ANNUAL REPORT 2025

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The board

Carl-Gunnar Höglund

CHAIRMAN

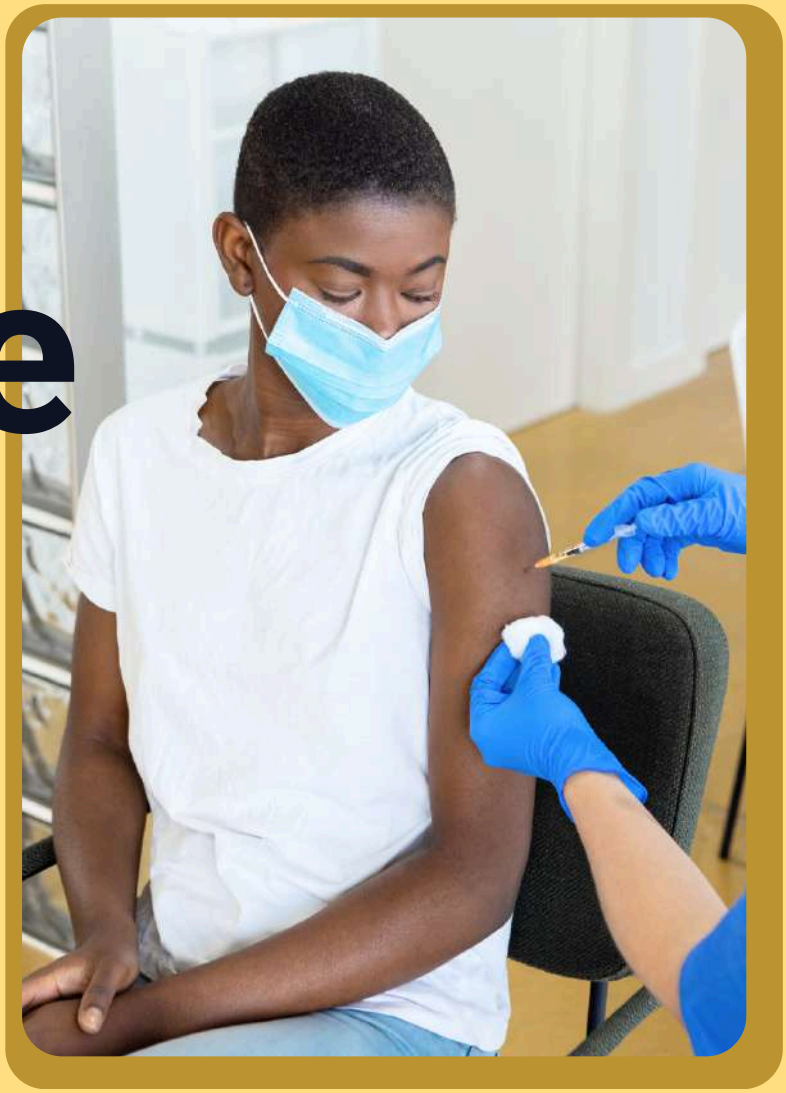
Rustam Nabiev

CEO

Andreas Winqvist

Shahnoza Eshon

Who we are



Our vision is to reach a day when no individual dies or suffers from preventable diseases. Our goal is to see that every person receives essential health services, regardless of where they live.

ABOUT SHIFO FOUNDATION

Shifo Foundation is a non-profit organisation dedicated to revolutionising healthcare systems and ensuring equitable access to essential healthcare services. Shifo focuses on transforming healthcare delivery by harnessing innovative technologies to bridge gaps and address root causes. Our mission goes beyond borders, aiming to create a world where every individual, irrespective of where they live, enjoys comprehensive health services. Founded on principles of adaptability and resilience, Shifo envisions a global landscape where everyone has the opportunity for a healthy life.

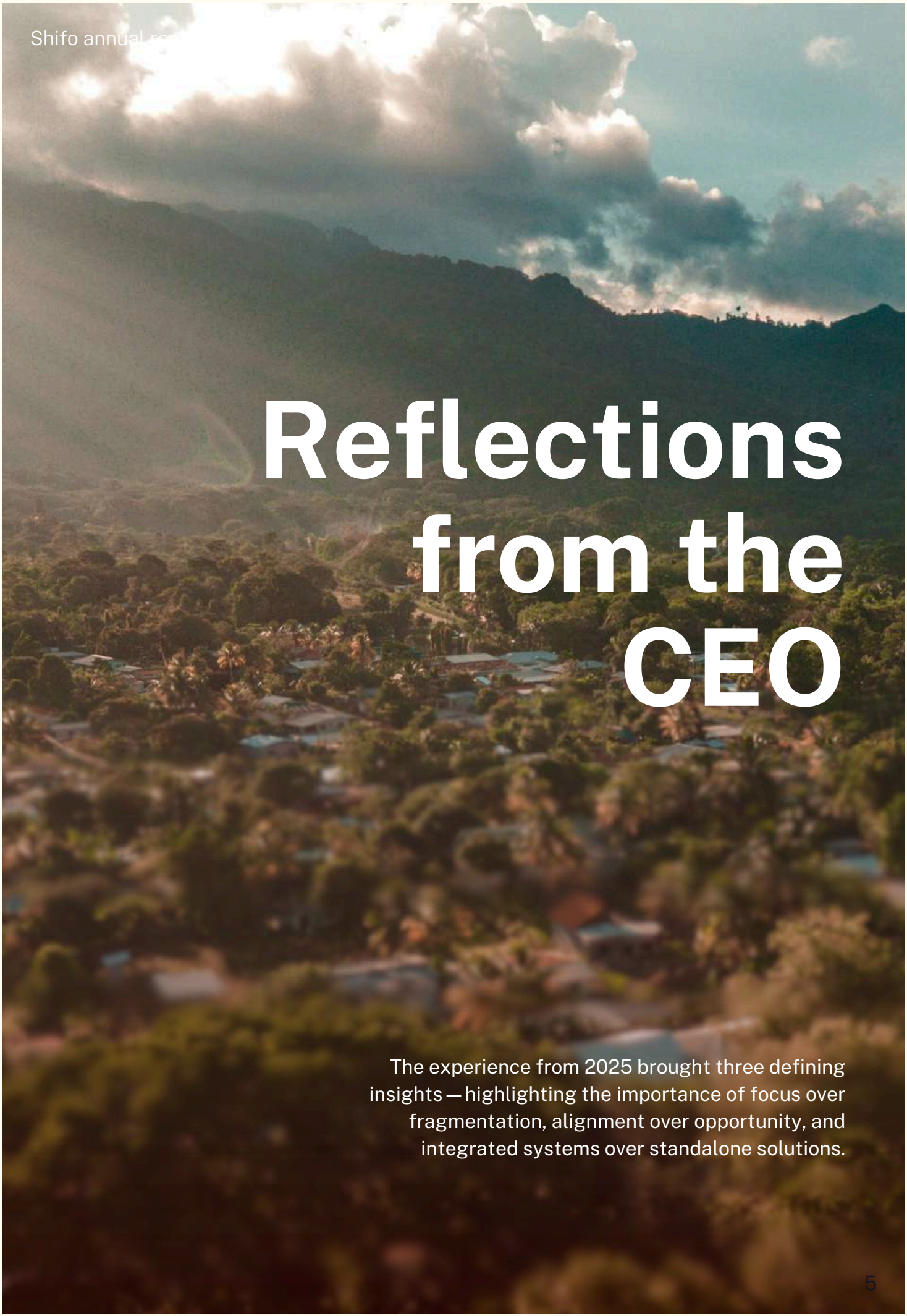
For more information and publications, visit **https://www.shifo.org.**

OUR VALUES

Doing the right things and doing them right.

Do the right things and do them right, and we help each other and our partners. In general terms, we follow the law, act honourably and treat each other with respect.

This one value that we have in Shifo shall be remembered in every situation throughout our work. We should only do the right things and identify the best method to do it right.



Reflections from the CEO

The experience from 2025 brought three defining insights — highlighting the importance of focus over fragmentation, alignment over opportunity, and integrated systems over standalone solutions.

During the year 2025, we learned the following 3 key insights that will guide us in refining our actions in the coming years:

1. Having pilots in different countries is not a strength, but a weakness, if the stars are not aligned. Therefore, for the purposes of developing, testing and refining Shifo's innovations, we just need to have 1 pilot country, where the Shifo Team is working very closely with the Ministry of Health, and where we can quickly deploy, test and learn the new innovations, and, how to package the innovations for scale. The Gambia, where Shifo has been operating since 2017, is the most optimal for this, and, going forward, we will focus on creating an environment where Shifo's innovations can be deployed and tested quickly in The Gambia, especially in Bundung Maternal and Child Hospital.
2. For any solution to be successfully implemented at a national level and to have a chance to replace the old system, the stars must be aligned. For stars to align, we need 3 major ingredients: 1. Financial support from the Government and Financial Institutions, most importantly the World Bank, and, ideally, others such as The Global Fund and Gavi; 2. Political support from the Ministry of Health, where RBF 2.0 is spearheaded as a top priority for the Ministry of Health, and new policies are formalised to officially adopt the RBF 2.0 Solution; 3. Strong implementation team that can work with district/regional leadership and health institutions to successfully implement the solution at scale.
3. Digitisation solution (for patient data or stock data management) will only be effective and sustainable when these innovations are brought as part of a bigger project to implement either Results-Based Financing or National Health Insurance System.

Equipped with these 3 key insights, Shifo is going to refine its actions and focus on the following 3 key focus areas in the coming year 2026:

1. We will drop all the pilots we had in different countries, except in The Gambia, and will not pursue pilot projects unless the stars are aligned.
2. We will double down our efforts in Haiti, where the stars are fully aligned, and where all innovations are packaged as part of Results-Based Financing.
3. We will continue optimising and improving innovations that will eliminate big and small stones to make sure the RBF 2.0 Solution is successful at scale.

RUSTAM NABIEV
CEO

Shifo

2025 – a year of acceleration

In 2025, Shifo moved from pilots to scale.
Across The Gambia, Haiti, and Honduras, Primary Healthcare and Results-Based Financing 2.0 became operational at national and sub-national levels.

We focused on:

SCALING THE DIGITAL PRIMARY HEALTHCARE SYSTEM

STRENGTHENING SYSTEM PERFORMANCE AND SCALABILITY

CONNECTING PERFORMANCE DIRECTLY TO PAYMENT

BUILDING THE CAPACITY TO IMPLEMENT NATIONALLY WITHIN THREE MONTHS

STRENGTHENING COLLABORATION WITH STRATEGIC PARTNERS

THIS YEAR CAME WITH AN IMPORTANT INSIGHT:

Scale does not come from more pilots. Scale comes from institutional alignment. When digital systems, financing mechanisms, and institutional actors move in the same direction, national implementation becomes achievable.

ENTERING 2026

With stronger partnerships, improved system architecture, and refined implementation capacity, Shifo is entering 2026 prepared for large-scale deployment.

Healthcare systems can be digitised.
Financing can be performance-based.
National scale is achievable.

Operational Highlights

HAITI — EXPANDING RBF 2.0

In 2025, Results-Based Financing 2.0 for Primary Healthcare (PHC) expanded to 20 health centres in the North Department of Haiti. The solution links payments directly to verified health services delivered. Digital immunisation data entry was introduced in one selected facility, together with stock management, to improve transparency in both service delivery and vaccine availability. Automated invoice generation and accounting workflows were further refined based on implementation experience, reducing administrative complexity and strengthening financial accountability. During the year, the Shifo team conducted knowledge transfer with the Ministry of Health (Unité de Coordination and Unité de Gestion de Projet), strengthening local capacity to manage and further implement the system.
Haiti continues to demonstrate how verified patient-level data can be directly connected to performance-based financing within routine primary healthcare services.

HONDURAS — NATIONAL SCALE

In 2025, 1,273 clinics across Honduras were trained and are actively using Shifo's solution nationwide, representing the largest deployment of the system to date. Direct digital data entry became the standard operating model, with 98% of health data entered directly through digital systems. Immunisation services operate through offline digital data entry with automatic synchronisation once connectivity is restored, ensuring continuity in low-resource settings. The scale of implementation in Honduras has strengthened Shifo's deployment methodology, training models, and system configuration processes, increasing readiness for rapid national implementation.

THE GAMBIA — INNOVATION TESTBED

In The Gambia, PHC 2.0 continued to operate in Bundung Hospital and Fajikunda Health Centre as a fully digitised system. The country serves as Shifo's innovation testbed, where new functionalities — including stock management, automatic notifications, and expanded financing mechanisms — are tested and refined in real operating conditions. Preparations began to integrate Results-Based Financing for immunisation and maternal health, strengthening the connection between service delivery, data verification, and financing.

Our solutions

Strengthening healthcare financing

Effective healthcare financing is fundamental to enabling equitable access to essential primary healthcare services at scale. However, in many contexts, financing mechanisms rely on manual reporting, paper-based verification, and fragmented data systems. Service delivery records are separated from financial workflows, performance indicators are calculated manually, and approvals depend on documentation requiring time-consuming review.

These structural limitations lead to delayed payments, high administrative overhead, and limited transparency. As a result, performance-based financing programmes struggle to operate efficiently at national level.

Shifo focuses on strengthening healthcare financing by building the digital infrastructure required to support it. Reliable payments require verified service data. Verification requires structured workflows. Governance requires embedded approval mechanisms. To address these constraints, Shifo has developed an integrated digital architecture that connects service delivery, verification, financing, stock management, and reporting within one unified system.

Our flagship solutions combine:

- **Digital Primary Healthcare** — full digitisation of routine primary healthcare services
- **Results-Based Financing 2.0 (RBF 2.0)** — automated, performance-linked payments
- **Input-Based Financing (IBF)** — structured management of operational and activity-based expenditures

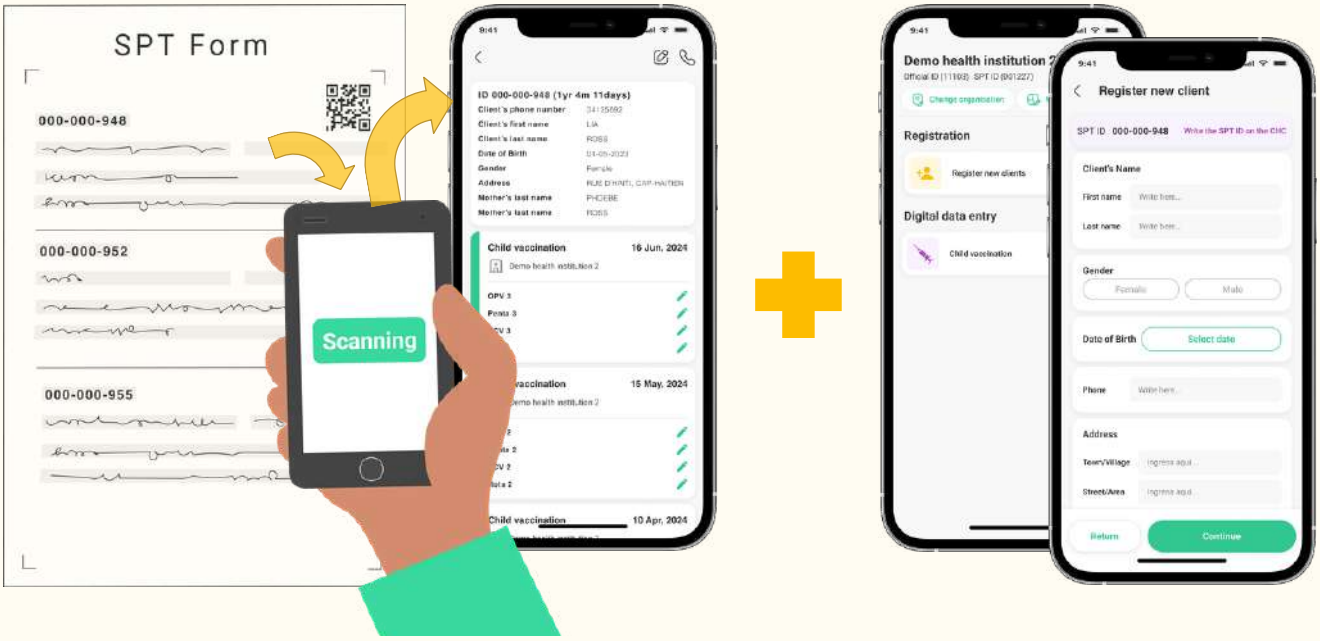
DATA-DRIVEN HEALTHCARE FINANCING

The foundation of our system is digitised patient-level data, enabling accurate tracking of healthcare services and the financial transactions linked to them.

Data is captured through both direct digital entry and Smart Paper Technology, ensuring that infrastructure limitations — such as electricity and internet connectivity — do not hinder service documentation.

By structuring data collection at the point of care, the system creates a reliable basis for performance calculation, verification, and financing.

Both paper-based and digital data entry



RBF 2.0 — LINKING PAYMENTS TO VERIFIED PERFORMANCE

Results-Based Financing 2.0 links verified service delivery data directly to performance-based payments.

Performance indicators are calculated automatically based on digitised patient-level data. Payment requests are generated within the system and include all supporting documents required for review and approval.

Invoice processing is automated, streamlining approval workflows to reduce delays. The system includes built-in verification mechanisms. Reported services can be validated through structured checks and randomised follow-ups, with verification records stored directly in the system. This reduces the administrative burden usually associated with manual review processes.

By integrating service data, performance calculation, invoice generation, and verification within one digital system, RBF 2.0:

- Links payments directly to verified services
- Significantly reduces administrative costs and workload
- Improves transparency in payment processing
- Enables timely and predictable disbursement
- Supports implementation at national scale

INPUT-BASED FINANCING — MANAGING OPERATIONAL EXPENSES

While Results-Based Financing (RBF) strengthens accountability by linking payments to verified health services, essential health system activities — such as training, supervision, logistics, and operational support — are not always directly tied to service output indicators. These activities remain critical for maintaining service quality and system performance.

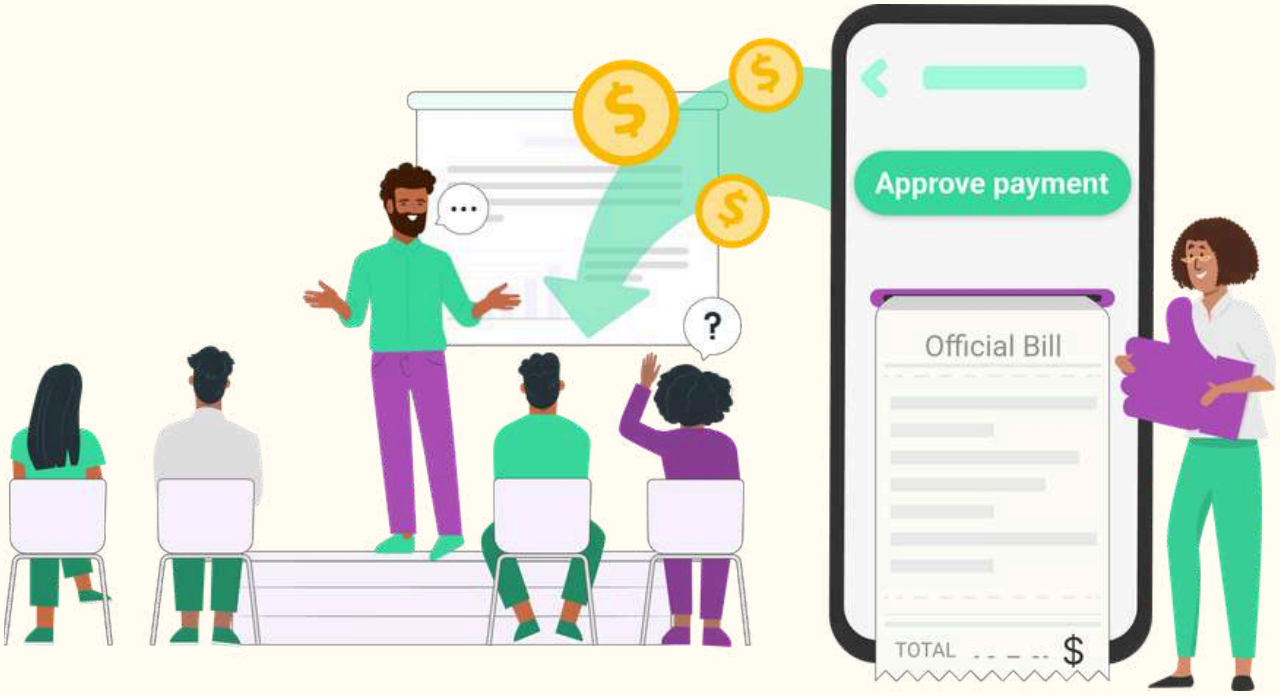
Input-Based Financing (IBF) addresses this need by enabling the management of operational and activity-based expenditures within the same digital architecture.

Through IBF, budgets can be defined within the system, activities can be registered and approved, and expenditures can be submitted with the required documentation.

Approval workflows are configured according to institutional requirements, and all transactions are recorded digitally. This allows real-time tracking of expenditures, improved oversight, and automated financial reporting.

By integrating IBF alongside digital primary health care data and RBF 2.0, it ensures that both service-linked payments and operational expenditures are managed within one unified system — strengthening financial transparency, control, and sustainability at national scale.

Plan activities, make request and get paid on-time



Latest development

TECHNOLOGICAL ACCELERATION AND SYSTEM MATURITY

In 2025, product development focused on strengthening system performance, scalability, and implementation readiness. As deployments expanded and financing mechanisms matured, the technical architecture was refined to support national-level operations with greater speed, reliability, and automation.

The year marked a transition from feature expansion to system optimisation — ensuring that digital data collection, RBF 2.0, and IBF can operate efficiently across large networks of health facilities.

STRENGTHENING SYSTEM PERFORMANCE

Significant improvements were made to core system performance. National-level reporting calculations can now be completed in minutes, enabling faster aggregation and analysis across facility networks. Dashboard responsiveness was optimised to near-instant loading, improving usability for health managers and decision-makers.

Backend processing architecture was refined to improve stability during peak reporting periods and reduce operational friction. These enhancements strengthen the system's ability to operate reliably at national scale.

ADVANCING THE MYSHIFO APP

The MyShifo App continued to evolve as the central operational tool for service documentation and verification. Direct digital data entry capabilities were strengthened, supported by offline-first architecture and automatic synchronisation when connectivity is restored.

Peer-to-peer (P2P) connectivity functionality was developed, enabling devices to communicate and synchronise locally even in the absence of internet connectivity.

STOCK MANAGEMENT

Technological development in 2025 further strengthened integration between service delivery, financing mechanisms, and stock oversight.

Automatic alert functionality was introduced to support real-time monitoring of medicine availability at facility and warehouse levels. This enhances transparency in supply management and strengthens alignment between stock monitoring and financing incentives where applicable.

FINANCIAL INTEGRATION

RBF 2.0 and IBF workflows were further refined to improve automation of calculation, approval, and reporting processes. Configuration tools were enhanced to support adaptation to country-specific governance structures without requiring complex system modifications.

ENABLING RAPID NATIONAL DEPLOYMENT

A key development priority in 2025 was reducing the time and complexity required to configure and deploy the system in new countries. Improvements to configuration tools, reporting automation, and workflow flexibility strengthened readiness for rapid implementation.

The objective remains clear: to enable setup within one month and support national implementation within three months.

LOOKING AHEAD

With improved system performance, stronger integration of financing mechanisms, and refined deployment tools, the technical foundation is prepared for larger-scale implementation. Continued development will focus on reliability, configurability, and institutional adaptability to support national health system reform.

Collaboration for scale

Long-term collaboration with Ministries of Health and financing partners remains central to large-scale implementation. Sustainable integration of digital services and financing mechanisms requires coordination across technical, administrative, and financial structures within national health systems.

Implementation at scale cannot be achieved through a standalone technical deployment. It depends on working closely with national authorities, aligning with existing financing programmes, and continuing to engage with institutional stakeholders responsible for oversight, budgeting, and service delivery.

During 2025, experience from Haiti and Honduras demonstrated that close cooperation with national authorities and the World Bank supports structured expansion of SPT for PHC and RBF 2.0 beyond pilot settings and into routine health system operations.

In Haiti, collaboration with the Ministry of Health and the World Bank supported the expansion of RBF 2.0 for PHC to 20 health centres in the North Department. Knowledge transfer activities strengthened local capacity to manage system configuration, verification processes, and financial workflows.

In Honduras, nationwide deployment was achieved through sustained engagement with national health authorities and implementation partners. Direct digital data entry became part of routine service delivery, strengthening the foundation for national reporting and performance-monitoring.

The Gambia continues to serve as an implementation and testing environment, where new functionalities are refined in collaboration with national stakeholders before broader deployment.

The focus remains on integrating digital service delivery and financing mechanisms within national systems rather than expanding isolated pilot projects.

Results and financials

GROUP RELATIONS

The foundation owns the subsidiary Shifo Sweden AB. According to Chapter 7, Section 3 of the Swedish Annual Accounts Act (ÅRL), no consolidated accounts are drawn up.

CHANGE IN EARMARKED FUNDS

	Earmarked funds	Profit/loss brought forward	Total equity
Opening Balance	8,684,517	228,079	8,912,596
Utilisation of earmarked funds	- 863,006	0	0
Allocation of net resources	0	0	- 863,006
Continuous development of SPT	0	0	0
Closing Balance	7,821,511	228,079	8,049,590

MULTI-YEAR FINANCIAL OVERVIEW

	2025	2024	2023	2022
Profit for the year Solvency	0	0	58,091	169,452
Ratio (%)	14.26	34.65	32.63	36.76

PROFIT AND LOSS STATEMENT

Revenue	Notes	2025 (SEK)	2024 (SEK)
Grants		0	2,373,267
Net sales		21,320,103	7,949,032
Other revenues		- 3,600,977	1,513,494
Total revenue		17,719,126	11,835,793

Costs

Operational costs		17,281,835	11,324,313
Fundraising costs		0	0
Administration costs		437,291	511,480
Total programme service expenses		17,719,126	11,835,793

Result for the Year		0	0
Tax Income tax		0	0
Result for the Year		0	0

BALANCE SHEET

ASSETS

FIXED ASSETS

Financial assets

	Notes	2025 (SEK)	2024 (SEK)
Share in subsidiaries	9	55,052	55,052
Shares and securities in other companies	6	9,500,000	0

CURRENT ASSETS

Receivables

	Notes	2025 (SEK)	2024 (SEK)
Receivables from subsidiaries		385,709	397,611
Accounts receivable		429,862	0
Other receivables	4	340,927	47,904
Prepaid expenses and accrued income	5	668,779	119,120

Cash and bank balances

	Notes	2025 (SEK)	2024 (SEK)
Cash and bank		45,052,197	25,100,130
TOTAL ASSETS		56,432,527	25,719,818

EQUITY AND LIABILITIES

EQUITY

	Notes	2025 (SEK)	2024 (SEK)
Earmarked funds		8,049,590	8,912,596
Profit/loss brought forward		0	0
TOTAL EQUITY		8,049,590	8,912,596

LIABILITIES

Current liabilities

	Notes	2025 (SEK)	2024 (SEK)
Accounts payable		944,325	841,610
Other liabilities	7	316,314	313,370
Accrued expenses and deferred income	8	47,122,298	15,652,242
TOTAL LIABILITIES		48,382,937	16,807,222
TOTAL EQUITY AND LIABILITIES		56,432,527	25,719,818

CASH FLOW STATEMENT

Operating activities	2025 (SEK)	2024 (SEK)
Result for the year	0	0
Interest received	0	0
Cash flow from current operations before changes in working capital	0	0
Change in current receivables	- 1,260,642	1,664,065
Change in current liabilities	31,575,715	-1,073,064
Cash flow from Operating Activities	30,315,073	591,002
Change in reserves	- 863,006	55,904
Change in shares and securities in other companies	- 9,500,000	0
Cash flow from Investing Activities	- 10,363,006	55,904
CASH FLOW FOR THE YEAR	19,952,067	646,905
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	25,100,130	24,453,225
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	45,052,197	25,100,130

NOTES TO PROFIT AND LOSS STATEMENT AND BALANCE SHEET

Note 1. Accounting and valuation principles

Accounting and valuation policies are in accordance with the Swedish Annual Accounts Act, the Swedish Accounting Standards Board's (BFN) guidelines BFNAR 2012:1 (K3).

Programme service revenue

Unless otherwise indicated below, revenue is measured at the fair value of what has been received or will be received.

For fixed-price service assignments, the income and expenses attributable to a service assignment performed are reported as income and expense respectively in relation to the degree of completion of the assignment on the balance sheet date (percentage-of-completion method).

The stage of completion of an assignment is determined by comparing expenses incurred on the balance sheet date with estimated total expenses. In cases where the outcome of an assignment cannot be reliably estimated, revenue is recognized only to the extent that it corresponds to the assignment expenses incurred that are likely to be reimbursed by the client. An anticipated loss on an assignment is recognized immediately as an expense.

Gifts

Gifts are, as a main principle, accounted for as revenue. Gifts in the form of equipment, supplies, services and rent- free office space are not reported as revenue. Gifts are, as a main principle, recognised at fair value.

Grants

Grants are recognised as revenue when the conditions for receiving the grant have been fulfilled. Grants received are recognised as liabilities until the conditions for receiving the grant have been fulfilled. Grants are recognised at fair value of what Shifo received or will receive.

Programme service expenses

Shifo's programme service expenses are reported as operational costs, fundraising and administrative costs.

Operational costs for projects

Operational costs for projects consist of those expenses that Shifo carries out in accordance with its statutes.

Fundraising expenses

Fundraising expenses relate to the costs incurred to mobilise donations form individuals and businesses via fundraising materials, printing costs, advertising as well as staff costs for personnel involved in fundraising activities.

Administration expenses

Administration costs are costs that are necessary to manage the foundation. Administration is part of assuring good quality in the organisation's internal controls and reporting on programmes to donors. Administrative costs include, among others, the cost of rent, administrative personnel, audit (excluding the audit of project funds) and other operating expenses for the office.

Cash flow statement

The cash flow statement has been prepared using the indirect method.

Assets and Liabilities

Accounts receivable are valued individually at the amount expected to be received.

Receivables and liabilities in foreign currency are valued at the closing date exchange rate.

Earmarked Funds

In the item Earmarked funds in equity, gifts and other specific funds that have not yet been used are reported.

Liability for unused grants received

When the Foundation has received a grant but has not yet fulfilled the requirements, a liability is recognised.

Tax

The foundation had no taxable profits in the year 2025.

Note 2. Employee and personnel costs

Average number of employees	2025	2024
Women	2	2
Men	3	4
Total	5	6

Board members and senior management	2025	2024
Board members (of which men)	5(4)	5(4)
Director (of which men)	1(1)	1(1)

Salaries and other remuneration	2025	2024
Board of Directors	64,400	50,000
Director	806,190	834,192
Other employees	2,135,511	2,397,218
Total salaries and other remuneration	3,006,101	3,281,410
Social security contribution	1,268,664	1,381,139
(Of which pension costs excluding payroll tax)	-297,118	-313,388

The five employees included above are employed in Sweden. The global team in 2025 was composed of 41 team members.

Note 3: Leasing

Shifo Foundation leased office space. Expensed leasing fees in 2025 amount to 56,984 SEK. Future leasing fees are due as follows:

	2025	2024
In 1 year	75,980	56,984
2-5 years	246,935	327,400
Total	322,915	384,384

Note 4. Other receivables

	2025 (SEK)	2024 (SEK)
Balance on tax account	340,927	47,904
Other current receivables	0	0
Total	340,927	47,904

Note 5. Prepaid expenses and accrued income

	2025 (SEK)	2024 (SEK)
Prepaid expenses resulting from unutilised grants	124,165	86,170
Other prepaid expenses	544,614	32,950
Total	668,779	119,120

Note 6. Shares and securities in other companies

	2025 (SEK)	2024 (SEK)
Investments in Index funds	9,500,000	0
Total	9,500,000	0

Note 7. Other liabilities

	2025 (SEK)	2024 (SEK)
Estimated special salary tax on pension costs	136,983	124,054
Personnel tax	79,899	84,889
Social security contribution	99,432	104,426
Income tax	0	0
Total	316,314	313,370

Note 8. Accrued expenses and deferred income

	2025 (SEK)	2024 (SEK)
Accrued vacation pay	138,053	289,948
Accrued expenses, social security contribution	43,376	91,102
Accrued audit	40,000	70,000
Accrued expenses, consultant payments	572,898	0
Deferred income	46,327,971	15,201,193
Total	47,122,298	15,652,242

Note 9. Shares in subsidiaries

Shares in subsidiaries	55,052 SEK
Company Name	Shifo SWE AB
Organisational number	556979-8530
Ownership	100%
This year's results	-16,368 SEK
Total	39,789 SEK

There has been no sales or purchases between the company and foundation.

List of abbreviations

EPI	Expanded program on immunisation
KPI	Key performance indicator
LMIS	Logistics management information system
MOH	Ministry of health
PHC	Primary health care
RBF	Results-based financing
SESAL	Ministry of health (Honduras)
SPM	Smart payment mechanism
SPT	Smart paper technology

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