

## Kamada Reports Financial Results for First Quarter of 2018

### CONSOLIDATED BALANCE SHEETS

	<u>As of March 31,</u>		<u>As of</u>
	<u>2018</u>	<u>2017</u>	<u>December 31,</u>
	<u>Unaudited</u>		<u>2017</u>
	<u>In thousands</u>		<u>Audited</u>
<u>Current Assets</u>			
Cash and cash equivalents	\$ 17,497	\$ 10,778	\$ 12,681
Short-term investments	30,451	17,865	30,338
Trade receivables, net	17,083	10,849	30,662
Other accounts receivables	2,027	2,930	2,132
Inventories	28,175	27,677	21,070
	<u>95,233</u>	<u>70,099</u>	<u>96,883</u>
Property, plant and equipment, net	25,125	22,655	25,178
Other long term assets	173	372	49
	<u>25,298</u>	<u>23,027</u>	<u>25,227</u>
	<u>\$ 120,531</u>	<u>\$ 93,126</u>	<u>\$ 122,110</u>
<u>Current Liabilities</u>			
Current maturities of loans and capital leases	609	437	614
Trade payables	16,951	14,648	18,036
Other accounts payables	4,912	4,843	5,820
Deferred revenues	4,977	4,911	4,927
	<u>27,449</u>	<u>24,839</u>	<u>29,397</u>
<u>Non-Current Liabilities</u>			
Loans and capital leases	1,201	1,330	1,370
Deferred revenues	645	2,922	707
Employee benefit liabilities, net	1,130	820	1,144
	<u>2,976</u>	<u>5,072</u>	<u>3,221</u>
<u>Shareholder's Equity</u>			
Ordinary shares	10,401	9,321	10,400
Additional paid in capital	178,458	162,686	177,874
Capital reserve due to translation to presentation currency	(3,490)	(3,490)	(3,490)
Capital reserve from hedges	(12)	158	46
Capital reserve from securities measured at fair value through other comprehensive income	(33)	37	(4)
Capital reserve from share-based payments	9,183	10,025	9,566
Capital reserve from employee benefits	(337)	(81)	(337)
Accumulated deficit	<u>(104,064)</u>	<u>(115,441)</u>	<u>(104,563)</u>

90,106	63,215	89,492
<u>\$ 120,531</u>	<u>\$ 93,126</u>	<u>\$ 122,110</u>

**Consolidated Statements of Profit or Loss and Other Comprehensive Income**  
**(Loss)**

	<b>Three months period ended</b>		<b>Year ended</b>
	<b>March 31,</b>	<b>March 31,</b>	<b>December</b>
	<b>2018</b>	<b>2017</b>	<b>31,</b>
	<b>Unaudited</b>	<b>Audited</b>	<b>2017</b>
	<b>In thousands</b>		
		\$	
Revenues from proprietary products	\$ 12,214	6,636	\$ 79,559
Revenues from distribution	5,227	5,012	23,266
Total revenues	17,441	11,648	102,825
Cost of revenues from proprietary products	6,179	5,165	51,335
Cost of revenues from distribution	4,246	4,185	19,402
Total cost of revenues	10,425	9,350	70,737
gross profit	7,016	2,298	32,088
Research and development expenses	2,754	3,151	11,973
Selling and marketing expenses	970	1,028	4,398
General and administrative expenses	2,064	1,830	8,273
Operating income ( loss)	1,228	(3,711)	7,444
Financial income	229	78	500
Financial expenses	(157)	(23)	(162)
Income (expense) in respect of currency exchange differences and derivatives instruments, net	(44)	(234)	(612)
Income ( loss) before taxes	1,256	(3,890)	7,170
Taxes on income	-	87	269
Net Income ( loss)	1,256	(3,977)	6,901
Other Comprehensive Income (loss) :			
Items that may be reclassified to profit or loss in subsequent periods:			
Gain (loss) from securities measured at fair value through other comprehensive income	(29)	18	(23)
Gain (loss) on cash flow hedges	(37)	207	329
Net amounts transferred to the statement of profit or loss for cash flow hedges	(21)	(22)	(256)
Items that will not be reclassified to profit or loss in subsequent periods:			
Actuarial gain (loss) from defined benefit plans	-	-	(256)

Total comprehensive income (loss)	<u>\$ 1,169</u>	<u>\$ (3,774)</u>	<u>\$ 6,695</u>
<u>Income (loss) per share attributable to equity holders of the Company:</u>			
Basic income (loss) per share	<u>\$ 0.03</u>	<u>\$ (0.11)</u>	<u>\$ 0.18</u>
Diluted income (loss) per share	<u>\$ 0.03</u>	<u>\$ (0.11)</u>	<u>\$ 0.18</u>

**Cash Flows from Operating Activities**

	<b>Three months period Ended</b>		<b>Year Ended</b>
	<b>March, 31</b>		<b>December 31,</b>
	<b>2018</b>	<b>2017</b>	<b>2017</b>
	<b>Unaudited</b>		<b>Audited</b>
	<b>In thousands</b>		
<u>Cash Flows from Operating Activities</u>			
Net income (loss)	<u>1,256</u>	<u>(3,977)</u>	<u>6,901</u>
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Adjustments to the profit or loss items:			
Depreciation and impairment	954	884	3,523
Financial expenses (income), net	(28)	179	274
Cost of share-based payment	201	245	483
Income tax expenses	-	87	269
Loss (Gain) from sale of property and equipment	66	-	(52)
Change in employee benefit liabilities, net	<u>(14)</u>	<u>98</u>	<u>166</u>
	<u>1,179</u>	<u>1,493</u>	<u>4,663</u>
Changes in asset and liability items:			
Decrease (increase) in trade receivables, net	13,491	8,490	(9,967)
Decrease (increase) in other accounts receivables	82	(255)	328
Decrease (increase) in inventories	(7,105)	(2,083)	4,524
Decrease in deferred expenses	22	570	594
Decrease in trade payables	(1,941)	(1,864)	(838)
Increase (decrease) in other accounts payables	(888)	(739)	71
Decrease in deferred revenues	<u>(772)</u>	<u>(731)</u>	<u>(2,930)</u>
	<u>2,889</u>	<u>3,388</u>	<u>(8,218)</u>
Cash received (paid) during the period for:			
Interest paid	(16)	(4)	(21)
Interest received	138	108	399
Taxes paid	<u>(5)</u>	<u>(4)</u>	<u>(116)</u>
	<u>117</u>	<u>100</u>	<u>262</u>
Net cash provided by operating activities	<u>5,441</u>	<u>1,004</u>	<u>3,608</u>

	Three months period Ended March, 31		Year Ended December 31,
	2018	2017	2017
	Unaudited		Audited
<b>In thousands</b>			
<u>Cash Flows from Investing Activities</u>			
Proceeds from sale of (investment in) short term investments, net	(150)	912	(11,501)
Purchase of property and equipment and intangible assets	(259)	(736)	(4,167)
Proceeds from sale of property and equipment	11	*	60
Net cash provided by (used in) investing activities	<u>(398)</u>	<u>176</u>	<u>(15,608)</u>
<u>Cash Flows from Financing Activities</u>			
Proceeds from exercise of options	1	1	3
Receipt of long-term loans	-	-	279
Repayment of long-term loans	(152)	(105)	(530)
Proceeds from issuance of ordinary shares, net	-	-	15,568
Net cash provided by (used in) financing activities	<u>(151)</u>	<u>(104)</u>	<u>15,320</u>
<u>Exchange differences on balances of cash and cash equivalent</u>	<u>(76)</u>	<u>(266)</u>	<u>(607)</u>
<u>Increase (decrease) in cash and cash equivalents</u>	4,816	810	2,713
<u>Cash and cash equivalents at the beginning of the period</u>	<u>12,681</u>	<u>9,968</u>	<u>9,968</u>
<u>Cash and cash equivalents at the end of the period</u>	<u>17,497</u>	<u>10,778</u>	<u>12,681</u>
<u>Significant non-cash transactions</u>			
Purchase of property and equipment through capital lease	-	-	282
Purchase of property and equipment	<u>842</u>	<u>561</u>	<u>1,681</u>

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## Adjusted EBITDA

	<b>Three months period ended</b>		<b>Year ended</b>
	<b>March 31,</b>		<b>December 31,</b>
	<b>2018</b>	<b>2017</b>	<b>2017</b>
	Thousands of US dollar		
Net income (loss)	1,256	(3,977)	6,901
Income tax expense	-	87	269
Financial expense, net	(72)	(55)	(338)
Depreciation and amortization expense	954	884	3,523
Share-based compensation charges	201	245	483
Expense (Income) in respect of translation differences and derivatives instruments, net	44	234	612
Adjusted EBITDA	2,383	(2,582)	11,450

	<b>Three months period ended</b>		<b>Year ended</b>
	<b>March 31,</b>		<b>December 31,</b>
	<b>2018</b>	<b>2017</b>	<b>2017</b>
	Thousands of US dollar		
Net income (loss)	1,256	(3,977)	6,901
Share-based compensation charges	201	245	483
Adjusted net income (loss)	1,457	(3,732)	7,384