

CONSOLIDATED BALANCE SHEETS

	As of December 31,	
	2020	2019
	U.S. Dollars in thousands	
<u>Assets</u>		
<u>Current Assets</u>		
Cash and cash equivalents	\$ 70,197	\$ 42,662
Short-term investments	39,069	31,245
Trade receivables, net	22,108	23,210
Other accounts receivables	4,524	3,272
Inventories	42,016	43,173
Total Current Assets	<u>177,914</u>	<u>143,562</u>
<u>Non-Current Assets</u>		
Property, plant and equipment, net	25,679	24,550
Right-of-use-assets	3,440	4,022
Other long term assets	1,573	352
Contract asset	2,059	-
Deferred taxes	-	1,311
Total Non-Current Assets	<u>32,751</u>	<u>30,235</u>
Total Assets	<u>\$ 210,665</u>	<u>\$ 173,797</u>
<u>Liabilities</u>		
<u>Current Liabilities</u>		
Current maturities of bank loans	\$ 238	\$ 489
Current maturities of lease liabilities	1,072	1,020
Trade payables	16,110	24,830
Other accounts payables	7,547	5,811
Deferred revenues	-	589
Total Current Liabilities	<u>24,967</u>	<u>32,739</u>
<u>Non-Current Liabilities</u>		
Bank loans	36	257
Lease liabilities	3,593	3,981
Deferred revenues	2,025	232
Employee benefit liabilities, net	1,406	1,269
Total Non-Current Liabilities	<u>7,060</u>	<u>5,739</u>
<u>Shareholder's Equity</u>		
Ordinary shares	11,706	10,425
Additional paid in capital net	209,760	180,819
Capital reserve due to translation to presentation currency	(3,490)	(3,490)
Capital reserve from hedges	357	8
Capital reserve from financial assets measured at fair value through other comprehensive Income	-	145
Capital reserve from share-based payments	4,558	8,844
Capital reserve from employee benefits	(320)	(359)
Accumulated deficit	(43,933)	(61,073)
Total Shareholder's Equity	<u>178,638</u>	<u>135,319</u>
Total Liabilities and Shareholder's Equity	<u>\$ 210,665</u>	<u>\$ 173,797</u>

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	For the year ended December 31,		Three months period ended December 31,	
	2020	2019	2020	2019
U.S. Dollars in thousands, other than per share information				
Revenues from proprietary products	\$ 100,916	\$ 97,696	\$ 23,283	\$ 25,175
Revenues from distribution	32,330	29,491	8,259	6,896
Total revenues	133,246	127,187	31,542	32,071
Cost of revenues from proprietary products	57,750	52,425	13,933	14,013
Cost of revenues from distribution	27,944	25,025	7,444	5,969
Total cost of revenues	85,694	77,450	21,377	19,982
Gross profit	47,552	49,737	10,165	12,089
Research and development expenses	13,609	13,059	3,274	3,329
Selling and marketing expenses	4,518	4,370	1,221	929
General and administrative expenses	10,139	9,194	3,006	2,343
Other expenses and (incomes)	49	330	15	3
Operating income	19,237	22,784	2,649	5,485
Financial income	1,027	1,146	162	259
Income (expense) in respect of securities measured at fair value, net	102	(5)	-	(2)
Income (expense) in respect of currency exchange differences and derivatives instruments, net	(1,535)	(651)	(839)	(148)
Financial expenses	(266)	(293)	(62)	(76)
Income before taxes	18,565	22,981	1,910	5,518
Taxes on income	1,425	730	281	156
Net Income	\$17,140	\$ 22,251	1,629	\$ 5,362
Other Comprehensive Income (loss) :				
Amounts that will be or that have been reclassified to profit or loss when specific conditions are met:				
Gain from securities measured at fair value through other comprehensive income	(188)	143	-	11
Gain (loss) on cash flow hedges	876	92	360	(7)
Net amounts transferred to the statement of profit or loss for cash flow hedges	(528)	(23)	(255)	(3)
Items that will not be reclassified to profit or loss in subsequent periods:				
Remeasurement gain (loss) from defined benefit plan	64	(388)	64	(388)
Tax effect	19	(11)	(10)	22
Total comprehensive income	\$ 17,383	\$ 22,064	\$ 1,788	\$ 4,997
<u>Earnings per share attributable to equity holders of the Company:</u>				
Basic income per share	<u>\$ 0.39</u>	<u>\$ 0.55</u>	<u>\$ 0.04</u>	<u>\$ 0.13</u>
Diluted income per share	<u>\$ 0.38</u>	<u>\$ 0.55</u>	<u>\$ 0.04</u>	<u>\$ 0.13</u>

CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the year ended		Three months period ended	
	December 31,		December 31,	
	2020	2019	2020	2019
	U.S. Dollars in thousands			
<u>Cash Flows from Operating Activities</u>				
Net income	\$ 17,140	\$ 22,251	\$ 1,629	\$ 5,362
Adjustments to reconcile net income to net cash provided by (used in) operating activities:				
Adjustments to the profit or loss items:				
Depreciation and impairment	4,897	4,519	1,265	1,140
Financial income, net	672	(197)	739	(33)
Cost of share-based payment	977	1,163	124	176
Taxes on income	1,425	730	281	156
Gain from sale of property and equipment	(7)	(2)	-	-
Change in employee benefit liabilities, net	201	94	208	(3)
	8,165	6,307	2,617	1,436
Changes in asset and liability items:				
Decrease (increase) in trade receivables, net	1,332	5,117	6,872	709
Increase in other accounts receivables	115	(214)	(857)	(1,418)
Increase in inventories	1,157	(13,857)	602	(9,142)
Decrease (increase) in Contract asset and deferred expenses	(3,085)	399	(621)	66
Increase (decrease) in trade payables	(9,560)	6,259	928	10,844
Increase (decrease) in other accounts payables	1,736	863	1,310	484
Decrease in deferred revenues	1,204	(283)	14	(62)
	(7,101)	(1,716)	8,248	1,481
Cash received (paid) during the period for:				
Interest paid	(209)	(243)	(51)	(61)
Interest received	1,211	1,106	320	552
Taxes paid	(101)	(134)	(14)	(109)
	901	729	255	382
<u>Net cash provided by operating activities</u>	\$ 19,105	\$ 27,571	\$ 12,749	\$ 8,661

CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the year ended		Three months period	
	December 31,		December 31,	
	2020	2019	2020	2019
U.S. Dollars in thousands				
<u>Cash Flows from Investing Activities</u>				
Proceeds of investment in short term investments, net	\$ (7,646)	\$ 1,727	\$ 8,000	\$ 7,887
Purchase of property and equipment and intangible assets	(5,488)	(2,300)	(2,116)	(812)
Proceeds from sale of property and equipment	7	9	-	-
Net cash provided by (used in) investing activities	<u>(13,127)</u>	<u>(564)</u>	<u>5,884</u>	<u>7,075</u>
<u>Cash Flows from Financing Activities</u>				
Proceeds from exercise of share base payments	65	16	4	4
Repayment of lease liabilities	(1,103)	(1,070)	(288)	(276)
Repayment of long-term loans	(492)	(476)	(119)	(123)
Proceeds from issuance of ordinary shares, net	24,894	-	-	-
Net cash used in financing activities	<u>23,364</u>	<u>(1,530)</u>	<u>(403)</u>	<u>(395)</u>
Exchange differences on balances of cash and cash equivalent	<u>(1,807)</u>	<u>(908)</u>	<u>(520)</u>	<u>(128)</u>
Increase in cash and cash equivalents	27,535	24,569	17,710	15,213
<u>Cash and cash equivalents at the beginning of the period</u>	<u>42,662</u>	<u>18,093</u>	<u>52,487</u>	<u>27,449</u>
<u>Cash and cash equivalents at the end of the period</u>	<u>\$ 70,197</u>	<u>\$ 42,662</u>	<u>\$ 70,197</u>	<u>\$42,662</u>
<u>Significant non-cash transactions</u>				
Purchase of property and equipment through leases	<u>\$ 539</u>	<u>\$ 5,035</u>	<u>\$ -</u>	<u>\$ 51</u>
Purchase of property and equipment	<u>\$ 722</u>	<u>\$ 992</u>	<u>\$ 722</u>	<u>\$ 992</u>

ADJUSTED EBITDA

	For the year ended December 31,		Three months period ended December 31,	
	2020	2019	2020	2019
	U.S. Dollars in thousands			
Net income (loss)	\$ 17,140	\$ 22,251	\$ 1,629	\$ 5,362
Taxes on income	1,425	730	281	156
Financial expense (income), net	672	(197)	739	(33)
Depreciation and amortization expense	4,897	4,519	1,265	1,140
Non-cash share-based compensation expenses	977	1,163	124	176
Adjusted EBITDA	<u>\$ 25,111</u>	<u>\$ 28,466</u>	<u>\$ 4,038</u>	<u>\$ 6,801</u>

ADJUSTED NET INCOME

	For the year ended December 31,		Three months period ended December 31,	
	2020	2019	2020	2019
	U.S. Dollars in thousands			
Net income (loss)	\$ 17,140	\$ 22,251	\$ 1,629	\$ 5,362
Share-based compensation charges	977	1,163	124	176
Adjusted net income	<u>\$ 18,117</u>	<u>\$ 23,414</u>	<u>\$ 1,753</u>	<u>\$ 5,538</u>