

FINANCIAL REPORT 2019

| | |
|----|---|
| 3 | Comment on the Financial Report 2019 |
| 4 | Balance Sheet |
| 5 | Income Statement |
| 5 | Statement of Changes in Equity |
| 6 | Cash Flow Statement |
| 7 | Notes |
| 26 | Report of the Auditors |

Comment on the Financial Report 2019

From Matthias Schmid-Huberty, Administrative Director and Mathias Kronig, Head Finances/Controlling

Swiss TPH presents an ordinary result of CHF –208,623 in 2019, compared to CHF –262,153 in 2018. The operating result from activities was CHF 13,360, which represents an increase of almost CHF 350,000 over the previous year (CHF –334,494). The financial result reached CHF –221,983 (CHF 72,341 in 2018), which was caused mainly by exchange rate losses.

In 2019, the total operating income of Swiss TPH slightly exceeded CHF 90.3 million – a solid increase of CHF 3.7 million (4%) over the previous year. The core funding remained stable. CHF 2.5 million are recognised as deferred income and will be used for the new building. Therefore, despite the net increase of CHF 0.2 million in core funding, reaching CHF 19.3 million in 2019, the ratio slightly weakened to 21.4% of the total operating income (–0.6%).

Third party funding was CHF 71.7 million, resulting in an increase of CHF 3.4 million (5%) over 2018. The proportion of self-managed funds slightly increased and remains high but stable at 78.6%.

In line with the higher volume of activity (+4%), personnel expenses increased by CHF 1.3 million (+3%), while expenses for projects abroad increased considerably by CHF 2.1 million (6%).

The local expenditures for projects increased to 25.1 million, growing by 6% to a share of over a quarter of the Swiss TPH total budget. The majority was still spent in Africa (CHF 12.3 million), even though dropping by 22%. While the spending for European projects sharply increased (CHF 10.6 million/+82%) for the second year in a row, the growth in Asia (CHF 2.0 million/+10%) remained similar to previous years. In the rest of the world, the project volume was halved (CHF 0.16 million/–47%). Fiduciary funds developed to CHF 11.8 million/+5% in line with the general growth of turnover.

As in previous years, additional depreciations for building installations were posted in 2019. These installations will not be used in the new building in Allschwil (currently in the construction stages) and are to be amortized before having reached the end of their useful life.

Compared to 2019, the balance sheet total increased by 13% / CHF 7.4 million to CHF 64 million. Receivables from services increased sharply, while other short term receivables and accrued income remained stable, resulting in a total increase of CHF 8.4 million of the current assets. At the same time, the non-current assets decrease by CHF 1 million due to reclassification of the building in progress.

Total investments amounted to CHF 663,029, reflecting the continued decrease of last year in light of the upcoming move to the new building in 2021, halted new investments considerably. CHF 124,619 were project investments of which all were depreciated in the month of purchase, CHF 92,056 were intangible assets and the remaining CHF 446,354 represented the tangible assets. With such low investment activity, Swiss TPH has been living again from its substance. Swiss TPH will have the opportunity to make up this backlog in investment when equipping the new building.

Balance Sheet

| | Notes | 31.12.2019 CHF | 31.12.2018 CHF |
|--|-------|-------------------|-------------------|
| Assets | | | |
| Cash and cash equivalents | 4.1 | 30,293,000 | 23,904,842 |
| Projects abroad | | 1,332,466 | 1,689,533 |
| Receivables from services | 4.2 | 15,738,352 | 12,307,122 |
| Rudolf Geigy Foundation | | 49,407 | 231,117 |
| Other short-term receivables | 4.3 | 4,588,737 | 3,684,628 |
| Provision for bad debts | 4.4 | -191,800 | -92,900 |
| Prepayments and accrued income | 4.5 | 4,345,698 | 6,167,806 |
| Inventories | 4.6 | 353,241 | 212,388 |
| Current assets | | 56,509,101 | 48,104,536 |
| Building | 4.7 | 5,505,981 | 6,305,064 |
| Equipment | 4.7 | 1,432,167 | 1,425,928 |
| Long-term financial assets | 4.8 | 62,536 | 62,536 |
| Intangible assets | 4.7 | 564,109 | 779,129 |
| Non-current assets | | 7,564,793 | 8,572,657 |
| Total assets | | 64,073,894 | 56,677,193 |
| Liabilities and equity | | | |
| Payables from goods and services | | 5,157,852 | 2,649,619 |
| Other payables | | 692,027 | 666,056 |
| Projects with own accounts | | 140,718 | 116,040 |
| Key deposit | | 107,025 | 97,745 |
| Accrued liabilities and deferred income | 4.10 | 38,030,443 | 35,952,949 |
| Short-term provisions | 4.11 | 1,609,270 | 1,216,888 |
| Current liabilities | | 45,737,335 | 40,699,297 |
| Mortgages | 4.9 | 1,000,000 | 1,500,000 |
| Other long-term liabilities | 4.12 | 791,908 | 434,626 |
| Long-term provisions | 4.13 | 1,907,804 | 1,697,800 |
| Long-term deferred income | 4.13 | 8,200,000 | 5,700,000 |
| Non-current liabilities | | 11,899,712 | 9,332,426 |
| Total liabilities | | 57,637,047 | 50,031,723 |
| On January 1 st | | 6,645,470 | 6,907,623 |
| Result of the year | | -208,623 | -262,153 |
| Total equity at the end of the year | | 6,436,847 | 6,645,470 |
| Total liabilities and equity | | 64,073,894 | 56,677,193 |

Income Statement

| | Notes | 31.12.2019 CHF | 31.12.2018 CHF |
|---|-------|--------------------|--------------------|
| Self-managed income from research, education and services | 4.14 | 69,356,774 | 65,282,181 |
| Core funding national and local government | 4.15 | 19,347,829 | 19,136,359 |
| Other operating income | 4.16 | 2,032,845 | 2,337,153 |
| Change in unbilled services | 4.17 | -414,258 | -140,897 |
| Total operating income | | 90,323,190 | 86,614,796 |
| Personnel expenses | 4.18 | -51,498,978 | -50,240,908 |
| Material expenses | 4.19 | -3,917,498 | -3,763,333 |
| Depreciation of tangible assets | 4.7 | -1,231,297 | -1,345,354 |
| Amortisation on intangible assets | 4.7 | -307,076 | -324,709 |
| Administrative expenses | 4.20 | -5,058,979 | -4,499,808 |
| Other operating expenses | 4.21 | -28,296,002 | -26,775,178 |
| Total operating expenses | | -90,309,830 | -86,949,290 |
| Operating result | | 13,360 | -334,494 |
| Financial result | 4.22 | -221,983 | 72,341 |
| Ordinary result | | -208,623 | -262,153 |
| Extraordinary result | | 0 | 0 |
| Result of the year | | -208,623 | -262,153 |

Statement of Changes in Equity

| | Notes | 2019 CHF | 2018 CHF |
|---------------------------------|-------|------------------|------------------|
| Equity as of 1 January | | 6,645,470 | 6,907,623 |
| Result of the year | | -208,623 | -262,153 |
| Equity as of 31 December | | 6,436,847 | 6,645,470 |

Statement of Cash Flows for the year ended 31 December

| | Notes | 2019 CHF | 2018 CHF |
|--|-------|------------------|-------------------|
| Cash flows from operating activities | | | |
| Result of the year | | -208,623 | -262,153 |
| Adjustments for non-cash income and expenses | | | |
| | | 2,303,644 | 1,659,778 |
| Depreciation of tangible assets | 4.7 | 1,227,824 | 1,345,354 |
| Depreciation of project investments | 4.7 | 124,619 | 318,167 |
| Amortisation of intangible assets | 4.7 | 307,076 | 324,709 |
| Losses on asset disposals | 4.7 | 3,473 | 0 |
| Losses for bad debts | | 38,265 | 27,833 |
| Decrease (-)/Increase (+) in long-term provisions | 4.13 | 210,005 | 45,402 |
| Decrease (-)/Increase (+) in short-term provisions | 4.11 | 392,382 | -401,687 |
| Changes in operating assets and liabilities | | | |
| | | 2,948,263 | -3,609,580 |
| Increase (-)/Decrease (+) in receivables | | -3,735,927 | -1,023,820 |
| "Increase (-)/Decrease (+) in prepayments and accrued income" | 4.5 | 1,822,108 | -1,072,096 |
| Increase (-)/Decrease (+) in inventories | 4.6 | -140,854 | -97,417 |
| Decrease (-)/Increase (+) in payables | | 2,568,161 | -1,036,784 |
| "Decrease (-)/Increase (+) in accrued liabilities and deferred income" | 4.10 | 2,077,493 | -382,661 |
| "Decrease (-)/Increase (+) in long-term liabilities and long-term deferred income" | 4.12 | 357,282 | 3,198 |
| Cash inflow from operating activities | | 5,043,284 | -2,211,955 |
| Cash flows from investing activities | | | |
| | | | |
| Outflows for purchase of tangible assets | 4.7 | -570,972 | -992,909 |
| Inflows from disposals of tangible assets | 4.7 | 7,901 | 1,340,098 |
| Outflows for purchase of intangible assets | 4.7 | -92,056 | -194,478 |
| Inflows from disposals of intangible assets | 4.7 | 0 | 29,170 |
| Cash drain from investing activities | | -655,127 | 181,881 |
| Cash flows from financing activities | | | |
| | | | |
| Repayment Mortgage Basler Kantonalbank | 4.9 | -500,000 | 0 |
| Cash advance from subsidies | 4.15 | 2,500,000 | 2,500,000 |
| Cash drain from financing activities | | 2,000,000 | 2,500,000 |
| Net de-/increase in cash and cash equivalents | | | |
| | | 6,388,157 | 469,926 |
| thereof blocked by projects | | 1,195,847 | -250,473 |
| thereof fully disposable | | 5,192,310 | 720,399 |
| Cash and cash equivalents at beginning of year | | 23,904,842 | 23,434,916 |
| Cash and cash equivalents at end of year | | 30,293,000 | 23,904,842 |
| thereof blocked by projects | | 5,032,148 | 3,836,301 |
| thereof fully disposable | | 25,260,852 | 20,068,541 |

Notes

1. General information

The Swiss Tropical and Public Health Institute (Swiss TPH) is a public organisation based in Basel (Switzerland) with its own legal status under the laws of Switzerland (“öffentlich-rechtliche Anstalt”).

By uniquely combining research, services and education and training, Swiss TPH aims to improve the health and well-being of populations through a better understanding of disease and health systems and by acting on this knowledge. Our translational approach, from innovation and validation to application, enables us to bring novel diagnostics, treatments and vaccines directly to people and communities. On 1 January 2017, the treaty between the Canton Basel-Stadt and the Canton Basel-Landschaft concerning the common ownership of the Swiss TPH came into force.

2. Organisation and Governance

Board of Governors

The board of Governors is called the “Kuratorium”. Its members and its president are appointed by the Government of Canton Basel-Stadt and the Canton of Basel-Landschaft. The actual members of the Kuratorium are:

Dr. Andreas Burckhardt **Chairman**

Dr. Ariane Bürgin (as of 1 July 2019)

Prof. Dr. med. François Chappuis

Prof. Dr. Sabina De Geest

Dr. Doris Fellenstein Wirth

PD Dr. Monika Wenk

Mr. Joakim Rügger (until 30 June 2019)

Dr. med. Cornelia Staehelin

Prof. Dr. Didier Trono

Mr. Christoph Tschumi

Committee

The Committee monitors the financial and accounting processes and systems of Swiss TPH, evaluates the independence and effectiveness of the external auditors and ensures the flow of communication between the Directorate, the administration, auditors, and the Board of Governors. The Committee makes appropriate recommendations to the Board of Governors.

The actual members are:

Dr. Andreas Burckhardt **Chairman**

Dr. Ariane Bürgin (as of 1 July 2019)

Dr. Doris Fellenstein Wirth

Mr. Joakim Rügger (until 30 June 2019)

Mr. Christoph Tschumi

Auditor

PricewaterhouseCoopers AG, Basel has been assigned by the Governments of the Cantons Basel-Stadt and Basel-Landschaft as the auditor of Swiss TPH.

3. Basis of preparation and accounting policies

Accounting Standard

These financial statements have been prepared in accordance with the Swiss GAAP FER issued by the foundation for accounting and reporting recommendation, Switzerland.

Currency

Swiss TPH presentation currency is CHF (Swiss francs).

Foreign currency transactions

Assets and liabilities in foreign currency are valued at the closing rate at the balance sheet date or at the donor’s stipulated rate. Foreign currency transactions are recorded on initial recognition in the functional currency at the transaction rate. Exchange rate differences are recognised in the income statement.

Revenue recognition

Revenue from rendering medical services and fees from teaching and training are recognised in the period of providing those services. Revenue from projects is recognised to the extent of the recoverable expenses of the reporting period. Project results are neutralised during the project period, an eventual result is realised at the end of the project. Funds from national and local government are recognised in the period for which they were funded.

Borrowing costs

All borrowing costs are recognised in the income statement in the period in which they are incurred.

Property, plant and equipment

Core tangible fixed assets items are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is charged so as to allocate the cost of assets less their residual values over their estimated lifetime, using the straight-line method. The following annual rates are used for depreciation of property, plant and equipment.

| Asset category | Annual depreciation rate | Useful life in years |
|---|--------------------------|----------------------|
| Land | 0.00% | - |
| Buildings Basel | 3.00% | 33.33 |
| Building installations Basel | 5.00% | 20.00 |
| Furnishings | 10.00% | 10.00 |
| Laboratory equipment | 12.50% | 8.00 |
| Medical equipment | 20.00% | 5.00 |
| Offices machines, communication systems | 20.00% | 5.00 |
| Vehicles | 20.00% | 5.00 |
| Tools, utensils | 10.00% | 10.00 |
| Hardware | 25.00% | 4.00 |
| Collections, books, movies | 10.00% | 10.00 |
| Assets in leasing | depending on contracts | |

Fixed assets at costs less than CHF 5,000 are not capitalised.

Fixed assets purchased with projects funds for the purpose of project operations are not capitalised as the ownership of these assets remains with the donor.

The capitalisation of maintenance costs depends on if they are value-preserving or value-adding respectively extending the useful life of the respective fixed asset.

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectations.

Long-term financial assets

Employer contribution reserves or similar items are recognised as assets under long-term financial assets. The difference to the respective value of the prior year is recognised as personnel expenses in the result of the period.

Intangible assets

Intangible assets are purchased computer software that is measured at cost less accumulated amortisation and any accumulated impairment losses. It is amortised over its estimated useful life time of four years using the straight-line method.

Inventories

Inventories are valued at the lower of cost and selling price. Cost is calculated using the average-method.

Impairment of assets

At each reporting date, fixed and intangible assets are reviewed to determine whether they have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount. An impairment loss is recognised immediately in the income statement.

Similarly, at each reporting date, inventories are assessed for impairment by comparing the carrying account of each inventory item with its selling price less costs to complete and sell. If an item of inventory is impaired, an impairment loss is recognised immediately in the income statement.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the income statement.

Receivables

The size of impairments in receivables is considered as the difference between the carrying amount of the assets and the present value of the expected future cash flow. The provision for bad debts is calculated by categorising the debts as follows:

| Due amount | Days past due | Provision |
|--------------|---------------|-----------|
| < CHF 30,000 | > 0 | 2% |
| > CHF 30,000 | 1 - 90 | 2% |
| > CHF 30,000 | 91 - 180 | 15% |
| > CHF 30,000 | 181 - 270 | 30% |
| > CHF 30,000 | 271 - 360 | 50% |
| > CHF 30,000 | > 360 | 100% |

Payables

Payables are recorded at their fair value, represented by the amount to pay.

Provisions

Provisions are determined based on impartial and economically reasonable principals. Risks are taken into account adequately.

4. Notes on the financial statement

4.1 Cash and cash equivalents

| | 2019 CHF | 2018 CHF |
|---|-------------------|-------------------|
| Cash in hand | 55,614 | 86,056 |
| Post accounts | 1,875,988 | 575,618 |
| Bank accounts | 23,329,250 | 19,406,867 |
| Cash and cash equivalents projects abroad | 5,032,148 | 3,836,301 |
| Bank accounts in Basel | 3,090,349 | 2,295,684 |
| Cash in hand | 157,635 | 26,274 |
| Bank accounts abroad | 1,784,163 | 1,514,343 |
| TOTAL | 30,293,000 | 23,904,842 |

In 2019, the cash and cash equivalents increased over 25% by CHF 6.4 Million, reflecting a solid project pipeline and the trend of project sponsors to pre-finance projects. It also includes the

accumulated cash due to the long term deferred income in relation to the new building (CHF 2.5 Million).

4.2 Receivables from services

| | Foreign currency | 2019 CHF | Exchange rate | Foreign currency | 2018 CHF | Exchange rate |
|--|---------------------|-------------------|------------------|---------------------|-------------------|------------------|
| Open positions in CHF | | 13,318,642 | | | 8,526,623 | |
| Open positions in USD | 1,739,112 | 1,684,111 | 0.97 | 3,037,215 | 2,994,038 | 0.99 |
| Open positions in EUR | 254,526 | 276,670 | 1.09 | 351,829 | 396,476 | 1.13 |
| Open positions in AUD | 0 | 0 | | 0 | 0 | |
| Open positions in GBP | 500 | 641 | 1.28 | 19,221 | 24,133 | 1.26 |
| Receivables from medical and diagnostic services | | 458,288 | | | 365,852 | |
| Medical services | | 103,947 | | | 113,594 | |
| Diagnostics | | 354,341 | | | 252,258 | |
| TOTAL | | 15,738,352 | | | 12,307,122 | |

4.3 Other short-term receivables

| | 2019 CHF | 2018 CHF |
|---------------------------------|------------------|------------------|
| Staff advances | 84,476 | 77,211 |
| Advances for project activities | 2,717,411 | 2,077,439 |
| Withholding tax | 13,378 | 20,979 |
| Basel based rent deposits | 55,900 | 55,877 |
| Advances Helvetia BVG | 1,633,072 | 1,444,834 |
| Other receivables | 84,500 | 8,288 |
| TOTAL | 4,588,737 | 3,684,628 |

4.4 Provision for bad debts

| | Provision in % | Amount CHF | 2019 Provision CHF | Provision in % | Amount CHF | 2018 Provision CHF |
|--|-------------------|---------------|--------------------------|-------------------|---------------|--------------------------|
| Amounts due > CHF 30,000 | | | | | | |
| 1 – 90 days | 2% | 2,235,377 | 33,907 | 2% | 849,355 | 6,810 |
| 90 – 180 days | 15% | 61,972 | 71 | 15% | 367,292 | 0 |
| 180 – 270 days | 30% | 0 | 0 | 30% | 45,661 | 0 |
| 270 – 360 days | 50% | 148,334 | 74,167 | 50% | 48,085 | 0 |
| > 360 days | 100% | 51,983 | 51,983 | 100% | 51,983 | 51,983 |
| Amounts due < CHF 30,000 | | | | | | |
| > 0 days | 2% | 1,581,275 | 31,626 | 2% | 1,706,890 | 34,138 |
| TOTAL | | | 191,754 | | | 92,931 |
| Provision for bad debts [rounded] | | | 191,800 | | | 92,900 |

Payments up to 17 February 2020 are included in the calculation.

4.5 Prepayments and accrued income

| | 2019 CHF | 2018 CHF |
|---|------------------|------------------|
| Accrued income projects | 3,549,357 | 4,030,751 |
| Overhead contribution for SNSF projects | 513,608 | 541,415 |
| Accounts paid in advance | 282,733 | 1,595,640 |
| TOTAL | 4,345,698 | 6,167,806 |

4.6 Inventories

| | 2019 CHF | 2018 CHF |
|------------------------------|----------------|----------------|
| Vaccines | 233,888 | 126,912 |
| Stock Information Technology | 119,353 | 85,476 |
| TOTAL | 353,241 | 212,388 |

Financial Report 2019

4.7 Tangible and intangible assets

| | Land and Buildings without CIP | Construction in progress [CIP] | Land and Buildings | Laboratory equipment | Other equipment | Finance leases | Equipment |
|---------------------------------|--------------------------------|--------------------------------|--------------------|----------------------|------------------|----------------|------------------|
| Tangible Assets | | | | | | | |
| Net carrying amount | | | | | | | |
| 1 January 2018 | 7,037,736 | 1,306,800 | 8,344,536 | 847,896 | 549,270 | 0 | 1,397,166 |
| Cost | | | | | | | |
| 1 January 2018 | 10,964,172 | 1,306,800 | 12,270,972 | 3,818,893 | 2,583,061 | 393,320 | 6,795,274 |
| Additions | 51,186 | 0 | 51,186 | 377,059 | 227,604 | 0 | 604,663 |
| Reclassifications | 0 | -1,306,800 | -1,306,800 | 0 | 0 | 0 | 0 |
| Disposals | 0 | 0 | 0 | -84,697 | -144,157 | 0 | -228,854 |
| 31 December 2018 | 11,015,358 | 0 | 11,015,358 | 4,111,255 | 2,666,508 | 393,320 | 7,171,083 |
| Accumulated depreciation | | | | | | | |
| 1 January 2018 | 3,926,436 | 0 | 3,926,436 | 2,970,997 | 2,033,791 | 393,320 | 5,398,108 |
| Annual depreciation | 783,858 | 0 | 783,858 | 269,516 | 291,980 | 0 | 561,496 |
| Impairment | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Reclassification | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Disposals | 0 | 0 | 0 | -70,292 | -144,157 | 0 | -214,449 |
| 31 December 2018 | 4,710,294 | 0 | 4,710,294 | 3,170,221 | 2,181,614 | 393,320 | 5,745,155 |
| Net carrying amount | | | | | | | |
| 31 December 2018 | 6,305,064 | 0 | 6,305,064 | 941,034 | 484,894 | 0 | 1,425,928 |
| Net carrying amount | | | | | | | |
| 1 January 2019 | 6,305,064 | 0 | 6,305,064 | 941,034 | 484,894 | 0 | 1,425,928 |
| Cost | | | | | | | |
| 1 January 2019 | 11,015,359 | 0 | 11,015,358 | 4,111,255 | 2,666,508 | 393,320 | 7,171,083 |
| Additions | 0 | 0 | 0 | 330,475 | 39,671 | 0 | 446,354 |
| Reclassifications | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Disposals | 0 | 0 | 0 | 0 | -32,474 | 0 | -32,474 |
| 31 December 2019 | 11,015,359 | 0 | 11,015,358 | 4,441,730 | 2,673,705 | 393,320 | 7,584,963 |
| Accumulated depreciation | | | | | | | |
| 1 January 2019 | 4,710,294 | 0 | 4,710,294 | 3,170,221 | 2,181,614 | 393,320 | 5,745,155 |
| Annual depreciation | 799,084 | 0 | 799,084 | 212,909 | 215,831 | 0 | 428,740 |
| Impairment | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Reclassification | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Disposals | 0 | 0 | 0 | 0 | -21,100 | 0 | -21,100 |
| 31 December 2019 | 5,509,378 | 0 | 5,509,378 | 3,383,130 | 2,376,345 | 393,320 | 6,152,795 |
| Net carrying amount | | | | | | | |
| 31 December 2019 | 5,505,981 | 0 | 5,505,980 | 1,058,601 | 297,360 | 0 | 1,432,168 |

The new building “Belo Horizonte” is being constructed in Allschwil (Basel-Landschaft) and will be ready by the end of 2021. With the move of Swiss TPH to Allschwil, the buildings at the actual headquarter at Socinstrasse will be abandoned and with it the building installation re-

flected in the tangible assets. Therefore, additional yearly CHF 0.9 million of depreciation for building installations started in 2015, adjusting the remaining useful time until end of 2021.

| Total without Projects | Projects | Total tangible assets | Intangible assets | Software | Software work in progress | Total intangible assets | Total Fixed assets register |
|------------------------|------------------|-----------------------|-------------------|------------------|---------------------------|-------------------------|-----------------------------|
| 9,741,702 | 0 | 9,741,702 | | 879,959 | 58,571 | 938,530 | 10,680,232 |
| 19,066,246 | 3,511,019 | 22,577,265 | | 1,561,436 | 58,571 | 1,620,007 | 24,197,272 |
| 655,849 | 337,060 | 992,909 | | 105,864 | 88,614 | 194,478 | 1,187,387 |
| -1,306,800 | 0 | -1,306,800 | | 0 | 0 | 0 | -1,306,800 |
| -228,854 | -220,746 | -449,600 | | -90,559 | 0 | -90,559 | -540,159 |
| 18,186,441 | 3,627,333 | 21,813,774 | | 1,576,741 | 147,185 | 1,723,926 | 23,537,701 |
| 9,324,544 | 3,511,019 | 12,835,563 | | 681,477 | 0 | 681,477 | 13,517,040 |
| 1,345,354 | 318,167 | 1,663,521 | | 324,709 | 0 | 324,709 | 1,988,230 |
| 0 | 0 | 0 | | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | | 0 | 0 | 0 | 0 |
| -214,449 | -201,853 | -416,302 | | -61,389 | 0 | -61,389 | -477,691 |
| 10,455,449 | 3,627,333 | 14,082,782 | | 944,797 | 0 | 944,797 | 15,027,579 |
| 7,730,992 | 0 | 7,730,992 | | 631,944 | 147,185 | 779,129 | 8,510,121 |
| 7,730,992 | 0 | 7,730,992 | | 631,944 | 147,185 | 779,129 | 8,510,122 |
| 18,186,441 | 3,627,333 | 21,813,775 | | 1,576,741 | 147,185 | 1,723,926 | 23,537,700 |
| 446,354 | 124,619 | 570,972 | | 25,011 | 67,045 | 92,056 | 663,029 |
| 0 | 0 | 0 | | 0 | 0 | 0 | 0 |
| -32,475 | 0 | -32,474 | | 0 | 0 | 0 | -32,474 |
| 18,600,320 | 3,751,952 | 22,352,273 | | 1,601,752 | 214,230 | 1,815,982 | 24,168,255 |
| 10,455,449 | 3,627,333 | 14,082,782 | | 944,797 | 0 | 944,797 | 15,027,578 |
| 1,227,824 | 124,619 | 1,352,443 | | 307,076 | 0 | 307,076 | 1,659,519 |
| 0 | 0 | 0 | | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | | 0 | 0 | 0 | 0 |
| -21,100 | 0 | -21,100 | | 0 | 0 | 0 | -21,100 |
| 11,662,173 | 3,751,952 | 15,414,124 | | 1,251,873 | 0 | 1,251,873 | 16,665,997 |
| 6,938,147 | 0 | 6,938,148 | | 349,879 | 214,230 | 564,109 | 7,502,257 |

Financial Report 2019

| Fire insurance value | 2019 CHF | 2018 CHF |
|--|-------------------|-------------------|
| Property plant | | |
| "Gebäuderversicherung des Kantons Basel-Stadt, Socinstr. 57, Basel" | 9,261,000 | 9,240,000 |
| Index | 137.00 | 136.70 |
| Equipment | | |
| "Police 3.233.381 - AXA Winterthur Insurance (from 01.09.2011)" | 13,000,000 | 13,000,000 |

Investments > CHF 5,000 with project funds (not capitalised)

The ownership of investments paid with project funds generally remains with the donor. Therefore, these investments are not capitalised but recorded in the fixed assets register and disclosed:

2019

| No | Project | Item | Purchase of date | Value in CHF |
|------------------------|---------------------------------|---|------------------|----------------|
| 532 | BMGF Gates combination chemoth. | 3 Diff Hematology Analyzer | 01.02.19 | 5,744 |
| 535 | SNF Sinergia GHI/EPFL | Biorack 4800 + Roller Base | 01.02.19 | 6,967 |
| 537 | SDC JOHI, Ethiopia | Trimble R2 | 01.02.19 | 13,272 |
| 538 | MMV Medicine for Malaria | MACSQuant Analyzer | 05.03.19 | 10,000 |
| 543 | Genotyping | Biometra Tone 96 Gradient (2 Stück) | 01.08.19 | 12,843 |
| 544 | SNF/UniBs Eccellenza | Miniamp Thermal Cycler | 01.09.19 | 14,400 |
| 545 | Diverse LS90 | Seqstudio Smartst | 01.09.19 | 15,373 |
| 551 | Genotyping | Synergy H1M Multi-Detection | 22.11.19 | 33,818 |
| 552 | Emergency IFA | Mindray M7 Adv. Portable Ultrasound Machine | 10.12.19 | 12,202 |
| TOTAL Additions | | | | 124,619 |
| No Disposals | | | | 0 |
| TOTAL Disposals | | | | 0 |
| TOTAL | | | | 124,619 |

2018

| No | Project | Item | Purchase of date | Value in CHF |
|-----|---|--|------------------|--------------|
| 484 | Strategische Projekte und Forschung MED | Sono Book 9 Main unit | 03.01.18 | 18,154 |
| 493 | SDC JOHI, Ethiopia 10.15 - 09.20 | Leica DM1000 LED + Zubehör | 23.01.18 | 12,135 |
| 500 | MMV GAM 07.17 - 12.18 | SuperMACS II Separator | 14.02.18 | 14,970 |
| 502 | KfW MTN/NTD Phase I 15.09.17 - 14.08.21 | Toyota Prado TX-L 4 x 4 2986 CC DSL 5P | 22.02.18 | 44,494 |
| 508 | SDC JOHI, Ethiopia 10.15 - 09.20 | QS5 0.2ML QPCR System Tower | 04.07.18 | 42,723 |
| 509 | CDC Brucellosis 07.17 - 07.22 | Microplate Multiskan FC | 06.07.18 | 7,791 |

| | | | | |
|------------------------|---|---|----------|----------------|
| 510 | eFASH 06.18 – 12.20 | SonoBook 9 Main unit | 20.07.18 | 19,675 |
| 513 | SNF R4D – Opisthorchis in Laos 3.17 – 02.20 | Mindray Ultraschallgerät Z6 | 24.07.18 | 14,434 |
| 514 | MCDI EGMVI 01/15 – 12/18 | Centrifuge 5427 RG | 14.08.18 | 6,018 |
| 515 | SDC JOHI, Ethiopia 10.15 – 09.20 | Hettich Centrifuge Mikro + Aerosol | 25.07.18 | 5,479 |
| 516 | SBFI ZIK 10.16 – 09.20 | App based tourist monitoring and daily survey | 03.08.18 | 16,209 |
| 517 | SBFI ZIK 10.16 – 09.20 | App based tourist monitoring and daily survey | 31.01.18 | 29,430 |
| 518 | MCDI EGMVI 01/15 – 12/18 | CFX96 Touch Real-Time PCR Detection Sys | 13.09.18 | 32,202 |
| 520 | BAFU LUDOK 06.18 – 12.21 | PROD-Server für Core- und Public-Komponente | 01.09.18 | 8,500 |
| 523 | SNF (NZX1620) PIN 10.16 – 09.19 | Nucleofector 2b Device, EA | 01.12.18 | 18,557 |
| 525 | Pfizer Adult vacci CA | Mastercycler nexus gradient | 01.12.18 | 7,886 |
| 528 | MMV Medicine for Malaria | Belüfteter Schrank Bio-C36 | 01.12.18 | 13,718 |
| 529 | SNF Oliver Balmer 01.17 – 12.19 | Mastercycler nexus X2e | 01.12.18 | 5,791 |
| TOTAL Additions | | | | 318,166 |
| No Disposals | | | | 0 |
| TOTAL Disposals | | | | 0 |
| TOTAL | | | | 318,166 |

4.8 Long-term financial assets

| | 2019 | 2018 |
|---|---------------|---------------|
| | CHF | CHF |
| Employer contribution reserves of the pension fund (refer also to note 4.8) | 62,536 | 62,536 |
| TOTAL | 62,536 | 62,536 |

4.9 Mortgages

| | 2019 | 2018 |
|---|-----------|-----------|
| | CHF | CHF |
| Mortgages in favour of third parties | | |
| Building Socinstrasse 57 | | |
| Liens registered in the land register | 4,400,000 | 4,400,000 |
| Claimed liens | 2,400,000 | 2,400,000 |
| Long-term payables | | |
| BKB, 29.04.2011 – 29.04.2021 | 1,000,000 | 1,000,000 |
| BKB, 29.04.2013 – 29.04.2019 | 0 | 500,000 |
| Carrying amount (Land and buildings, refer to note 4.7) | 5,505,980 | 6,305,064 |

4.10 Accrued liabilities and deferred income

| | 2019 CHF | 2018 CHF |
|--|-------------------|-------------------|
| Projects | 37,277,803 | 33,956,952 |
| Swiss National Science Foundation Projects - Overhead | 463,248 | 296,167 |
| Provision for Audit PwC | 77,239 | 43,529 |
| Overtime to be paid in the following year | 40,409 | 26,606 |
| Employer's liability insurance | 4,349 | 3,247 |
| Extraordinary compensations paid in the following year | 98,000 | 0 |
| Other accrued liabilities | 69,395 | 1,626,448 |
| TOTAL | 38,030,443 | 35,952,949 |

Based on the accounts at the end of the year, the project leaders evaluated the accrued revenues and expenses (cost to complete) for their projects. These evaluations were taken into consideration by the Directorate on the occasion of the approv-

al of the financial statement. All of the project related deferred incomes are sustained based on an existing project contract. At the moment, there is no indication for any losses from long-term projects, which would need to be recognised.

4.11 Short-term provisions

| | Not compensated vacation | SDC MEP Procurement of Equipment | SDC PADS Procurement of Motorbikes | Insolvency Tojik Bank Tajikistian | Research fund | Total |
|--|-----------------------------|--|--|---|------------------|------------------|
| Changes of provisions | CHF | CHF | CHF | CHF | CHF | CHF |
| Carrying amount as per 01.01.2018 | 1,084,394 | 0 | 0 | 0 | 63,420 | 1,147,814 |
| Creation | 30,261 | 0 | 0 | 30,000 | 83,289 | 143,550 |
| Utilization | -74,476 | 0 | 0 | 0 | 0 | -74,476 |
| Carrying amount as per 31.12.2018 | 1,040,179 | 0 | 0 | 30,000 | 146,709 | 1,216,888 |
| Carrying amount as per 01.01.2019 | 1,040,179 | 0 | 0 | 30,000 | 146,709 | 1,216,888 |
| Creation | 146,333 | 90,000 | 120,000 | 30,000 | 16,710 | 403,043 |
| Utilization | -10,661 | 0 | 0 | 0 | 0 | -10,661 |
| Carrying amount as per 31.12.2019 | 1,175,851 | 90,000 | 120,000 | 60,000 | 163,419 | 1,609,270 |

Due to irregularities identified in the procurement of equipment in the SDC project “Medical Education Reform Project” (MEP) in Tajikistan, a provision of CHF 90,000 was accrued for the additional costs that may occur.

The bank in Tajikistan holding SDC funding in the amount of CHF 60,000 for the MEP faced liquidity shortages. The remaining funds were promised to be paid out in limited tranches on a weekly basis – the bank did not comply with this promise in 2019 and the remaining CHF 30,000 is expected to be lost.

Significant irregularities and a confirmed fraud attempt committed by the supplier in the procurement process of motorcycles in the SDC project “Programme d’Appui aux Districts Sanitaires” PADS in Chad foresee a potential damage of CHF 120,000.

The research provision was accrued by CHF 16,710 due to the internal regulations for the Research Fund.

4.12 Other non current liabilities

| | 2019 CHF | 2018 CHF |
|---|----------------|----------------|
| Swiss National Science Foundation Projects - Overhead (long term) | 791,908 | 434,626 |
| TOTAL | 791,908 | 434,626 |

The total overhead contribution of the Swiss National Science Foundation (SNSF) is paid in the year of grant allocation. The provision allows the use of the contribution during the whole

project period. A considerable increase of SNSF funded projects in 2019 led to a high increase in provisions.

4.13 Long-term provisions and deferred income subsidies

| | Funds for collabora- tors in case of Hardship | Potential taxes abroad | End of contract payments | Belo Hori- zonte | Total |
|--|--|------------------------------|--------------------------------|---------------------|-------------------|
| | CHF | CHF | CHF | CHF | CHF |
| Changes of provisions and deferred income subsidies | | | | | |
| Carrying amount as per 01.01.2018 | 500,000 | 1,077,072 | 69,326 | 3,200,000 | 4,846,398 |
| Creation | 0 | 247,822 | 25,650 | 2,500,000 | 2,773,472 |
| Utilization | 0 | -169,370 | -52,700 | 0 | -222,070 |
| Carrying amount as per 31.12.2018 | 500,000 | 1,155,524 | 42,276 | 5,700,000 | 7,397,800 |
| Carrying amount as per 01.01.2019 | 500,000 | 1,155,524 | 42,276 | 5,700,000 | 7,397,800 |
| Creation | 0 | 198,181 | 51,196 | 2,500,000 | 2,749,377 |
| Utilization | 0 | -36,043 | -3,330 | 0 | -39,373 |
| Carrying amount as per 31.12.2019 | 500,000 | 1,317,662 | 90,142 | 8,200,000 | 10,107,804 |

According to the decision made at the Directorate's meeting (17 October until 19 October 2006), a provision of CHF 500,000 for personnel or their dependants in case of hardship was created. The disposition of fund means is defined in the fund regulations.

The provision for potential taxes abroad is created for those countries where expatriate or local Swiss TPH staff are possibly supposed to pay income taxes.

According to local labour law in various project countries such as the Democratic Republic of the Congo, Albania or Rwanda, end of contract payments are to be borne by the employer.

Swiss TPH committed to cover CHF 10,000,000 of the investments costs of the new building "Belo Horizonte". For this purpose, this amount will be accrued in the period of 2017 – 2020.

4.14 Self-managed income from research, education, services

| | 2019 CHF | 2018 CHF |
|------------------------|-------------------|-------------------|
| As per activity | | |
| Medical services | 5,252,940 | 4,822,365 |
| Education | 2,309,700 | 2,092,830 |
| Research | 25,560,438 | 24,900,883 |
| Services | 36,233,696 | 33,466,103 |
| TOTAL | 69,356,774 | 65,282,181 |

4.15 Core contributions national and local government

In addition to the income generated competitively through research and services, Swiss TPH receives funding from the local and the national government:

| | 2019 CHF | 2018 CHF |
|--|-------------------|-------------------|
| Canton Basel-Landschaft | 3,630,000 | 3,630,000 |
| Subsidies | 3,630,000 | 3,630,000 |
| Canton Basel-Stadt | 3,630,000 | 3,630,000 |
| Subsidies | 3,630,000 | 2,000,000 |
| Subsidies Swisslos Fonds Basel-Stadt | 0 | 1,630,000 |
| University of Basel | 6,600,429 | 6,860,759 |
| Structural professorships | 6,040,000 | 6,040,000 |
| Matching funds for SNSF-Projects | 213,902 | 204,731 |
| Overhead contribution for SNSF-Projects | 346,527 | 616,028 |
| Swiss National Government | 6,237,400 | 6,015,600 |
| Swiss National Government (leading house activities) | 1,750,000 | 1,500,000 |
| Subtotal | 21,847,829 | 21,636,359 |
| Deferred income new building Belo Horizonte | -2,500,000 | -2,500,000 |
| TOTAL | 19,347,829 | 19,136,359 |

According to the decision made by the local government of the canton Basel-Landschaft “Landrat des Kantons Basel-Landschaft” on 17 December 2015, for the period of 2017 – 2020, subsidies of a total of CHF 14,520,000 are granted as follows:

| 2017 CHF | 2018 CHF | 2019 CHF | 2020 CHF |
|------------------|------------------|------------------|------------------|
| 3,630,000 | 3,630,000 | 3,630,000 | 3,630,000 |

According to the decision made by the local government of the canton Basel-Stadt “Grosser Rat des Kantons Basel-Stadt” on 3 February 2016, for the period of 2017 – 2020 subsidies of a total of CHF 11,260,000 are granted as follows:

| 2017 CHF | 2018 CHF | 2019 CHF | 2020 CHF |
|------------------|------------------|------------------|------------------|
| 2,000,000 | 2,000,000 | 3,630,000 | 3,630,000 |

According to the decision made by the local government of the canton Basel-Stadt “Regierungsrat des Kantons Basel-Stadt” on 30 June 2015, for the period of 2017 – 2018 a start-up financing (Anschubsfinanzierung) of a total of CHF 3,260,000 is given by the Swisslos-Fund.

| 2017 CHF | 2018 CHF |
|------------------|------------------|
| 1,630,000 | 1,630,000 |

Within the scope of the inter-cantonal contract concerning the common ownership of the University of Basel between the cantons of Basel-Stadt and Basel-Landschaft, Swiss TPH was granted a contribution of CHF 6,040,000 (2018: CHF 6,040,000) for the period of 2019 for structural professorships and teaching activities within the curriculum of the University of Basel. In 2019, CHF 213,902 (2018: CHF 204,731) was credited as matching funds for SNSF projects and the amount of CHF 346,527 (2018: CHF 616,028) as share of SNSF-overhead contribution.

The Swiss Federal Council granted Swiss TPH CHF 25,000,000 for scientific activities in the period of 2017 – 2020. The amount 2018 was reduced by 3% from CHF 6,201,500 to CHF 6,015,600 due to an inflation adjustment in order to be in line with the debt break as decided by the Swiss Parliament. The amount 2020 will also be reduced by 3% from CHF 6,327,800 to CHF 6,140,900.

Under condition of the yearly budget approval by the Swiss Parliament, Swiss TPH will receive the following amounts:

| 2017 CHF | 2018 CHF | 2019 CHF | 2020 CHF |
|------------------|------------------|------------------|------------------|
| 6,233,300 | 6,015,600 | 6,237,400 | 6,140,900 |

As a founding member of the Centre Suisse de Recherches Scientifiques en Côte d'Ivoire (CSRS) and the Ifakara Health Institute (IHI) in Tanzania, Swiss TPH acts as the leading house on behalf of the State Secretariat for Education and Research (SERI) and administers CHF 500,000 for each of these institutions.

Swiss TPH committed to cover CHF 10,000,000 of the investments costs of the new building "Belo Horizonte". For this purpose this amount will be accrued over the period of 2017 – 2020.

4.16 Other operating income

| | 2019 CHF | 2018 CHF |
|------------------------|------------------|------------------|
| As per activity | | |
| Medical Services | 122,855 | 48,158 |
| Education | 302,942 | 767,350 |
| Research | 957,384 | 1,231,111 |
| Services | 649,664 | 290,534 |
| TOTAL | 2,032,845 | 2,337,153 |

Other operating income is income which is not related directly to grant and project contracts

such as royalties, consultancies, cafeteria, reimbursed travel cost, etc.

4.17 Change in unbilled services

| | 2019 CHF | 2018 CHF |
|------------------------|-----------------|-----------------|
| As per activity | | |
| Medical Services | 0 | 0 |
| Education | -19,552 | 36,528 |
| Research | -931,499 | -279,468 |
| Services | 536,793 | 102,043 |
| TOTAL | -414,258 | -140,897 |

4.18 Personnel expenses

| | 2019 | 2018 |
|----------------------|-------------------|-------------------|
| | CHF | CHF |
| As per nature | | |
| Salaries | 35,671,143 | 35,624,678 |
| Allowances | 1,519,106 | 1,712,258 |
| Social insurance | 5,051,206 | 4,894,459 |
| Consultancies | 4,798,822 | 3,503,993 |
| Recruiting | 16,179 | 9,210 |
| Continuous education | 1,255,905 | 1,245,405 |
| Travel expenses | 2,651,087 | 2,682,984 |
| Other personal costs | 535,530 | 567,921 |
| TOTAL | 51,498,978 | 50,240,908 |

As reported in the income statement, Swiss TPH recorded its employee benefits in the line Personnel expenses.

All expenses and costs are recognised in the income statement. In respect of accruals for overtime and vacation please refer to note 4.10 and 4.11.

Pension funds

Swiss TPH's pension plan is a pension scheme according to the federal law on occupational pension schemes (BVG) and is part of the "Helvetia Sammelstiftung für Personalvorsorge", contract number 30935. The funding consists of employers' contributions, employees' contributions, and

of an annual interest (1% since 1 January 2017). This pension plan is part of a collective plan with reinsurance arrangements (full insurance within the framework of a collective insurance contract), the pension institution is not the risk bearer and therefore no additional payment obligations can arise in case of a deficit.

Personnel expenses

| | 2019 | 2018 |
|---|------------------|------------------|
| | CHF | CHF |
| Pension benefit expenses | | |
| Helvetia Sammelstiftung (Employer contribution) | 2,107,393 | 2,070,471 |
| Economic impact of the pension fund | 0 | 0 |
| TOTAL | 2,107,393 | 2,070,471 |

| | | |
|--|---------------|---------------|
| Employer contribution reserves of the pension fund (refer also to note 4.8) | 62,536 | 62,536 |
| TOTAL | 62,536 | 62,536 |

Compensation

| | 2019 | 2018 |
|---|------|------|
| | CHF | CHF |
| Board of Governors (Kuratorium) | | |
| Members of the Board of Governors (CHF; expenses) | 600 | 300 |
| Heads | 9 | 9 |

No compensation is paid to the Board of Governors. Only defined trip allowances and boarding costs are paid.

| Directorate salaries | | |
|---|-----------|-----------|
| Members of the Directorate (CHF; salaries only) | 1,365,031 | 1,369,196 |
| Heads | 7 | 7 |
| FTE | 7.0 | 7.0 |

Expenses to the Directorate are paid according to the Manual for Employees.

| 4.19 Material expenses | 2019 CHF | 2018 CHF |
|--|------------------|------------------|
| As per nature | | |
| "Investments > CHF 5,000 with project funds [not capitalised]" | 124,619 | 318,167 |
| Equipment < CHF 5,000 | 1,105,339 | 747,353 |
| Consumables | 2,643,110 | 2,639,214 |
| Documentation | 5,212 | 8,775 |
| Periodical publications | 23,749 | 25,420 |
| Books | 15,469 | 24,404 |
| TOTAL | 3,917,498 | 3,763,333 |

| 4.20 Administrative expenses | 2019 CHF | 2018 CHF |
|-------------------------------------|------------------|------------------|
| As per nature | | |
| Informatics | 1,074,157 | 1,052,099 |
| Office material, printed matters | 302,964 | 303,933 |
| Phone, fax, internet | 235,120 | 261,184 |
| Postage | 192,752 | 162,689 |
| Audit fees Headquarters | 79,698 | 74,313 |
| Audit fees projects | 112,846 | 48,655 |
| Consultancy fees | 949,580 | 638,130 |
| Expenses meetings, guests, seminars | 1,561,212 | 1,341,493 |
| Donations, fees | 550,650 | 617,312 |
| TOTAL | 5,058,979 | 4,499,808 |

Financial Report 2019

4.21 Other operating expenses

| | 2019 | 2018 |
|----------------------------------|-------------------|-------------------|
| | CHF | CHF |
| As per nature | | |
| Maintenance and rent | 1,987,746 | 2,029,199 |
| Maintenance, repair of equipment | 483,867 | 380,020 |
| Vehicle costs | 3,986 | 7,572 |
| Insurance | 105,303 | 104,128 |
| Energy, disposal | 448,800 | 451,542 |
| Marketing and PR | 121,191 | 130,081 |
| Project expenditures abroad | 25,145,109 | 23,672,636 |
| TOTAL | 28,296,002 | 26,775,178 |

Project expenditures abroad by donors

| | | |
|--|-------------------|-------------------|
| SDC (Swiss Agency for Development and Cooperation) | 16,235,379 | 15,970,052 |
| CHAI (Clinton Health Access Initiative) | 1,544,049 | 1,130,159 |
| Swiss TPH (Institutional Projects) | 1,231,766 | 1,131,623 |
| Cordaid (Catholic Organisation for Relief & Development Aid) | 1,179,007 | 831,557 |
| GF (Global Fund to Fight AIDS, Tuberculosis and Malaria) | 1,137,104 | 1,225,070 |
| SNSF (Swiss National Science Foundation) | 1,040,124 | 919,691 |
| Other | 909,365 | 1,278,225 |
| BMGF (Bill and Melinda Gates Foundation) | 323,875 | 155,350 |
| KfW (Kreditanstalt für Wiederaufbau) | 177,280 | 168,518 |
| VBS (Eidgenössisches Departement für Verteidigung, Bevölkerungsschutz und Sport) | 160,309 | 0 |
| WHO (World Health Organisation) | 157,483 | 0 |
| University of Heidelberg | 137,172 | 0 |
| PMU (University Medical Polyclinic Lausanne) | 131,444 | 0 |
| Unicef (United Nations Children's Fund) | 90,294 | 0 |
| GAVI (The Vaccine Alliance) | 86,930 | 208,445 |
| FIND Geneva | 70,246 | 0 |
| Merck KGaA | 63,382 | 261,395 |
| Botnar Foundation | 53,802 | 0 |
| Liverpool School of Tropical Medicine | 51,347 | 119,971 |
| Medicor Foundation Liechtenstein | 49,792 | 0 |
| University of Basel | 48,215 | 0 |
| UBS Optimus Foundation | 48,036 | 59,538 |
| Novartis Foundation Basel | 47,155 | 0 |
| Stanley Thomas Johnson Foundation | 45,017 | 0 |
| SIBB (STIFTUNG für INFEKTIOLOGIE beider Basel) | 43,024 | 0 |
| Vontobel-Stiftung Zürich | 42,556 | 126,638 |
| DNDi (Drugs for Neglected Diseases <i>initiative</i>) | 40,957 | 86,405 |
| TOTAL | 25,145,109 | 23,672,636 |

Please note: A donor is listed if more than CHF 40,000 is expensed in 2019.

Project expenditures abroad by geographical regions

| | | |
|-----------------|-------------------|-------------------|
| Southern Africa | 78,604 | 50,257 |
| Eastern Africa | 4,726,502 | 5,697,380 |
| Western Africa | 2,083,987 | 2,091,952 |
| Middle Africa | 5,442,266 | 7,852,660 |
| Africa | 12,331,359 | 15,692,249 |

| | 2019 CHF | 2018 CHF |
|--|-------------------|-------------------|
| Project expenditures abroad by geographical regions | | |
| Southern Asia | 43,078 | 29,505 |
| South-Eastern Asia | 145,868 | 129,163 |
| Central Asia | 1,841,910 | 1,655,253 |
| Western Asia | 4,696 | 29,562 |
| Asia | 2,035,552 | 1,843,483 |
| Eastern Europe | 8,869,866 | 5,391,150 |
| Western Europe | 1,748,748 | 447,475 |
| Europe | 10,618,614 | 5,838,625 |
| South America | 95,191 | 59,539 |
| Central America | 64,393 | 238,740 |
| Latin America and the Caribbean | 159,584 | 298,279 |
| Project expenditures abroad | 25,145,109 | 23,672,636 |

4.22 Financial result

| | 2019 CHF | 2018 CHF |
|--|-----------------|-----------------|
| Financial income | | |
| Interests on Bank- and Post accounts | 24 | 57 |
| Interests on fixed deposits and call money | 38,224 | 58,529 |
| Other interests | 0 | 6 |
| Exchange rate differences (gains) | 77,321 | 300,299 |
| Subtotal | 115,569 | 358,891 |
| Financial expenses | | |
| Card fees | -10,849 | -11,471 |
| Bank accounts fees | -33,168 | -33,784 |
| Interest on mortgages | -34,417 | -39,542 |
| Interest on arrears | -1,271 | -3,599 |
| Other interests | -3,830 | -1,839 |
| Exchange rate differences (losses) | -254,004 | -196,313 |
| Miscellaneous | -14 | -2 |
| Subtotal | -337,553 | -286,550 |
| TOTAL Financial result | -221,983 | 72,341 |

5. Related party transactions

The purpose of the Rudolf Geigy Foundation is to support Swiss TPH in different projects. The following list shows the granting of funds:

| Granting of Funds | 2019 CHF | 2018 CHF |
|--|--------------------|--------------------|
| Malaria funds | | |
| Scientific collaboration Tanzania and Côte d'Ivoire | 502,412 | 400,000 |
| T. Smith, Impact system failures in Africa | 0 | 80,450 |
| D. Rodriguez, PhD Impact of malaria interventions, Papua New Guinea | 0 | 30,000 |
| L. Hofer, malaria - insect. resistance mosquitos | 56,100 | 56,100 |
| J. Malinga, PhD, Estimating consequences of heterogeneity in malaria dyn | 0 | 10,300 |
| Subtotal | 558,512 | 576,850 |
| General funds | | |
| HCTMC, Scholarships | 41,000 | 51,000 |
| Support Swiss TPH, rent reduction | 150,000 | 150,000 |
| Support Swiss TPH, gardening costs | 10,000 | 10,000 |
| Further education | 3,512 | 0 |
| Unterstützung Projekt VapaGuide | 125,000 | 0 |
| A. Knoblauch, Project with Drones Madagascar | 26,904 | 0 |
| H. Greter, Schistoproject Lake Tchad | 0 | 21,900 |
| A. Gamell, PhD thesis | 0 | 425 |
| Ch. Schmid, PostDoc | 0 | 6,000 |
| A. de Soyres-Kümmerle, Pharmacovigilance in rural TZ and in Africa | 0 | 65,700 |
| M. Berger de W. Zoonotic diseases in Maya communities in Guatemala | 0 | 30,000 |
| G. Cissé, Sabbatical in Australia 2018 | 0 | 63,000 |
| Subtotal | 356,416 | 398,025 |
| Total | 914,928 | 974,875 |

For the year 2019, Swiss TPH paid a rental fee of CHF 783,720 for the buildings owned by the Rudolf Geigy Foundation.

6. Risk assessment

Swiss TPH actively manages its risks related to the financial statement. A yearly risk assessment considers the probability of occurrence and the severity of damages of the identified risks and appropriate measures are defined. The risk assessment is performed by the Directorate and then subsequently reviewed and approved by the Board of Governors.

7. Approval of financial statements

These financial statements were prepared and approved by the management of Swiss TPH as representatives of the Board of Directors. They are subject to final approval by the Board of Governors (Kuratorium) on 14 May 2020.

8. Subsequent events after the balance sheet date

The COVID-19 outbreak has developed rapidly in 2020, with a significant number of infections in Switzerland and worldwide in the countries where Swiss TPH carries out research and operations. Measures taken by governments to contain the virus have affected the Swiss TPH activities in research, services and education and training in many ways:

- The limitation of assembly of people resulted in the requirement for all employees to work from home with the initial effect of reduction in productivity.
- The travel clinic was closed due to limitation of assembly of people and to restricted travel, resulting in a heavy drop in demand and turnover. The medical staff was transferred to the University Hospital in Basel to support the COVID-19 clinic, which mitigated the financial risk to a certain extent.
- The diagnostic unit experienced a drop in demand of up to 50% due to the lockdown and limitation of ordinary medical consultations of private medical practitioners. Additional diagnostic activities were identified and launched in the field of COVID-19 antibody testing.
- Due to government measures taken and in line with the policy of the University of Basel, which Swiss TPH is an associated institute of, all clinical trials had to be suspended, causing a delay in implementation and therefore a drop in income for 2020 estimated at 20% at the COU unit (–450 KCHF). Additional COVID-19 related projects were applied for and will potentially mitigate the drop in income for 2020.
- Due to travel restrictions and cancelled flights, the implementation of service projects in most countries of operations will be delayed in one way or another and cause a drop in turnover with an impact for the SCIH department (–200 KCHF), not considering additional opportunities due to COVID-19.
- While some education and teaching activities could be conducted via virtual channels, many

postgraduate courses needed to be cancelled or postponed. A significant drop in turnover of sold courses will impact the 2020 result for the ET department (–180 KCHF).

- Research projects with the requirement of the use of laboratories continued under heavy limitations, resulting in delays of research results.
- Other research activities could be continued in the usual way.
- For some research groups the COVID-19 pandemic will trigger a high demand and therefore induce a potential higher income.

As a result of these effects, the cumulative revenues in the first four months of 2020 are estimated to be not more than 5% lower than the 2019 revenues in the same period with the major negative impact identified in April 2020 and also anticipated for May and June 2020. This impact will be mitigated by additional funds for research and services in the field of COVID-19, which potentially will increase the 2020 turnover. Less expenditures in regards to maintenance and facility management due to the de facto lock down of the buildings and less costs for travelling and expenses will also contribute to the mitigation.

The strong liquidity of Swiss TPH has not been negatively affected. The foreign exchange risk was partially mitigated by sales of USD und EUR, which will not be required to be spent in foreign currency (natural hedge).

Swiss TPH has not applied for government-supported loans nor applied for short-shift working compensation (Kurzarbeitsentschädigung) for the time being. It will however ask for the compensation of working days due to homeschooling by employees triggered by the governmental closure of schools, day care facilities and kindergartens.

Depending on the duration of the COVID-19 crisis and continued negative impact on economic activity, the entity may experience further negative results, liquidity restraints and incur additional impairments on its assets in 2020. The exact impact on the activities in the remainder of 2020 and thereafter cannot be predicted.

Swiss Tropical and Public Health Institute

Basel

Report of the auditor
to the Kuratorium

on the financial statements 2019



Report of the auditor

to the Kuratorium of Swiss Tropical and Public Health Institute

Basel

Report of the auditor on the financial statements

On behalf of the Kuratorium and in compliance with §16 of the treaty between the cantons of Basel-Landschaft and Basel-Stadt over the joint sponsorship of the Swiss Tropical and Public Health Institute (Vertrag zwischen den Kantonen Basel-Landschaft und Basel-Stadt über die gemeinsame Trägerschaft des Schweizerischen Tropen- und Public Health-Instituts), we have audited the financial statements of Swiss Tropical and Public Health Institute, which comprise the balance sheet, income statement, cash flow statement, statement of changes in equity and notes (page 4 to 25), for the year ended 31 December 2019.

Kuratorium's responsibility

The Kuratorium is responsible for the preparation of the financial statements in accordance with Swiss GAAP FER, the requirements of Swiss law and the treaty. 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 Kuratorium 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 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 December 2019 give a true and fair view of the financial position, the results of operations and the cash flows in accordance with Swiss GAAP FER and comply with Swiss law and the treaty.

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 CO) and that there are no circumstances incompatible with our independence.

In accordance with article 728a paragraph 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 Kuratorium.

We recommend that the financial statements submitted to you be approved.

PricewaterhouseCoopers AG



Thomas Brüderlin
Audit expert
Auditor in charge



Sven Rumpel
Audit expert

Basel, 14 May 2020

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