
**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 May 2019

Commission File Number 001-38716

GAMIDA CELL LTD.
(Translation of registrant's name into English)

**5 Nahum Heftsadie Street
Givaat Shaul, Jerusalem 91340 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): ☐

INCORPORATION BY REFERENCE

Exhibits 99.1 and 99.2 to this Report on Form 6-K shall be deemed to be incorporated by reference into the Registration Statement on Form S-8 (Registration Number 333-228301) of Gamida Cell Ltd. (the “Company”) and to be a part thereof from the date on which this report is filed, to the extent not superseded by documents or reports subsequently filed or furnished.

Exhibit 99.3 to this Report on Form 6-K shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended (the “Securities Act”), or the Exchange Act.

RISK FACTORS

The risk factors set forth under the caption “Risk Factors” in the Company’s annual report on Form 20-F filed on February 25, 2019 shall be deemed to be incorporated by reference herein and to be a part thereof from the date on which this report is filed, to the extent not superseded by documents or reports subsequently filed or furnished. Additional risks and uncertainties not currently known to the Company, or that the Company currently deems to be immaterial, also may affect its business, financial condition and/or future operating results.

PFIC STATUS

If we are a passive foreign investment company, or PFIC, we expect to provide investors, by annually posting a “PFIC Annual Information Statement” on our website, with the information required to allow investors to make a qualified electing fund, or QEF, election for United States federal income tax purposes.

SIGNATURES

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, thereunto duly authorized.

GAMIDA CELL LTD.

May 7, 2019

By: /s/ Shai Lankry

Shai Lankry

Chief Financial Officer

EXHIBIT INDEX

Exhibit No.	Description
99.1	Unaudited Interim Consolidated Statements of Financial Position as of March 31, 2019 and March 31, 2018, and Unaudited Interim Consolidated Statements of Comprehensive Loss, Statements of Changes in Shareholders' Equity and Statements of Cash Flows for the three months ended March 31, 2019 and March 31, 2018
99.2	Management's Discussion and Analysis of Financial Condition and Results of Operations
99.3	Press Release, dated May 7, 2019 Gamida Cell Reports First Quarter 2019 Financial Results and Provides Company Update

GAMIDA CELL LTD. AND ITS SUBSIDIARY
INTERIM CONSOLIDATED FINANCIAL STATEMENTS
AS OF MARCH 31, 2019
U.S. DOLLARS IN THOUSANDS
UNAUDITED
INDEX

	Page
Review of Interim Consolidated Financial Statements	2
Interim Consolidated Statements of Financial Position	3 - 4
Interim Consolidated Statements of Comprehensive Loss	5
Interim Consolidated Statements of Changes in Equity	6 – 7
Interim Consolidated Statements of Cash Flows	8 – 9
Notes to Interim Consolidated Financial Statements	10 - 16

AUDITORS' REVIEW REPORT

To the shareholders of

GAMIDA CELL LTD.

Introduction

We have reviewed the accompanying financial information of Gamida Cell Ltd. and its subsidiary ("the Company"), which comprises the interim consolidated statements of financial position as of March 31, 2019 and 2018 and the related interim consolidated statements of comprehensive loss, changes in equity and cash flows for the three months periods ended March 31, 2019 and 2018. The Company's board of directors and management are responsible for the preparation and presentation of interim financial information for these periods in accordance with IAS 34, "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

We conducted our review in accordance with Review Standard of the American Institute of Certified Public Accountants in the United States, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards in Israel and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with IAS 34.

We draw attention to Note 1c to the interim consolidated financial statements. As discussed in this note, the Company has recurring losses from operations and has accumulated deficit that raise substantial doubt about its ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 1c. The interim consolidated financial statements do not include any adjustments to the carrying amounts and classifications of assets and liabilities that would result if the Company was unable to continue as a going concern.

Tel-Aviv, Israel
May 6, 2019

KOST FORER GABBAY & KASIERER
A Member of Ernst & Young Global

INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

U.S. dollars in thousands

	March 31,		December 31,
	2019	2018	2018
	Unaudited		
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	\$ 43,749	\$ 25,931	\$ 40,272
Available-for-sale financial assets	6,507	9,679	20,417
Prepaid expenses and other current assets	684	887	1,502
<u>Total</u> current assets	50,940	36,497	62,191
NON-CURRENT ASSETS:			
Property and equipment, net	2,782	1,122	2,311
Right-of-use assets	6,668	-	-
Other assets	657	355	662
<u>Total</u> non-current assets	10,107	1,477	2,973
<u>Total</u> assets	\$ 61,047	\$ 37,974	\$ 65,164

The accompanying notes are an integral part of the interim consolidated financial statements.

INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

U.S. dollars in thousands (except share and per share data)

	March 31,		December 31,
	2019	2018	2018
	Unaudited		
LIABILITIES AND EQUITY			
CURRENT LIABILITIES:			
Trade payables	\$ 1,341	\$ 852	\$ 1,985
Employees and payroll accruals	2,580	-	2,888
Current maturities of lease liabilities	2,156	-	-
Accrued expenses and other payables	1,739	2,446	1,832
<u>Total</u> current liabilities	<u>7,816</u>	<u>3,298</u>	<u>6,705</u>
NON-CURRENT LIABILITIES:			
Liabilities presented at fair value	25,031	10,700	24,049
Employee benefit liabilities, net	276	184	183
Lease Liabilities	4,671	-	-
Liability to Israel Innovation Authority (IIA)	10,108	7,432	9,540
<u>Total</u> non-current liabilities	<u>40,086</u>	<u>18,316</u>	<u>33,772</u>
SHAREHOLDERS' EQUITY:			
Share capital -			
Ordinary shares of NIS 0.01 par value - Authorized: 100,000,000 shares at March 31, 2019 (unaudited) and December 31, 2018 and 23,277,000 shares at March 31, 2018 (unaudited); Issued and outstanding: 25,140,048 and 24,930,736 shares at March 31, 2019 (unaudited) and December 31, 2018 respectively, and 689,898 shares at March 31, 2018 (unaudited);	68	2	67
Preferred shares of NIS 0.01 par value - Authorized: 0 shares at March 31, 2019 (unaudited) and December 31, 2018 and 16,723,000 shares at March 31, 2018 (unaudited); Issued and outstanding: 0 shares at March 31, 2019 (unaudited) and December 31, 2018 and 14,154,743 shares at March 31, 2018 (unaudited);	-	38	-
Share premium	197,967	140,155	193,953
Capital reserve due to actuarial gains	(160)	(79)	(77)
Available-for-sale reserve	(10)	(83)	(43)
Accumulated deficit	(184,720)	(123,673)	(169,213)
<u>Total</u> shareholders' equity	<u>13,145</u>	<u>16,360</u>	<u>24,687</u>
<u>Total</u> liabilities and shareholders' equity	\$ 61,047	\$ 37,974	\$ 65,164

The accompanying notes are an integral part of the interim consolidated financial statements.

May 6, 2019		
Date of approval of the financial statements	Julian Adams Director and CEO	Shai Lankry Chief Financial Officer

INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

U.S. dollars in thousands (except share and per share data)

	Three months ended March 31,		Year ended December 31,
	2019	2018	2018
	Unaudited		
Operating expenses:			
Research and development, net	\$ 7,283	\$ 5,060	\$ 22,045
General and administrative	3,813	1,653	11,599
Operating loss	11,096	6,713	33,644
Finance expenses	4,734	974	20,259
Finance income	(349)	(296)	(1,042)
Loss before taxes on income	15,481	7,391	52,861
Taxes on income	26	-	70
Net loss	15,507	7,391	52,931
Other comprehensive loss:			
Items that will be reclassified subsequently to profit or loss:			
Actuarial net loss of defined benefit plans	83	-	(2)
Changes in the fair value of available for sale financial assets	(33)	49	9
Total comprehensive loss	15,557	7,440	52,938
Net loss per share:			
Basic and diluted net loss per share	0.62	10.78	10.53
Weighted average number of ordinary shares used in computing basic and diluted net loss per share	25,038,261	689,898	5,025,213

The accompanying notes are an integral part of the interim consolidated financial statements.

INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (DEFICIT)

U.S. dollars in thousands (except share and per share data)

	Ordinary shares		Preferred shares		Share	Available for	Capital	Accumulated	Total
	Number	Amount	Number	Amount	Premium	sale reserve Amount	reserve due to actuarial losses	deficit	equity
Balance as of January 1, 2019	24,930,736	\$ 67	-	\$ -	\$ 193,953	\$ (43)	\$ (77)	\$ (169,213)	\$ 24,687
Net loss	-	-	-	-	-	-	-	(15,507)	(15,507)
Other comprehensive loss	-	-	-	-	-	33	(83)	-	(50)
Total comprehensive loss	-	-	-	-	-	33	(83)	(15,507)	(15,557)
Exercise of warrants	209,312	1	-	-	2,923	-	-	-	2,924
Share-based compensation	-	-	-	-	1,091	-	-	-	1,091
Balance as of March 31, 2019 (unaudited)	<u>25,140,048</u>	<u>\$ 68</u>	<u>-</u>	<u>\$ -</u>	<u>\$ 197,967</u>	<u>\$ (10)</u>	<u>\$ (160)</u>	<u>\$ (184,720)</u>	<u>\$ 13,145</u>
	Ordinary shares		Preferred shares		Share	Available for	Capital	Accumulated	Total
	Number	Amount	Number	Amount	Premium	sale reserve Amount	reserve due to actuarial losses	deficit	equity
Balance as of January 1, 2018	689,898	\$ 2	14,154,743	\$ 38	\$ 139,311	\$ (34)	\$ (79)	\$ (116,282)	\$ 22,956
Net loss	-	-	-	-	-	-	-	(7,391)	(7,391)
Other comprehensive loss	-	-	-	-	-	(49)	-	-	(49)
Total comprehensive loss	-	-	-	-	-	(49)	-	(7,391)	(7,440)
Share-based compensation	-	-	-	-	844	-	-	-	844
Balance as of March 31, 2018 (unaudited)	<u>689,898</u>	<u>\$ 2</u>	<u>14,154,743</u>	<u>\$ 38</u>	<u>\$ 140,155</u>	<u>\$ (83)</u>	<u>\$ (79)</u>	<u>\$ (123,673)</u>	<u>16,360</u>

INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (DEFICIT)

U.S. dollars in thousands (except share and per share data)

	Ordinary shares		Preferred shares		Share	Available for	Capital	Accumulated	Total
	Number	Amount	Number	Amount	Premium	sale reserve Amount	reserve due to actuarial losses	deficit	equity
Balance as of January 1, 2018	689,898	\$ 2	14,154,743	\$ 38	139,311	\$ (34)	\$ (79)	\$ (116,282)	\$ 22,956
Net loss	-	-	-	-	-	-	-	(52,931)	(52,931)
Other comprehensive loss	-	-	-	-	-	(9)	2	-	(7)
Total comprehensive loss	-	-	-	-	-	(9)	2	(52,931)	(52,938)
Issuance of additional preferred shares following Anti-dilution Protection	-	-	3,134,546	8	(8)	-	-	-	-
Exercise of options	9,692	-	-	-	2	-	-	-	2
Conversion of preferred shares	17,289,289	46	(17,289,289)	(46)	-	-	-	-	-
Issuance of ordinary shares in initial public offering, net of issuance expenses in an amount of \$5,947	6,648,368	18	-	-	47,223	-	-	-	47,241
Exercise of warrants	293,489	1	-	-	3,850	-	-	-	3,851
Share-based compensation	-	-	-	-	3,575	-	-	-	3,575
Balance as of December 31, 2018	24,930,736	\$ 67	-	\$ -	193,953	\$ (43)	\$ (77)	\$ (169,213)	\$ 24,687

The accompanying notes are an integral part of the interim consolidated financial statements.

INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

U.S. dollars in thousands

	Three months ended March 31,		Year ended December 31,
	2019	2018	2018
	Unaudited		
<u>Cash flows from operating activities:</u>			
Net loss	\$ (15,507)	\$ (7,391)	\$ (52,931)
Adjustments to reconcile net loss to net cash used in operating activities:			
Adjustments to the profit or loss items:			
Depreciation of property, plant and equipment and right-of-use assets	542	49	269
Financial income, net	(191)	-	(858)
Cost of share-based compensation	1,091	844	3,575
Change in employee benefit liabilities, net	11	(16)	(15)
Interest received	-	(13)	-
Amortization of premium on available-for-sale financial asses	50	81	272
Revaluation of financial derivatives	3,907	400	17,600
Revaluation of liability to IIA	568	412	2,037
	5,978	1,757	22,880
Changes in asset and liability items:			
Increase in prepaid expenses and other current assets and other assets	409	100	942
Decrease in trade payables	(844)	(1,538)	(405)
Increase - in accrued expenses and other payables	21	260	2,296
	(414)	(1,178)	2,833
<u>Cash received during the period for:</u>			
Interest received	521	13	792
Interest paid	(28)	-	-
Net cash used in operating activities	(9,450)	(6,799)	(26,426)
<u>Cash flows from investing activities:</u>			
Purchase of property and equipment	(350)	(231)	(1,645)
Purchase of of available-for-sale financial assets	-	-	(10,905)
Proceed from sale of available-for-sale financial assets	13,893	4,984	4,949
Proceeds from bank deposits	-	5,000	5,000
Investment in restricted bank deposits	-	-	(150)
Net cash provided by (used in) investing activities	13,543	9,753	(2,751)

The accompanying notes are an integral part of the interim consolidated financial statements.

INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

U.S. dollars in thousands

	Three months ended March 31		Year ended December 31,
	2019	2018	2018
	Unaudited		
<u>Cash flows from financing activities:</u>			
Receipt of grants from the IIA	-	1,652	612
Proceeds from initial public offering, net	(238)	-	47,479
Payment of lease liabilities	(440)	-	-
Exercise of options	-	-	2
Net cash (used in) provided by financing activities	(678)	1,652	48,093
Exchange differences on balances of cash and cash equivalents	62	-	31
Increase in cash and cash equivalents	3,477	4,606	18,947
Cash and cash equivalents at beginning of period	40,272	21,325	21,325
Cash and cash equivalents at end of period	\$ 43,749	\$ 25,931	\$ 40,272
<u>Supplemental disclosure of non-cash financing activities:</u>			
<u>Significant non-cash transactions:</u>			
IIA liability for grants to be received	\$ -	\$ 130	\$ -
Exercise of warrants liabilities to equity	\$ 2,924	\$ -	\$ 3,851
Purchase of property, plant and equipment on credit	\$ 199	\$ -	\$ -
Issuance expenses on credit	\$ -	\$ -	\$ 238

The accompanying notes are an integral part of the interim consolidated financial statements.

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands

NOTE 1:- GENERAL

- a. Gamida Cell Ltd. (the "Company"), founded in 1998, is a clinical-stage biopharmaceutical company that develops novel curative treatments for orphan indications, including hematological malignancies and rare genetic diseases using stem cells and Natural Killer (NK) cells.
- b. The Company uses its proprietary platform NAM technology to expand in culture, highly functional cells derived from umbilical cord blood or peripheral blood, while enhancing the potential therapeutic efficacy of these cells.

The lead product candidate, Omidubicel (formally known as NiCord®), is currently developed in a pivotal registration phase III clinical study to treat patients with high-risk hematological malignancies (blood cancers) such as leukemia or lymphoma who are indicated to receive a donor derived (allogeneic) bone marrow transplantation. BMT transplantation with a graft derived from bone marrow or peripheral blood cells of a matched donor is currently the standard of care treatment for many of these patients, but there is a significant unmet need for patients who cannot find a fully matched donor. Omidubicel is designed as a universal bone marrow donor graft which can be available to all patients in need.

Omidubicel was granted a Breakthrough Therapy designation from the FDA and an orphan drug designation in the US and in Europe.

In December 2017, the Company presented at the ASH annual meeting final results from the phase I/II trial evaluating Omidubicel. The study met its primary endpoint, demonstrating rapid neutrophil engraftment with manageable side effects.

In addition to hematologic malignancies, the Company pursuing the development of Omidubicel for the treatment of bone marrow failure disorders. Omidubicel is currently being evaluated in a Phase 1/2 clinical trial sponsored by the National Institutes of Health in patients with severe aplastic anemia, a rare, life-threatening hematological disorder.

Beyond Omidubicel, the Company develops another product candidate, GDA-201 (formally known as NAM-NK), for innate immunotherapy of expanded natural killer, or NK, cells, to be used in combination with standard-of-care therapeutic antibodies. NK cells have potent anti-tumor properties and have the advantage over other oncology cell therapies of not requiring genetic matching, potentially enabling NK cells to serve as a universal donor-based therapy when combined with certain antibodies. A phase I/II investigator initiated study to treat patients with B cell lymphoma and multiple myeloma is enrolling patients.

- c. The Company is devoting substantially all of its efforts toward research and development activities. In the course of such activities, the Company has sustained operating losses and expects such losses to continue in the foreseeable future. The Company's accumulated deficit as of March 31, 2019 is \$184,720 and negative cash flows from operating activities during the period is \$9,450. These conditions raise substantial doubt about the Company's ability to continue as a going concern. The interim consolidated financial statements do not include any adjustments to the carrying amounts and classifications of assets and liabilities that would result if the Company was unable to continue as a going concern. The Company requires additional financing in order to continue to fund its current operations and pay existing and future liabilities.

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands

NOTE 1:- GENERAL (Cont.)

d. Definitions:

In these financial statements:

The Company	- Gamida Cell Ltd. and its subsidiary
Subsidiary	Gamida Cell Inc. Incorporated in 2000 and intended to focus on sales and marketing upon product approval.
Related Parties	- As defined in IAS 24
Dollar	- U.S. dollar

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES

- a. The accompanying unaudited interim consolidated financial statements for the three months periods ended March 31, 2019 and 2018 have been prepared in accordance with IAS 34 "Interim Financial Reporting" for interim financial information.

The interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual consolidated financial statements as of December 31, 2018 and their accompanying disclosures.

The interim consolidated financial statements reflect all normal recurring adjustments necessary to present fairly the financial position, results of operations, and cash flows for the interim periods, but are not necessarily indicative of the results of operations to be anticipated for the full year ending December 31, 2019.

- b. The accounting policies adopted in the preparation of the interim consolidated financial statements are consistent with those followed in the preparation of the company's annual consolidated financial statements for the year ended December 31, 2018, except for the adoption of new standards effective as of January 1, 2019. The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES (Cont.)

c. IFRS 16 Leases:

The Company applies, for the first time, IFRS 16 Leases . As required by IAS 34, the nature and effect of these changes are disclosed below.

The Company adopted IFRS 16 using the modified retrospective method of adoption with the date of initial application of January 1, 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. The Company elected to use the transition practical expedient allowing the standard to be applied only to contracts that were previously identified as leases applying IAS 17 and IFRIC 4 at the date of initial application. The Company also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option ('short-term leases'), and lease contracts for which the underlying asset is of low value ('low-value assets').

The Company has a number of lease contracts, mainly leases of an office building and a production plant. Before the adoption of IFRS 16, the Company classified each of its leases (as lessee) at the inception date as an operating lease. The leased property was not capitalized and the lease payments were recognized as rent expense in profit or loss on a straight-line basis over the lease term. Any prepaid rent and accrued rent were recognized under prepaid expenses and other current assets and accrued expenses and other payables, respectively.

Upon adoption of IFRS 16, the Company applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The standard provides specific transition requirements and practical expedients, which has been applied by the Company.

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES (Cont.)

The Company recognized right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value assets. The right-of-use assets for most leases were recognised based on the carrying amount as if the standard had always been applied, apart from the use of incremental borrowing rate at the date of initial application. In some leases, the right-of-use assets were recognised based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognized. Lease liabilities were recognized based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

Based on the foregoing, as at January 1, 2019:

- Right-of-use assets of \$7,106 were recognized and presented separately in the statement of financial position.
- Additional lease liabilities of \$7,032 were recognized and presented separately in the statement of financial position .
- Prepaid expenses and other current assets of \$256 and accrued expenses and other payables of \$182 related to previous operating leases were derecognized.

Set out below, are the carrying amounts of the Company's right-of-use assets and lease liabilities and the movements during the period:

	Right-of-use assets				Lease liabilities
	Offices and labs	Vehicles	Production Plant	Total	
As of January 1, 2019	\$ 2,104	\$ 291	\$ 4,711	\$ 7,106	\$ 7,032
Depreciation expenses	(292)	(32)	(140)	(464)	-
Interest expenses	-	-	-	-	237
Re-measurement	-	-	26	26	26
Payments	-	-	-	-	(468)
As of March 31, 2019	<u>\$ 1,812</u>	<u>\$ 259</u>	<u>\$ 4,597</u>	<u>\$ 6,668</u>	<u>\$ 6,827</u>

The lease liabilities as of January 1, 2019 reconciliation to the operating lease commitments as of December 31, 2018 are as follows:

Operating lease commitments as of December 31, 2018	\$ 7,441
Weighted average incremental borrowing rate as of January 1, 2019 (%)	1.42
Discounted operating lease commitments of January 1, 2019	7,032
Lease liabilities as of January 1, 2019	<u>\$ 7,032</u>

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES (Cont.)

Set out below are the new accounting policies of the Company upon adoption of IFRS 16, which have been applied from the date of initial application:

a. Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

b. Lease liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating a lease, if the lease term reflects the Company exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognized as expense in the period on which the event or condition that triggers the payment occurs.

NOTE 3:- SHARE-BASED PAYMENT

The total compensation cost related to all of the Company's equity-based awards, recognized during the presented periods was comprised as follows:

	Three months ended March 31,		Year ended December 31,
	2019	2018	2018
	Unaudited		
Research and development	\$ 229	\$ 482	\$ 705
General and administrative	862	362	2,870
	<u>\$ 1,091</u>	<u>\$ 844</u>	<u>\$ 3,575</u>

The Company estimates the fair value of stock options granted using the Binominal option-pricing model. The option-pricing model requires a number of assumptions, of which the most significant are the expected stock price volatility and the expected option term.

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands

NOTE 3:- SHARE-BASED PAYMENT (cont.)

Expected volatility was calculated based upon historical volatilities of similar entities in the related sector index. The expected term of the options granted is derived from output of the option valuation model and represents the period of time that options granted are expected to be outstanding. The risk-free interest rate is based on the yield from U.S. treasury bonds with an equivalent term. The Company has historically not paid dividends and has no foreseeable plans to pay dividends.

The following table lists the inputs to the binomial model used for the fair value measurement of equity-settled share options for the above plan for the following periods:

Based on the above inputs, the fair value of the options was determined at \$10.50 - \$11.01 at the grant dates during 2019.

	Three months ended March 31,		December 31,
	2019	2018	2018
	Unaudited		Audited
Dividend yield (%)	0	0	0
Expected volatility of the share prices (%)	76%-80%	88%-94%	93%-95%
Risk-free interest rate (%)	2.51-2.70	2.17-2.89	2.63-2.88

Movement during the periods:

	Three months ended March 31,				Year ended December 31,	
	2019		2018		2018	
	Number of options	Weighted average exercise price USD	Number of options	Weighted average exercise price USD	Number of options	Weighted average exercise price USD
Outstanding at beginning of period	3,197,616	3.07	2,467,023	2.28	2,467,023	2.28
Granted during the period	544,800	10.93	-	-	751,977	5.60
Expired during the period	-	-	-	-	(2,000)	6.00
Exercised during the period	-	-	-	-	(9,692)	0.25
Forfeited during the period	-	-	(9,692)	0.25	(9,692)	0.25
Share options outstanding at end of period	3,742,416	3.63	2,457,331	2.27	3,197,616	3.07
Share options exercisable at end of period	1,755,342	1.37	1,428,275	0.74	1,705,256	1.21

As of March 31, 2019, there are \$7,851 of total unrecognized cost related to non-vested share based compensation that are expected to be recognized over a period of up to 4 years.

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands

NOTE 4:- LIABILITIES PRESENTED AT FAIR VALUE

- a. Warrants to purchase Company's shares:

The Company measured the fair value of the warrants by using Option Pricing Method utilized in a Black- Scholes simulation model. The option-pricing model requires a number of assumptions, of which the most significant are the expected stock price volatility and the expected time until liquidation. Expected volatility was calculated based upon historical volatilities of similar entities in the related sector index. The expected time until liquidation is the period in which liquidation event will occurred subject to the Company's expectations. The risk-free interest rate is based on the yield from U.S. treasury bonds with an equivalent term. The Company has historically not paid dividends and has no foreseeable plans to pay dividends.

	Three months ended March 31,		December 31,
	2019	2018	2018
	Unaudited		Audited
Risk-free interest rate	2.21%	2.3%	2.52%
Expected volatility	82%	90%	80%
Expected life (in years)	3.25	2.25-3	3.5
Expected dividend yield	0	0	0

- b. Changes in the fair value of warrants classified as Level 3 in the fair value hierarchy:

	Fair value of financial derivatives
Balance at December 31, 2018	\$ 24,048
Exercise of warrants	(2,924)
Revaluation of financial derivatives	3,907
Balance at March 31, 2019	\$ 25,031



FOR RELEASE TUESDAY, MAY 7, 2019, AT 7:30 A.M. ET

Gamida Cell Reports First Quarter 2019 Financial Results and Provides Company Update

- *Announces USAN selection of omidubicel as nonproprietary name for company's investigational NAM-expanded hematopoietic stem cells (formerly known as NiCord®) –*
- *Patient enrollment in Phase 3 study of omidubicel expected to be completed in second half of 2019; Topline results expected in first half of 2020 –*
- *Phase 1 clinical study of GDA-201 (formerly known as NAM-NK) continues to progress, with additional data expected in 2H19 –*

Boston, Mass. – May 7, 2019 – Gamida Cell Ltd. (Nasdaq: GMDA), a leading cellular and immune therapeutics company, today reported financial results for the quarter ended March 31, 2019. The company also highlighted continued progress in advancing its clinical development candidates: omidubicel¹ (formerly known as NiCord®), an investigational advanced cell therapy in Phase 3 clinical development designed to enhance the life-saving benefits of hematopoietic stem cell (bone marrow) transplant, and GDA-201 (formerly known as NAM-NK), an investigational, natural killer (NK) cell-based cancer immunotherapy in Phase 1 development in patients with non-Hodgkin lymphoma and multiple myeloma.

“Gamida Cell is focused on transforming the treatment landscape for patients with blood cancers and rare, serious hematologic diseases. We are pleased that omidubicel has been selected as the nonproprietary name for NiCord, highlighting our progress toward bringing this important cell therapy to patients in need of a bone marrow transplant,” stated Julian Adams, Ph.D., chief executive officer of Gamida Cell. “We have also made several key personnel appointments this year that reflect our strategic focus on commercial preparedness, including hiring our first chief commercial officer and nominating new board members who bring commercial, operational and financial experience to Gamida Cell’s board of directors.”

Dr. Adams continued, “We are pleased that the multi-center, randomized Phase 3 study of omidubicel is progressing, with patient enrollment expected to be complete by the end of this year and topline data anticipated in the first half of 2020. Positive data from the study would enable the submission of our first biologics license application next year, which would be a significant achievement.”

“Earlier this year, we also reported encouraging data from the Phase 1 clinical study of our natural killer cell product candidate, GDA-201, previously known as NAM-NK. The multiple complete responses observed emboldened us to begin scaling up our manufacturing process to enable the evaluation of a cryopreserved formulation of GDA-201 in a multi-center, multi-dose Phase 1/2 clinical study in patients with non-Hodgkin lymphoma next year,” Dr. Adams concluded.

Company Highlights

- **Omidubicel selected as nonproprietary name for NiCord:** Today Gamida Cell announced that the United States Adopted Names (USAN) Council selected omidubicel as the nonproprietary name for Gamida Cell's investigational hematopoietic stem cell expanded through the company's proprietary nicotinamide-based, or NAM, technology. The USAN Council aims for global standardization and unification of drug nomenclature to ensure that drug information is communicated accurately and unambiguously. Gamida Cell's lead investigational product has two components: omidubicel (hematopoietic stem cells expanded through the company's proprietary nicotinamide-based, or NAM, technology) and differentiated immune cells, including T cells. Gamida Cell refers to the two components collectively as "omidubicel." Going forward, Gamida Cell will use the name "omidubicel" in publications and public statements, at conferences and other forums, and in medical and commercial-related materials.
- **Reported encouraging data for omidubicel and GDA-201 at TCT Annual Meeting:** In February, data from the omidubicel and GDA-201 clinical programs were reported at the 2019 Transplantation & Cellular Therapy (TCT) Meetings of American Society for Blood and Marrow Transplantation and Center for International Blood and Marrow Transplant. Research from the completed Phase 1/2 clinical study of omidubicel demonstrated that recipients who received omidubicel had rapid and robust reconstitution of key immune cells. Successful immune reconstitution is an important factor in the recovery of patients undergoing bone marrow transplant.

Data were also reported from the ongoing Phase 1/2 study of omidubicel in patients with severe aplastic anemia. In the initial cohort of three patients, all successfully underwent a bone marrow transplant consisting of omidubicel plus a haploidentical stem cell graft. The results enable the initiation of a second cohort of patients to be treated with omidubicel as a stand-alone graft. Patient enrollment in the second cohort is expected to begin in the first half of 2019.

Additionally, data reported from the ongoing Phase 1 study of GDA-201 in patients with non-Hodgkin lymphoma (NHL) and multiple myeloma (MM) demonstrated that GDA-201 was clinically active, with three complete responses observed in patients with NHL and one complete response in a patient with MM. These data, along with safety data showing that GDA-201 was generally well tolerated, support continued clinical development. Gamida Cell is planning to initiate a multi-center, Phase 1/2 clinical study of GDA-201 in patients with NHL in 2020.

- **Evolved Board of Directors to reflect company’s progress toward commercialization:** In March, the company announced the nominations of Shawn Cline Tomasello and Stephen T. Wills to its board of directors. These nominations require approval at the Annual Shareholders Meeting, which will take place in June 2019. Ms. Tomasello has extensive experience in commercializing first-in-class medicines for the treatment of cancer, including Yescarta® (at Kite Pharma, now part of Gilead Sciences) and Imbruvica® (at Pharmacyclics, now part of AbbVie). Mr. Wills has extensive operational, financial and transactional experience over nearly three decades in the life sciences and accounting industries. He has served as chief financial officer of Palatin Technologies, a publicly-traded biotechnology company developing peptide therapeutics, since 1997 and also serves as Palatin’s chief operating officer and executive vice president.
- In January, the company appointed Nurit Benjamini to Gamida Cell’s board of directors and chair of the board’s audit committee. Ms. Benjamini has served as chief financial officer of TabTale Ltd. since 2013. Previously, she held a number of chief financial officer positions, including at Wix.com Ltd., Sigma Designs Israel Ltd. and Compugen Ltd.
- **Appointed Thomas Klima as chief commercial officer:** In January, the company announced the appointment of Thomas Klima as chief commercial officer. In this newly created role, Mr. Klima will be responsible for building the team and executing the strategy to potentially bring omidubicel to patients, including oversight of reimbursement and patient services. Klima brings nearly 20 years of global experience in the pharmaceutical industry with expertise in cellular therapy, hematology, oncology and transplantation. During his career, he has played key roles in building commercial organizations and leading multiple successful product launches.

Anticipated 2019-2020 Milestones

Gamida Cell’s anticipated program milestones in 2019-2020 are as follows:

Omidubicel

- Initiate Cohort 2 in the Phase 1/2 study evaluating omidubicel as stand-alone graft in severe aplastic anemia in the first half of 2019
 - Complete enrollment in Phase 3 study of omidubicel in patients with hematologic malignancies in the second half of 2019
 - Report topline data from the Phase 3 study of omidubicel in patients with hematologic malignancies in the first half of 2020
 - Complete BLA submission for omidubicel in hematologic malignancies in the second half of 2020, should Phase 3 data be positive
-

GDA-201

- Complete patient enrollment in the ongoing Phase 1 study in the second half of 2019
- Present additional data at a medical meeting in the second half of 2019
- Initiate multi-center, Phase 1/2 clinical study in patients with NHL in 2020

First Quarter 2019 Financial Results

- As of March 31, 2019, Gamida Cell had total cash, cash equivalents and available-for-sale securities of \$50.3 million, compared to \$60.7 million as of December 31, 2018.
- Research and development expenses in the first quarter of 2019 were \$7.3 million, compared to \$5.1 million in the same period in 2018. The difference was attributable mainly to a \$1.2 million increase in clinical activities relate to the advancement of omidubicel and GDA-201, \$0.5 million reduction in grants received from the Israeli Innovation Authority (IIA) and an increase of \$0.5 million in compensation and other R&D expenses.
- General and administrative expenses were \$3.8 million for the first quarter of 2019, compared to \$1.7 million in the same period in 2018. The increase was due mainly to a \$1.0 million increase in expenses related to hiring and establishing the U.S. headquarters, an increase of \$0.5 million in non-cash stock-based compensation expenses, and \$0.6 million in professional services, rent and other expenses.
- Finance expenses, net, were \$4.4 million for the three months ended March 31, 2019, compared to \$0.7 million in income in the same period in 2018. The increase was primarily due to noncash expenses resulting from revaluation of warrants and the revaluation of royalty-bearing grant IIA liability.
- Net loss for the first quarter of 2019 was \$15.5 million, compared to a net loss of \$7.4 million in the same period in 2018.

2019 Financial Guidance

Gamida Cell continues to expect cash used for ongoing operating activities in 2019 to range from \$35-\$40 million, reflecting anticipated expenditures to advance the company's clinical programs.

Gamida Cell expects that its cash, cash equivalents, available-for-sale securities and short-term debt will support the company's capital needs through the data readout for the Phase 3 clinical study of omidubicel, which is expected in the first half of 2020. This cash runway guidance is based on the company's current operational plans and excludes any additional funding that may be received or business development activities that may be undertaken.

Conference Call Information

Gamida Cell will host a conference call today, May 7, 2019, at 8:30 a.m. ET to discuss these financial results and company updates. A live webcast of the conference call can be accessed in the “Investors” section of Gamida Cell’s website at www.gamida-cell.com. To participate in the live call, please dial 866-930-5560 (domestic) or 409-216-0605 (international) and refer to conference ID number 2277888. A replay of the webcast will be available for approximately 30 days.

About Omidubicel

Omidubicel (formerly known as NiCord®), the company’s lead clinical program, is an advanced cell therapy under development as a potential life-saving allogeneic hematopoietic stem cell (bone marrow) transplant solution for patients with hematologic malignancies (blood cancers).¹ Omidubicel is the first bone marrow transplant product to receive Breakthrough Therapy Designation from the U.S. Food and Drug Administration and has also received Orphan Drug Designation in the U.S. and EU. In a Phase 1/2 clinical study, omidubicel demonstrated rapid and durable time to engraftment and was generally well-tolerated.² A Phase 3 study evaluating omidubicel in patients with leukemia and lymphoma is ongoing in the U.S., Europe and Asia.³ Omidubicel is also being evaluated in a Phase 1/2 clinical study in patients with severe aplastic anemia.⁴ The aplastic anemia investigational new drug application is currently filed with the FDA under the brand name CordIn®, which is the same investigational development candidate as omidubicel. For more information on clinical trials of omidubicel, please visit www.clinicaltrials.gov.

About GDA-201

Gamida Cell applied the capabilities of its NAM-based cell expansion technology to develop GDA-201 (formerly known as NAM-NK), an innate natural killer (NK) cell immunotherapy for the treatment of hematologic and solid tumors in combination with standard of care antibody therapies. GDA-201 addresses key limitations of NK cells by increasing the cytotoxicity and in vivo retention and proliferation in the bone marrow and lymphoid organs of NK cells expanded in culture. GDA-201 is in Phase 1 development through an investigator-sponsored study in patients with refractory non-Hodgkin lymphoma and multiple myeloma.⁵

Omidubicel and GDA-201 are investigational therapies, and their safety and efficacy have not been evaluated by the U.S. Food and Drug Administration or any other health authority.

About Gamida Cell

Gamida Cell is a clinical-stage biopharmaceutical company committed to developing advanced cell therapies with the potential to cure blood cancers and rare, serious hematologic diseases. We are leveraging our proprietary nicotinamide-based, or NAM-based, cell expansion technology to develop product candidates designed to address the limitations of cell therapies. For additional information, please visit www.gamida-cell.com.

Cautionary Note Regarding Forward Looking Statements

This press release contains forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995, including with respect to the patient enrollment in and timing of initiation and progress of and data reported from the clinical trials of Gamida Cell's product candidates, and Gamida Cell's expectations regarding its projected operating expenses and cash runway, which statements are subject to a number of risks, uncertainties and assumptions, including, but not limited to the scope, progress and expansion of Gamida Cell's clinical trials and variability, and ramifications for the cost thereof; and clinical, scientific, regulatory and technical developments. In light of these risks and uncertainties, and other risks and uncertainties that are described in the Risk Factors section of Gamida Cell's public filing on Form 20-F, filed with the SEC on February 25, 2019, and other filings that Gamida Cell makes with the SEC from time to time (which are available at <http://www.sec.gov>), the events and circumstances discussed in such forward-looking statements may not occur, and Gamida Cell's actual results could differ materially and adversely from those anticipated or implied thereby. Any forward-looking statements speak only as of the date of this press release and are based on information available to Gamida Cell as of the date of this release.

INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

U.S. dollars in thousands

	<u>March 31,</u> <u>2019</u>	<u>December 31,</u> <u>2018</u>
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 43,749	\$ 40,272
Available-for-sale financial assets	6,507	20,417
Prepaid expenses and other current assets	<u>684</u>	<u>1,502</u>
Total current assets	<u>50,940</u>	<u>62,191</u>
NON-CURRENT ASSETS:		
Property and equipment, net	2,782	2,311
Right-of-use assets	6,668	-
Other assets	<u>657</u>	<u>662</u>
Total non-current assets	<u>10,107</u>	<u>2,973</u>
Total assets	<u><u>\$ 61,047</u></u>	<u><u>\$ 65,164</u></u>
LIABILITIES AND EQUITY		
CURRENT LIABILITIES:		
Trade payables	\$ 1,341	\$ 1,985
Employees and payroll accruals	2,580	2,888
Current maturities of lease liabilities	2,156	-
Accrued expenses and other payables	<u>1,739</u>	<u>1,832</u>
Total current liabilities	<u>7,816</u>	<u>6,705</u>
NON-CURRENT LIABILITIES:		
Liabilities presented at fair value	25,031	24,049
Employee benefit liabilities, net	276	183
Lease Liabilities	4,671	-
Liability to Israel Innovation Authority (IIA)	<u>10,108</u>	<u>9,540</u>
Total non-current liabilities	<u>40,086</u>	<u>33,772</u>
SHAREHOLDERS' EQUITY:		
Share capital	68	67
Share premium	197,967	193,953
Capital reserve due to actuarial gains	(160)	(77)
Available-for-sale reserve	(10)	(43)
Accumulated deficit	<u>(184,720)</u>	<u>(169,213)</u>
Total shareholders' equity	<u>13,145</u>	<u>24,687</u>
Total liabilities and shareholders' equity	<u><u>\$ 61,047</u></u>	<u><u>\$ 65,164</u></u>

INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

U.S. dollars in thousands (except share and per share data)

	Three months ended	
	March 31,	
	2019	2018
Operating expenses:		
Research and development, net	\$ 7,283	\$ 5,060
General and administrative	3,813	1,653
Operating loss	11,096	6,713
Finance expenses	4,734	974
Finance income	(349)	(296)
Loss before taxes on income	15,481	7,391
Taxes on income	26	-
Net loss	15,507	7,391
Other comprehensive loss:		
Items that will be reclassified subsequently to profit or loss:		
Actuarial net loss of defined benefit plans	83	-
Changes in the fair value of available for sale financial assets	(33)	49
Total comprehensive loss	15,557	7,440
Net loss per share:		
Basic and diluted net loss per share	0.62	10.78
Weighted average number of ordinary shares used in computing basic and diluted net loss per share	25,038,261	689,898

INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

U.S. dollars in thousands

	Three months ended	
	March 31,	
	2019	2018
Cash flows from operating activities:		
Net loss	\$ (15,507)	\$ (7,391)
Adjustments to reconcile net loss to net cash used in operating activities:		
Adjustments to the profit or loss items:		
Depreciation of property, plant and equipment and right-of-use assets	542	49
Financial income, net	(191)	-
Cost of share-based compensation	1,091	844
Change in employee benefit liabilities, net	11	(16)
Interest received	-	(13)
Amortization of premium on available-for-sale financial asses	50	81
Revaluation of financial derivatives	3,907	400
Revaluation of liability to IIA	568	412
	<u>5,978</u>	<u>1,757</u>
Changes in asset and liability items:		
Increase in prepaid expenses and other current assets and other assets	409	100
Decrease in trade payables	(844)	(1,538)
Increase - in accrued expenses and other payables	21	260
	<u>(414)</u>	<u>(1,178)</u>
Cash received during the period for:		
Interest received	521	13
Interest paid	(28)	-
Net cash used in operating activities	<u>(9,450)</u>	<u>(6,799)</u>
Cash flows from investing activities:		
Purchase of property and equipment	(350)	(231)
Proceed from sale of available-for-sale financial assets	13,893	4,984
Proceeds from bank deposits	-	5,000
Net cash provided by investing activities	<u>13,543</u>	<u>9,753</u>
Cash flows from financing activities:		
Receipt of grants from the IIA	-	1,652
Proceeds from initial public offering, net	(238)	-
Payment of lease liabilities	(440)	-
Net cash (used in) provided by financing activities	<u>(678)</u>	<u>1,652</u>
Exchange differences on balances of cash and cash equivalents	<u>62</u>	<u>-</u>
Increase in cash and cash equivalents	3,477	4,606
Cash and cash equivalents at beginning of period	<u>40,272</u>	<u>21,325</u>
Cash and cash equivalents at end of period	<u>\$ 43,749</u>	<u>\$ 25,931</u>
Supplemental disclosure of non-cash financing activities:		
Significant non-cash transactions:		
IIA liability for grants to be received	\$ -	\$ 130
Exercise of warrants liabilities to equity	\$ 2,924	\$ -
Purchase of property, plant and equipment on credit	\$ 199	\$ -



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¹Gamida Cell’s lead development candidate consists of omidubicel (expanded hematopoietic stem cells) and differentiated immune cells, including T cells. Gamida Cell refers to the two components collectively as “omidubicel.”

²Horwitz M.E., Wease S., Blackwell B., Valcarcel D. et al. Phase I/II study of stem-cell transplantation using a single cord blood unit expanded ex vivo with nicotinamide. *J Clin Oncol*. 2019 Feb 10;37(5):367-374.

³ClinicalTrials.gov identifier NCT02730299.

⁴ClinicalTrials.gov identifier NCT03173937.

⁵ClinicalTrials.gov identifier NCT03019666.
