

KAMADA LTD.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	As of June 30,		As of
	2022	2021	December 31,
	Unaudited		Audited
U.S Dollars in thousands			
<u>Assets</u>			
<u>Current Assets</u>			
Cash and cash equivalents	\$ 29,933	\$ 68,416	\$ 18,587
Short-term investments	-	36,137	-
Trade receivables, net	17,738	27,743	35,162
Other accounts receivables	6,410	2,450	8,872
Inventories	64,520	44,601	67,423
Total Current Assets	<u>118,601</u>	<u>179,347</u>	<u>130,044</u>
<u>Non-Current Assets</u>			
Property, plant and equipment, net	25,914	25,665	26,307
Right-of-use assets	2,810	3,453	3,092
Intangible assets, Goodwill and other long-term assets	150,449	3,413	153,663
Contract assets	6,361	4,472	5,561
Total Non-Current Assets	<u>185,534</u>	<u>37,003</u>	<u>188,623</u>
Total Assets	<u>\$ 304,135</u>	<u>\$ 216,350</u>	<u>\$ 318,667</u>
<u>Liabilities</u>			
<u>Current Liabilities</u>			
Current maturities of bank loans	\$ 4,449	\$ 61	\$ 2,631
Current maturities of lease liabilities	1,010	1,149	1,154
Current maturities of other long term liabilities	20,117	-	17,986
Trade payables	17,954	17,948	25,104
Other accounts payables	6,110	6,989	7,142
Deferred revenues	40	-	40
Total Current Liabilities	<u>49,680</u>	<u>26,147</u>	<u>54,057</u>
<u>Non-Current Liabilities</u>			
Bank loans	15,185	5	17,407
Lease liabilities	2,492	3,401	3,160
Contingent consideration	23,121	-	21,995
Other long-term liabilities	41,304	-	43,929
Deferred revenues	15	3,025	15
Employee benefit liabilities, net	764	1,429	1,280
Total Non-Current Liabilities	<u>82,881</u>	<u>7,860</u>	<u>87,786</u>
<u>Shareholder's Equity</u>			
Ordinary shares	11,731	11,716	11,725
Additional paid in capital net	210,319	209,942	210,204
Capital reserve due to translation to presentation currency	(3,490)	(3,490)	(3,490)
Capital reserve from hedges	(442)	58	54
Capital reserve from share-based payments	5,097	4,746	4,643
Capital reserve from employee benefits	271	(320)	(149)
Accumulated deficit	(51,912)	(40,309)	(46,163)
Total Shareholder's Equity	<u>171,574</u>	<u>182,343</u>	<u>176,824</u>
Total Liabilities and Shareholder's Equity	<u>\$ 304,135</u>	<u>\$ 216,350</u>	<u>\$ 318,667</u>

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Six months period ended June 30,		Three months period ended June 30,		Year ended December 31,
	2022	2021	2022	2021	2021
	Unaudited		Unaudited		Audited
	U.S Dollars In thousands				
Revenues from proprietary products	\$ 41,618	\$ 40,193	\$ 18,607	\$ 19,323	\$ 75,521
Revenues from distribution	10,065	8,946	4,983	4,916	28,121
Total revenues	51,683	49,139	23,590	24,239	103,642
Cost of revenues from proprietary products	24,705	23,527	12,256	11,059	48,194
Cost of revenues from distribution	8,436	7,609	4,094	4,108	25,120
Total cost of revenues	33,141	31,136	16,350	15,167	73,314
Gross profit	18,542	18,003	7,240	9,072	30,328
Research and development expenses	7,063	5,364	2,643	2,736	11,357
Selling and marketing expenses	6,592	2,547	3,271	1,424	6,278
General and administrative expenses	6,316	6,112	3,311	3,303	12,636
Other expenses	619	570	309	563	753
Operating income (loss)	(2,048)	3,410	(2,294)	1,046	(696)
Financial income	3	209	1	99	295
Income (expense) in respect of securities measured at fair value, net	-	-	-	-	-
Income (expenses) in respect of currency exchange differences and derivatives instruments, net	593	121	424	(145)	(207)
Financial Income (expense) in respect of contingent consideration and other long- term liabilities.	(3,875)	-	(1,865)	-	(947)
Financial expenses	(372)	(116)	(178)	(63)	(330)
Income before tax on income	(5,699)	3,624	(3,912)	937	(1,885)
Taxes on income	50	-	9	-	345
Net Income (loss)	\$ (5,749)	\$ 3,624	\$ (3,921)	\$ 937	\$ (2,230)
Other Comprehensive Income (loss) :					
Amounts that will be or that have been reclassified to profit or loss when specific conditions are met					
Gain (loss) from securities measured at fair value through other comprehensive income	-	-	-	-	-
Gain (loss) on cash flow hedges	(784)	(43)	(676)	30	185
Net amounts transferred to the statement of profit or loss for cash flow hedges	288	(256)	222	(2)	(488)
Items that will not be reclassified to profit or loss in subsequent periods:					
Remeasurement gain (loss) from defined benefit plan	420	-	420	-	171
Tax effect	-	-	-	-	-
Total comprehensive income (loss)	\$ (5,825)	\$ 3,325	\$ (3,955)	\$ 965	\$ (2,362)
Earnings per share attributable to equity holders of the Company:					
Basic net earnings per share	\$ (0.13)	\$ 0.08	\$ (0.09)	\$ 0.02	\$ (0.05)
Diluted net earnings per share	\$ (0.13)	\$ 0.08	\$ (0.09)	\$ 0.02	\$ (0.05)

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Six months period Ended June, 30		Three months period Ended June, 30		Year Ended December 31,
	2022	2021	2022	2021	2021
	Unaudited				Audited
	U.S Dollars In thousands				
<u>Cash Flows from Operating Activities</u>					
Net income (loss)	\$ (5,749)	\$ 3,624	\$ (3,921)	\$ 937	\$ (2,230)
Adjustments to reconcile net income to net cash provided by (used in) operating activities:					
Adjustments to the profit or loss items:					
Depreciation and impairment	6,088	2,372	3,061	1,225	5,609
Financial expenses (income), net	3,651	(214)	1,618	109	1,189
Cost of share-based payment	569	370	376	155	529
Taxes on income	50	-	9	-	345
Loss (gain) from sale of property and equipment	-	-	-	-	-
Change in employee benefit liabilities, net	(96)	23	(84)	60	45
	<u>10,262</u>	<u>2,551</u>	<u>4,980</u>	<u>1,549</u>	<u>7,717</u>
Changes in asset and liability items:					
Decrease (increase) in trade receivables, net	17,102	(5,646)	3,610	(7,231)	(12,861)
Decrease (increase) in other accounts receivables	2,073	1,629	1,484	1,643	(1,634)
Decrease (increase) in inventories	2,903	(2,401)	241	(3,446)	(2,373)
Decrease (increase) in deferred expenses	(484)	(2,362)	(374)	(1,209)	(6,883)
Increase (decrease) in trade payables	(7,843)	1,139	5,806	2,623	7,917
Increase (decrease) in other accounts payables	(1,517)	(799)	(745)	1,346	(392)
Decrease in deferred revenues	-	1,000	-	500	1,815
	<u>12,234</u>	<u>(7,440)</u>	<u>10,022</u>	<u>(5,774)</u>	<u>(14,411)</u>
Cash received (paid) during the period for:					
Interest paid	(380)	(107)	(186)	(59)	(228)
Interest received	3	217	1	76	375
Taxes paid	(18)	(23)	(9)	(9)	(42)
	<u>(395)</u>	<u>87</u>	<u>(194)</u>	<u>8</u>	<u>105</u>
<u>Net cash provided by (used in) operating activities</u>	<u>\$ 16,352</u>	<u>\$ (1,178)</u>	<u>\$ 10,887</u>	<u>\$ (3,280)</u>	<u>\$ (8,819)</u>

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Six months period Ended June, 30		Three months period Ended June, 30		Year Ended December 31,
	2022	2021	2022	2021	2021
	Unaudited				Audited
	U.S Dollars In thousands				
Cash Flows from Investing Activities					
Investment in short term investments, net	\$ -	\$ 2,967	\$ -	\$ 11,967	\$ 39,083
Purchase of property and equipment and intangible assets	(1,191)	(1,463)	(678)	(1,332)	(3,730)
Proceeds from sale of property and equipment	-	-	-	-	-
Business combination	-	(1,404)	-	-	(96,403)
Net cash provided by (used in) investing activities	(1,191)	100	(678)	10,635	(61,050)
Cash Flows from Financing Activities					
Proceeds from exercise of share base payments	6	10	3	3	19
Receipt of long-term loans	-	-	-	-	20,000
Repayment of lease liabilities	(573)	(595)	(278)	(306)	(1,221)
Repayment of long-term loans	(401)	(206)	(385)	(85)	(205)
Repayment of other long-term liabilities	(3,243)	-	(1,743)	-	-
Net cash provided by (used in) financing activities	(4,211)	(791)	(2,403)	(388)	18,593
Exchange differences on balances of cash and cash equivalent	396	88	160	13	(334)
Increase (decrease) in cash and cash equivalents	11,346	(1,781)	7,966	6,980	(51,610)
<u>Cash and cash equivalents at the beginning of the period</u>	<u>18,587</u>	<u>70,197</u>	<u>21,967</u>	<u>61,436</u>	<u>70,197</u>
<u>Cash and cash equivalents at the end of the period</u>	<u>\$ 29,933</u>	<u>\$ 68,416</u>	<u>\$ 29,933</u>	<u>\$ 68,416</u>	<u>\$ 18,587</u>
Significant non-cash transactions					
Right-of-use asset recognized with corresponding lease liability	\$ 296	\$ 588	\$ 121	\$ 287	\$ 845
Purchase of property and equipment and Intangible assets	\$ 775	\$ 748	\$ 775	\$ 722	\$ 1,001

NON-IFRS MEASURES – ADJUSTED EBITDA

	Six months period ended		Three months period		Year ended
	June 30,		ended		December 31,
	2022	2021	2022	2021	2021
			In thousands		
Net income	\$ (5,749)	\$ 3,624	\$ (3,921)	\$ 937	\$ (2,230)
Taxes on income	50	-	9	-	345
Financial expense (income), net	3,651	(214)	1,618	109	345
Depreciation and amortization expense	6,088	2,372	3,202	1,225	1,189
Non-cash share-based compensation expenses	569	370	414	155	529
Adjusted EBITDA	<u>\$ 4,639</u>	<u>\$ 6,152</u>	<u>\$ 1,322</u>	<u>\$ 2,426</u>	<u>\$ 5,442</u>

	Six months period ended		Three months period		Year ended
	June 30,		ended		December 31,
	2022	2021	2022	2021	2021
			In thousands		
Adjusted EBITDA	\$ 4,639	\$ 6,152	\$ 1,322	\$ 2,426	\$ 5,442
Labor Strike Related Loss	3,342	-	3,342	-	-
Adjusted EBITDA excluding Labor Strike Related Loss	<u>\$ 7,981</u>	<u>\$ 6,152</u>	<u>\$ 4,664</u>	<u>\$ 2,426</u>	<u>\$ 5,442</u>