

TARO PHARMACEUTICALS INC.

BALANCE SHEETS

	March 31, 2021 (Unaudited) USD Dollars	March 31, 2020 (Unaudited) USD Dollars
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 503,905,780	\$ 410,230,152
Short-term bank deposits	\$ -	-
Marketable securities	\$ 368,645,237	544,116,868
Trade accounts receivable	\$ 19,150,768	24,903,031
Other receivables and prepaid expenses:		
Prepaid expenses	3,343,949	2,394,911
Deferred income taxes	-	-
Government authorities	13,647,944	7,758,469
Advances to suppliers	923,548	250,225
Derivative instruments	8,898	-
Intercompany balances	255,713,073	223,034,868
Other	4,556,664	7,357,159
TOTAL Other receivables and prepaid expenses	278,194,076	240,795,632
Inventories	83,566,748	55,680,027
TOTAL CURRENT ASSETS	1,253,462,609	1,275,725,710
LONG-TERM RECEIVABLES AND OTHER ASSETS	468,170,971	405,089,474
FIXED ASSETS:		
Cost	115,557,450	110,840,841
Less - accumulated depreciation	(58,136,494)	(52,509,247)
	57,420,956	58,331,594
GOODWILL	276,147	276,147
INTANGIBLE ASSETS AND DEFERRED COSTS, NET	89,811,083	129,369,768
DEFERRED INCOME TAXES	49,380,411	-
TOTAL ASSETS	\$ 1,918,522,176	\$ 1,868,792,693

TARO PHARMACEUTICALS INC.

BALANCE SHEETS

	March 31, 2021 (Unaudited) USD Dollars	March 31, 2020 (Unaudited) USD Dollars
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable:		
Trade payables	\$ 30,422,106	\$ 12,362,103
Other current liabilities:		
Returns reserve	5,606,604	4,908,345
Due to customers	-	-
Intercompany balances	963,825	-
Employees and payroll accruals	4,953,626	4,072,524
Deferred revenue	236,624	236,624
Medicaid and indirect rebates	2,048,110	12,847,183
Accrued income taxes	-	-
Legal and audit fees	-	-
Accrued expenses	25,942,872	25,106,458
Interest payable	-	-
Derivative instruments	-	2,901,200
Deferred taxes	-	-
Other	383,043	494,815
TOTAL Other current liabilities	40,134,704	50,567,149
TOTAL CURRENT LIABILITIES	70,556,810	62,929,252
LONG-TERM LIABILITIES:		
Deferred income taxes	-	2,975,070
Other long-term liabilities	31,433,034	2,909,560
	31,433,034	5,884,631
SHAREHOLDERS' EQUITY	1,816,532,332	1,799,978,810
	\$ 1,918,522,176	\$ 1,868,792,693

Date of approval of the
financial statements

Thurga S. Mayuran
Director, Finance

TARO PHARMACEUTICALS INC.

STATEMENTS OF INCOME

	For the year Ended March 31, 2021 (Unaudited) USD Dollars	For the year Ended March 31, 2020 (Unaudited) USD Dollars	For the year Ended March 31, 2019 (Unaudited) CAD Dollars
Sales	\$ 259,636,042	\$ 355,823,117	\$ 363,451,951
Cost of sales	<u>177,495,026</u>	<u>149,030,163</u>	<u>194,146,268</u>
Gross profit	82,141,016	206,792,955	169,305,683
Research and development	23,401,899	24,424,343	41,192,787
Selling and marketing expenses	10,389,199	10,193,400	11,282,659
General and administrative expenses	<u>8,806,004</u>	<u>7,341,255</u>	<u>11,028,244</u>
Operating income	39,543,915	164,833,957	105,801,993
Settlements and Loss Contingencies	62,254,128	-	-
Financing income (expenses), net	17,659,106	44,407,893	66,873,692
Other income (expense)	<u>906,567</u>	<u>1,587,436</u>	<u>1,335,331</u>
Income before taxes on income	(4,144,541)	210,829,286	174,011,016
Taxes on income	<u>(12,713,298)</u>	<u>55,934,860</u>	<u>50,226,492</u>
Net income for the period before subsidiaries and dividend	8,568,758	154,894,427	123,784,525
Dividend income, net	-	-	-
Subsidiaries	<u>-</u>	<u>-</u>	<u>-</u>
Net income for the period	<u>\$ 8,568,758</u>	<u>\$ 154,894,427</u>	<u>\$ 123,784,525</u>

TARO PHARMACEUTICALS INC.

Changes in Shareholders' Equity

CAD/USD Dollars

Unaudited

	Number of Shares (Unaudited)	Share Capital (Unaudited)	Additional Paid-in Capital (Unaudited)	Accumulated Other Comprehensive Income (Loss) (Unaudited)	Foreign Currency Translation Adj (Unaudited)	Retained Earnings (Unaudited)	Total Taro Shareholders' Equity (Unaudited)	Noncontrolling Interest (Unaudited)	Total Shareholders' Equity (Unaudited)
Balance at March 31, 2018 (CAD)	11	241,354,413	295,107	4,658,955	-	1,580,148,343	1,484,539,931	-	1,484,539,931
Reduction of shares issued to TNA	-	(11,015,723)	-	-	-	-	-	-	-
Comprehensive income, net of tax	-	-	-	13,340,963	-	-	13,340,963	-	13,340,963
Net income	-	-	-	-	-	123,784,525	123,784,525.00	-	123,784,525
Balance at March 31, 2019 (CAD)	11	230,338,690	295,107	17,999,918	-	1,703,932,868	1,952,566,584	-	1,952,566,584
Balance at March 31, 2019 (USD)	11	173,200,008	263,098	13,512,438	(156,753,284)	1,432,483,995	1,462,706,254.33	-	1,462,706,254
Issuance of shares to TNA	0.9	199,407,236	-	-	-	-	199,407,236.47	-	199,407,236
Comprehensive income, net of tax	-	-	-	(17,029,108)	-	-	(17,029,108)	-	(17,029,108)
Net income	-	-	-	-	-	154,894,427	154,894,427.00	-	154,894,427
Balance at March 31, 2020 (USD)	12	372,607,244	263,098	(3,516,670)	(156,753,284)	1,587,378,422	1,799,978,810	-	1,799,978,810
Comprehensive income, net of tax	-	-	-	7,984,764	-	-	7,984,764	-	7,984,764
Net income (loss)	-	-	-	-	-	8,568,758	8,568,758	-	8,568,758
Balance at March 31, 2021 (USD)	12	372,607,244	263,098	4,468,094	(156,753,284)	1,595,947,180	1,816,532,332	-	1,816,532,332