entitled to notice of the Meeting and to vote at the Meeting if you held ordinary shares through a bank, broker or other nominee that is one of our shareholders of record at the close of business on July 21, 2016, or which appeared in the participant listing of a securities depository on that date. See below "How You Can Vote."

How You Can Vote

- **Voting in Person.** If you are a shareholder of record, i.e., your shares are registered directly in your name with our transfer agent, American Stock Transfer & Trust Company LLC, or in our register of shareholders, you may attend and vote in person at the Meeting. If you are a beneficial owner of shares registered in the name of your broker, bank, trustee or nominee (i.e., your shares are held in “street name”), you are also invited to attend the Meeting; however, to vote in person at the Meeting as a beneficial owner, you must first obtain a “legal proxy” from your broker, bank, trustee or nominee that holds your shares giving you the right to vote the shares at the Meeting or, if you are a beneficial owner of shares registered in the name of a member of the Tel Aviv Stock Exchange (the “TASE”), you must deliver to us a proof of ownership in accordance with the Israeli Companies Law and the Israeli Companies Regulations (Proof of Ownership of Shares for Voting at General Meetings), 2000.
- **Voting by Proxy.** You may submit your proxy by completing, signing and mailing the enclosed proxy card in the enclosed, postage-paid envelope, or, if your shares are held in “street name,” by following the voting instructions provided by your broker, bank trustee or nominee. If you are a beneficial owner of shares registered in the name of a member of the TASE, you must attach to the proxy card a proof of ownership in accordance with the Israeli Companies Law and the Israeli Companies Regulations (Proof of Ownership of Shares for Voting at General Meetings), 2000. We will generally not be able to include your vote in the tally of ordinary shares voted at the Meeting unless your proxy is received by our transfer agent or at our registered office in Israel at least 48 hours prior to the designated time for the Meeting. If directions are not given or directions are not in accordance with the options listed on a proxy card, such shares will be voted FOR each proposal for which the Board of Directors recommends a vote FOR.

Change or Revocation of Proxy

If you are a shareholder of record, you may change your vote at any time prior to the exercise of authority granted in the proxy by delivering a written notice of revocation to our Director of Legal Affairs, by granting a new proxy bearing a later date, or by attending the Meeting and voting in person. Attendance at the Meeting will not cause your previously granted proxy to be revoked unless you specifically so request.

If your shares are held in “street name,” you may change your vote by submitting new voting instructions to your broker, bank, trustee or nominee or, if you have obtained a legal proxy from your broker, bank, trustee or nominee giving you the right to vote your shares, by attending the Meeting and voting in person. If you are a beneficial owner of shares registered in the name of a member of the TASE and wish to change your voting instructions, you must contact the TASE member through which you hold your shares.

Quorum

The presence, in person or by proxy, of two or more shareholders holding or representing, in the aggregate, at least twenty-five percent of our company’s voting rights will constitute a quorum at the Meeting. No business will be considered or determined at the Meeting unless the requisite quorum is present within half an hour from the time designated for the Meeting. If within half an hour from the time designated for the Meeting a quorum is not present, the Meeting will stand adjourned to the same day in the following week, at the same time and place. Any number of shareholders present, in person or by proxy, will constitute a quorum at the adjourned meeting. This notice will serve as notice of such reconvened meeting if no quorum is present at the original date and time and no further notice of the reconvened meeting will be given to shareholders.

Abstentions and broker non-votes will be counted towards the quorum. Broker non-votes occur when brokers that hold their customers’ shares in street name sign and submit proxies for such shares, and vote such shares on some matters but not on others. This occurs when brokers have not received any instructions from their customers, in which case the brokers, as the holders of record, are permitted to vote on “routine” matters, but not on non-routine matters.

Unsigned or unreturned proxies, including those not returned by banks, brokers, or other record holders, will not be counted for quorum or voting purposes.

Vote Required for Approval of the Proposals

Each ordinary share entitles the holder to one vote.

With respect to Proposals 1, 3-5, 7 and 9: The affirmative vote of the holders of a majority of the ordinary shares represented at the Meeting, in person or by proxy, entitled to vote and voting on the matter, is required to approve each such proposal.

With respect to Proposal 2: The affirmative vote of the holders of a majority of the ordinary shares represented at the Meeting, in person or by proxy, entitled to vote and voting on the matter, is required to approve the proposal, provided that either: (i) the shares voting in favor of the election of the outside director (excluding abstentions) include at least a majority of the shares voted by shareholders who are not controlling shareholders and shareholders who do not have a personal interest in the election of the outside director (excluding a personal interest that does not result from the shareholder's relationship with the controlling shareholder), or (ii) the total number of shares voted against the election of the outside director by shareholders who are not controlling shareholders and shareholders who do not have a personal interest in the matter (excluding a personal interest that does not result from the shareholder's relationship with the controlling shareholder), does not exceed two-percent of our outstanding voting rights.

With respect to Proposals 6 and 8: The affirmative vote of the holders of a majority of the ordinary shares represented at the Meeting, in person or by proxy, entitled to vote and voting on the matter, is required to approve each such proposal, provided that either: (i) the shares voting in favor of the proposal (excluding abstentions) include at least a majority of the shares voted by shareholders who are not controlling shareholders and shareholders who do not have a personal interest in the proposal, or (ii) the total number of shares voted against the proposal by shareholders who are not controlling shareholders and shareholders who do not have a personal interest in the proposal does not exceed two-percent of our outstanding voting rights.

We are unaware of any shareholder that would be deemed to be a controlling shareholder of our company as of the current time for purposes of Proposals 2, 6 and 8. **A shareholder who signs and returns a proxy card will be deemed to be confirming that such shareholder, and any related party of such shareholder, is not a controlling shareholder for purposes of Proposals 2, 6 and 8. If you believe that you, or a related party of yours, may be deemed to be a controlling shareholder and you wish to participate in the vote on any of Proposals 2, 6 and 8, you should contact our Director of Legal Affairs, Nir Livneh, at nirl@kamada.com or +972-72-2748242.**

The Israeli Companies Law requires that each shareholder voting on Proposals 2, 6 and 8 indicate on the proxy card, or, if voting in person at the Meeting, inform us prior to voting on the matter at the Meeting, whether or not the shareholder has a personal interest in each such proposal. Otherwise, the shareholder is not eligible to vote on the proposals and his or her vote will not be counted for the purposes of the proposals. Under the Israeli Companies Law, a "personal interest" of a shareholder in an act or transaction of a company (i) includes a personal interest of (a) any spouse, sibling, parent, grandparent or descendant of the shareholder, any descendant, sibling or parent of a spouse of the shareholder and the spouse of any of the foregoing; and (b) a company with respect to which the shareholder (or any of the foregoing relatives of the shareholder) serves as a director or chief executive officer, owns at least 5% of the outstanding shares or voting rights or has the right to appoint one or more directors or the chief executive officer; and (ii) excludes a personal interest arising solely from the ownership of shares. Under the Israeli Companies Law, in the case of a person voting by proxy, "personal interest" includes the personal interest of either the proxy holder or the shareholder granting the proxy, whether or not the proxy holder has discretion how to vote.

In tabulating the voting results for any particular proposal, shares that constitute broker non-votes and abstentions are not considered votes cast on that proposal. Unsigned or unreturned proxies, including those not returned by banks, brokers, or other record holders, will not be counted for voting purposes.

Cost of Soliciting Votes for the Meeting

We will bear the cost of soliciting proxies from our shareholders. Proxies will be solicited by mail and may also be solicited in person, by telephone or electronic communication, by our directors, officers and employees. We will reimburse brokerage houses and other custodians, nominees and fiduciaries for their expenses in accordance with the regulations of the U.S. Securities and Exchange Commission (the “SEC”) concerning the sending of proxies and proxy material to the beneficial owners of our shares.

Security Ownership of Certain Beneficial Owners and Management

The following table sets forth certain information as of June 30, 2016 (unless otherwise indicated below) regarding the beneficial ownership by (i) each person known to us to beneficially own more than 5% of our outstanding ordinary shares; (ii) each of our directors and director nominees; and (iii) all of our current directors and executive officers as a group.

The percentage of beneficial ownership of our ordinary shares is based on 36,418,741 ordinary shares outstanding as of June 30, 2016. Beneficial ownership is determined in accordance with the rules of the SEC and generally includes voting power or investment power with respect to securities. All options exercisable into ordinary shares within 60 days of the date of the table are deemed to be outstanding and beneficially owned by the shareholder holding such options for the purpose of computing the number of shares beneficially owned by such shareholder. Such shares are also deemed outstanding for purposes of computing the percentage ownership of the person holding the options. They are not, however, deemed to be outstanding and beneficially owned for the purpose of computing the percentage ownership of any other shareholder.

Except as described in the footnotes below, we believe each shareholder has voting and investment power with respect to the ordinary shares indicated in the table as beneficially owned.

Name	Ordinary Shares Beneficially Owned	
	Number	Percentage
5% or Greater Shareholders		
Leon Recanati ⁽¹⁾	4,002,186	10.99%
Hahn Family ⁽²⁾	3,657,464	10.00%
The Phoenix Holding Ltd. ⁽³⁾	3,291,451	9.04%
D.S. Apex Holdings group ⁽⁴⁾	2,674,852	7.34%
Yelin Lepidot ⁽⁵⁾	2,127,162	5.84%
Directors and Director Nominees		
Dr. Michael Berelowitz	-	-
Avraham Berger	-	-
Dr. Estery Giloz-Ran ⁽⁶⁾	13,750	*
Jonathan Hahn ⁽⁷⁾	3,080,815	8.46%
Dr. Abraham Havron ⁽⁸⁾	15,492	*
Ziv Kop ⁽⁹⁾	37,883	*
Saadia Ozeri ⁽¹⁰⁾	4,255	*
Leon Recanati ⁽¹⁾	4,002,186	10.99%
Tuvia Shoham ⁽¹¹⁾	65,467	*
David Tsur ⁽¹²⁾	1,058,787	2.91%
Directors and executive officers as a group (19 persons)⁽¹³⁾	9,289,486	25.51 %

* Less than 1% of our ordinary shares.

- (1) Mr. Recanati holds 677,479 ordinary shares directly and 3,295,644 ordinary shares indirectly through Gov Financial Holdings Ltd., a company organized under the laws of the State of Israel (“Gov”). Gov is wholly-owned by Mr. Recanati, the Chairman of our Board of Directors, who exercises sole voting and investment power over the shares held by Gov. Includes options to purchase 29,063 ordinary shares directly held by Mr. Recanati that are exercisable within 60 days of the date of the table, at a weighted average exercise price of NIS 20.79 (or \$5.41) per share, which expire between

May 14, 2020 and October 27, 2021. Does not include unvested options to purchase 15,938 ordinary shares that are not exercisable within 60 days of the date of the table.

- (2) Based solely upon, and qualified in its entirety with reference to, Amendment No. 2 to Schedule 13G filed with the SEC on February 16, 2016. According to the Schedule 13G/A, Damar Chemicals Inc., a company registered in Panama (“Damar”), directly holds 2,751,661 ordinary shares. According to the Statement, Damar is wholly-owned by Sinara Financing S.A., which is jointly owned by Mr. Jonathan Hahn, Ms. Tamar Hahn, Mr. Nicolas Hahn and the Fundacion Martinez. In addition, according to the Schedule 13G/A, Mr. Jonathan Hahn directly holds 313,841 ordinary shares, Ms. Tamar Hahn directly holds 288,324 ordinary shares and Mr. Nicolas Rodolfo Hahn directly holds 288,325 ordinary shares. Includes options to purchase 15,313 ordinary shares directly held by Mr. Jonathan Hahn that are exercisable within 60 days of the date of the table, at a weighted average exercise price of NIS 22.64 (or \$5.89) per share, which expire between May 14, 2020 and October 27, 2021. Does not include unvested options to purchase 9,688 ordinary shares that are not exercisable within 60 days of the date of the table.
- (3) Based solely upon, and qualified in its entirety with reference to, a notice dated June 30, 2016 submitted to our company. According to Amendment No. 2 to Schedule 13G filed with the SEC on April 7, 2016, the shares are beneficially owned by various direct or indirect, majority or wholly-owned subsidiaries of the Phoenix Holding Ltd. The Phoenix Holding Ltd. is a majority-owned subsidiary of Delek Group Ltd. The majority of Delek Group Ltd.’s outstanding shares and voting rights are owned, directly and indirectly, by Itshak Sharon (Tshuva) through private companies wholly-owned by him, and the remainder is held by the public. Each of the reporting persons disclaims beneficial ownership of the reported shares in excess of their actual pecuniary interest therein.
- (4) Based solely upon, and qualified in its entirety with reference to, a notice dated June 30, 2016 submitted to our company. To the best of our knowledge, BRM Group Ltd. and Mr. Zvi Stepak are the joint controlling shareholders of DS Apex Holdings Ltd. (“DS Apex”). BRM Group Ltd. is a private investment company beneficially owned by Messrs. Eli Barkat, Nir Barkat, and Yuval Rakavy.
- (5) Based solely upon, and qualified in its entirety with reference to, a notice dated June 30, 2016 submitted to our company.
- (6) Subject to options to purchase 13,750 ordinary shares exercisable within 60 days of the date of the table, at an exercise price of NIS 56.94 (or \$14.80) per share, which expire on May 14, 2020. Does not include unvested options to purchase 6,250 ordinary shares that are not exercisable within 60 days of the date of this table.
- (7) Based upon Amendment No. 2 to Schedule 13G filed with the SEC on February 16, 2016, Mr. Jonathan Hahn directly holds 313,841 ordinary shares. In addition, according to the Schedule 13G/A, Mr. Hahn holds 25% of the shares of Sinara, which holds 100% of the shares of Damar, which directly holds 2,751,661 ordinary shares. Also includes options to purchase 15,313 ordinary shares directly held by Mr. Jonathan Hahn that are exercisable within 60 days of the date of the table, at a weighted average exercise price of NIS 22.64 (or \$5.89) per share, which expire between May 14, 2020 and October 27, 2021.
- (8) Includes 1,742 shares owned by Operon Consultants Ltd., which is wholly-owned by Dr. Havron. Also includes options to purchase 13,750 ordinary shares directly held by Mr. Havron that are exercisable within 60 days of the date of the table, at an exercise price of NIS 56.94 (or \$14.80) per share, which expire on May 14, 2020. Does not include unvested options to purchase 6,250 ordinary shares that are not exercisable within 60 days of the date of the table.
- (9) Includes options to purchase 15,313 ordinary shares directly held by Mr. Kop that are exercisable within 60 days of the date of the table, at a weighted average exercise price of NIS 22.64 (or \$5.89) per share, which expire between May 14, 2020 and October 27, 2021. Does not include unvested options to purchase 9,688 ordinary shares that are not exercisable within 60 days of the date of the table.

- (10) Mr. Saadia Ozeri holds 4,255 ordinary shares directly.
- (11) Mr. Tuvia Shoham holds 50,154 ordinary shares directly. Includes options to purchase 15,313 ordinary shares directly held by Mr. Shoham that are exercisable within 60 days of the date of the table, at a weighted average exercise price of NIS 22.64 (or \$5.89) per share, which expire between May 14, 2020 and October 27, 2021. Does not include unvested options to purchase 9,688 ordinary shares that are not exercisable within 60 days of the date of the table.
- (12) Mr. Tsur holds 771,287 ordinary shares directly. Includes options to purchase 287,500 ordinary shares exercisable within 60 days of the date of the table, at a weighted average exercise price of NIS 42.58 (or \$11.07) per share, which expire between June 8, 2018 and May 14, 2020. Does not include unvested options to purchase 84,375 ordinary shares that are not exercisable within 60 days of the date of the table.
- (13) See footnotes (1)-(12) for certain information regarding beneficial ownership.

PROPOSAL 1
ELECTION OF DIRECTORS
(Item 1 on the Proxy Card)

Under our articles of association, the number of directors on our Board of Directors shall be no less than five and no more than 11, and must include at least two outside directors, within the meaning of the Israeli Companies Law. Our Board of Directors is currently comprised of nine directors, including two outside directors within the meaning of the Israeli Companies Law.

Each of our directors (other than outside directors within the meaning of the Israeli Companies Law) holds office until the first annual general meeting of shareholders following his or her appointment (unless the tenure of such director expires earlier or a director is removed from office pursuant to the Israeli Companies Law).

At the Meeting, each of our current directors who is not an outside director (within the meaning of the Israeli Companies Law), other than Messrs. Ziv Kop and Tuvia Shoham, is standing for reelection at the Meeting, to hold office until our next annual general meeting of shareholders, subject to our articles of association. All of the directors standing for reelection at the Meeting were elected to serve in such capacity by our shareholders at our 2015 annual general meeting of shareholders, other than Dr. Michael Berelowitz and Mr. Saadia Ozeri who were elected by our Board of Directors to serve as directors in August 2015 and May 2015, respectively, to hold office until our next annual general meeting of shareholders and in accordance with our articles of association. Each of our two outside directors, Dr. Abraham Havron and Dr. Estery Giloz-Ran, will continue to serve in accordance with their respective three-year terms, and a third outside director, Mr. Avraham Berger, is standing for election for an initial three-year term at the Meeting (see Proposal 2).

In accordance with the Israeli Companies Law, each of the nominees for election to our Board of Directors has certified to us that he meets all the requirements of the Israeli Companies Law for election as a director of a public company, and possesses the necessary qualifications and is able to dedicate sufficient time, to fulfill his duties as a director of our company, taking into consideration our company's size and special needs.

Nominees for Director

The following information is provided with respect to each director nominee based upon our records and information provided to us by each nominee.

Leon Recanati has served on our Board of Directors since May 2005 and has served as Chairman since March 2013. Mr. Recanati currently serves as a board member of Evogene Ltd., a plant genomics company listed on the TASE and New York Stock Exchange. Mr. Recanati is also a board member of the following private companies: GlenRock Israel Ltd., GlenRock Medical, Gov, Govli Limited, Microbes Inc., RelTech Holdings Ltd., Legov Ltd., Insight Capital Ltd., and Shavit Capital Funds. Mr. Recanati currently serves as the Chairman and Chief Executive Officer of GlenRock. Previously, Mr. Recanati was Chief Executive Officer and/or Chairman of IDB Holding Corporation; Clal Industries Ltd.; Azorim Investment Development and Construction Co Ltd.; Delek Israel Fuel Corporation; and Super-Sol Ltd. Mr. Recanati

also founded Clal Biotechnologies Industries Ltd., a biotechnology investment company operating in Israel. Mr. Recanati holds an MBA degree from the Hebrew University of Jerusalem and Honorary Doctorates from the Technion – Israel Institute of Technology and Tel Aviv University.

Dr. Michael Berelowitz has served on our Board of Directors since August 2015. Dr. Berelowitz brings over 40 years of clinical development and academic research experience, including 15 years of pharmaceutical development experience with Pfizer, Inc. From 2011 through 2015, Dr. Berelowitz served as a member of the board of directors of the Endocrine Fellows Foundation and currently serves as the chair of the corporate governance and nominations committee and is a member of the audit committee of Recro Pharma, Inc. Dr. Berelowitz currently also serves as a member of the compensation committee of Oramed Pharmaceuticals Inc., where he has served on the board since May 2010. While at Pfizer, Dr. Berelowitz was Senior Vice President and Head of Clinical Development and Medical Affairs in the Specialty Care Business Unit. Dr. Berelowitz held various other roles at Pfizer, beginning as a Medical Director in the Diabetes Clinical Research team and then assuming positions of increasing responsibility. Prior to that, Dr. Berelowitz spent a number of years in academia and has held appointments at the University of Chicago, University of Cincinnati College of Medicine, SUNY at Stony Brook and, most recently, Mount Sinai School of Medicine. Dr. Berelowitz holds a MBChB degree from University of Cape Town- School of Medicine.

Jonathan Hahn has served on our Board of Directors since March 2010. Mr. Hahn currently serves as the President and a director of Tuteur, where he has been since 2013. Previous to that, Mr. Hahn was Strategic Planning Manager at Tuteur and held a business development position in Forest Laboratories, Inc., based in New York. Mr. Hahn holds a BA degree from San Andrés University and an MBA degree from New York University — Stern School of Business, with specializations in Finance and Entrepreneurship.

Saadia Ozeri has served on our Board of Directors since May 8, 2016. Mr. Ozeri has extensive experience across a broad range of industries and geographies in business strategy, management and financing. Since August 2013, Mr. Ozeri has served as the Chief Executive Officer of Kuf Dalet (104) Ltd., a private holding company engaged in investments in technology, real estate and infrastructure. Mr. Ozeri also serves as the Chairman of the Board of Rotshtein Nadlan Ltd., a real estate public company traded on the TASE. Mr. Ozeri served as our Chief Financial Officer from 2004 to 2007, leading our initial public offering and listing on the TASE. Mr. Ozeri holds a BA degree (majoring in Accountancy) from the College of Management – Academic Studies and is a certified public accountant in Israel.

David Tsur has served on our Board of Directors since our inception and has served as Active Deputy Chairman of our Board of Directors since July 2015. Mr. Tsur served as our Chief Executive Officer from our inception until July 2015. Prior to co-founding Kamada in 1990, Mr. Tsur served as Chief Executive Officer of Arad Systems and RAD Chemicals Inc. Mr. Tsur has also held various positions in the Israeli Ministry of Economy and Industry (formerly named the Ministry of Industry and Trade), including Chief Economist and Commercial Attaché in Argentina and Iran. Mr. Tsur holds a BA degree in Economics and International Relations and an MBA in Business Management, both from the Hebrew University of Jerusalem.

As permitted by the NASDAQ Listing Rules, we follow Israeli law and practice rather than the NASDAQ requirement for independent direct oversight over our director nominations process. In accordance with Israeli law and practice, directors are recommended by our Board of Directors for election by our shareholders. Under a voting agreement entered into on March 6, 2013, the Recanati Group, on the one hand, and the Damar Group, on the other hand, each agreed to vote the ordinary shares beneficially owned by them in favor of the election of director nominees designated by the other group as follows: (i) three director nominees, so long as the other group beneficially owns at least 7.5% of our outstanding share capital, (ii) two director nominees, so long as the other group beneficially owns at least 5.0% (but less than 7.5%) of our outstanding share capital, and (iii) one director nominee, so long as the other group beneficially owns at least 2.5% (but less than 5.0%) of our outstanding share capital. In addition, to the extent that after the designation of the foregoing director nominees there are additional director vacancies, each of the Recanati Group and Damar Group have agreed to vote the ordinary shares beneficially owned by them in favor of such additional director nominees designated by the party who beneficially owns the larger voting rights in our company.

We are not aware of any reason why the nominees, if elected, would be unable or unwilling to serve as directors. Should the nominees be unavailable for election, the proxies will be voted for substitute nominees designated by our Board of Directors.

Under the Israeli Companies Law, the affirmative vote of the holders of a majority of the ordinary shares represented at the Meeting, in person or by proxy, entitled to vote and voting on the matter, is required to elect as directors the nominees named above.

The Board of Directors recommends a vote FOR the election of each nominee for director named above.

PROPOSAL 2
ELECTION OF OUTSIDE DIRECTOR
(Item 2 on the Proxy Card)

The Israeli Companies Law requires companies incorporated under the laws of the State of Israel that are “public companies” to appoint at least two outside directors who meet the qualification requirements in the Israeli Companies Law. However, according to a recent amendment to the Israeli Companies Regulations (Relief for Companies whose Securities are Listed for Trading on a Stock Exchange Outside Israel), 2000 (the “Relief Regulations”), a company whose shares are traded on certain stock exchanges outside Israel (including the NASDAQ Global Select Market) that does not have a controlling shareholder may elect to exempt itself from the requirements of Israeli law with respect to the appointment of outside directors, subject to certain conditions, including compliance with the requirements of the laws of the foreign jurisdiction where the company’s shares are listed, as they apply to domestic issuers, with respect to the appointment of independent directors and the composition of the audit committee and compensation committee (see Proposal 7 for additional information). We currently have two outside directors, Dr. Abraham Havron and Dr. Estery Giloz-Ran. We believe it would be in our best interest to appoint a third person to serve as an outside director.

The Israeli Companies Law provides that a person may not serve as an outside director if the person is a relative (as such term is defined in the Israeli Companies Law) of a controlling shareholder or if, on the date of the person’s appointment or within the preceding two years, the person or his or her relatives (as such term is defined in the Israeli Companies Law), partners, employers or anyone to whom that person is subordinate (directly or indirectly), or entities under the person’s control have or had any affiliation with the company, any controlling shareholder of the company or relative of a controlling shareholder at the time of the appointment, or any entity that, as of the appointment date is, or at any time during the two years preceding that date was, controlled by the company or by the company’s controlling shareholder (each an “Affiliated Party”). If a company does not have a controlling shareholder or any shareholder holding 25% or more of the company’s voting rights, a person may not serve as an outside director if the person has any affiliation to the chairman of the board of directors, the chief executive officer, any shareholder holding 5% or more of the company’s shares or voting rights or the most senior financial officer as of the date of the person’s appointment. The term “affiliation” generally includes: an employment relationship; a business or professional relationship maintained on a regular basis (excluding insignificant relationships); control; and service as an office holder (excluding service as a director in a private company prior to the first offering of its shares to the public if such director was appointed as a director of the private company in order to serve as an outside director following the initial public offering). The Israeli Companies Law defines “office holder” as a general manager, chief business manager, deputy general manager, vice general manager, any other person assuming the responsibilities of any of the foregoing positions, without regard to such person’s title, a director and any other manager directly subordinate to the general manager.

A person may not serve as an outside director if that person or that person’s relative, partner, employer, a person to whom such person is subordinate (directly or indirectly) or any entity under the person’s control has a business or professional relationship with any entity or person that has an affiliation with any Affiliated Party, even if such relationship is intermittent (excluding insignificant relationships). Additionally, any person who has received, during his or her tenure as an outside director, direct or indirect compensation from the company for his or her role as a director, other than compensation permitted under the Israeli Companies Law and the regulations promulgated thereunder (including indemnification or

exculpation, the company's commitment to indemnify or exculpate such person and insurance coverage), may not continue to serve as an outside director.

In addition, no person may serve as an outside director if the person's positions or other affairs create, or may create, a conflict of interest with that person's responsibilities as a director, or may otherwise interfere with such person's ability to serve as a director, or if the person is an employee of the Israel Securities Authority or of an Israeli stock exchange. If at the time an outside director is appointed all current members of the board of directors, who are not controlling shareholders or relatives of controlling shareholders, are of the same gender, then the outside director to be appointed must be of the other gender. In addition, a person who is a director of a company may not be elected as an outside director of another company if, at that time, a director of the other company is acting as an outside director of the first company.

An outside director must meet certain professional qualifications or have financial and accounting expertise, as such terms are defined under regulations promulgated pursuant to the Israeli Companies Law. At least one outside director must have financial and accounting expertise. However, under the Relief Regulations, if at least one of our other directors (1) meets the independence requirements under applicable U.S. laws and the Nasdaq listing requirements for membership on the audit committee and (2) has financial and accounting expertise as defined in the Israeli Companies Law and applicable regulations, then our outside directors are not required to possess financial and accounting expertise as long as they possess the requisite professional qualifications. The board of directors determines whether a director possesses financial and accounting expertise or professional qualifications.

Each committee authorized to exercise any of the powers of the board of directors is required to include at least one outside director, and both the audit committee and compensation committee are required to include all of the outside directors, unless we elect to avail ourselves of the Israeli law requirements with respect to outside directors in accordance with the Relief Regulations, as described above and in Proposal 7 and subject to the approval of Proposal 7.

Outside directors are elected by the shareholders by a special majority. Under Israeli law, the initial term of an outside director of an Israeli public company is three years. The outside director may be reelected, subject to certain circumstances and conditions, to two additional terms of three years, and as a company whose shares are listed on the TASE and a foreign exchange, our outside directors may be elected to additional terms of three years each, subject to conditions set out in the Relief Regulations.

Dr. Abraham Havron was appointed as an outside director for an initial three-year term in March 2011 and was reappointed as an outside director for a second three-year term in January 2014. Dr. Estery Giloz-Ran was appointed as an outside director for an initial three-year term in January 2014. At the Meeting, shareholders will be asked to elect Mr. Avraham Berger as a third outside director for an initial three-year term, effective upon the date of the Meeting.

Our Board of Directors has determined that Mr. Avraham Berger qualifies as an outside director within the meaning of the Israeli Companies Law, after receiving from him a declaration confirming his qualifications under the Israeli Companies Law to be elected as an outside director. Our board of directors has further determined that Mr. Avraham Berger has the requisite "financial and accounting expertise," as such terms are defined in regulations promulgated pursuant to the Israeli Companies Law.

Set forth below is a brief biography of Mr. Avraham Berger, based on information furnished to us by him.

Mr. Berger currently serves as technology investor. Until 2014, Mr. Berger served as a senior partner and chief executive officer of PwC Israel, for more than 20 years. Mr. Berger joined PwC Israel in 1976 and led it from 1991. Mr. Berger has vast experience in mergers and acquisitions and complex public offerings, both in Israel and abroad. Mr. Berger lectures at professional forums and has published several articles in the professional press. Mr. Berger also serves as Chairman of the board of directors of TopAudio Ltd. and serves as director on the board of Weizmann Institute of Science. Mr. Berger holds a Bachelor's degree in Accounting and Economics awarded from Tel Aviv University and is a certified public accountant in Israel.

We are not aware of any reason why the nominee, if elected, would be unable or unwilling to serve as an outside director.

Under the Israeli Companies Law, the election of a nominee for outside director requires the affirmative vote of the holders of a majority of the ordinary shares represented at the Meeting, in person or by proxy, entitled to vote and voting on the matter, provided that either: (i) the shares voting in favor of the election of the outside director (excluding abstentions) include at least a majority of the shares voted by shareholders who are not controlling shareholders and shareholders who do not have a personal interest in the election of the outside director (excluding a personal interest that does not result from the shareholder's relationship with the controlling shareholder), or (ii) the total number of shares voted against the election of the outside director by shareholders who are not controlling shareholders and shareholders who do not have a personal interest in the matter (excluding a personal interest that does not result from the shareholder's relationship with the controlling shareholder), does not exceed two-percent of our outstanding voting rights.

The Israeli Companies Law requires that each shareholder voting on the election of the nominee for outside director indicate on the proxy card, or, if voting in person at the Meeting, inform us prior to voting on the matter at the Meeting, whether or not the shareholder has a personal interest in the proposal. Otherwise, the shareholder is not eligible to vote on the election of the outside director and his or her vote will not be counted for the purposes of the proposal. For details regarding the meaning of "personal interest," see "Vote Required for Approval of the Proposals" above.

If elected to serve as an outside director, Mr. Berger will receive cash compensation in the form of an annual fee and a per meeting attendance fee, as described in Proposal 5, and, subject to the approval of Proposal 5, the equity based-compensation described in Proposal 5. In addition, subject to the approval of Proposal 3, we will enter into an indemnification and exculpation agreement with Mr. Berger.

The affirmative vote of the holders of a majority of the ordinary shares represented at the Meeting, in person or by proxy, entitled to vote and voting on the matter, is required to approve the foregoing resolution.

The Board of Directors recommends a vote FOR the election of the nominee for outside director.

PROPOSAL 3
APPROVAL OF INDEMNIFICATION AND EXCULPATION AGREEMENTS WITH DR.
MICHAEL BERELWITZ, MR. AVRAHAM BERGER AND MR. SAADIA OZERI
(Item 3 on the Proxy Card)

Under the Israeli Companies Law, a company may indemnify a director for the following liabilities, payments and expenses incurred for acts performed by him or her, as an office holder (within the meaning of the Israeli Companies Law), either pursuant to an undertaking given by the company in advance of the act or following the act, provided its articles of association authorize such indemnification:

- a monetary liability imposed on him or her in favor of another person pursuant to a judgment, including a settlement or arbitrator's award approved by a court. However, if an undertaking to indemnify an office holder with respect to such liability is provided in advance, then such an undertaking must be limited to events which, in the opinion of the board of directors, can be foreseen based on the company's activities when the undertaking to indemnify is given, and to an amount, or according to criteria, determined by the board of directors as reasonable under the circumstances. Such undertaking shall detail the foreseen events and amount or criteria mentioned above;
- reasonable litigation expenses, including reasonable attorneys' fees, incurred by the office holder (1) as a result of an investigation or proceeding instituted against him or her by an authority authorized to conduct such investigation or proceeding, provided that (i) no indictment was filed against such office holder as a result of such investigation or proceeding; and (ii) no financial liability was imposed upon him or her as a substitute for the criminal proceeding as a result of such investigation or proceeding or, if such financial

liability was imposed, it was imposed with respect to an offense that does not require proof of criminal intent (*mens rea*); and (2) in connection with a monetary sanction; and

- reasonable litigation expenses, including attorneys' fees, incurred by the office holder or imposed by a court in proceedings instituted against him or her by the company, on its behalf, or by a third party, or in connection with criminal proceedings in which the office holder was acquitted, or as a result of a conviction for an offense that does not require proof of criminal intent (*mens rea*).

Under the Israeli Companies Law, a company may not exculpate an office holder from liability for a breach of the duty of loyalty, but may exculpate an office holder in advance from liability to the company, in whole or in part, for damages caused to the company as a result of a breach of duty of care, but provided that a provision authorizing such exculpation is included in the company's articles of association. Our articles of association include such a provision. However, pursuant to an amendment to our Articles of Association approved by our shareholders on June 30, 2015, we may not exculpate an office holder for an action or transaction in which a controlling shareholder or any other office holder (including an office holder who is not the office holder we have undertaken to exculpate) has a personal interest (within the meaning of the Companies Law). We also may not exculpate in advance a director from liability arising out of a prohibited dividend or distribution to shareholders.

Under the Israeli Companies Law, a company may not indemnify or exculpate an office holder against any of the following:

- a breach of the duty of loyalty, except for indemnification for a breach of the duty of loyalty to the company to the extent that the office holder acted in good faith and had a reasonable basis to believe that the act would not harm the company;
- a breach of the duty of care committed intentionally or recklessly, excluding a breach arising out of the negligent conduct of the office holder;
- an act or omission committed with intent to derive illegal personal benefit; or
- a fine or penalty levied against the office holder.

Our articles of association permit us to indemnify and exculpate our office holders to the fullest extent permitted under the Israeli Companies Law (other than indemnification for litigation expenses in connection with a monetary sanction); provided that we may not exculpate an office holder for an action or transaction in which a controlling shareholder or any other office holder (including an office holder who is not the office holder we have undertaken to exculpate) has a personal interest (within the meaning of the Israeli Companies Law).

We have entered into indemnification and exculpation agreements with each of our current office holders (including Dr. Michael Berelowitz and Mr. Saadia Ozeri) exculpating them from a breach of their duty of care to us to the fullest extent permitted by the Israeli Companies Law (provided that we may not exculpate an office holder for an action or transaction in which a controlling shareholder or any other office holder (including an office holder who is not the office holder we have undertaken to exculpate) has a personal interest (within the meaning of the Israeli Companies Law)) and undertaking to indemnify them to the fullest extent permitted by the Israeli Companies Law (other than indemnification for litigation expenses in connection with a monetary sanction), to the extent that these liabilities are not covered by insurance. This indemnification is limited to events determined as foreseeable by our board of directors based on our activities, as set forth in the indemnification agreements. Under such agreements, the maximum aggregate amount of indemnification that we may pay to all of our office holders together is (i) for office holders who joined our company before May 31, 2013, the greater of 30% of the shareholders equity according to our most recent financial statements (audited or reviewed) at the time of payment and NIS 20 million, and (ii) for office holders who joined our company after May 31, 2013, 25% of the shareholders equity according to our most recent financial statements (audited or reviewed) at the time of payment.

On July 12, 2016, we entered into an indemnification and exculpation agreement with Dr. Michael Berelowitz and Mr. Saadia Ozeri, respectively, pursuant to the approval of our Compensation Committee and Board of Directors on July 10, 2016 and July 12, 2016, respectively, subject to shareholder approval at

the Meeting, in accordance with the Israeli Companies Regulations (Relief from Related Party Transactions), 2000 (the “Related Party Relief Regulations”). In addition, on February 25, 2016, our Compensation Committee and Board of Directors, respectively, approved, subject to shareholder approval, our entering into an indemnification and exculpation agreement with Mr. Avraham Berger, subject to his election as an outside director at the Meeting. The form of the indemnification and exculpation agreement entered into with each of Dr. Berelowitz and Mr. Saadia and proposed to be entered into with Mr. Berger is the form of indemnification and exculpation agreement approved by our shareholders at our 2015 annual general meeting (the “Indemnification and Exculpation Agreement”), which form is consistent with our current Compensation Policy and as proposed to be amended at the Meeting (see Proposal 8 below).

Accordingly, we propose that, at the Meeting, our shareholders ratify and approve our entering into an indemnification and exculpation agreement with each of Dr. Michael Berelowitz and Mr. Saadia Ozeri, in the form of the Indemnification and Exculpation Agreement. In addition, we propose that, subject to the election of Mr. Berger as an outside director at the Meeting, our shareholders approve our entering into an indemnification and exculpation agreement with him, in the form of the Indemnification and Exculpation Agreement.

Under the Israeli Companies Law, the payment of compensation to a director, including an undertaking to indemnify and exculpate a director, in a manner that is consistent with a company’s compensation policy, must be approved by the compensation committee, board of directors and shareholders of that company, in that order

It is therefore proposed that at the Meeting, the following resolution be adopted:

“RESOLVED, to ratify and approve the Company’s entering into an indemnification and exculpation agreement with each of Dr. Michael Berelowitz and Mr. Saadia Ozeri, and subject to and effective as of the election of Mr. Avraham Berger as an outside director, to authorize the Company to enter into an indemnification and exculpation agreement with him, in each case in the form described in the Proxy Statement for the 2016 Annual General Meeting of Shareholders.”

The affirmative vote of the holders of a majority of the ordinary shares represented at the Meeting, in person or by proxy, entitled to vote and voting on the matter, is required to approve the foregoing resolution.

The Board of Directors recommends a vote FOR the foregoing resolution.

PROPOSAL 4
APPROVAL OF THE GRANT OF OPTIONS TO DIRECTORS
(OTHER THAN THE OUTSIDE DIRECTORS)
(Item 4 on the Proxy Card)

As an incentive for the continued activities and efforts of the members of our Board of Directors, our Compensation Committee and Board of Directors have approved, subject to shareholder approval, the grant of options to each of our current directors (other than the outside directors), as follows: (i) the grant of options to purchase 5,000 ordinary shares to each of the current directors that are not outside directors, other than Leon Recanati, the Chairman of our Board of Directors, and David Tsur, the Active Deputy Chairman of our Board of Directors; and (ii) the grant of options to purchase 10,000 ordinary shares to each of Leon Recanati and David Tsur. The options shall be exercisable on a cashless basis based on an exercise price of NIS 15.20 (approximately \$3.95) per share (which, in accordance with our Compensation Policy, is equal to the higher of (i) the average closing price of our ordinary shares on the TASE during the 30 trading days prior to the date of the approval of the option grant by our Board of Directors plus 5% and (ii) the closing price of our ordinary shares on the TASE on the date of the approval of the option grant by our Board of Directors). The options will vest over a period of four years in 13 installments: 25% of the options will vest on the first anniversary of the grant date and 6.25% of the remaining options will vest at the end of each quarter thereafter. The options will be exercisable for 6.5 years following the date of grant and all unexercised options will expire immediately thereafter. The options will be granted under our 2011

Israeli Share Option Plan. The award of the options and their terms are in accordance with our current Compensation Policy and as proposed to be amended at the Meeting (see Proposal 8 below).

Under the Israeli Companies Law, the payment of compensation, including the grant of options, to a director, which is consistent with a company's compensation policy must be approved by the compensation committee, board of directors and shareholders, in that order. On July 12, 2016, our Compensation Committee and Board of Directors approved, subject to shareholder approval, the grant of the options described above to our directors (other than the outside directors).

It is therefore proposed that at the Meeting the following resolution be adopted:

“RESOLVED, to grant to each of the Company's directors (other than the outside directors, Mr. Leon Recanati and Mr. David Tsur), options to purchase 5,000 ordinary shares of the Company and to grant to each of Mr. Leon Recanati and Mr. David Tsur options to purchase 10,000 ordinary shares of the Company. The options shall be granted under the Company's 2011 Israeli Share Option Plan and the terms of such option grants, including the exercise price and vesting terms, shall be as described in the Proxy Statement for the 2016 Annual General Meeting of Shareholders.”

The affirmative vote of the holders of a majority of the ordinary shares represented at the Meeting, in person or by proxy, entitled to vote and voting on the matter, is required to approve the foregoing resolution.

The Board of Directors recommends a vote FOR the foregoing resolution.

PROPOSAL 5
APPROVAL OF THE GRANT OF OPTIONS TO OUTSIDE DIRECTORS
(Item 5 on the Proxy Card)

The remuneration of outside directors of an Israeli company is regulated by the Israeli Companies Law, the Companies Regulations (Rules Regarding Compensation and Expenses to Outside Directors), 2000, as amended (the “Compensation Regulations”) and the Relief Regulations. Under the Israeli Companies Law and the Compensation Regulations, a company is generally required to pay its outside directors a cash compensation in the form of an annual fee and a per meeting attendance fee (including for attendance at board committee meetings) that is within a range of fees determined based on the company's equity in the manner set forth in the Compensation Regulations. If a company elects to pay an outside director an annual fee and a per meeting attendance fee within the range of the average and maximum annual fee and per meeting attendance set forth in the Compensation Regulations, such compensation does not require shareholder approval.

Provided that the requirements for payment of the annual and per meeting attendance fees are met, a company may elect to further compensate its outside directors in the form of a grant of securities. Such grant of securities must be made under a compensation plan that includes all of the company's office holders and must be in proportion to the securities granted to the company's “other directors,” within the meaning of the Compensation Regulations, provided that the company has at least two “other directors.” The term “other director” generally refers to a director who is not: an outside director; a controlling shareholder; an employee or service provider of the company, an entity that is a controlling shareholder of the company or an entity controlled by a controlling shareholder of the company; or a director who is not compensated by the company (compensation in the form of securities does not constitute compensation for these purposes). The securities awarded to the outside directors may not be less than the securities awarded to any “other director” nor may the award exceed the average securities awarded to all of the “other directors,” and shall be paid at the same time that compensation is awarded to the “other directors.” A company is also required to reimburse an outside director for certain expenses set forth in the Compensation Regulations.

A nominee for outside director must be informed of the compensation to be paid by the company (and in the case of a grant of securities, also the terms of grant) prior to the nominee's consent to serve in such capacity, and such compensation generally may not be modified during any three-year term of service.

Also, the compensation paid to each of a company's outside directors must be the same, regardless of the form of compensation, except that expert outside directors may receive higher compensation than non-experts (provided that the compensation paid to each expert director must be the same). However, at the time a new outside director is appointed, a company may decide that at the end of the term of a serving outside director, the new outside director will receive compensation that is less than the serving outside director. In addition, at the time a new outside director is appointed, a company may modify the compensation of a serving outside director provided such change is beneficial to such outside director.

We currently pay each of our outside directors an annual fee and per meeting attendance fee equal to the maximum statutory amount payable by companies of our size as set forth from time to time in the Compensation Regulations. According to the Compensation Regulations, an outside director is entitled to 60% of the per meeting fee if he or she participated in the meeting by means of communication and not in person, and to 50% of the per meeting fee if resolutions were approved in writing, without convening a meeting. If Mr. Berger is elected to serve as an outside director for an initial three-year term (see Proposal 2), pursuant to the approval of our Compensation Committee and Board of Directors, we will pay to Mr. Berger, commencing as of his election as an outside director and for the duration of his service in such capacity, the maximum annual and per meeting attendance fees payable to expert directors under the Compensation Regulations. As described above, such compensation does not require shareholder approval under the Compensation Regulations.

In addition, subject to and effective as of the election of Mr. Berger as an outside director for an initial three-year term (see Proposal 2) and subject to the approval of Proposal 4, our Compensation Committee and Board of Directors have approved, subject to shareholder approval, to pay to Mr. Berger equity-based compensation in the form of a grant of options to purchase 5,000 ordinary shares. In accordance with the terms of grant, the options shall be exercisable on a cashless basis based on an exercise price of NIS 15.20 (approximately \$3.95) per share (which, in accordance with our current Compensation Policy and as proposed to be amended at the Meeting (see Proposal 8 below), is equal to the higher of (i) the average closing price of our ordinary shares on the TASE during the 30 trading days prior to the date of the approval of the option grant by our Board of Directors plus 5% and (ii) the closing price of our ordinary shares on the TASE on the date of the approval of the option grant by our Board of Directors). The options will vest over a period of four years in 13 installments: 25% of the options will vest on the first anniversary of the grant date and 6.25% of the remaining options will vest at the end of each quarter thereafter. The options will be exercisable for 6.5 years following the date of grant and all unexercised options will expire immediately thereafter. The options will be granted under the Company's 2011 Israeli Share Option Plan. The award of the options and their terms are in accordance with our current Compensation Policy and as proposed to be amended at the Meeting (see Proposal 8 below).

As described above, according to the Compensation Regulations, the terms of compensation of an outside director may not be modified during the three year term other than to conform to the terms of a newly appointed outside director, provided that such modification is beneficial to the serving outside director(s). Furthermore, all of the outside directors must receive the same remuneration. Subject to the election of Mr. Berger as an outside director, our Compensation Committee and Board of Directors propose to grant to each of our currently serving outside directors, Dr. Abraham Havron and Dr. Estery Giloz-Ran, the same equity-based compensation in the form of options to purchase 5,000 ordinary shares being offered to the new nominee for outside director, under the same terms as the options to be granted to Mr. Berger, as described above. We believe that the modification of the compensation terms of our currently serving outside directors will be beneficial to each of them.

Under the Israeli Companies Law, the payment of compensation, including the grant of options, to an outside director that is consistent with a company's compensation policy must be approved by the compensation committee, board of directors and shareholders of that company, in that order. On July 12, 2017, our Compensation Committee and Board of Directors approved, subject to shareholder approval, the grant of the options described above to our outside directors.

It is therefore proposed that at the Meeting the following resolution be adopted:

“RESOLVED, subject to and effective as of the election of Mr. Berger as an outside director for an initial three-year term and subject to the approval of Proposal 4, to grant to each of the Company’s outside directors (including Mr. Berger) options to purchase 5,000 ordinary shares of the Company, under the Company’s 2011 Israeli Share Option Plan. The terms of such option grants, including the exercise price and vesting terms, shall be as described in the Proxy Statement for the 2016 Annual General Meeting of Shareholders.”

The affirmative vote of the holders of a majority of the ordinary shares represented at the Meeting, in person or by proxy, entitled to vote and voting on the matter, is required to approve the foregoing resolution.

The Board of Directors recommends a vote FOR the foregoing resolution.

PROPOSAL 6
APPROVAL OF AMENDED COMPENSATION TERMS FOR OUR CHIEF EXECUTIVE OFFICER
(Item 6 on the Proxy Card)

Mr. Amir London has served as our Chief Executive Officer since July 2015. Prior to that, from December 2013, Mr. London served as our Senior Vice President, Business Development. Mr. London has over 20 years of senior management and international business development experience. From 2011 to 2013, Mr. London served as the Chief Operating Officer of Fidelis Diagnostics, a U.S.-based provider of innovative in-office medical diagnostic services. Earlier in his career, from 2009 to 2011, Mr. London was the Chief Executive Officer of Promedico, a leading Israeli-based healthcare distribution company, and the General Manager of Cure Medical, from 2006 to 2009, providing contract manufacturing services for clinical studies, as well as home-care solutions. From 1995 to 2006, Mr. London was a partner with Tefen, an international, publicly-traded operations management consulting firm, where he was responsible for the firm’s global biopharma practice. Mr. London holds a B.Sc. degree in Industrial and Management Engineering from the Technion – Israel Institute of Technology.

At our 2015 annual general meeting, our shareholders approved the terms of engagement of Mr. Amir London as our Chief Executive Officer, effective as of July 1, 2015, which include a gross monthly salary of NIS 65,000 (approximately \$16,875). Our Compensation Committee and Board of Directors conduct a periodic review of our executive officers’ base salaries during the course of the first quarter each year. Based on such review, Compensation Committee and Board of Directors concluded that Mr. London’s gross monthly salary should be increased to reflect his performance and significant contribution to our company. Accordingly, our Compensation Committee and Board of Directors approved, subject to shareholder approval, a 10% increase to Mr. London’s gross monthly salary, such that he will be entitled to a gross monthly salary of NIS 71,500 (approximately \$18,430), effective as of July 1, 2016.

In addition, our company’s policy is to grant options to our employees and executive officers on an annual basis. According to such policy, our Compensation Committee and Board of Directors have approved, subject to shareholder approval, a grant to Mr. London of options to purchase 18,000 ordinary shares and, subject further to the approval of the amendment of our Compensation Policy at the Meeting (see Proposal 8), 6,000 restricted ordinary shares. The options shall be exercisable on a cashless basis at an exercise price equal to NIS 15.20 (approximately \$3.95) per share (which, in accordance with our current Compensation Policy and as proposed to be amended at the Meeting (see Proposal 8 below), is equal to the higher of (i) the average closing price of our ordinary shares on the TASE during the 30 trading days prior to the date of the approval of the option grant by our Board of Directors plus 5% and (ii) the closing price of our ordinary shares on the TASE on the date of the approval of the option grant by our Board of Directors). The options and the restricted shares will vest over a period of four years in 13 installments: 25% of the options and restricted shares will vest on the first anniversary of the grant date and 6.25% of the remaining options and restricted shares will vest at the end of each quarter thereafter. The options and restricted shares will be exercisable for 6.5 years following the date of grant and all unexercised options and restricted shares will expire immediately thereafter. The options and restricted shares will be granted under our 2011 Israeli Share Option Plan.

Other than as described above, Mr. London's terms of engagement as Chief Executive Officer shall remain as currently in effect.

The proposed increased gross monthly salary and the award of the options and their terms are in accordance with our current Compensation Policy and as proposed to be amended at the Meeting, and the award of restricted shares and their terms are consistent with the terms of our proposed amended Compensation Policy (see Proposal 8 below).

Under the Israeli Companies Law, the payment of compensation, including the grant of options and restricted shares, to a chief executive officer that is consistent with a company's compensation policy must be approved by the compensation committee, board of directors and shareholders by a special majority, in that order.

It is therefore proposed that at the Meeting the following resolution be adopted:

“RESOLVED, to approve the increase in the gross monthly salary of Mr. Amir London, the Company's chief executive officer, as described in the Proxy Statement for the 2016 Annual General Meeting of Shareholders, and the grant to Mr. London of options to purchase 18,000 ordinary shares of the Company and 6,000 restricted ordinary shares, under the Company's 2011 Israeli Share Option Plan. The terms of such option grant, including the exercise price and vesting terms, shall be as described in the Proxy Statement for the 2016 Annual General Meeting of Shareholders.”

Under the Israeli Companies Law, the affirmative vote of the holders of a majority of the ordinary shares represented at the Meeting, in person or by proxy, entitled to vote and voting on the matter, is required to approve the foregoing resolution, provided that either: (i) the shares voting in favor of the proposal (excluding abstentions) include at least a majority of the shares voted by shareholders who are not controlling shareholders and shareholders who do not have a personal interest in the proposal, or (ii) the total number of shares voted against the proposal by shareholders who are not controlling shareholders and shareholders who do not have a personal interest in the matter does not exceed two-percent of our outstanding voting rights.

The Israeli Companies Law requires that each shareholder voting on this proposal indicate on the proxy card, or, if voting in person at the Meeting, inform us prior to voting on the matter at the Meeting, whether or not the shareholder has a personal interest in the proposal. Otherwise, the shareholder is not eligible to vote on this proposal and his or her vote will not be counted for the purposes of this proposal. For details regarding the meaning of “personal interest,” see “Vote Required for Approval of the Proposals” above.

The Board of Directors recommends a vote FOR the foregoing resolution.

PROPOSAL 7
AMENDMENT AND ADOPTION OF ARTICLES OF ASSOCIATION
(Item 7 on the Proxy Card)

The Israeli Companies Law requires companies incorporated under the laws of the State of Israel that are “public companies” to appoint at least two outside directors who meet the qualification requirements in the Israeli Companies Law. See Proposal 2 for information regarding the qualifications, appointment and service of outside directors.

However, according to a recent amendment to the Relief Regulations, a company whose shares are traded on certain stock exchanges outside Israel (including the NASDAQ Global Select Market, such as our company) that does not have a controlling shareholder and that complies with the requirements of the laws of the foreign jurisdiction where the company's shares are listed, as they apply to domestic issuers, with respect to the appointment of independent directors and the composition of the audit committee and compensation committee, may elect to exempt itself from the requirements of Israeli law with respect to (i) the requirement to appoint outside directors and that one outside director serve on each committee of the board of directors; (ii) certain limitations on the employment or service of an outside director or his or her spouse, children or other relatives, following the cessation of his or her service as an outside director, by or

for the company, its controlling shareholder or an entity controlled by the controlling shareholder; (iii) the composition, meetings and quorum of the audit committee; and (iv) the composition and meetings of the compensation committee.

To enable us to avail ourselves of the relief granted under the Relief Regulations with respect to the appointment of outside directors and the composition of the audit committee and compensation committee, should we elect to do so, we propose to amend Articles 16.4, 22 and 26 of our Articles of Association. The proposed amendments to such Articles 16.4, 22 and 26 are set forth on Appendix A1 (language on Appendix A1 in bold and underlined is proposed to be added to the respective provisions and language on Appendix A1 in bold strikethrough is proposed to be deleted from the respective provisions). Appendix A1 includes an English translation of the proposed amended Articles 16.4, 22 and 26 of our Articles of Association as currently in effect.

Our current Articles of Association are in Hebrew, which are currently the governing and binding version of our Articles of Association, and any English translations of the Hebrew version are for convenience purposes only. As a company whose shares are listed on NASDAQ, with many international investors, we believe it would be appropriate for our governing Articles of Association to be in English. Accordingly, we are proposing that at the Meeting, our shareholders approve and adopt an English language version of our Articles of Association (as proposed to be amended by this Proposal 7), in the form attached as Appendix A2, as our governing Articles of Association. Other than the proposed amendments to our current Articles of Association set forth on Appendix A1, the proposed Articles of Association attached as Appendix A2 is a complete English translation of our current Hebrew language Articles of Association and no other changes have been made to the proposed English language Articles of Association.

Under the Israeli Companies Law, the proposed amendments to our Articles of Association and the adoption of English language Articles of Association (as proposed to be amended at the Meeting) as our governing Articles of Association require the approval of our shareholders.

It is therefore proposed that at the Meeting the following resolution be adopted:

“RESOLVED, that the proposed amendments to Articles 16.4, 22 and 26 of the Articles of Association of the Company, as set forth on Appendix A1 to the Proxy Statement for the 2016 Annual General Meeting of Shareholders be, and hereby are, approved and adopted, and that the English language version of the amended Articles of Association of the Company in the form attached as Appendix A2 to the Proxy Statement for the 2016 Annual General Meeting of Shareholders be, and hereby is, approved and adopted as the governing Articles of Association of the Company.”

The affirmative vote of the holders of a majority of the ordinary shares represented at the Meeting, in person or by proxy, entitled to vote and voting on the matter, is required to approve the foregoing resolution.

The Board of Directors recommends a vote FOR the foregoing resolution.

PROPOSAL 8
APPROVAL OF AMENDED AND RESTATED COMPENSATION POLICY
(Item 8 on the Proxy Card)

Under the Israeli Companies Law, a public company is required to adopt a compensation policy, which sets forth the terms of service and employment of office holders, including the grant of any benefit, payment or undertaking to provide payment, any exemption from liability, insurance or indemnification, and any severance payment or benefit. Such compensation policy must comply with the requirements of the Israeli Companies Law. The compensation policy must be approved at least once every three years, by the board of directors, after considering the recommendations of the compensation committee, and by the shareholders by a special majority (as described below). In addition, the board of directors is required to periodically examine the compensation policy, as well as the need to adjust the policy in the event of a material change in the circumstances prevailing at the time of the adoption of the compensation policy or for other reasons.

The compensation policy must be determined and later reevaluated according to certain factors, including: (i) the advancement of a company's objectives, business plan and its long-term strategy; (ii) the creation of appropriate incentives for executives, while considering (among other things) the company's risk management policy; (iii) the size and the nature of the company's operations; and (iv) with respect to variable compensation, the contribution of the office holder towards the achievement of the company's long-term goals and the maximization of its profits, all with a long-term objective and in accordance with the position of the office holder. The compensation policy must include certain principles and provisions set forth in the Israeli Companies Law.

Our current Compensation Policy, which was approved by our shareholders on January 28, 2014 and amended by our shareholders on June 30, 2015, applies to our chief executive officer, members of our executive management, each person fulfilling such positions even if his or her title is different, and directors. The Compensation Policy was drafted and approved in accordance with the requirements of the Israeli Companies Law and determines (among other things) the amount of the compensation of our office holders, its components, the maximum values for the various components of compensation and the method for determining compensation.

Our Compensation Committee and Board of Directors conducted a periodic review of our Compensation Policy, as part of which they reviewed data and information they deemed relevant, including data of compensation paid to office holders in peer companies in our industry. Based on such review, our Compensation Committee and Board of Directors concluded that it would be in the best interest of the Company to amend and restate our current Compensation Policy with the amended and restated Compensation Policy attached as Appendix B (the "Amended Compensation Policy"). The text underlined in the proposed Amended Compensation Policy is proposed to be added to the current Compensation Policy and the text strikethrough in the proposed Amended Compensation Policy is proposed to be deleted from the current Compensation Policy. Our existing Compensation Policy is in Hebrew and any English translations thereof are for convenience purposes only; however, if the proposed Amended Compensation Policy, which is in English, is approved and adopted at the Meeting, it shall constitute the governing and binding version of our Compensation Policy.

The primary proposed amendments to the current Compensation Policy set forth in the Amended Compensation Policy are as follows:

- Amendment of the ratio between fixed compensation and variable compensation (annual bonus and equity-based compensation) to a ratio of up to 1:2 for the chief executive officer and deputy chief executive officer and up to 1:1 for vice presidents.
- Increase of the maximum annual bonus for the chief executive officer to ten times his or her base monthly salary, for the deputy chief executive officer to nine times his or her base monthly salary and for vice presidents to eight times his or her base monthly salary.
- Increase of the maximum equity-based compensation to a maximum of 15 monthly salaries for all executive officers.
- Amendment of the type of equity-based compensation that may be awarded to office holders to include restricted shares.
- Inclusion of a provision pursuant to which we may grant our office holders a one-time bonus of up to NIS 500,000 (in addition to the annual bonus) upon the occurrence of special circumstances or events.
- Inclusion of the terms of a directors' and officers' liability insurance policy. Under the Related Party Relief Regulations, the procurement of directors' and officers' liability insurance shall not require shareholder approval and may be approved only by the compensation committee, if the terms of the policy are set forth in the compensation policy and the compensation policy was adopted by the shareholders by a special majority, as set forth in the Israeli Companies Law, provided that the insurance is on market terms and is not likely to materially impact the profitability of the company or its assets or obligations.

Under the Israeli Companies Law, the amendment of our Compensation Policy must be approved by the compensation committee, board of directors and shareholders by a special majority, in that order. On May 30, 2016, our Compensation Committee and Board of Directors approved, subject to shareholder

approval, the Amended Compensation Policy, while taking into account the considerations, principles and provisions set forth in the Israeli Companies Law.

If the Amended Compensation Policy is approved and adopted by our shareholders at the Meeting, it may remain in effect for up to three years, and shall be subject to periodic assessments by our board of directors in accordance with the Israeli Companies Law.

It is therefore proposed that at the Meeting the following resolution be adopted:

“RESOLVED, that the amended and restated Compensation Policy of the Company, as set forth on Appendix B to the Proxy Statement for the 2016 Annual General Meeting of Shareholders be, and hereby is, approved and adopted.”

Under the Israeli Companies Law, the affirmative vote of the holders of a majority of the ordinary shares represented at the Meeting, in person or by proxy, entitled to vote and voting on the matter, is required to approve the foregoing resolution, provided that either: (i) the shares voting in favor of the matter (excluding abstentions) include at least a majority of the shares voted by shareholders who are not controlling shareholders and shareholders who do not have a personal interest in the matter, or (ii) the total number of shares voted against the matter by shareholders who are not controlling shareholders and shareholders who do not have a personal interest in the matter does not exceed two-percent of our outstanding voting rights.

The Israeli Companies Law requires that each shareholder voting on this proposal indicate on the proxy card, or, if voting in person at the Meeting, inform us prior to voting on the matter at the Meeting, whether or not the shareholder has a personal interest in the proposal. Otherwise, the shareholder is not eligible to vote on this proposal and his or her vote will not be counted for the purposes of this proposal. For details regarding the meaning of “personal interest,” see “Vote Required for Approval of the Proposals above.

The Board of Directors recommends a vote FOR the foregoing resolution.

PROPOSAL 9
RATIFICATION AND APPROVAL OF APPOINTMENT OF INDEPENDENT REGISTERED
PUBLIC ACCOUNTANTS
(Item 9 on the Proxy Card)

At the Meeting, shareholders will be asked to ratify and approve the re-appointment of Kost Forer Gabbay & Kasierer, registered public accounting firm, a member of Ernst & Young Global, as our independent registered public accountants for the fiscal year ending December 31, 2016 and for such additional period until our next annual general meeting, pursuant to the recommendation of our Audit Committee and Board of Directors. Kost Forer Gabbay & Kasierer has no relationship with us or any of our subsidiaries except as independent registered public accountants and, from time to time and to a limited extent, as tax consultants and providers of some audit-related services.

In accordance with our Articles of Association and as permitted by the Israeli Companies Law, our Board of Directors is authorized to determine the compensation of our independent registered public accountants. Our Board of Directors will determine such compensation following the pre-approval and recommendation of our Audit Committee. For details regarding the fees billed to us by Kost Forer Gabbay & Kasierer for professional services rendered in 2015, see “Item 16C. Principal Accountant Fees and Services” of our annual report on Form 20-F for the year ended December 31, 2015.

It is therefore proposed that at the Meeting the following resolution be adopted:

“RESOLVED, that the appointment Kost Forer Gabbay & Kasierer, a member of Ernst & Young Global, as the independent registered public accountants of the Company for the year ending December 31, 2016 and for such additional period until the next annual general meeting, be and hereby is ratified and approved.”

Under the Israeli Companies Law, the affirmative vote of the holders of a majority of the ordinary shares represented at the Meeting, in person or by proxy, entitled to vote and voting on the matter, is required to approve the foregoing resolution.

The Board of Directors recommends a vote FOR the foregoing resolution.

REVIEW AND DISCUSSION OF CONSOLIDATED FINANCIAL STATEMENTS

Our Board of Directors has approved, and our representative will present to the shareholders for review and discussion at the Meeting, our audited consolidated financial statements for the year ended December 31, 2015. This Item will not involve a shareholder a vote.

Our audited consolidated financial statements for the year ended December 31, 2015, which form part of our annual report on Form 20-F for the year ended December 31, 2015 filed with the SEC on February 25, 2016, are available on our website at www.kamada.com or through the EDGAR website of the SEC at www.sec.gov or through the Magna website of the Israel Securities Authority at www.magna.isa.gov.il. Shareholders may receive a hard copy of the annual report on Form 20-F containing the consolidated financial statements free of charge upon request. None of the audited consolidated financial statements, the Form 20-F nor the contents of our website form part of the proxy solicitation material.

OTHER MATTERS

Our Board of Directors does not intend to bring any matters before the Meeting other than those specifically set forth in the Notice of 2016 Annual General Meeting of Shareholders and knows of no matters to be brought before the Meeting by others. If any other matters properly come before the Meeting, it is the intention of the persons named in the accompanying proxy to vote such proxy in accordance with the judgment and recommendation of the Board of Directors.

By Order of the Board of Directors,

Leon Recanati
Chairman of the Board of Directors

Date: July 21, 2016

Appendix A1

Amendments to Articles of Association

Below is an English translation for convenience only; the Hebrew version thereof is the governing version.

“16. **General Meetings**

Resolutions of the Company in the following matters shall be adopted by the general meeting:

.....

16.4 Appointment of directors, including outside directors **(to the extent outside directors are required to be elected under applicable law or should the Company elect to have outside directors serve on the Board of Directors of the Company)**, and their dismissals;”

“22. **Outside Directors**

To the extent outside directors are required to be elected under applicable law or should the Company elect to have outside directors serve on the Board of Directors of the Company, at least two outside directors shall ~~function in~~ **serve on the Board of Directors of the Company in accordance with the requirements of the Companies Law and the regulations thereunder, and the provisions specified in the Companies Law shall be in effect for this matter.**

“26. **Audit Committee**

26.1 The Board of Directors of the Company shall appoint an audit committee from among its members. The number of members in the audit committee shall not be less than three, ~~and~~ **If outside directors are required to be elected under applicable law or should the Company elect to have outside directors serve on the Board of Directors of the Company,** all the outside directors shall be members ~~thereof~~ **of the audit committee.** The chairman of the Board of Directors, or any director who is employed by the Company or provides the Company with services on a regular basis and/or a controlling shareholder or a relative thereof, shall not be appointed as a member of the **audit** committee.”

Appendix A2

Amended Articles of Association

[to be inserted]

Appendix B

Amended and Restated Compensation Policy

[to be inserted]