

2025 INTERIM FINANCIAL REPORT



The Global Fund/Terri Diamond

30 June 2025

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1. Operational highlights

1. Key highlights

The first half of 2025 was defined by reinforcing service continuity in delivering impact for our fight against HIV, tuberculosis (TB) and malaria, accelerated preparation for the Eighth Replenishment, continued delivery in challenging operating contexts, and tangible advances in market shaping and access to innovation.

The Secretariat and partners focused on three priorities:

- (i) Mobilizing and structuring resources for 2027–2029 impact.
- (ii) Protecting and extending program delivery amid crises.
- (iii) Unlocking efficiencies and equity through procurement, supply and product innovation.

Throughout the first six months of the year, the Global Fund partnership leaned into country-led choices and risk-responsive delivery, while signaling to stakeholders the scale of opportunity and jeopardy facing the fight against HIV, TB and malaria. The key operational highlights are outlined below:

1. Resource mobilization and Replenishment momentum

- On 18 February 2025, the Global Fund launched the Investment Case for the Eighth Replenishment, setting out a pathway to save a further 23 million lives in 2027–2029 and reduce combined deaths from AIDS, TB and malaria by 64% against 2023 levels. The Eighth Replenishment is being co-hosted by South Africa and the United Kingdom aligning with South Africa's G20 presidency and underscoring the strong political stewardship of the campaign.
- The replenishment has been marked by early, diversified pledges signaling confidence from public and private donors alike. These pledges have built predictability ahead of the Replenishment Conference and will catalyze additional contributions across constituencies in the second half of the year.

2. Continuity of service delivery in crises

- At its 53rd meeting held on 7–9 May 2025, the Global Fund Board endorsed guidance on reprioritizing lifesaving interventions in the face of funding uncertainty and operational disruptions in several regions. These decisions signal a pragmatic, risk-informed posture – one that keep high-impact prevention and treatment at the center while adjusting delivery approaches to volatile contexts. To reduce Grant Cycle 7 (GC7) funding budgets, a formulaic approach was developed to reduce all projected unexecuted grant funds by the same percentage. This was followed by a qualitative adjustment stage to allow for changes to the final amounts. In line with the approach discussed with the Board in May 2025, the Secretariat has reduced GC7 funded country envelopes by USD 1.43 billion (at fixed rate), reducing GC7 country budgets by an average of 11%. As of 30 June 2025, all decommitment letters have been

issued to in-country implementation partners confirming their respective reduction in grant funding.

- The Board also approved updates to the Technical Review Panel's approach to maximize impact from the 2023–2025 allocation period and encouraged partners to sustain a strong Eighth Replenishment to protect gains.
- The Global Fund deployed USD 5 million in emergency funding to support post-earthquake health service continuity in Myanmar, to safeguard HIV, TB and malaria services. This deployment exemplifies the role of the Emergency Fund in safeguarding life-saving services when shocks hit and acting as a bridge to longer-term program adjustments.

3. Access to innovation and market shaping

- The Secretariat's H1 market shaping and planning efforts, as reflected in the private sector investment narrative and Board discussions prioritized the Secretariat's readiness to scale innovations to adolescents, young women and other populations with high HIV incidences.
- In a milestone for both equitable access and regional manufacturing, the Global Fund procured — for the first time — a quality-assured, first-line HIV treatment manufactured in Africa. The purchase of tenofovir/lamivudine/dolutegravir (TLD) from Universal Corporation Limited (Kenya) demonstrates progress under the NextGen Market Shaping Framework and supports the African Union's ambition produce health products locally.
- While major access milestones for long-acting HIV pre-exposure prophylaxis (PrEP) were announced in July 2025, H1 laid much of the groundwork, including by mobilizing catalytic funding and aligning partners behind rapid, equitable uptake pathways once regulatory and procurement prerequisites have been operationalized.

4. Systems resilience and community equity

- During H1 2025, the Secretariat began engaging with country programs to seed interventions, such as waste management improvements, resilient vector control and service delivery, laying the groundwork for scalable models in H2 and beyond.
- H1 2025 also witnessed a continued emphasis on RSSH, community-led monitoring, human rights and gender equality to close access gaps and drive equitable outcomes.
- The Board direction in 2025 and operational choices align with the Strategy (2023–2028) and country priorities. Accordingly, Board deliberations on reprioritization also stressed protecting front-line and community health worker platforms and preserving the prevention interventions most at risk in fiscally constrained settings.

2. Grant Funding

The Board approved an allocation of USD 13.0 billion¹ to HIV, TB, malaria and RSSH programs for the GC7 (2023 – 2025). The first implementation year for GC7 grants was 2024 and the in-country absorption (ICA) reported as at 31 December 2024 reached 69%², demonstrating good performance that exceeded the historical Year 1 implementation benchmarks (66% in GC6, 59% in GC5).

For GC6 (2020-2022), the Board approved an allocation of USD 13.5 billion¹ to HIV, TB, malaria and RSSH programs. The GC6 grants for HIV, TB and malaria reported an ICA of 91% based on validated expenditure reports at 31 December 2024², exceeding the 85% target. Most of the grants are nearing or have reached their closure. At 30 June 2025, of the 292 grants for HIV, TB and malaria under GC6, 224 were due for closure. Of those 224 grants, 196 grants have validated their Financial Closure Reports (FCRs) with USD 9.46 billion in disbursements representing 88% compliance in the number of grants and 83% compliance in disbursement value. The 196 validated FCRs reported a closing cash balance of USD 284 million, representing 3% of the total disbursement value of the related grants (including opening cash and other income).

The COVID-19 pandemic severely impacted vulnerable communities and disrupted progress in the fight against HIV, TB, and malaria. In response, the Global Fund allocated up to USD 5 billion, including grant flexibilities, the C19RM 2020 and C19RM 2021, to help countries fight COVID-19, mitigate the impacts on lifesaving HIV, TB and malaria programs, and prevent fragile health systems from being overwhelmed.

The Global Fund Board approved a total of USD 5 billion for the establishment of the C19RM, including long-term strategic investments in health systems infrastructure and oxygen plants, while supporting recovery efforts in HIV, TB, and malaria programs and strengthening health systems.

As the pandemic evolved and demand for COVID-19 products declined, unspent funds were redirected to bolster pandemic preparedness. The Secretariat initiated a strategic shift in C19RM investments, focusing on reallocating the remaining funds toward Board-aligned priorities, including oxygen and respiratory care, surveillance, laboratory strengthening, community health workers, health products and waste management. Under the strategic shift, the approved investments included procurement of complex health equipment and capital infrastructure, which needed significant preparatory work and longer delivery times. In January 2025, the Board approved a limited extension of the C19RM implementation period to 31 December 2026 to enable the orderly wind-down and closure of the mechanism.

C19RM 2021 grants reported an ICA of 66% as at 31 December 2024² with expenditures expected to accelerate toward the end of the C19RM implementation period. While C19RM has a firm expiration date of December 2026, implementation flexibilities can continue up to June 2026 to support an orderly wind-down, but all closure activities must be

¹ Amounts include grants, matching funds, multi country funds and other (private sector, debt-to-health etc.)

² Expenditure reports extracted include mainly December 2024 reports but could include other reporting periods for off-cycle grants

fully completed by December 2026 without exception. The current expenditure trajectory presents an opportunity of approximately USD 300–400 million to safeguard and enhance RSSH investments in GC7 through targeted rebalancing.

3. Replenishment update

Under the Replenishment mechanism, the Global Fund mobilizes donors, implementing partners and other key stakeholders every three years to secure funding commitments for the coming three-year Replenishment period. This mechanism allows for predictability and enables both the Global Fund and implementing partners to establish long-term plans for fighting the three diseases. The Pledging Conference for the Global Fund's Seventh Replenishment (2023 – 2025), hosted by the United States, took place on 18-21 September 2022 in New York. The Eighth Replenishment campaign, which aims to mobilize funding for the 2026 – 2028 period, kicked off during a virtual high-level launch event hosted by South Africa and broadcast from Johannesburg on 18 February 2025.

Ongoing resource mobilization efforts

As of 30 June 2025, the Global Fund partnership has secured commitments from 51 public and 32 private sector donors for a total of USD 15.788 billion in announced pledges for the 2023 – 2025 Replenishment period, out of the target of at least USD 18 billion set in the Seventh Replenishment Investment Case. This amount includes additional pledges of USD 119 million announced since the initial allocation was approved by the Global Fund Board in November 2022.

The Secretariat continues to focus on formalizing existing donor commitments through the signing of contribution agreements to ensure pledge conversion. Bearing in mind global fiscal constraints and other contextual factors, the Secretariat is actively engaging with donors to mitigate potential funding risks.

Converting Seventh Replenishment pledges into contributions

As of 30 June 2025, USD 10.6 billion – 78% of adjusted pledges from the Seventh Replenishment – have been received in cash (30 June 2022: Sixth Replenishment: USD 11.9 billion, 69%). The Global Fund has signed agreements with 87% (72 of 83) of donors.

The Eighth Replenishment

For the Eighth Replenishment, the Global Fund is adopting a rolling, multi-moment approach designed to harness the power of key global platforms and events to build momentum and secure bold financial commitments throughout the campaign.

The launch event in Johannesburg, South Africa served as an opportunity to unveil the Eighth Replenishment Investment Case. The Investment Case, emphasizes the need to mobilize at least USD 18 billion to save up to 23 million lives and accelerate the fight against HIV, TB and malaria, while building stronger health and community systems and supporting global health security to fight new outbreaks and pandemics. At the event, South Africa and the United Kingdom also announced that they were co-hosting the Eighth Replenishment.

Just two months after the launch, the Global Fund secured its first major commitment. In April 2025, the Children's Investment Fund Foundation (CIFF) announced a new commitment of USD 150 million, a fivefold increase from its previous contribution and a powerful early signal from the private sector, setting the tone for the campaign. This momentum continued with a second private sector pledge from Takeda Pharmaceutical Company. The Japan-based global leader in pharmaceuticals and longest standing corporate partner of the Global Fund made a commitment of JPY 350 million in May 2025.

The public sector also reiterated its unwavering support, with Norway announcing a pledge of NOK 2 billion for the Eighth Replenishment. Spain and Luxembourg jointly announced increased commitments at the Fourth International Conference on Financing for Development in Seville, respectively pledging EUR 145 million and EUR13.8 million. These announcements were an important show of political will and leadership, reaffirming that governments continue to see investment in global health as a top priority.

The multi-moment campaign will culminate in a high-level hybrid event co-hosted by South Africa and the United Kingdom toward the end of 2025. This Final Moment will serve as a rallying point for the global community to reaffirm its collective commitment to saving lives, strengthening health systems, advancing equity, ushering in a new era in global health financing and pursuing the 2030 Sustainable Development Goal 3: Health and Wellbeing for All. With strong support from governments, the private sector, civil society and affected communities, the Global Fund's Eighth Replenishment represents a shared commitment to a healthier, safer and more equitable world for all.

2. Financial highlights

The first six months of 2025 saw high volatility in the fiscal and funding landscape of international aid. The Global Fund Secretariat's early response to pledge conversion uncertainties has mitigated fiscal exposures to sustain optimal financial oversight. Following the fundamental principles of the Comprehensive Funding Policy (CFP), the Secretariat established a Preferential Obligation Model to monitor and control its future liabilities and liquidity positions. The model looks at the prioritization of obligations on a rolling 12-month

basis, measured against the current cash (and foreign exchanges [FX] derivatives) balance. It provides a basis to manage payments in case of liquidity challenges. The model represents a stress test as part of the three-tiers of financial safeguards under the CFP. It assesses the financial health of the organization and its ability to meet its current and long-term liabilities.

Financial year 2025 is the second year of in-country implementation under the 2023-2025 allocation period and the last year of the Seventh Replenishment. Simultaneously, the Secretariat continues grant closure activities for programs funded under the previous 2020-2022 allocation period. Accordingly, the interim financial statements as at and for the six months ending 30 June 2025 reflect the seasonality of operational activities related to grant implementation and donor contributions. Compared with the financial position as at 31 December 2024, the condensed interim statement of financial position shows a 36% increase in funds during the first six months of 2025. The asset base has increased by 3.5% which includes a USD 625 billion (13%) increase in operational cash held at the Trust Fund and commercial banks, driven by USD 1.9 billion of grant disbursements. The relative increases in revenue and asset base are a result of accelerated resource mobilization efforts demonstrating strong donor confidence.

At the same time, grant liabilities have decreased by 24% - from USD 3.8 billion on 31 December 2024 to USD 2.9 billion with USD 1 billion in grant expenses. This significant decrease in grant expense and liabilities is linked to the peak in commitments in the first half of 2024 for the start of the GC7 implementation period and acceleration of commitments for C19RM funds. In addition, contingency measures were implemented in February 2025 to better monitor grant expenses.

As at the reporting date, the Global Fund holds USD 6.85 billion in current assets including USD 5.4 billion in operational cash at commercial banks and in the Trust Fund managed by the World Bank as Trustee, and USD 1.37 billion in contributions receivable from donors within the next 12 months. Compared with the current liability of USD 2.99 billion toward grants and operating expenses, the net current asset position stands at USD 3.86 billion.

The revenue from donor contributions increased by 50% over the 2024 half-year financial year results, driven by targeted resource mobilization efforts to accelerate pledge conversion and encashment of contributions. Most donors brought forward their encashments ahead of the committed schedule in the underlying donor agreements in order to support the liquidity position of the Global Fund.

Key progress on the following core financial components achieved during the first half-year of 2025 has been analysed below:

1. Financial management framework
2. Donor pledges and contributions
3. Grant commitments and disbursements
4. Operating expenses
5. Strategic Initiatives
6. The Global Fund Provident Fund

1. Financial management framework

The Global Fund's financial position is managed through an Asset Liability Management (ALM) mechanism, i.e., balancing forecasted Sources of Funds (adjusted pledges from donors) and Uses of Funds (e.g., grants, Strategic Initiatives [Sis] and operating expenses) up to and including the current replenishment cycle. The current cash balance is included in the ALM and, together with outstanding adjusted pledges, covers forecasted disbursements until the end of the Seventh Replenishment cycle. Additional resources made available by donors during the Replenishment cycle and financial income are integrated into the ALM. The increase in the ALM balance may become available to fund grants, subject to approval by the Audit and Finance Committee (AFC).

The Global Fund FX Management Framework was designed for the effective management of FX exposures arising from all components of the Global Fund's ALM framework, as set out in the CFP. This includes on-balance sheet items, as well as future assets and liabilities pending the signature and recognition of contribution agreements and grant funding decisions (off-balance sheet items) and other expenses, respectively. The hedging of both on- and off-balance sheet items is made at the portfolio level and controlled with specific risk metrics using value-at-risk (VaR). FX losses and gains on FX hedging instruments are set against FX losses and gains on on-balance sheet items, i.e., on assets and liabilities, as well as FX effects on off-balance sheet items, which are not reported in the profit and loss accounts. As a result, effects on FX hedging instruments may more than compensate for FX effects on other balance sheet items.

For the half-year ending 30 June 2025, net accounting FX loss on on-balance sheet items was USD 14 million, including fair valuation of FX hedges.

From an ALM perspective, the following table provides an overview of the net FX results as at 30 June 2025:

Amount in USD millions	FX before hedges	FX on hedges	Net FX results
<i>Accounting FX results (on-balance sheet)</i>	43	(57)	(14)
<i>Economic FX results (off-balance sheet)</i>	(22)		(22)
Net FX results to 30 June 2025	21	(57)	(36)
<i>Net FX results to 30 June 2024</i>	(44)	46	2

In the period under consideration, the currencies in which the Global Fund's assets and liabilities are denominated appreciated significantly in value against the Global Fund's functional currency, the US dollar. "Long" positions in most currencies other than the US dollar led to moderate positive FX results before hedges. The Global Fund's FX management activities yielded negative FX results, in an environment characterized by high FX volatility. As global foreign exchange markets are inherently volatile, negative effects on the FX results could potentially arise in the second half of 2025.

In the first half of 2025, short-term USD interest rates remained above 4%, while equity markets continued to show positive performance despite increased volatility. In this market environment, the Trust Fund investment performance was positive in all asset classes in which the Global Fund assets are invested, covering cash, fixed income and equities. Overall, the net result on the investment portfolio of assets held by the World Bank as a Trustee was a gain of USD 149 million in the first half of 2025 (2024: USD 130 million net gain).

2. Donor pledges and contributions

The net revenue recognized during the first six months of 2025 was 50% higher, at USD 2,055 million (2024: USD 1,370 million). The encashment of all outstanding contributions receivable was on track.

The contribution income of USD 2,055 million included:

- USD 2,022 million from sovereign donor governments (2024: USD 1,344 million);
- USD 23 million from foundations (2024: USD 14 million);
- USD 7 million from (RED) (2024: USD 10 million); and
- USD 3 million for Opex Co-funding (2024: USD 2 million).

Grant commitments and disbursements

The main elements of the Global Fund grant expenditure of USD 875 million during the first half of 2025 (2024: USD 4,012 million) included:

- USD 845 million as grant commitments to Principal Recipients for in country and pooled procurement mechanism (PPM) activities (2024: USD 3,983 million);
- USD 29 million as SI project expenses (2024: USD 38 million); and
- USD 1 million as grants under recovery (2024: (9) million).

Key financial highlights for grant activities during the first half of 2025 are outlined below:

- When measured at the respective allocation rates, 2025 grant expenses for the first half of 2025, including C19RM, amounted to USD 837 million (2024: USD 3,951 million) reporting a net decrease of 79%. The low grant expenditure in 2025 is reflective of the slowdown of grant implementation amidst reprioritization activities.
- HIV, TB and malaria (including C19RM 2020): When measured at the respective allocation rates, actual grant disbursements for the grant portfolio for the first half of 2025 amounted to USD 1,512 million (2024: USD 1,843 million), of which USD (166) million was for previous cycles (2024: 633 million) and USD 1,678 million was for GC7 (2024: USD 1,180 million).
- C19RM 2021: When measured at the respective allocation rates, actual grant disbursements for the grant portfolio during the first half of 2025 amounted to USD 324 million (2024: USD 306 million).

4. Operating expenses

At spot rate, during the first half-year of 2025, the Global Fund spent USD 192 million on actual expenditures (2024: USD 188 million), of which USD 174 million was related to Secretariat operating expenses (2024: USD 166 million), USD 14 million to C19RM management and operating cost (2024: USD 19 million) and USD 4 million to co-funding from earmarked private sector contributions (2024: USD 3 million). This represents a 2% increase over the 2024 half-year primarily due to a strong appreciation of the Swiss franc (CHF) against the reporting currency (USD).

At budget rate, actual expenditures incurred during the first six months of the year amounted to USD 174 million (2024: USD 178 million), of which USD 157 million was related to Secretariat operating expenses (2024: USD 157 million), USD 13 million to C19RM management and operating cost (2024: USD 18 million) and USD 3 million to co-funding from earmarked private sector contributions in 2025 (2024: USD 3 million). This represents a decrease of 2% over the previous half-year.

The FX impact on operating costs is managed centrally as part of treasury management.

Amid heightened financial uncertainty since the beginning of 2025, the organization has prioritized prudent resource management and implemented some targeted measures to reduce operating expenses (OPEX). These measures include recruitment freeze, cancellation of Cost-of-Living adjustment (COLA), reduction in travel and meetings, cancellation of provision for performance awards, and reduced depreciation with limited capital expenditure investments for 2025. These measures are projected to amount to USD 25 million at budget rate and are earmarked to support organizational adjustments to lay the foundation for a leaner, more efficient organizational structure for future.

5. Strategic Initiatives

At fixed rate, for the 2023-2025 allocation period, the total available envelope for SIs amounts to USD 141 million³ (excluding Emergency Fund and Centrally Managed Limited Investments) and is fully approved by the Grant Approvals Committee (GAC). As of 30 June 2025, cumulative funding utilisation reached USD 36 million (26%) of which 18 million for the first six month of the year, (excluding Emergency Fund and Centrally Managed Limited Investments).

SIs continue to deliver on priority activities, with utilization of 16% by March 2025 and 21% by May 2025, following a similar trajectory to GC5 and GC6. SI utilization tends to accelerate later in the cycle. Several high-value SIs also encountered programmatic delays in Q1 which impacted overall expenditure and is being monitored. Reflecting the current context, total

³ Private Sector funding is included in the 2023-2025 allocation period envelope – this funding has been integrated and aligned to the strategic priorities, unlike previous cycles.

projected SI fund utilization lands at 78%. Forecasted utilization is managed dynamically and may shift in response to pledge conversion or adjustment of contingency efforts.

6. Global Fund Provident Fund

The Provident Fund assets and liabilities are administered in CHF. When measured in the administration currency, the Provident Fund assets fully cover the underlying employee benefit liability as at the reporting date.

In the condensed interim financial statements presented in the functional currency, USD, the Provident Fund asset base was USD 373 million as at 30 June 2025 (2024: USD 303 million). This included USD 359 million of Provident Fund investments measured at fair value and USD 14 million in cash and cash equivalents. These assets are held and invested solely for funding future employee benefits under the Provident Fund Constitutional Declaration and Benefit Rules. The investment losses in early 2025 have been neutralized by the fair valuation gains made on Provident Fund investments in the recent months (2024: 3.1% rate of return). This performance is the result of negative returns on equities and real estate, compensated by positive results on fixed income investments.

The liability for employee benefit obligation was USD 400 million as at 30 June 2025 (2024: USD 349 million). This includes USD 373 million in employee benefit reserves (2024: USD 318 million) and USD 27 million as accumulated actuarial valuation loss (2024: USD 32 million loss).

CONDENSED INTERIM FINANCIAL STATEMENTS

Responsibility for the condensed interim financial statements

The Secretariat is responsible for preparing the condensed interim financial statements and related information presented in this report. The condensed interim financial statements are prepared in accordance with International Accounting Standard (IAS) 34 *Interim Financial Reporting*.

The condensed interim financial statements include amounts based on estimates and judgments made by the Secretariat. KPMG SA was appointed as the independent auditors by the Global Fund Board upon the recommendation of its AFC to review the condensed interim financial statements of the Global Fund.

The Secretariat designs and maintains accounting and internal control systems to provide reasonable assurance at reasonable cost that assets are safeguarded against loss from unauthorized use or disposition, and that the financial records are reliable for preparing financial statements and maintaining accountability for assets. These systems are augmented by written policies, an organizational structure providing division of responsibilities, careful selection and training of qualified personnel, and a program of external reviews.

The Board, through the AFC, meets periodically with the Secretariat and KPMG SA to ensure that each is meeting its responsibilities, and to discuss matters concerning internal controls and financial reporting.

These condensed interim financial statements were approved by the AFC on 18 September 2025.

Independent auditor's report on the review of condensed interim financial information to the Board of The Global Fund to fight Aids, Tuberculosis and Malaria (The Global Fund), Le Grand-Saconnex

Introduction

We have been engaged to review the accompanying condensed interim statement of financial position of The Global Fund to fight Aids, Tuberculosis and Malaria (The Global Fund) as at 30 June 2025 and the related condensed interim statements of income, comprehensive income, cash flow and changes in funds for the six-month period then ended, and selected explanatory notes (the condensed interim financial information) on pages 16 to 33. The Global Fund Board and Secretariat are responsible for the preparation and presentation of this condensed interim financial information in accordance with International Accounting Standard 34 *Interim Financial Reporting*. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as at and for the six month-period ended 30 June 2025 is not prepared, in all material respects, in accordance with International Accounting Standard 34 *Interim Financial Reporting*.



The Global Fund, Le Grand-Saconnex
Independent Auditor's Report on the Review of
Condensed Interim Financial Information to the Board

KPMG SA

Alexandra Depoire
Licensed Audit Expert

Elodie Elloy
Licensed Audit Expert

Geneva, 18 September 2025

Enclosure:

- Condensed interim financial information (statement of financial position and related interim statements of income, comprehensive income, cash flow, changes in funds and selected explanatory notes)

Condensed Interim statement of income (unaudited)

For the six months ended 30 June	Notes	2025	2024
In millions of USD			
Operating activities			
Income			
Contributions	4.1	2,055	1,370
Expenditure			
Grants	3.2	(875)	(4,012)
Operating expenses	6.1	(196)	(178)
Total		(1,071)	(4,190)
Net operating activities		984	(2,820)
Financing and investing activities			
Foreign exchange results, net	5.5	(14)	(2)
Financial income, net	5.6	149	130
Discounting on long-term financial positions		21	31
Total		156	159
Increase/(decrease) in funds		1,140	(2,661)

Condensed interim statement of comprehensive income (unaudited)

For the six months ended 30 June	2025	2024
In millions of USD		
Increase/ (decrease) in funds	1,140	(2,661)
Other comprehensive income		
Re-measurement gain/ (loss) on defined benefit plan that will not be reclassified to the statement of income	9	(3)
Total comprehensive income/ (loss)	1,149	(2,664)

Condensed interim statement of financial position (unaudited)

As at	Notes	30.06.2025	31.12.2024*
In millions of USD		(unaudited)	
Assets			
Current assets			
Cash and cash equivalents	5.1	168	41
Trust Fund	5.2	5,254	4,756
Contributions receivable	4.2	1,371	1,468
Derivative financial instruments at fair value	5.4	3	54
Other receivables		57	59
		6,853	6,378
Non-current assets			
Contributions receivable	4.2	532	787
Provident Fund investments	5.7	359	312
Tangible and intangible assets		26	30
		917	1,129
Total Assets		7,770	7,507
Liabilities and Funds			
Liabilities			
Current liabilities			
Grants payable	3.3	2,864	3,765
Derivative financial instruments at fair value	5.4	27	13
Other current liabilities		103	105
		2,994	3,883
Non-current liabilities			
Grants payable	3.3	-	45
Employee benefit liabilities		400	349
Lease liability		14	17
		414	411
Total Liabilities		3,408	4,294
Funds			
Temporarily restricted funds		111	140
Unrestricted funds		4,306	3,137
Remeasurement of defined benefit liability		(55)	(64)
Total Funds		4,362	3,213
Total liabilities and funds		7,770	7,507

*Certain comparative amounts have been reclassified

Condensed Interim statement of cash flow (unaudited)
For the six months ended 30 June

In millions of USD	Notes	2025	2024
Operating activities			
Cash received from donors		2,548	2,011
Grant disbursements		(1,888)	(2,221)
Payments for operating expenses		(184)	(183)
Gains realized on forward contracts settlements		63	35
Losses realized on forward contracts settlements		(56)	(65)
Net cash flow from/ (used in) operating activities		483	(423)
Investing activities			
Financial income received, net	5.6	70	190
Purchase of Provident Fund investment		(49)	(22)
Proceeds from sale of Provident Fund investment		42	-
Purchase of tangible and intangible assets		-	(1)
Net cash flow from investing activities before Trust Fund movements		63	167
Net cash rebalancing between commercial banks and Trust Fund		(420)	454
Net cash flow (used in)/ from investing activities		(357)	621
Financing activities			
Payment of lease liabilities		(6)	(6)
Net cash flow used in financing activities		(6)	(6)
Net increase in cash and cash equivalents		120	192
Cash and cash equivalents			
- at beginning of the period	5.1	41	43
Effect of exchange rate changes on cash held in commercial bank and Trust Fund		7	-
- at end of the period	5.1	168	235

In addition to the cash and cash equivalents reported in the statement of cash flows presented above, the Global Fund considers the Trust Fund as an integral part of the cash management for its core operations. The following table provides an overall operational cash management position:

	Notes	30.06.2025	30.06.2024
Amounts held in commercial banks	5.1	168	235
Amounts held in Trust Fund	5.2	5,254	4,502
Total operational cash balance		5,422	4,737

Condensed interim statement of changes in funds (unaudited)

For the six months ended 30 June

In millions of USD

	Foundation capital ⁴	Temporarily restricted funds*	Unrestricted funds*	Remeasur ement of defined liability	Total
As at 1 January 2025	-	140	3,137	(64)	3,213
(Decrease)/ Increase in funds	-	(29)	1,169	-	1,140
Other comprehensive income	-	-	-	9	9
At 30 June 2025	-	111	4,306	(55)	4,362
As at 1 January 2024	-	57	6,195	(43)	6,209
Increase / (Decrease) in funds	-	(4)	(2,657)	-	(2,661)
Other comprehensive income	-	-	-	(3)	(3)
At 30 June 2024	-	53	3,538	(46)	3,545

*Certain comparative amounts have been reclassified

⁴ The Global Fund maintains CHF 50,000 as statutory foundation capital.

Explanatory notes to the condensed interim financial statements

The Global Fund presents its financial statements which include the following:

- 1- Condensed interim statement of income.
- 2- Condensed interim statement of comprehensive income.
- 3- Condensed interim statement of financial position.
- 4- Condensed interim statement of cash flows.
- 5- Condensed interim statement of changes in funds.

The explanatory notes are an integral part of these financial statements.

Index: Explanatory notes to condensed interim financial statements

Section 1: Activities and organisation

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Section 1: Activities and organisation

The Global Fund to Fight AIDS, Tuberculosis and Malaria is a partnership designed to accelerate the end of HIV/AIDS, TB and malaria as epidemics. It applies four core principles: country ownership, partnership, transparency and performance-based funding.

The Global Fund is recognized as an international organization, initially formed as a Swiss foundation. It commenced operations on 22 January 2002 and Geneva authorities accepted its registration on 24 January 2002. Its status has been elaborated through an ongoing process of legal recognition by various national governments and international organizations. The Swiss Federal Council accorded the Global Fund international organization status, which is comparable to that of United Nations organizations, through the 2004 Headquarters Agreement. The United States, through an executive order in 2006, designated the Global Fund as a public international organization in accordance with the United States International Organizations Immunities Act. The European Commission, through a 2014 Commission Decision, assimilated the Global Fund to the status of an international organization for the purposes of managing European Union funds. The Agreement on the Privileges and Immunities of the Global Fund entered into force 17 April 2019.

Its headquarters are in Geneva, Switzerland. The registered address is Chemin du Pommier 40, Grand-Saconnex 1218, Geneva, Switzerland. Foundations in Switzerland are subject to monitoring by the Swiss Federal Supervisory Board for Foundations.

Section 2: Basis of reporting

Statement of compliance

These unaudited condensed interim financial statements as at and for the six months ended 30 June 2025 have been prepared in accordance with International Accounting Standard (IAS) 34 *Interim Financial Reporting*.

They do not include all the information and disclosures presented in the annual financial statements and should therefore be read in conjunction with the audited financial statements as at and for the year ended 31 December 2024, which have been prepared in accordance with the IFRS Accounting Standards as issued by the International Accounting Standards Board. However, the explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Global Fund's

financial position and performance since the last annual financial statements. All amounts in the notes are presented in millions of USD, unless otherwise stated.

Due to rounding, numbers presented throughout these financial statements may not add up precisely to the totals provided. All ratios and variances are calculated using the underlying amount rather than the presented rounded amount. During the first half-year of 2025 USD 18.2 million has been reclassified in the opening balance of the Statement of Funds from unrestricted to restricted due to change in the underlying donor earmarking.

These condensed interim financial statements were authorised for issue by the Audit and Finance Committee (AFC) of the Global Fund Board on 18 September 2025.

Significant accounting policies

All accounting policies adopted in the preparation of the condensed interim financial statements and all significant accounting estimates and other management judgments are consistent with those followed in the preparation of the financial statements as at and for the year ended 31 December 2024.

A few standards and amendments to standards became effective 1 January 2025, but they did not have a material impact on the Global Fund's condensed interim financial statements.

Financial instruments – Accounting classification

The following table shows the net carrying amounts of financial assets and financial liabilities. For financial assets and liabilities not measured at fair value, the carrying value is a reasonable approximation of fair value.

As at 30 June 2025*All amounts in USD million*

Global Fund financial position	Note	Mandatorily at FVTPL	At amortized cost
Financial assets measured at fair value			
Trust Fund asset	5.2	5,254	-
Provident Fund investments	5.7	359	-
Derivative financial instruments measured at fair value	5.4	3	-
Financial assets not measured at fair value			
Cash and cash equivalents	5.1	-	168
Contributions receivable	4.2	-	1,903
Other receivables*1		-	49
Financial liabilities measured at fair value			
Derivative financial instruments measured at fair value	5.4	13	-
Financial liabilities not measured at fair value			
Other liabilities*1		-	8
Grant payable	3.3	-	2,864
Lease liability		-	23

As at 31 December 2024*All amounts in USD million*

Global Fund financial position	Note	Mandatorily at FVTPL	At amortized cost
Financial assets measured at fair value			
Trust Fund asset	5.2	4,756	-
Provident Fund investments	5.7	312	-
Derivative financial instruments measured at fair value	5.4	54	-
Financial assets not measured at fair value			
Cash and cash equivalents	5.1	-	41
Contributions receivable	4.2	-	2,255
Other receivables*1		-	47
Financial liabilities measured at fair value			
Derivative financial instruments measured at fair value	5.4	13	-
Financial liabilities not measured at fair value			
Other liabilities*1		-	46
Grant payable	3.3	-	3,810
Lease liability		-	25

*1 Other receivables/liabilities that are not financial assets/liabilities (prepaid expenses, provision) are not included

Section 3: Grant activities

In the following notes, each stage of the standard grant lifecycle has been analyzed in detail:

3.1 Contingent liability

From a financial statement perspective, the first point of measurement for grants is the contingent liability. A contingent liability is reported at the earliest of (i) the Global Fund Board approval or (ii) the transmission of the draft grant agreement, which is conditional to the Board approval, to the Principal Recipient following the Grant Approvals Committee (GAC) recommendation. Both Board approval and transmission of draft grant agreement to the Principal Recipient represents a potential obligation that can be reliably measured but is still highly conditional upon future events. Following Board approval, all grants are covered by a grant agreement that includes substantive conditions based on performance and availability of funding. During grant implementation, the contingent liability of a grant is reduced by the cumulative amount of grant expenses.

Due to the ongoing challenging funding landscape, the Global Fund has worked extensively with Country Coordinating Mechanisms (CCMs) and Principal Recipients (PRs) to reprioritize activities in Grant Cycle 7 (GC7) grants to safeguard lifesaving interventions. A timely application of reduction in grant funding was critical to avoid implementation disruption for countries, and to ensure the reduction is right-sized.

An aggregate reduction of USD 1.47 billion (at budget rate USD 1.43 billion) from GC7 country allocations was executed in June 2025. This includes a USD 1.3 billion reduction in grants signed but not committed and USD 2 million in category grants approved but not signed. The remaining USD 145 million was a reduction in allocation not yet approved by the Board. The revised funding envelope for each country was determined in line with the allocation formula and qualitative adjustment process endorsed by the Board. At individual grant level, the amount of reduction was determined based on the amount of outstanding GC7 funds available for obligation. Deallocation letters have been communicated to in-country stakeholders including the membership of the CCM, Minister of Health and PRs by 30 June 2025.

The following table summarizes the contingent liability for grants:

	30.06.2025	31.12.2024
By category		
Grants approved but not signed	42	147
Grants signed but not committed	5,982	7,874
Total	6,024	8,021

3.2 Grant expenditure

The following table summarizes the grant expenditures:

For the six months ended 30 June	2025	2024
By category		
Grants on behalf of Principal Recipients	353	3,135
Discounting	-	(12)
<i>Grants on behalf of Principal Recipients, net</i>	<i>353</i>	<i>3,123</i>
Grants for PPM orders	492	860
<i>Total grants for Principal Recipients</i>	<i>845</i>	<i>3,983</i>
Grants under recovery	1	(9)
Strategic Initiatives	29	38
Total	875	4,012

3.3 Grants payable

The following table summarizes grants payable at:

	30.06.2025	31.12.2024
By grant category		
Grants payable to Principal Recipients within one year	2,849	3,750
Strategic Initiatives	15	15
Total grants payable within one year	2,864	3,765
Grants payable to Principal Recipients after one year	-	45
Total grants payable	2,864	3,810

This includes decommitment of USD 4 million in grant payables to PRs as outlined in note 3.1 above

Section 4: Donor activities

The Global Fund follows a three-year Replenishment cycle to secure funding for its grants and administrative operations. At the time of a Replenishment Conference, donors make public announcements called pledges of their intended future contributions. The following notes provide the summary of accounting results of revenue recognition policy during the reporting period.

4.1 Contribution income / revenue recognition

The first point of revenue recognition is the signing of a formal contribution agreement with a donor. All contributions governed by a written contribution agreement that do not have any substantive conditionality bearing on future receipts are recorded as income at the date of signature of the agreement. Revenue recognition is net of discount for long-term encashments at the rate prevailing on the dates of the contribution agreement. For the purposes of cash flows, contributions are considered as received when remitted in cash or cash equivalent.

The following table summarizes the sources of revenue recognized:

For the six months ended 30 June	2025	2024
Donor contributions		
Contribution for core activities	2,053	1,372
Contribution for operating expenditure	2	2
<i>Subtotal</i>	<i>2,055</i>	<i>1,374</i>
Less discounting at the point of revenue recognition	-	(4)
Total	2,055	1,370

For the six months ended 30 June	2025	2024
By donor category		
Public	2,022	1,348
Foundations	23	14
(RED)	7	10
Others	3	2
Total	2,055	1,374

4.2 Contributions receivable

At initial recognition, contributions receivable are generally recognized at face value. At subsequent reporting periods, they are stated at amortized cost, net of a provision for expected credit losses to cover the risk of future non-payment.

Contributions receivable with due dates later than 12 months after initial recognition are discounted using the applicable discount rate at the date of recognition.

The following table summarizes contributions receivable:

As at	30.06.2025	31.12.2024
Contributions receivable within one year	1,371	1,468
Contributions receivable after one year	532	787
Total contributions receivable	1,903	2,255
Receivable within one year	1,371	1,468
Receivable within two years	150	278
Receivable after two years	450	600
Gross contributions receivable	1,971	2,346
Less discounting	(68)	(91)
Net present value of contributions receivable	1,903	2,255

The Global Fund reviews all contributions receivable as at the reporting date to assess for any expected credit losses. This assessment is based on a review of the donor credit profile, the in-country economic and political situation and other known factors that may potentially result in reduced future cash receipts. Where the Global Fund determines there to be a collection risk, then an appropriate risk premium is deducted from receivable balances to reflect this risk. As at 30 June 2025, USD 26 million (2024: USD 26 million) in risk premiums are maintained as a provision for expected credit losses.

4.3 Contingent assets

As at the reporting date, the Global Fund has USD 251 million (2024: USD 263 million) in signed contribution agreements that are subject to various performance obligations and conditions to be realized and reported over the period of the agreement. Given the uncertainty associated with the future encashments in respect of such donor agreements, these contributions will be recognized as revenue in the financial year in which the related performance obligations are satisfactorily fulfilled.

Section 5: Management of funds

The Global Fund is a financing institution and hence the management of its financial assets and liabilities is integral to the successful mission of the organization. The Global Fund engages with commercial banks and the World Bank to manage its financial assets and provide appropriate liquidity and risk management.

5.1 Cash and cash equivalents

Cash and cash equivalents includes amounts held in commercial banks that have a long-term credit rating of A or higher.

5.2 Trust Fund

The World Bank acts as the Trustee for the Global Fund Trust Fund. Assets held in trust by the World Bank are held in a pooled cash and investments portfolio (the Pool), established by the Trustee for all trust funds administered by the World Bank Group. The funds held in the Trust Fund qualify as a single asset and as such are presented separately in the statement of financial position but form an integral part of the operational cash management. Transfers of cash (rebalancing) between the Trust Fund and commercial banks are performed on demand.

There were no changes in the first six months of the year in the valuation techniques used for the Trust Fund's assets, and the methodology and techniques as disclosed in Note 5.2 of the 2024 annual financial statements were applied consistently. There were no significant transfers from one level to the other, and the allocation to Level 1 and 2 as at the interim reporting date is similar to the allocation as at 31 December 2024. There are also no Level 3 financial instruments included in the Trust Fund's assets as at 30 June 2025 (31 December 2024: NIL).

The following table shows the fair valuation hierarchy of Trust Fund's share of financial instrument held in the Pool:

<i>As at 30 June 2025</i>	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>Total</i>
<i>Government and agency obligations</i>	1,705	1,904	-	3,609
<i>Asset and mortgage-backed securities</i>	-	985	-	985
<i>Equity</i>	214	-	-	214
<i>Time deposits</i>	22	481	-	503
<i>Repurchase/ resale agreements</i>	-	(6)	-	(6)
<i>Derivatives, net</i>	4	(20)	-	(16)
<i>Sub-total:</i>	1,945	3,344		5,289
<i>Cash, receivables & payables</i>	-	-	-	(35)
<i>Total</i>	1,945	3,344		5,254

<i>As at 31 December 2024</i>	Level 1	Level 2	Level 3	Total
Government and agency obligations	1,525	1,534	-	3,058
Asset and mortgage-backed securities	-	849	-	849
Equity	201	-	-	201
Time deposits	234	510	-	744
Repurchase/ resale agreements	-	1	-	1
Derivatives, net	5	29	-	34
Sub-total:	1,965	2,922	-	4,887
Cash, receivables & payables	-	-	-	(131)
Total	1,965	2,922		4,756

The following table shows the Trust Fund's share of financial instruments held in the Pool measured at fair value:

As at	30.06.2025	31.12.2024
Financial instruments (asset holding in percent)		
Government and agency obligations	68%	63%
Time deposits and money-backed securities	10%	15%
Asset and mortgage-backed securities	18%	17%
Equity	4%	4%
Derivatives, net	-	1%
Total	100%	100%

5.3 Foreign exchange exposures

In preparing the financial statements, transactions in currencies other than the functional currency are recognized at the rates of exchange prevailing at the dates of the transactions, which creates an exposure to foreign exchange (FX) risk for these particular assets or liabilities. At the end of each reporting period, monetary items such as contributions receivable and grants payable in currencies other than USD are retranslated at the rates prevailing at that date. The following table summarizes exchange rates for significant foreign currency positions at the reporting dates indicated:

	30.06.2025	31.12.2024	% FX fluctuation	2025 Average FX Rates	2024 Average FX Rates
AUD	0.6548	0.6216	5	0.6334	0.6595
CAD	0.7321	0.6962	5	0.7089	0.7309
CHF	1.2525	1.1067	13	1.1622	1.1386
EUR	1.1730	1.0408	13	1.0928	1.081
GBP	1.3730	1.2554	9	1.3017	1.2785
NOK	0.0995	0.0882	13	0.0935	0.0932
SEK	0.1057	0.0908	16	0.0983	0.0947

[The Global Fund sources its corporate FX rates from Refinitiv]

5.4 Foreign exchange risk management

The Global Fund uses derivative financial instruments including forwards and swaps to manage its exposure to FX fluctuations for net positions held in non-USD currencies. The forward and swap contracts used by the Global Fund to mitigate FX risk are recognized at fair value, with subsequent movements in value reported through the statement of income. Forward contracts are fair valued as Level 2 financial instruments.

The methodology and techniques applied for the fair valuation of the derivative financial instruments remain consistent with Note 5.6 of the 2024 annual financial statements.

The following table presents the notional value and the fair value of derivative financial instruments by currency.

BY SETTLEMENT DATE	30.06.2025	31.12.2024
Assets to be settled within 12 months	3	54
Liabilities to be settled within 12 months	(27)	(13)
Net (liability)/ asset for derivative financial instruments at fair value	(24)	41

At 30 June 2025

Currency (Level 2)	Notional value in millions	Forward contracts at fair value in USD millions
AUD	79	1
CAD	403	8
CHF	(65)	(1)
DKK	-	-
EUR	197	8
GBP	90	6
NOK	-	2
SEK	-	-
Net liability for derivative financial instruments at fair value		24

At 31 December 2024

Currency (Level 2)	Notional value in millions	Forward contracts at fair value in USD in millions
AUD	79	3
CAD	403	20
CHF	(112)	(6)
DKK	200	1
EUR	194	9
GBP	93	4
NOK	787	3
SEK	850	7
Net asset for derivative financial instruments at fair value		41

5.5 Foreign exchange results

The following table summarizes FX results:

For the six months ended 30 June	2025	2024
By net position		
Foreign exchange gains/ (losses) before derivative instruments	43	(48)
Fair valuation (losses)/ gains on derivative financial instruments	(57)	46
Net foreign exchange loss	(14)	(2)

5.6 Financial income, net

The financial income on the Trust Fund, net of trustee fees, are summarized in the table below:

For the six months ended 30 June	2025	2024
Trust Fund gains, net	150	131
Trustee fees	(1)	(1)
Total	149	130

As of 30 June 2025, the Trust Fund loss included an unrealized gain of USD 78 million (2024: unrealized loss USD 60 million).

5.7 Provident Fund investments

The following table provides the composition of Provident Fund investments:

	30.06.2025	31.12.2024
<i>Equity</i>	110	79
<i>Bonds</i>	168	150
<i>Money Market</i>	22	30
<i>Real estate</i>	59	53
Total	359	312

Section 6: Operating activities

6.1 Operating expenses

Operating expenses are costs incurred by the Global Fund Secretariat for maintaining a sustainable administrative structure in order to deliver the Global Fund's mission. The following table summarizes the operating expenses under the main categories of expenditure:

For the six months ended 30 June	2025	2024
Workforce costs	135	125
External assurance	16	18
Professional fees	17	14
Others	24	31
Total Secretariat expenses	192	188
Provident Fund valuation	4	(10)
Total	196	178



The Global Fund/Karin Schermbrucker

**The Global Fund to Fight
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