

Consolidated Balance Sheets Consolidated Balance Sheet

	As of December 31,	
	2017	2016
	In thousands	
<u>Current Assets</u>		
Cash and cash equivalents	\$ 12,681	\$ 9,968
Short-term investments	30,338	18,664
Trade receivables	30,662	19,788
Other accounts receivables	2,132	3,063
Inventories	21,070	25,594
	<u>96,883</u>	<u>77,077</u>
<u>Non-Current Assets</u>		
Property, plant and equipment, net	25,178	22,579
Other long term assets	49	40
	<u>25,227</u>	<u>22,619</u>
	<u>\$122,110</u>	<u>\$99,696</u>
<u>Current Liabilities</u>		
Current maturities of loans and capital leases	614	412
Trade payables	18,036	16,277
Other accounts payables	5,820	5,614
Deferred revenues	4,927	4,903
	<u>29,397</u>	<u>27,206</u>
<u>Non-Current Liabilities</u>		
Loans and capital leases	1,370	1,364
Employee benefit liabilities, net	707	722
Deferred revenues	1,144	3,661
	<u>3,221</u>	<u>5,747</u>
<u>Shareholder's Equity</u>		
Kamada Ltd.'s shareholders' equity:		
Ordinary shares of NIS 1 par value:		
Authorized - 70,000,000 ordinary shares; Issued and outstanding –		
40,262,819 and 36,419,842 shares at December 31, 2017 and 2016,		
respectively	10,400	9,320
Additional paid in capital	177,874	162,671
Capital reserve due to translation to presentation currency	(3,490)	(3,490)
Capital reserve from hedges	46	(27)
Available for sale reserve	(4)	19
Capital reserve from share-based payments	9,566	9,795
Capital reserve from employee benefits	(337)	(81)
Accumulated deficit	(104,563)	(111,464)
	<u>89,492</u>	<u>66,743</u>
	<u>\$ 122,110</u>	<u>\$ 99,696</u>

Certain amounts were reclassified in prior year numbers

Consolidated Statements of Comprehensive Income

	For the year ended December 31,		For the 3 months ended December 31,	
	2017	2016	2017	2016
	In thousands			
Revenues from proprietary products	\$ 79,559	\$ 55,958	\$ 28,991	\$ 17,688
Revenues from distribution	23,266	21,536	6,719	6,570
Total revenues	102,825	77,494	35,710	24,258
Cost of revenues from proprietary products	51,335	37,723	18,608	13,880
Cost of revenues from distribution	19,402	18,411	5,472	5,700
Total cost of revenues	70,737	56,134	24,080	19,580
Gross profit	32,088	21,360	11,630	4,678
Research and development expenses	11,973	16,245	1,917	4,221
Selling and marketing expenses	4,398	3,243	1,265	686
General and administrative expenses	8,273	7,353	2,003	1,665
Operating income (loss)	7,444	(5,481)	6,445	(1,894)
Financial income	500	469	234	81
Expense in respect of currency exchange and translation differences and derivatives instruments, net	(612)	127	(133)	259
Financial expense	(162)	(126)	(112)	(20)
Income before taxes on income	7,170	(5,011)	6,434	(1,574)
Taxes on income	269	1,722	182	234
Net Income (loss)	6,901	(6,733)	6,252	(1,808)
Other Comprehensive Income:				
Net gain (loss) on available for sale	(23)	(54)	(38)	(68)
Actuarial net gain (loss) of defined benefit	(256)	(22)	(256)	(22)
Net gain (loss) on cash flow hedge	73	(26)	(11)	(79)
Total comprehensive income (loss)	\$ 6,695	\$ (6,835)	\$ 5,947	\$ (1,977)
<u>Income per share attributable to equity holders of the Company:</u>				
Basic income (loss) per share	\$ 0.18	\$ (0.18)	\$0.16	\$(0.05)
Diluted income (loss) per share	\$ 0.18	\$ (0.18)	\$0.16	\$(0.05)
Weighted-average number of ordinary shares used to compute income (loss) per share attributable to equity holders:				
Basic	37,970,697	36,418,833	40,261,046	36,419,107
Diluted	38,045,097	36,427,373	40,333,565	36,457,377

Certain amounts were reclassified in prior year numbers

Consolidated Statements of Cash Flows

	For the year ended December 31,		For the 3 months ended December 31,	
	2017	2016	2017	2016
	<u>In thousands</u>			
<u>Cash Flows from Operating Activities</u>				
Net Income (loss)	\$ 6,901	\$ (6,733)	\$ 6,252	\$ (1,808)
Adjustments to reconcile net loss to net cash provided by operating activities:				
Adjustments to the profit or loss items:				
Depreciation and amortization	3,523	3,501	875	870
Financial expenses (income), net	274	(470)	11	(320)
Cost of share-based payment	483	1,071	(176)	49
Income tax expense	269	1,722	182	234
Loss from sale of property and equipment	(52)	(18)	(3)	5
Change in employee benefit liabilities, net	166	(87)	(112)	(98)
	4,663	5,719	777	740
Changes in asset and liability items:				
Decrease (Increase) in trade receivables	(9,967)	3,489	(7,043)	(5,459)
Decrease (Increase) in other accounts receivables	328	211	721	865
Decrease (increase) in inventories	4,524	742	2,074	2,492
Decrease (increase) in deferred expenses	594	(433)	(278)	55
Increase in trade payables	(556)	(2,650)	3,329	5,626
Increase (decrease) in other accounts payables	71	1,520	(645)	839
Increase (decrease) in deferred revenues	(2,930)	1,035	(1,239)	(987)
	(7,936)	3,914	(3,081)	3,431
Cash paid during the year for:				
Interest paid	(21)	(60)	(5)	(14)
Interest received	399	842	133	185
taxes paid	(116)	(1,785)	(102)	(4)
	262	(1,003)	26	167
Net cash provided by (used in) operating activities	\$ 3,890	\$ 1,897	\$ 3,974	\$ 2,530

Consolidated Statements of Cash Flows

	For the Year ended December 31,		For the 3 months ended December 31,	
	2017	2016	2017	2016
	In thousands			
<u>Cash Flows from Investing Activities</u>				
Short-term investments	\$ (11,501)	\$ 4,236	\$ (2,433)	\$ 1,867
Purchase of property and equipment and intangible assets	(4,449)	(2,641)	(1,042)	(737)
Proceeds from sale of property and equipment	60	42	3	1
Net cash provided by investing activities	(15,890)	1,637	(3,472)	1,131
<u>Cash Flows from Finance Activities</u>				
Proceeds from exercise of share base payment	3	*	1	*-
Receipt of long-term loans	279	1,701	-	-
Repayment Long-term loans	(530)	(211)	(150)	(52)
Proceeds from issuance of ordinary shares, net	15,568	-	10	-
Net cash provided by (used in) financing activities	15,320	1,490	(139)	(52)
<u>Exchange differences on balances of cash and cash equivalent</u>	(607)	(103)	162	(117)
<u>Increase (Decrease) in cash and cash equivalents</u>	2,713	4,921	525	3,492
<u>Cash and cash equivalents at the beginning of the year</u>	9,968	5,047	12,156	6,476
<u>Cash and cash equivalents at the end of the year</u>	\$12,681	\$9,968	\$12,681	\$9,968
<u>Significant non-cash transactions</u>				
Purchase of property and equipment through capital lease	282	132	-	-
Purchase of property and equipment	1,681	1,968	1,283	1,968

*Represent an amount of less than one thousand dollar.

Adjusted EBITDA

	For the year ended December 31		Three months ended December 31	
	2017	2016	2017	2016
	In thousands of US dollars			
Net income (loss)	\$ 6,901	\$ (6,733)	\$ 6,252	\$ (1,808)
Income tax expense	269	1,722	182	234
Financial expense (income), net	(338)	(343)	(122)	(61)
Depreciation and amortization expense	3,523	3,501	875	870
Share-based compensation charges	483	1,071	(176)	49
Expense in respect of translation differences and derivatives instruments, net	612	(127)	133	(259)
Adjusted EBITDA	\$ 11,450	\$ (909)	\$ 7,144	\$ (975)

Adjusted net income (loss)

	For the year ended December 31		Three months ended December 31	
	2017	2016	2017	2016
	In thousands of US dollars			
Net income (loss)	\$ 6,901	\$ (6,733)	\$ 6,252	\$ (1,808)
Share-based compensation charges	483	1,071	(176)	49
Adjusted net income (loss)	\$ 7,384	\$ (5,662)	\$ 6,076	\$ (1,759)

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