

ANNUAL REPORT 2021



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impact by innovation

ANNUAL REPORT FROM THE CEO

In this second COVID-19 year, i+solutions has been able to continue its growth. We were successful in winning a new category for the PPM project of the Global Fund. Also, our consulting activities showed a positive contribution to the overall result and continued to grow. Two new projects for end-to-end visibility were awarded. Both are for our eLMIS product, Medexis, one in Burundi and a pilot application in Ethiopia, in collaboration with Cordaid. Both are funded by the Dutch Ministry of Foreign Affairs. Also financially, it was a good year with a good operational margin and net result. Our staff has grown in line with the overall growth, and we spent more attention to talent management and staff retention. 2021 was a good year for i+solutions.

Procurement Services

2021 marked the second full year for i+solutions as the main procurement services agent for the Global Fund's Pooled Procurement Mechanism. With a total procurement volume of USD 580 million, the i+solutions team executed around 2,000 purchase orders in another complex year for supply chain. i+solutions procured antiretrovirals for 5.5 million HIV/AIDS patients and antimalarial medicines for 147 million patients suffering from malaria. Next to that, i+solutions

procured for over USD 56 million in Personal Protective Equipment (PPE) products, which represents USD 35 million in gowns, gloves and coveralls and USD 21 million in masks, respirators and goggles, which are used to prevent COVID-19. The team managed to supply to over 90 countries despite lockdowns at origin (China, Europe and India) and in many destination countries during the year. This was all achieved at an annual on-time and in-full delivery performance of 93%.

impact by innovation

The state-of-the-art procurement and supply platform as implemented in 2019, in combination with our agile processes, allowed i+solutions to scale its activities rapidly and continue its delivery performance above industry standards. After being awarded COVID-19 PPE and COVID-19 Therapeutics in 2020, The Global Fund recognized i+solutions by awarding the COVID-19 Oxygen product category in 2021. This award allowed i+solutions to further expand its procurement supply services to include oxygen consumables, oxygen equipment and oxygen Pressure Swing Adsorption (PSA) Plants.

Besides our work for the Global Fund, i+solutions continued its collaboration with the Medicines for Malaria Venture with the management of a Chloroquine donation. We also expanded the work with the Clinton Health Access Initiative (CHAI) for the procurement and supply of Darunavir/Ritonavir. Next to this, we continued the procurement and supply chain support for the Unitaid funded IMPAACT4TB project and for multiple Ministries of Health with the procurement of pharmaceuticals and COVID-19 related health products. A description of these projects can be found in the chapter about Direct Procurement Support.



Digital and Optimization Services (DOS)

In 2021, we rebranded our consulting activities into Digital and Optimization Services (DOS), reflecting our strategy to focus more on end-to-end visibility and logistics optimization projects. In DRC, the IHP project, funded by USAID and managed by Abt Associates, continued to work with health authorities from central to peripheral levels to develop their leadership and supply chain management capabilities for health products. The PNAM (National Drug Supply Program) of the Ministry of Health (MoH), the 9 Provincial Health Division partners with 179 Health Zones and 6,933 health facilities have benefited from technical and financial sup-

port to reduce stock-outs of products at health service deliveries point. The strategies put in place to strengthen the resilience of the system resulted in a level of stock-outs of 16% above the targeted level for 2021, and during Fiscal Year (FY) 2021 Quarter 4, the average percentage of service delivery points experiencing individual tracer product stock-outs was 14.8%, below the 20% threshold tolerated by the MoH standards. These results were obtained despite disruptions in global logistics created by the Covid-19 pandemic and despite the strike by health-care providers from May to December 2021, especially impacting negatively landlocked provinces,

including Tanganyika, Sankuru and Haute Lomami. In Mali, we work as subcontractor for Palladium funded by USAID. In collaboration with the University of Oslo and HISP, we created a solution to use the existing interface of DHIS2, capturing LMIS data, and moving this data into our eLMIS application Medexis. The strength of this innovative solution is that this can be implemented without introducing hundreds of health facilities to a new eLMIS software, thus reducing drastically the cost

of initial training and ongoing maintenance training for health facilities and enabling the use of eLMIS mechanisms in a challenging environment.

In Burundi, i+solutions worked for UNICEF to improve the visibility of nutritional products and immunization inputs in the health supply chain by implementing our e-LMIS system, Medexis. We trained and coached staff to use it and to ensure last mile availability within the 90 health facilities enrolled in the project.

i+academy

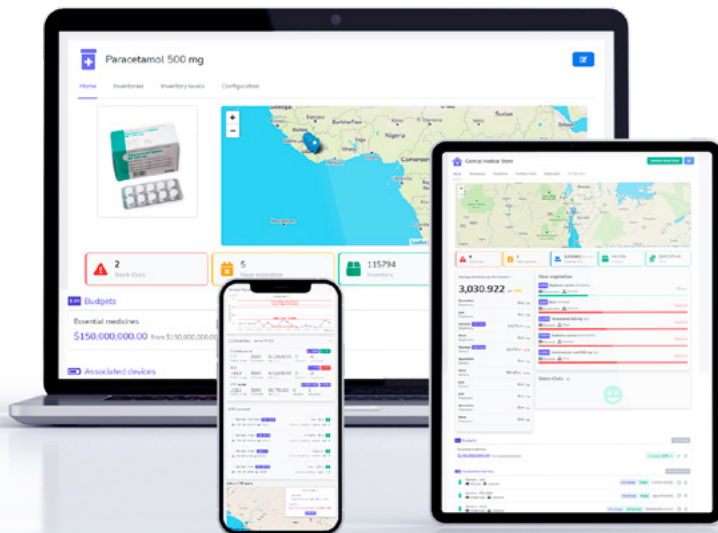
Our eLearning platform provided assistance to the World Health Organisation in the Democratic Republic of Congo to set up three new online courses on vaccination as part of the capacity building and skills reinforcement of executives and data managers of PEV (Enlarged Vaccination Program of the DRC Ministry of Health). The three resulting modules are titled: 1) Practical Vaccination - Guide for Health Personnel, 2) Vaccination Data Management, and 3) The Use of Vaccination Data.

The courses are being piloted in different provinces beginning 2022.

We also worked with the East African Community with GFA Consultancy Group (General Agent for the Bilateral Cooperation Program (BKP) of the German Ministry of Food and Agriculture) under funding from GIZ (the German Agency for International Cooperation), and developed five online courses with respective content, activities, and materials for on-site training sessions.

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impact by online education



Outputs, Outcomes, Impact

Our new motto is Impact by Innovation. Measuring impact is however not so easy. Many organizations active in our field report outputs and sometimes outcomes, but hardly anyone publishes impact. We are not able to report impact yet, but we would like to do this in the future.

Our outputs did increase substantially:

- + 5,5 million HIV patients reached
- + 147 million patients Malaria patients reached
- + Over 90 Countries served
- + 801 Supply chain staff trained

Staff

In 2021, we hired 27 new employees. We are pleased to see our staff retention being at good levels at 82%. The result of our employee engagement survey supports our staff is well motivated and mission driven. Illness rates were also below industry

standards at 4,32%. With more than 25 different nationalities, we have a very diverse team, and this is even more so if we include our contractors in Africa. We work with many local freelance experts on our main projects, and they are a valuable part of our workforce.



Carbon Footprint

We aim to reduce our carbon footprint where possible. The biggest impact we can make is in the transport of the goods we procure. In 2021, we worked with our Logistics Service Providers (LSPs) to align on a methodology which will allow us to monitor and pro-actively reduce carbon footprint on all i+solutions shipments. We already have a policy in place which requires using sea freight as much as possible. From 2022, we will work actively with our LSPs to reduce carbon footprint on all shipments. The carbon footprint of our own activities is very limited due to

the nature of our business. We do compensate our flights to offset its carbon emissions and we have a policy to stimulate employees to commute with public transport. We also joined the UN Global Compact in 2021 to underpin our commitment to contribute to the UN Sustainable Development Goals. i+solutions is working on a more structured methodology for carbon footprint reporting as required in line with the Corporate Sustainability Reporting Directive (CSRD) of the European Commission. This will be applicable per reporting year 2023.

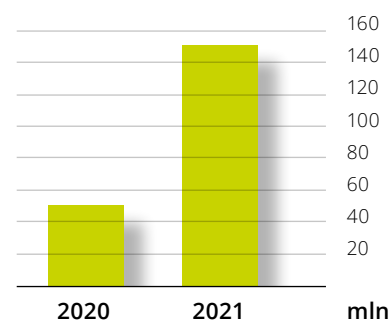


Financials

In 2021, i+solutions has posted a positive net result of EUR 823.420. 2021 was the second full year of the Pooled Procurement Mechanism project, for which we have been able to process more volume than anticipated and the addition of a new product category within the contract: Personal Protective Equipment. We were able to onboard this smoothly thanks to our established processes and IT platform that was developed to service this. Our consultancy business continued with servicing our existing projects, including the now fully mature project in Mali. Alongside our successful operations, we have continued investing in our staff, IT platforms and innovations to accommodate our continued growth plans. Thanks to our performance, we have also been able to fully repay our subordinated loan of EUR 650.000 and have ended the year with a substantially improved Equity. Our results were partially negatively impacted by Exchange differences of EUR 223.067.

Our revenue has steeply increased over 2021 from EUR 50,2m to EUR 152,6m, as a direct result of our increased PSS activities; for certain categories of commodities and services that we purchase on behalf of our clients, we are recognizing the values as revenue. Also, our Balance Sheet has grown as a result of the increased PSA volumes processed. Our solvency and liquidity have remained stable and are largely dominated by the pre-funded nature of our operations. We are confident that we can finance our operating costs and necessary investments from the free operating cashflow in the foreseeable future.

Financial revenue



Business continuity

Based on our performance in the past year and the positive outlook, we are of the opinion that there is no doubt on business continuity. i+solutions has invested a large amount, in prior years, in developing an automated platform to efficiently handle procurement orders. This investment was justified by winning the Pooled Procurement Project of the Global Fund.

i+solutions has been awarded this project as PSA for 3 years, with a possible extension for another 3 years, if the performance is good. Given the long-term nature of the PPM contract and the potential upside of winning more similar long term procurement contracts, the outlook for the continuity of our procurement activities is good.

Financial Outlook

We are very pleased to see our predictions for 2021, for higher volumes and improved financial results, having materialized despite challenging conditions. For 2022, we expect a healthy further growth of both our revenue and EBITDA. This is due to a combination of additional volumes on

our existing contracts, as well as new business we expect to win in the procurement area. In the consulting operations, we expect to generate a small operational result based on continuing the existing projects we have in Mali, DRC and Burundi and some new projects starting in 2022.

Risks

In order to keep good focus on our operating risks i+solutions operates a risk management process whereby its management periodically reviews the risk landscape. The key risks have been identified are: Risks for cyber attacks and other IT related crime, a revival of Covid-19 related challenges and access to qualified staff. i+ has responded to the IT risks with awareness sessions amongst all staff, reinforcing our safety protocols, the appointment

of a CISO officer and the migration to a safer office IT platform, given the unprecedented nature of the Covid-19 developments were are vigilant and stay flexible in our day to day service offering. With our excellent operating metrics we have demonstrated to be able to effectively manage this risk. i+ has been successful in attracting enough staff and also our retention rates and below average sickness rates underpin our effective management on the staff risk.

Compliance

To mitigate potential risks, i+solutions complies to several laws and regulations including its own Code of Conduct, which is closely aligned with our largest customer. On top of these, i+ complies with ISO9001:2015 and WHO MQAS. Early 2022, we have successfully obtained the EU WDA (Pharmaceutical Wholesale and Distribution Authorization) by means of inspection by the inspectorate of the Dutch Ministry of Health.

All of the above are continuously monitored by internal audit programs and periodic gap assessments in order to stay abreast of developments in our international landscape.



Strategy

i+solutions' strength is in its experience in procurement and strengthening health supply chains. We have set ourselves high targets to use this knowledge to the benefit of patients and to create impact by innovation.

We aim to achieve this strategy together with our strategic partners, which include Cordaid,, Palladium, Abt Associates, Globis, FP2030, Reproductive Health Supplies Coalition, The Dutch Ministry of Foreign Affairs and many more.

Key to this systemic approach is:

- + Creating end-to-end visibility to generate reliable and timely supply chain data
- + This data can be analyzed and modelled into more efficient supply chains including clear segmentation strategies
- + Stakeholder engagement is crucial to get buy-in for these changes
- + Change management is key to ensure that transformation is sustainable
- + Clear governance is needed to create clear roles and responsibilities
- + Finally, innovative approaches will create more impact for less money

I would like to thank our staff, board members, donors and all our partners for working closely together to achieve our mission: improving and saving lives by creating well-functioning health supply chains. Without the dedication to this mission, we would not be able deliver these life-saving medicines at the doorsteps of the millions of patients relying on it. This is what makes us tick and where we like to make a difference! Impact by Innovation!

Ed Monchen
CEO

WHO WE ARE, WHAT WE DO, HOW WE DO IT

Who we are

i+solutions is a Dutch not-for-profit organization providing access to best-priced, internationally recognized, quality health products and supply chain management solutions to low- and middle-income countries (LMICs). Our innovative approach, expertise in training, procurement and delivery, consultancy and project management contribute to saving lives every day.

Vision and mission

Our vision is a world where no medical need goes unmet. To achieve our vision, we partner with governmental, private sector, public and charitable organizations to develop health infrastructures to help low- and middle income countries become resilient societies.

Our mission is to save and improve lives by creating well-functioning health supply chains.

Our core values

- INNOVATIVE** We believe the big challenges in low- and middle-income countries can be solved with innovative solutions
- COMMITTED** We are committed to go the extra mile to achieve our mission
- IMPACTFUL** Our mission is to save and improve lives by creating well-functioning supply chains

Our history

i+solutions was founded in 2005 as a training and consultancy department within the International Dispensary Association Foundation (IDA Foundation). Later, we became an independent organization. Over the last 17 years, we have provided services that support the procurement and distribution of essential medicines, supporting governments and organizations in their quest to create sustainable access to medicines and health products.

Procurement Agent

We are the largest procurement service agent for the Global Fund's Pooled Procurement Mechanism. We are responsible for the procurement and logistics of Anti-retroviral, Anti-Malaria, Essential Medicines, PPE (personal protective equipment) and oxygen for over 90 countries. We supply constantly at an on-time and in-full delivery performance above 90%. In 2021, we contributed to the delivery of HIV treatments for over 5.5 million patients and malaria treatments for almost 150 million patients.

Health system strengthening

i+solutions is also active in several projects that aim to solve bottlenecks in the access to medicines in low- and middle-income countries. We strengthen public health systems by conducting training and consultancy activities so that countries can improve their internal capacity and eventually take full control of their pharmaceutical supply chain especially in 'the last mile' from the regional clinics to the patients by using innovative tools.

Impact by innovation

While implementing projects for 17 years in the global health supply chain across Africa, we have developed an innovation agenda. This ranges from a block chain pilot in the north of Nigeria to creating end-to-end visibility and supply network orchestration for optimizing supply chains with federative data sharing as enabler.

COMMUNICATION ON ENGAGEMENT

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i+solutions joined UN Global Compact in 2020 and we renew in this Annual Report our commitment to the Sustainable Development Goals (SDG) and UN Global Compact mission.

i+solutions, located in Woerden (The Netherlands), is the largest procurement service agent for the Global Fund's Pooled Procurement Mechanism. We are responsible for the procurement and logistics of Anti-retroviral, Anti-Malaria and Essential Medicines for over 90 countries. We are also active in several projects that aim to solve bottlenecks in the access to medicines in low- and middle-income countries (LMICs). We strengthen public health systems by conducting training and consultancy activities and by using innovative tools, so that countries can improve their internal capacity and eventually take full control of their pharmaceutical supply chain.

Our vision is a world where no medical need goes unmet. To achieve our vision, we partner with governmental, private sector, public and charitable organizations to develop health infrastructures to help LMICs become resilient societies. Our mission is to save and improve lives by creating well-functioning health supply chains.

Our mission and core activities are 100% aligned with SDG 3, to ensure healthy lives and promote wellbeing for all at all ages.

In line with SDG 17, focusing on revitalizing global partnerships for sustainable development, we aim to partner with other Global Compact members in the following areas:

- + Implementing new innovative concepts for improving supply chains in low- and middle income countries LMICs in order to improve the availability of quality medicines for the people who lack access to medicines. We are active in Nigeria, DRC, Mali, Burundi, Ethiopia, Morocco and Uganda and we would like to expand our activities to other countries in the African continent.
- + Engaging with the private sector in LMICs to build resilient health supply chains.
- + Implementing programs for pandemic response (Personal Protective Equipment and materials, Vaccination programs).

If the above resonates with you and you see options for us to collaborate, please contact me at emonchen@iplussolutions.org.

Ed Monchen
CEO

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HIGHLIGHTS AND RESULTS 2021

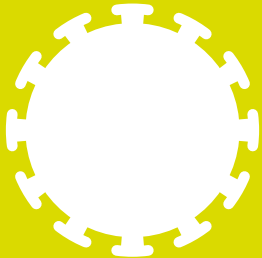
147.4 mln

antimalarial treatments procured



Trained healthcare staff in 2021:

801

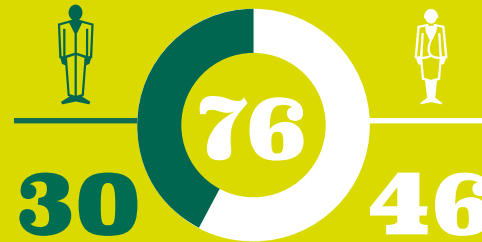


Contributed to the annual treatment of

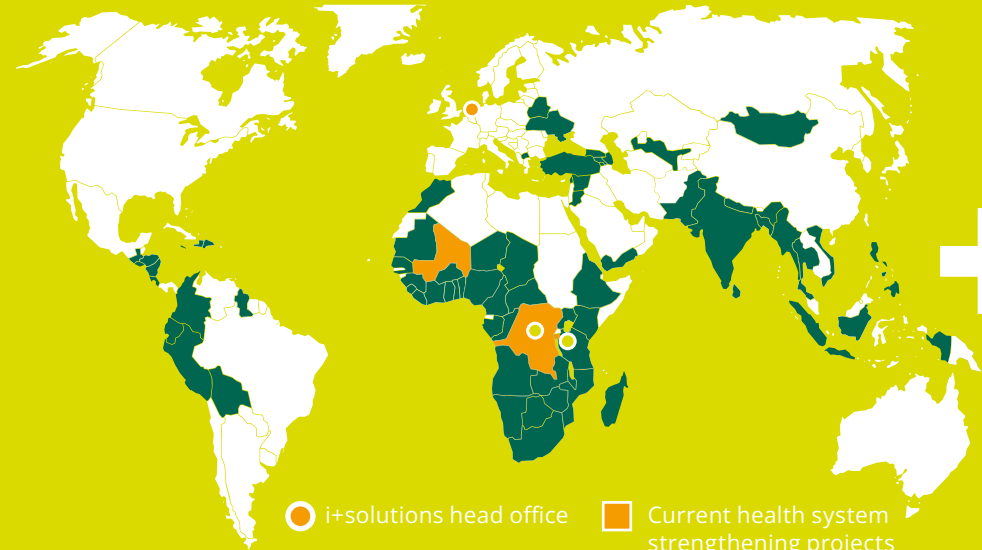
5.5 mln

people living with HIV

Employees



28 Nationalities



www.iplusacademy.org



i+academy e-learning platform

now has **4461** active users

(out of 6230 accounts)

with **47** courses in **4** languages

DIRECT PROCUREMENT SUPPORT

As a not-for-profit organization, i+solutions supports Ministries of Health, implementors, NGO's and other parties in several countries with procurement of health products and related commodities through our direct procurement program. i+solutions is offering its procurement and logistics services for standard supplies as well as to answer out-of-stock and/or emergency situations. Our activities include supplier selection, sourcing, negotiating, helping coordinate freight forwarding of commodities to the final consignee, and ensuring that procurements comply with donor rules and regulations.

Highlights 2021

i+webshop

After a successful launch in 2020 of our COVID-19 commodities procurement portal, we have expanded it in 2021 with additional products and managed to significantly decrease prices. Drawing on our extensive experience as a procurement organisation for global donors, we wanted to extend this service to other customers. Therefore, we expanded the portal into a much broader digital order intake tool: the i+webshop, which was launched in December 2021. The i+webshop is an entry point for any request for high-quality health commodities, medical supplies, PPE and medicines at an affordable price. i+solutions works

only with contracted suppliers that manufacture against high-quality standards. The products are shipped by the most reliable logistics service providers that perform under i+solutions contracts as well. The i+webshop offers the opportunity to request for products, after which a sales quotation including shipping fees will be generated by i+solutions' procurement department. The i+webshop has a modern look & feel in line with i+solutions' branding and a much improved and simplified user experience. The i+webshop is available in 4 additional languages next to English. Please visit the website at www.ipluswebshop.org.

COVID-19 Procurement Scope Expansion

Oxygen Products

In July 2021, i+solutions expanded its scope of COVID-19 products by being awarded the oxygen products category in the Global Fund's Pooled Procurement Project. These oxygen products include oxygen consumables, oxygen equipment, oxygen cylinders as well as pressure swing absorption oxygen generating plants (PSA plants). Because of the nature of oxygen as an essential life-saving component and to be able to provide a holistic solution to the shortage and access to the medical oxygen, i+solutions actively works with industry experts, clients, donors and

suppliers to provide suitable, and responsive solutions. Internally, i+solutions has created a team of operating project managers to oversee the oxygen products procurement, of which the PSA plants are the most notable example. PSA plants are designed to supply medical-grade oxygen by concentrating oxygen from ambient air at scale. Considering the customization nature of the product and the specific needs from clients, i+solutions is working together with Build Health International, which has more



than 10 years of experience in the construction of hospitals in low- and middle-income countries. To recommend our clients the optimal configuration which can fulfil the demands with minimal waste, i+solutions is also collaborating with suppliers to provide a comprehensive solution including PSA plants delivery, installation, training, commissioning, preventive maintenance and 5 years' product warranty to ensure the continuous functioning of the PSA plants. In addition, i+solutions is also working with PATH on the upstream preparation of the supply chain challenges to anticipate and reduce lead times. Although i+solutions did not place the orders for PSA plants in 2021 due to the preparation work needed, the discussions with several countries have started and the orders will be placed in the first half year of 2022. Moreover, more countries are expected to procure PSA plants in 2022.

HIV/AIDS medicines for Morocco and Georgia

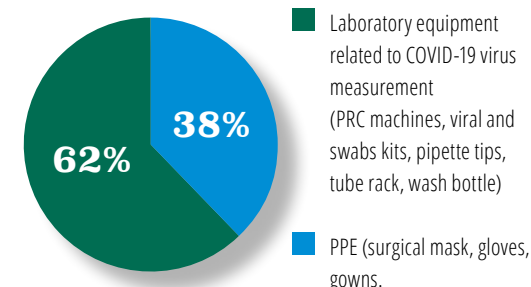
In 2021, we have continued our support to the purchase and delivery of HIV/AIDS medicines and HIV kit tests for the Ministries of Health in Morocco and Georgia.

For the rest of the mentioned oxygen categories such as oxygen consumables, oxygen equipment and oxygen cylinders, the standard i+solutions' procurement practice is also followed by issuing open tenders and conducting strict product qualification processes. Special attention has been given to the compatibility of the procured products with the existing products or incoming products. One notable case is oxygen cylinders procured need to be fillable by the PSA plants. Through a Request for Information and five rounds of Requests for Price for oxygen products throughout 2021, i+solutions has added over 20 types of products into its catalogue from more than 15 experienced suppliers. i+solutions is committed to keep expanding its product catalogue and provide comprehensive oxygen solutions as well as high quality products and dedicated services.

For Morocco, we procured medication to treat 1200 patients, in Georgia 10 thousand patients were treated.

Covid-19 commodities for SANRU Congo DRC

In 2021, we kept helping SANRU in Congo DRC with the procurement of Covid-19 commodities and sent a total of 20 shipments to the country. With the experience gained in 2020, we improved the delivery lead time and could built our business relationship with vendors.



Medicines for Malaria Venture (MMV) Chloroquine Phosphate

i+solutions signed a contract with MMV to become its procurement agent for the distribution of an antimalarial: chloroquine phosphate, 250mg tablets. MMV – with funding from Bill and Melinda Gates Foundation – has secured 120 million tablets from product supplier Ipca and has contracted i+solutions to collect and distribute tablets to eligible recipients. i+solutions is maintaining two regional stockpiles, one in Dubai and the other in Chennai, India. Potential recipients are antimalaria programs which can use the product in the treatment of the disease. During 2021, i+solutions delivered 43M tablets to the Ministry of Health in Ethiopia and a small donation to the WHO

Regional Office for the Eastern Mediterranean of 1.3M tablets.



Clinton Health Access Initiative (CHAI)

Dolutegravir Dispersible 10mg Tablets and Darunavir/ Ritonavir 400/50mg, 60 tablets

In November 2020, i+solutions successfully tendered to become CHAI's procurement agent for the pre-shipment testing and distribution of 100k bottles of Dolutegravir 10mg tablets to 6 recipient countries: Benin, Kenya, Malawi, Nigeria and Uganda and Zimbabwe.

This breakthrough paediatric, first line HIV treatment will help treat the 1.7 million children around the world living with HIV. In 2021, i+solutions executed the project which involved sending product samples to a quality control lab to ensure the product met the standards as per the tentative US Food and Drug Administration

(FDA) approval and delivering the product to the 6 countries. After successfully executing this project, CHAI requested us to again act as their procurement agent, this time for a catalytic procurement of a second line HIV treatment: darunavir boosted with ritonavir (DRV/r). Despite this treatment being available in high-income countries for over a decade, this generic version is only now available in low- and middle-income countries. i+solutions started executing the project in September 2021 and is currently preparing deliveries to Zambia and Nigeria.



ipluswebshop.org

IMPAACT4TB

3HP TB preventive treatment

i+solutions is very proud to continue its activities in 2021 for the Aurum Institute under the IMPAACT4TB project, taking care of all the procurement and logistics of a new fixed-dose combination (FDC) of "3HP", a short-course tuberculosis (TB) preventive treatment. Thanks to funding from Unitaids, PEPFAR and the Global Fund to Fight AIDS, Tuberculosis and Malaria, this new preventive TB treatment was rolled out in February and March 2021 in five of total 12 TB high burden countries in Africa: Ethiopia, Ghana, Kenya, Mozambique, and Zimbabwe and further rolled-out to over 20 countries during 2021. Previously, preventive TB therapy took 6 to 36 months. A fixed-dose treatment of Rifapentine in combination with Isoniazid, shortens treatment to 12 weekly doses and reduces the pill burden from nine to three pills a week. The IMPAACT4TB project is funded by Unitaids and led by the Aurum Institute. As the result of a volume-based agreement concluded by Unitaids, the Clinton Health Access Initiative (CHAI) and the manufacturer of the FDC, Macleods, the treatment is made available at a 70% discounted rate. This price discount will enable a scale-up in 138 low- and middle-income countries, saving thousands of lives, and

realize millions of dollars in savings. With this more convenient product in hand that is easier to dispense, take and adhere to, the IMPAACT4TB consortium members are now working to accelerate the delivery of 3HP in all 12 high TB burden countries in Africa, Asia, and South America. Enough treatments for up to 3 million patients were made available for eligible countries in 2021. This also has important implications for the HIV response, as TB remains the leading cause of death for people with HIV around the world.

In 2021, i+ solutions already placed purchase orders for over 275 thousand treatments of the above-mentioned fixed dose combination (Isoniazid/Rifapentine) and over 16 thousand treatments of the single Rifapentine treatments for the IMPAACT4TB project.

To date i+ solutions continues to play a key role in the demand and supply management of both Sanofi's Rifapentine single treatments and Macleods FDC at global level across all TB partners i.e. PEPFAR, UNITAID, Global Fund, GDF, NGOs, CSOs and governments. We manage and coordinate global demand of these two key TB treatments through the APWG, ensuring equitable supply across all partners.

CONSULTING PROJECTS

USAID

Integrated Health Program (IHP)

Duration: May 2018 – May 2022
+ 3 option years

Donor: USAID

Country:

Democratic Republic of Congo

Partner organizations:

Abt Associates, Pathfinder

Objectives:

Strengthen the capacity of Congolese institutions and communities to provide integrated and quality health services to sustainably improve the health of the Congolese population.

i+solutions' role in this project is to increase continuous availability of essential drugs at the last mile, between the health zone (HZ) level, the health facilities (HF) and the community base, by strengthening health systems, governance and leadership at the targeted provincial, health zone and health facility levels.

Key activities and results:

During Fiscal Year (FY) 2021, IHP continued to work with health authorities from central to peripheral levels to develop their leadership and supply chain management capabilities for health products. The PNAM¹ of the Ministry of Health (MoH), the 9 DPS² partners with 179 BCZS³ and 6,933 health facilities have benefited from technical and financial support to reduce stock-outs of products at health service deliveries point.

The strategies put in place to strengthen the resilience of the system resulted in a level of stock-outs of 16% better than the targeted level for 2021, and during FY2021 Q4, the average percentage of service delivery points experiencing individual tracer product stock-outs was 14.8%, below the 20% threshold tolerated by the MoH standards.

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Program National
d'Approvisionnement
des Medicaments

2

Division Provinciale
de la Santé

3

Bureau Central de la
Zone de Santé



These results were obtained despite disruptions in global logistics created by the Covid pandemic and despite the strike by health-care providers from May to December 2021, especially impacting negatively landlocked provinces, including Tanganyika, Sankuru and Haute Lomami.

The following activities have contributed to realizing the USAID IHP goal of reducing stock outs in the health facilities of 9 partner provinces:

- + Organize and participate in periodic coordination meetings, at the central level with the USAID procurement mechanism (bi-weekly meetings) and with other technical and financial partners (monthly and quarterly meetings) at the provincial level. These meetings assess the stock levels of drugs throughout the entire supply chain, from orders placed by international suppliers to the Health Facility. The stakeholder coordination efforts helped to redistribute excess stocks of

Family Planning (FP) products (691 HF in 89 HZ involved), replace the unavailable ASAQ (Artesunate-Amodiaquine) with the AL (Artemether-Lumefantrine), and by borrowing stocks from other partners, which were returned once fresh supplies arrived. USAID IHP also participated in stakeholders' efforts in making the stocks status at the last mile level more visible by contributing to the quality of data entered in the national LMIS (DHIS2/IN-FOMED) and by updating some Standard Operating Procedures. That allowed USAID IHP to contribute to the bottom-up quantification process that the MoH introduced this year.

- + Continued cascading of trainings in supply chain and bio-medical waste management. Minimum skills were addressed like inventory management, correct use of supply chain management tools and data analysis. This FY 2021, 395 executives from 179 BCZs were trained as

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trainers and 1,868 providers from 76 Health Zones (HZ) out of a total of 2011 targeted.

At the end, each participant developed an improvement plan that addressed weaknesses identified during the training.

- + 934 stock managers from 98 Health Zones were reached by supervisory visits during FY2021. This mainly concerned post-training follow-up. IHP also supported 27 Health Zone pharmacist supply chain reviews organized in collaboration with the 9 DPS. The reviews allow each HZ to collect and analyze its data to assess its performance against the 7 logistics indicators retained by the MOH. Each HZ shares with peers the logistical decisions taken during the period and which impact on indicators.

Thus, reviews allow sharing of good practices between HZ stock managers and stimulates emulation and continuous improvement.

- + Print and distribute supply chain management tools that not only enable collection and reporting of stock and consumption data, but also the order and supply processes. In total, 179 BCZ and 5,411 health facilities received 7,600 biomedical waste management posters, 4,020 RUMER (registers for the use of medicines and sales management), 1,587 delivery slip books, 3,848 receipt books, 45,650 stock cards, 3,176 purchase order books, 1,080 daily consumption records, and 1,399 inventory management registers. These tools made it possible to supply the e-LMIS INFOMED with data

during the entire year.

- + Support the PNAM with the implementation of the national INFOMED.RDC. This LMIS platform provides decision support in inventory management thanks to various parameterized dashboards. During the year, the USAID IHP assisted PNAM to correct system setup errors, improve the INFOMED user interface, and train health zone inventory managers and managers to use the INFOMED setup and tools.
- + USAID IHP designed 3 product distribution approaches adapted to the last mile transport of supported provinces, using distance, road condition, geographic obstacles, and security situation as criteria. Health facilities to be served by the 179 Health Zones were categorized.

This allowed technical and financial support to address the specific context of each health facility by focusing primarily on health areas difficult to access. USAID IHP technically and financially supported the distribution of drugs to the last mile in 4,623 health facilities of 149 HZ out of 179 HZ according to the push and pull approaches described in the Guide on the distribution of health products on the last mile of the health zones' logistics chain for improving the availability of drugs at the health facility level. Support for last-mile delivery is provided through the HZ delivery plan process.



Mali Health Systems Strengthening (HSS), Governance and Finance

Name: Keneya Sinsi Wale
Duration: August 2020 – July 2025
Donor: USAID
Country: Mali
Prime contractor: Palladium
Sub-contractors: i+solutions, FHI 360, Groupe Pivot Santé Population (GPSP)

Objectives

Strengthen Malines health systems in support of communities in the regions of Mopti, Ségou and Sikasso (accounting for approximately half of the country's population) with the long-term goal to improve health outcomes and establish a health sector that's resilient to shocks such as economic downturn and global pandemic. The focus will be to improve governance of local health facilities, financial management of health facilities, health insurance coverage, quality of health services, commodity distribution, and health data collection and use. There have been significant improvements in healthcare in the past two decades in Mali, including a broad national decentralization strategy that puts health services and health facilities under the "ownership" of local and district leadership. Nevertheless, challenges remain in how to plan,

manage, and finance high-quality healthcare at a decentralized level. Local government, the private sector, and civil society are increasingly important to the collaborative solving of problems across systems, data use, quality of care, and supply chains.

i+solutions role

i+solutions' role in this project is to provide innovative solutions to supply chain management to rationalize the information flow and improve the distribution of essential medicines, vaccines and reproductive health commodities to health facilities.

Key 2021 achievements:

- + Collection and documentation of all available supply chain management tools and materials in the 3 intervention regions (Sikasso, Segou Mopti)
- + Oriented i+solutions Keneya Sinsi Wale staff on access and use of OSPSante (Health products LMIS monitoring and reporting tool)
- + Setting up a monthly basic monitoring of stocks levels and LMIS reporting in the 3 intervention regions (Sikasso, Segou, Mopti)

- + In collaboration with the districts, take immediate action to improve data and adjust product inventories between

facilities in case of risk of stock-outs or overstocking via coaching visits to Mopti, Ségou and Sikasso

The result is a strong measurable improvement in reporting rates and stock levels:

- + **% of Health Facilities stocked out of magnesium sulfate during the last quarter**
 - + Base line: 53,5% stocked out
 - 2021 target: 50% stocked out
 - 2021 achievement: 24,2% stocked out
- + **% ASACOs conducting physical monthly inventory management of the CSCOMs**
 - Base line: 63,7%
 - 2021 target: 70%
 - 2021 achievement: 85,8%
- + **% of Health Facilities stocked out of Chlorhexidine during the last quarter**
 - Base line: 46,7% stocked out
 - 2021 target: 40% stocked out
 - 2021 achievement: 27,3% stocked out
- + **% Of CSREF and CSCOM and DRC (Depot Repetiteur de Cercle) where the 13 principles of good stock management are applied.**
 - Base line: 26,4%
 - 2021 target: 40%
 - 2021 achievement: 47,5%

The four listed indicators clearly show that our project has managed to diminish the level of stock outs, to secure more products on the shelves, as well as improve stock management and reporting at the health facilities in Mali.

CSCom : Centre de Santé Communautaire (health facility)

ASACO : Association de Santé Communautaire

CSRef : Centre de Santé de Référence.



Introduction of Medexis

An eLMIS tool, in Burundi

Duration: November 2020 – May 2021

Donor: UNICEF

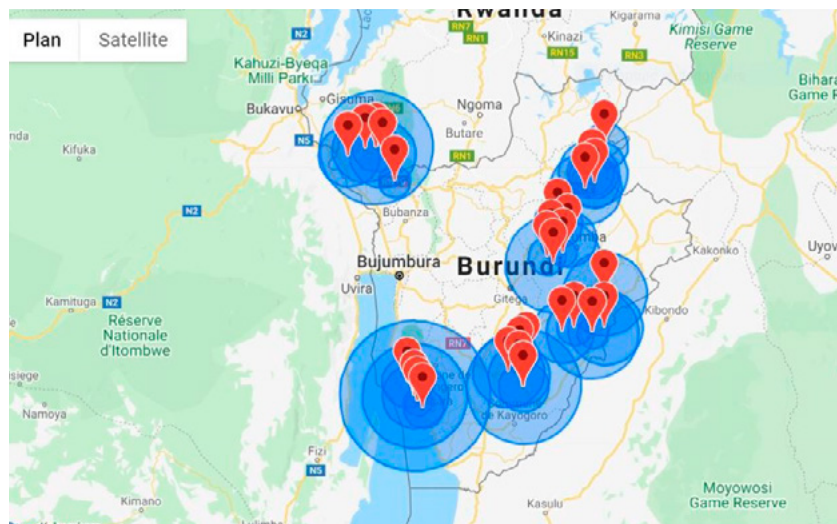
Country: BURUNDI

Objective: Strengthen the availability and access to nutritional products and immunization inputs for vulnerable populations through the implementation of an integrated stock management tool to monitor and manage stocks in real time in 90 public health structures.

i+solutions' role was to improve visibility of nutritional products and immunization inputs in the health supply chain by implementing an e-LMIS and training and coaching staff to use it and to

ensure last mile availability within the 90 health facilities enrolled in the project.

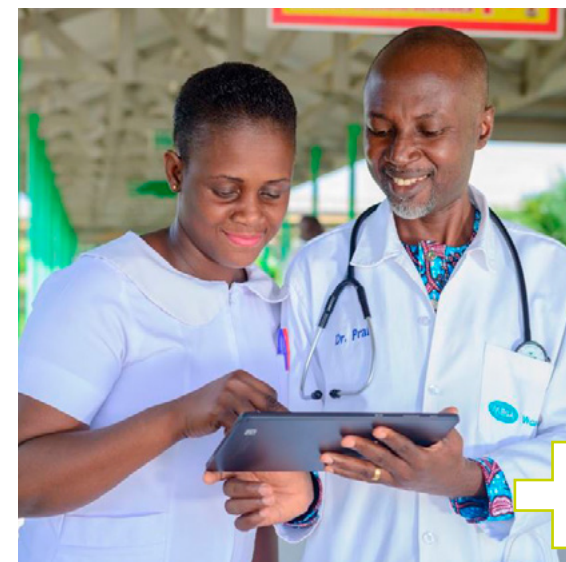
The Medexis platform was configured, tested, and is up and running. It has increased the global **visibility** of logistics data across the entire supply chain from central level throughout to the last mile for the health facilities in scope of the project. The full functionality of eLMIS Medexis has increased the **availability** of the range of commodities (15) down to the last mile from 83% to 91%. The percentage of health facilities experiencing **stock-outs** has reduced from 12% to 10% and average requisition approval time has reduced from 17 to 2 days.



MEDEXIS

Key activities to achieve the above results:

- + We conducted an initial baseline survey to assess and determine the indicators and expected results.
- + We trained sixteen (16) Master Trainers and 170 users in the use of eLMIS Medexis. A user guide and training modules were developed;
- + We provided internet connection across the facilities in order to improve access to the system;
- + We developed a monitoring and supervision framework to more effectively monitor the nutrition products management performance of health facilities;
- + We organized coaching visits and joint supervisions with the Burundi Ministry of Health to improve performance of districts and health facilities;
- + We developed inventory and stock management reporting tools and dashboards in eLMIS Medexis;
- + We provided assistance and technical support for district and health facilities involved in supply chain management of nutrition products;
- + We developed electronic Logistics Management Information System (eLMIS) tools



to improve inventory visibility, analyze LMIS data for resupply decision-making and evaluating the performance of health facilities;

- + We conducted a final survey to measure the project's impact.



Data Sharing in the Global Health Supply Chain.

Duration: October 2021 – Present
Donor: i+solutions
Country: BURUNDI
Prime contractor: i+solutions
Sub-contractors: KPMG, E-Gateway, XNR

Objective: Demonstrate an operational proof of concept of a Control Tower solution and Just Drive community service for last mile delivery and data acquisition based on federative data sharing principles.

i+solutions and its partners facilitate the local transport of pharmaceuticals from district warehouse to health facility using private-sector carriers from the community. The system makes use of smart Apps and Cloud technology for communication and integrations, smart data storage for 'Control Tower' users. The JustDrive Last Mile App consists out of three (3) different systems that function independently from each other (separation of concerns), therefore is extremely scalable and flexible to be implemented in a range of different operational scenarios. This App is configured, tested, and is up and running. The App allows real-time visibility of the various transactions related to the ordering,

transport and delivery of medicines to health facilities and has done so for the deliveries from Mukenke District in the province of Kirundo to health facilities.

The App is useful for many different actors:

- 1 For the District Warehouse, this App provides them with a low-cost, low-investment, efficient distribution mechanism that overtakes the far more expensive alternative of setting up their own truck-based distribution.
- 2 Community motorbike drivers are enabled to sign-up and participate in the transport of medical goods. This will provide an additional source of revenue on errands that they are running frequently already. It invites more drivers that intensify the run-frequency for the errands of a community.
- 3 For the donors, the JustDrive Last Mile App solution will bridge current last mile distribution 'sluggishness' and provide both last mile visibility and a secure transport validation due to the QR-code hand-over integrated in the Apps.
- 4 Combined, the Apps operate 'as if' they represent a part of an integrated distribution management system.

Key activities to achieve the above results:

- + Data acquisition: ability to securely obtain data from last mile (actors) and that they are motivated to share data;
- + Supply chain management and planning mechanisms (i.e. balancing stock) with information from last mile (actors);
- + Cost effectiveness and simplicity of this data acquisition methodology;
- + Cost-effective alternative for transport by trucks tested and implemented;
- + Cost-effective alternative for conventional data-exchange and data-governance tested and implemented.



TRAINING

Capacity building through mobile platform i+academy

i+academy (www.iplusacademy.org) is i+solutions' innovative e-learning platform, offering courses spanning the entire supply chain cycle in four different languages: English, French, Portuguese, and Spanish. i+academy offers general and specialist SCM courses, competence-based training trajectories, as well as options to turn content into courses to support health systems in scaling up interventions in a cost-effective manner. Courses can be accessed via mobile devices and computers and the learning environment is optimized for low-bandwidth environment.

We also provide technical assistance with the training of online facilitators, course development, and scale-up of Moodle-based e-learning solutions.

Project-wise, in 2021, we worked with the World Health Organization in the Democratic Republic of Congo to set up three new online courses on vaccination as part of the capacity building and skills reinforcement of executives and data managers of PEV (Enlarged

Vaccination Program of the DRC Ministry of Health). The three resulting modules are titled: 1) Practical Vaccination - Guide for Health Personnel, 2) Vaccination Data Management, and 3) The Use of Vaccination Data. The courses are being piloted in different provinces beginning 2022.

We also worked with the East African Community with GFA Consultancy Group (General Agent for the Bilateral Cooperation Program (BKP) of the German Ministry of Food and Agriculture) under funding from GIZ (the German Agency for International Cooperation), and developed five online courses with respective content, activities, and materials for on-site training sessions. Two of these courses were Training of Trainers, and the topics ranged from GMP of veterinary medicines to customs procedures. The project involved the creation of the courses in collaboration with regional experts, and the facilitation of pilots with a selected group of participants. There was high interest, and 146 individuals from all over the EAC participated in six pilots.



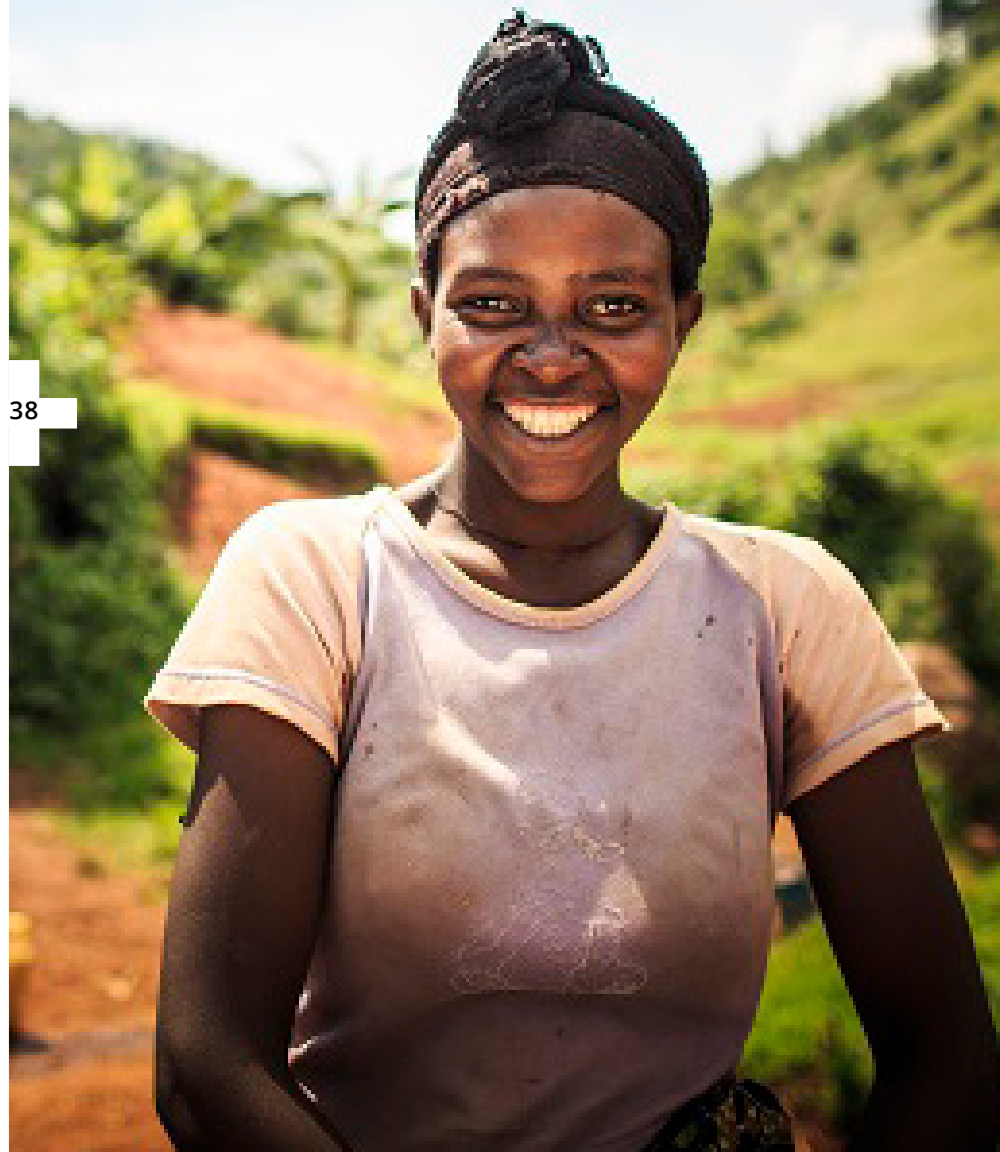
i+solutions is also committed to supporting health personnel in low- and middle-income countries who need training but face financial barriers: in 2021 we awarded 12 scholarships to follow online courses free of charge, both in English and French.

i+academy also supported capacity building in other larger projects, and supported internal capacity around quality management, standard operating procedures as well as onboarding.



OUR PARTNERS AND DONORS

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REPORT FROM THE SUPERVISORY BOARD

2021 was a good year with a healthy growth for i+solutions, as the organization won two new categories of the Global Fund Pooled Procurement (PPM) project. One for PPE materials and one for oxygen, both related to the Pandemic Response for Covid-19. The consulting activities also developed in a positive way and were rebranded as Digital and Optimization Solutions (DOS). Both main activities, Procurement Supply Chain Services (PSS) and DOS are more aligned now. This is in line with the overall strategy to provide end-to-end visibility for health supply chains from manufacturer to the patient. The organization has grown in line with the growth of the two main activities. A talent management and high potential program were launched and well received by staff. The positive developments are reflected in the healthy financial results in 2021.

Meetings

The Supervisory Board mainly discussed the ongoing activities and the future strategy. The main topics discussed in the 4 quarterly Supervisory Board meetings comprised of:

- + The budget and annual report
- + The approval of the revised positioning strategy
- + The policies and choices for geographical presence
- + The main enterprise risks including mitigation and contingency plans, especially in view of the corona crisis
- + The status and progress of main projects like The Integrated Health Project in DRC, The WRC project in Nigeria and the Palladium project in Mali
- + Ensuring the codes of conduct and good governance were followed
- + The Supervisory Board chair also spoke to the Works Council during two yearly review meetings to keep abreast of their views and the interests of staff. The Supervisory Board was particularly interested to hear how staff was coping with the lockdown and working from home under sometimes difficult circumstances. It has been encouraging to see the level of commitment of the entire staff to the success of their customers.

Committees

The composition of the Supervisory Board did not change in 2021. The Supervisory Board has two committees: an Audit and a Remuneration committee. As in 2020, the Audit Committee consisted of Ms. Martine Kok and Mr. Michel Jacobs.

They gathered in four meetings, discussing:

- + The budget 2021 and annual report 2020 (with the external accountant)
- + The audit committees' own regulations
- + The internal risk and control systems and procedures
- + The internal finance organization
- + The budget 2022

The remuneration committee was also unchanged and consisted of Mr. Co Berendsen and Mr. Harry van Schooten. The main activities were:

- + The annual review and remuneration of the CEO
- + The overall remuneration policy

2021 has been a turnaround year for i+solutions. The Supervisory Board wants to express a sincere thank you to the team.

Sincerely,
Co Berendsen
Chairman of the Supervisory Board

FINANCIAL STATEMENTS 2021

Stichting
Iplussolutions

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Balance Sheet

as at December 31, 2021 (in euros), before appropriation of result.

	ASSETS	note	2021	2020
	Fixed assets			
	Intangible fixed assets	1	1,372,357	1,722,041
	Tangible fixed assets	2	67,515	42,171
	Financial fixed asset	3	26,693	187,506
	Total fixed assets		1,466,565	1,951,718
	Current assets	4		
	Debtors		8,102,745	31,239,488
	Other receivables and prepaid expenses		1,480,221	6,466,283
			9,582,966	37,705,771
	Cash at banks and in hand	5	79,741,688	28,323,331
44	Total current assets		89,324,654	66,029,102
	Total assets		<u>90,791,219</u>	<u>67,980,820</u>
	EQUITY AND LIABILITIES			
	Equity			
	General reserve		23,825	-97,441
	Result current year		823,421	121,266
			847,246	23,825
	Long term liabilities	7		
	Subordinated loans		-	650,000
	Guaranteed capital		847,246	673,825
	Current liabilities	8		
	Creditors		61,516,887	56,331,960
	Taxes and social securities liability		205,372	92,963
	Accruals		854,672	608,572
	Prepayments		27,367,042	10,273,500
	Total current liabilities		89,943,973	67,306,995
	Total equity and liabilities		<u>90,791,219</u>	<u>67,980,820</u>

Profit and Loss

for the year ended December 31, 2021 (in euros)

	note	2021	2020
Turnover *	10	152,629,684	50,230,078
Project expenses	11	-144,497,440	-44,719,439
Gross Margin		8,132,244	5,510,639
Expenses			
Personnel expenses	12	5,144,389	4,549,348
Depreciation		454,015	440,729
Other operating expenses	14	1,327,456	911,578
Total operating expenses		6,925,860	5,901,655
Operating Result		1,206,384	-391,016
Financial income and expenses	15	-222,150	582,143
Result before taxation		984,234	191,127
Corporate income tax	16	-160,813	-69,861
Net result		<u>823,421</u>	<u>121,266</u>

The 2020 Budget does not include the Pooled Procurement Mechanism revenues related to commodities and freight.

Cash flow statement

for the year ended
December 31, 2021 (in euros).

	2020	2019
Cash flow from operating activities		
(Operating) result	1,206,384	-391,016
Adjusted for:		
Depreciation	454,015	440,729
Movement in (corporate) tax	112,409	-228,142
Movements in working capital	<u>50,647,373</u>	<u>5,143,009</u>
Cash flow operating result		4,964,580
Financial income and expenses	-222,150	-269,666
	-222,150	-269,666
Cash flow from operating activities	<u>52,198,031</u>	<u>4,694,914</u>
Cash flow used in investment activities		
Investments in fixed assets	-129,674	-135,652
Cash flow used in financing activities		
Movement long term liabilities	-650,000	-
Movement in cash at banks	<u><u>51,418,357</u></u>	<u><u>4,559,262</u></u>
Cash at banks		
As at January 1	28,323,331	23,764,070
As at December 31	<u>79,741,688</u>	<u>28,323,331</u>
Movement in cash at banks	<u><u>51,418,357</u></u>	<u><u>4,559,262</u></u>

Notes to the accounts

Entity information

The registered address of Stichting Iplussolutions is Polanerbaan 11, 3447 GN in Woerden. Stichting Iplussolutions (i+solutions) is registered at the Chamber of Commerce 34236288.

Historic background

i+solutions is an independent, international, not-for-profit organization specializing in global health supply chain management for low and middle income countries. i+solutions started its activities in 2005 as a spin-off of IDA Foundation.

Accounting principles for balance sheet, profit and loss account and cash flow statement

Basis for preparation

The financial statements are prepared in accordance with Dutch Generally Accepted Accounting Principles. They have been prepared to provide information about the financial position performance and changes in the financial position of Stichting Iplussolutions.

otherwise, assets and liabilities are valued according to the cost model. Income and expenses are accounted for on accrual basis. Profit is only included when realized on balance sheet date. Losses and risks originating before the end of the financial year are taken into account if they have become known before preparation of the financial statements. All assets are required for operations.

General accounting principles of valuation and determination of the result

The financial statements are prepared in conformity with accounting principles generally accepted by the Dutch Accounting Standards Board; (Title 9, Chapter 2, Dutch Civil code). Valuation of assets and liabilities and determination of the result takes place under the historical cost convention. Unless stated

Foreign currency

Assets and liabilities denominated in foreign currency are translated at the exchange rates prevailing on the balance sheet date. Transactions in foreign currency during the financial year are included in the financial statements at transaction rate. Exchange differences are taken to the profit and loss account.

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Intangible fixed assets

Intangible fixed assets are presented at cost less accumulated amortization and less impairments in value if applicable. Amortization is charged as a fixed percentage of cost. Intangible assets comprise of external development costs for a general financial administration software package, the costs for the development of an LMIS software system, the costs for the development of and SQL database and for the external development of an end-to-end supply chain system. The development costs are capitalized upon completion and upon determination that it is likely from both, a technical and commercial perspective, that the project will be successful and that the costs can be determined reliably.

The investment in the general financial administration (ICT Software) is depreciated, from the date an asset comes into use, over its expected economic lifetime of five years. The investment in the end-to-end supply chain system (Datawarehouse, Globis, Master data and Process reengineering) is done to facilitate the Pooled Procurement Mechanisms project and other projects gained as a result of this. Since the contract for the Pooled Procurement Mechanism project is three years, with an extension of another three years based on performance, the expected economic lifetime and depreciation for this system is estimated at six years.

The investment for the SQL database is estimated to have an economical life expectancy of three years. The investment for the LMIS software is estimated to have an economical life expectancy of three years.

Tangible fixed assets

Tangible fixed assets are presented at cost less accumulated amortization and less impairments in value if applicable. Amortization is charged as a fixed percentage of cost. Depreciation is provided from the date an asset comes into use and continued for its useful life with a maximum of 5 years.

Financial fixed assets

Financial fixed assets include other receivables at nominal value. A deferred tax asset or liability will be constituted in case of temporary differences between fiscal and economic valuation.

Impairment of assets

At the end of each financial year the organization will review whether its fixed assets are subject to impairment. Impairment losses are deducted from amortized costs and expensed in the profit and loss statement.

Receivables

Upon initial recognition the receivables are included at fair value and then valued at amortized cost. The fair value and amortized cost equal the face value. Any provision

for doubtful accounts deemed necessary is deducted. These provisions are determined by individual assessment of the receivables.

Long term liabilities

Long term debts pertain to debts that can't be reclaimed within 12 months after balance sheet date. Initial recognition is against fair value, subsequent to initial recognition the liabilities are measured at amortized cost.

Current liabilities

Current liabilities pertain to debts that can be reclaimed within 12 months after balance sheet date. Initial recognition is against fair value, subsequent to initial recognition the liabilities are measured at amortized cost.

Foreign offices

For the implementation of several projects, i+solutions had established offices in Burundi, Democratic Republic of Congo, Nigeria and South Africa. The costs have been included, at transaction rate, in these annual statements as far as these are invoiced by and paid to i+solutions NL. The remainder of the foreign operations are reported and funded, at cost.

The prepaid balance to foreign offices in US Dollar, funded through i+solutions NL, at balance date are included in the report valued against the exchange rate prevailing at balance date. The prepaid balances are included under other receivables and prepaid expenses.

All the foreign entities are fully controlled by Stichting Iplusolutions. Stichting Sustainable Global Health Initiative in Nigeria is in process to be dissolved iplusolutions NPC South Africa is in process to be dissolved.

Net turnover

Net turnover represents the amounts invoiced or to be invoiced to third parties in respect of goods provided, where i+solutions acts as a principal, and services rendered in the financial year net of discounts and turnover taxes. For services rendered as an agent, the corresponding fees are recognized as revenue in the period during which the services were performed.

Project expenses

This pertains to costs that can be directly attributed to the net turnover. This concerns third party expenditures.

>>>

Country	Name of the Entity
Nigeria	Stichting Sustainable Global Health Initiative
Democratic Republic of Congo	DRC i+solutions (NGO)
Burundi	I+solutions Burundi (NGO)
South Africa	iplusolutions NPC (Not for profit organization)

Personnel expenses

Personnel expenses are processed based on the mutually agreed labor conditions in the profit and loss account.

Depreciation

Tangible and intangible fixed assets are being depreciated as from the start of the usage and will be depreciated during and conform the expected economic lifespan of the asset. In case of impairment the future depreciation will be amended.

Other operating expenses

Other operating expenses are all costs that can not be attributed to the cost price of the delivered goods or services. This excludes depreciation c.q. any impairments on these assets.

Net financial income

This includes exchange differences, paid and received interest. Exchange rate differences that occur at the completion or revaluation of monetary items are presented in the profit and loss account, are processed in the period that they occur, unless hedge-accounting is applied. Interest income and expenses are realized in the period that they occur.

Corporate tax

Taxation on profits is calculated on the reported pre-tax profit or loss, taking into account any losses carried forward from previous financial

years and tax-exempt items and non-deductible expenses, and using current tax rates.

Principles of the cash flow summary

The cash flow statement has been prepared using the indirect method. The funds in the cash flow statement consist of cash at bank and in hand and the current account debt at the bank. Cash flows denominated in foreign currencies have been translated at an estimated average rate. Exchange differences, income and expenditure owing to interest and tax on profits have been included under the cash flow from operating activities.

Continuity

In the four years preceding 2020 the organization has had a negative net result which has led to negative equity as per end of 2019. Fiscal year 2020 generated a positive result. Based on our performance in the past year combined with the positive outlook, we are of the opinion that there is no doubt on business continuity. 2021 was the second year of the Pooled Procurement Mechanism project in full maturity, processing more volume than anticipated under compelling circumstances. This again resulted in extraordinary additional compensation for the year 2021 and the successful win and execution of substantial additional volumes during the year.

The assumption underlying this annual report and the day-to-day operations is the continuity of the organization. The reason for this is that the investments made in 2018-2019 to win the Pooled Procurement Mechanism project are paying off. Winning this project does not only mean a secure income stream for the coming year (and likely the extension for another three years) but also positioned the organization as a solid partner for Procurement Service Agent services which led to the acquisition of material new projects, and more is foreseen.

Besides the additional revenues and gross margins from these new projects, there are a number of synergies that will reduce the costs further, such as the reduction in the number of non-billable hours, the efficiency-gains from the investments made in the IT infrastructure and developments and the synergies to be created across the two Business Units.

Management prepared a budget for the coming years which would lead to sustainable results and cash flows which will enable the company to meet its obligations. As per completion date of these financial statements the company is outperforming the budget for the first five months of 2021. Therefore these financial statements have been prepared under the going concern assumption.

Assumptions underlying the annual report

As with any annual report, several estimations and assumptions were made when preparing the annual report.

A first assumption relates to the continuity of the organization. Taking the above into consideration, the projections are such that it can be fairly assumed that the organization will be in operation for the near future.

A second, important, assumption is that the Global Fund will use its option to extend the current contract for another 3 years. Based on that assumption the outlook for the future five years shows positive results substantial enough to justify both, the activation of the Pooled Procurement Mechanism investments and addition to the Deferred tax asset. Finally, there is no reason to assume that the current balance of accounts receivable will not be received, and the balance of accounts payable will not be paid within the agreed period. Mechanism investments and addition to the Deferred tax asset. Finally, there is no reason to assume that the current balance of accounts receivable will not be received, and the balance of accounts payable will not be paid within the agreed period.

Specific notes to the balance sheet items

1. INTANGIBLE FIXED ASSETS

The movements in intangible fixed assets can be specified as follows.

	ICT Software warehouse	Data- warehouse	Globis	Master data	Process Reengi- neering	SQL	Medexis software	Assets under con- struction	Total
As at January 1, 2021									
At cost	17,450	157,097	748,895	171,040	830,558	212,268	100,461.54	-	2,237,770
Accumulated depreciation	<u>6,606</u>	<u>34,420</u>	<u>133,827</u>	<u>40,207</u>	<u>189,968</u>	<u>93,957</u>	<u>16,743.59</u>	<u>-</u>	<u>515,729</u>
Book value as									
at January 1, 2021	<u>10,844</u>	<u>122,677</u>	<u>615,068</u>	<u>130,833</u>	<u>640,590</u>	<u>118,311</u>	<u>83,718</u>	<u>-</u>	<u>1,722,041</u>
Movements									
Additions	-	-	-	-	-	-	52,500	26,398	78,898
Disposals									
Depreciation	<u>3,490</u>	<u>26,183</u>	<u>124,816</u>	<u>28,507</u>	<u>138,426</u>	<u>70,756</u>	<u>36,404</u>		<u>428,582</u>
Total	-3,490	-26,183	-124,816	-28,507	-138,426	-70,756	16,096	26,398	-349,684
As at December 31, 2021									
At cost	17,450	157,097	748,895	171,040	830,558	212,268	152,962	26,398	2,316,667
Accumulated depreciation	<u>10,096</u>	<u>60,603</u>	<u>258,643</u>	<u>68,714</u>	<u>328,394</u>	<u>164,713</u>	<u>53,147</u>	<u>-</u>	<u>944,310</u>
Book value as at									
December 31, 2021	<u>7,354</u>	<u>96,494</u>	<u>490,252</u>	<u>102,326</u>	<u>502,164</u>	<u>47,555</u>	<u>99,814</u>	<u>26,398</u>	<u>1,372,357</u>

2. TANGIBLE FIXED ASSETS

The movements in tangible fixed assets can be specified as follows

	<u>Office equipment</u>	<u>ICT</u>	<u>Total</u>
As at January 1, 2021			
At cost	304,699	408,151	712,850
Accumulated depreciation	<u>295,300</u>	<u>375,379</u>	<u>670,679</u>
Book value as at January 1, 2021	9,399	32,772	42,171
Movements			
Additions	3,616	47,109	50,725
Disposals -	-	-	-
Depreciation	<u>4,141</u>	<u>21,240</u>	<u>25,382</u>
Total	-526	25,869	25,344
As at December 31, 2021			
At cost	308,315	455,260	763,575
Accumulated depreciation	<u>299,441</u>	<u>396,619</u>	<u>696,061</u>
Book value as at December 31, 2021	<u>8,873</u>	<u>58,641</u>	<u>67,515</u>

3. FINANCIAL FIXED ASSETS

	<u>2021</u>	<u>2020</u>
Deferred tax asset	<u>26,693</u>	<u>187,506</u>
	<u>26,693</u>	<u>187,506</u>

4. CURRENT ASSETS

All receivables are due within one year.

Debtors

In 2021, a provision was included to cater for the uncertainty of receiving funds EUR 50,000. In 2020, no provision was deemed necessary.

	<u>2021</u>	<u>2020</u>
Debtors		
Debtors	8,152,745	31,239,488
Doubtful debtors	-50,000	-
	<u>8,102,745</u>	<u>31,239,488</u>

The decrease in 2021 is mainly caused by a sharp decrease in outstanding payments related to the Pooled Procurement Mechanisms Project.

Other receivables and prepaid expenses

	<u>2021</u>	<u>2020</u>
Other receivables and prepaid expenses		
Value added tax	142,438	79,826
Prepaid expenses foreign offices	-	9,519
Sales to be invoiced	656,948	6,163,449
Other receivables and prepaid expenses	<u>680,835</u>	<u>213,490</u>
	<u>1,480,221</u>	<u>6,466,283</u>

The decrease in other receivables and prepaid expenses is largely due to sales to be invoiced in 2020 for the Pooled Procurement Mechanism Project which has been invoiced in 2021.

5. CASH AT BANK AND IN HAND

The balance as per 31st December 2021 includes a further USD 89,424,999 which has been received as prepayment for Direct Procurement and Pooled Procurement Mechanism activities and expenses.

6. EQUITY

General reserve	2021	2020
As at January 1	23,825	-97,441
Appropriated profit for the financial year	823,421	121,266
Appropriated reserve	-	-
As at December 31	<u>847,246</u>	<u>23,825</u>

7. LONG TERM LIABILITIES

Subordinated loans

The interest rate for this loan has been fixed on 0% as per 1 January 2016. Repayment of the loan is due on 31 December 2034. Repayment of the loan in between is due in the circumstance that the guaranteed capital of i+solutions, excluding the subordinated loan is, in two successive years, more than 50% of the total equity and liabilities of i+solutions. At the end of 2020 this percentage is 0,02% (2019: -0.21%). During 2020 the loan was renegotiated which resulted in a redemption, conditional upon full repayment of the remnant amount per 31/12/2021 latest. This condition has subsequently been met.

Subordinated loans	2021	2020
As at January 1	650,000	1,501,809
Loan redemption	-650,000	-851,809
As at December 31	<u>-</u>	<u>650,000</u>

8. CURRENT LIABILITIES

Creditors	2021	2020
Creditors	61,516,887	56,331,960
	<u>61,516,887</u>	<u>56,331,960</u>

The vast majority of the Creditors balance is related to the Pooled Procurement Mechanisms Project. Supplier invoices are included in Creditors upon receipt but only paid out upon delivery of goods and services. All payables are due within one year.

Taxes and social securities	2021	2020
Wages taxes and social security charges	203,894	109,872
Pension premium	1,478	-16,909
	<u>205,372</u>	<u>92,963</u>

Accruals	2021	2020
Holiday allowance and days	377,257	341,059
Accrued expenses	477,416	267,513
	<u>854,672</u>	<u>608,572</u>

Prepayments	2021	2020
Prepayment Pooled Procurement Mechanism procurement	27,367,042	10,273,500
	<u>27,367,042</u>	<u>10,273,500</u>

The prepayments are advance payments received for procurement of health commodities for other parties, and in part advance payments for Project management and Consultancy projects.

9. CONTINGENT LIABILITIES

Office lease

The office lease has been renewed as per December 2018 for an additional five years until November 2023 with a notice period of 4 months. Rent expenses in the Netherlands amount to EUR 139,692 (2020:EUR 137,290) excluding VAT per year for 2021.

Car lease

In October 2019 the organization entered into a new contract with a car leasing company for five years. Of which an amount of EUR 11,600 is due within one year.

Specific notes to the profit and loss account

10. NET TURNOVER

	2021	2020
Procurement services	8.405.247	5.860.214
Consultancy & projects	2.308.098	1.631.350
Training	73.603	4.042
Freight revenue	44.098.308	20.708.507
Commodity revenue	97.716.507	22.006.713
Others	27.922	19.252
	152.629.684	50.230.078

During 2021 the turnover was much higher than in 2020 due to higher Pooled Procurement Mechanism revenues; the project is fully mature and we have been awarded an additional product category within the contract: Personal Protective Equipment. Resulting from both the increasing volumes and worldwide increasing logistics costs the freight revenue has increased too. Revenue on Consultancy & projects continued with servicing our existing projects including the now fully mature project in Mali.

The Procurement services revenue includes the fees earned for services provided under the Pooled Procurement Mechanisms project. As part of those services the procured commodities amount to EUR 635,2 mln as per below.

	2020	2019
EM	18.201.225	14.340.696
ANTM	98.453.384	70.201.321
ARV	386.509.473	372.275.831
PPE	86.451.805	-
Freight & Logistics	45.617.825	19.498.913
	635.233.712	476.316.761



Find below the geographical segmentation of the net revenue:

	2021	2020
Africa	3.920.640	1.847.911
Asia	79.262	-
Other Europe	1.203.540	1.088.649
Switzerland	144.503.542	45.816.813
United States	2.922.700	1.476.705
	152.629.684	50.230.077

11. PROJECT EXPENSES

	2021	2020
Project expenses	144,497,440	44,719,439
	144,497,440	44,719,439

12. PERSONNEL EXPENSES

	2021	2020
Salaries and wages	3,737,713	3,583,497
Social security premiums	732,619	636,490
Other personnel expenses	674,056	329,361
	5,144,389	4,549,348

Included in the social security premiums is EUR 247,423 for pension premiums (2020: EUR 201,639).

Employees

During the year 2021 the Foundation had an average number of employees (FTE) of 51(2020:43) .

13. REMUNERATION OF DIRECTORS

The Executive Board of Stichting Iplussolutions consisted of one person in 2021. In accordance with the exemption of Section 383-1, Book 2 of the Dutch Civil Code no disclosure regarding payments to the Executive Board is required.

14. OTHER OPERATING EXPENSES

	2021	2020
Housing expenses	173.796	159.430
Acquisition expenses	410.603	71.119
Audit costs	120.724	57.308
Supervisory Board remuneration	12.075	24.082
Office expenses	610.258	599.639
	1.327.456	911.578

Acquisition costs have increased significantly in 2021 due to several third party market study services that were required and acquired to grow and diversify current business, especially for our DOS business unit and Marketplace initiatives.

15. FINANCIAL INCOME AND EXPENSES

	2021	2020
Exchange differences	-223.106	-242.611
Interest income and expenses	-1.791	-27.055
Other income - Loan redemption	-	851,809
Net Financial Income	-222.150	582.143

The exchange differences are mostly due to the revaluation of bank balances, accounts receivables and accounts payables, all held in USD as per year end.

16. CORPORATE TAX

	2021	2020
Corporate tax for the year	221,255	33,901
Loss compensation previous year	-	-11,005
Deferred tax asset	-60,441	46,965
Corporate tax, Gain / (Loss)	160,813	69,861

Appropriation of profit

The result for the year 2021 amounting to EUR 823,421 (2020: EUR 121,266) will be added to the general reserve.



Post Balance Sheet Events

The Coronavirus is still around and having an impact on public life and our daily work. The impact has reduced for our office in Woerden, but the impact on operations continues with both lockdowns at some of our major sourcing locations and logistics challenges. We have made a contingency plan with clear measures how to best cope with the challenges resulting from this outbreak. Our staff is now welcome at office again, but we have enabled partly working from home in the Netherlands. This is possible due to our highly automated infrastructure. We have business continuity plans in place. For instance we have documented most of our processes and have appointed back-ups for our critical staff

in case they get ill. Also our in-country operations in Africa are impacted. Although Africa is less impacted by the corona virus, some restrictions are in place. At the moment we expect that our projects in Africa can continue, with some impact on physical training of people. We do have an e-learning platform and are able continue training for most projects via e-learning. If the situation gets worse in Africa it might of course be possible our projects will face delays. We continue monitoring this frequently. Since we are active in the distribution of essential medicines our activities are earmarked as vital for society and therefore we will be allowed to continue working on them by governments.

Approval of the annual report

Approved by:

SUPERVISORY BOARD

C.J. Berendsen	residing at Geldermalsen - The Netherlands (Chair)
M.A. Jacobs	residing at Oegstgeest -The Netherlands
M.J. Kok	residing at The Hague-The Netherlands
H.E. van Schooten	residing at Delft-The Netherlands

Adopted by:

EXECUTIVE BOARD

E.A. Monchen
Chief Executive Officer
Woerden, July 23st, 2022

Auditors Report



To the Supervisory Board of Stichting Iplussolutions

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INDEPENDENT AUDITOR'S REPORT

A. Report on the audit of the financial statements 2021 included in the annual report

Our opinion

We have audited the financial statements 2021 of Stichting Iplussolutions based in Woerden.

In our opinion the accompanying financial statements give a true and fair view of the financial position of Stichting Iplussolutions as at 31 December 2021, and of its result for 2021 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:

- 1 the balance sheet as at 31 December 2021;
- 2 the profit and loss account for 2021; and
- 3 the notes comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Stichting Iplussolutions in accordance with the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

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

B. Report on the other information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of:

- the annual report from the CEO;
- other information as required by Part 9 of Book 2 of the Dutch Civil Code.

Based on the following procedures performed, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements
- contains the information as required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

Management is responsible for the preparation of the management report in accordance with Part 9 of Book 2 of the Dutch Civil Code and other information as required by Part 9 of Book 2 of the Dutch Civil Code

C. Description of responsibilities regarding the financial statements

Responsibilities of management and the supervisory board for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, management should prepare the financial statements using the going concern basis of accounting, unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Management should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

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 financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern;
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

Rotterdam, 2 august 2022

Baker Tilly (Netherlands) N.V.


 drs. L. den Boer RA
 Director Audit



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