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 November 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, and the Registrant's Form F-3 Registration Statement, as amended, File No. 333-214816.

The following exhibits are attached:

99.1	Kamada' press release, dated November 22, 2021, titled "Kamada Reports Third Quarter and First Nine Months of 2021 Financial Results, and Strategic Transformational Acquisition of a Portfolio of Four FDA-Approved Plasma-Derived Hyperimmune Commercial Products"
99.2	Kamada Ltd.'s Consolidated Financial Statements as of September 30, 2021 (Unaudited)

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: November 22, 2021

KAMADA LTD.

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

EXHIBIT INDEX

EXHIBIT NO.	DESCRIPTION
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99.2	Kamada Ltd.'s Consolidated Financial Statements as of September 30, 2021 (Unaudited)

Exhibit 99.1

Kamada Reports Third Quarter and First Nine Months of 2021 Financial Results,
and Strategic Transformational Acquisition of a Portfolio of Four FDA-Approved Plasma-Derived Hyperimmune Commercial Products

- *Third Quarter 2021 Revenues were $23.0 Million and Total Revenues for the First Nine Months of 2021 were $72.2 Million*

- *Kamada has Acquired a Portfolio of Four FDA-Approved Plasma-Derived Hyperimmune Commercial Products from Saol Therapeutics; Transaction Supports Kamada's Strategy of Evolving into a Fully-Integrated Specialty Plasma Company with Strong Commercial Capabilities in the U.S. and Further Enhances Kamada's Global Leadership in Development, Manufacturing and Commercialization of Plasma-Derived Hyperimmune Products*

- *Transition of GLASSIA® Manufacturing to Takeda now Complete and Agreement Will Enter Royalty Phase in 2022; Provides Kamada with Plant Capacity to Pursue New Plasma-Derived Product Opportunities*

- *Ongoing Expansion of Plasma Collection Capacity at Recently Acquired U.S. Plasma Collection Center; Company Continues Process of Opening Additional U.S. Centers*

- *Pivotal Phase 3 InnovAATe Trial for Inhaled AAT for Treatment of Alpha-1 Antitrypsin Deficiency Progressing as Planned with a Recent Positive Review by the Study's Data and Safety Monitoring Board*

REHOVOT, Israel – November 22, 2021 -- Kamada Ltd. (NASDAQ: KMDA; TASE: KMDA.TA), a plasma-derived biopharmaceutical company, today announced financial results for the three and nine months ended September 30, 2021.

"As our business continues to perform as expected in 2021, we look ahead to several exciting potential growth catalysts for the Company," said Amir London, Kamada's Chief Executive Officer. "We are thrilled to separately announce a new important growth driver for our business with the strategic acquisition of a portfolio of four U.S. Food and Drug Administration (FDA)-approved plasma-derived hyperimmune commercial products from Saol Therapeutics. As a result of this transaction, Kamada is strengthening its global leadership position in the plasma-derived specialty hyperimmune market. The annual global revenue of the acquired portfolio in 2021 is expected to be between $40 million to $45 million, with approximately 75% and 20% of sales generated in the U.S. and Canada, respectively. This is a strategic and synergistic acquisition for Kamada and furthers our core objective of entering 2022 as a fully-integrated specialty plasma company, with strong commercial capabilities in the U.S. market. We expect to leverage our existing strong international distribution network to grow the acquired portfolio revenues in new geographic markets."

"We have now transferred our GLASSIA® manufacturing responsibilities to Takeda and will begin receiving royalty payments in 2022 at a rate of 12% on net sales through August 2025 and at a rate of 6% thereafter until 2040. We project receiving royalties from Takeda in the range of $10 million to $20 million per year from 2022 to 2040. In addition, we continue to advance the process aimed at both expanding our current U.S. plasma collection center in Texas and opening additional U.S. centers by leveraging our existing FDA license. We view the opening of new U.S. plasma collection centers as a significant growth opportunity for Kamada, and an important step in becoming a vertically integrated specialty plasma products company. Lastly, we continue to progress the pivotal Phase 3 InnovAATe clinical trial of our proprietary Inhaled AAT for the treatment of Alpha-1 Antitrypsin Deficiency (AATD). We are encouraged by a recent Data and Safety Monitoring Board (DSMB) review that concluded that the data generated to date support the continuation of the trial without the need for modifications," concluded Mr. London.

Financial Highlights for the Three Months Ended September 30, 2021

- Total revenues were $23.0 million in the third quarter of 2021, compared to $35.3 million recorded in the third quarter of 2020.

- Gross profit was $5.7 million in the third quarter of 2021, compared to $14.8 million reported in the third quarter of 2020.

- Net loss was $0.8 million, or ($0.02) per share, in the third quarter of 2021, as compared to net income of $6.8 million, or $0.15 per share, in the third quarter of 2020.

- Adjusted EBITDA, as detailed in the tables below, was $0.6 million in the third quarter of 2021, as compared to $9.3 million in the third quarter of 2020.

- Cash used in operating activities was $2.7 million in the third quarter of 2021, as compared to cash provided by operating activities of $2.4 million in the third quarter of 2020.

Financial Highlights for the Nine Months Ended September 30, 2021

- Total revenues were $72.2 million in the first nine months of 2021, compared to $101.7 million recorded in the first nine months of 2020.

- Gross profit was $23.7 million in the first nine months of 2021, compared to $37.4 million reported in the first nine months of 2020.

- In connection with the transition of GLASSIA manufacturing to Takeda, during the second and third quarter of 2021, the Company completed the planned workforce downsizing. Kamada incurred a one-time expense of $0.6 million in the second and third quarter of 2021 related to excess severance remuneration for the employees who were laid-off as part of this downsizing. The downsizing process is expected to result in an annualized reduction of approximately 10% in overall labor costs.

- Net income was $2.8 million, or $0.06 per share, in the first nine months of 2021, as compared to net income of $15.5 million, or $0.35 per share, in the first nine months of 2020.

- Adjusted EBITDA, as detailed in the tables below, was $6.7 million in the first nine months of 2021, as compared to $21.1 million in the first nine months of 2020. Adjusted EBITDA in the first nine months of 2021, excluding one-time severance expenses, was $7.3 million.

- Cash used in operating activities was $3.9 million in the first nine months of 2021, as compared to cash provided by operating activities of $6.4 million in the first nine months of 2020.

Balance Sheet Highlights

As of September 30, 2021, the Company had cash, cash equivalents, and short-term investments of $99.8 million, as compared to $109.3 million on December 31, 2020. The Company's working capital as of September 30, 2021, comprising of current assets (excluding cash and cash equivalents, and short-term investments) net of current liabilities, increased by $8.8 million, to $52.5 million.

Conference Call

Kamada management will host an investment community conference call on Monday, November 22, at 8:30am Eastern Time to discuss the strategic acquisition and 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.), 1-809-406-247 (from Israel), or 201-689-8263 (International) and entering the conference identification number: 13724183. The call will also be webcast live on the Internet at:
https://viavid.webcasts.com/starthere.jsp?ei=1514936&tp_key=496c90a208

About Kamada

Kamada Ltd. (the "Company") is a global specialty plasma-derived biopharmaceutical company with a diverse portfolio of marketed products, a robust development pipeline and industry-leading manufacturing capabilities. The Company's strategy is focused on driving profitable growth from its current commercial products, its plasma-derived development pipeline and its manufacturing expertise, while evolving into a vertically integrated plasma-derived company. The Company's two leading commercial products are GLASSIA® and KEDRAB®. GLASSIA was the first liquid, ready-to-use, intravenous plasma-derived AAT product approved by the FDA. The Company markets GLASSIA in the U.S. through a strategic partnership with Takeda Pharmaceuticals Company Limited ("Takeda") 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 until 2040. KEDRAB is an FDA approved anti-rabies immune globulin (Human) for post-exposure prophylaxis treatment. KEDRAB is being marketed in the U.S. through a strategic partnership with Kedrion S.p.A. During November 2021, the Company acquired a portfolio of four FDA-approved plasma derived hyperimmune products comprising of CYTOGAM®, WINRHO®, HEPAGAM® and VARIZIG®, these products are distributed in the U.S., Canada, and additional markets worldwide. The Company has additional four plasma-derived products administered by injection or infusion, that are marketed through distributors in more than 15 countries, including Israel, Russia, Brazil, Argentina, India and other countries in Latin America and Asia. The Company has two leading development programs; an inhaled AAT for the treatment of AAT deficiency for which the Company is currently conducting the InnovAATe clinical trial, a randomized, double-blind, placebo-controlled, pivotal Phase 3 trial, and 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 Israeli pharmaceutical market to distribute in Israel more than 20 products that are manufactured by third parties and have recently added nine biosimilar products to its Israeli distribution portfolio, which, subject to EMA and the Israeli MOH approvals, are expected to be launched in Israel between the years 2022 and 2025. 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) anticipation of receiving royalties from Takeda in the range of $10 million to $20 million per year from 2022 to 2040, 2) optimism about strategic business development opportunities that will utilize and expand our core plasma-derived development, manufacturing, and commercialization expertise, 3) the belief that those opportunities are may be significant steps toward accomplishing our strategic goal of becoming a fully integrated specialty plasma company, 4) plans for the opening of additional plasma collection centers in the U.S. by leveraging our FDA license, 5) workforce downsizing resulting in an approximate 10% annual labor cost reduction, 6) being encouraged by a recent DSMB review relating to Phase 3 InnovAATe clinical trial that concluded that the data collected to date supports the continuation of the trial without a need for modifications, 7) anticipated global revenue of the acquired product portfolio between $40 million to $45 million in 2021, and 8) the acquisition advancing Kamada's objective of entering 2022 as fully integrated specialty plasma company, with strong commercial capabilities in the U.S. market, strengthening its global leadership position in the plasma-derived specialty hyperimmune market. 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 evolvement 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, impact of the workforce downsizing plan, 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, Kamada's ability to integrate the new product portfolio into its current product portfolio, Kamada's ability to grow the revenues of this new product portfolio, and leverage and expand its international distribution network, ability to reap the benefits of the recent acquisition of the plasma collection center, including the ability to open additional U.S. plasma centers, the ability to continue enrollment of the pivotal Phase 3 InnovAATe clinical trial, unexpected results of clinical studies, including plasma-derived IgG treatment for COVID-19 and the level of demand for such product, 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.

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CONSOLIDATED STATEMENTS OF FINANCIAL POSITTION

	As of September 30,		As of December 31,
	2021	2020	2020
	Unaudited		Audited
	U.S Dollars in thousands		
Current Assets			
Cash and cash equivalents	$ 99,840	$ 52,487	$ 70,197
Short-term investments	-	47,230	39,069
Trade receivables, net	26,548	28,643	22,108
Other accounts receivables	4,392	3,533	4,524
Inventories	48,163	42,618	42,016
Total Current Assets	178,943	174,511	177,914
Non-Current Assets			
Property, plant and equipment, net	25,856	25,323	25,679
Right-of-use-assets	3,361	3,694	3,440
Other long term assets	3,380	1,081	1,573
Contract assets	4,987	1,438	2,059
Deferred taxes	-	298	-
Total Non-Current Assets	37,584	31,834	32,751
Total Assets	$ 216,527	$ 206,345	$ 210,665
Current Liabilities			
Current maturities of bank loans	$ 52	$ 322	$ 238
Current maturities of lease liabilities	1,181	1,038	1,072
Trade payables	19,010	15,110	16,110
Other accounts payables	6,346	6,236	7,547
Deferred revenues	-	486	-
Total Current Liabilities	26,589	23,192	24,967
Non-Current Liabilities			
Bank loans	-	48	36
Lease liabilities	3,283	3,589	3,593
Deferred revenues	3,575	1,525	2,025
Employee benefit liabilities, net	1,467	1,262	1,406
Total Non-Current Liabilities	8,325	6,424	7,060
Shareholder's Equity			
Ordinary shares	11,720	11,703	11,706
Additional paid in capital	210,005	209,650	209,760
Capital reserve due to translation to presentation currency	(3,490)	(3,490)	(3,490)
Capital reserve from hedges	35	234	357
Capital reserve from share-based payments	4,817	4,550	4,558
Capital reserve from employee benefits	(320)	(356)	(320)
Accumulated deficit	(41,154)	(45,562)	(43,933)
Total Shareholder's Equity	181,613	176,729	178,638
Total Liabilities and Shareholder's Equity	$ 216,527	$ 206,345	$ 210,665

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Nine months period ended September 30,		Three months period ended September 30,		Year ended December 31,
	2021	2020	2021	2020	2020
	Unaudited		Unaudited		Audited
	U.S Dollars In thousands				
Revenues from proprietary products	$ 57,316	$ 77,633	$ 17,123	$ 29,691	$ 100,916
Revenues from distribution	14,857	24,071	5,911	5,634	32,330
Total revenues	72,173	101,704	23,034	35,325	133,246
Cost of revenues from proprietary products	35,605	43,817	12,078	15,936	57,750
Cost of revenues from distribution	12,835	20,500	5,226	4,568	27,944
Total cost of revenues	48,440	64,317	17,304	20,504	85,694
Gross profit	23,733	37,387	5,730	14,821	47,552
Research and development expenses	7,909	10,335	2,545	3,365	13,609
Selling and marketing expenses	3,803	3,297	1,256	1,179	4,518
General and administrative expenses	8,803	7,133	2,691	2,514	10,139
Other expenses	612	34	42	-	49
Operating income	2,606	16,588	(804)	7,763	19,237
Financial income	277	865	68	250	1,027
Income (expense) in respect of securities measured at fair value, net *	-	102	-	-	102
Income (expenses) in respect of currency exchange differences and derivatives instruments, net	74	(696)	(48)	(761)	(1,535)
Financial expenses	(178)	(204)	(61)	(69)	(266)
Income before tax on income	2,779	16,655	(845)	7,183	18,565
Taxes on income	-	1,144	-	348	1,425
Net Income	$ 2,779	$ 15,511	$ (845)	$ 6,835	$ 17,140
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	-	(188)	-	-	(188)
Gain (loss) on cash flow hedges	25	516	68	75	876
Net amounts transferred to the statement of profit or loss for cash flow hedges	(347)	(273)	(91)	(266)	(528)
Items that will not be reclassified to profit or loss in subsequent periods:					
Remeasurement gain (loss) from defined benefit plan	-	-	-	-	64
Tax effect	-	29	-	14	19
Total comprehensive income	$ 2,457	$ 15,595	$ (868)	$ 6,658	$ 17,383
Earnings per share attributable to equity holders of the Company:					
Basic net earnings per share	$ 0.06	$ 0.35	$ (0.02)	$ 0.15	$ 0.39
Diluted net earnings per share	$ 0.06	$ 0.35	$ (0.02)	$ 0.15	$ 0.38

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Nine months period Ended September, 30		Three months period Ended September, 30		Year Ended December 31,
	2021	2020	2021	2020	2020
	Unaudited				Audited
	U.S Dollars In thousands				
Cash Flows from Operating Activities					
Net income	$ 2,779	$ 15,511	$ (845)	$ 6,835	$ 17,140
Adjustments to reconcile net income to net cash provided by (used in) operating activities:					
Adjustments to the profit or loss items:					
Depreciation and impairment	3,612	3,632	1,240	1,252	4,897
Financial expenses (income), net	(173)	(67)	41	580	672
Cost of share-based payment	504	853	134	265	977
Taxes on income	-	1,144	-	348	1,425
Loss (gain) from sale of property and equipment	-	(7)	-	(1)	(7)
Change in employee benefit liabilities, net	61	(7)	38	(5)	201
	4,004	5,548	1,453	2,439	8,165
Changes in asset and liability items:					
Decrease (increase) in trade receivables, net	(4,446)	(5,540)	1,200	(8,956)	1,332
Decrease (increase) in other accounts receivables	1,556	972	(73)	231	115
Decrease (Increase) in inventories	(5,963)	555	(3,562)	5,028	1,157
Increase in deferred expenses	(4,759)	(2,464)	(2,397)	(1,553)	(3,085)
Increase (decrease) in trade payables	2,725	(10,488)	1,586	(7,769)	(9,560)
Increase (decrease) in other accounts payables	(1,482)	426	(683)	740	1,736
Decrease in deferred revenues	1,550	1,190	550	397	1,204
	(10,819)	(15,349)	(3,379)	(11,882)	(7,101)
Cash received (paid) during the period for:					
Interest paid	(139)	(158)	(32)	(51)	(209)
Interest received	357	891	140	290	1,211
Taxes paid	(32)	(87)	(9)	(13)	(101)
	186	646	99	226	901
Net cash provided by (used in) operating activities	$ (3,850)	$ 6,356	$ (2,672)	$ 2,382	$ 19,105

CONSOLIDATED STATEMENTS OF CASH FLOWS (CON)

	Nine months period Ended September, 30		Three months period Ended September, 30		Year Ended December 31,
	2021	2020	2021	2020	2020
	Unaudited				Audited
	U.S Dollars In thousands				
Cash Flows from Investing Activities					
Proceeds of investment in short term investments, net	$ 39,083	$ (15,646)	$ 36,116	$ -	$ (7,646)
Purchase of property and equipment and intangible assets	(2,986)	(3,372)	(1,523)	(1,471)	(5,488)
Proceeds from sale of property and equipment	-	7	-	1	7
Acquisition of subsidiary (LLC), net (1)	(1,404)	-	-		-
Net cash provided by (used in) investing activities	34,693	$ (19,011)	34,593	(1,470)	(13,127)
Cash Flows from Financing Activities					
Proceeds from exercise of share base payments	14	61	4	41	64
Repayment of lease liabilities	(903)	(815)	(308)	(275)	(1,103)
Repayment of long-term loans	(221)	(373)	(15)	(127)	(492)
Proceeds from issuance of ordinary shares, net	-	24,894	-	-	24,895
Net cash provided by (used in) financing activities	(1,110)	23,767	(319)	(361)	23,364
Exchange differences on balances of cash and cash equivalent	(90)	(1,287)	(178)	(699)	(1,807)
Increase (decrease) in cash and cash equivalents	29,643	9,825	31,424	(4,912)	27,535
Cash and cash equivalents at the beginning of the period	70,197	42,662	68,416	57,399	42,662
Cash and cash equivalents at the end of the period	$ 99,840	$ 52,487	$ 99,840	$ 52,487	$ 70,197
Significant non-cash transactions					
Right-of-use asset recognized with corresponding lease liability	$ 769	$ 539	$ 181	$ 194	$ 539
Purchase of property and equipment	$ 352	$ 973	$ 352	$ 973	$ 722

Appendix A (1)	Nine months period Ended September, 30 2021
Acquisition of a subsidiary that was first consolidated	
Current Assets (exclusive of cash and cash equivalents)	(184)
Non Current Assets	(1,460)
Current Liabilities	240
	(1,404)

Adjusted EBITDA

	Nine months period ended September 30,		Three months period ended September 30,		Year ended December 31,
	2021	2020	2021	2020	2020
	In thousands				
Net income	$ 2,779	$ 15,511	$ (845)	$ 6,835	$ 17,140
Taxes on income	-	1,144	-	348	1,425
Financial expense (income), net	(173)	(67)	41	580	692
Depreciation and amortization expense	3,612	3,632	1,240	1,252	4,897
Non-cash share-based compensation expenses	504	853	134	265	977
Adjusted EBITDA	$ 6,722	$ 21,073	$ 570	$ 9,280	$ 25,131

Adjusted net income

	Nine months period ended September 30,		Three months period ended September 30,		Year ended December 31,
	2021	2020	2021	2020	2020
	In thousands				
Net income	$ 2,779	$ 15,511	$ (845)	$ 6,835	$ 17,140
Share-based compensation charges	504	853	134	265	977
Adjusted net income	$ 3,283	$ 16,364	$ (711)	$ 7,100	$ 18,117

Exhibit 99.2

KAMADA LTD.

CONSOLIDATED FINANCIAL STATEMENTS

AS OF SEPTEMBER 30, 2021
(Unaudited)

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CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	As of September 30,		As of December 31,
	2021	2020	2020
	Unaudited		Audited
	U.S Dollars in thousands		
Current Assets			
Cash and cash equivalents	$ 99,840	$ 52,487	$ 70,197
Short-term investments	-	47,230	39,069
Trade receivables, net	26,548	28,643	22,108
Other accounts receivables	4,392	3,533	4,524
Inventories	48,163	42,618	42,016
Total Current Assets	178,943	174,511	177,914
Non-Current Assets			
Property, plant and equipment, net	25,856	25,323	25,679
Right-of-use-assets	3,361	3,694	3,440
Other long term assets	3,380	1,081	1,573
Contract assets	4,987	1,438	2,059
Deferred taxes	-	298	-
Total Non-Current Assets	37,584	31,834	32,751
Total Assets	$ 216,527	$ 206,345	$ 210,665
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Current maturities of bank loans	$ 52	$ 322	$ 238
Current maturities of lease liabilities	1,181	1,038	1,072
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Total Non-Current Liabilities	8,325	6,424	7,060
Shareholder's Equity			
Ordinary shares	11,720	11,703	11,706
Additional paid in capital	210,005	209,650	209,760
Capital reserve due to translation to presentation currency	(3,490)	(3,490)	(3,490)
Capital reserve from hedges	35	234	357
Capital reserve from share-based payments	4,817	4,550	4,558
Capital reserve from employee benefits	(320)	(356)	(320)
Accumulated deficit	(41,154)	(45,562)	(43,933)
Total Shareholder's Equity	181,613	176,729	178,638
Total Liabilities and Shareholder's Equity	$ 216,527	$ 206,345	$ 210,665

The accompanying Notes are an integral part of the Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Nine months period ended September 30,		Three months period ended September 30,		Year ended December 31,
	2021	2020	2021	2020	2020
	Unaudited		Unaudited		Audited
	U.S Dollars In thousands				
Revenues from proprietary products	$ 57,316	$ 77,633	$ 17,123	$ 29,691	$ 100,916
Revenues from distribution	14,857	24,071	5,911	5,634	32,330
Total revenues	72,173	101,704	23,034	35,325	133,246
Cost of revenues from proprietary products	35,605	43,817	12,078	15,936	57,750
Cost of revenues from distribution	12,835	20,500	5,226	4,568	27,944
Total cost of revenues	48,440	64,317	17,304	20,504	85,694
Gross profit	23,733	37,387	5,730	14,821	47,552
Research and development expenses	7,909	10,335	2,545	3,365	13,609
Selling and marketing expenses	3,803	3,297	1,256	1,179	4,518
General and administrative expenses	8,803	7,133	2,691	2,514	10,139
Other expenses	612	34	42	-	49
Operating income	2,606	16,588	(804)	7,763	19,237
Financial income	277	865	68	250	1,027
Income (expense) in respect of securities measured at fair value, net *	-	102	-	-	102
Income (expenses) in respect of currency exchange differences and derivatives instruments, net	74	(696)	(48)	(761)	(1,535)
Financial expenses	(178)	(204)	(61)	(69)	(266)
Income before tax on income	2,779	16,655	(845)	7,183	18,565
Taxes on income	-	1,144	-	348	1,425
Net Income	$ 2,779	$ 15,511	$ (845)	$ 6,835	$ 17,140
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	-	(188)	-	-	(188)
Gain (loss) on cash flow hedges	25	516	68	75	876
Net amounts transferred to the statement of profit or loss for cash flow hedges	(347)	(273)	(91)	(266)	(528)
Items that will not be reclassified to profit or loss in subsequent periods:					
Remeasurement gain (loss) from defined benefit plan	-	-	-	-	64
Tax effect	-	29	-	14	19
Total comprehensive income	$ 2,457	$ 15,595	$ (868)	$ 6,658	$ 17,383
Earnings per share attributable to equity holders of the Company:					
Basic net earnings per share	$ 0.06	$ 0.35	$ (0.02)	$ 0.15	$ 0.39
Diluted net earnings per share	$ 0.06	$ 0.35	$ (0.02)	$ 0.15	$ 0.38

The accompanying Notes are an integral part of the Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Share capital	Additional paid in capital	Capital reserve due to translation to presentation currency	Capital reserve from hedges	Capital reserve from sharebased payments	Capital reserve from employee benefits	Accumulated deficit	Total equity
Balance as of January 1, 2021 (audited)	$ 11,706	$ 209,760	$ (3,490)	$ 357	$ 4,558	$ (320)	$ (43,933)	$ 178,638
Net income	-	-	-	-	-	-	2,779	2,779
Other comprehensive income (loss)	-	-	-	(322)	-	-	-	(322)
Tax effect	-	-	-	-	-	-	-	-
Total comprehensive income (loss)	-	-	-	(322)	-	-	2,779	2,457
Exercise and forfeiture of share-based payment into shares	14	245	-	-	(245)	-	-	14
Cost of share-based payment	-	-	-	-	504	-	-	504
Balance as of September 30, 2021	$ 11,720	$ 210,005	$ (3,490)	$ 35	$ 4,817	$ (320)	$ (41,154)	$ 181,613

The accompanying Notes are an integral part of the Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Share capital	Additional paid in Capital	Capital reserve from securities measured at fair value through other comprehensive income	Capital reserve due to translation to presentation currency	Capital reserve from hedges	Capital reserve from sharebased payments	Capital reserve from employee benefits	Accumulated deficit	Total equity
	Unaudited								
	U.S Dollars in thousands								
Balance as of January 1, 2020 (audited)	$ 10,425	$ 180,819	$ 145	$ (3,490)	$ 8	$ 8,844	$ (359)	$ (61,073)	$ 135,319
Net income	-	-	-	-	-	-	-	15,511	15,511
Other comprehensive income (loss)	-	-	(188)	-	243	-	-	-	55
Taxes effect	-	-	43	-	(17)	-	3	-	29
Total comprehensive income (loss)	-	-	(145)	-	226	-	3	15,511	15,595
Issuance of ordinary shares	1,217	23,684	-	-	-	-	-	-	24,901
Exercise and forfeiture of share-based payment into shares	61	5,147	-	-	-	(5,147)	-	-	61
Cost of share-based payment	-	-	-	-	-	853	-	-	853
Balance as of September 30, 2020	$ 11,703	$ 209,650	$ -	$ (3,490)	$ 234	$ 4,550	$ (356)	$ (45,562)	$ 176,729

The accompanying Notes are an integral part of the Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Share capital	Additional paid in capital	Capital reserve due to translation to presentation currency	Capital reserve from hedges	Capital reserve from sharebased payments	Capital reserve from employee benefits	Accumulated deficit	Total equity
Balance as of July 1, 2021 (audited)	$ 11,716	$ 209,942	$ (3,490)	$ 58	$ 4,746	$ (320)	$ (40,309)	$ 182,343
Net income	-	-	-	-	-	-	(845)	(845)
Other comprehensive income (loss)	-	-	-	(23)	-	-	-	(23)
Taxes effect	-	-	-	-	-	-	-	-
Total comprehensive income (loss)	-	-	-	(23)	-	-	(845)	(868)
Exercise and forfeiture of share-based payment into shares	4	63	-	-	(63)	-	-	4
Cost of share-based payment	-	-	-	-	134	-	-	134
Balance as of September 30, 2021	$ 11,720	$ 210,005	$ (3,490)	$ 35	$ 4,817	$ (320)	$ (41,154)	$ 181,613

	Share capital	Additional paid in capital	Capital reserve from securities measured at fair value through other comprehensive income	Capital reserve due to translation to presentation currency	Capital reserve from hedges	Capital reserve from sharebased payments	Capital reserve from employee benefits	Accumulated deficit	Total equity
	Unaudited								
	U.S Dollars In thousands								
Balance as of July 1, 2020	$ 11,662	$ 207,731	$ -	$ (3,490)	411	$ 6,204	$ (356)	$ (52,397)	$ 169,765
Net income	-	-	-	-	-	-	-	6,835	6,835
Other comprehensive income	-	-	-	-	(191)	-	-	-	(191)
Taxes effect	-	-	-	-	14	-	-	-	14
Total comprehensive income (loss)	-	-	-	-	(177)	-	-	6,835	6,658
Exercise into shares and forfeiture of share-based payment	41	1,919	-	-	-	(1,919)	-		41
Cost of share-based payment	-	-	-	-	-	265	-	-	265
Balance as of September 30, 2020	$ 11,703	$ 209,650	$ -	$ (3,490)	$ 234	$ 4,550	$ (356)	$ (45,562)	$ 176,729

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Share capital	Additional paid in capital	Capital reserve from securities measured at fair value through other comprehensive income	Capital reserve due to translation to presentation currency	Capital reserve from hedges	Capital reserve from sharebased payments	Capital reserve from employee benefits	Accumulated deficit	Total equity
	Unaudited								
	In thousands								
Balance as of January 1, 2020 (audited)	$ 10,425	$ 180,819	$ 145	$ (3,490)	$ 8	$ 8,844	$ (359)	$ (61,073)	$ 135,319
Net income	-	-	-	-	-	-	-	17,140	17,140
Other comprehensive income (loss)	-	-	(188)	-	348	-	64	-	224
Tax effect	-	-	43	-	1	-	(25)	-	19
Total comprehensive income (loss)	-	-	(145)	-	349	-	39	17,140	17,383
Issuance of ordinary shares	1,217	23,678	-	-	-	-	-	-	24,895
Exercise and forfeiture of share-based payment into shares	64	5,263	-	-	-	(5,263)	-	-	64
Cost of share-based payment	-	-	-	-	-	977	-	-	977
Balance as of December 31, 2020	$ 11,706	$ 209,760	$ -	$ (3,490)	$ 357	$ 4,558	$ (320)	$ (43,933)	$ 178,638

The accompanying Notes are an integral part of the Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Nine months period Ended September, 30		Three months period Ended September, 30		Year Ended December 31,
	2021	2020	2021	2020	2020
	Unaudited				Audited
	U.S Dollars In thousands				
Cash Flows from Operating Activities					
Net income	$ 2,779	$ 15,511	$ (845)	$ 6,835	$ 17,140
Adjustments to reconcile net income to net cash provided by (used in) operating activities:					
Adjustments to the profit or loss items:					
Depreciation and impairment	3,612	3,632	1,240	1,252	4,897
Financial expenses (income), net	(173)	(67)	41	580	672
Cost of share-based payment	504	853	134	265	977
Taxes on income	-	1,144	-	348	1,425
Loss (gain) from sale of property and equipment	-	(7)	-	(1)	(7)
Change in employee benefit liabilities, net	61	(7)	38	(5)	201
	4,004	5,548	1,453	2,439	8,165
Changes in asset and liability items:					
Decrease (increase) in trade receivables, net	(4,446)	(5,540)	1,200	(8,956)	1,332
Decrease (increase) in other accounts receivables	1,556	972	(73)	231	115
Decrease (Increase) in inventories	(5,963)	555	(3,562)	5,028	1,157
Increase in deferred expenses	(4,759)	(2,464)	(2,397)	(1,553)	(3,085)
Increase (decrease) in trade payables	2,725	(10,488)	1,586	(7,769)	(9,560)
Increase (decrease) in other accounts payables	(1,482)	426	(683)	740	1,736
Decrease in deferred revenues	1,550	1,190	550	397	1,204
	(10,819)	(15,349)	(3,379)	(11,882)	(7,101)
Cash received (paid) during the period for:					
Interest paid	(139)	(158)	(32)	(51)	(209)
Interest received	357	891	140	290	1,211
Taxes paid	(32)	(87)	(9)	(13)	(101)
	186	646	99	226	901
Net cash provided by (used in) operating activities	$ (3,850)	$ 6,356	$ (2,672)	$ 2,382	$ 19,105

The accompanying Notes are an integral part of the Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Nine months period Ended September, 30		Three months period Ended September, 30		Year Ended December 31,
	2021	2020	2021	2020	2020
	Unaudited				Audited
	U.S Dollars In thousands				
Cash Flows from Investing Activities					
Proceeds of investment in short term investments, net	$ 39,083	$ (15,646)	$ 36,116	$ -	$ (7,646)
Purchase of property and equipment and intangible assets	(2,986)	(3,372)	(1,523)	(1,471)	(5,488)
Proceeds from sale of property and equipment	-	7	-	1	7
Acquisition of subsidiary (LLC), net (1)	(1,404)	-	-		-
Net cash provided by (used in) investing activities	34,693	$ (19,011)	34,593	(1,470)	(13,127)
Cash Flows from Financing Activities					
Proceeds from exercise of share base payments	14	61	4	41	64
Repayment of lease liabilities	(903)	(815)	(308)	(275)	(1,103)
Repayment of long-term loans	(221)	(373)	(15)	(127)	(492)
Proceeds from issuance of ordinary shares, net	-	24,894	-	-	24,895
Net cash provided by (used in) financing activities	(1,110)	23,767	(319)	(361)	23,364
Exchange differences on balances of cash and cash equivalent	(90)	(1,287)	(178)	(699)	(1,807)
Increase (decrease) in cash and cash equivalents	29,643	9,825	31,424	(4,912)	27,535
Cash and cash equivalents at the beginning of the period	70,197	42,662	68,416	57,399	42,662
Cash and cash equivalents at the end of the period	$ 99,840	$ 52,487	$ 99,840	$ 52,487	$ 70,197
Significant non-cash transactions					
Right-of-use asset recognized with corresponding lease liability	$ 769	$ 539	$ 181	$ 194	$ 539
Purchase of property and equipment	$ 352	$ 973	$ 352	$ 973	$ 722

Appendix A (1)	Nine months period Ended September, 30 2021
Acquisition of a subsidiary that was first consolidated	
Current Assets (exclusive of cash and cash equivalents)	(184)
Non Current Assets	(1,460)
Current Liabilities	240
	(1,404)

The accompanying Notes are an integral part of the Consolidated Financial Statements.

Note 1: General

Kamada Ltd. (the "Company") is a global specialty plasma-derived biopharmaceutical company with a diverse portfolio of marketed products, a robust development pipeline and industry-leading manufacturing capabilities. The Company's strategy is focused on driving profitable growth from its current commercial products, its plasma-derived development pipeline and its manufacturing expertise, while evolving into a vertically integrated plasma-derived company. The Company's two leading commercial products are GLASSIA® and KEDRRAB®. GLASSIA was the first liquid, ready-to-use, intravenous plasma-derived AAT product approved by the FDA. The Company markets GLASSIA in the U.S. through a strategic partnership with Takeda Pharmaceuticals Company Limited ("Takeda") and in other countries through local distributors. Pursuant to an agreement with Takeda, the Company, as of September 2021, completed the production and the supply of GLASSIA to Takeda, and Takeda has initiated its own production of GLASSIA for the U.S. market. The Company is entitled for royalty payments from Takeda on sales of GLASSIA produced by Takeda until 2040. KEDRAB is an FDA approved anti-rabies immune globulin (Human) for post-exposure prophylaxis treatment. KEDRAB is being marketed in the U.S. through a strategic partnership with Kedrion S.p.A. The Company has additional four plasma-derived products administered by injection or infusion, that are marketed through distributors in more than 15 countries, including Israel, Russia, Brazil, Argentina, India and other countries in Latin America and Asia. The Company has two leading development programs; an inhaled AAT for the treatment of AAT deficiency for which the Company is currently conducting the InnovAATe clinical trial, a randomized, double-blind, placebo-controlled, pivotal Phase 3 trial and 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 Israeli pharmaceutical market to distribute in Israel more than 20 products that are manufactured by third parties and have recently added nine biosimilar products to its Israeli distribution portfolio, which, subject to EMA and the Israeli MOH approvals, are expected to be launched in Israel between the years 2022 and 2025.

Pursuant to the agreement with Takeda (as detailed on Note 17 of the Company's annual financial statements as of December 31, 2020) the Company, as of September 2021, completed the production and the supply of GLASSIA to Takeda. Takeda obtained FDA approval for Glassia production and will initiate its own production of Glassia for the U.S. market in 2021. Accordingly, the Company terminated the manufacturing and sale of Glassia to Takeda resulting in a significant reduction in revenues. Pursuant to the agreement, upon initiation of sales of Glassia manufactured by Takeda, Takeda will pay royalties to the Company at a rate of 12% on net sales through August 2025, and at a rate of 6% thereafter until 2040, with a minimum of $5 million annually, for each of the years from 2022 to 2040. See note 3c below regarding a recent amendment to the agreement with Takeda.

These financial statements have been prepared in a condensed format as of September 30, 2021, and for the nine and three months then ended ("interim consolidated financial statements").

These financial statements should be read in conjunction with the Company's annual financial statements as of December 31, 2020, and for the year then ended and the accompanying notes ("annual consolidated financial statements").

Note 2: Significant Accounting Policies

a.. Basis of preparation of the interim consolidated financial statements:

The interim consolidated financial statements have been prepared in accordance with generally accepted accounting principles for the preparation of financial statements for interim periods, as prescribed in IAS 34, "Interim Financial Reporting".

b. Implementation of new accounting standards:

The accounting policy applied in the preparation of the interim consolidated financial statements is consistent with that applied in the preparation of the annual consolidated financial statements, except for the following:

i. Amendments to IFRS 9, IFRS 7, IFRS 16, IFRS 4 and IAS 39 regarding the IBOR reform:

In August 2020, the IASB issued amendments to IFRS 9, "Financial Instruments", IFRS 7, "Financial Instruments: Disclosures", IAS 39, "Financial Instruments: Recognition and Measurement", IFRS 4, "Insurance Contracts", and IFRS 16, "Leases" ("IBOR Amendments").

The IBOR Amendments provide practical expedients when accounting for the effects of the replacement of benchmark InterBank Offered Rates (IBORs) by alternative Risk-Free Interest Rates (RFRs).

Pursuant to one of the practical expedients, an entity will treat contractual changes or changes to cash flows that are directly required by the reform as changes to a floating interest rate. That is, an entity recognizes the changes in interest rates as an adjustment of the effective interest rate without adjusting the carrying amount of the financial instrument. The use of this practical expedient is subject to the condition that the transition from IBOR to RFR takes place on an economically equivalent basis.

In addition, the IBOR Amendments permit changes required by the IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued, provided certain conditions are met. The IBOR Amendments also provide temporary relief from having to meet the "separately identifiable" requirement according to which a risk component must also be separately identifiable to be eligible for hedge accounting.

The IBOR Amendments include new disclosure requirements in connection with the expected effect of the reform on an entity's financial statements, such as how the entity is managing the process to transition to the interest rate reform, the risks to which it is exposed due to the reform and quantitative information about IBOR-referenced financial instruments that are expected to change.

The IBOR Amendments are effective for annual periods beginning on or after January 1, 2021. The IBOR Amendments are to be applied retrospectively. However, restatement of comparative periods is not required. Early application is permitted.

The adoption of the IBOR Amendment does not have an effect on the Company's financial statements.

Note 2: Significant Accounting Policies (continued)

b. Implementation of new accounting standards (continued):

ii. Amendment to IAS 1, *Presentation of Financial Statements: Classification of Liabilities as Current or Non-Current*

In January 2020, the IASB issued an amendment to IAS 1, "Presentation of Financial Statements" ("IAS 1 Amendment ") regarding the criteria for determining the classification of liabilities as current or non-current. The IAS 1 Amendment replaces certain requirements for classifying liabilities as current or non-current. Thus for example, according to the IAS 1 Amendment, a liability will be classified as non-current when the entity has the right to defer settlement for at least 12 months after the reporting period, and it "has substance" and is in existence at the end of the reporting period, this instead of the requirement that there be an "unconditional" right. According to the IAS1 Amendment, a right is in existence at the reporting date only if the entity complies with conditions for deferring settlement at that date. Furthermore, the IAS 1 Amendment clarifies that the conversion option of a liability will affect its classification as current or non-current, other than when the conversion option is recognized as equity.

The IAS 1 Amendment is effective for reporting periods beginning on or after January 1, 2023, with earlier application being permitted. The IAS1 Amendment is applicable retrospectively, including an amendment to comparative data.

The Company has not yet commenced examining the effects of applying the IAS 1 Amendment on the financial statements.

iii. Amendment to IAS 37, *Provisions, Contingent Liabilities and Contingent Assets*

In May 2020, the IASB issued an amendment to IAS 37, regarding which costs a company should include when assessing whether a contract is onerous ("IAS 37 Amendment"). According to the IAS 37 Amendment, when assessing whether a contract is onerous, the costs of fulfilling a contract that should be taken into consideration are costs that relate directly to the contract, which include as follows:

- Incremental costs; and
- An allocation of other costs that relate directly to fulfilling a contract (such as depreciation expenses for fixed assets used in fulfilling that contract and other contracts).

The IAS 37 Amendment is effective retrospectively for annual periods beginning on or after January 1, 2022, in respect of contracts where the entity has not yet fulfilled all its obligations. Early application is permitted. Upon application of the Amendment, the entity will not restate comparative data, but will adjust the opening balance of retained earnings at the date of initial application, by the amount of the cumulative effect of the Amendment.

The Company has not yet commenced examining the effects of the IAS 37 Amendment on the financial statements.

iv. Amendment to IAS 16, *Property, Plant and Equipment*

In May 2020, the IASB issued an amendment to IAS 16, "Property, Plant and Equipment" ("IAS 16 Amendment") The Amendment annuls the requirement by which in the calculation of costs directly attributable to fixed assets, the net proceeds from selling certain items that were produced while the Company tested the functioning of the asset should be deducted (such as samples that were produced when testing the equipment). Instead, such proceeds shall be recognized in profit or loss according to the relevant standards and the cost of the sold items will be measured according to the measurement requirements of IAS 2, *Inventories*.

The IAS 16 Amendment is effective for annual periods beginning on or after January 1, 2022. Early application is permitted. The IAS 16 Amendment shall be applied on a retrospective basis, including an amendment of comparative data, only with respect to fixed asset items that have been brought to the location and condition required for them to operate in the manner intended by management subsequent to the earliest reporting period presented at the date of initial application of the IAS 16 Amendment. The cumulative effect of the Amendment will adjust the opening balance of retained earnings for the earliest reporting period presented.

The Company has not yet commenced examining the effects of the Amendment on the financial statements.

Note 3: Significant events in the reportimg period

a. Effects of the COVID-19 Pandemic Outbreak:

Following the global COVID-19 outbreak, there has been a decrease in economic activity worldwide, including Israel. The spread of the COVID-19 pandemic led, inter alia, to a disruption in the global supply chain, a decrease in global transportation, restrictions on travel and work that were announced by the State of Israel and other countries worldwide as well as a decrease in the value of financial assets and commodities across all markets in Israel and the world.

The Company's business activity and commercial operation were affected by these factors, and the Company has taken several actions to ensure its manufacturing plant remains operational with limited disruption to its business continuity. The Company continues to maintain higher inventory levels of raw materials through its suppliers and service providers to appropriately manage any potential supply disruptions and secure continued manufacturing. In addition, the Company is actively engaging its freight carriers to ensure inbound and outbound international delivery routes remain operational and identify alternative routes, if needed.

The Company is complying with the State of Israel mandates and recommendations with respect to its work-force management and has taken several precautionary health and safety measures to safeguard its employees and continues to monitor and assess orders issued by the State of Israel and other applicable governments to ensure compliance with evolving COVID-19 guidelines.

While COVID-19 related disruption continues to have various effect on the Company's business activities, commercial operation, revenues and operational expenses, as a results of the actions taken by the Company to date, its overall results of operations were not materially affected however, a number of factors, including but not limited to, continued effect of the factors mentioned above as well as, continued demand for the Company's products, including GLASSIA and KEDRAB, in the U.S. market and its distributed products in Israel, financial conditions of the Company's customer, suppliers and services providers, the Company's ability to manage operating expenses, additional competition in the markets that the Company competes, regulatory delays, prevailing market conditions and the impact of general economic, industry or political conditions in the U.S., Israel or otherwise, may have an effect on the Company's future financial position and results of operations.

The financial impact of these factors cannot be reasonably estimated at this time due to substantial uncertainty but may materially affect our business, financial condition, and results of operations. The Company assess the impact of the COVID-19 pandemic in a number of possible scenarios and concluded that there are no uncertainties that may cast significant doubt on its ability to continue as a going concern or affect significantly on the Company liquidity.

Note 3: Significant events in the reportimg period (continued)

b. Acquisition of an FDA-Licensed Plasma Collection Center:

On March 31, 2021, the Company acquired the plasma collection center and certain related rights and assets from the privately held B&PR of Beaumont, TX, USA. The plasma collection facility primarily specializes in the collection of hyper-immune plasma used for the Anti-D immunoglobulin, which is manufactured by the Company and distributed in international markets. The acquisition was consummated through Kamada Plasma LLC, a newly formed wholly owned subsidiary of the Company, which will operate the Company's plasma collection activity in the U.S.

In consideration for the assets acquired, the Company committed to a pay a total amount of $1,654 thousands, of which $1,404 thousands were paid at the closing of the acquisition, and the balance in the amount of $250 thousands will be paid on March 31, 2022.

The Company incurred acquisition-related costs of $140 thousand related mainly to legal and other consulting fees. These costs were recorded in general and administrative expenses in the statement of profit and loss during 2020 and the first quarter of 2021.

Identifiable assets acquired and liabilities assumed:

	U.S Dollars in thousands
Inventories	$ 184
Intangible assets (1)	1,378
Property, plant and equipment, net	82
Total acquired assets	1,644
Assumed liabilities	(240)
Net identifiable assets	$ 1,404

(1) The fair value of intangible assets (FDA-License for plasma collection and goodwill) has been determined provisionally pending completion of an independent valuation. If new information is obtained within one year from the acquisition date about facts and circumstances that existed at the acquisition date, the Company will retrospectively adjust the relevant amounts that were recognized at the time of the acquisition.

c. Amendment to GLASSIA License Agreement with Takeda:

On March 31, 2021, the Company entered into an amendment to the Technology License Agreement with Takeda with respect to GLASSIA. Pursuant to the amendment, upon completion of the transition of GLASSIA manufacturing to Takeda, expected by the end of 2021, the Company will transfer to Takeda the GLASSIA U.S. Biologics License Application (BLA). In consideration for the BLA transfer, the Company will receive a $2,000 thousand payment from Takeda. In addition, the terms of the final sales-based milestone of $5,000 thousand due to the Company under the license agreement were amended. As a result of such amendment the Company recognized the $5,000 thousand milestone as a revenue during the first quarter of 2021.

d. Workforce Downsizing:

As a result of the transition of GLASSIA manufacturing to Takeda, the Company initiated during the second quarter of 2021 a workforce downsizing program which was completed by the beginning of the third quarter of 2021. During the nine months ended September 30, 2021 the Company accounted for $561 thousands of costs associated with termination benefits which were recorded as a one-time expenses in the other operating expenses.

Note 4: Operating Segments

a. General:

The company has two operating segments, as follows:

Proprietary Products	-	Development, manufacturing, sales, and distribution of plasma-derived protein therapeutics.
Distribution	-	Distribute imported drug products in Israel, which are manufactured by third parties.

b. Reporting on operating segments:

	Nine months period ended September 30, 2021		
	Proprietary Products	Distribution	Total
	U.S Dollars in thousands		
	Unaudited		
Revenues	$ 57,316	$ 14,857	$ 72,173
Gross profit	$ 21,711	$ 2,022	$ 23,733
Unallocated corporate expenses			(21,127)
Finance income, net			173
Income before taxes on income			$ 2,779

Note 4: Operating Segments (continued)

b. Reporting on operating segments (continued):

	Nine months period ended September 30, 2020		
	Proprietary Products	Distribution	Total
	U.S Dollars in thousands		
	Unaudited		
Revenues	$ 77,633	$ 24,071	$ 101,704
Gross profit	$ 33,816	$ 3,571	$ 37,387
Unallocated corporate expenses			(20,799)
Finance income, net			67
Income before taxes on income			$ 16,655

	Three months period ended September 30, 2021		
	Proprietary Products	Distribution	Total
	U.S Dollars in thousands		
	Unaudited		
Revenues	$ 17,123	$ 5,911	$ 23,034
Gross profit	$ 5,045	$ 685	$ 5,730
Unallocated corporate expenses			(6,534)
Finance expenses, net			(41)
Income before taxes on income			$ (845)

Note 4: Operating Segments (continued)

b. Reporting on operating segments (continued):

	Three months period ended September 30, 2020		
	Proprietary Products	Distribution	Total
	U.S Dollars in thousands		
	Unaudited		
Revenues	$ 29,691	$ 5,634	$ 35,325
Gross profit	$ 13,755	$ 1,066	$ 14,821
Unallocated corporate expenses			(7,058)
Finance expenses, net			(580)
Income before taxes on income			$ 7,183

	Year Ended December 31, 2020		
	Proprietary Products	Distribution	Total
	U.S Dollars in thousands		
	Audited		
Revenues	$ 100,916	$ 32,330	$ 133,246
Gross profit	$ 43,166	$ 4,386	$ 47,552
Unallocated corporate expenses			(28,315)
Finance expenses, net			(672)
Income before taxes on income			$ 18,565

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 4: Operating Segments (continued)

c. Reporting on operating segments by geographic region:

	Nine months period ended September 30, 2021		
	Proprietary Products	Distribution	Total
	U.S Dollars in thousands		
	Unaudited		
Geographical markets			
U.S.A and North America	$ 39,265	-	$ 39,265
Israel	6,437	14,857	21,294
Europe	4,491	-	4,491
Latin America	5,255	-	5,255
Asia	1,753	-	1,753
Others	115	-	115
	$ 57,316	$ 14,857	$ 72,173

	Nine months period ended September 30, 2020		
	Proprietary Products	Distribution	Total
	U.S Dollars in thousands		
	Unaudited		
Geographical markets			
U.S.A and North America	$ 66,339	$ -	$ 66,339
Israel	3,132	24,071	27,203
Europe	3,690	-	3,690
Latin America	3,976	-	3,976
Asia	444	-	444
Others	52	-	52
	$ 77,633	$ 24,071	$ 101,704

	Three months period ended September 30, 2021		
	Proprietary Products	Distribution	Total
	U.S Dollars in thousands		
	Unaudited		
Geographical markets			
U.S.A and North America.	$ 12,710		$ 12,710
Israel	849	5,911	6,760
Europe	1,097		1,097
Latin America	1,652		1,652
Asia	734		734
Others	81		82
	$ 17,123	$ 5,911	$ 23,034

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 4: Operating Segments (continued)

c. Reporting on operating segments by geographic region (continued):

	Three months period ended September 30, 2020		
	Proprietary Products	Distribution	Total
	U.S Dollars in thousands		
	Unaudited		
Geographical markets			
U.S.A and North America	$ 25,879	$ -	$ 25,879
Israel	1,126	5,634	6,760
Europe	403	-	403
Latin America	2,104	-	2,104
Asia	158	-	158
Others	21	-	21
	$ 29,691	$ 5,634	$ 35,325

	Year ended December 31, 2020		
	Proprietary Products	Distribution	Total
	U.S Dollars in thousands		
	Audited		
Geographical markets			
U.S.A and North America	$ 84,949	$ -	$ 84,949
Israel	3,814	32,330	36,144
Europe	4,461	-	4,461
Latin America	6,867	-	6,867
Asia	766	-	766
Others	59	-	59
	$ 100,916	$ 32,330	$ 133,246

Note 5: Financial Instruments

a. Classification of financial instruments by fair value hierarchy:

Financial assets (liabilities) measured at fair value

	Level 1	Level 2
	U.S Dollars in thousands	
September 30, 2021		
Derivatives instruments	$ -	$ (40)
September 30, 2020		
Derivatives instruments	$ -	$ 329
December 31, 2020		
Derivatives instruments	$ -	$ 448

During the three months ended on September 30, 2021, there were no transfers due to the fair value measurement of any financial instrument from Level 1 to Level 2, and furthermore, there were no transfers to or from Level 3 due to the fair value measurement of any financial instrument.

Note 6: Subsequent events

a. Extension of exercise terms of stock option

On October 12, 2021, the Company's Board of Directors approved an extension of the exercise term of 88,900 outstanding options for one year period from October 27, 2021 till October 2022. The fair value of such term extension estimated based on the Binomial Model, is $47 thousands.

b. Acquisition of a portfolio of four FDA-approved plasma-derived hyperimmune commercial products

On November 22, 2021, the Company entered into an Assets Purchase Agreement (the "APA") with Saol Therapeutics ("Saol") for the acquisition of a portfolio of four FDA-approved plasma-derived hyperimmune commercial products. Pursuant to the APA, the Company will pay Saol a $95 million upfront payment, and up to an additional $50 million in sales milestones during 2022-2034. In addition, the Company will acquire from Saol existing inventory at an estimated value of approximately $15 million, which will be paid over 10 equal quarterly instalments. In addition, the Company entered into a Transition Services Agreement (the "TSA") with Saol, pursuant to which Saol will provide multiple services to the Company during the term of the TSA in order to ensure adequate transition of all commercial operation associated with the acquired portfolio.

To partially fund the acquisition costs, on November 15, 2021, the Company secured a $40 million credit facility from Bank Hapoalim, Israel's leading commercial bank. The credit facility is comprised of a $20 million 5-year term loan baring an interest at a rate of SOFR (Secured Overnight Financing Rate) +2.18%, and a $20 million short-term revolving credit facility baring an interest at a rate of SOFR +1.75%, or a commitment fee of 0.2% calculated over the unutilized balance of the short-term revolving credit facility.