

FINANCIAL REPORT

2022

Global Antibiotic Research & Development Partnership



Table of contents

1. Key performance indicators	3
1.1 Expenditure	3
1.2 Funding	4
1.3 Global personnel costs	5
2. Financial statements	7
2.1 Financial statements	7
2.2 Explanatory notes to the financial statements	12
2.3 Other notes	15
3. Report of the statutory auditor	24

1. Key performance indicators

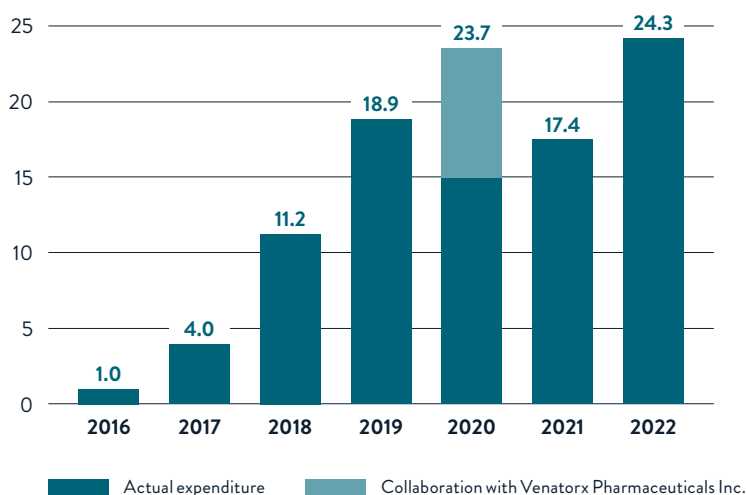
1.1 Expenditure

Steady growth in activities, concentrated on R&D and access

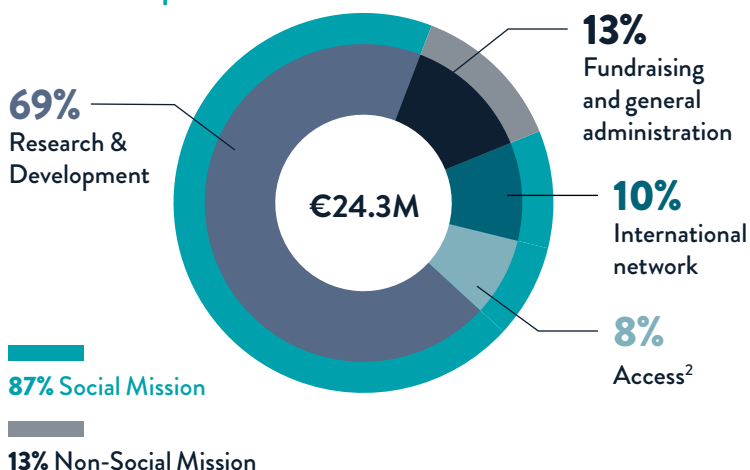
- **Total GARDP expenditure** since the start of its incubation within DNDi in 2016 totals **€100.4M**.
- **2022 Total expenditure** was **€24.3M**, an increase of 39% (+€6.9M) compared to €17.4M in 2021.
- **Programme expenditure** (R&D, Access, and Scientific Affairs) totaled **€18.7M**.
- **87% Social Mission expenditure** (programme + international network) and 13% Non-Social Mission.

Expenditure 2016–2022 (in million €)

Actual expenditure 2016–2022 (€ million)



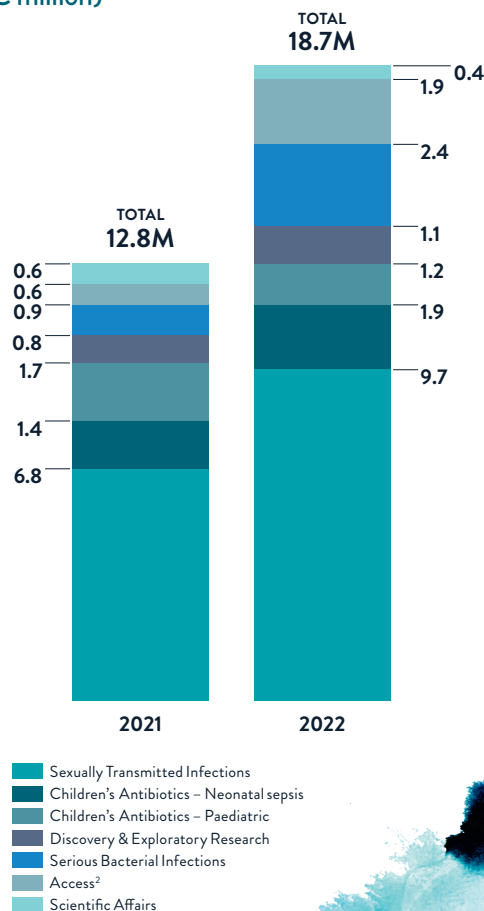
2022 Expenses



Expenditure per programme¹

The growth of operational expenses reflects the increased activity and significant progress within the Sexually Transmitted Infections programme in relation to the zoliflodacin phase 3 trial, alongside the continued strengthening of our Access activities.

2022 and 2021 programme expenditure¹ (€ million)



1. Figures include programme coordination and support
 2. All activities related to Access and SECURE

1.2 Funding

Since its inception in 2016 GARDP has raised €178M, including €78M in 2022. This is largely thanks to the continued support from the many government donors who have financed GARDP over the last 7 years.

Although renewed funding from our core funders in 2022 shows continued commitment to GARDP’s mission, the funding environment remains volatile due to the continuing war in Ukraine and increasing demands on donors’ resources due to inflationary pressures. GARDP will need not only the continued support of these core funders, but also additional funding commitments from new funders.

Total funding commitment and pledges to date (Expressed in €):

PUBLIC CONTRIBUTORS FROM 2016: €173M	
Germany (BMBF and BMG)	116.8M
The Netherlands (VWS and DGIS)	21.9M
The United Kingdom (DFID, DHSC: GAMRIF and NIHR)	21.3M
Japan (MHLW)	8.8M
Switzerland (FOPH and SDC)	1.7M
South African Medical Research Council	0.9M
The Principality of Monaco	0.8M
Canton de Genève	0.5M
Australia (Department of Health)	0.2M
Grand Duchy of Luxemburg	0.1M
PRIVATE CONTRIBUTORS FROM 2016: €4.9M	
Wellcome Trust	2.3M
Bill & Melinda Gates Foundation	1.8M
Médecins Sans Frontières	0.6M
Leo Model Foundation	0.2M

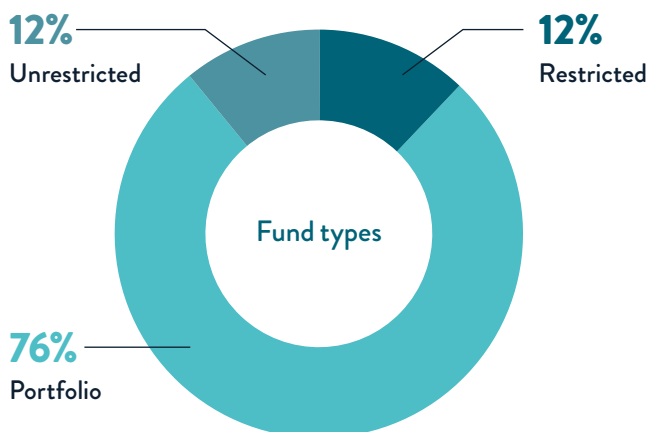
The German Federal Ministry of Education and Research increased their financial support to GARDP in 2022 by contributing a further €56.7M until 2027. The Principality of Monaco confirmed a further €400K over three years (2022–2025). Switzerland’s Federal Office of Public Health contributed a further CHF100K and The Leo Model Foundation also extended its support to GARDP with an additional \$50K.

New funding of \$1.8M (April 2021–March 2022) was received from the Japanese Ministry of Health, Labour and Welfare (with a pledge for a further \$3.6M over the next three years), as well as €14.35M (2022–2027) from the Netherlands Ministry of Foreign Affairs, an additional investment of £4.5M from the UK’s Department of Health and Social Care (DHSC) and CHF300K from the Swiss Agency for Development and Cooperation (SDC). Specifically for SECURE, the Wellcome Trust committed CHF1.2M.

76% portfolio funding

GARDP receives funding with varying levels of flexibility. Funds committed at the level of the portfolio allow GARDP to respond quickly to research opportunities within a broad portfolio of projects. Balanced and flexible funding allows GARDP to effectively manage its priorities at both programmatic and portfolio levels. The level of unrestricted funding received to date has dropped to 12% (in 2021 unrestricted funding was 22%).

Committed funding (€178M)



1.3 Global personnel costs

GARDP's personnel costs are largely made up of R&D and Access employees and contractors who work directly within the R&D programmes both in countries where R&D activities take place, as well as in Switzerland. The GARDP model is to maximize synergies between its external partners and its in-house expertise to ensure the right balance of flexibility, scrutiny and expertise across all programmes, as is required by a small and agile not-for-profit organization. Due to the therapeutic areas, territories, and size of the trials that GARDP conducts, together with the main drivers of clinical activity costs (clinical procedure and drug costs, site monitoring costs, staff costs), GARDP's organizational model entails a substantial use of human capital as reported through the level of full-time equivalent employees (FTE) within our R&D programmes. This ensures projects are securely directed towards GARDP's public health and R&D objectives.

During 2022 GARDP continued to strengthen its human resources applied to R&D programmes as expertise was added to the medical and clinical operations functions. As shown in section 2.3.5, total staff costs increased by 12% from €9.2M in 2021 to €10.3M in 2022 (+€1.1m). General and Admin staff costs did not increase year on year.

GARDP, through DNDi and its international network, has a global presence with offices in several regions, including Africa, North America, Latin America and South-East Asia, and country offices in Japan and India. In-country implementation of GARDP's programmes is supported by these offices, as well as GARDP North America Inc. and DNDi-GARDP Southern Africa in South Africa. GARDP also has representation in Australia through a part-time consultant.

At the end of 2022, GARDP employed a total of 91 (71 full-time employees (FTE)) people worldwide; in 2021 this was 82 (63 FTE). The breakdown of resources, based on GARDP Foundation (Geneva) and other entities within the GARDP International Network is 63%:37% vs 2021 (60%:40%). The figures include 20 contractors specifically appointed to support various functions, including R&D, Business Development, Communications and Access.

GARDP International Network footprint, FTE

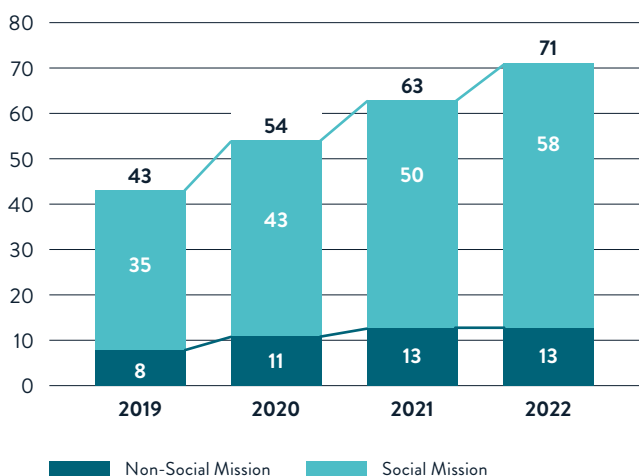


GARDP – Full-time equivalent trend

82% of staff are focused on Social Mission activities (R&D, Legal, Business Development, Policy & Advocacy and Communications, as well as our global network undertaking these activities) in 2022. The percentage in 2021 was lower at 79%.

GARDP is committed to developing its staff, attracting required expertise as well as closely managing its growth in fixed costs, especially in the current environment. Where possible, permanent staff are recruited in country or short-term support is hired as necessary for specific projects.

FTE by activity full year 2019 to full year 2022

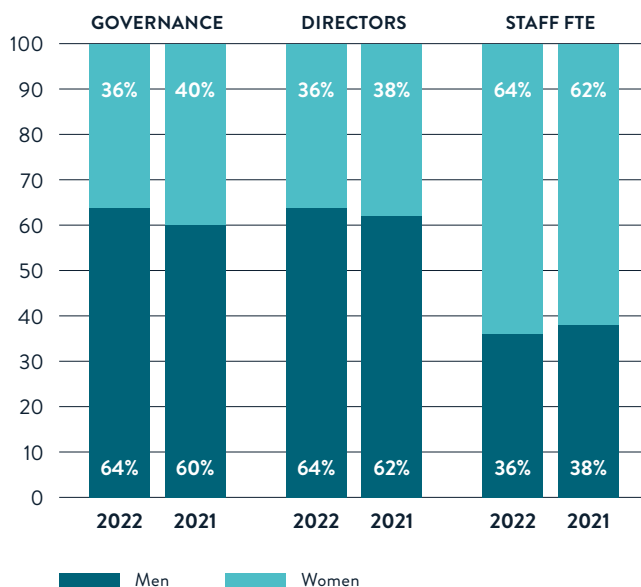


Gender balance at GARDP

GARDP is committed to transparency regarding equality and diversity in all our activities, including achieving gender balance across all areas within our organization. Consequently, GARDP will monitor its progress in this area year on year.

The gender balance among the GARDP team has remained relatively stable in 2022 compared to 2021.

GARDP Gender Balance



2. Financial statements

The management is responsible for the preparation of the combined financial statements and related information that is presented in this report. The combined financial statements include amounts based on estimates and judgements made by the Finance department.

Deloitte SA was appointed as the independent auditor by the GARDP Foundation (GARDP) upon the recommendation of the Audit Committee to audit and opine on the combined financial statements of GARDP.

The GARDP Board, through its Audit Committee, meets periodically with the Finance department and the statutory auditor to ensure that each is meeting its responsibilities, and to discuss matters concerning internal controls and financial reporting.

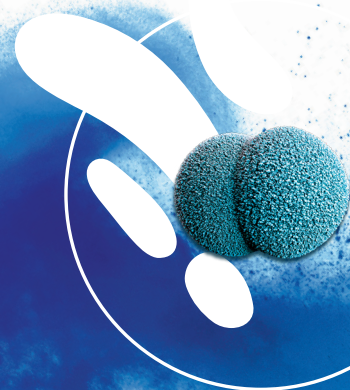
The Board of Directors and management of the Foundation are responsible for establishing and maintaining adequate internal control over financial reporting. The Foundation's internal control system is designed to provide reasonable assurance to the management and Board of Directors regarding the reliability of financial reporting and the preparation and fair presentation of its published combined financial statements. All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective may not prevent or detect misstatements and can provide only reasonable

assurance with respect to financial statement preparation and presentation. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

The Foundation's management assessed the effectiveness of the foundation's internal control over financial reporting as of December 31, 2022. Based on our assessment, management concluded that, as of December 31, 2022, the Foundation's internal control over financial reporting is effective. Deloitte SA has tested the implementation of the Foundation's internal control over financial reporting, which is reflected in their audit opinion included in this Annual Financial Performance Report under "Section 3. Report of Statutory Auditor."

There were no changes to our internal control over financial reporting that occurred during the period covered by this Annual Financial Performance Report that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

These combined financial statements for the year ended 31 December 2022 were approved by the Board of Directors on 2 June 2023.



Balance sheet

At 31 December 2022 with comparative figures (Expressed in €)

	NOTES	2022	2021
CURRENT ASSETS			
Cash and cash equivalents			
Cash and bank		7,113,572	11,821,095
Time deposits		2,828,411	1,734,346
Total cash and cash equivalents	2.2.3 (I)	9,941,983	13,555,441
Current accounts and receivables:			
Receivables from donors		16,885	4,260,392
Other receivables		167,728	202,421
Prepaid expenses		327,424	82,792
Total current accounts & receivables		512,036	4,545,605
TOTAL CURRENT ASSETS		10,454,019	18,101,046
NON-CURRENT ASSETS			
Intangible assets	2.3.1	43,483	114,285
Total non-current assets		43,483	114,285
TOTAL ASSETS		10,497,502	18,215,331
CURRENT LIABILITIES			
Payables		2,502,194	1,930,533
Accrued expenses		856,107	563,772
Deferred income	2.3.3	6,854,125	15,514,830
Provisions	2.3.2	168,578	141,522
TOTAL CURRENT LIABILITIES		10,381,004	18,150,657
CAPITAL OF THE ORGANISATION			
Paid-in Capital		44,275	44,275
Result for the Year		51,823	12,506
Restricted operating funds		0	0
Unrestricted operating funds		20,399	7,894
Total Capital of the organization		116,498	64,674
TOTAL LIABILITIES AND CAPITAL		10,497,502	18,215,331

Statement of operations

2022 with comparative figures (Expressed in €)

	NOTES	2022	2021
INCOME			
Public institutional funding			
Govern. & public int. organiz. unrestricted		4,036,368	7,323,146
Govern. & public int. organiz. restricted		20,045,240	9,897,466
Total public institutional funding		24,081,608	17,220,612
Private resources			
Private foundations, corp. and individuals, unrestricted		44,577	41,396
Private foundations, corp. and individuals, restricted		16,881	-
Total private resources		61,459	41,396
Other income			
Sundry income & reimbursements		13,652	37,907
Other income net		13,652	37,907
TOTAL INCOME	2.3.3, 2.3.4	24,156,719	17,299,916
SOCIAL MISSION EXPENDITURE			
Programme expenditure			
R&D coordination & supervision		4,851,978	4,401,351
Children's Antibiotics - Neonatal Sepsis		1,379,914	926,794
Children's Antibiotics - Paediatric Development		900,006	1,140,090
Sexually Transmitted Infections 'STI'		7,238,482	4,455,264
Serious Bacterial Infections 'SBI'		1,772,050	602,042
Scientific Affairs & REVIVE		325,737	357,291
Discovery & Exploratory Research		781,451	535,285
Access		1,409,378	369,358
Total programme expenditure		18,658,997	12,787,473
International network expenditure		2,513,645	1,799,437
TOTAL SOCIAL MISSION EXPENDITURE		21,172,642	14,586,910
NON-SOCIAL MISSION EXPENDITURE			
Fundraising, general and administration		3,081,786	2,845,212
Total non-social mission expenditure		3,081,786	2,845,212
TOTAL EXPENDITURE	2.3.5	24,254,429	17,432,122
Operating surplus / (loss)		(97,710)	(132,206)
OTHER INCOME (EXPENSES)			
Financial income, net		24,184	5,085
Exchange gain (loss), net		125,349	139,626
TOTAL OTHER INCOME (EXPENSES)		149,533	144,711
Net surplus for the year prior to allocations		51,823	12,506
Release from restricted operating funds		-	-
Allocation to unrestricted operating funds		(51,823)	(12,506)
NET SURPLUS FOR THE YEAR AFTER ALLOCATIONS		-	-

Cash flow statement

For the 12 month period ended 31 December 2022 (Expressed in €)

	2022	2021
INCOME		
Net surplus (Loss) for the year, unrestricted	51,823	12,506
Depreciation of intangible fixed assets	70,802	88,534
Increase (decrease) in provisions	27,056	(12,452)
(Increase) decrease in receivables from donors	4,243,508	(3,583,255)
(Increase) decrease in other receivables	34,693	(46,622)
(Increase) decrease in prepaid expenses	(244,632)	35,136
Increase (decrease) in payables	571,661	344,668
Increase (decrease) in accrued expenses	292,335	404,856
Increase (decrease) in deferred income	(8,660,705)	1,917,327
FUNDS FLOW FROM OPERATING ACTIVITIES	(3,613,458)	(839,302)
(Acquisition) disposal in intangible fixed assets	-	(57,913)
(Increase) decrease in bank guarantee deposits	-	-
FUNDS FLOW FROM INVESTING ACTIVITIES	-	(57,913)
Inflow from capital paid in	-	-
FUNDS FLOW FROM FINANCING ACTIVITIES	-	-
NET CHANGE IN CASH	(3,613,458)	(897,215)
Cash at the beginning of the Year	13,555,441	14,452,656
Net Change in Cash	(3,613,458)	(897,215)
Cash at the end of the Year	9,941,983	13,555,441

Statement of changes in capital

At 31 December 2022 (Expressed in €)

	OPENING BALANCE	ALLOCATION	INTERNAL FUND TRANSFERS	CLOSING BALANCE
Paid-in capital	44,275	-	-	44,275
Surplus (Loss) for the year	-	51,823	(51,823)	-
Restricted operating funds	-	-	-	-
Unrestricted operating funds	20,400	-	51,823	72,223
Capital of the organization	64,675	51,823	-	116,498

At 31 December 2021 (Expressed in €)

	OPENING BALANCE	ALLOCATION	INTERNAL FUND TRANSFERS	CLOSING BALANCE
Paid-in capital	44,275	-	-	44,275
Surplus (Loss) for the year	-	12,506	(12,506)	-
Restricted operating funds	-	-	-	-
Unrestricted operating funds	7,894	-	12,506	20,400
Capital of the organization	52,169	12,506	-	64,675



2.2 Explanatory notes to the financial statements

The accompanying notes are an integral part of these combined financial statements.

2.2.2 GENERAL INFORMATION

The purpose of these financial statements is to represent the combined activities of GARDP for the year ending 31 December 2022 showing the year 2021 for comparison.

A) Legal aspects

GARDP is a Swiss Foundation registered in Geneva under statutes dated 21 June 2018 as a not-for-profit legal entity, with headquarters in Geneva. GARDP is monitored by the Swiss Federal Supervisory Board for Foundations and was granted “Other International Organization” status as of 10 March 2021.

The purpose of GARDP, as per its Charter, is “to develop new health technologies to tackle global and regional public health priorities where there are research and development or access gaps, contributing in particular to the fight against antimicrobial resistance and diseases that affect vulnerable populations, and fostering appropriate use and enhancing access to such technologies.”

“GARDP may pursue all such activities as may be appropriate to attain its purpose, including raising funds for the purpose of the Foundation. GARDP may inter alia engage in:

- Conducting, supporting and stimulating the research and development of new health technologies, including medicines, vaccines and diagnostic tools as well as other technologies.
- Fostering appropriate use and equitable access to such health technologies.
- Raising awareness on the need to invest in research and development in health technologies, appropriate use and equitable access to health technologies; and
- Supporting other relevant global and regional initiatives in public health.
- GARDP will primarily focus on health technologies for humans but may also engage in the research and development of health technologies for animals and plants where this can contribute to protect human health.”

GARDP is governed by a board which appoints the Executive Director to conduct all GARDP’s activities and is supported by the management team. The board has established subcommittees (the Audit Committee, the Nominations, Remunerations and Safeguarding Committee

and the Strategic Partnership Committee), and it reviews the recommendations of the independent Scientific Advisory Committee and the Donor Partnership Advisory Committee.

B) Tax and Legal status

On 10th March 2021, the Swiss Federal Council granted GARDP the status of “Other International Organization,” which grants GARDP certain privileges, including:

- Exoneration from all direct and indirect federal, cantonal and communal taxes;
- Exoneration from all indirect taxes (VAT) on all goods and services acquired for the sole use of the foundation within Switzerland; and
- Unrestricted access to work permits for non-Swiss, non-EU nationals.

C) International Network

GARDP, through DNDi and through the GARDP International Network, has a global presence with entities, offices and representations in several regions, including Africa, North America, Latin America, South-East Asia, and country offices in India and Japan. As outlined in our prior year’s report, GARDP entered into a collaboration agreement with DNDi effective 1 January 2019, strengthening the relationship. This agreement has been renewed as an alliance agreement on 1 January 2022. Under this alliance agreement, GARDP is able to use the local infrastructure provided by DNDi to GARDP until December 2024. Through this network, GARDP has the ability to develop R&D activities with local partners (clinical trials, observational studies, etc.), and develop relationships with local governments or funders.

In June 2018, GARDP and DNDi participated in the registration of a non-profit company in Cape Town, South Africa. This non-profit company, DNDi GARDP Southern Africa, part of the GARDP international network, allows GARDP to develop local GARDP activities.

In May 2021, GARDP supported the registration of a non-profit entity in the USA, GARDP North America Inc. This independent non-profit organization is working together with GARDP on their common social mission to accelerate the development and delivery of treatments for serious, and often life-threatening, drug-resistant infections.

2.2.3 SIGNIFICANT ACCOUNTING POLICIES

A) Accounting basis

GARDP's financial statements have been prepared in accordance with the provisions of the Swiss Code of Obligations. It has also been prepared under the requirements of the Swiss GAAP FER, in particular Swiss GAAP FER 21 relating to accounting for charitable non-profit organizations.

B) Scope of the financial statements

This report presents the combined GARDP International Network activities including GARDP Foundation activities in 2022 and those activities that were undertaken on behalf of GARDP by DNDi, and including also the activities of the legal entities DNDi GARDP Southern Africa, which has been working on GARDP projects since 1 July 2019 and GARDP North America Inc. since 1 May 2021. The report presents the combined statement of operations of GARDP, balance sheet and funds flow statement for 2021 and 2022 as well as notes to the accounts.

C) Basis of consolidation

The combined accounts include the GARDP Foundation in Switzerland and GARDP activity undertaken by the separate independent legal entities in South Africa, "DNDi GARDP Southern Africa" and in the USA, "GARDP North America Inc.," which are contractually related to GARDP Foundation.

D) Social mission expenditure

Social mission expenditure encompasses expenses that support GARDP's mission to develop new treatments for drug-resistant infections that pose the greatest threat to health and ensure that everyone who needs antibiotics receives effective and affordable treatment. This includes work carried out by the research & development, legal, policy & advocacy, communications, and business development/access teams, as well as our global network undertaking these activities. GARDP's non-social mission expenditure comprises our fundraising, IT, finance and human resources activities.

E) Functional currency

The GARDP Board has determined that the assets, liabilities, and operations should be measured using EUR as the functional currency. The environment in which the entity primarily generates and expends cash determines this decision. All amounts presented in the financial statement are stated in EUR, except when specified otherwise.

F) Foreign currency translation

Transactions in currencies other than functional currency (EUR) are converted at the monthly average of the daily closing exchange rate of the previous month. Year-end balances in other currencies are converted at the last prevailing exchange rates available in the system for the

year. Resulting exchange gains or losses are recognized in the Statement of Operations.

The principal exchange rates used at the year-end to re-evaluate the balance sheet items in EUR, including our cash balances, are:

CURRENCY	2022	2021
USD/EUR	0.9797	0.8766
CHF/EUR	1.0166	0.9507
GBP/EUR	1.1505	1.1788
ZAR/EUR	0.0562	0.0564

G) Income and deferred income

Restricted public and private contributions based on annual or multi-year agreements are recorded, over the life of the agreement, as and when the milestones set out in the agreement are achieved.

Unrestricted public and private contributions based on annual or multi-year agreements are recorded on an accrual basis over the life of the agreement.

A reconciliation between contributions committed to GARDP and income recognized in the statement of operations is shown under section 2.3.3 below.

Other small contributions (below €50K or the equivalent in other currencies) are recorded on a cash basis.

H) Expenditures incurred for projects and activities

All expenditure is on the accruals basis.

R&D expenditure is recorded as follows:

- Payments made to third parties, such as contract research and development organizations in compensation for subcontracted R&D, whether they are deemed to transfer intellectual property to GARDP or not, are expensed as R&D expenses in the period in which they are incurred.
- Payments made to third parties to in-license or acquire intellectual property rights, compounds and products, including initial upfront and subsequent milestone payments, are also expensed, as are payments for other assets, such as technologies to be used in R&D activities.
- Costs for post-approval studies performed to support the continued registration of a marketed product are recognized as access expenses. Costs for activities that are required by regulatory authorities as a condition for obtaining marketing approval are also expensed as incurred.

Partners' expenditures are recorded as follows:

- If financial reports are unavailable by the deadline of 1 March of the following year, the amount is calculated on an estimate basis provided by the partner. The unpaid portion remaining at year-end is included under current liabilities.

I) Credit risk, liquidity risk and cash flow management

GARDP has built relationships with private sector banks to manage its financial assets and provide appropriate liquidity and risk management. GARDP's liquid assets are maintained in cash, low-risk, short-term deposits or capital-guaranteed investments. Any form of speculation is prohibited.

At the balance sheet date, GARDP had cash freely available of €7.1M (2021 €11.8M) and short-term deposits of €2.8M (2021 €1.7M), making a total of €9.9M (2021 €13.6M). There was no significant concentration of credit risk.

The main financial risk for GARDP is the volatility of foreign exchange rates that can affect the value of its holding in various currencies (USD, EUR, GBP, CHF and ZAR), GARDP is exposed to currency risk on contributions received, project expenditures, and general and administrative expenses that are denominated in a currency other than the functional currency (EUR). These transactions are mainly denominated in EUR, CHF, USD, GBP and ZAR.

GARDP ensures that its net exposure is kept to an acceptable level by using forward contracts when appropriate and buying or selling foreign currencies at spot rates, when necessary, to address short-term imbalances. The diversity of funding currencies represents a partial natural hedging mechanism (income in CHF, EUR, GBP, USD and ZAR).

J) Tangible and Intangible fixed assets

Tangible and Intangible fixed assets are stated at cost in EUR, less accumulated depreciation. Depreciation is charged to the Statement of Operations on a straight-line basis over the estimated useful lives of the assets.

The rates of depreciation used are based on the following estimated useful lives:

TANGIBLE		
Office fittings and equipment	20%	5 years
IT equipment	33%	3 years
INTANGIBLE		
Computer software	33%	3 years

K) Provisions

A provision is recognized on the balance sheet when the organization has a legal or constructive obligation resulting from a past event, and it is probable that a payment will be required to settle the obligation. Provisions are measured at the management's best estimates of the expenditure required to settle that obligation at the balance sheet date.

L) Organizational capital

The founding capital of CHF50K referenced in the statutes was received from the founding members of GARDP, DNDi and WHO. The capital is fully paid in.

M) Restricted and unrestricted reserves

Restricted and unrestricted reserves represent the excess of income over expenditure since the inception of GARDP. The revenue recognition policy of allocating unmatched revenue to the deferred income balance on the balance sheet at year end means that restricted reserves are not created in the normal course of business.

N) In-kind contributions

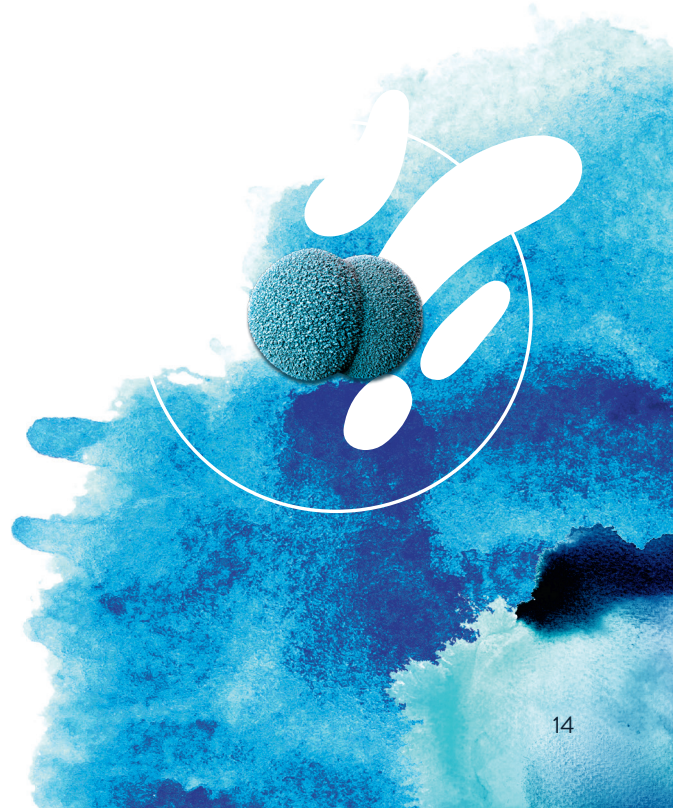
In-kind contributions are not recorded but disclosed in the notes to the financial statements and valued at fair market values according to the following principles: in-kind goods transferred to a GARDP project or services rendered to GARDP must be free, excluding the involvement of a monetary transfer. They must be:

- Clearly identifiable and part of GARDP's projects and activities, as defined by GARDP's action plans and budgets.
- Recognizable as a visible contribution to GARDP's projects and activities, and in line with GARDP's mission and objectives.

For goods or services paid at prices below market prices, the difference between real payment and current market price is not considered as a gift in kind.

Fair market value is defined as the price GARDP would have paid to utilize the goods or service. Fair market value can be suggested by partners. However, GARDP is careful not to overestimate in accordance with the prudence principle.

In-kind gifts estimated at €5K and above are taken into account. Exceptions can be made by GARDP when it serves the purpose of providing consistency and completeness of a project's accounts.



2.3 Other notes

2.3.1 INTANGIBLE ASSETS (Expressed in €)

CURRENT YEAR	R&D COMPUTER SOFTWARE	NON R&D COMPUTER SOFTWARE	TOTAL
ACQUISITION COST			
Balance as of 01.01.2022	44,791	255,999	300,790
Additions	-	-	-
Disposals	-	-	-
END OF THE PERIOD 31.12.2022	44,791	255,999	300,790
ACCUMULATED AMORTIZATION			
Balance as of 01.01.2022	4,434	182,071	186,505
Charge of the year	13,920	56,882	70,802
Disposals	-	-	-
Impairment	-	-	-
END OF THE PERIOD 31.12.2022	18,354	238,953	257,307
NET BOOK VALUE AS OF 31.12.2022	26,436	17,047	43,483

PRIOR PERIOD	R&D COMPUTER SOFTWARE	NON R&D COMPUTER SOFTWARE	TOTAL
ACQUISITION COST			
Balance as of 01.01.2021	-	242,877	242,877
Additions	44,791	13,122	57,913
Disposals	-	-	-
END OF THE PERIOD 31.12.2021	44,791	255,999	300,790
ACCUMULATED AMORTIZATION			
Balance as of 01.01.2021	-	97,971	97,971
Charge of the year	4,434	84,100	88,534
Disposals	-	-	-
Impairment	-	-	-
END OF THE PERIOD 31.12.2021	4,434	182,071	186,505
NET BOOK VALUE AS OF 31.12.2021	40,356	73,929	114,285

As of 31 December 2022, GARDP had Intangible Assets relating to the third-party charges for setup of various information systems (CRM, Sharepoint, Contract Management software, and Clinical Trial Management Software). No internal IT costs have been capitalized and hardware items purchased for less than €5K are expensed when acquired.

2.3.2 PROVISIONS (Expressed in €)

The year-on-year increase reflects a small increase in staff holiday not taken at the year end and the average daily cost.

CURRENT YEAR	PROVISION FOR UNTAKEN STAFF LEAVE	PROVISION FOR GENERAL RISK	TOTAL
Carrying balance as at 31.12.2021	141,522	-	141,522
Creation	168,578	-	168,578
Utilization	-141,522	-	-141,522
Reversal	-	-	-
CARRYING BALANCE AS AT 31.12.2022	168,578	-	168,578

PRIOR PERIOD	PROVISION FOR UNTAKEN STAFF LEAVE	PROVISION FOR GENERAL RISK	TOTAL
Carrying balance as at 31.12.2020	103,974	50,000	153,974
Creation	141,522	-	141,522
Utilization	-103,974	-19,208	-123,181
Reversal	-	-30,792	-30,792
CARRYING BALANCE AS AT 31.12.2021	141,522	-	141,522

2.3.3 INCOME AND DEFERRED INCOME

1. Receivable from funders versus deferred income

Total deferred income (due to the receipt of cash advances from donor grants) reduced in 2022 (€6,854,125) compared to 2021 (€15,514,830). This decrease was due to the pick-up in activity, along with less payments from funders in advance of need. GARDP expects to use the funds received and booked as deferred income during the lifetime of the grants or, if this becomes unfeasible, to agree on contract extensions with the relevant donors. There are funder receivables of €16,885 as of 31 December 2022 (2021 €4,260,392). The high receivable in 2021 related to the UK Department of Health and Social Care (GAMRIF) contract. The full amount was received from the UK in March 2022.

2. Cumulative commitments to GARDP and/or received by 2022

The list of cumulative funding committed to and /or received by GARDP as of 2022 is as follows:

DONORS	CURRENCY		TOTAL COMMITMENT IN CURRENCY	TOTAL COMMITMENT IN EUR	AS PER THE STATEMENT OF OPERATIONS 2022 IN EUR	TO BE USED AFTER 2022 IN EUR
Australia (Department of Health)	CHF	Unrestricted	198,810	201,413	201,413	-
Bill & Melinda Gates Foundation	USD	Restricted	1,990,889	1,758,585	-	-
Canton de Genève	CHF	Restricted	540,000	548,964	181,675	200,922
Germany (BMBF)	EUR	Portfolio	111,700,000	111,700,000	19,341,700	54,958,883
Germany (BMG)	EUR	Portfolio	5,100,000	5,100,000	-	-
Leo Model Foundation	USD	Unrestricted	250,000	214,901	44,245	-
Luxembourg (Ministry of Health)	EUR	Unrestricted	115,000	115,000	-	-
Médecins Sans Frontières	EUR	Unrestricted	600,000	600,000	-	-
Principality of Monaco	EUR	Restricted	800,000	800,000	37,686	362,314
South African Medical Research Council	ZAR	Portfolio	14,000,000	857,150	128,970	42,927
Japan (Ministry of Health, Labour & Welfare)	USD	Unrestricted	9,010,000	8,827,097	1,963,420	4,127,974
Swiss Agency for Development & cooperation (SDC)	CHF	Restricted	300,000	304,980	86,348	218,632
Switzerland (FOPH)	CHF	Portfolio	1,560,000	1,417,617	97,092	-
The Netherlands (DGIS)	EUR	Portfolio	14,350,000	14,350,000	-	14,350,000
The Netherlands (VWS)	EUR	Unrestricted	7,500,000	7,500,000	717,742	1,782,258
UK (DFID)	GBP	Unrestricted	3,075,047	3,494,922	-	-
UK (DHSC - GAMRIF)	GBP	Restricted	11,500,000	13,221,518	1,325,603	-
UK (DHSC - NIHR)	GBP	Restricted	4,000,000	4,608,100	-	-
Wellcome Trust	EUR/ CHF	Portfolio	2,307,774	2,328,092	16,881	1,227,411
TOTAL DONATIONS (€)				177,948,339	24,142,775	77,271,321

Notes for cumulative commitments table²:

- 1. Total commitment** includes funding that was received by DNDi on behalf of GARDP during GARDP's incubation in DNDi. The total amount of funding has been shown here to provide the reader with the full details relating to GARDP current funders.
- 2. Australia (Department of Health):** Unrestricted funding of AUD300K
- 3. Canton de Genève:** restricted funding of CHF540K covering January 2021–December 2023 for Sexually Transmitted Infections in Thailand.
- 4. Germany (BMBF):** portfolio funding consisting of four grants covering all the GARDP programmes from October 2018–January 2024 (€61.7M). In October 2022 BMBF contracted a further five portfolio grants for the 2023–2027 totalling €50M.
- 5. Leo Model Foundation:** \$250K unrestricted funding covering 2018–2022.
- 6. Netherlands, Ministry of Foreign Affairs (DGIS):** DGIS granted a portfolio grant of €14.35M in 2022 for the period 2022–2027.
- 7. Netherlands (VWS):** funding consists of several contributions: unrestricted funding of €500K covering July 2017–January 2018 and unrestricted funding of €2M covering January 2018–December 2018. Unrestricted funding of €5M covering 2019–2024.
- 8. Principality of Monaco:** restricted funding of €400K in support of Children's Antibiotics Programme - Neonatal Sepsis activities in South Africa covering the period 2019–2021. A further €400K has been pledged for 2022–2024.
- 9. Japan (Ministry of Health, Labour and Welfare):** unrestricted funding of \$5.4M covering April 2020–March 2023. Further unrestricted funding of \$3.6M has been pledged covering April 2023–March 2025.
- 10. United Kingdom (Department of Health and Social Care (Global AMR Innovation Fund (GAMRIF) & National Institute for Health Research (NIHR)):** funding consisting of several contributions: restricted £1M grant from DHSC (Global AMR Innovation Fund (GAMRIF)) in support of the Sexually Transmitted Infections Programme for the period May 2018–March 2019; a multiyear restricted grant of £5M funding from DHSC (GAMRIF) in support of the Sexually Transmitted Infections Programme covering July 2019–March 2022; a restricted £4M grant from the NIHR in support of the Children's Antibiotics Programme - Neonatal Sepsis for the period October 2019–March 2021; and two unrestricted grants totalling £5.5M from DHSC (GAMRIF) covering April 2020–March 2022.
- 11. South Africa Medical Research Council (SAMRC):** funding consists of several contributions: restricted funding of ZAR6M for R&D of new and/or improved treatments covering March 2017–March 2020; Restricted funding of ZAR4M in support of Children's Antibiotics Programme - Neonatal Sepsis and Sexually Transmitted Infections Programme activities in South Africa covering April 2018–March 2019; Restricted funding of ZAR4M in support of the Neonatal Sepsis, Sexually Transmitted and Serious Bacterial Infections Programme activities covering 2021–2023.
- 12. Swiss Agency for Development and Cooperations (SDC):** provided restricted funding of CHF300K for 2022–2023 for SECURE and Cefiderocol.
- 13. Switzerland (FOPH):** funding consists of several contributions: unrestricted seed funding of CHF360K covering September 2016–October 2017; Unrestricted funding of CHF500K with part allocated to AMREP covering June 2017–August 2019; Restricted funding of CHF500K covering the period 2019–2021 for Asset Evaluation and Development and Scientific Affairs and REVIVE; Unrestricted funding of CHF200K covering 2021–2022.
- 14. Wellcome Trust:** funding consists of CHF1.2M restricted funding for SECURE covering the period December 2022–November 2023 and €1.1M of portfolio funding covering 2018–2019.

2. Income recognized in 2022 statement of operations does not include deferred income.

2.3.4 FUNDING PER PROJECT (RESTRICTED AND UNRESTRICTED)

2022 Funding per project

(Expressed in €)

	TOTAL EXPENDITURE	DHSC (RESTRICTED/ UNRESTRICTED)	DUTCH MOH (UNRESTRICTED)	SDC (RESTRICTED)	AUSTRALIA (UNRESTRICTED)	GERMANY (RESTRICTED)	SWISS FOPH (UNRESTRICTED)	CANTON OF GENEVA (RESTRICTED)	JAPAN (RESTRICTED)	OTHER ³ (RESTRICTED/ UNRESTRICTED)
Programme coordination & supervision	4,851,978	445,160	92,073	1,983	73,963	3,855,781	38,674	26,744	317,601	-
Children's Antibiotics - Neonatal Sepsis	1,379,914	-	4,666	-	-	1,129,493	-	-	156,129	89,625
Children's Antibiotics - Paediatric Development	900,006	-	-	-	-	870,944	-	-	29,063	-
Sexually Transmitted Infections	7,238,482	310,480	-	-	-	5,818,591	-	154,931	919,675	34,805
Serious Bacterial Infections	1,772,050	-	-	-	-	1,685,965	-	-	49,489	36,597
Scientific Affairs & REVIVE	325,737	-	-	-	-	291,950	5,726	-	28,061	-
Discovery & Exploratory Research	781,451	-	-	-	-	768,903	-	-	12,547	-
Access ¹	1,409,378	3,914	77,795	68,579	-	1,248,524	-	-	5,896	4,670
International network expenditure	2,513,645	110,831	408,216	2,842	233	1,534,223	24,181	-	387,942	45,177
Fundraising & General and administration	3,081,786	455,217	134,992	12,945	127,217	2,248,981	28,511	-	57,015	16,908
Financial expenses²	(111,655)					(111,655)				
TOTAL OPEX	24,142,774	1,325,603	717,742	86,348	201,413	19,341,700	97,092	181,675	1,963,420	227,782

1. Includes cefiderocol, global access and SECURE. 2. Exchange gain – compensation for previous year's exchange losses. 3. Other includes South African Medical Research Council, The Wellcome Trust, The Principality of Monaco and The Leo Model Foundation.

2021 Funding per project

(Expressed in €)

	TOTAL EXPENDITURE	UK DHSC (RESTRICTED/ UNRESTRICTED)	THE NETHERLANDS (VWS) (UNRESTRICTED)	GERMANY (BMG) (RESTRICTED)	GERMANY (BMBF) (RESTRICTED)	SWITZERLAND (FOPH) (RESTRICTED/ UNRESTRICTED)	CANTON OF GENEVA (RESTRICTED)	JAPAN (UNRESTRICTED)	PRINCIPALITY OF MONACO	OTHER ³ (RESTRICTED/ UNRESTRICTED)
Programme coordination & supervision	4,401,351	1,646,873	255,231	41,633	1,974,134	16,822	10,957	422,742	11,207	21,752
Children's Antibiotics - Neonatal Sepsis	926,794	226,653	22,204	-	535,698	-	-	63,306	78,524	410
Children's Antibiotics - Paediatric Development	1,140,090	274,146	-	-	825,053	-	-	15,879	25,012	-
Sexually Transmitted Infections	4,455,263	3,273,569	5,764	421,420	109,058	80,120	142,880	422,453	-	-
Serious Bacterial Infections	602,042	25,146	-	8,335	370,578	44,934	-	120,317	-	32,731
Scientific Affairs & REVIVE	357,291	75,852	390	-	225,857	40,249	-	14,944	-	-
Discovery & Exploratory Research	535,285	41,227	-	-	451,078	-	-	42,979	-	-
Access ¹	369,358	48,537	59,559	-	221,891	-	-	39,371	-	-
International network expenditure	1,799,437	511,583	267,109	-	855,982	8,267	-	119,318	29,330	7,848
Fundraising & General and administration	2,845,212	1,077,570	389,744	61,495	981,255	40,694	12,530	242,638	14,451	24,835
Financial expenses²	(139,626)				(139,626)					
TOTAL OPEX	17,292,495	7,201,156	1,000,000	532,883	6,410,957	231,086	166,367	1,503,946	158,524	87,575

1. All activities related to Access and SECURE. 2. Exchange gain – compensation for previous year's exchange losses. 3. Other includes South African Medical Research Council, The Wellcome Trust, The Principality of Monaco and The Leo Model Foundation.

2.3.5 EXPENDITURE

Social mission expenditure encompasses expenses that support GARDP's mission to develop and provide access to treatments for drug-resistant infections. This includes work carried out and managed by the research & development, legal, policy & advocacy, communications, and business development/access teams, as well as our global network undertaking these activities. GARDP's non-social mission expenditure comprises our fundraising, IT, finance and human resources activities.

Total expenditure increased by €6.9M, or 39%, in 2022. The growth of operational expenses reflects primarily the increased activity in relation to the Sexually Transmitted Infections programme and Access.

(Expressed in €)

2022	SOCIAL MISSION		NON-SOCIAL MISSION		TOTAL
	OPERATIONAL EXPENDITURE	INTERNATIONAL NETWORK EXPENDITURE	FUNDRAISING	GENERAL AND ADMIN	
Purchase, Logistics and Equipment	398,295				398,295
Discovery, Pre-clinical, Training	1,391,115				1,391,115
Clinical & post-clinical	5,303,722				5,303,722
Product manufacturing & CMC	1,202,363				1,202,363
Personnel Costs	7,289,400	995,207	682,956	1,287,710	10,255,274
Consultants	1,918,888	1,001,751	175,600	359,508	3,455,747
Travel expenses	381,777	74,915	40,253	1,785	498,730
Office costs, Comms, Admin and IT	759,517	441,772	42,410	434,682	1,678,381
Depreciation	13,920	-	-	56,882	70,802
TOTAL	18,658,997	2,513,645	941,219	2,140,568	24,254,429

(Expressed in €)

2021	SOCIAL MISSION		NON-SOCIAL MISSION		TOTAL
	OPERATIONAL EXPENDITURE	INTERNATIONAL NETWORK EXPENDITURE	FUNDRAISING	GENERAL AND ADMIN	
Purchase, Logistics and Equipment	209,508				209,508
Discovery, Pre-clinical, Training	1,188,180				1,188,180
Clinical & post-clinical	3,136,913				3,136,913
Product manufacturing & CMC	184,047				184,047
Personnel Costs	6,035,276	1,227,889	585,578	1,322,995	9,171,739
Consultants	1,422,905	201,112	116,500	297,709	2,038,225
Travel expenses	28,277	5,816	1,318	409	35,821
Office costs, Comms, Admin and IT	577,932	364,620	20,530	416,074	1,379,155
Depreciation	4,434	-	-	84,100	88,534
TOTAL	12,787,473	1,799,437	723,926	2,121,286	17,432,122

Note: The year-on-year movement on the consulting line is impacted by the fact that the shared staff costs charged by DNDi are allocated to the Consultants line in 2022, which has increased the 2022 consulting number by €836K.

2.3.6 INDEMNITIES & REMUNERATIONS GIVEN TO BOARD MEMBERS AND DIRECTORS

Board Compensation

All members of the Board of Directors are appointed on a voluntary basis. The Board of Directors did not receive any remuneration for their mandate in 2022, nor did they in previous years.

GARDP Directors' Compensation

The Directors' salaries (including benefits) at GARDP in 2022 amounted to a total of CHF2,012,997/€1,995,226 for an FTE of 9.6. The equivalent in 2021 totalled CHF1,642,161/€1,584,225 for 7.8 FTE.

2.3.7 ASSETS PLEDGED, BANK GUARANTEE DEPOSITS AND CREDIT LINES

a) Assets pledged: On 16 October 2018, GARDP entered into a "Master agreement for derivatives trading and forward transactions" and a pledge agreement with UBS Switzerland AG. The purpose is to allow GARDP to enter into Foreign Exchange Forward and Swap Contracts. There is no other pledge with any other third party.

b) Credit line: GARDP agreed to a CHF500K credit line with a Swiss Bank under the Swiss Government backed credit liquidity scheme. GARDP has not needed to use the credit line.

2.3.8 IN-KIND CONTRIBUTIONS

In-Kind contributions: In collaboration with its R&D partners and vendors, GARDP secured in-kind contributions from R&D Partners to support its programmes. These in-kind contributions were directly given to our partners and vendors for GARDP R&D and other activities and were as follows in 2022:

(Expressed in €)	STAFF NON-SCIENTIFIC WORK	STAFF SCIENTIFIC WORK	OFFICE, FURNITURE, ADMIN & TRAVEL	R&D SERVICES	TOTAL 2022	TOTAL 2021
AMR Screening	9,049	11,279	3,214	25,056	48,598	15,018
Neonatal sepsis	5,163	3,187	-	12,474	20,824	8,659
Access	5,281	1,121	8,775	-	15,177	-
International Network					-	22,070
Total	19,493	15,587	11,989	37,530	84,599	45,747

Contributors in 2022: Eisai Co. Ltd, Infectopharm, Mitsubishi Tanabe Pharma Corp, Shionogi Co. Ltd, Shionogi Inc., Takeda and Sumitomo Pharma Co. Ltd. For the policy on in-kind contributions, see Section 2.2.3: Significant accounting policies, N) In-kind contributions.

2.3.9 FINANCIAL INSTRUMENTS AND HEDGING ACTIVITIES

At 31 December 2022 there were two forward contracts in place; for year-end 2021 there was just one contract. At 31 December 2022, there was an unrealized loss of CHF3,992 due to the depreciation of CHF against the Euro and an unrealized gain of \$17,858 due to the appreciation of USD against the Euro.

HEDGING INSTRUMENTS AS AT 31 DECEMBER						VALUATION AS AT 31 DECEMBER 2022		
EXPIRY DATE	CURRENCY SOLD	SOLD	STRIKE RATE	CURRENCY PURCHASED	CURRENCY TO RECEIVE	SPOT RATE	AMOUNT IN CURRENCY	UNREALISED GAIN (LOSS) IN CURRENCY
31 st January 2023	EUR	512,343	0.97591	CHF	500,000	0.984	503,992	CHF -3,992
1 st March 2023	EUR	500,000	1.05642	USD	528,208	1.021	510,350	USD 17,858

2.3.10 SWISS FRANC EQUIVALENT OF KEY FIGURES

GARDP maintains its accounting records in EUR. The key figures below have been translated into CHF for information purposes only, using a closing rate of CHF/EUR 1.0166 (2021 0.9507).

(Expressed in CHF)

	2022	2021
Total assets	10,326,089	19,159,915
Organizational capital	114,596	68,028
Total income	23,762,265	18,197,030
Total social mission expenditure	20,826,915	15,343,336
Total non-social mission expenditure	3,031,464	2,992,754

2.3.11 AUDIT FEES

Audit services include statutory audits, project audits, and donors' audits. In 2022 and 2021, Deloitte, GARDP's Statutory Auditor, provided no other services except the Audit. Audit fees have increased between 2021 and 2022 but most of the increase shown below in euro terms comes from the strength of the Swiss franc against the euro. Following a competitive audit tender, the GARDP Board again appointed Deloitte to complete a full scope audit in 2022 as part of our commitment to transparency even though GARDP is not yet subject to a full scope audit in accordance with Swiss Law.

(Expressed in CHF)

	2022	2021
Audit services	43,814	37,982
Other services		
Total services	43,814	37,982

Note: €1K is included in the figures for the local audit of South Africa entity

2.3.12 MATERIAL CONTRACTS

DNDi Alliance Agreement

Following the success of their prior collaboration, GARDP and DNDi renewed their collaboration and signed a three-year alliance agreement (2022–2025) effective 1 January 2022, demonstrating the willingness of both organizations to strengthen their collaboration and to develop a more strategic partnership in certain areas.

As a result of the above agreement, GARDP funded DNDi in 2022 for the collaborative activities related to GARDP. In 2022 the expenses related to the alliance agreement paid by DNDi on behalf of GARDP were as follows:

(Expressed in €)

DNDi EXPENDITURE REIMBURSEMENT	2022	2021
DNDi Collaboration Agreement expenses (reimbursed)	2,461,070	2,494,486
Total GARDP expenditure	24,254,429	17,432,122
DNDi expenses as % of total expenditure	10.1%	14.3%

GARDP and DNDi outlined their common vision through the agreement: "As non-profit research and development organizations focused on infectious diseases of critical public health importance, GARDP and DNDi are driving innovation and equitable access to lifesaving and lifechanging treatments not delivered by the current research and development ecosystem. GARDP and DNDi share a common approach to harness the best of the public, private, non-profit, academic, and philanthropic sectors through open and collaborative approaches, to develop and deliver treatments. For both organizations, know-how and capacity of regions with a high disease burden is an integral part of our global partnership model and a backbone for fostering sustainable innovation and equitable access."

The alliance agreement aims to maximize impact and value for the organizations, including pooling selected research and development and policy expertise, as well as working together on joint projects in countries such as India and South Africa. DNDi and GARDP are not related parties within the meaning of Swiss GAAP FER 15; neither DNDi nor GARDP is directly or indirectly owned or controlled by the other organization, or by any other natural or legal person.

Entasis Collaboration Agreement

GARDP and Entasis Therapeutics Limited (“Entasis”) are partnering to complete late-stage development of zoliflodacin, with GARDP fully funding and sponsoring the global phase 3 trial. Under the collaboration agreement, GARDP is responsible for the phase 3 trial and pharmaceutical development activities for zoliflodacin to support regulatory approval and market access and availability. GARDP has commercial rights to zoliflodacin in nearly 150 countries, while Entasis retains commercial rights in the rest of the world. As of 31 December 2022, a total number of 16 active sites in 5 countries were participating in the trial and recruitment was completed in December 2022, with 928 patients randomized. The phase 3 trial results are expected to be released in the course of 2023.

Venatorx Collaboration & License Agreement

On 20 March 2020, GARDP entered into a collaboration and license agreement with Venatorx Pharmaceuticals, Inc. (“Venatorx”), a private US pharmaceutical company focused on the discovery and development of novel anti-infectives to treat multi-drug-resistant bacterial and hard-to-treat viral infections. Since then, GARDP and Venatorx have been working together to accelerate the development of, and access to, cefepime-taniborbactam (formerly cefepime/VNRX-5133). Cefepime-taniborbactam is an investigational combination of the fourth-generation antibiotic cefepime with taniborbactam, a novel, broad-spectrum beta-lactamase inhibitor that restores the activity of cefepime against carbapenem-resistant Enterobacterales (CRE) and carbapenem-resistant *Pseudomonas aeruginosa* (CRPA).

On 10 March 2022, Venatorx announced positive results from its pivotal phase 3 study evaluating cefepime-taniborbactam as a treatment for hospitalized adult patients with complicated urinary tract infections, including acute pyelonephritis (i.e. kidney infections). Cefepime-taniborbactam offers a potential treatment option for patients with serious infections caused by highly resistant bacteria, even those resistant to last-resort carbapenem antibiotics. The next stage will be the filing with the US Food and Drug Administration. If approved, cefepime-taniborbactam will be the first new antibiotic treatment to be launched in collaboration with GARDP since its foundation.

Shionogi License and Technology Transfer Agreement - Shionogi/CHAI Collaboration Agreement

On 15 June 2022, Shionogi & Co., Ltd. (“Shionogi”) and GARDP announced the execution of a license and technology transfer agreement and, with the Clinton Health Access Initiative (CHAI), a collaboration agreement that aim to significantly transform the landscape of access to antibiotics for countries around the world.

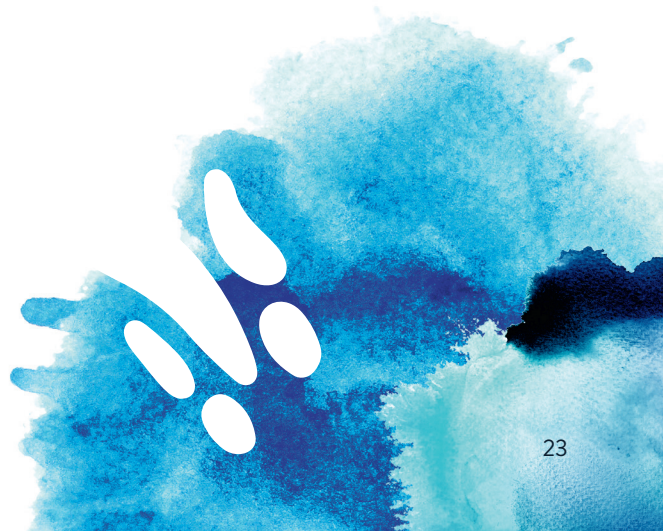
The agreements will provide access to cefiderocol, an antibiotic for the treatment of serious Gram-negative bacterial infections, which may be resistant to other antibiotic treatments. Cefiderocol was recently added to the World Health Organization (WHO) Model List of Essential Medicines and targets a number of Gram-negative WHO priority pathogens. It was approved by the European Medicines Agency in 2020 and, separately, by the US Food and Drug Administration in 2019.

This is the first license agreement for an antibiotic to treat serious bacterial infections between a pharmaceutical company and a non-profit organization driven by public health priorities. Under this agreement, GARDP will manufacture and commercialize cefiderocol through sub-licensees in a large range of countries that have delayed access (if any) to newer antibiotics. The license territory includes all low-income countries, most lower middle- and upper middle-income countries, and select high-income countries (135 countries total, almost 70% of countries worldwide). It includes a significant proportion of the world’s population living in areas most affected by antibiotic resistance.

2.3.13 SUBSEQUENT EVENTS

On 19 March 2023 the Swiss Federal Council welcomed the planned takeover of Credit Suisse by UBS. To strengthen financial market stability until the takeover is complete, the Swiss Federal Government is providing a guarantee for additional liquidity assistance from the Swiss National Bank (SNB) to Credit Suisse. The Swiss Federal Council created the necessary legal basis for the SNB to be able to provide Credit Suisse with additional liquidity assistance and to ensure that Credit Suisse is provided with sufficient liquidity at all times. In order to reduce any risks for UBS, the Swiss Federal Government is also granting UBS a guarantee in the amount of CHF 9 billion to assume potential losses arising from certain assets that UBS takes over as part of the transaction, should any future losses exceed a certain threshold. No GARDP fund is at risk as a result of the above business reorganisation.

No other subsequent events took place in 2023.



Report of the Statutory Auditor

To the Board of the Foundation of
Global Antibiotic Research & Development Partnership (GARDP) Foundation, Geneva

Report on the Audit of the Combined Financial Statements

Opinion

We have audited the combined financial statements of Global Antibiotic Research & Development Partnership (GARDP) Foundation which comprise the combined balance sheet as at 31 December 2022, the combined statement of operations, the combined cash flow statement, the combined statement of changes in capital for the year then ended, and notes to the combined financial statements, presented on pages 8 to 23, including a summary of significant accounting policies.

In our opinion, the combined financial statements 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 charter of the Foundation.

Basis for Opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the “Auditor’s Responsibilities for the Audit of the Combined Financial Statements” section of our report. We are independent of the Foundation in accordance with the provisions of Swiss law, together with the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Board of the Foundation is responsible for the other information. The other information comprises the information included in the annual report but does not include the combined financial statements and our auditor’s report thereon.

Our opinion on the combined financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the combined financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the combined financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of the Foundation's Responsibility

The Board of the Foundation is responsible for the preparation of the combined financial statements in accordance with Swiss GAAP FER, the requirements of Swiss law and the charter of the Foundation, and for such internal controls as the Board of the Foundation determines are necessary to enable the preparation of combined financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the combined financial statements, the Board of the Foundation is responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Foundation either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Combined Financial Statements

Our objectives are to obtain reasonable assurance about whether the combined financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these combined financial statements.

A more detailed description of our responsibilities for the audit of the combined financial statements can be found on the EXPERTsuisse website: <https://www.expertsuisse.ch/en/audit-report-for-ordinary-audits>. This description forms an integral part of our report.

Report on Other Legal Requirements

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

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

Deloitte SA

Fabien Bryois
Licensed Audit Expert
Auditor in Charge



Sophie Durand
Licensed Audit Expert

Geneva, 2 June 2023
FBR/SDU/rex

Enclosures

- Combined Financial statements (combined balance sheet, combined statement of operations, combined cash flow statement, combined statement of changes in capital and notes)

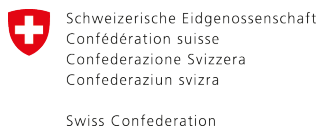
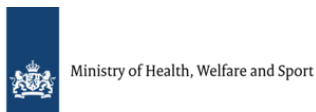
Tackling antibiotic resistance together

GARDP's work is made possible by our funders, which include governments, private foundations and others who share our view that effective antibiotics are essential to modern healthcare and global health security. They recognize that urgent action is needed to counter the rising threat of drug-resistant infections, save lives and reduce the economic impact associated with antibiotic resistance.

BILL & MELINDA
GATES foundation



Leo Model Foundation





Contact

GARDP Foundation

Chemin Camille-Vidart 15–1202 Geneva, Switzerland

Tel: +41 22 555 19 90

contact@gardp.org

www.gardp.org

GARDP North America Inc

C/O Kiwi Partners, 237 W. 35th Street, suite 1101, New-York, NY10001

DNDi GARDP Southern Africa

Brickfield Canvas, Unit 12, 1st Floor, 35 Brickfield Road, Woodstock,
Cape Town, 7925

Credits

Copyright: The GARDP Foundation, 2023

Design: ©Minthical

 twitter.com/gardp_amr

 linkedin.com/company/gardp

 www.youtube.com/c/GARDP

All rights are reserved by GARDP Foundation. This document may be freely reviewed and abstracted, with acknowledgment of source. This document is not for sale and may not be used for commercial purposes. Requests for permission to reproduce or translate this document, in part or in full, should be addressed to the External Affairs Department of GARDP.