

Lupin Atlantis Holdings SA, Zug

Financial statements
for the year ended 31 March 2020
and Report of the Statutory Auditor

Report of the Statutory Auditor

To the General Meeting of
Lupin Atlantis Holdings SA, Zug

Report of the Statutory Auditor on the Financial Statements

As statutory auditor, we have audited the accompanying financial statements of Lupin Atlantis Holdings SA, which comprise the balance sheet as at 31 March 2020 and the income statement, cash flow statement and notes for the year then ended.

Board of Directors' Responsibility

The Board of Directors is responsible for the preparation of these financial statements in accordance with the requirements of Swiss law and the company's articles of incorporation. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements for the year ended 31 March 2020 comply with Swiss law and the company's articles of incorporation.

Report on Other Legal Requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 Code of Obligations (CO)) and that there are no circumstances incompatible with our independence.

In accordance with article 728a para. 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of financial statements according to the instructions of the Board of Directors.

We further confirm that the proposed appropriation of available earnings complies with Swiss law and the company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

Deloitte AG

Matthias Gschwend
Licensed Audit Expert
Auditor in Charge

Eszter Barkow
Licensed Audit Expert

Zurich, 19 May 2020
MGS/EBA/sdo

Enclosures

- Financial statements (balance sheet, income statement, cash flow statement and notes)
- Proposed appropriation of available earnings

Lupin Atlantis Holdings SA



Balance Sheet at 31 March 2020 and 31 March 2019 (in '000)

	Notes	As at 31.03.2020 CHF	As at 31.03.2020 USD	As at 31.03.2019 CHF	As at 31.03.2019 USD
Assets					
Cash and cash equivalents	3	5,960	6,189	6,863	6,898
Trade receivables	4	86,713	90,061	47,530	47,768
Inventory		27	28	-	-
Other current receivables		464	482	1,148	1,153
Prepaid expenses		373	387	2,088	2,099
Total current assets		93,537	97,147	57,629	57,918
Loans to subsidiaries	5	56,969	59,168	69,088	69,434
Financial investments	6a	269,591	280,000		
Investments in subsidiaries	6b	173,514	175,207	424,930	432,828
Tangible assets	7	78	82	179	180
Intangible assets	8	26,889	27,928	34,397	34,570
Intangible assets under development	9	-	-	5,194	5,220
Total non-current assets		527,041	542,385	533,788	542,232
Total assets		620,578	639,532	591,417	600,151
Liabilities					
Trade creditors	10	20,947	21,755	21,944	22,054
Other current liabilities	11	1,758	1,826	770	774
Deferred income and accrued expenses		6,749	7,010	9,650	9,698
Deferred foreign currency translation gain	2	9,452	-	10,722	-
Total current liabilities		38,906	30,591	43,086	32,526
Long-term loans	12				
• From third parties		-	-	-	-
• From affiliated companies		-	-	46,765	47,000
Total long-term liabilities		-	-	46,765	47,000
Equity					
Share capital		2,486	2,336	2,486	2,336
Reserves from capital contributions	13	575,977	587,669	575,977	587,669
Accumulated profit / (losses)		3,209	18,936	(76,897)	(69,381)
Total shareholders' equity		581,672	608,941	501,566	520,625
Total liabilities & shareholders' equity		620,578	639,532	591,417	600,151

Lupin Atlantis Holdings SA



Income statement for the years ended 31 March 2020, 31 March 2019 (in '000)

	Notes	01.04.2019 31.03.2020 CHF	01.04.2019 31.03.2020 USD	01.04.2018 31.03.2019 CHF	01.04.2018 31.03.2019 USD
Sales					
• To third parties		21,657	21,882	16,610	16,821
• To affiliated companies		119,344	120,582	61,026	61,798
Revenue from sales of goods		141,001	142,464	77,636	78,619
Other operating income		2,360	2,385	21,233	21,502
Total other operating income		2,360	2,385	21,233	21,502
Cost of goods sold					
• To third parties		(20,131)	(20,340)	(12,532)	(12,690)
• To affiliated companies		(29,108)	(29,410)	(17,110)	(17,327)
Total cost of goods sold		(49,239)	(49,750)	(29,642)	(30,017)
Operating Expenses					
Staff costs		(8,379)	(8,466)	(11,564)	(11,710)
Expenditure on research and development		(9,031)	(9,125)	(10,862)	(11,000)
Sales and promotional expenses		(13,686)	(13,828)	(16,541)	(16,751)
Legal and professional fees		(7,832)	(7,914)	(6,813)	(6,899)
Taxes and Rates		(59)	(60)	(86)	(87)
License & registration expenses		(1,862)	(1,880)	(894)	(905)
Rent		(217)	(219)	(218)	(221)
Insurance		(22)	(22)	(18)	(18)
Other operating expenses	14	(1,542)	(1,557)	(1,519)	(1,538)
Impairment of Intangible Assets	15	-	-	-	-
Loan Impairment		(3,157)	(3,190)	-	-
Depreciation & Amortization		(4,758)	(4,807)	(3,310)	(3,352)
Total operating expenditure		(50,545)	(51,068)	(51,824)	(52,481)
Operating Profit		43,577	44,031	17,403	17,623
Financial costs		(637)	(643)	(1,490)	(1,509)
Financial income		2,134	2,156	1,967	1,992
Total financial income net		1,497	1,513	477	483
Other Income	16	275,055	285,286	543	550
Other expenses	17	(238,125)	(240,595)	(2)	(2)
Results on foreign exchange, net	2	(1,855)	(1,874)	(5,586)	(5,656)
Total other income / (loss) net		35,075	42,817	(5,045)	(5,108)
Profit before Taxation		80,149	88,361	12,835	12,997
Direct taxes		(43)	(44)	(57)	(57)
Net Profit for the Year		80,106	88,317	12,778	12,940
Losses carried forward		(76,897)	(69,381)	(89,675)	(82,320)
Accumulated profit (losses) end of the year		3,209	18,936	(76,897)	(69,381)

Lupin Atlantis Holdings SA



Cash flow statement for the years ended 31 March 2020 and 31 March 2019 (in '000)

	2019-2020 CHF	2019-2020 USD	2018-2019 CHF	2018-2019 USD
Net Profit for the Year	80,106	88,317	12,778	12,940
Adjustments for the year				
Profit on sales of investment	(12,793)	(12,927)	-	-
Profit on Sale of IPs	(261,272)	(271,359)	-	-
Investment written off	483	501	-	-
Impairment of investments	238,125	240,595	-	-
Loan Impairment	3,157	3,190	-	-
Other (income)/expenditure not related to cash flow	(1,271)	-	6,218	-
Depreciation amortization and impairment	4,758	4,807	3,310	3,352
Total Adjustment	51,293	53,124	22,305	16,291
Decrease/(increase) in trade receivables and other current receivables	(38,527)	(41,649)	738,266	775,873
Decrease/(increase) in prepaid expenses	1,716	1,712	6,318	6,643
Increase/(decrease) in trade creditor and other current liabilities	(10)	753	(83,263)	(88,177)
Increase/(decrease) in the deposit for Intangible assets	-	-	-	-
Increase/(decrease) in deferred income and accrued expenses	(2,901)	(2,688)	2,789	2,508
Cash inflow / (outflow) from operating activities	11,571	11,252	686,415	713,138
- Receipt from / (payments for) investments in financial assets (incl. loans, shares, securities etc.)	6,285	6,527	(82,893)	(80,698)
- Receipt of payment from sale of investment	29,439	30,000	-	-
- Payments for investments in (purchase of) tangible fixed assets	(10)	(10)	(52)	(39)
- Payments for investments in (purchase of) intangible fixed assets	(1,423)	(1,478)	(3,487)	(1,840)
Cash inflow / (outflow) for investment activities	34,291	35,039	(86,432)	(82,576)
+/- Receipt/repayments of long-term interest-bearing liabilities	(46,765)	(47,000)	(649,733)	(683,000)
Cash inflow / (outflow) for financing activities	(46,765)	(47,000)	(649,733)	(683,000)
Net increase (decrease) in cash and cash equivalents	(903)	(709)	(49,750)	(52,438)
Cash and cash equivalents on 1st April	6,863	6,898	56,613	59,336
Net increase in cash and cash equivalents	(903)	(709)	(49,750)	(52,438)
Cash and cash equivalents on 31st March	5,960	6,189	6,863	6,898

Lupin Atlantis Holdings SA

Notes to the Financial Statements for the years ended 31st March 2020 and 2019 (in CHF'000)

(Incl. additional information)

1. General information

General information

Lupin Atlantis Holdings SA ("the Company") was incorporated in Switzerland on 15 June 2007. The Company's principal activity is to acquire and own intellectual properties in addition to the business of having pharmaceutical products developed/manufactured under contract research manufacturing agreements and the sales of such products in offshore markets.

Legal form, registered office and capital

As of 8 April 2016, the registered office of Lupin Atlantis Holdings SA was moved to Zug, Landis & Gyr-Strasse 1. The shareholder's capital amounts to CHF 2'486'000.

Information on full-time positions on annual average

Lupin Atlantis Holding SA has 21 FTEs during the current financial year (previous year: 36 FTEs).

Consolidation of financial statements

The Company's ultimate parent, Lupin Limited, India, prepares consolidated financial statements, including the financial statements of the Company and its subsidiaries.

2. Significant Accounting Policies

Key accounting and valuation principles

Principles of financial reporting

The present annual accounts for Lupin Atlantis Holding SA have been prepared in accordance with the regulations of Swiss financial reporting law. The main accounting and valuation principles used, which are not already specified by the Code of Obligations, are described as follows.

Estimates and assumptions made by management

Financial reporting under the Code of Obligations requires certain estimates and assumptions to be made by management. These are made continuously and are based on past experience and represent the best estimate at the moment they are made. The results subsequently achieved may deviate from these estimates.

Actual items in the annual accounts, which are based on the estimates and assumptions made by management are provisions.

Foreign currency items

Since most of the transactions of the Company, including the cash flows, income and expenditures are transacted in USD, the functional currency of the Company is USD. Transactions in currencies other than USD are converted into USD using the exchange rate prevailing at the transaction date.

The financial statements are presented in Swiss Francs. For the conversion of the financial statements from USD to CHF the equity items (Share Capital and Capital Reserves) and the investments are presented at the historical rate. Current and non-current assets excluding investments and all short- and long-term monetary receivables and payables denominated in foreign currencies are converted into CHF at the exchange rates at the balance sheet date (1 USD = CHF 0.9628; previous year 1 USD = CHF 0.9950). All items in the income statement have been converted using the average exchange rate of the year (1 USD = CHF 0.9897; previous year: 1 USD = CHF 0.9875).

Lupin Atlantis Holdings SA

Notes to the Financial Statements for the years ended 31st March 2020 and 2019 (in CHF'000)

As general principal, the net conversion gain from the USD to CHF currency translation is recognized in the balance sheet as the deferred foreign currency translation gain. The net conversion loss is recognized in the income statement as the net result on the foreign exchange.

In the prior year the net conversion gain in the amount of CHF 10'722 has been deferred in the balance sheet as the deferred foreign currency translation gain. In the current year, the net conversion gain in the amount of CHF 9'452 is also recognized in the balance sheet account as the deferred foreign currency translation gain.

Revenue Recognition

Revenue from sale of goods is recognized when the significant risks and rewards in respect of ownership of products are transferred by the Company.

Revenue from sale of goods is stated net of returns, applicable trade discounts, rebates and allowances.

Revenue is recognized when it is reasonably certain that the ultimate collection will be made.

Interest income is recognized on time proportion basis.

Depreciation and amortization

Depreciation and Amortization on fixed assets and intangible assets is provided on Straight Line Method, over the useful life of the assets, as estimated by management. Current estimated useful life is as follows:

Assets	Estimated Useful Life
Leasehold Improvements	5 years
Furniture and Fixtures	3 to 5 years
Office Equipment	3 years
Intangible assets	Up to 10 years.

Impairment of Assets

An asset is treated as impaired when the carrying cost of the asset exceeds its estimated future benefits. An impairment loss is charged to Income Statement in the year in which an asset is identified as impaired.

Research and Development

Acquisition costs of products under research and development are recognized as intangible assets under development. Expenses incurred on research and development are charged to the Income Statement of the year.

Information relating to items on the balance sheet and profit and loss account

3. Cash and cash equivalents

	As at 31.03.2020 CHF	As at 31.03.2020 USD	As at 31.03.2019 CHF	As at 31.03.2019 USD
of which in CHF	665	690	977	982
of which in USD	3,402	3,533	5300	5,327
of which in EUR	1,893	1,966	586	589
Total	5,960	6,189	6,863	6,898

Lupin Atlantis Holdings SA

Notes to the Financial Statements for the years ended 31st March 2020 and 2019 (in CHF'000)

4. Trade receivables

	As at 31.03.2020 CHF	As at 31.03.2020 USD	As at 31.03.2019 CHF	As at 31.03.2019 USD
Receivables from third parties	5,966	6,196	14,923	14,998
Receivables from parent company	2,201	2,286	1,794	1,803
Receivables from subsidiaries	11,577	12,024	15,072	15,147
Receivables from other affiliated companies	66,969	69,555	15,742	15,821
Total	86,713	90,061	47,530	47,768

Parent company is a company that owns more than 50% of the voting shares.

Subsidiaries are defined as companies in which is held directly more than 50% of the voting shares.

All the other related companies are considered affiliated companies.

5. Loans to subsidiaries

	As at 31.03.2020 CHF	As at 31.03.2020 USD	As at 31.03.2019 CHF	As at 31.03.2019 USD
Nanomi BV	47,444	49,276	56,484	56,768
Laboratorios Grin S.A. DE C.V.	8,441	8,767	10,216	10,267
Lupin Latam Inc	217	225	299	300
Lupin Middle East FY-LLC	0	0	2,090	2,100
Lupin Japan & Asia Pacific K.K	867	900	0	0
Total	56,969	59,168	69,088	69,434

Lupin Atlantis Holdings SA

Notes to the Financial Statements for the years ended 31st March 2020 and 2019 (in CHF'000)

6a. Financial investments

Investments	Book value		Book value		Voting rights in %		Additional share information	Additional share information
	As at 31.03.2020 CHF	As at 31.03.2020 USD	As at 31.03.2019 CHF	As at 31.03.2019 USD	31.03.2020	31.03.2019	31.03.2020	31.03.2019
Lupin Inc. Investment in preference shares.	269,591	280,000	-	-	-	-	28'000 Series A Preference Shares of par value 10'000 USD each	
Total	269,591	280,000	0	0				

Lupin Atlantis Holdings SA

Notes to the Financial Statements for the years ended 31st March 2020 and 2019 (in CHF'000)

6b. Investments in subsidiaries

Investments	Book value		Book value		Voting rights in %		Additional share information	Additional share information
	As at 31.03.2020 CHF	As at 31.03.2020 USD	As at 31.03.2019 CHF	As at 31.03.2019 USD	31.03.2020	31.03.2019	31.03.2020	31.03.2019
Lupin Pharma Canada	3,707	3,729	3,707	3,729	100%	100%	330'000'100 shares (shares do not have face value)	330'000'100 shares (shares do not have face value)
Lupin Inc.	0	0	235,802	240,050	0%	100%	-	50 million shares of par value CHF 0.001 each
Lupin GmbH	1,500	1,511	1,500	1,511	100%	100%	200 partnership shares of par value CHF 100 each	200 partnership shares of par value CHF 100 each
Nanomi BV	0	0	15,107	17,074	0%	100%	-	1'818'181 shares of par value EUR 0.01 each
Medquimica Industria Farmaceutica Ltda.	67,666	64,300	67,666	64,300	73.88%	95.44%	199'271'553 quotes of par value 1 R\$ each	199'271'553 quotes of par value 1 R\$ each
Lupin Pharma LLC	0	0	497	502	0%	100%	-	1 Share of nominal value of 99'900 Russian rubles
YL-Biologics LTD; Japan	443	570	443	570	45%	45%	450 shares of par value JPY 50'000 each	450 shares of par value JPY 50'000 each
Laboratories Grin S.A. DE C.V; Mexico	95,179	99,975	95,179	99,975	99.99%	99.99%	186'999'998 million shares of par value MXN each	186'999'998 million shares of par value MXN each
Lupin Europe LTD	4,204	4,298	4,204	4,298	100%	100%	251'000 Voting share of par value GBP each	251'000 Voting share of par value GBP each
Lupin Middle East FY LLC	0	0	552	545	100%	100%	2'000 Shares of par value 1'000 AUD each	2'000 Shares of par value 1'000 AUD each
Lupin Japan & Asia Pacific K.K	44	44	44	44	100%	100%	100 Shares of par value 50 000 JPY each	100 Shares of par value 50 000 JPY each
Lupin Latam INC	199	200	199	200	100%	100%	1000 Shares of par value 0.001 USD each	1000 Shares of par value 0.001 USD each
Lupin Europe GmbH	573	580	29	31	100%	100%	25'000 Shares of par value 1 EUR each	25'000 Shares of par value 1 EUR each
Total	173,514	175,207	424,930	432,828				

Lupin Atlantis Holdings SA

Notes to the Financial Statements for the years ended 31st March 2020 and 2019 (in CHF'000)

Notes:

- 1) Lupin Pharma Canada Ltd. was incorporated in 2009 for the purpose of supporting new product development and commercialisation of Lupin products in Canada.
- 2) Lupin Inc. was incorporated by the Company in June 2013 in the state of Maryland, USA. Lupin Inc. is engaged in owning intellectual properties and in distribution of pharmaceutical products. Lupin Inc. has been sold to Nanomi BV as of 31st March 2020.
- 3) Lupin GmbH was incorporated by the Company in August 2013 in the Kanton of Schaffhausen, Switzerland as a Group Management Service company.
- 4) Nanomi BV is a Dutch Company with a proprietary delivery technology platform and was incorporated in the year 2004. Nanomi BV was acquired in January 2014 with a view to enter into the niche area of complex injectables. Nanomi BV has been sold to Lupin Holdings BV as of 19th August 2019.
- 5) Medquimica Industria Farmaceutica Ltda. is a broad based pharmaceutical company engaged in the development, manufacturing & commercialization of branded generics, pure generics and OTC products.
- 6) Lupin Pharma LLC was incorporated in 2015-2016 in order to maximize opportunities on Russian market. Due to change in circumstances, the company has been liquidated as of 9th April 2019.
- 7) YL Biologics Limited is a 55:45 Joint Venture entity between Yoshindo Inc., Japan (55%) and the Company (45%).

YL Biologics was incorporated in Japan in April, 2014 for the primary purpose of licensing, development and commercialization of Bio-similar Products in the Japan. Pursuant to the Joint Venture agreement dated 23 April 2014 the parties have associated themselves in a joint venture relationship with a primary purpose of establishment and development of business in Japan. The parties shall make all commercially reasonable efforts to cooperate with each other in order to achieve such purpose.

- 8) Laboratorios Grin S.A de C.V., Mexico is a specialized ophthalmic company and was acquired in September 2014.
- 9) Lupin Europe LTD was acquired in 2015-2016 in order to maximize opportunities in the UK market.
- 10) Lupin Middle East FZ LLC was acquired in 2015-2016 in order to maximize opportunities in the Middle East region. Due to change in circumstances, company will be liquidated.
- 11) Lupin Japan & Asia Pacific K.K. was incorporated in December 2016 as a management service provider for the APAC region.
- 12) Lupin Latam Inc. was incorporated in March 2017 as a management service provider for the LATAM region.
- 13) Lupin Europe GmbH was incorporated in February 2018 as a MA Holder for EU region.

Lupin Atlantis Holdings SA

Notes to the Financial Statements for the years ended 31st March 2020 and 2019 (in CHF'000)

7. Tangible fixed assets

	As at 31.03.2020 CHF	As at 31.03.2020 USD	As at 31.03.2019 CHF	As at 31.03.2019 USD
Leasehold improvements	305	317	316	318
Furniture & fixtures	496	515	510	512
Office equipment	144	150	141	142
less depreciation & value adjustments	(867)	(900)	(788)	(792)
Total	78	82	179	180

8. Intangible assets

	As at 31.03.2020 CHF	As at 31.03.2020 USD	As at 31.03.2019 CHF	As at 31.03.2019 USD
Licenses and patents	81,557	84,706	86,654	87,089
less amortization & value adjustments	(54,668)	(56,778)	(52,257)	(52,519)
Total	26,889	27,928	34,397	34,570

9. Intangibles under development

	As at 31.03.2020 CHF	As at 31.03.2020 USD	As at 31.03.2019 CHF	As at 31.03.2019 USD
Celon Pharma / Adviar	-	-	3,980	4,000
Generic molecules	-	-	1,214	1,220
Total	-	-	5,194	5,220

Notes

- 1) Celon Pharma & Generic molecules – were sold to Lupin Inc. as of 31st March 2020.

10. Trade creditors

	As at 31.03.2020 CHF	As at 31.03.2020 USD	As at 31.03.2019 CHF	As at 31.03.2019 USD
Creditors to third parties	1,206	1,252	2,012	2,023
Creditors to parent company	16,517	17,154	12,207	12,268
Creditors to subsidiaries	1,848	1,920	1,706	1,715
Creditors to other affiliated companies	1,376	1,429	6,019	6,049
Total	20,947	21,755	21,944	22,054

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Notes to the Financial Statements for the years ended 31st March 2020 and 2019 (in CHF'000)

11. Other current liabilities

	As at 31.03.2020 CHF	As at 31.03.2020 USD	As at 31.03.2019 CHF	As at 31.03.2019 USD
Interests	-	-	362	364
Incentives payables	1,130	1,174	-	-
Pension Funds	149	155	(29)	(29)
VAT payables	478	497	437	439
Total	1,758	1,826	770	774

12. Long-term loans & repayment structure

	As at 31.03.2020 CHF	As at 31.03.2020 USD	As at 31.03.2019 CHF	As at 31.03.2019 USD
1 - 5 years Loans from third parties	-	-	-	-
> 5 years Loans from affiliated companies	-	-	46,765	47,000
Total	-	-	46,765	47,000

13. Reserves from capital contributions (AGIO)

	As at 31.03.2020 CHF	As at 31.03.2020 USD	As at 31.03.2019 CHF	As at 31.03.2019 USD
Received in FY 11-12	47'223	44'669	47'223	44'669
Received in FY 14-15	128'507	131'000	128'507	131'000
Received in FY 15-16	195'557	202'000	195'557	202'000
Received in FY 16-17	156'063	160'000	156'063	160'000
Received in FY 17-18	48'627	50'000	48'627	50'000
Total*	575'977	587'669	575'977	587'669

*Confirmed by the ESTV

14. Other operating expenses

	for the year ended 31.03.2020 CHF	for the year ended 31.03.2020 USD	for the year ended 31.03.2019 CHF	for the year ended 31.03.2019 USD
Travel & Entertainment	473	478	528	534
Office expenses	267	270	140	141
Conference & Membership	314	317	541	548
Recruitment & Training	230	232	32	32
Administrative expenses	92	93	118	120
Auditors remuneration	166	167	161	163
Total	1,542	1,557	1,519	1,538

Lupin Atlantis Holdings SA

Notes to the Financial Statements for the years ended 31st March 2020 and 2019 (in CHF'000)

15. Impairment of Intangible Assets

During the financial year 2019/2020 and 2018/2019 there were no asset impaired.

16. Other income

	for the year ended 31.03.2020 CHF	for the year ended 31.03.2020 USD	for the year ended 31.03.2019 CHF	for the year ended 31.03.2019 USD
Compensation received	990	1,000	543	550
Profit on Sales of IP Assets	261,272	271,359	0	0
Profit on Sales of Investments	12,793	12,927	-	-
Total	275,055	285,286	543	550

17. Other expenses

	for the year ended 31.03.2020 CHF	for the year ended 31.03.2020 USD	for the year ended 31.03.2019 CHF	for the year ended 31.03.2019 USD
1) Lupin Inc	(237,585)	(240,050)	-	-
2) Grin Laboratories - share transfer	-	-	0	0
3) Office equipment	-	-	(2)	(2)
4) Lupin Middle East FY-LLC	(540)	(545)	-	-
Total	(238,125)	(240,595)	(2)	(2)

Notes

- 1) Impairment of the investment in Lupin Inc. per 31st December 2019
- 2) Last year, 1 share of Grin Laboratories S.A. DE C.V. was transferred to Lupin Mexico S.A. DE C.V.

18. Residual amount of leasing liabilities

Leasing liabilities, which will not expire and may not be terminated within twelve months, are subject to the following repayment structure.

	As at 31.03.2020 USD	As at 31.03.2020 USD	As at 31.03.2019 CHF	As at 31.03.2019 USD
< 1 year	18	18	35	35
1 – 5 years	-	-	18	18
> 5 years	-	-	-	-
Total	18	18	53	53

Lupin Atlantis Holdings SA

Notes to the Financial Statements for the years ended 31st March 2020 and 2019 (in CHF'000)

19. Contingent liabilities

The company is currently involved in few litigation cases which outcome is difficult to predict and the amount of the eventual liability is not possible to estimate. Therefore, no provision was made in relation to the possible outcome of the above mention cases.

In addition to above, one of our suppliers have filed a legal action against the company for breach of contract after the balance sheet date. Damages claimed currently stand at USD 9.94 M. Management believes that we have strong arguments to dismiss this claim and therefore, no provision was made in relation to this legal action.

20. Fees for audit services and other services

	31.03.2020	31.03.2020	31.03.2019	31.03.2019
	CHF	USD	CHF	USD
Audit services	171	173	181	183
Total	171	173	181	183

The above mentioned fees represent only the audit fees for the respective year. Any related provisions are excluded here. The other services are defined as the services provided only by statutory auditor. Services provided by other departments or divisions of the statutory auditor are not presented here.

21. COVID – 19 impact assessment

Management have undertaken the assessment of the possible risk factors impacting the stability and the profitability of the existing and future projects at Lupin Atlantis Holdings SA. and reached the conclusion that the current situation has not caused any significant uncertainty to the stability and / or profitability of the current or future operations of the Company.

22. Consistency in presentation and comparability

Certain prior year figures have been adjusted for comparative purposes.

The presentation currency of the financial statements is the CHF. The USD amount represent the amounts in functional currency.

23. Significant events occurring after the balance sheet date

No significant events occurred after the balance sheet date except the legal action mentioned in the Note 19.

Lupin Atlantis Holdings SA

Notes to the Financial Statements for the years ended 31st March 2020 and 2019 (in CHF'000)

Proposal of the Board of Directors for the appropriation of available earnings

The Board of Directors propose to the next Annual General Meeting not to transfer any amount to the general reserves. The Board of Directors also propose that the amount of CHF 3'209k shall be carried forward to the next financial year.

in CHF (in '000)	2020
Annual profit	80'106
Losses brought forward from previous year	(76'897)
Reduction/allocation to legal reserves	-
Available earnings as per 31 March 2020	3'209
Proposed allocation to general reserves	-
Balance to be carried forward	3'209

There are no further items to be disclosed according to Art. 959c of the Swiss Code of Obligations (Co).