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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**FORM 6-K**

**Report of Foreign Private Issuer  
Pursuant to Rule 13a-16 or 15d-16  
of the Securities Exchange Act of 1934**

For the Month of Feb 2021

Commission File Number 001-35948

**Kamada Ltd.**

(Translation of registrant's name into English)

**2 Holzman Street  
Science Park, P.O. Box 4081  
Rehovot 7670402  
Israel**

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F ☒ Form 40-F ☐

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): \_\_\_\_

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): \_\_\_\_

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes ☐ No ☒

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82-\_\_\_\_

**This Form 6-K is being incorporated by reference into the Registrant's Form S-8 Registration Statements, File Nos. 333-192720, 333-207933, 333-215983, 333-222891 and 333-233267**

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The following exhibit is attached:

99.1 [Kamada Reports Fourth Quarter and Fiscal Year 2020 Financial Results, Recent Achievements and Corporate Development Activities](#)

## **SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: February 10, 2021

**KAMADA LTD.**

By: /s/ Yifat Philip  
Yifat Philip  
Vice President General Counsel and  
Corporate Secretary

## EXHIBIT INDEX

| EXHIBIT NO. | DESCRIPTION  |
|-------------|--|
| 99.1        | <a href="#">Kamada Reports Fourth Quarter and Fiscal Year 2020 Financial Results, Recent Achievements and Corporate Development Activities</a> |

**Kamada Reports Fourth Quarter and Fiscal Year 2020 Financial Results, Recent Achievements and Corporate Development Activities**

- *Full-Year 2020 Revenues were \$133.2 Million, In-Line with the Company's Guidance; Adjusted EBITDA for 2020 was \$25.1 Million*
- *Kamada Enters U.S. Plasma Collection Market Through Acquisition of an FDA-Approved Facility, Furthering its Strategic Goal of Becoming a Fully Integrated Specialty Plasma Company Focused on Growing its Hyperimmune IgG Portfolio*
- *Israeli Ministry of Health (IMOH) Initiated Treatment of Hospitalized COVID-19 Patients with Kamada's Plasma-Derived COVID-19 Immunoglobulin (IgG) Investigational Product Primarily as Part of a Multi-Center Clinical Study Led by the IMOH; Current Planned Supply to IMOH is Sufficient to Treat an Estimated 500 Patients*
- *Kamada Continues to Expand Existing Business Lines as Evidenced by the Recent Additions to its Israeli Distribution Biosimilar Products Portfolio; Also Exploring Business Development Opportunities and Intends to Leverage IgG Platform Technology as Response to Future Pandemic Situations*

**REHOVOT, Israel – February 10, 2020** -- Kamada Ltd. (NASDAQ: KMDA; TASE: KMDA.TA), a plasma-derived biopharmaceutical company, today announced financial results for the three and 12 months ended December 31, 2020.

"We are pleased to have overcome meaningful operational challenges caused by the global COVID-19 pandemic and met our key financial targets for 2020," said Amir London, Kamada's Chief Executive Officer. "For full-year 2020, we recorded total revenues of \$133.2 million, in-line with our guidance of \$132 million to \$137 million, and a 5% increase compared to 2019 revenues. These results are indicative of the fundamental strengths of our business."

"The acquisition of the Blood and Plasma Research (B&PR) collection center and establishment of our wholly-owned subsidiary, Kamada Plasma LLC, represents our entry into the U.S. plasma collection market, furthers our strategic goal of becoming a fully integrated specialty plasma company, and is expected to improve our IgG competitive profile in multiple markets. We intend to significantly expand our hyperimmune plasma collection capacity by investing in this center and leveraging its FDA license to open additional centers in the U.S.," continued Mr. London.

"We continue to advance the rapid development and manufacturing of our plasma-derived COVID-19 IgG investigational product, which is being supplied to the Israeli Ministry of Health (IMOH) for the treatment of an estimated 500 hospitalized patients, through an agreement that is expected to generate approximately \$3.4 million in revenue to Kamada. We continue to ramp up production of the product using plasma collected by our partner Kedrion Biopharma, in anticipation of a potential expansion of the IMOH supply agreement and possible demand from additional international markets," added Mr. London.

"In addition, we continue to develop our pipeline, primarily focusing on the pivotal Phase 3 InnovAATe clinical trial of Inhaled AAT for the treatment of Alpha-1 Antitrypsin Deficiency and on exploring new strategic business development opportunities that will utilize and expand our core plasma-derived development, manufacturing, and commercialization expertise. Moreover, we intend to leverage our IgG platform technology as a strategic business line, with the ability to respond to future potential pandemic situations," concluded Mr. London.

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As previously reported, the transition of Glassia manufacturing to Takeda and the continued uncertainty in the operating environment created by the ongoing global COVID-19 pandemic are expected to result in reduced revenues and profitability in 2021. At the same time, Kamada continues to focus on expanding its existing growth drivers, which include:

- Continued market share growth for KedRAB in the U.S.;
- Expanding the sales of Glassia and the Company's IgG portfolio in ex-U.S. markets, including registration and launch of the products in new territories;
- Generating royalties from Glassia, projected to be in the range of \$10 million to \$20 million per year commencing in 2022;
- Launching nine biosimilar products in the Israeli-based Distribution segment between 2022 and 2025, pending regulatory approval, with estimated maximum sales in the range of \$25 million to \$35 million; and
- Leveraging the Company's plasma-derived products manufacturing facility and expertise to offer contract manufacturing services of specialty IgG products, including an FDA-approved and commercialized IgG product that is expected to add between \$8 million to \$10 million in annual revenues, beginning in 2023.

#### **Financial Highlights for the Three Months Ended December 31, 2020**

- Total revenues were \$31.5 million in the fourth quarter of 2020, a 2% decrease from the \$32.1 million recorded in the fourth quarter of 2019.
- Gross profit was \$10.2 million in the fourth quarter of 2020, compared to \$12.1 million reported in the fourth quarter of 2019.
- Net income was \$1.6 million, or \$0.04 per share, in the fourth quarter of 2020, as compared to net income of \$5.4 million, or \$0.13 per share, in the fourth quarter of 2019.
- Adjusted EBITDA, as detailed in the tables below, was \$4.0 million in the fourth quarter of 2020, as compared to \$6.8 million in the fourth quarter of 2019.
- Cash provided by operating activities was \$12.7 million in the fourth quarter of 2020, as compared to cash provided by operating activities of \$8.6 million in the fourth quarter of 2019.

#### **Financial Highlights for the Year Ended December 31, 2020**

- Total revenues were \$133.2 million in the year ended December 31, 2020, a 5% increase from the \$127.2 million recorded in the year ended December 31, 2019.
- Gross profit was \$47.6 million in the year ended December 31, 2020, compared to \$49.7 million in the same period of 2019.
- Proprietary Product segment gross margins in the year ended December 31, 2020 were 43%, down three percentage points from the year ended December 31, 2019, and in-line with the Company's expectations of an annual decrease of three to five percentage points, primarily attributable to a change in product sales mix and reduced plant utilization.
- Operating expenses, including Research and Development, Sales & Marketing, General and Administrative, and Other Expenses, totaled \$28.3 million in the year ended December 31, 2020, as compared to \$27.0 million in the year ended December 31, 2019.
- The 4% increase in Research and Development expenses for full-year 2020 as compared to 2019 was below Kamada's guidance of a 13%-15% year-over-year increase. This is primarily due to the delay in patient enrollment in the Company's InnovAATe clinical trial due to the impact of the COVID-19 pandemic.
- Net income was \$17.1 million, or \$0.38 (fully diluted) per share, in the year ended December 31, 2020, as compared to net income of \$22.3 million, or \$0.55 per share, in the year ended December 31, 2019.
- Adjusted EBITDA, as detailed in the tables below, was \$25.1 million in the year ended December 31, 2020, as compared to \$28.5 million in the year ended December 31, 2019.
- Cash provided by operating activities was \$19.1 million in the year ended December 31, 2020, as compared to cash provided by operating activities of \$27.6 million in the year ended December 31, 2019.

## Balance Sheet Highlights

As of December 31, 2020, the Company had cash, cash equivalents, and short-term investments of \$109.3 million, as compared to \$73.9 million on December 31, 2019. This increase was attributable to the issuance and sale of \$25 million of equity to FIMI Opportunity Fund, the leading private equity investor in Israel, as well as positive operational cash flow.

## Recent Corporate Highlights

- Acquired privately held B&PR's plasma collection center in Beaumont, TX, which specializes in the collection of hyper-immune plasma used by Kamada in the manufacture of its anti-D products.
- Began supplying its COVID-19 plasma-derived IgG product to the IMOH for the treatment of COVID-19 patients in Israel; agreement expected to generate approximately \$3.4 million in revenue to Kamada.
- Entered into agreements with two undisclosed international pharmaceutical companies to commercialize three biosimilar product candidates in Israel. Subject to approval by the European Medicines Agency and subsequently by the IMOH, the three products are expected to be launched in Israel between 2022 and 2024 and Kamada estimates the potential collective maximum sales generated by the sale of these three products, achievable following regulatory approval and within several years of launch, to be in the range of \$5 million to \$7 million annually.
- Added to the NASDAQ Biotechnology Index® (Nasdaq: NBI) designed to track the performance of a set of either biotechnology or pharmaceutical companies listed on The NASDAQ Stock Market®.

## Conference Call

Kamada management will host an investment community conference call on Wednesday, February 10, 2020, at 8:00am Eastern Time to discuss these results and answer questions. Shareholders and other interested parties may participate in the conference call by dialing 877-407-0792 (from within the U.S.), 1-809-409-247 (from Israel), or 201-689-8263 (International) and entering the conference identification number: 13715277. The call will also be webcast live on the Internet on the Company's website at <http://public.viaavid.com/index.php?id=143096>.

## About Kamada

Kamada Ltd. ("the Company") is a commercial stage plasma-derived biopharmaceutical company focused on orphan indications, with an existing marketed product portfolio and a late-stage product pipeline. The Company uses its proprietary platform technology and know-how for the extraction and purification of proteins from human plasma to produce Alpha-1 Antitrypsin (AAT) in a highly-purified, liquid form, as well as other plasma-derived immune globulins. The Company's flagship product is GLASSIA®, the first liquid, ready-to-use, intravenous plasma-derived AAT product approved by the U.S. FDA. The Company markets GLASSIA in the U.S. through a strategic partnership with Takeda Pharmaceuticals Company Limited and in other countries through local distributors. Pursuant to an agreement with Takeda, the Company will continue to produce Glassia for Takeda through 2021 and Takeda will initiate its own production of Glassia for the U.S. market in 2021, at which point Takeda will commence payment of royalties to the Company. The Company's second leading product is KamRab®, a rabies immune globulin (Human) for post-exposure prophylaxis against rabies infection. KamRab is FDA approved and is being marketed in the U.S. under the brand name KEDRAB® through a strategic partnership with Kedrion S.p.A. In addition to Glassia and KEDRAB, the Company has a product line of four other plasma-derived pharmaceutical products administered by injection or infusion, that are marketed through distributors in more than 15 countries, including Israel, Russia, Brazil, India and other countries in Latin America and Asia. The Company has late-stage products in development, including an inhaled formulation of AAT for the treatment of AAT deficiency. In addition, the Company's intravenous AAT is in development for other indications, such as GvHD and prevention of lung transplant rejection, and during 2020, the Company initiated the development of a plasma derived hyperimmune immunoglobulin (IgG) product as a potential treatment for coronavirus disease (COVID-19). The Company leverages its expertise and presence in the plasma-derived protein therapeutics market by distributing more than 20 complementary products in Israel that are manufactured by third parties. FIMI Opportunity Fund, the leading private equity investor in Israel, is the Company's lead shareholder, beneficially owning approximately 21% of the outstanding ordinary shares.

## Cautionary Note Regarding Forward-Looking Statements

This release includes forward-looking statements within the meaning of Section 21E of the U.S. Securities Exchange Act of 1934, as amended, and the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements are statements that are not historical facts, including statements regarding: 1) 2020 financial results being indicative of the fundamental strengths of Kamada's business, 2) benefits of the B&PR acquisition, including furthering Kamada's strategic goal of becoming a fully integrated specialty plasma company, the acquisition's ability to improve Kamada's IgG competitiveness in different markets and ability to expand Kamada's hyperimmune plasma collection capacity by investing in the acquired center and leveraging its FDA license to open additional centers in the U.S., 3) plasma derived COVID-19 IgG investigational product supplied to the IMOH is estimated to be used to treat 500 hospitalized patient, through an agreement expected to generate approximately \$3.4M in revenue to Kamada, 4) ramping up of manufacturing of Kamada's plasma derived COVID-19 immunoglobulin investigational product in anticipation of a potential expansion of the IMOH supply agreement and possible demand from additional international markets, 5) optimism about the pipeline, which is primarily focused on the pivotal Phase 3 InnovAAATe clinical trial of Inhaled AAT for the treatment of Alpha-1 Antitrypsin Deficiency and exploring new strategic business development opportunities that will utilize and expand Kamada's core plasma-derived development, manufacturing, and commercialization expertise, 6) Kamada's intention to leverage its IgG platform technology as a strategic business line, with the ability to respond to future potential pandemic situations, 7) expectation to reduced revenues and profitability in 2021 due to the recently reported transition of Glassia manufacturing to Takeda and the continued uncertainty in the operating environment created by the ongoing global COVID-19 pandemic, 8) expectation for a continued increase in KedRAB market share in the U.S., 9) Expansion of sales of Glassia and IgG portfolio in ex-U.S. markets, including the registration and launch of the products in new territories, 10) Glassia's royalties estimated at a range of \$10 Million to \$20 Million per year commencing 2022, 11) the nine biosimilar products portfolio in the Israeli-based Distribution segment launching between 2022 and 2025 and estimation for maximum sales in the range of \$25 Million to \$35 Million, and 12) the leveraging of the Company's plasma-derived products manufacturing facility and expertise to offer contract manufacturing services of specialty IgG products, including those of an FDA-approved and commercialized IgG product expected to add between \$8 Million to \$10 Million in annual revenues starting in 2023. Forward-looking statements are based on Kamada's current knowledge and its present beliefs and expectations regarding possible future events and are subject to risks, uncertainties and assumptions. Actual results and the timing of events could differ materially from those anticipated in these forward-looking statements as a result of several factors including, but not limited to, the continued evolution of the COVID-19 pandemic, its scope, effect and duration, availability of sufficient raw materials required to maintain manufacturing plans, the effects of the COVID-19 pandemic and related government mandates on the availability of adequate levels of work-force required to maintain manufacturing plans, disruption to the supply chain due to COVID-19 pandemic, continuation of inbound and outbound international delivery routes, ability to offset significant revenue loss associated with GLASSIA manufacturing transitioning to Takeda, continued demand for Kamada's products, including GLASSIA and KEDRAB, in the U.S. market and its Distribution segment related products in Israel, financial conditions of the Company's customer, suppliers and services providers, ability to reap the benefits of the B&PR acquisition, ability to obtain regulatory approval for clinical trials of the plasma-derived hyperimmune IgG product for COVID-19, ability to obtain regulatory approval for the nine biosimilar products portfolio, the fruition of the contract manufacturing services of the FDA-approved and commercialized specialty IgG product, the ability to continue enrollment of the pivotal Phase 3 InnovAAATe clinical trial, unexpected results of clinical studies and on-going compassionate-use treatments, Kamada's ability to manage operating expenses, additional competition in the markets that Kamada competes, regulatory delays, prevailing market conditions and the impact of general economic, industry or political conditions in the U.S., Israel or otherwise. The forward-looking statements made herein speak only as of the date of this announcement and Kamada undertakes no obligation to update publicly such forward-looking statements to reflect subsequent events or circumstances, except as otherwise required by law.

## CONTACTS:

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Bob@LifeSciAdvisors.com



# 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  | 177,914                   | 143,562    |
| <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  | 32,751                    | 30,235     |
| Total Assets  | \$ 210,665                | \$ 173,797 |
| <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   | 24,967                    | 32,739     |
| <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   | 7,060                     | 5,739      |
| <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  | 178,638                   | 135,319    |
| Total Liabilities and Shareholder's Equity  | \$ 210,665                | \$ 173,797 |

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

|   | For the year ended  |           | Three months period ended |           |
|---|---|-----------|---------------------------|-----------|
|   | December 31,  |           | 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  |
| Earnings per share attributable to equity holders of the Company:                                       |   |           |                           |           |
| Basic income per share  | \$ 0.39   | \$ 0.55   | \$ 0.04                   | \$ 0.13   |
| Diluted income per share  | \$ 0.38   | \$ 0.55   | \$ 0.04                   | \$ 0.13   |

**CONSOLIDATED STATEMENTS OF CASH FLOWS**

|   | For the year ended<br>December 31, |                  | Three months period ended<br>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)             |
|   | <u>8,165</u>                       | <u>6,307</u>     | <u>2,617</u>                              | <u>1,436</u>    |
| 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)            |
|   | <u>(7,101)</u>                     | <u>(1,716)</u>   | <u>8,248</u>                              | <u>1,481</u>    |
| 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)           |
|   | <u>901</u>                         | <u>729</u>       | <u>255</u>                                | <u>382</u>      |
| <u>Net cash provided by operating activities</u>  | <u>\$ 19,105</u>                   | <u>\$ 27,571</u> | <u>\$ 12,749</u>                          | <u>\$ 8,661</u> |

# **CONSOLIDATED STATEMENTS OF CASH FLOWS**

|  | For the year ended<br>December 31, |           | Three months period ended<br>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          | (13,127)                           | (564)     | 5,884                                     | 7,075     |
| <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                        | 23,364                             | (1,530)   | (403)                                     | (395)     |
| Exchange differences on balances of cash and cash equivalent | (1,807)                            | (908)     | (520)                                     | (128)     |
| Increase in cash and cash equivalents                        | 27,535                             | 24,569    | 17,710                                    | 15,213    |
| Cash and cash equivalents at the beginning of the period     | 42,662                             | 18,093    | 52,487                                    | 27,449    |
| Cash and cash equivalents at the end of the period           | \$ 70,197                          | \$ 42,662 | \$ 70,197                                 | \$ 42,662 |
| <u>Significant non-cash transactions</u>                     |                                    |           |   |           |
| Purchase of property and equipment through leases            | \$ 539                             | \$ 5,035  | \$ -                                      | \$ 51     |
| Purchase of property and equipment                           | \$ 722                             | \$ 992    | \$ 722                                    | \$ 992    |

**ADJUSTED EBITDA**

|  | For the year ended<br>December 31, |                  | Three months period ended<br>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<br>December 31, |                  | Three months period ended<br>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> |