

ORAMED PHARMACEUTICALS INC.

Form 424B3

April 18, 2013

Prospectus Supplement No. 1
(to Prospectus dated February 20, 2013)

Filed pursuant to Rule 424(b)(3)
File Numbers 333-164288, 333- 173058,
333-175216, 333-186375

ORAMED PHARMACEUTICALS INC.

This Prospectus Supplement No. 1 supplements our Prospectus dated February 20, 2013, or the Prospectus.

This Prospectus Supplement No. 1 contains our Quarterly Report on Form 10-Q for the quarterly period ended February 28, 2013 that we filed with the Securities and Exchange Commission, or the SEC, on April 11, 2013 and our Current Report on Form 8-K that we filed with the SEC on April 16, 2013. This Prospectus Supplement No. 1 is not complete without, and may not be delivered or used except in connection with, the Prospectus. This Prospectus Supplement No. 1 is qualified by reference to the Prospectus except to the extent that the information in this Prospectus Supplement No. 1 updates and supersedes the information contained in the Prospectus, including any supplements or amendments thereto.

The shares that are the subject of the Prospectus have been registered to permit their resale to the public by the selling stockholders named in the Prospectus. We are not selling any shares of common stock in this offering and therefore will not receive any proceeds from this offering, except upon the exercise of warrants or options.

Pursuant to Rule 429 under the Securities Act of 1933, as amended, our Prospectus, as supplemented by this Prospectus Supplement No. 1, is a combined prospectus and relates to shares registered under Registration Statement Nos. 333-164288, 333-173058, 333-175216 and 333-186375.

Our common stock is quoted on the Nasdaq Capital Market, or Nasdaq, under the symbol "ORMP". On April 17, 2013, the closing price of our common stock on Nasdaq was \$6.60 per share.

See the "Risk Factors" section beginning on page 5 of the Prospectus for a discussion of certain risks that you should consider before investing in our securities.

NEITHER THE U.S. SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THESE SECURITIES OR DETERMINED IF THIS PROSPECTUS SUPPLEMENT IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The date of this Prospectus Supplement is April 18, 2013

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

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934

For the quarterly period ended February 28, 2013

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934

Commission file number: 000-50298

ORAMED PHARMACEUTICALS INC.
(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction of
Incorporation or Organization)

98-0376008
(I.R.S. Employer Identification
No.)

Hi-Tech Park 2/5 Givat Ram
PO Box 39098
Jerusalem, Israel
(Address of Principal Executive
Offices)

91390
(Zip Code)

+ 972-2-566-0001
(Registrant's Telephone Number, Including Area Code)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer
Non-accelerated filer (Do not check if a smaller
reporting company)

Accelerated filer
Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

As of April 10, 2013 there were 7,222,636 shares of the issuer's common stock, \$0.012 par value per share, outstanding.

ORAMED PHARMACEUTICALS INC.

FORM 10-Q

TABLE OF CONTENTS

<u>PART I – FINANCIAL INFORMATION</u>	1
<u>ITEM 1 - FINANCIAL STATEMENTS</u>	1
<u>ITEM 2 - MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS</u>	2
<u>ITEM 3 – QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK</u>	9
<u>ITEM 4 - CONTROLS AND PROCEDURES</u>	9
<u>PART II - OTHER INFORMATION</u>	10
<u>ITEM 6 - EXHIBITS</u>	10

As used in this Quarterly Report on Form 10-Q, the terms “we,” “us,” “our” and the “Company” mean Oramed Pharmaceuticals Inc. and our wholly-owned Israeli subsidiary, Oramed Ltd., unless otherwise indicated. All dollar amounts refer to U.S. Dollars unless otherwise indicated.

On February 28, 2013, the exchange rate between the NIS and the dollar, as quoted by the Bank of Israel, was NIS 3.708 to \$1.00. Unless indicated otherwise by the context, statements in this Quarterly Report on Form 10-Q that provide the dollar equivalent of NIS amounts or provide the NIS equivalent of dollar amounts are based on such exchange rate.

PART I – FINANCIAL INFORMATION

ITEM 1 - FINANCIAL STATEMENTS

ORAMED PHARMACEUTICALS INC.

(A development stage company)

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

AS OF FEBRUARY 28, 2013

1

ORAMED PHARMACEUTICALS INC.
(A development stage company)

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

AS OF FEBRUARY 28, 2013

TABLE OF CONTENTS

	Page
CONDENSED CONSOLIDATED FINANCIAL STATEMENTS:	
<u>Balance sheets</u>	F-2
<u>Statements of comprehensive loss</u>	F-3
<u>Statements of changes in stockholders' equity</u>	F-4-F-6
<u>Statements of cash flows</u>	F-7
<u>Notes to financial statements</u>	F-8-F-17

ORAMED PHARMACEUTICALS INC.

(A development stage company)

CONDENSED CONSOLIDATED BALANCE SHEETS

(UNAUDITED)

U.S. dollars

	February 28, 2013	August 31, 2012
Assets		
CURRENT ASSETS:		
Cash and cash equivalents	\$2,039,905	\$4,430,740
Short term deposits	2,317,198	454,381
Marketable securities	987,353	200,311
Restricted cash	16,000	16,000
Accounts receivable - other	439,753	87,691
Prepaid expenses	36,406	2,307
Related parties	3,222	404
Grants receivable from the chief scientist	99,533	84,642
T o t a l c u r r e n t a s s e t s	5,939,370	5,276,476
LONG TERM DEPOSITS AND INVESTMENT	9,425	8,867
AMOUNTS FUNDED IN RESPECT OF EMPLOYEE RIGHTS UPON RETIREMENT	6,637	4,740
PROPERTY AND EQUIPMENT, NET	1,869	4,768
T o t a l a s s e t s	\$5,957,301	\$5,294,851
Liabilities and stockholders' equity		
CURRENT LIABILITIES:		
Accounts payable and accrued expenses	\$422,142	\$597,173
Account payable with former shareholder	47,252	47,252
T o t a l c u r r e n t l i a b i l i t i e s	469,394	644,425
LONG TERM LIABILITIES:		
Warrants	-	637,182
Employee rights upon retirement	11,626	6,959
Provision for uncertain tax position	228,272	228,272
	239,898	872,413
COMMITMENTS (note 2)		
STOCKHOLDERS' EQUITY:		
Common stock of \$ 0.012 par value - authorized: 16,666,667* shares at February 28, 2013 and August 31, 2012; issued and outstanding: 7,222,636 shares at February 28, 2013 and 6,674,068* at August 31, 2012	86,657	80,075
Accumulated other comprehensive income	244,508	-
Additional paid-in capital	24,993,248	21,589,715
Deficit accumulated during the development stage	(20,076,404)	(17,891,777)
T o t a l s t o c k h o l d e r s ' e q u i t y	5,248,009	3,778,013
T o t a l l i a b i l i t i e s a n d s t o c k h o l d e r s ' e q u i t y	\$5,957,301	\$5,294,851

* See note 4d.

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

F - 2

ORAMED PHARMACEUTICALS INC.
(A development stage company)
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(UNAUDITED)
U.S. dollars

	Six months ended		Three months ended		Period from April 12, 2002 (inception) through
	February 28, 2013	February 29, 2012	February 28, 2013	February 29, 2012	February 28, 2013
RESEARCH AND DEVELOPMENT EXPENSES, net	\$1,141,622	\$894,663	\$748,996	\$710,647	\$10,674,316
IMPAIRMENT OF INVESTMENT GENERAL AND ADMINISTRATIVE EXPENSES	850,047	511,605	510,834	229,704	9,011,594
OPERATING LOSS	1,991,669	1,406,268	1,259,830	940,351	20,120,786
FINANCIAL INCOME	(139,044)	(14,528)	(66,800)	(7,574)	(346,202)
FINANCIAL EXPENSES	332,002	29,043	32,844	9,487	712,382
GAIN ON SALE OF INVESTMENT	-	-	-	-	(1,033,004)
IMPAIRMENT OF AVAILABLE-FOR-SALE SECURITIES	-	43,111	-	43,111	381,666
LOSS BEFORE TAXES ON INCOME	2,184,627	1,463,894	1,225,874	985,375	19,835,628
TAXES ON INCOME	-	-	-	-	240,776
NET LOSS FOR THE PERIOD	\$2,184,627	\$1,463,894	\$1,225,874	\$985,375	\$20,076,404
SUBSEQUENT INCREASE IN THE FAIR VALUE OF AVAILABLE FOR SALE SECURITIES PREVIOUSLY WRITTEN DOWN AS IMPAIRED	(122,977)	-	(5,630)	4,205	(122,977)
RECLASSIFICATION ADJUSTMENT FOR GAINS INCLUDED IN NET LOSS	50,687	-	50,687	-	50,687
UNREALIZED GAIN ON AVAILABLE FOR SALE SECURITIES	(172,218)	-	(53,697)	-	(172,218)
TOTAL OTHER COMPREHENSIVE INCOME	(244,508)	-	(8,640)	4,205	(244,508)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	\$1,940,119	\$1,463,894	\$1,217,234	\$989,580	\$19,831,896
LOSS PER COMMON SHARE: BASIC AND DILUTED LOSS PER COMMON SHARE	\$0.31	\$0.25	\$0.17	\$0.17	
WEIGHTED AVERAGE NUMBER OF COMMON STOCK USED IN COMPUTING BASIC AND DILUTED LOSS PER COMMON STOCK	7,018,766	5,845,784	7,212,767	5,848,798	

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

F - 3

ORAMED PHARMACEUTICALS INC.
(A development stage company)
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(UNAUDITED)
U.S. dollars

	Common Stock		Additional	Accumulated	Deficit	Total
	Shares*	\$	paid-in	Other	accumulated	stockholders'
			capital	Comprehensive	during the	equity
				Income	development	
					stage	
BALANCE AS OF APRIL 12, 2002 (inception)	2,902,589	\$34,828	\$18,872	-	-	\$53,700
CHANGES DURING THE PERIOD FROM APRIL 12, 2002 THROUGH AUGUST 31, 2007 :						
SHARES CANCELLED	(1,650,000)	(19,800)	19,800	-	-	-
SHARES ISSUED FOR INVESTMENT IN ISTI-NJ	95,368	1,144	433,732	-	-	434,876
SHARES ISSUED FOR OFFERING COSTS	146,079	1,753	(1,753)	-	-	-
SHARES AND WARRANTS ISSUED FOR CASH- NET OF ISSUANCE EXPENSES	2,265,514	27,181	2,095,800	-	-	2,122,981
SHARES ISSUED FOR SERVICES	10,417	125	98,625	-	-	98,750
CONTRIBUTIONS TO PAID IN CAPITAL	-	-	18,991	-	-	18,991
STOCK BASED COMPENSATION RELATED TO OPTIONS GRANTED TO EMPLOYEES AND DIRECTORS	-	-	1,968,547	-	-	1,968,547
STOCK BASED COMPENSATION RELATED TO OPTIONS GRANTED TO CONSULTANTS	-	-	177,782	-	-	177,782
DISCOUNT ON CONVERTIBLE NOTE RELATED TO BENEFICIAL CONVERSION FEATURE	-	-	108,000	-	-	108,000
OTHER COMPREHENSIVE LOSS	-	-	-	-	(16)	(16)
IMPUTED INTEREST	-	-	8,437	-	-	8,437
NET LOSS	-	-	-	-	(4,478,917)	(4,478,917)
	3,769,967	45,231	4,946,833	-	(4,478,933)	513,131

BALANCE AS OF AUGUST						
31, 2007						
RECEIPTS ON ACCOUNT						
OF SHARES						
AND WARRANTS	-	-	6,061	-	-	6,061
SHARES ISSUED FOR						
CONVERSION OF						
CONVERTIBLE NOTE	45,844	550	274,450	-	-	275,000
SHARES AND WARRANTS						
ISSUED FOR CASH - NET						
OF ISSUANCE EXPENSES	848,288	10,178	5,774,622	-	-	5,784,800
SHARES ISSUED						
FOR SERVICES	24,419	293	115,817	-	-	116,110
STOCK BASED						
COMPENSATION						
RELATED TO OPTIONS						
GRANTED TO						
EMPLOYEES AND						
DIRECTORS	-	-	459,467	-	-	459,467
STOCK BASED						
COMPENSATION						
RELATED TO OPTIONS						
GRANTED TO						
CONSULTANTS	-	-	203,982	-	-	203,982
IMPUTED INTEREST	-	-	3,780	-	-	3,780
NET LOSS	-	-	-	-	(2,769,271)	(2,769,271)
BALANCE AS OF AUGUST						
31, 2008	4,688,518	\$56,252	\$11,785,012	-	\$(7,248,204)	\$4,593,060

* See note 4d.

ORAMED PHARMACEUTICALS INC.

(A development stage company)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(UNAUDITED)

U.S. dollars

	Common Stock		Additional paid-in capital	Other Comprehensive Income	Deficit	Total stockholders' equity
	Shares*	\$			accumulated during the development stage	
BALANCE AS OF AUGUST 31, 2008	4,688,518	56,252	11,785,012	-	(7,248,204)	4,593,060
SHARES ISSUED FOR SERVICES RENDERED	17,012	204	152,724	-	-	152,928
SHARES TO BE ISSUED FOR SERVICES RENDERED	-	-	203,699	-	-	203,699
STOCK BASED COMPENSATION RELATED TO OPTIONS GRANTED TO EMPLOYEES AND DIRECTORS	-	-	436,025	-	-	436,025
STOCK BASED COMPENSATION RELATED TO OPTIONS GRANTED TO CONSULTANTS	-	-	117,174	-	-	117,174
IMPUTED INTEREST	-	-	3,780	-	-	3,780
NET LOSS	-	-	-	-	(2,760,474)	(2,760,474)
BALANCE AS OF AUGUST 31, 2009	4,705,530	\$ 56,456	\$ 12,698,414	-	\$ (10,008,678)	\$ 2,746,192
SHARES ISSUED FOR SERVICES RENDERED	92,416	1,109	248,741	-	-	249,850
STOCK BASED COMPENSATION RELATED TO OPTIONS GRANTED TO EMPLOYEES AND DIRECTORS	-	-	690,882	-	-	690,882
STOCK BASED COMPENSATION RELATED TO OPTIONS GRANTED TO CONSULTANTS	-	-	116,944	-	-	116,944
IMPUTED INTEREST	-	-	3,780	-	-	3,780
NET LOSS	-	-	-	-	(2,977,376)	(2,977,376)

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BALANCE AS OF AUGUST 31, 2010	4,797,946	\$ 57,565	\$ 13,758,761	-	\$ (12,986,054)	\$ 830,272
SHARES ISSUED FOR SERVICES RENDERED	60,887	731	226,838	-	-	227,569
SHARES AND WARRANTS ISSUED FOR CASH**	984,209	11,808	3,682,404	-	-	3