

TARO INTERNATIONAL LTD.

BALANCE SHEETS

	<u>March 31, 2020</u>	<u>March 31, 2019</u>
	<u>U.S. Dollars</u>	
	<u>Un-audited</u>	
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	5,501,990	-
Trade accounts receivable	7,116,263	5,558,363
Other receivables and prepaid expenses:		
Prepaid expenses	249	43,162
Government authorities	-	963
Intercompany Receivable	1,160,790	9,372,443
Other	35,392	119,737
TOTAL Other receivables and prepaid expenses	<u>1,196,431</u>	<u>9,536,305</u>
Inventories	3,833,842	4,395,187
TOTAL CURRENT ASSETS	<u>17,648,526</u>	<u>19,489,855</u>
INTANGIBLE ASSETS AND DEFERRED COSTS, NET	<u>3,514,231</u>	<u>3,694,248</u>
TOTAL ASSETS	<u>\$ 21,162,757</u>	<u>\$ 23,184,103</u>

TARO INTERNATIONAL LTD.

BALANCE SHEETS

	March 31, 2020	March 31, 2019
	U.S. Dollars	
	Un-audited	
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable:		
Trade payables	2,672,855	3,920,990
Other current liabilities:		
Due to customers	195,799	137,652
Returns Reserve	273,672	210,262
Royalties Accrual	295,051	-
Accrued expenses	-	306,458
Taxes payable	390,636	1,302,324
Other	73,726	139,346
TOTAL Other current liabilities	1,228,885	2,096,042
TOTAL CURRENT LIABILITIES	3,901,740	6,017,032
Capital note	-	3,500,000
SHAREHOLDERS' EQUITY	17,261,017	13,667,071
	\$ 21,162,757	\$ 23,184,103

Date of approval of the
financial statements

Daphne Huang
Group Vice President, Chief Financial Officer and
Chief Accounting Officer

TARO INTERNATIONAL LTD.**STATEMENTS OF INCOME**

	<u>For the Year</u> <u>Ended</u> <u>March 31, 2020</u>	<u>For the Year</u> <u>Ended</u> <u>March 31, 2019</u>
	<u>U.S. Dollars</u>	
	<u>Un-audited</u>	
Sales	\$ 27,273,363	\$ 25,634,154
Cost of sales	19,818,807	18,039,962
Gross profit	7,454,556	7,594,192
Research and Development	208,548	-
Selling and marketing expenses	2,395,252	2,333,943
General and administrative expenses	712,937	35,550
Operating income	4,137,819	5,224,699
Financing income (expenses), net	492,080	735,094
Other income	22,685	204,526
Income before taxes on income	4,652,584	6,164,319
Taxes on income	1,058,638	1,407,272
Net income for the period	<u>\$ 3,593,946</u>	<u>\$ 4,757,047</u>

TARO INTERNATIONAL LTD.**Changes in Shareholders' Equity**

	Share Capital	Additional paid in capital	Retained Earnings	Total Shareholders' Equity
	U.S. Dollars			
	Un-audited			
Balance at March 31, 2017	414	-	1,314,080	1,314,494
Merge of Subsidiary		5,215,181		5,215,181
Net Gain	-		2,380,349	2,380,349
Balance at March 31, 2018	414	5,215,181	3,694,429	8,910,024
Net Gain			4,757,047	4,757,047
Balance at March 31, 2019	414	5,215,181	8,451,476	13,667,071
Net Gain	-		3,593,946	3,593,946
Balance at March 31, 2020	414	5,215,181	12,045,422	17,261,017