

TARO PHARMACEUTICAL INDUSTRIES LTD.

BALANCE SHEETS

	March 31, 2022	March 31, 2021
	U.S. Dollars	
	Unaudited	
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	22,418,563	20,363,661
Short-term bank deposits	42,000,000	-
Marketable Securities	63,854,651	49,835,062
Trade accounts receivable	7,616,103	4,520,851
Other receivables and prepaid expenses:		
Prepaid expenses	4,171,014	4,915,454
Government authorities	1,871,586	1,326,938
Advances to suppliers	606,343	210,426
Derivative instruments	648,320	643,696
Intercompany balances	50,972,767	175,610,551
Other	1,116,769	876,346
TOTAL Other receivables and prepaid expenses	59,386,799	183,583,411
Inventories	64,152,678	58,829,238
TOTAL CURRENT ASSETS	259,428,794	317,132,223
Long Term Receivables and Other Assets	1,341,468,754	1,253,627,101
Long Term Marketable Securities	65,006,506	80,942,354
	1,406,475,260	1,334,569,455
ROU Assets, net	1,228,072	1,398,831
FIXED ASSETS:		
Cost	302,296,907	298,190,708
Less - accumulated depreciation	(199,298,957)	(185,558,797)
	102,997,950	112,631,911
DEFERRED INCOME TAXES	1,247,270	-
TOTAL ASSETS	\$ 1,771,377,346	\$ 1,765,732,420

TARO PHARMACEUTICAL INDUSTRIES LTD.**BALANCE SHEETS**

	<u>March 31, 2022</u>	<u>March 31, 2021</u>
	<u>U.S. Dollars</u>	
	<u>Unaudited</u>	
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable:		
Trade payables	16,287,523	17,009,762
Other current liabilities:		
Returns reserve	640,553	467,769
Due to customers	424,251	342,092
Lease Liability	981,274	1,335,124
Employees and payroll accruals	13,049,065	11,379,985
Deferred revenue	85,000	85,000
Accrued income taxes	18,588,176	17,879,024
Legal and audit fees	62,075	345,461
Settlements and loss contingencies	2,036,107	1,496,107
Accrued expenses	4,701,360	4,580,767
Derivative instruments	100,782	299,448
Suppliers of property, plant and equipment	914,660	2,401,033
Payable on Purchase of Marketable Securities	100,000	-
Other	(170,887)	782,339
TOTAL Other current liabilities	<u>41,512,416</u>	<u>41,394,149</u>
TOTAL CURRENT LIABILITIES	<u>57,799,939</u>	<u>58,403,911</u>
LONG-TERM LIABILITIES:		
Deferred income taxes	-	1,906,974
Derivative instruments	114,384	287,475
Other long-term liabilities	2,019,337	1,487,599
	<u>2,133,721</u>	<u>3,682,048</u>
SHAREHOLDERS' EQUITY	<u>1,711,443,686</u>	<u>1,703,646,461</u>
	<u>\$ 1,771,377,346</u>	<u>\$ 1,765,732,420</u>

Date of approval of the
financial statements

William Coote
VP, Chief Financial Officer

TARO PHARMACEUTICAL INDUSTRIES LTD.

STATEMENTS OF INCOME

	For the Year Ended March 31, 2022	For the Year Ended March 31, 2022
	U.S. Dollars	
	Unaudited	
Sales	\$ 149,541,278	\$ 215,149,722
Cost of sales	115,039,495	115,879,320
Gross profit	34,501,783	99,270,402
Research and development	33,163,672	35,927,914
Selling and marketing expenses	8,967,786	7,357,495
Settlements and loss contingencies	32,796,760	39,692,096
General and administrative expenses	13,502,441	15,568,772
Operating income	(53,928,876)	724,125
Financing income, net	2,216,042	5,634,598
Other expenses	2,864,164	169,182
Income before taxes on income	(48,848,670)	6,527,905
Taxes on income	3,245,214	4,989,577
Net income for the period before subsidiaries and dividend	(52,093,884)	1,538,328
Subsidiaries	110,359,989	(388,193,007)
Net income for the period	\$ 58,266,105	\$ (386,654,679)

Changes in Shareholders' Equity

	Share Capital	Additional paid in capital	Accumulated other comprehensive loss	Treasury stock	Dividend	Retained Earnings	Total Shareholders' Equity
U.S. Dollars							
Un-audited							
Balance at March 31, 2019	680,164	262,445,018	(144,107,712)	(694,509,906)	(500,000,000)	2,981,028,166	1,905,535,730
Foreign Currency translation adjustments			(2,513,886)				(2,513,886)
Previous years adjustment						-	-
Unrealized losses on available for sale marketble securities			(16,415,486)				(16,415,486)
Treasury stock				(26,984,031)			(26,984,031)
Net income						244,240,794	244,240,794
Balance at March 31, 2020	680,164	262,445,018	(163,037,084)	(721,493,937)	(500,000,000)	3,225,268,960	2,103,863,121
Foreign Currency translation adjustments			3,679,313				3,679,313
Unrealized losses on available for sale marketble securities			7,737,645				7,737,645
Treasury stock				(24,978,939)			(24,978,939)
Net income						(386,654,679)	(386,654,679)
Balance at March 31, 2021	680,164	262,445,018	(151,620,126)	(746,472,876)	(500,000,000)	2,838,614,281	1,703,646,461
Foreign Currency translation adjustments			(316,131)				(316,131)
Unrealized losses on available for sale marketble securities			(17,027,868)				(17,027,868)
Re-measurements of defined benefits plans (IAS-19)			-				-
Treasury stock				(24,933,513)			(24,933,513)
Retained Earnings adjustment						(8,191,368)	(8,191,368)
Net income						58,266,105	58,266,105
Balance at March 31, 2022	680,164	262,445,018	(168,964,125)	(771,406,389)	(500,000,000)	2,888,689,018	1,711,443,686