

2017

ANNUAL REPORT



ALKALOID
SKOPJE



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KEY FINANCIAL INDICATORS

| | (In 000 MKD) | | |
|---|--------------|------------|--------|
| | Amount | Amount | Index |
| | 2017 | 2016 | 17/16 |
| Total Revenues | 9,423,978 | 8,594,098 | 109.66 |
| Sales | 9,094,716 | 8,292,770 | 109.67 |
| Gross Profit | 4,058,314 | 3,744,261 | 108.39 |
| Earnings before interest, taxes, depreciation and amortization (EBITDA) | 1,413,337 | 1,296,424 | 109.02 |
| Operating Profit | 912,245 | 854,455 | 106.76 |
| Profit Before Tax | 907,754 | 842,048 | 107.80 |
| Net Profit | 809,277 | 731,818 | 110.58 |
| Total Assets | 11,317,535 | 10,591,246 | 106.86 |
| Equity | 8,876,070 | 8,443,405 | 105.12 |
| Net Cash Flow | (63,249) | (112,283) | 56.33 |
| Investments in Assets (PPE&IA) | 861,420 | 712,283 | 120.94 |
| Average Number of Employees | 1,771 | 1,650 | 107.33 |
| Sales per Employee | 5,135 | 5,026 | 102.18 |
| Current Ratio | 2.57 | 2.51 | 102.39 |
| Long-term Debt | 3.0% | 0.8% | 380.58 |
| ROE Return on Equity | 9.12 | 8.67 | 105.19 |
| EPS Basic Earnings per Share (In MKD) | 571.3 | 516.6 | 110.58 |
| DPS Net Dividend per Share (In MKD) | 243.00 | 225.00 | 108.00 |
| Total Number of Shares | 1,431,353 | 1,431,353 | 100.00 |
| 1 EUR/1 MKD (Average) | 61.5743 | 61.5950 | 99.97 |

FINANCIAL HIGHLIGHTS

| | (In 000 EUR) | | |
|---|--------------|---------|--------|
| | Amount | Amount | Index |
| | 2017 | 2016 | 17/16 |
| Total Revenues | 153,051 | 139,526 | 109.69 |
| Sales | 147,703 | 134,634 | 109.71 |
| EBITDA | 22,953 | 21,048 | 109.05 |
| EBIT Earning Before Interest and Taxes | 14,815 | 13,872 | 106.80 |
| Net Profit | 13,143 | 11,881 | 110.62 |
| EPS Earnings per Share | 9.28 | 8.39 | 110.62 |

highlights

017

“Trajche Mukaetov”

Foundation granted 39 new scholarships for the academic year 2017/2018 to students of medicine and pharmacy at the University “Sts. Cyril and Methodius”

7th charity

picnic collected above MKD 1 Mil. donated to the Pediatric Clinic of the Clinical Centre “Mother Theresa” in Skopje

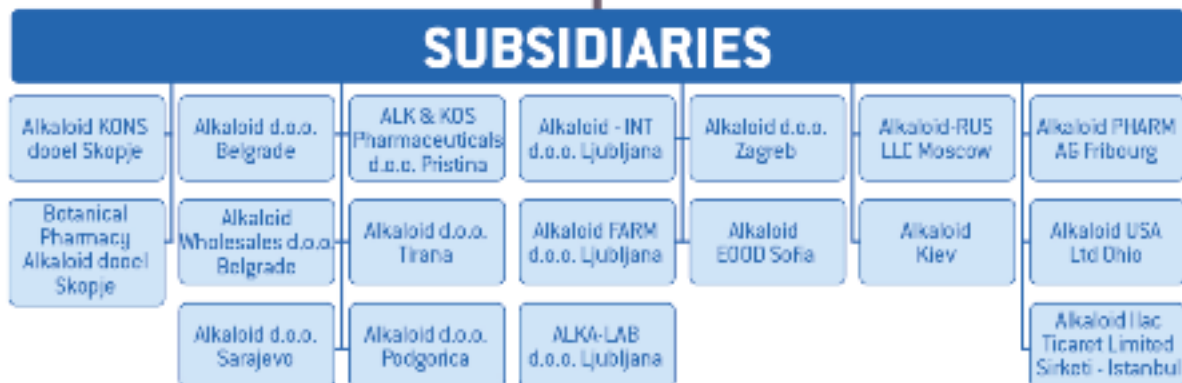
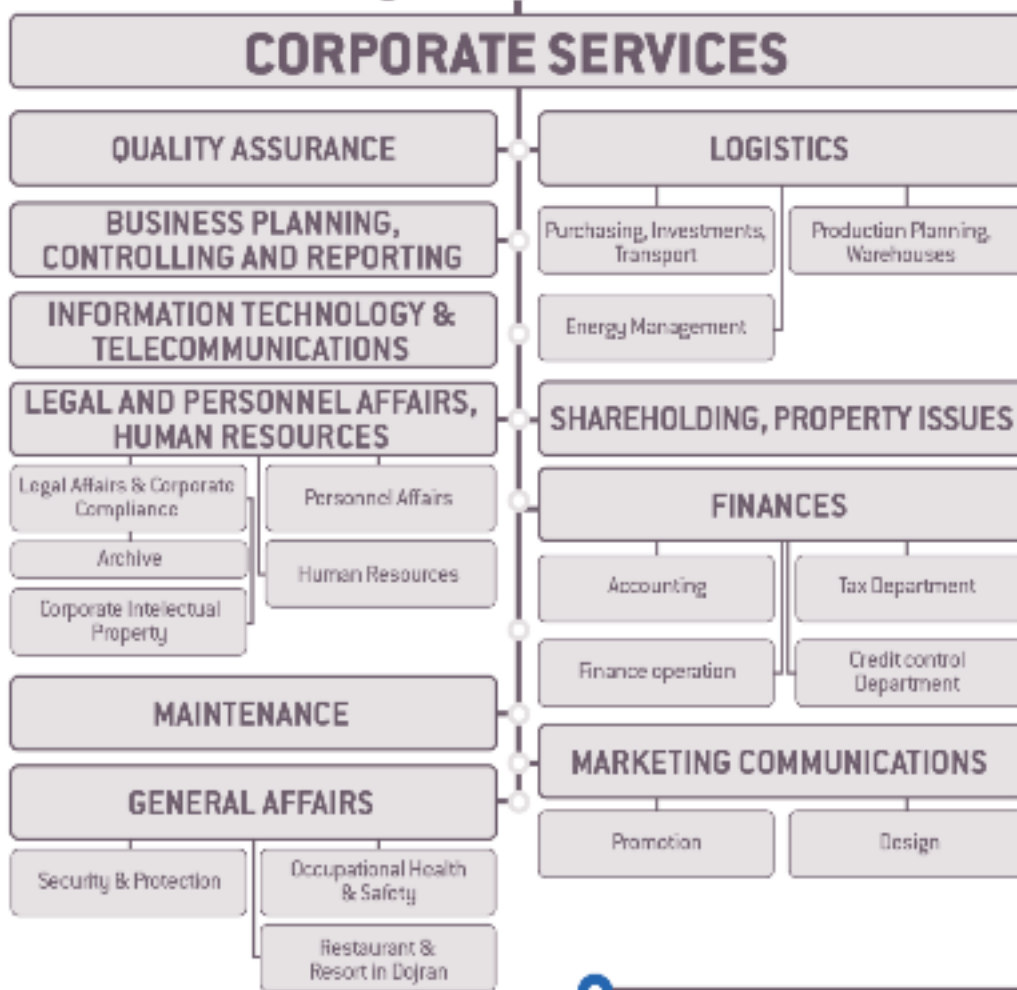
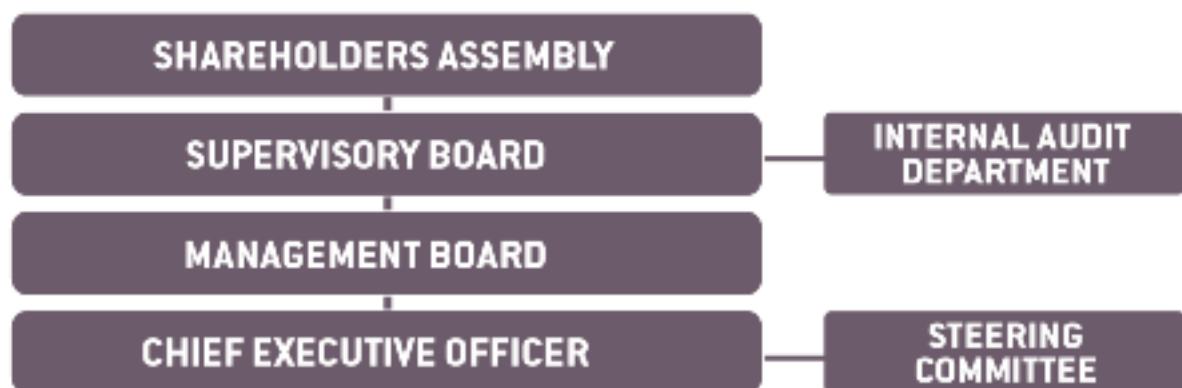
Leading baby care cosmetics brand BECUTAN marked 40 years of existence

Alkaloid sponsored the 7th “Summit100 Business Leaders”, which hosted more than 150 business leaders from the region, representatives of regional chambers of commerce, EC officials, 2 state presidents and 4 prime ministers from the Western Balkans countries

Macedonian Ministry of Economy decorated Alkaloid with jubilee plaque for continuous corporate social responsibility (2007 - 2017). Alkaloid was also granted recognition for being environmentally friendly company and a recognition for best socially responsible practices in the category: relationship with the employees, both pertaining to year 2017

Alkaloid initiated an internship program for students of pharmacy and chemistry at the University “Sts. Cyril and Methodius”

Alkaloid commissioned 3 new investment projects worth over EUR 2.5 million, covering surface of more than 1000m²



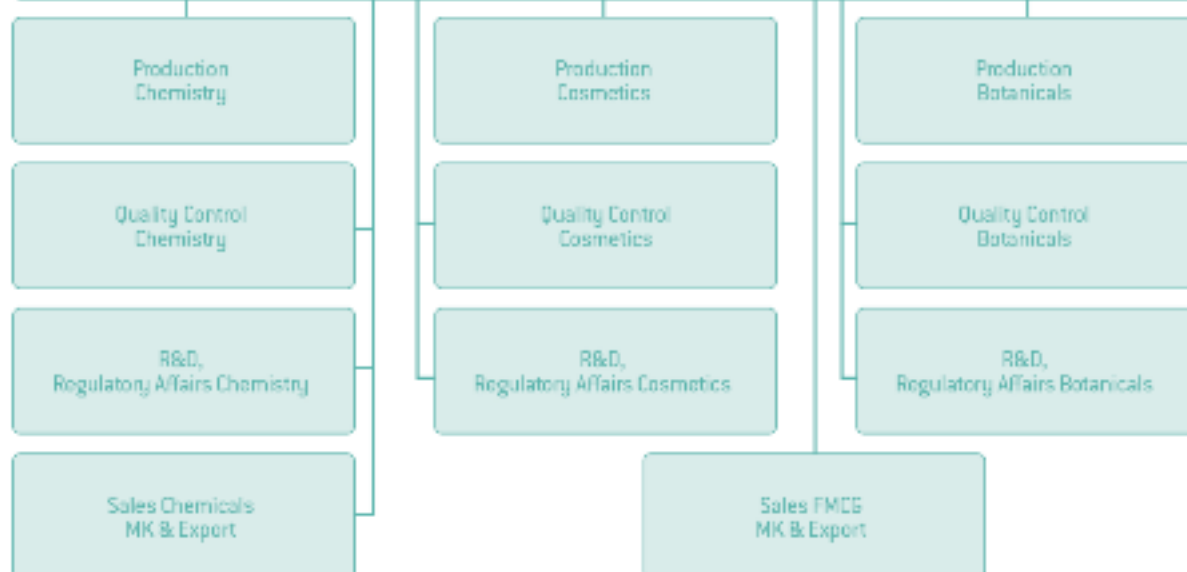
ORGANIZATIONAL CHART ALKALOID AD SKOPJE

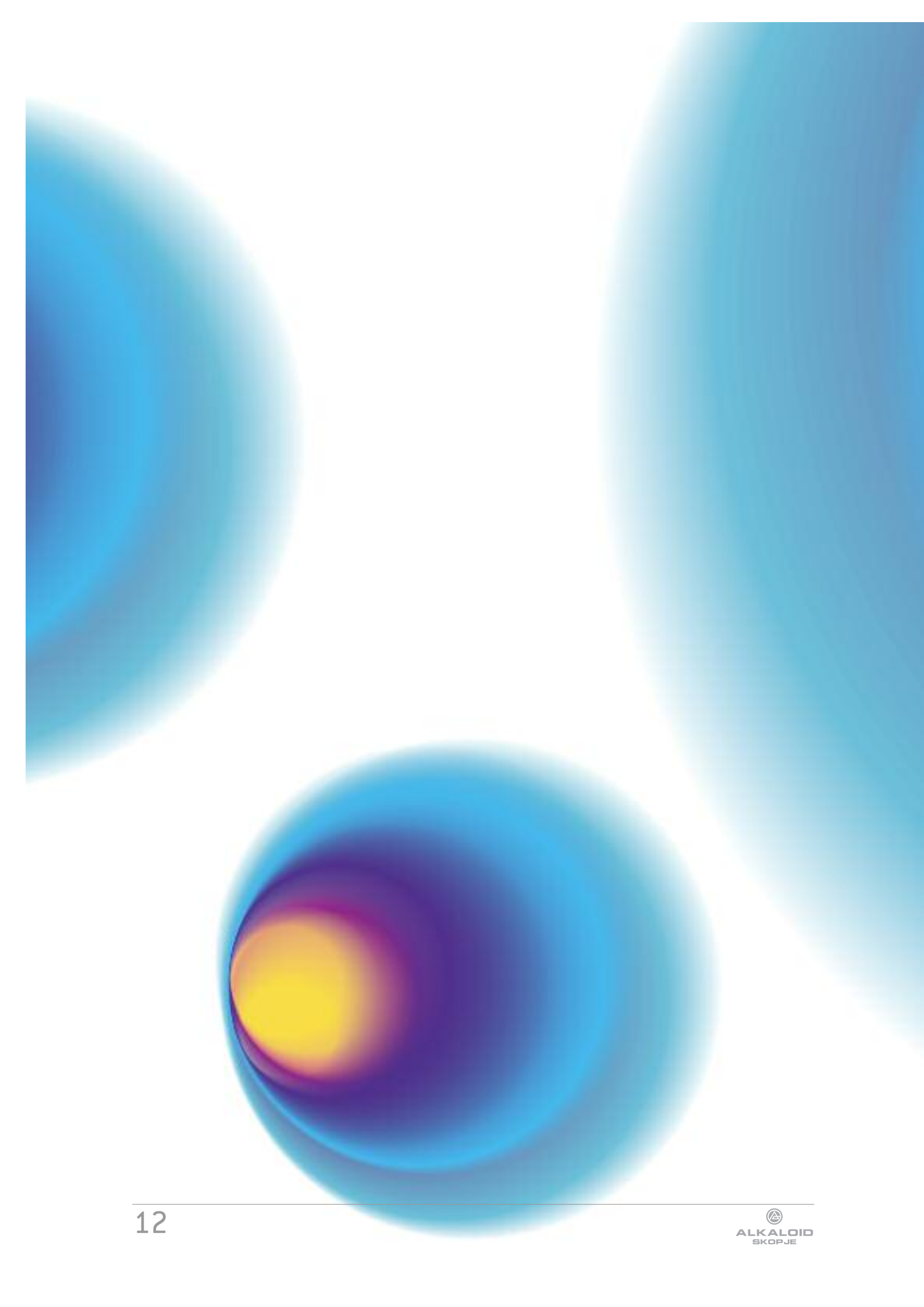
2017

PC PHARMACEUTICALS



PC CHEMISTRY, COSMETICS, BOTANICALS





corporate information

REPORT ON THE WORK OF THE SUPERVISORY BOARD OF ALKALOID AD SKOPJE

In 2017, the Supervisory Board of Alkaloid AD Skopje operated as follows:



Prof. D-r Miodrag Micajkov

President of the Supervisory Board

Ph.D. in Law

Professor and former Dean of the Faculty of Law "Justinian I" at "Sts. Cyril and Methodius University" in Skopje. President of the Board since 1998.



Prof. D-r Ilija Dzhonov

Member of the Supervisory Board

MD, Dr. Sci. med.

Professor and former Dean of the Faculty of Medicine at "Sts. Cyril and Methodius University" in Skopje. Member of the Board since 1998.



Bojancho Krlevski

Member of the Supervisory Board

B.Sc. in Chemical Engineering.

Employed at Alkaloid AD Skopje. Member of the Board since 1998.

In accordance with the Law on Trade Companies and the Statute of ALKALOID AD Skopje, the Supervisory Board is authorized to supervise the management of the Company performed by the Management Board as well as to analyze and assess the documents of the Company. The authorizations of the Supervisory Board are set forth in the Law on Trade Companies and the Statute of Alkaloid AD Skopje.

In the course of year 2017, the Supervisory Board held 9 (nine) sessions and passed 20 (twenty) Decisions.

During its formal sessions, the Supervisory Board reviewed and discussed all important issues that fell within the scope of its competences, including the unaudited standalone financial reports and unaudited consolidated financial reports for year 2017, as well as those for the period 1 January to 31 March 2017; 1 January to 30 June 2017; 1 January to 30 September 2017 in all structures: Balance sheet of the Company, Income statement, Cash flow, Trade receivables and Borrowings.

On the formal sessions, upon invitation sent by the Supervisory Board, the Chief Executive Officer and President of the Management Board attended, along with other competent management representatives in order to elaborate all positions from the submitted unaudited standalone financial statements and unaudited consolidated financial statements thus enabling the Supervisory board to take its decisions accordingly.

Thereafter, upon the rendered assessment and elaborations given by the CEO and MB President of Alkaloid AD Skopje and the management representatives from the respective expert services, the Supervisory Board asserted to approve the unaudited standalone financial statements and unaudited consolidated financial statements as well as the unaudited unconsolidated and unaudited consolidated Balance sheet of the Company for year 2017.

The Supervisory Board carried out a regular assessment of the management of the Company i.e. the work of the Management Board and reviewed the Annual Report on the operations of the company for the period from January to December 2017. The Supervisory Board thus assessed that the operations of the Company and its management were carried out successfully in the course of the fiscal year 2017, as indicated in the presented positive financial results of the Company. The Supervisory Board positively assessed the cooperation with the President and the Members of the Management Board whose sole purpose was to build mutual attitudes aimed at realization of the set plans for successful development of the Company for 2017.

The Supervisory Board reviewed the documents of the Company regarding its financial operation and status of assets and securities pertaining to the year 2017, and upon inspection, asserted that the results of the Company in this respect are also positive and in compliance with the existing legislation.

In accordance with Article 379 Section 1 of the Law on Trade Companies, connected with the decision of the Shareholders' Assembly of Alkaloid AD Skopje No. 0201-12 dated 3 April 2017, the Supervisory Board passed a Decision to re-elect Prof. dr Miodrag Micajkov for President of the Supervisory Board.

In accordance with Article 415-b of the Law on Additions and Amendments to the Law on Trade Companies, the Supervisory Board reviewed the semi-annual report of the Internal Audit Department containing the activities of this independent organizational unit in the course of the period from January to June 2017. The Supervisory Board asserted the referenced semi-annual report thus assessing that the same is adequate, efficiently compiled and elaborated in accordance with the Law on Additions and Amendments to the Law on Trade Companies.

Pursuant to the annual plan for internal audit for year 2017 of the Internal Audit Department, the Supervisory Board reviewed and adopted the Quarterly reports for the period January-March, April-June, July-September and October-December 2017. The findings were discussed with the directors of the organizational units; they were subject to testing and subsequently fully approved.

The Internal Audit Department had compiled an annual operations plan for internal audit activities scheduled for year 2018. The Supervisory Board reviewed the plan and approved it.

In accordance with Article 415-v of the Law on Additions and Amendments to the Law on Trade Companies, the Supervisory Board reviewed and passed a decision for approval of the annual report of the Internal Audit Department for the year 2017. The annual report contained the subject of audit with a description of the undertaken activities by sector according to the audit schedule for 2017 including anticipated duration for conducting the inspections. The annual report of the Internal Audit Department encompassed the following:

- Description of performed activities
- Findings/Recommendations of rendered individual audits
- Consulting activities
- Information on the Internal Audit Department

The Supervisory Board assessed this report as sustainable, of high quality and objective, giving overall presentation of the rendered audits thus approved the aforementioned report and enclosed it to the Shareholders' Assembly.

Pursuant to Article 480, Section 2 of the Law on Trade Companies, the Supervisory Board reviewed the Statutory Standalone Financial Reports, Statutory Consolidated Financial Reports for the year ended 31 December 2017 and the Independent Auditors' Report along with the opinions issued by the independent auditor Deloitte LTD Skopje.

The audit was performed in accordance with the International Auditing Standards and the Law on Audits in the Republic of Macedonia. According to the opinion of the independent auditor, the financial reports of Alkaloid AD Skopje for the year ended 31 December 2017 are well prepared in all material aspects, in accordance with the valid accounting regulations in the Republic of Macedonia.

The Supervisory Board reviewed the records and documentation of the Company and its subsidiaries, which were related to its financial operations, and consequently asserted that in this area the Company performed its operations successfully and in full compliance with the existing legal regulations.

Following the review of the Statutory Standalone Financial Reports, Statutory Consolidated Financial Reports, the Independent Auditors' Report issued by the independent auditor Deloitte LTD, the Proposal Annual Statement of Accounts of the Company, Annual Performance Report for the period January - December 2017 and the Decision-proposal for allocation and distribution of the profit according to the annual statement of accounts of the Company for 2017, the Supervisory Board proposed to the Shareholders' Assembly to pass a decision for approval of the following:

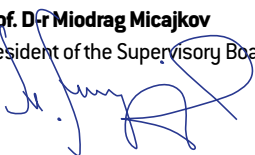
- Statutory Standalone Financial Reports, Statutory Consolidated Financial Reports and the Independent Auditors' Report issued by the independent auditor Deloitte for the year ended as at 31 December 2017;
- Annual Statement of Accounts (Balance Sheet) of the Company for year 2017;
- Annual Performance Report for the period January - December 2017;
- Decision-proposal for allocation and distribution of the profit according to the annual statement of accounts of the Company for year 2017.

The Supervisory Board also reviewed other proposals submitted by the Management Board of the Company such as: Decision-proposal for determining dates for payment of dividends for year 2017 (dividend calendar); Decision-proposal for acquisition of proper shares with buyout and Decision-proposal for selling proper shares.

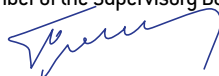
After reviewing the decision-proposals, the Supervisory Board proposed to the Shareholders' Assembly of Alkaloid AD Skopje to pass decision for approval of the above referenced.

All operations of the Supervisory Board in the course of the year 2017 were in the frame of the competences set forth in the Law of Trade Companies and the Statute of Alkaloid AD Skopje.


Prof. D-r Miodrag Micajkov
President of the Supervisory Board



Prof. D-r Ilija Dzhonov
Member of the Supervisory Board



Bojancho Kralevski
Member of the Supervisory Board



REPORT ON THE WORK OF THE MANAGEMENT BOARD OF ALKALOID AD SKOPJE



Zhivko Mukaetov

President of the Management Board and Chief Executive Officer of Alkaloid AD Skopje

Holds a B.Sc. degree in Mechanical Engineering and a postgraduate degree from the Chartered Institute of Marketing in London, UK. Member of the Management Board since 2004; appointed for President of the Management Board in 2007. Responsible for the overall operations of Alkaloid Group.



Milkica Gligorova

Member of the Management Board, Director of the Production segment of PC Pharmaceuticals of Alkaloid AD Skopje

Holds a B. Sc. Degree in Pharmacy, Specialist in Pharmaceutical Technology. Member of the Board since 2004. Responsible for the overall production operations in PC Pharmaceuticals.

Viktor Stojchevski

**Member of the Management Board and
Chief Financial Officer of the Company**

Holds a B. Sc. Degree in Economics. Member of the Board since
January 2013. Responsible for the financial operations
of the Company.



Gjorgi Jovanov

**Member of the Management Board and
Director of Shareholding Operations
and Propriety Issues of the Company**

Holds a B.Sc. degree in Economics. Member of the Board since 2006.
Responsible for the operations in the shareholding and property
segment.



Kire Icev

**Member of the Management Board and
Director of General Services Department of the Company**

B. Sc. in Mechanical Engineering. Member of the Board since 2007.
Responsible for the overall operations of the general
services department.



The Management Board has ample authorizations in the management of the Company, i.e. the implementation of the ongoing activities of the Company. It acts on behalf of the Company and within the scope of the subject matter at hand.

In compliance with the Law on Trade Companies and the Statute of the Company, the Management Board submits a Report on its operations given hereinbelow presenting the operations of the Management Board in the course of the year 2017.

Within the reporting period, the Management Board performed its activities within the framework of its competences and in compliance with the valid legislation in the Republic of Macedonia and the Statute of the Company; passing decisions concerning the business policy and managing the overall operations of the Company. The Management Board held its sessions on regular basis and in the course of 2017; 44 (forty-four) sessions were held on which 149 (one-hundred-and-fourty-nine) important decisions/conclusions were passed including:

- Decision for making an inventory listings and establishment of commissions for making inventory listings of the fixed assets and the sources of assets, as well as adopting the compiled report on inventory listings of Alkaloid AD Skopje;
- Decision on submitting Annual Statement of Accounts (Balance sheet) and the Draft Annual Report on the operations of the Company (Standalone and Consolidated);
- Decisions to approve the Balance sheets of the companies founded by ALKALOID AD Skopje for the year 2017.

At the meetings, the Management Board was conducting monthly reviews of the Income Statements of ALKALOID AD Skopje done by cost centre and the Report on the current operations of ALKALOID CONS LTD – Skopje.

Upon MB President's invitation, the sessions were attended by executives from the Finance Department, Logistics and Alkaloid CONS.

The Management Board passed decisions/conclusion concerning specific tasks for the managers of the profit centers of Alkaloid AD Skopje and the manager of Alkaloid Cons Ltd. Skopje directed towards maximum engagement and fulfillment of the set objectives, intensification of settlement of outstanding debts, control of stocks as well as reduction of costs.

Pursuant to the Law on Trade Companies, the Management Board reviewed and discussed the unaudited standalone unconsolidated and unaudited consolidated Financial Reports for year 2017, as well as those pertaining to the period 1 January to 31 March 2017; 1 January to 30 June 2017, 1 January to 30 September 2017 thus assessed that the Company effectuated positive financial results. Pursuant to the Law on Trade Companies and the Statute of Alkaloid AD Skopje, the Management Board, within the frames of its competences passed decision-proposals in accordance with the proposed agenda for the Annual Shareholders' Assembly.

The Management Board passed a decision for approval of the basis of the Business Plan for the company for 2018. The Management Board assessed that the Business plan is based on realistic expectations and compiled thoroughly encompassing the capacities and risk management policies on the existing and potentially new markets, thus gave directions for its implementation.

The Management Board passed Decisions for approval of the financial report of the Foundation "Trajche Mukaetov" - Skopje for year 2017 and approved the work program of this Foundation for the year 2017. The Program states the amount, method, terms and procedures for utilizing the Foundation's funds aimed at providing scholarships and donations and financing talented students, researchers and scientific projects in the fields of medicine and pharmacy.

Regarding the operations of the companies abroad founded by ALKALOID AD Skopje, the Management Board took a number of important decisions:

- Decisions for appointing new directors at the limited liability company ALKALOID KIEW, ALKALOID DOO Zagreb and ALKALOID EOOD Sofia;
- Decisions to extend the term of office of the directors of the companies founded by Alkaloid AD Skopje: ALKALOID DOO Belgrade, ALKALOID Veledrogerija Belgrade, ALKALOID DOO Sarajevo, ALKALOID Representative Office Sarajevo, ALKALOID DOO Podgorica, ALK-LAB DOO Ljubljana, ALKALOID PHARM Fribourg, REPRESENTATIVE OFFICE OF ALKALOID IN MOSCOW, Representative office of ALKALOID in Kiev, ALKALOID Sh.P.K. Tirana, ALK&KOS Pharmaceuticals Prishtina, and Ilac Ticared Limited Sirketi Istanbul, Turkey.

In accordance with Article 415-v of the Law on Additions and Amendments to the Law on Trade Companies, the Management Board received the Semi-Annual and Annual Reports of operations for the year 2017 from the Internal Audit Department of Alkaloid AD, an independent organizational unit in the company, containing the following information:

- Description of rendered activities;
- Findings/Recommendations for rendered individual revisions;
- Consulting activities;
- Information on the Internal Audit Department.

The Management Board thus passed a decision for approval of the work for year 2017 of the independent organizational unit, the Internal Audit Department.

ALKALOID AD Skopje, as a founder and the sole cofounder of ALKALOID CONS LTD Skopje carries out the responsibilities of the following corporate bodies:

- Management Board of the founder, as an Assembly of Company's Cofounders;
- Controller, as a supervisory body of the Company.

In the course of year 2017, the Management Board of ALKALOID AD Skopje, in the capacity of the Assembly of Cofounders of ALKALOID CONS LTD Skopje, held 12 (twelve) meetings and passed 18 (eighteen) Decisions among which were the following:

- Decision for inventory listing and sources of inventory of Alkaloid CONS LTD Skopje;
- Decision for approval of the compiled report on inventory listings and sources of inventory listing of Alkaloid CONS LTD Skopje;
- Decision for approval the balance sheet, the annual report of the company and the unaudited standalone financial reports of the company;
- Decision for approval of the Audit Report and the Financial Reports for the year ended 31 December 2017 and the Independent Auditors' Report along with the opinions issued by the independent auditor Deloitte LTD Skopje;
- Decision for election of controller of the company;
- Decision for re-election of director of the company.

ALKALOID AD Skopje, as a founder and the sole cofounder of ALKALOID HERBAL PHARMACY LTD Skopje carries out the responsibilities in the Management Board of the founder, as an Assembly of Company's Cofounders;

The Assembly of Cofounders of ALKALOID HERBAL PHARMACY LTD Skopje, held 5 (five) meetings and passed 6 (six) Decisions among which were the following:

- Decision for inventory listing and commissions for inventory listing;
- Decision for approval of the Annual report of the company.

The work of the Management Board in the course of the year 2017 was within the frame of the competences determined by the Law on Trade Companies and the Statute of Alkaloid AD Skopje.

Zhivko Mukaetov
Chief Executive Officer
Management Board President



ADDRESS OF THE CEO/MB PRESIDENT OF ALKALOID AD SKOPJE

Globally, 2017 was marked with various tensions which will represent new challenges in the geopolitical flows and could reflect the world economy. Our country, after two years of political crisis and stagnation, received a new government, which inflicted fresh potentials and positive impulses for the economy, which we hope will also be copied in the graphs of the business subjects in the forthcoming period.

I am very pleased by the promising fact that in the region of Western Balkans, a market of approximately 24 million inhabitants (including Macedonia), there are numerous initiatives for regional development through investments in infrastructure, transport, energetics, digitalization, branding, improvement of mobility of products, services and workforce, education in accordance with the labor force market demands and similar. Therefore, Alkaloid will continue to be present in various initiatives like the Western Balkans 6 Chamber Investment Forum, Summit100 Business Leaders and similar inter-chamber cooperations, all for the purpose of providing more efficient placements of the products of Alkaloid and facilitating the flow of our products and services in the export markets.

RESULTS

Despite all objective and subjective challenges, the company managed to generate positive financial results in its operations employing extraordinary efforts and precautions in everyday operations.

We achieved total consolidated sales of MKD 9.094.716.094, which represents a growth of 10%. Our consolidated net profit amounted to MKD 809.277.171 noting 11% growth; both compared to 2016.

85% of our total (consolidated) sales were in the segment of Pharmaceuticals, 9% in Cosmetics, 3% Botanicals and 3% Chemicals segment.

Out of the total consolidated sales, 38% were realized on the domestic market and 62% were placements in the foreign markets. Out of those, 33% were effectuated in the markets of Southeastern Europe, 20% in Western Europe, 7% were placed in Russia and CIS and 2% on the remaining markets. In 2017, we achieved 13% growth in our export sales.

In the course of 2017, we had 131 new employments in the company, and as at 31 December 2017, Alkaloid AD Skopje counted 1856 people.



STOCK EXCHANGE OPERATIONS

According to the records of the Macedonian Stock Exchange, the shares of Alkaloid in the course of 2017 were amongst the most traded and most liquid ones.

Alkaloid AD Skopje, as one of the leading companies on the Macedonian Stock Exchange, in the regular stock exchange operations participated with traded MKD 376.193.552, which is 14% of the total turnover recorded on the first official market of the Stock Exchange in 2017.

The share price of Alkaloid AD Skopje ranged from MKD 5.351 to MKD 7.615, with an average of MKD 6.340,47, which represents a growth of 20.51% of the average price of the share compared to 2016.

The dividend income from the shares of Alkaloid AD is 3.34%, which is significantly better investment than the bank savings.

NEW VENTURES

2017 was also marked with the trend of expansion of the marketing authorizations and initiation of new projects. We did around 50 out-license projects with nearly 40 partners worldwide. We obtained 132 marketing authorizations for above 200 pharmaceutical products and medical devices.

Through our Department for Business Development, we have effectuated EUR 650.000 through sales of licenses of our products to renowned companies, and we signed the first agreements for three new markets: Canada, Mongolia and Switzerland.

INVESTMENTS

In 2017, the overall investments of the Company amounted to MKD 861.420.437. The ongoing investment activities in accordance with the capital investments plan included: purchasing of 2 new machines for packaging blisters, new machine for production of hard gelatin capsules, new equipment for drying wet granulate in the department for antibiotics at PC Pharmaceuticals, a new homogenizator in the Cosmetics segment.

The new production facilities commissioned, are spread on a surface of 1000m², and are an investment worth more than EUR 2.5 million. These are three investment projects: Facility for production of semi-solid pharmaceutical forms, Central Weighing Room 2 and Department for packaging solid pharmaceutical forms – all executed in accordance with the standards of Good Manufacturing Practice.

In 2017, we intensively worked on several information technology projects, such as:

- Alka T&T project for serialization, for the purposes of placement of our products in the EU markets;
- Alka CDC project (integrated solution for laboratory instruments);
- Alka City project for replacement and upgrading of the corporate IT structure;
- Alka MOS project for servicing and maintenance and other projects.

CORPORATE SOCIAL RESPONSIBILITY

Socially responsible activities, as one of the company's main features and top priority in the operative agenda, continued with strong intensity in the course of 2017.

For the seventh time, the employees of the company, under the auspices of the Foundation "Trajche Mukaetov" joined together in another charity event to raise more than MKD 1 million donated for equipping of two departments of the Pediatric Clinic at the Clinical Centre Mother Theresa in Skopje.

Ninth year in a row, the Foundation "Trajche Mukaetov" grants scholarships to talented students of medicine and pharmacy at the state university "Sts. Cyril and Methodius". Out of 418 recipients of scholarships (212 students of pharmacy and 206 students of medicine), 177 are active scholarship holders and 61 of these graduated students already started their careers at Alkaloid.

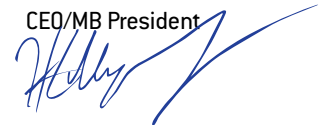
PROSPECTS

Two years ago, the Chess Club Alkaloid became European champion. In 2017, the club won the title of European vice-champion. The sport, as institution and universal phenomenon is present in every modern society and we, as a socially responsible company, will employ all efforts to support systems of positive values.

In the sports, success usually comes due to the exclusive talent, discipline, skillful management and exceptionally hard and dedicated work. The same goes for the business. In sports, just like in the business, there are victories and defeats. The trial-and-error method is good for learning, as persistence is paving our way to success.

We managed to keep the growing trend of the company in the past eleven years. I honestly hope and wish this trend would continue in future. We must face all challenges reinforced with our leadership, knowledge, commitment to innovations, experience, professional integrity and credibility as through dedication and hard team work we will achieve results we would be proud of! In the spirit of the company slogan "Health Above All" we must confirm the perception of Alkaloid as company which stands tall, still and ready to respond to all new challenges.

Zhivko Mukaetov
CEO/MB President



39 NEW SCHOLARSHIPS FOR THE ACADEMIC YEAR 2017/2018 GRANTED BY “TRAJCHE MUKAETOV” FOUNDATION

“Trajche Mukaetov” Foundation granted 39 new scholarships for the academic year 2017/2018, to 18 students from the Faculty of Pharmacy and 21 students from the Faculty of Medicine at the University “Sts Cyril and Methodius” from Skopje. The scholarship in the amount of 6.500 denars was granted for a period of 12 months.

Pursuant to the announced public call for submitting scholarship applications, the selection of scholarship holders for the current academic year was made by the Management Board of the Foundation, as per the preliminary list proposed by the respective committees for granting scholarships. The Board for granting scholarships is composed of representatives of the Foundation, the two faculties, as well as of representatives of the students.

According to the program policies for support of young talents who dedicated their careers to the Macedonian healthcare and pharmacy, starting from the academic 2009/2010, “Trajche Mukaetov” Foundation also grants one-off premiums to the valedictorians from the faculties of Medicine and Pharmacy at “Sts Cyril and Methodius” University in the amount of EUR 1.200, paid in Macedonian denars countervalue. In 2017, the one-off premium was awarded to Aleksandra Zafirovska and Dushko Shalabalia from the Faculty of Pharmacy (with GPA of 9,75), who are also present scholarship holder of the Foundation and Nevenka Ridova from the Faculty of Medicine (with GPA of 9,76).

Starting from the academic year 2007/2008, the Foundation granted 418 scholarships to students of pharmacy and medicine, including the new 39 new students from the academic year 2017/2018. Out of the total number of scholarship holders, 159 students of pharmacy and 129 students of medicine have already graduated. Starting from 2009, 63 scholarship holders have started their careers at Alkaloid AD Skopje in the departments of the PC Pharmaceuticals.

The Foundation was established in 2007 with a decision of the Management Board at Alkaloid AD Skopje and the founder is the company itself. It is aimed at sponsoring, donating and funding talented students of medicine and pharmacy, as well as providing financial support for projects in these two fields.



SEVENTH HUMANITARIAN PICNIC

Commitment to humanity and philanthropy have once again been confirmed with the seventh humanitarian picnic organized by the company, under the auspices of the Foundation “Trajche Mukaetov”, attended by the employees of Alkaloid, the members of their families and/or their friends with one ultimate goal: a better tomorrow for everyone. Benevolently, the employees of Alkaloid contributed to the improvement of one of the most vital social spheres.

The employees donated above MKD 1 million (approx. EUR 16.300), funds intended for equipment upgrade of two departments at the Pediatric Clinic at the Clinical Centre “Mother Theresa” in Skopje: The Department of Epilepsy at the Department of Neurology and the Department of Asthma at the Pulmo Allergological Unit.

The CEO/MB President of Alkaloid and President of the Foundation, Mr. Zhivko Mukaetov expressed his sincere gratitude for the contribution of each member of the Alkaloid family.

Corporate social responsibility is one of the company's main feature and top priority in the operative agenda, Alkaloid will continue with the humanitarian mission whose primary goal is to ensure healthy and decent life for everyone in the community, as well as to provide support and helping hand for the ones who need it most.

The first charity picnic was held in 2011 on the occasion of marking the 70th jubilee of Alkaloid when the donation amounted to MKD 425.500 (approx. EUR 7.000). In 2012 this event collected MKD 572.300 (approx. EUR 9.300), and in 2013 the employees gathered MKD 600.000 (approx. EUR 9.810). The sum donated in 2014 was MKD 725.000 (approx. EUR 11.800), and in 2015, the donation amounted MKD 807.000 (approx. EUR 13.200). Later, in 2016 the employees donated MKD 1,3 million (approx. EUR 21.140). The seventh charity picnic in a row in 2017 reached above MKD 1 million (approx. EUR 16.300) donation funds.



40 YEARS BECUTAN

THROUGHOUT HISTORY

The endearing Becutan story dates all the way back to 1978 when it only entailed five skin care products for children. First in line was the Becutan cream intended to provide protection and intensive care for the child's skin, according to the video testimony of one of the first direct creators of the project. Today, the product portfolio of Becutan consists of over 26 basic types of products and 50 different forms of packaging.

Revolutionizing the market of children skin care products "On March 8th, 1978 I have had successfully completed the process of making 3 kilograms hand-made Becutan cream, that was later given as a gift to a nearby kindergarten", with a particular pride and piety emphasized Mr. Blazho Stavrov, a retired technologist who along with Mrs. Sofka Solevska recall the modest beginnings of the Becutan story.

Built over decades, and thus now, Becutan has over 200 million items sold, and has become a synonym for tradition, constant quality, trust, and loyalty. Becutan as an internationally built brand is present in more than 10 markets worldwide and has enjoyed a steadily increasing trend in sales. The leader in the collection is the famous skincare cream with over 45,000,000 pieces of products sold.



1978 collection



1980 collection



1990 collection



2000 collection



2016 collection



Кок е вашето прео сжаване на Beouton?



Со кој производи заштома приказна а Beouton?

40 YEARS BECUTAN

NEW CORPORATE VIDEO

Within the campaign's framework, Becutan launched a new corporate video about the brand to mark the jubilee. Entitled "Unforgettable moments," and directed by Nejc Pohar from Slovenia, the video unfolds a mother who is about to head off and send her little daughter on a new milestone of her life: her first big school day on September 1. The time for letting go makes her take a trip down the memory lane and reminisce about the unforgettable moments of her daughter's upbringing.



JUBILEE COLLECTION



In honor of the loyal users and as part of the jubilee surprises, Becutan has introduced new design packaging of the children shampoo and the bath foam. Becutan gave personalities to these products and allowed children to associate themselves with specific characteristics.

The 40th jubilee unveiled 4 new Becutan characters: the brave knight, the little princess, the trendsetter and cool guy, all carefully executed with strategically chosen colors, shapes and other visual elements that adhere to the target age groups to contribute to the excitement and the overall aesthetic and brand experience.

40 YEARS BECUTAN

JUBILEE GATHERING

The employees of the company-with an accent on the marketing and distribution associates, along with the pediatricians, dermatologists and media representatives gathered to mark the 40th jubilee of Becutan. The interactive event allowed the little but big stars and product-users to have their photo taken while showcasing the collection right on the runway platform. Even the toddlers, who recently learned the walking process itself, got the chance to stand on their feet and introduce the new Becutan diaper collection.

While expressing profound gratitude to the attendants, close collaborators and employees, Mr. Zhivko Mukaetov, CEO and MB President of Alkaloid noted, "Becutan has been present in our lives since 1978. Passed from generation to generation it is our strongest foundation for a long-standing tradition. In the future, as a company, we will devotedly continue to give our best efforts for the continuation of this success story".

Alkaloid also gave acknowledgment awards for honorary brand ambassadors to five doctors: Marina Pop Lazarova, Katerina Damevska, Katarina Stavric, Vesna Delovska and Katica Piperkova. The company was also honored to present jubilee plaques to five health facilities: PHI University Clinic of Gynecology, Gynecology Clinic at the Clinical Center "Mother Theresa" in Skopje, Clinical Center in Tetovo, the first private general hospital "Remedika" and the Clinical Center "Acibadem-Sistina."





SUMMIT 100

BUSINESS LEADERS OF SOUTHEASTERN EUROPE

Prime ministers and delegates from the region- Bosnia, Croatia, Slovenia Montenegro, European Commission representatives, esteemed diplomats and more than 150 top business leaders who run the local economy, formed the core of the 6th annual SUMMIT100 of Business leaders from Southeast Europe that took place in Skopje on 16 and 17 October, 2017.

The key word "CONNECTIVITY" took over key domains such as electrification of infrastructure, transport and welcomed suggestions for energy efficient operations, labor mobility, digitalization and branding of the region.

The CEO and MB President of Alkaloid and Chairman of the Board of Directors of the SUMMIT100, Mr. Zhivko Mukaetov formally announced the beginning of the prestigious event and expressed admiration and privilege for the ability to host such exquisite gathering in the heart of Macedonia.

"Summit100 is a unique business event which is able to gather hundreds of esteemed business and political leaders from the region. Designed as a powerful and cohesive platform for ideas and projects of cooperation, SUMMIT 100 has been laying the foundations for direct dialogue and ideas exchange among the distinguished regional leaders", emphasized Zhivko Mukaetov.

"For the first time in the history of SUMMIT 100, we were able to present our ideas to the Prime Ministers and esteemed delegates of the region personally, and thereby establish even greater foreground for improving the mutual collaboration and support among the countries", emphasized Ms. Jelena Radulovich, program director of SUMMIT 100.

Key note speaker of the 6th annual SUMMIT 100 was also the European Commissioner for Transport and Mobility, Ms. Violeta Bulc who along with Iztok Seljak, the CEO of "Hidria" and VP of the Board of SUMMIT 100, gave their opinion regarding the sustainable mobility via the "Edison" project.

The Macedonian Vice President of the Government in charge of Economic Affairs, Mr. Kocho Angjushev, Dr. Aleksandar Kotuc, Head of Project Management for BMW i-series and the regional director of "Uber," Davor Tremac followed up on the 'E-mindset,' innovation and electric mobility and shared their perspectives regarding particular matters.

Whereas Mrs. Sonja Shmuc from the Chamber of Commerce and Industry of Slovenia and Ivan Mishtetich from "Atlantic Group" and Mr. Zoran Kostovski chief operating office from Alkaloid, discussed the transport, interconnectivity, logistics and free cargo as fundamental elements of regional cooperation and development.



SUMMIT 100 BUSINESS LEADERS OF SOUTHEASTERN EUROPE

Memorandum of Understanding on Mutual Cooperation between Summit100 and WB6 CIF signed

Mr. Zhivko Mukaetov, the CEO and MB President of Alkaloid and Chairman of SUMMIT 100 Board, together with Marko Chadezh from Chamber of Commerce and Industry of Serbia and Chairman of WB6 CIF Managing Board, signed the Memorandum of Understanding on Mutual Cooperation between Summit100 and WB6 CIF.

Namely, the regional platform SUMMIT100 and the Chamber of Investment Forum of six Western Balkan Countries (WB6 CIF) a regional cooperation body of chambers from Macedonia, Serbia, Albania, Kosovo, Bosnia and Herzegovina and Montenegro signed the memorandum whose aim is to create synergies with the private sector in order to increase the regional cooperation.



SUMMIT 100 BUSINESS LEADERS OF SOUTHEASTERN EUROPE

SUMMIT100 Proposals for the first time introduced to the Prime Ministers of the SEE region

On the 6th annual gathering in Skopje, for the first time in the history of SUMMIT100, the ideas, proposals, and conclusions were introduced to the Prime Ministers of the region directly.

Mr. Zoran Zaev, President of the Government of Republic of Macedonia, along with Mr. Edi Rama the Prime Minister of Albania, Mr. Dusko Markovic the Prime Minister of Montenegro and the President of the Council of Ministers of Bosnia and Hercegovina, Denis Zvizdic have participated at the plenary panel "Can the Region compete on a Global Scale?" where they tackled energetics, knowledge-based economies, branding, digital economy, strategies for connecting the region and joint initiatives in the tourism area.

The Prime Ministers who attended this panel evaluated it as a significant opportunity for a quantum leap of the region towards advanced world economies.



ALKALOID COMMISSIONS TWO NEW PRODUCTION FACILITIES - AN INVESTMENT WORTH OVER EUR 2.5 MILLION

Production of affordable, high-quality, efficient and safe pharmaceutical products, to which Alkaloid AD trademark is a synonym for high level of quality and reliability - are the principles that are firmly embedded in the corporate policy of the company.

In the beginning of 2017, the company officially commissioned three investment projects: Facility for production of semi-solid pharmaceutical forms (ointments, creams, gels and vagitories), Central Weighing Room 2 and Department for packaging solid pharmaceutical forms. The new production facilities commissioned, are spread on a surface of more than 1000m², and are an investment worth over EUR 2.5 million - all executed in accordance with the standards of Good Manufacturing Practice.

“The presence of the company on the markets in more than 30 countries in the world and the constant efforts for conquering new markets and gaining new perspectives, imposes close and careful monitoring of the latest trends in the sphere of healthcare and pharmacy and their implementation in the everyday operations” - said Zhivko Mukaetov, CEO/MB President of the company on the occasion of the official commissioning of the new facilities. He also emphasized that investments in new facilities, technology, knowledge and staff will continue to be imperative in Alkaloid's daily operations.



VISIT TO ALKALOID

In the course of 2017, various officials from the country and abroad visited Alkaloid.

His Excellency Mr. Anders Christian Hougård, Ambassador Extraordinary and Plenipotentiary on the occasion of presentation of the Letters of Credence to the Republic of Macedonia, paid an official visit to Alkaloid. During his visit, Mr. Hougård was introduced to the production and R&D facilities of the company by the CEO/MB President of Alkaloid, Mr. Zhivko Mukaetov, who is also Consul General (Hon.) of the Kingdom of Denmark to the country.



On the margins of his visit to the administration of the City of Skopje on the occasion of the UEFA Supercup 2017, the mayor of Zagreb, Mr. Milan Bandich paid an official working visit to Alkaloid AD Skopje. The CEO of the company, introduced the Zagreb mayor with the results of the operations of Alkaloid Group as well as the business operations of Alkaloid's subsidiary in Croatia. In his press statement on the occasion of the visit, Mayor Bandich said: „I was thrilled with what I have seen at Alkaloid's production facilities. Now I do not wonder anymore why everytime I have a headache I reach for Caffetin!“ Mayor Bandich and CEO Mukaetov watched together the match between Real Madrid and Manchester from the benches of Arena Filip II in Skopje.



Following the huge successes of Chess Club Alkaloid, the President of the European Chess Federation, Mr. Zurab Azmaiparashvili paid courtesy visit to Alkaloid. At the meeting with the CEO of the company, Mr. Zhivko Mukaetov and the leading people of the Alkaloid Chess Club, Mr. Viktor Stojchevski, Mrs. Lidija Sofrevska Andonovska and Mr. Nikola Dimovski – Mr. Azmaiparashvili expressed his content on Alkaloid Chess Club operations and wished the team many successful achievements in future.



Within the frames of the summer program for visiting the largest Macedonian exporters, representatives of the Customs Administration of the Republic of Macedonia headed by the director Mr. Gjoko Tanasoski, paid official visit to Alkaloid. Interim visit, the CEO/MB President of Alkaloid presented the production and R&D facilities as well as the export capacities of the company. Topic of discussions was also intensification of cooperation between Alkaloid and the Customs Administration especially from the aspect of utilizing digital technology and paper-free environment in the global supply chains, promotion of simplified customs procedures, new forms of customs and tax facilitations and increased regional economic cooperation.



CONFERENCE “CHALLENGES ON THE ROAD TO EU” IN BUDVA

Mr. Zhivko Mukaetov, CEO and MB President of Alkaloid was part of the Macedonian business delegation led by the President of the Macedonian Chamber of Commerce, Mr. Branko Azeski at the 6th conference in Budva, under the organization of the Chamber of Commerce of Montenegro.

The Conference was opened by the President of Chamber of Commerce of Montenegro Mr. Velimir Miljuskovic, later followed by the statement of the President of the Government of Montenegro, Mr. Dushan Markovich. They stressed the progress that has been made from their meeting three years ago in Berlin and expressed satisfaction in regards to the efforts made by the Western Balkan countries for joining the EU.

The delegation of the Macedonian government was led by the Prime Minister, Mr. Zoran Zaev, who addressed the primary panel discussion on the topic “The Region After Four Years From the Berlin Process” also attended by the Chairman of the Council of Ministers of BiH, Mr. Denis Zvizdich, the Prime Minister of Montenegro, Mr. Dushan Markovich, the Deputy Prime Minister of Serbia, Mr. Rasim Ljajic as well as the EBRD President, Mr. Pierre Heilbronn.

On the margins of the conference, approximately 500 senior government representatives and top experts in the fields of economy, politics, education, and science within the Balkan framework have managed to accomplish essential meetings whose primary purpose was to broaden the business network of contacts and deepen the existing cooperation.



JUBILEE ACKNOWLEDGEMENT FOR ALKALOID BY THE MINISTRY OF ECONOMY OF REPUBLIC OF MACEDONIA

The Ministry of Economy and the Coordination Body for Social Responsibility presented a jubilee acknowledgment for socially responsible practices to Alkaloid

For the last ten years, Alkaloid has been maintaining its status as one of the top five most awarded companies, and this year the company was granted a jubilee acknowledgment for maintaining the best socially responsible practices in the category "Relationship with the Employees" for the project "Implementation of the Talent Management System by the Ministry of Economy and the Coordination Body for Social Responsibility.

Since 2009, Alkaloid has been granted 8 acknowledgements in this field: "Ethical management" for the project "Code of ethical and business behavior"; "Relationship with the employees" – for the projects "Human resource management 2009-2011" and "Implementation of talent management system in Alkaloid", and for the continuous investments in sports and the support for the national teams in the category "Investment in Community" for the project "Policy of Social Responsibility of Alkaloid AD – Symbiosis for Healthier Life and Better Future".

The company was also granted recognition for being environmentally friendly in the category "Attitude towards Environment" for the project "Renewable Sources of Energy and Energy Efficiency in Investment Activities."

The Ministry of Economy and the Coordination Body for Social Responsibility organize this event annually within the project "Social Responsibility for All," and present awards and recognitions for the trade companies, within five categories that reflect the practices of corporate social responsibility on a national level.



ACKNOWLEDGMENT TO ALKALOID FROM DOCTOR'S CHAMBER OF MACEDONIA

On the occasion of marking the 25th anniversary from the establishment of the Macedonian Doctor's Chamber, Alkaloid was granted acknowledgment for the long-term cooperation with this esteemed association, and their endeavors for supporting the development of scientific and research activities within the Macedonian medical and healthcare systems.

The ceremony took place at the Macedonian Academy of Sciences and Arts in the presence of various successful doctors, scholars, academics, University rectors and Deans of the Medical Faculty at University "Sts. Cyril and Methodius", representatives of the Ministry of Health as well as the Macedonian Medical Association, the dental and pharmacy chamber, the ZEVA Association chamber, the Health Insurance Fund and representatives of the diplomatic corps and several international organizations and associations.

The president of the Doctors Chamber, Dr. Kalina Grivcheva Stardelova emphasized that she profoundly believes in the earnest efforts to create an environment in which young doctors would be more motivated and would gladly stay to evolve and progress in their homeland.

"The Chamber that stood as a partner in the society is now becoming a highly respected and competent professional association that holds public endorsements and takes part in the formation of the health policies. Along with the Macedonian Medical Association and the rest of the doctoral associations, our goal and objective for the future is to continue to take care of the quality of the continuous medical education, and as a professional association, to strengthen the unity of the doctors and restore our status and dignity", noted Dr. Grivcheva-Stardelova in her address speech.

During the ceremony, the Doctors Chamber granted its highest ranking acknowledgment, the "St. Naum Ohridski" plaque, as well as the award for the best published scientific and professional work in "Vox Medici."

On the occasion of marking the jubilee, the Doctor's Chamber granted a special award to the best medical students in the country. Besides Alkaloid, acknowledgments were also granted to the Pharmacy Chamber, the Dental Chamber and the Macedonian medical association for their long-term cooperation and support of the association.



HUMAN RESOURCES MANAGEMENT

1. RECRUITMENT AND SELECTION

This year the process of recruitment and selection of employees has continued in its dynamic pace and our company has remained to be recognized by its sustainable trend of new employments. Alkaloid has again provided opportunities for a large number of higher educated and technical staff to commence or continue their career in an ambitious, stimulating work environment which offers modern employment conditions and opportunities for continuous development.

The challenge in the difference between the supply and demand of the local labour market in 2017 was not to be neglected. The economic and political situation in the region along with the increasing brain drain in the countries of South East Europe was mostly reflected in the process of recruitment of prospective talents.

As an additional strategy for attracting and retaining young talents, in 2017 the nucleus was set for a specific idea and program for internship in Alkaloid. The anticipated benefits of this program would include:

- Accelerated personal development of the students
- Development of new skills and support for students' innovativeness
- Enhancement of the orientation program for the newly employed in the company
- Strengthening the effects of students' training and education
- Strengthening the strategic partnership with educational institutions
- Responsibility and vision for ensuring sustainability of pharmaceutical business in Macedonia

We have extended the recruitment and selection activities towards our subsidiaries by rendering our full support in their reorganization and staffing, while presented and faced with the challenges of the foreign labour markets. But we have also enhanced the visibility and perception of Alkaloid as a competitive employer. Our activities were mostly focused on our subsidiaries in Ukraine, Serbia, Kosovo and Bulgaria.

Quantitative and qualitative structure of employees in 2017 is as follows:

| | Number of employees |
|--|---------------------|
| Pharmaceuticals | 754 |
| Chemistry | 53 |
| Cosmetics | 93 |
| Botanicals | 47 |
| Corporate Services | 477 |
| TOTAL ALKALOID AD: | 1.430 |
| Alkaloid CDNS DOOEL – Skopje | 38 |
| Alkaloid DOOEL Botanical Pharmacy – Skopje | 4 |
| Subsidiaries and companies abroad | 384 |
| TOTAL NUMBER OF EMPLOYEES IN ALKALOID GROUP | 1.814 |

Qualification structure of Alkaloid AD

| Degree of education | Number of employees |
|------------------------|---------------------|
| PhD | 8 |
| MA/MSc | 75 |
| Higher education | 548 |
| BA/BSc | 13 |
| High school education | 702 |
| Qualified workers | 66 |
| Semi-qualified workers | 16 |
| Unqualified workers | 2 |
| TOTAL: | 1.430 |

TRAINING AND PROFESSIONAL DEVELOPMENT

The continuous allocation of resources for training and education of the employees as the key driving force of the corporate success and development in 2017 resulted in realization of a great deal of internal and external training. Most training hours were devoted to internal education within the organizational units and they were aimed at executing work processes and operating the

existing and new production, laboratory and computer equipment. On average, last year each employee of Alkaloid completed 159.94 hours of training. 1.39% of the net profit of the company was invested in external training.

THE SPORTS TEAM OF ALKALOID WITH 4 MEDALS AT HEMINS

When the team spirit blends with sport, success is inevitable. The trade union of Alkaloid AD Skopje led the company's sports team at the games entitled HEMINS 2018.

Alkaloid's team won 4 medals in the following categories: 1st place in swimming – women; 1st place in shooting – women and 3rd place – men and 3rd place in volleyball – women.

During the football league, Alkaloid's team won the 3rd place in the 2017-2018 season.

The traditional sports event HEMINS took place in Kladovo, Serbia.



ALKALOID WITH A RECORD NUMBER OF PARTICIPANTS AT THE WIZZ AIR SKOPJE MARATHON 2017

Uniting competitive spirit and endeavors for healthier life, the employees of Alkaloid once again actively participated at the Skopje wizz Air Marathon.

With special accent on the product MAGNESIUM 400 +B-complex, the employees and the visitors gathered around Alkaloid's exhibition stand to get a free sample and learn more about the benefits of this product from the medical representatives.

Reaching a record number, more than 180 Alkaloid employees dressed in jubilee t-shirts participated in the race promoting the team spirit of the company in the best possible way.

Skopje Marathon track is certified by the Association of Marathon and Street Races (AIMS) since 2008.



ENVIRONMENTAL PROTECTION

Alkaloid AD, as a socially responsible company, regards the environmental protection as a long-lasting and continuous commitment. The environmental protection and management systems have been a part of the Integrated Management System and are in accordance with the new standards (ISO 14001:2015), (ISO 9001:2015) and respectively the Good Manufacturing Practice.



Issued certificates for new standard ISO 14001:2015 and ISO 9001:2015.

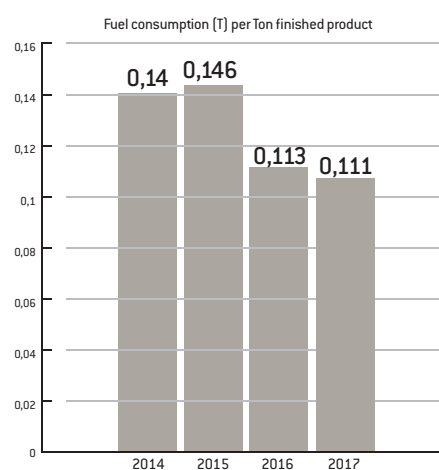
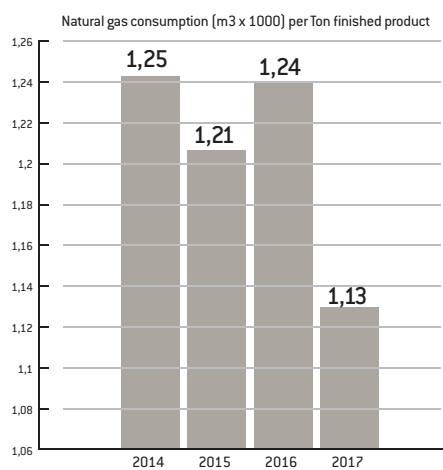
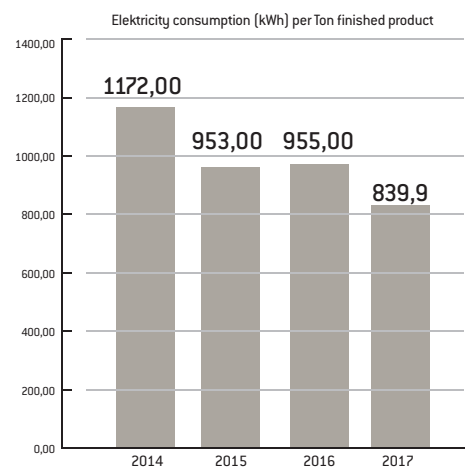
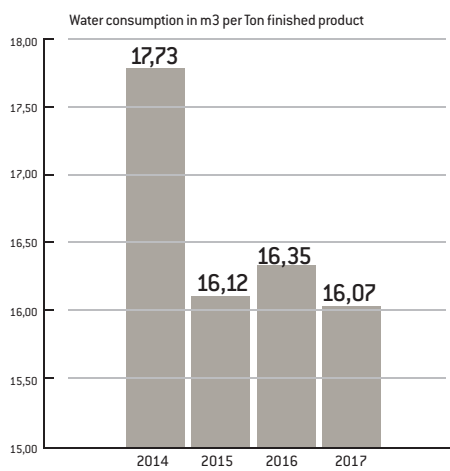
Continuous monitoring, control and upgrading of the technological processes, the increase in energy efficiency, energy saving and utilization of sustainable energy sources are part of the measures taken to reduce emission of pollutants in the environment in accordance with the regulations issued within the authority of the Macedonian Ministry of Environment and Physical Planning in the Al-licenses for conformity with operational plans for PC Pharmaceuticals - "Avtokomanda" production site and PC Pharmaceuticals and PC Chemistry - "Gjorche Petrov" production site.

Selection of waste produced and its efficient utilization as recycling is of particular importance for the protection of the environment and brings financial benefit to the company. Special attention is paid to the proper handling of hazardous waste that is handed over to licensed companies for further processing (incineration, dismantling abroad).

In order to improve the quality of wastewater, a purification plant was built within the facility of Control Laboratory in PC Pharmaceuticals, at the site of "Avtokomanda". These activities are performed in order to meet and maintain the parameters for release of wastewater in the outdoor sewer system.

From 2016 (in cooperation with UNIDO) Alkaloid starts implementation of pilot project EnMS - Energy Management System, which targets Energy, Water and Materials Efficiency through Energy, Process, Production and Objects - System Optimization; based on measures, starting with cost-free or no-cost-intensive. The initial success of the pilot project has encouraged for dedication of more resources into the realization of full Energy Management System where all employees, commitments and other stake holders, will take part, with ideas for and/or realization of improvement measures.

The positive trend of decrease in energy consumption is presented in the charts bellow. The consumption of Natural gas and Fuel has been decreased, whereas the water and electrical energy consumption has been optimized, despite the increased production. Generally, the energy consumption has been decreased in absolute amount per unit product.



ALKALOID KONS DOOEL SKOPJE DOMESTIC DAUGHTER COMPANY OF ALKALOID AD SKOPJE

Back in 1979, Alkaloid Pharmaceuticals established a department in charge of cooperation with foreign companies in terms of contracts for representation, distribution, as well as consignment stocks.

Its long-standing successful operation and the experience accumulated in this area during the years provided a solid basis for foundation of ALKALOID KONS DOOEL Skopje, an import-export company for trade and services that officially started its operations in 2004 with only 5 employees. Year after year, the growth of ALKALOID KONS DOOEL Skopje, the only domestic daughter company of ALKALOID AD Skopje, became impressive both in terms of sales volume and in terms of business portfolio.

Presently, ALKALOID KONS DOOEL Skopje employs 37 people, cooperates with more than 20 non-domicile companies and distributes more than 2.000 pharmaceutical products.

ALKALOID KONS DOOEL Skopje has cooperation with the following companies:

| | |
|---|-------------|
| • Medtronic Trading NL B.V | Netherlands |
| • MSD B.V | Netherlands |
| • SANOFI AVENTIS | France |
| • GENZYME EUROPE B.V | Netherlands |
| • SHIRE PHARMACEUTICALS IRELAND LIMITED | Ireland |
| • BIOMARIN INTERNATIONAL LIMITED | Ireland |
| • ALCON PHARMACEUTICALS LTD | Switzerland |
| • GRIFOLS WORLDWIDE OPERATIONS LTD | Ireland |
| • NOVARTIS PHARMA SERVICES INC. | Switzerland |
| • PFIZER EXPORT B.V. | Netherlands |
| • VEDRA INTERNATIONAL AD | Bulgaria |
| • LEMIS-HANDELS GmbH | Austria |
| • SWEDISH ORPHAN BIOVITRUM s.r.o | Croatia |
| • FRESENIUS MEDICAL CARE | Germany |
| • GETINGE GROUP South East Europe d.o.o | Serbia |
| • PRIZMA D.O.O | Serbia |
| • ORPHAN EUROPE | France |
| • MERIL LIFE SCIENCES Pvt. Ltd. | India |
| • BETAMED d.o.o | Croatia |
| • ELEPHANT PHARMA d.o.o | Serbia |



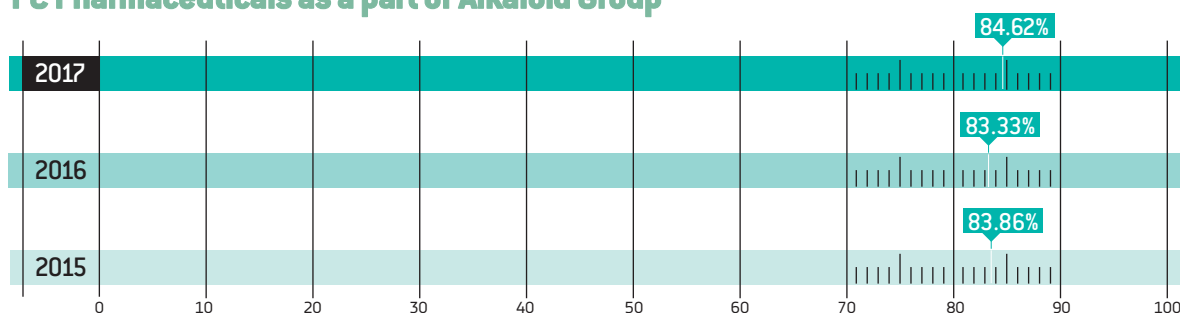
pc
pharmaceuticals

MARKETING AND SALES

In 2017, 754 employees were working in the Pharmaceuticals segment in its headquarters in Skopje and 426 employees in its subsidiaries. The total net sales of PC Pharmaceuticals amounted to 7.7 billion MK denars (EUR 124.99 million), which is a share of 84.62% in the total sales of Alkaloid Group.

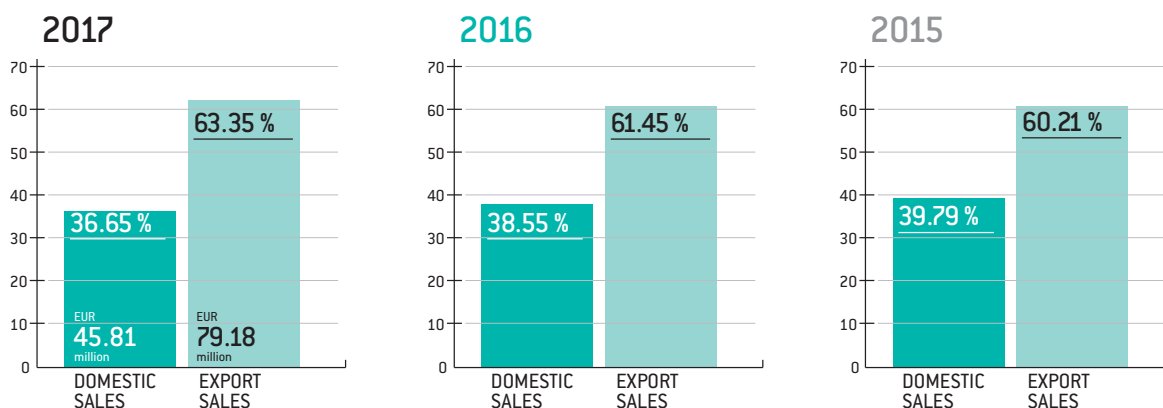
In 2017, the products of the PC Pharmaceuticals were available on the markets in 22 countries.

PC Pharmaceuticals as a part of Alkaloid Group

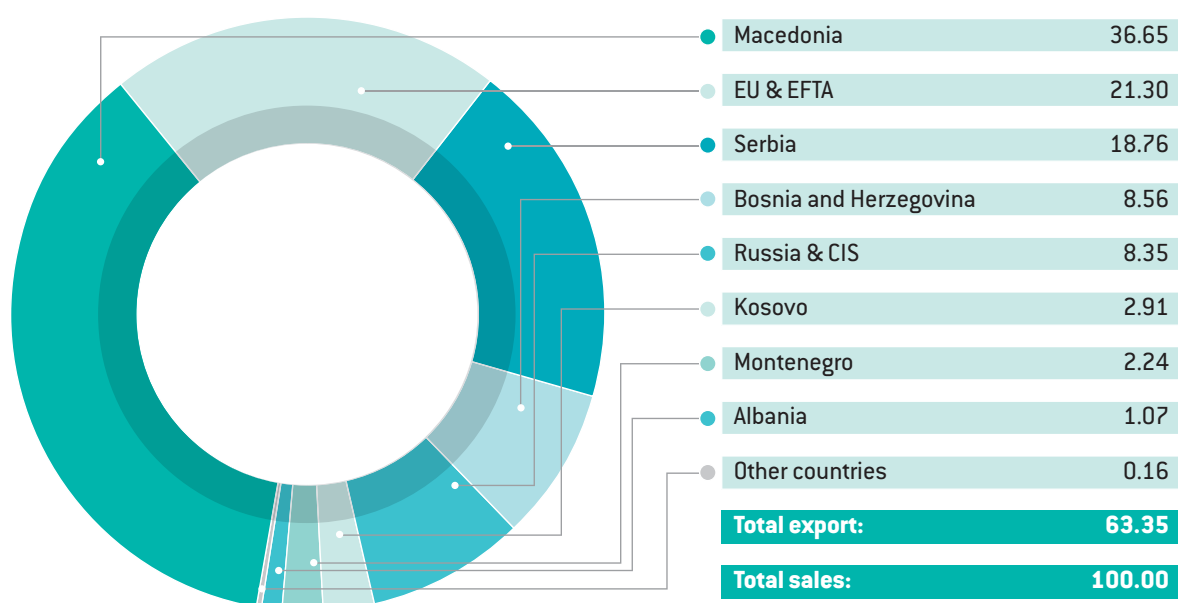


In 2017 we managed to increase the sales level by 11.37% compared to last year. This was primarily due to the increase in the domestic sales by 5.87%, and the increase in the export sales by 14.82% compared to 2016.

Sales per markets



Sales per countries 2017 in %



Top 5 products of PC Pharmaceuticals

Sales of top 5 products for the year 2017 (% participation in the total sales of PC Pharmaceuticals):

| | % participation | | |
|----------------------|-----------------|------|------|
| | 2017 | 2016 | 2015 |
| PANCEF (Cefixime) | 11.37 | 9.21 | 9.46 |
| CAFFETIN | 7.88 | 9.23 | 9.66 |
| ANALGIN (Metamizole) | 5.53 | 5.83 | 6.25 |
| BUPRENORFIN | 3.78 | 3.96 | 3.24 |
| SKOPRYL (Lisinopril) | 3.63 | 4.09 | 4.65 |

ALKALOID AT CPHI IN FRANKFURT, GERMANY

The world's leading pharmaceutical event CPhI (Convention of Pharmaceutical Ingredients) was another excellent opportunity to demonstrate the business operations that Alkaloid encounters globally and locally. This event was an extraordinary opportunity for our company representatives to meet and exchange experiences with distinguished pharmaceutical professionals and keep pace with the latest achievements and trends in the pharmaceutical industry.

"All these meetings, as well as the defined dozen future business deals, were at the forefront of achieving another major step towards confirming the existing positions, as well as winning new positions on the markets around the world," described Zoran Kostovski, Chief Operating Officer and Head of Logistics at Alkaloid.

Established in the year 2000 and held every year in one of the European metropolises (Madrid, Paris, Frankfurt, and Barcelona), this unique global pharma event gathered more than 2.500 exhibitors and over 45.000 professional visitors coming from 153 different countries.

Alkaloid participated at this convention for the first time in 2004 and representatives of various departments of the company attend this event every year in order to meet with the global suppliers of pharmaceutical ingredients as well as to obtain information on licensing of new products and additions in the product portfolio. In a word, CPhI is a one-stop shop for the needs of the pharmaceutical industry.



MEMORANDUM OF COOPERATION FOR PHARMACY AND CHEMISTRY STUDENTS AT ALKALOID

Alkaloid AD Skopje continues to strengthen the development of scientific and research activities in cooperation with the Faculty of Pharmacy and the Faculty of Natural Sciences and Mathematics at "Sts. Cyril and Methodius" University in Skopje. Corporate socially responsible activities being one of main features and top priority in the operative agenda of Alkaloid led the company to sign a memorandum of cooperation for the Internship Program with the Faculty of Pharmacy and the Institute of Chemistry at the Faculty of Natural Sciences and Mathematics at UKIM.

The Internship Program is a joint project between the company, the respected educational institutions, and the students who represent the future work force of our country. This project will allow the undergraduate and postgraduate students, active involvement and participation at the daily processes and activities within the company in order to improve and strengthen their professional skills, and mutually promote scientific and research work.

"The purpose of the Memorandum of Cooperation for the Internship Program is to develop and encourage the students' creativity, their personal and professional profiling, and to prepare them for the professional challenges the future holds. The cooperation with the highest scientific and educational institutions in the country will enable young talented and ambitious students acquire and practice new skills in actual processes within the company. We want to build synergy from which all the parties involved in the process will have benefit. Implementing the latest scientific achievements in R&D processes, we expect the scientific and research work to be raised to a new, higher level", explained Mr. Zhivko Mukaetov, Chief Executive Officer and President of the Management Board of "Alkaloid AD Skopje"

With this project Alkaloid AD Skopje not only encourages internship development programs, but structurally synchronizes them with the educational institutions, adapting them to the extent that is maximally adaptable to the educational programs.

The Deans of the two Faculties thanked the company for this opportunity and noted that the signing of the memorandum of cooperation is a verification of the long-standing and successful cooperation with Alkaloid: "We are positively convinced that this is just a new beginning in which the cooperation will further expand and deepen, and the benefits, will of course, be mutual"- said Prof. Gjorgoski.





EXPERTS' OPINION AND INFORMATION AT HAND FOR HEALTHIER WINTER UNDER THE IGLOO OF ALKALOID

To better inform and educate the public about the most common seasonal colds and their treatments, Alkaloid organized an educational and promotional igloo, held in front of three frequent shopping centers in Skopje.

The campaign "Stay Healthy in Winter", under the attractive "igloo" allowed commutants to receive promotional materials and expert advice for appropriate treatment of the typical and recurring colds and viruses that the winter season entails. The participants had the opportunity to taste the new "Good Nature" Christmas Tea, as well as the classic herbal mixtures for good morning and good night.

The Alkaloid brands known to ease the symptoms of cold and flu such as "Acerola", "Bronless", "Diastop Probio", "Napas" and "Caffetin-Cold/ Cold Plus/ Cold Max" were the focus of the campaign "Stay Healthy in Winter".





COPING WITH STRESS AND INSOMNIA - INFORMATIVE AND EDUCATIONAL “LUNERBA CARAVAN”

The educational “Lunerba caravan” for stress management and insomnia was held in 8 cities in Macedonia, with the purpose of familiarizing and informing the public of these frequent conditions and how to recognize the symptoms and approach them properly.

“Lectures on the causes of stress and insomnia are the best prevention of these common phenomena. Via direct communication with the locals of the eight cities, we decided to provide expert advice on this topic. We focused on emphasizing the importance of using products on a natural basis which are the most suitable allies in the fight against stress and insomnia”, explained the experts from Alkaloid.

The educational Lunerba caravan was attended by more than 1000 visitors from Skopje, Tetovo, Gostivar, Shtip, Prilep, Bitola, Veles and Kumanovo.

The tablets Lunerba and Lunerba Plus are relatively new products of this type on the market, used as dietary supplements that contain ingredients traditionally used to reduce mild symptoms of stress and symptoms of insomnia.



PROMOTION OF THE NEW BLOKMAX RAPID

A new member in the family of one of the fastest growing brands in the entire Alkaloid portfolio was unveiled in the presence of more than 350 pharmaceutical professionals and associates.

The promotional event focused on marking the launch of the new Blokmax product - Blokmax RAPID. The OTC line of Blokmaks products is considered to be a 'rising star' by the company, given the fact that in less than eight years since the introduction of the first product, this brand received a place of honor in the home pharmacies.

Blokmaks RAPID belongs to the group of OTC pharmaceutical products, effective in the relief of symptoms of pain and fever. It is used as short-term symptomatic therapy for a headache, migraine, neuralgia, toothache, menstrual, muscle, rheumatic, or back pain, as well as alleviation of the symptoms of colds and flu.





**FOR MAINTENANCE
OF NORMAL VISION**

**DHA, Lutein + Zeaxanthin
Vitamins, Minerals**

**PROCULIN PLUS CAPSULES HELP MAINTAIN
HEALTHY EYESIGHT AND PROTECT CELLS
AGAINST OXIDATION.**

-  DHA and vitamin A contribute to maintaining healthy eyesight.
-  Vitamin B₂ and zinc contribute to maintaining healthy eyesight and protecting cells against oxidation.
-  Vitamin E, vitamin C, copper and selenium contribute to protecting cells against oxidation.
-  Vitamin C contributes to reducing fatigue and exhaustion.
-  Zinc contributes to normal metabolism of vitamin A.
-  For oral use.



latest releases

017

Moxiral®

moxifloxacin
400 mg film coated tablets,
7 tablets
J01MA14,
Antibacterials for systemic use,
Fluoroquinolones



RELIKA plus®

perindopril/indapamide
4 mg/1.25 mg tablets,
30 tablets
C09BA04,
ACE inhibitors and diuretics

Ropuido®

rosuvastatin
5 mg, 10 mg, 20 mg and 40 mg
film-coated tablets,
30 tablets
C10AA07,
Lipid modifying agents,
HMG CoA reductase inhibitors



Lansoprazol Alkaloid®

lansoprazole
15 mg and 30 mg
gastro-resistant capsules, hard,
14 and 28 capsules
A02BC03,
Proton pump inhibitors

LUNERBA

Film coated tablets, 30 tablets

| | |
|--------------------------------|--------|
| Passiflora incarnata L. | 100 mg |
| Melissa officinalis L. | 100 mg |
| Valeriana officinalis L. | 25 mg |
| Eschscholzia californica Cham. | 25 mg |
| Mentha piperita L. | 25 mg |
| Milk protein hydrolysate | 15 mg |
| Vitamin B ₆ | 0.7 mg |
| Magnesium | 75 mg |



LUNERBA plus

Film coated tablets, 30 tablets

| | |
|--------------------------------|--------|
| Passiflora incarnata L. | 100 mg |
| Valeriana officinalis L. | 100 mg |
| Melissa officinalis L. | 50 mg |
| Eschscholzia californica Cham. | 50 mg |
| Melatonin | 1 mg |



PROCULIN[®] TEARS ADVANCE

Ocular drops based upon sodium hyaluronate 0.4% and distilled waters, preservative free
10 ml solution, multi dose container

Citikol B[®]

Ophthalmic solution with citicoline 2%, hyaluronic acid 0.2% and vitamin B₁₂ 0.05%
10 ml solution



PROCULIN[®] PLUS

Soft gelatin capsules, 30 capsules

| | |
|--|----------------|
| Fish oil (DHA) | 285.6 (125) mg |
| Vitamin C | 40 mg |
| Zinc (zinc gluconate) | 5 mg |
| Lutein | 6 mg |
| Zeaxanthin | 0.3 mg |
| Selenium | 28 mcg |
| Vitamin E natural (D-alpha-tocopherol) | 6 mg |
| Vitamin A (as beta-carotene) | 400 mcg |
| Copper (copper sulfate) | 0.5 mg |
| Vitamin B ₆ | 0.7 mg |

COMPLETE LIST OF PHARMACEUTICAL PRODUCTS REGISTERED IN MACEDONIA

[in alphabetical order]

| Registered name, INN (generic) | Presentation (strength, pharmaceutical form, pack size) | ATC-code, pharmaco-therapeutic group |
|---|--|--|
| ACIKLOVIR ALKALOID® | | |
| aciclovir | 50 mg/g cream, 5 g cream | D06BB03, topical antiviral |
| ACIKLOVIR ALKALOID® | | |
| aciclovir | 30 mg/g eye ointment, 5 g ointment | S01AD03, ophtalmological antiviral |
| ACIKLOVIR ALKALOID® | | |
| aciclovir | 200 mg tablets, 30 tablets | J05AB01, antiviral for systemic use |
| ALBENDAZOL ALKALOID® | | |
| albendazole | 200 mg film-coated tablets 6 and 60 tablets | P02CA03, antihelmintic |
| ALDIZEM® | | |
| diltiazem | 60 mg and 90 mg prolonged release tablets, 30 tablets | C08DB01, calcium channel blocker |
| ALKADIL® | | |
| captopril | 25 mg tablets, 40 tablets | C09AA01, ACE inhibitor |
| ALKALAX-TAB® | | |
| bisacodyl | 5 mg gastro-resistant tablets 20 tablets | A06AB02 contact laxatives |
| ALKAVIT® vitamin C for children | | |
| ascorbic acid | 50 mg tablets, 30 tablets | A11GA01, vitamin |
| ALKAVIT® vitamin E | | |
| tocopherol, α | 100 mg chewable tablets 30 tablets | A11HA03, vitamin |
| ALKAVIT® FOLIC ACID | | |
| folic acid | 0,4 mg film-coated tablets 30 tablets 5 mg film-coated tablets 20 tablets | B03BB01, antianemic preparations |

| Registered name, INN (generic) | Presentation (strength, pharmaceutical form, pack size) | ATC-code, pharmaco-therapeutic group |
|---|--|--|
| ALMACIN® | | |
| amoxicillin | 500 mg capsules, hard 16 and 100 capsules 250 mg/5 ml powder for oral suspension 100 ml suspension | J01CA04, broad spectrum penicillin |
| ALMETEX® | | |
| carbazochrome | 25 mg tablets, 20 tablets 10 mg/2ml solution for injection 30 ampoules | B02BX02, haemostatic |
| ALVEN® | | |
| heparin, allantoin, dexpanthenol | 300IU/2,5mg/2,5mg/1g, 40 g gel 500IU/2,5mg/2,5mg/1g, 40 g gel 300IU/3mg/4mg/1g, 40 g cream 500IU/3mg/4mg/1g, 40 g cream | C05BA53, combined heparin for topical use |
| ALYCEF® | | |
| cefadroxil | 500 mg capsules, hard, 16 capsules 250 mg/5 ml granules for oral suspension, 100 ml suspension | J01DB05, first-generation cephalosporins |
| AMINOFILIN ALKALOID® | | |
| aminophylline | 100 mg film-coated tablets 50 tablets 350 mg prolonged release tablets 20 tablets 250 mg/10 ml solution for injection 50 ampoules | R03DA05, bronchodilator |
| AMLODIPIN ALKALOID® | | |
| amlodipine | 5 mg and 10 mg tablets 30 tablets | C08CA01, calcium channel blocker |
| AMPICILIN ALKALOID® | | |
| ampicillin | 500 mg capsules, hard 16 and 100 capsules 250 mg/5ml powder for oral suspension 100 ml suspension | J01CA01, broad spectrum penicillin |

| Registered name, INN (generic) | Presentation (strength, pharmaceutical form, pack size) | ATC-code, pharmaco-therapeutic group |
|---|---|--|
| ANALGIN® | | |
| metamizole sodium | 500 mg tablets 10 and 500 tablets 1g/2ml and 2.5g/5ml solution for injection, 10 and 50 ampoules | N02BB02, analgesic and antipyretic |
| AQUA AD INIECTABILIA ALKALOID® | | |
| water for injections | 2 ml, 5 ml and 10 ml solvent for parenteral use 50 ampoules | V07AB, solvent and diluting agent |
| ATENOLOL ALKALOID® | | |
| atenolol | 50 mg film-coated tablets 15 tablets 100 mg film-coated tablets 15 and 30 tablets | C07AB03, selective β -blocker |
| BETADINE® | | |
| povidone - iodine | 100 mg/g ointment, 20 g ointment 7.5 % and 10 % cutaneous solution 100 ml and 1000 ml solution Manufactured under the license of Mundipharma AG Basel, Switzerland | D08AG02, antiseptic & disinfectant; |
| BETADINE® | | |
| povidone - iodine | 200 mg vaginal pessaries 14 pessaries Manufactured under the license of Mundipharma AG Basel, Switzerland | G01AX11, gynecological antiseptic |
| BETADINE® | | |
| povidone - iodine | 1% gargle, 100 ml solution Manufactured under the license of Mundipharma AG Basel, Switzerland | R02AA15, throat antiseptic |
| BIPRESSO® | | |
| bisoprolol | 2.5 mg, 5 mg and 10 mg film-coated tablets, 30 tablets | C07AB07, selective β -blocker |
| BlokMax® | | |
| ibuprofen | 200 mg film-coated tablets 10 tablets | M01AE01, NSAID |

| Registered name, INN (generic) | Presentation (strength, pharmaceutical form, pack size) | ATC-code, pharmaco-therapeutic group |
|---|--|--|
| BlokMax® forte | | |
| ibuprofen | 400 mg film-coated tablets 10 tablets | M01AE01, NSAID |
| BlokMax® for kids | | |
| ibuprofen | 100mg/5 ml oral suspension 100 ml suspension | M01AE01, NSAID |
| BlokMax® | | |
| ibuprofen | 50 mg/g gel, 50 g gel | M02AA13, Anti-inflammatory preparation, non-steroid for topical use |
| BRONLES® | | |
| carbocisteine | 375 mg capsules, hard 30 capsules 250 mg/5ml oral solution, 150 ml solution | R05CB03, mucolytic |
| BRONLES® for children | | |
| carbocisteine | 125 mg/5ml oral solution, 150 ml solution | R05CB03, mucolytic |
| BRONLES DIRECT® | | |
| carbocisteine | 750 mg/10ml oral solution 15 sachets with 10 ml solution | R05CB03, mucolytic |
| BUPRENORFIN ALKALOID® | | |
| buprenorphine | 0,4 mg, 2 mg and 8 mg sublingual tablets 7 and 28 tablets | N07BC01, drugs used in opioid dependance |
| CAFFETIN SC® | | |
| paracetamol, propyphenazone, caffeine | 250 mg/210 mg/50 mg tablets 10 and 500 tablets | N02BE51, combined analgesic |
| CAFFETIN trio® | | |
| paracetamol, caffeine, codeine | 500 mg/50 mg/10 mg tablets 10 and 500 tablets | N02BE51, combined analgesic |
| CAFFETIN® | | |
| paracetamol, propyphenazone, caffeine, codeine | 250 mg/210 mg/50 mg/10 mg tablets 6, 10, 12 and 500 tablets | N02BE51, combined analgesic |
| CAFFETIN COLD® | | |
| paracetamol, ascorbic acid, pseudoephedrine, dextromethorphan | 500 mg/60 mg/30 mg/15 mg film-coated tablets, 10 tablets | N02BE51, cough & cold medication |

| Registered name, INN (generic) | Presentation (strength, pharmaceutical form, pack size) | ATC-code, pharmaco-therapeutic group |
|--|--|---|
| CAFFETIN COLDmax® | | |
| paracetamol, phenylephrine | 1000 mg/12,2 mg powder for oral solution 10 sachets with 5,15 g powder | N02BE51 paracetamol, combinations excl. psycholeptics |
| CAFFETIN COLD® PLUS | | |
| paracetamol, vitamin c (ascorbic acid + acerola), pseudoephedrine, dextromethorphan | 500 mg/60 mg (50 mg +10 mg) /30 mg/15 mg film-coated tablets, 10 tablets | N02BE51, cough & cold medication |
| CAFFETIN® menstrual | | |
| ibuprofen (in a form of lysinate) | 200 mg film-coated tablets 10 tablets | M01AE01, NSAID |
| CARDIOPIRIN® | | |
| acetylsalicylic acid | 100 mg gastro-resistant tablets 30 tablets | B01AC06, platelet aggregation inhibitors |
| CEFACTOR ALKALOID® | | |
| cefaclor | 500 mg capsules, hard, 16 capsules 125 mg/5ml and 250mg/5ml granules for oral suspension, 60 ml suspension | J01DC04, second-generation cephalosporins |
| CEFALEXIN ALKALOID® | | |
| cefalexin | 500 mg capsules, hard 16 and 100 capsules 250 mg/5ml powder for oral suspension 100 ml suspension | J01DB01, first-generation cephalosporins |
| CEFAZ® | | |
| ceftazidime | 500 mg and 1 g powder for solution for injection 5 vials | J01DD02, third-generation cephalosporins |
| CHLORAMPHENICOL ALKALOID® | | |
| chloramphenicol | 50 mg/g ointment, 5 g ointment | D06AX02, antibiotic for topical use |

| Registered name, INN (generic) | Presentation (strength, pharmaceutical form, pack size) | ATC-code, pharmaco-therapeutic group |
|---|--|---|
| CHLORAMPHENICOL ALKALOID® | | |
| chloramphenicol | 10 mg/g eye ointment, 5 g ointment | S01AA01, ophthalmological antibiotic |
| CINEDIL® | | |
| cinnarizine | 75 mg tablets, 45 tablets | N07CA02, antivertigo preparation |
| CIKLOSPORIN ALKALOID® | | |
| ciclosporin | 25 mg, 50 mg and 100 mg capsules, soft 50 capsules 100 mg/ml oral solution, 50 ml solution | L04AD01, immunosuppressant |
| CITERAL® | | |
| ciprofloxacin | 250 mg and 500 mg film-coated tablets 10 tablets 100 mg/10ml concentrate for solution for infusion, 5 ampoules | J01MA02, quinolone for systemic use, fluoroquinolones |
| CITERAL® | | |
| ciprofloxacin | 3 mg/ml eye and ear drops, solution 5 ml solution | S03AA07, antimicrobial quinolone, agent, ophthalmological and otological preparations, anti-infectives |
| CILESO® | | |
| cilostazol | 100 mg tablets, 30 tablets | B01AC23, Antithrombotic agents, platelet aggregation inhibitor excl. heparin |
| CODEINI PHOSPHATIS ALKALOID® | | |
| codeine | 30 mg tablets, 10 tablets | R05DA04, antitussive |
| CO-ALMACIN® | | |
| amoxicillin; clavulanic acid | 400 mg/57 mg/5 ml powder for oral suspension 70 ml suspension 875 mg/125 mg film-coated tablets 10 and 14 tablets | J01CR02, combinations of penicillins, incl. β -lactamase inhibitors |

| Registered name, INN (generic) | Presentation (strength, pharmaceutical form, pack size) | ATC-code, pharmaco-therapeutic group |
|---|---|---|
| DECOTAL® | | |
| diflucortolone | 1 mg/g cream, 20 g cream 1 mg/g ointment, 20 g ointment | D07AC06, potent corticosteroid dermotherapeutic |
| DIAZEPAM ALKALOID® | | |
| diazepam | 2 mg and 5 mg coated tablets 30 tablets 10 mg/2ml solution for injection 10 ampoules | N05BA01, anxiolytic |
| DicloJet® | | |
| diclofenac | 75 mg gastro-resistant capsules, hard 20 capsules Manufactured in cooperation with Aenova IP GmbH, 35039 Marburg, Germany | M01AB05, NSAID |
| Diclo Duo® | | |
| diclofenac | 75 mg modified release capsules, hard 20 capsules Manufactured in cooperation with Aenova IP GmbH, 35039 Marburg, Germany | M01AB05, NSAID |
| DIPROL® | | |
| paracetamol | 120 mg/5ml oral suspension 100ml suspension | N02BE01, analgesic and antipyretic |
| DOXYCYCLIN ALKALOID® | | |
| doxycycline | 100 mg capsules, hard 5 and 100 capsules | J01AA02, tetracycline antibiotic |
| EGLONYL® forte | | |
| sulpiride | 200 mg tablets, 10 and 30 tablets | N05AL01, antipsychotic |
| EGLONYL® | | |
| sulpiride | 50 mg capsules, hard, 30 capsules 25 mg/5 ml oral solution 120 ml solution 100 mg/2 ml solution for injection 30 ampoules | N05AL01, antipsychotic |
| ENALAPRIL ALKALOID® | | |
| enalapril | 5 mg, 10 mg and 20 mg tablets, 20 tablets | C09AA02, ACE inhibitor |

| Registered name, INN (generic) | Presentation (strength, pharmaceutical form, pack size) | ATC-code, pharmaco-therapeutic group |
|---|--|--|
| ENALAPRIL H ALKALOID® | | |
| enalapril, hydrochlorothiazide | 10 mg/25 mg tablets 20 tablets | C09BA02, ACE inhibitor and diuretic |
| EPIAL® | | |
| carbamazepine | 200 mg tablets, 50 tablets | N03AF01, antiepileptic |
| FAMOSAN® | | |
| famotidine | 10 mg and 20 mg film-coated tablets 20 tablets 40 mg film-coated tablets 10 tablets | A02BA03, H ₂ receptor antagonists |
| FLAGYL® | | |
| metronidazole | 500 mg vaginal pessaries 10 pessaries | G01AF01, gynecological antiinfective and antiseptic |
| Manufactured in cooperation with Sanofi Aventis, France | | |
| FLAGYL® | | |
| metronidazole | 250 mg film-coated tablets 20 tablets 400 mg tablets, 20 tablets | P01AB01, antiinfective for systemic use, antiprotozoal |
| Manufactured in cooperation with Sanofi Aventis, France | | |
| FLUOXETIN ALKALOID® | | |
| fluoxetine | 20 mg capsules, hard 30 capsules | N06AB03, antidepressant |
| FURAL® | | |
| nifuroxazide | 200mg/5 ml oral suspension 90ml suspension | A07AX 03 intestinal antiinfective agent |
| FURAL® | | |
| nifuroxazide | 100 mg capsules, hard, 30 capsules 200 mg capsules, hard, 20 capsules | A07AX03 intestinal antiinfective agent |

| Registered name, INN (generic) | Presentation (strength, pharmaceutical form, pack size) | ATC-code, pharmaco-therapeutic group |
|--|--|---|
| FUROSEMID ALKALOID® | | |
| furosemide | 40 mg tablets, 10 tablets 20 mg/2ml solution for injection 50 ampoules | C03CA01, diuretic |
| FUREXA® | | |
| cefuroxime | 250 mg powder for injection 5 vials | J01DC02, second-generation cephalosporins |
| FUREXA® | | |
| cefuroxime | 750 mg and 1,5 g powder for solution for injection or infusion, 5 vials | J01DC02, second-generation cephalosporins |
| GASTROGUARD® | | |
| calcium carbonate; magnesium carbonate | 680 mg/80 mg chewable tablets 8, 16, 24 and 32 tablets | A02AD01, antacids, combinations and complexes of aluminium, calcium and magnesium compounds |
| GENTAMICIN ALKALOID® | | |
| gentamicin | 20 mg/2 ml, 40 mg/2ml, 80 mg/2 ml and 120 mg/2ml solution for injection, 10 ampoules | J01GB03, aminoglycoside antibiotic |
| GLIBEDAL® | | |
| glibenclamide | 5 mg tablets, 30 tablets | A10BB01, oral blood glucose lowering drugs |
| GLUCOSE ALKALOID® | | |
| glucose | 5% and 10% solution for infusion 500 ml solution | B05BA03, solution for parental nutrition |
| HARTMAN ALKALOID® | | |
| sodium chloride; potassium chloride; calcium chloride dihydrate; sodium lactate | 6,02g/0,373g/0,294g/6,276g/ /1000 ml solution for infusion 500 ml solution | B05BB01, blood substitutes and perfusion solutions |

| Registered name, INN (generic) | Presentation (strength, pharmaceutical form, pack size) | ATC-code, pharmaco-therapeutic group |
|--|---|--|
| HEFEROL® | | |
| ferrous fumarate | 350 mg capsules, hard, 30 capsules | B03AA02, antianemic |
| HIDROHLOROTIAZID ALKALOID® | | |
| hydrochlorothiazide | 25 mg tablets, 20 tablets | C03AA03, diuretic |
| HOLLESTA® | | |
| simvastatin | 10 mg, 20 mg and 40 mg film-coated tablets, 30 tablets | C10AA01, hypolipemic HMG CoA reductase inhibitors |
| INDAPAMID ALKALOID® SR | | |
| indapamide | 1.5 mg prolonged release tablets 30 film-coated tablets | C03BA11, diuretics |
| KALCIUM KARBONAT ALKALOID® | | |
| calcium carbonate | 1000 mg tablets, 50 tablets | A12AA04, mineral supplement |
| KETOCONAZOLE ALKALOID | | |
| ketoconazole | 20mg/g shampoo, 100 ml | D01AC08 antifungals for topical use |
| KLINDAMICIN ALKALOID® | | |
| clindamycin | 150 mg and 300 mg capsules, hard 16 capsules 300 mg /2 ml and 600 mg/ 4 ml solution for injection, 10 ampoules | J01FF01, lincosamide antibiotic |
| LAMAL® | | |
| lamotrigine | 25 mg, 50mg, 100 mg and 200 mg tablets, 30 tablets | N03AX09, antiepileptic |
| LEGOFER® | | |
| ferric proteinsuccinylate | 40 mg/15 ml oral solution 150 ml solution | B03AB09, antianemic |
| Manufactured in cooperation with Italfarmaco S.p.A. Milan, Italy | | |
| LEXILIUM® | | |
| bromazepam | 1.5 mg, 3 mg and 6 mg tablets 30 tablets | N05BA08, benzodiazepine derivatives |
| Manufactured in cooperation with F. Hoffman - La Roche Ltd. Basel, Switzerland | | |

| Registered name, INN (generic) | Presentation (strength, pharmaceutical form, pack size) | ATC-code, pharmaco-therapeutic group |
|---|--|--|
| LIDOKAIN HIDROHLORID ALKALOID® | | |
| lidocaine | 40 mg/2ml solution for injection 100 ampoules | N01BB02 local anaesthetic, antiarrhythmic |
| LIDOCAIN-ADRENALIN ALKALOID® | | |
| lidocaine, epinephrine | 40mg/0.025 mg/2 ml solution for injection, 100 ampoules | N01BB52, local anaesthetic |
| LORATADIN ALKALOID® | | |
| loratadine | 10 mg tablets, 10 tablets 1 mg/1ml oral solution, 120 ml solution | R06AX13, antihistaminic |
| LORATADIN S ALKALOID® | | |
| loratadine | 10 mg tablets, 10 tablets | R06AX13, antihistaminic |
| LOSARTAN ALKALOID® | | |
| losartan | 50 mg and 100 mg film-coated tablets 30 tablets | C09CA01, angiotensin II antagonist |
| LUNATA® | | |
| zolpidem | 5 mg and 10mg film-coated tablets 10 tablets | N05CF02, hypnotics and sedatives |
| LYVAM® | | |
| levetiracetam | 250 mg, 500 mg, 750 mg and 1000 mg film-coated tablets, 60 tablets | N03AX14 other antiepileptics |
| MENDILEX® | | |
| biperiden | 2 mg tablets, 50 tablets | N04AA02, antiparkinsonic |
| METADON ALKALOID® | | |
| methadone | 10 mg/ml oral drops, solution 10 ml solution 10 mg/ml oral solution, 100 ml and 1000 ml solution | N07BC02, opioid analgesic; drug used in opioid dependance |
| METFORMIN ALKALOID® | | |
| metformin | 500 mg, 850 mg and 1000 mg film-coated tablets, 30 tablets | A10BA02, oral blood glucose lowering drugs, biguanides |
| MORFIN HIDROHLORID ALKALOID® | | |
| morphine | 20 mg/ml and 4 mg/ml solution for injection 10 ampoules | N02AA01, opioid analgesic |

| Registered name, INN (generic) | Presentation (strength, pharmaceutical form, pack size) | ATC-code, pharmaco-therapeutic group |
|--|---|--|
| NATRII CLORIDI INFUNDIBILE CUM GLUCOSO 5% ALKALOID® | | |
| sodium chloride; glucose | 9 g/50 g/ 1000 ml solution for infusion 500 ml solution | B05BB02, blood substitutes and perfusion solutions |
| NATRIUM HLORID ALKALOID® | | |
| sodium chloride | 0,9% solution for infusion 500 ml solution | B05XA03, plasma substitutes and infusion solutions/electrolytes |
| NAZOPASS® | | |
| oxymetazoline | 0.5mg/ml and 0.25mg/ml nasal drops, 10 ml solution | R01AA05, Decongestant for topical use, Sympathomimetic |
| NIFADIL® retard | | |
| nifedipine | 20 mg prolonged release, tablets 30 film-coated tablets | C08CA05, calcium channel blocker |
| NIFLAM® | | |
| ketoprofen | 50 mg capsules, hard, 20 capsules 100 mg/2ml solution for injection or infusion 10 ampoules | M01AE03, NSAID |
| NOVAMORF® | | |
| morphine | 20 mg sublingual tablets 20 and 60 tablets | N02AA01, opioid analgesic |
| NOZINAN® | | |
| levomepromazine | 25 mg and 100 mg film-coated tablets 20 and 100 tablets | N05AA02, antipsychotic |
| NYMER® | | |
| nimesulide | 100 mg tablets, 15 tablets | M01AX17 other antiinflammatory and antirheumatic agents, non-steroids |
| OMEZOL® | | |
| omeprazole | 20 mg gastro-resistant capsules, hard 14 capsules | A02BC01, antiulcer drug |

| Registered name, INN (generic) | Presentation (strength, pharmaceutical form, pack size) | ATC-code, pharmaco-therapeutic group |
|---|---|--|
| PANCEF® | | |
| cefixime | 400 mg film-coated tablets, 5, 7 and 10 tablets 100 mg/5ml granules for oral suspension 60 ml and 100 ml suspension | J01DD08, third-generation cephalosporins |
| PARACETAMOL ALKALOID® | | |
| paracetamol | 500 mg tablets, 10, 12 and 500 tablets 120 mg/5ml oral solution 100 ml solution | N02BE01, analgesic and antipyretic |
| PARSEDIL® | | |
| dipyridamole | 75 mg coated tablets, 15 tablets | B01AC07, platelet aggregation inhibitor |
| PENTOKSIFILIN ALKALOID® | | |
| pentoxifylline | 400 mg prolonged release tablets 20 film-coated tablets 100 mg/5 ml solution for injection 5 ampoules | C04AD03, peripheral vasodilator, rheolytic |
| PHENOBARBITAL ALKALOID® | | |
| phenobarbital | 15 mg and 100 mg tablets 30 tablets | N03AA02, antiepileptic |
| PHOLCODIN ALKALOID® | | |
| pholcodine | 10 mg capsules, hard, 20 capsules 15 mg/15ml oral solution 150 ml solution | R05DA08, antitussic |
| PHOLCODIN ALKALOID® for children | | |
| pholcodine | 4 mg/5ml oral solution 60 ml solution | R05DA08, antitussic |
| PIMEF® | | |
| cefepime | 1 g and 2 g powder for solution for injection or infusion 5 vials | J01DE01, fourth-generation cephalosporins |
| PROCULIN® | | |
| naphazoline | 0.3mg/ml eye drops 10 ml solution | S01GA01, ophthalmic decongestant |

| Registered name, INN (generic) | Presentation (strength, pharmaceutical form, pack size) | ATC-code, pharmaco-therapeutic group |
|---|--|--|
| PROPAFENON ALKALOID® | | |
| propafenone | 150 mg film-coated tablets 40 tablets 35 mg/10 ml solution for injection 10 ampoules | C01BC03, antiarrhythmic |
| PROPILTIOURACIL ALKALOID® | | |
| propylthiouracil | 50 mg tablets, 20 tablets 100 mg tablets, 45 tablets | H03BA02, thyrostatic |
| REGLAN® | | |
| metoclopramide | 10 mg tablets, 40 tablets 5 mg/5ml oral solution 120 ml solution 10 mg/2 ml solution for injection 30 ampoules | A03FA01, antiemetic |
| Manufactured in cooperation with Sanofi Aventis, France | | |
| RELIKA® | | |
| perindopril | 2 mg, 4 mg and 8 mg tablets 30 tablets | C09AA04 ACE inhibitors, plain |
| REMOXICAM® | | |
| piroxicam | 20 mg capsules hard, 20 capsules | M01AC01, NSAID |
| RINGER ALKALOID® | | |
| sodium chloride; potassium chloride; calcium chloride dihydrate | 8,60 g/0,30 g/0,33 g/1000 ml solution for infusion 500 ml solution | B05BB01, plasma substitutes and infusion solutions/electrolytes |
| RISPERIDON ALKALOID® | | |
| risperidone | 1 mg, 2 mg and 3 mg film-coated tablets, 20 tablets 1 mg/1 ml oral solution, 60 ml solution | N05AX08, antipsychotic |
| ROPUIDO® | | |
| rosuvastatin | 5mg; 10 mg; 20 mg or 40 mg film-coated tablets, 28 or 30 tablets | C10AA07, Lipid modifying agents, plain, HMG CoA reductase inhibitors |

| Registered name, INN (generic) | Presentation (strength, pharmaceutical form, pack size) | ATC-code, pharmaco-therapeutic group |
|---|---|--|
| SALBUTAMOL ALKALOID® | | |
| salbutamol | 2 mg tablets, 60 and 100 tablets 2mg/5ml oral solution 150 ml solution 5mg/ml nebuliser solution 20 ml solution | R03CC02, bronchodilator |
| SINEQUAN® | | |
| doxepin Manufactured under the license of Pfizer Corporation | 10 mg and 25 mg capsules, hard, 30 capsules | N06AA12, antidepressant |
| SIZAP® | | |
| olanzapine | 2.5 mg, 5 mg and 10 mg film-coated tablets, 30 tablets | N05AH03, antipsychotics |
| SKOPRYL® | | |
| lisinopril | 5 mg, 10 mg and 20 mg tablets 20 tablets | C09AA03, ACE inhibitor |
| SKOPRYL plus® | | |
| lisinopril, hydrochlorothiazide | 20 mg/12.5mg tablets 20 tablets 20 mg/25 mg tablets 20 tablets | C09BA03, combined antihypertensive |
| SUMETRIN® | | |
| sumatriptan | 50 mg film-coated tablets 6 and 3 tablets | N02CC01, antimigraine preparation |
| SYNETRA® | | |
| clopidogrel | 75 mg film-coated tablets, 30 tablets | B01AC04, antithrombotic agent |
| TAMLOS® | | |
| tamsulosin | 0.4 mg modified release capsules, hard 30 capsules | G04CA02, drug used in benign prostatic hypertrophy |
| TIMOLOL ALKALOID® | | |
| timolol | 5mg/ml eye drops, 5 ml solution | S01ED01, antiglaucoma preparation |

| Registered name, INN (generic) | Presentation (strength, pharmaceutical form, pack size) | ATC-code, pharmaco-therapeutic group |
|--|---|--|
| TORVEX® | | |
| atorvastatin | 10 mg, 20 mg, 40 mg and 80 mg film-coated tablets, 30 tablets | C10AA05, hypolipemic |
| TRAMADOL ALKALOID® | | |
| tramadol | 50 mg capsules, hard, 20 capsules 50 mg/1ml solution for injection 5 and 50 ampoules 100 mg/2ml solution for injection 5 and 50 ampoules | N02AX02, opioid analgesic |
| TRICEF® | | |
| cefepodoxime | 100 mg film-coated tablets 10 and 20 tablets 200 mg film-coated tablets 10 and 20 tablets 40 mg/5ml powder for oral suspension 100 ml suspension | J01DD13, third-generation cephalosporins |
| TRIGLID® | | |
| fenofibrate | 145 mg tablets, 30 tablets | C10AB05 lipid modifying agent, plain; fibrates |
| ULCODIN® | | |
| ranitidine | 75 mg film-coated tablets, 20 tablets, 150mg film-coated tablets, 15,20 and 30 tablets | A02BA02, H ₂ receptor antagonists |
| VASOFLEX® | | |
| prazosin | 1 mg tablets, 30 tablets 2 mg and 5 mg tablets 60 tablets | C02CA01, selective α ₁ -adrenergic blocker |
| Manufactured under the license of Pfizer Corporation | | |
| VERAPAMIL ALKALOID® retard | | |
| verapamil | 240 mg prolonged release, tablets 20 film - coated tablets | C08DA01, calcium channel blocker |

| Registered name, INN (generic) | Presentation (strength, pharmaceutical form, pack size) | ATC-code, pharmaco-therapeutic group |
|---|--|--|
| VERAPAMIL ALKALOID® | | |
| verapamil | 40 mg and 80 mg coated tablets, 30 tablets 5 mg/2 ml solution for injection 10 and 50 ampoules | C08DA01, calcium channel blocker |
| VITAMIN B₁ ALKALOID® | | |
| thiamine | 100 mg/1 ml solution for injection 50 ampoules | A11DA01, vitamin |
| VITAMIN B₁₂ ALKALOID® | | |
| cyanocobalamin | 500 mcg/1 ml solution for injection 50 ampoules | B03BA01, antianemic |
| VITAMIN B₆ ALKALOID® | | |
| pyridoxine | 20 mg tablets, 20 tablets 50 mg/2 ml solution for injection 50 ampoules | A11HA02, vitamin |
| VITAMIN C ALKALOID® | | |
| ascorbic acid | 500 mg tablets, 250 tablets | A11GA01, vitamin |
| WALZERA® | | |
| valsartan | 40 mg, 80 mg and 160 mg film-coated tablets 30 tablets | C09CA03 angiotensin II antagonists, plain |
| YMANA® | | |
| memantine | 5 mg, 10 mg, 15 mg and 20 mg film-coated tablets 28 and 30 tablets | N06DX01 anti-dementia drug |
| ZANFEXA® | | |
| venlafaxine | 37.5 mg, 50 mg and 75mg tablets 30 tablets | N06AX16, antidepressants |
| ZANFEXA® XR | | |
| venlafaxine | 37,5 mg, 75 mg and 150 mg prolonged release capsules, hard 30 capsules | N06AX16, antidepressants |

| Registered name, INN (generic) | Presentation (strength, pharmaceutical form, pack size) | ATC-code, pharmaco-therapeutic group |
|---|--|---|
| ZEPIRA® | | |
| escitalopram | 5 mg, 10 mg, 15 mg and 20 mg film-coated tablets 30 tablets | N06AB10 selective serotonin reuptake inhibitors |
| ZYTRON® | | |
| ondansetron | 4 mg and 8 mg film-coated tablets, 10 tablets 4 mg/2ml and 8mg/4ml solution for injection, 5 ampoules | A04AA01, antiemetic and antinauseant |

New Marketing Authorizations

| Registered name, INN (generic) | Presentation (strength, pharmaceutical form, pack size) | ATC-code, pharmaco-therapeutic group |
|---|--|--|
| BlokMax Rapid | | |
| ibuprofen lysinate | 400 mg film-coated tablets, 10 or 20 tablets | M01AE01, NSAID |
| CARVEDILOL ALKALOID | | |
| carvedilol | 6,25 mg or 25 mg tablets, 30 tablets | C07AG02, Alpha and beta blocking agents |
| IBANDRONIC ACID ALKALOID | | |
| ibandronic acid | 150 mg film-coated tablets, 1 or 3 tablets | M05BA06, Drugs affecting bone structure and mineralizatio, Bisphosphonates |
| Lanzoprazol Alkaloid | | |
| lansoprazole | 15 mg or 30 mg gastro-resistant capsules, hard 14 or 28 capsules | A02BC03, Drugs for peptic ulcer and gastro-oesophageal refluxdisease (gord), Proton pump inhibitor |
| MASSIDO | | |
| nebivolol | 5 mg tablets, 28 tablets | C07AB12, Beta blocking agents, selective |
| Manitol 10 % Alkaloid | | |
| mannitol/sodium lactate | 100 g /6,72g/1000 ml solution for infusion, 500 ml | B05BC01, Solutions producing osmotic diuresis |
| Manitol 20 % Alkaloid | | |
| mannitol | 200g/1000 ml solution for infusion, 250 ml | B05BC01, Solutions producing osmotic diuresis |
| MAPRAZAX | | |
| alprazolam | 0,25 mg; 0,5 mg or 1 mg tablets, 30 tablets | N05BA12, Benzodiazepine derivatives |
| Metoprolol Alkaloid | | |
| metoprolol | 50 mg or 100 mg film-coated tablets, 30 tablets | C07AB02, Beta blocking agents |

New Marketing Authorizations

| Registered name, INN (generic) | Presentation (strength, pharmaceutical form, pack size) | ATC-code, pharmaco-therapeutic group |
|---|--|---|
| MOXIRAL | | |
| moxifloxacin | 400 mg film-coated tablets, 5; 7 or 10 tablets | J01MA14, Quinolone antibacterials, Fluoroquinolones |
| Paroxetin Alkaloid | | |
| paroxetine | 20 mg or 30 mg film-coated tablets, 30 tablets | N06AB05, Selective serotonin reuptake inhibitors |
| RELIKA PLUS | | |
| perindopril/indapamid | 2 mg/0.625 mg; 4 mg/1.25 mg or 8 mg/2.5 mg tablets, 30 tablets | C09BA04, ACE inhibitors and diuretics |
| Repaglinid Alkaloid | | |
| repaglinide | 0.5 mg; 1 or 2 mg film-coated tablets, 90 tablets | A10BX02, Other blood glucose lowering drugs, excl. insulins |
| Walzera plus | | |
| valsartan/hydrochlorothiazide | 80mg/12.5 mg, film-coated tablets, 28 tablets | C09DA03, Angiotensin II antagonists and diuretics |

Borderline products

| Registered name, INN (generic) | Presentation (strength, pharmaceutical form, pack size) |
|--|--|
| PLANTAGIN® | |
| oleum hyperici | 0.8 g pessaries, 7 pessaries |
| DIASTOP Probio® | |
| Lactobacillus acidophilus, LA-5™ Streptococcus thermophilus, STY-31™; Bifidobacterium, BB-12™; Lactobacillus delbrueckli, LBY-27™ | Lactobacillus acidophilus, LA-5™ approx. 32 mg; Streptococcus thermophilus, STY-31™ approx. 23 mg; Bifidobacterium, BB-12™ approx. 17 mg and Lactobacillus delbrueckli, LBY-27™ approx. 6 mg, 10 capsules |

™unregistered trademarks of Chr. Hansen A/S

Medical devices

| Registered name | Presentation |
|--|---|
| AlCart | Sodium bicarbonate cartridge for bicarbonate haemodialysis. 650 g, 720 g, 750 g, 760 g and 1100 g cartridge |
| AMINAL[®] - M | Alkaline concentrated solution for bicarbonate haemodialysis, 8.4% solution of sodium bicarbonate (w/v). 5 l, 6 l and 10 l solution |
| AMINAL[®] - 100 B | Alkaline concentrated solution for bicarbonate haemodialysis, 1+35.830 dilution ratio, contains sodium bicarbonate and sodium chloride. 5 l, 6 l and 10 l solution |
| AMINAL[®] - 100 K | Acidic concentrated solution for bicarbonate haemodialysis, 1+35.830 dilution ratio, contains 140 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.75 mmol/l Ca ²⁺ , 0.5 mmol/l Mg ²⁺ . 5 l, 6 l and 10 l solution |
| AMINAL[®] - 100 CK | Acidic concentrated solution for bicarbonate haemodialysis, 1+35.830 dilution ratio, contains 140 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.25 mmol/l Ca ²⁺ , 0.5 mmol/l Mg ²⁺ . 5 l, 6 l and 10 l solution |
| AMINAL[®] - 100 K-1,35 | Acidic concentrated solution for bicarbonate haemodialysis, 1+35.830 dilution ratio, contains 140 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.35 mmol/l Ca ²⁺ , 0.5 mmol/l Mg ²⁺ . 5 l, 6 l and 10 l solution |
| AMINAL[®] - 100 K-1,50 | Acidic concentrated solution for bicarbonate haemodialysis, 1+35.830 dilution ratio, contains 140 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.50 mmol/l Ca ²⁺ , 0.5 mmol/l Mg ²⁺ . 5 l, 6 l and 10 l solution |
| AMINAL[®] - 100 KD | Acidic concentrated solution for bicarbonate haemodialysis, 1+35.830 dilution ratio, contains 140 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.75 mmol/l Ca ²⁺ , 0.5 mmol/l Mg ²⁺ , 1.01 g/l glucose. 5 l, 6 l and 10 l solution |
| AMINAL[®] - 100 CKD | Acidic concentrated solution for bicarbonate haemodialysis, 1+35.830 dilution ratio, contains 140 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.25 mmol/l Ca ²⁺ , 0.5 mmol/l Mg ²⁺ , 1.01 g/l glucose. 5 l, 6 l and 10 l solution |

Medical devices

| Registered name | Presentation |
|------------------------------|---|
| AMINAL® - 100 KD-1,35 | Acidic concentrated solution for bicarbonate haemodialysis, 1+35.830 dilution ratio, contains 140 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.35 mmol/l Ca ²⁺ , 0.5 mmol/l Mg ²⁺ , 1.01 g/l glucose. 5 l, 6 l and 10 l solution |
| AMINAL® - 100 KD-1,50 | Acidic concentrated solution for bicarbonate haemodialysis, 1+35.830 dilution ratio, contains 140 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.50 mmol/l Ca ²⁺ , 0.5 mmol/l Mg ²⁺ , 1.01 g/l glucose. 5 l, 6 l and 10 l solution |
| AMINAL® - BC | Acidic concentrated solution for bicarbonate haemodialysis, 1+34 dilution ratio, contains 138 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.75 mmol/l Ca ²⁺ , 1 mmol/l Mg ²⁺ . 5 l, 6 l and 10 l solution |
| AMINAL® - BC-1,25 | Acidic concentrated solution for bicarbonate haemodialysis, 1+34 dilution ratio, contains 138 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.25 mmol/l Ca ²⁺ , 1 mmol/l Mg ²⁺ . 5 l, 6 l and 10 l solution |
| AMINAL® - BC-1,35 | Acidic concentrated solution for bicarbonate haemodialysis, 1+34 dilution ratio, contains 138 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.35 mmol/l Ca ²⁺ , 1 mmol/l Mg ²⁺ . 5 l, 6 l and 10 l solution |
| AMINAL® - BC-1,50 | Acidic concentrated solution for bicarbonate haemodialysis, 1+34 dilution ratio, contains 138 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.50 mmol/l Ca ²⁺ , 1 mmol/l Mg ²⁺ . 5 l, 6 l and 10 l solution |
| AMINAL® - BCD | Acidic concentrated solution for bicarbonate haemodialysis, 1+34 dilution ratio, contains 138 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.75 mmol/l Ca ²⁺ , 1 mmol/l Mg ²⁺ , 1 g/l glucose. 5 l, 6 l and 10 l solution |
| AMINAL® - BCD-1,25 | Acidic concentrated solution for bicarbonate haemodialysis, 1+34 dilution ratio, contains 138 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.25 mmol/l Ca ²⁺ , 1 mmol/l Mg ²⁺ , 1 g/l glucose. 5 l, 6 l and 10 l solution |

Medical devices

| Registered name | Presentation |
|--|---|
| AMINAL[®] - BCD-1,35 | Acidic concentrated solution for bicarbonate haemodialysis, 1+34 dilution ratio, contains 138 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.35 mmol/l Ca ²⁺ , 1 mmol/l Mg ²⁺ , 1 g/l glucose. 5 l, 6 l and 10 l solution |
| AMINAL[®] - BCD-1,50 | Acidic concentrated solution for bicarbonate haemodialysis, 1+34 dilution ratio, contains 138 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.50 mmol/l Ca ²⁺ , 1 mmol/l Mg ²⁺ , 1 g/l glucose. 5 l, 6 l and 10 l solution |
| AMINAL[®] - BC/3 | Acidic concentrated solution for bicarbonate haemodialysis, 1+34 dilution ratio, contains 138 mmol/l Na ⁺ , 3 mmol/l K ⁺ , 1.75 mmol/l Ca ²⁺ , 1 mmol/l Mg ²⁺ . 5 l, 6 l and 10 l solution |
| AMINAL[®] - BC/3-1,25 | Acidic concentrated solution for bicarbonate haemodialysis, 1+34 dilution ratio, contains 138 mmol/l Na ⁺ , 3 mmol/l K ⁺ , 1.25 mmol/l Ca ²⁺ , 1 mmol/l Mg ²⁺ . 5 l, 6 l and 10 l solution |
| AMINAL[®] - BC/3-1,50 | Acidic concentrated solution for bicarbonate haemodialysis, 1+34 dilution ratio, contains 138 mmol/l Na ⁺ , 3 mmol/l K ⁺ , 1.50 mmol/l Ca ²⁺ , 1 mmol/l Mg ²⁺ . 5 l, 6 l and 10 l solution |
| AMINAL[®] - BCD/3 | Acidic concentrated solution for bicarbonate haemodialysis, 1+34 dilution ratio, contains 138 mmol/l Na ⁺ , 3 mmol/l K ⁺ , 1.75 mmol/l Ca ²⁺ , 1 mmol/l Mg ²⁺ , 1 g/l glucose. 5 l, 6 l and 10 l solution |
| AMINAL[®] - BCD/3-1,25 | Acidic concentrated solution for bicarbonate haemodialysis, 1+34 dilution ratio, contains 138 mmol/l Na ⁺ , 3 mmol/l K ⁺ , 1.25 mmol/l Ca ²⁺ , 1 mmol/l Mg ²⁺ , 1 g/l glucose. 5 l, 6 l and 10 l solution |
| AMINAL[®] - BCD/3-1,50 | Acidic concentrated solution for bicarbonate haemodialysis, 1+34 dilution ratio, contains 138 mmol/l Na ⁺ , 3 mmol/l K ⁺ , 1.50 mmol/l Ca ²⁺ , 1 mmol/l Mg ²⁺ , 1 g/l glucose. 5 l, 6 l and 10 l solution |
| AMINAL[®] - 101MK | Acidic concentrated solution for bicarbonate haemodialysis, 1+34 dilution ratio, contains 138 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.75 mmol/l Ca ²⁺ , 0.5 mmol/l Mg ²⁺ . 5 l, 6 l and 10 l solution |

Medical devices

| Registered name | Presentation |
|-------------------------------|--|
| AMINAL® - 11 | Acidic concentrated solution for bicarbonate haemodialysis, 1+34 dilution ratio, contains 140 mmol/l Na ⁺ , 3 mmol/l K ⁺ , 1.25 mmol/l Ca ²⁺ , 0.5 mmol/l Mg ²⁺ . 5 l, 6 l and 10 l solution |
| AMINAL® - 12 | Acidic concentrated solution for bicarbonate haemodialysis, 1+34 dilution ratio, contains 138 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.75 mmol/l Ca ²⁺ , 0.5 mmol/l Mg ²⁺ . 5 l, 6 l and 10 l solution |
| AMINAL® - 13 | Acidic concentrated solution for bicarbonate haemodialysis, 1+34 dilution ratio, contains 140 mmol/l Na ⁺ , 3 mmol/l K ⁺ , 1.50 mmol/l Ca ²⁺ , 0.5 mmol/l Mg ²⁺ . 5 l, 6 l and 10 l solution |
| AMINAL® - 13.1 | Acidic concentrated solution for bicarbonate haemodialysis, 1+34 dilution ratio, contains 140 mmol/l Na ⁺ , 3 mmol/l K ⁺ , 1.75 mmol/l Ca ²⁺ , 0.5 mmol/l Mg ²⁺ . 5 l, 6 l and 10 l solution |
| AMINAL® - 14 | Acidic concentrated solution for bicarbonate haemodialysis, 1+34 dilution ratio, contains 140 mmol/l Na ⁺ , 3 mmol/l K ⁺ , 1.75 mmol/l Ca ²⁺ , 0.75 mmol/l Mg ²⁺ , 1.08 g/l glucose. 5 l, 6 l and 10 l solution |
| AMINAL® - BC 0,50 | Acidic concentrated solution for bicarbonate haemodialysis, 1+34 dilution ratio, contains 138 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.75 mmol/l Ca ²⁺ , 0.5 mmol/l Mg ²⁺ . 5 l, 6 l and 10 l solution |
| AMINAL® - BC 0,50-1,25 | Acidic concentrated solution for bicarbonate haemodialysis, 1+34 dilution ratio, contains 138 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.25 mmol/l Ca ²⁺ , 0.5 mmol/l Mg ²⁺ . 5 l, 6 l and 10 l solution |
| AMINAL® - BC 0,50-1,50 | Acidic concentrated solution for bicarbonate haemodialysis, 1+34 dilution ratio, contains 138 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.50 mmol/l Ca ²⁺ , 0.5 mmol/l Mg ²⁺ . 5 l, 6 l and 10 l solution |
| AMINAL® - BCD 0,50 | Acidic concentrated solution for bicarbonate haemodialysis, 1+34 dilution ratio, contains 138 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.75 mmol/l Ca ²⁺ , 0.5 mmol/l Mg ²⁺ , 1 g/l glucose. 5 l, 6 l and 10 l solution |

Medical devices

| Registered name | Presentation |
|---|---|
| AMINAL[®] - BCD 0,50-1,25 | Acidic concentrated solution for bicarbonate haemodialysis, 1+34 dilution ratio, contains 138 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.25 mmol/l Ca ²⁺ , 0.5 mmol/l Mg ²⁺ , 1 g/l glucose. 5 l, 6 l and 10 l solution |
| AMINAL[®] - BCD 0,50-1,50 | Acidic concentrated solution for bicarbonate haemodialysis, 1+34 dilution ratio, contains 138 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.50 mmol/l Ca ²⁺ , 0.5 mmol/l Mg ²⁺ , 1 g/l glucose. 5 l, 6 l and 10 l solution |
| AMINAL[®] - BC 0,50/3 | Acidic concentrated solution for bicarbonate haemodialysis, 1+34 dilution ratio, contains 138 mmol/l Na ⁺ , 3 mmol/l K ⁺ , 1.75 mmol/l Ca ²⁺ , 0.5 mmol/l Mg ²⁺ . 5 l, 6 l and 10 l solution |
| AMINAL[®] - BC 0,50/3-1,25 | Acidic concentrated solution for bicarbonate haemodialysis, 1+34 dilution ratio, contains 138 mmol/l Na ⁺ , 3 mmol/l K ⁺ , 1.25 mmol/l Ca ²⁺ , 0.5 mmol/l Mg ²⁺ . 5 l, 6 l and 10 l solution |
| AMINAL[®] - BC 0,50/3-1,50 | Acidic concentrated solution for bicarbonate haemodialysis, 1+34 dilution ratio, contains 138 mmol/l Na ⁺ , 3 mmol/l K ⁺ , 1.50 mmol/l Ca ²⁺ , 0.5 mmol/l Mg ²⁺ . 5 l, 6 l and 10 l solution |
| AMINAL[®] - BCD 0,50/3 | Acidic concentrated solution for bicarbonate haemodialysis, 1+34 dilution ratio, contains 138 mmol/l Na ⁺ , 3 mmol/l K ⁺ , 1.75 mmol/l Ca ²⁺ , 0.5 mmol/l Mg ²⁺ , 1 g/l glucose. 5 l, 6 l and 10 l solution |
| AMINAL[®] - BCD 0,50/3-1,25 | Acidic concentrated solution for bicarbonate haemodialysis, 1+34 dilution ratio, contains 138 mmol/l Na ⁺ , 3 mmol/l K ⁺ , 1.25 mmol/l Ca ²⁺ , 0.5 mmol/l Mg ²⁺ , 1 g/l glucose. 5 l, 6 l and 10 l solution |
| AMINAL[®] - BCD 0,50/3-1,50 | Acidic concentrated solution for bicarbonate haemodialysis, 1+34 dilution ratio, contains 138 mmol/l Na ⁺ , 3 mmol/l K ⁺ , 1.50 mmol/l Ca ²⁺ , 0.5 mmol/l Mg ²⁺ , 1 g/l glucose. 5 l, 6 l and 10 l solution |
| AMINAL[®] - C | Acidic concentrated solution for bicarbonate haemodialysis, 1+44 dilution ratio, contains 138 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.75 mmol/l Ca ²⁺ , 1 mmol/l Mg ²⁺ . 4.7 l, 5 l, 6 l, 7.8 l and 10 l solution |

Medical devices

| Registered name | Presentation |
|----------------------------|---|
| AMINAL® - C-1,25 | Acidic concentrated solution for bicarbonate haemodialysis, 1+44 dilution ratio, contains 138 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.25 mmol/l Ca ²⁺ , 1 mmol/l Mg ²⁺ . 4.7 l, 5 l, 6 l, 7.8 l and 10 l solution |
| AMINAL® - C-1,50 | Acidic concentrated solution for bicarbonate haemodialysis, 1+44 dilution ratio, contains 138 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.50 mmol/l Ca ²⁺ , 1 mmol/l Mg ²⁺ . 4.7 l, 5 l, 6 l, 7.8 l and 10 l solution |
| AMINAL® - CD | Acidic concentrated solution for bicarbonate haemodialysis, 1+44 dilution ratio, contains 138 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.75 mmol/l Ca ²⁺ , 1 mmol/l Mg ²⁺ , 1 g/l glucose. 4.7 l, 5 l, 6 l, 7.8 l and 10 l solution |
| AMINAL® - CD-1,25 | Acidic concentrated solution for bicarbonate haemodialysis, 1+44 dilution ratio, contains 138 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.25 mmol/l Ca ²⁺ , 1 mmol/l Mg ²⁺ , 1 g/l glucose. 4.7 l, 5 l, 6 l, 7.8 l and 10 l solution |
| AMINAL® - CD-1,50 | Acidic concentrated solution for bicarbonate haemodialysis, 1+44 dilution ratio, contains 138 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.50 mmol/l Ca ²⁺ , 1 mmol/l Mg ²⁺ , 1 g/l glucose. 4.7 l, 5 l, 6 l, 7.8 l and 10 l solution |
| AMINAL® - CD/3 | Acidic concentrated solution for bicarbonate haemodialysis, 1+44 dilution ratio, contains 138 mmol/l Na ⁺ , 3 mmol/l K ⁺ , 1.75 mmol/l Ca ²⁺ , 1 mmol/l Mg ²⁺ , 1 g/l glucose. 4.7 l, 5 l, 6 l, 7.8 l and 10 l solution |
| AMINAL® - CD/3-1,25 | Acidic concentrated solution for bicarbonate haemodialysis, 1+44 dilution ratio, contains 138 mmol/l Na ⁺ , 3 mmol/l K ⁺ , 1.25 mmol/l Ca ²⁺ , 1 mmol/l Mg ²⁺ , 1 g/l glucose. 4.7 l, 5 l, 6 l, 7.8 l and 10 l solution |
| AMINAL® - CD/3-1,50 | Acidic concentrated solution for bicarbonate haemodialysis, 1+44 dilution ratio, contains 138 mmol/l Na ⁺ , 3 mmol/l K ⁺ , 1.50 mmol/l Ca ²⁺ , 1 mmol/l Mg ²⁺ , 1 g/l glucose. 4.7 l, 5 l, 6 l, 7.8 l and 10 l solution |
| AMINAL® - CD 0,50 | Acidic concentrated solution for bicarbonate haemodialysis, 1+44 dilution ratio, contains 138 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.75 mmol/l Ca ²⁺ , 0.5 mmol/l Mg ²⁺ , 1 g/l glucose. 4.7 l, 5 l, 6 l, 7.8 l and 10 l solution |

Medical devices

| Registered name | Presentation |
|---------------------------------|--|
| AMINAL® - CD 0,50-1,25 | Acidic concentrated solution for bicarbonate haemodialysis, 1+44 dilution ratio, contains 138 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.25 mmol/l Ca ²⁺ , 0.5 mmol/l Mg ²⁺ , 1 g/l glucose. 4.7 l, 5 l, 6 l, 7.8 l and 10 l solution |
| AMINAL® - CD 0,50-1,50 | Acidic concentrated solution for bicarbonate haemodialysis, 1+44 dilution ratio, contains 138 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.50 mmol/l Ca ²⁺ , 0.5 mmol/l Mg ²⁺ , 1 g/l glucose. 4.7 l, 5 l, 6 l, 7.8 l and 10 l solution |
| AMINAL® - CD 0,50/3-1,25 | Acidic concentrated solution for bicarbonate haemodialysis, 1+44 dilution ratio, contains 138 mmol/l Na ⁺ , 3 mmol/l K ⁺ , 1.25 mmol/l Ca ²⁺ , 0.5 mmol/l Mg ²⁺ , 1 g/l glucose. 4.7 l, 5 l, 6 l, 7.8 l and 10 l solution |
| AMINAL® - CD 0,50/3-1,50 | Acidic concentrated solution for bicarbonate haemodialysis, 1+44 dilution ratio, contains 138 mmol/l Na ⁺ , 3 mmol/l K ⁺ , 1.50 mmol/l Ca ²⁺ , 0.5 mmol/l Mg ²⁺ , 1 g/l glucose. 4.7 l, 5 l, 6 l, 7.8 l and 10 l solution |
| AMINAL® - CD 0,75/3-1,25 | Acidic concentrated solution for bicarbonate haemodialysis, 1+44 dilution ratio, contains 138 mmol/l Na ⁺ , 3 mmol/l K ⁺ , 1.25 mmol/l Ca ²⁺ , 0.75 mmol/l Mg ²⁺ , 1 g/l glucose. 4.7 l, 5 l, 6 l, 7.8 l and 10 l solution |
| AMINAL® - CD 0,75/3-1,50 | Acidic concentrated solution for bicarbonate haemodialysis, 1+44 dilution ratio, contains 138 mmol/l Na ⁺ , 3 mmol/l K ⁺ , 1.50 mmol/l Ca ²⁺ , 0.75 mmol/l Mg ²⁺ , 1 g/l glucose. 4.7 l, 5 l, 6 l, 7.8 l and 10 l solution |
| AMINAL® - CD 0,50/3 | Acidic concentrated solution for bicarbonate haemodialysis, 1+44 dilution ratio, contains 138 mmol/l Na ⁺ , 3 mmol/l K ⁺ , 1.75 mmol/l Ca ²⁺ , 0.5 mmol/l Mg ²⁺ , 1 g/l glucose. 4.7 l, 5 l, 6 l, 7.8 l and 10 l solution |
| AMINAL® - CD 0,75/3 | Acidic concentrated solution for bicarbonate haemodialysis, 1+44 dilution ratio, contains 138 mmol/l Na ⁺ , 3 mmol/l K ⁺ , 1.75 mmol/l Ca ²⁺ , 0.75 mmol/l Mg ²⁺ , 1 g/l glucose. 4.7 l, 5 l, 6 l, 7.8 l and 10 l solution |
| AMINAL® - C 0,50 | Acidic concentrated solution for bicarbonate haemodialysis, 1+44 dilution ratio, contains 138 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.75 mmol/l Ca ²⁺ , 0.5 mmol/l Mg ²⁺ . 4.7 l, 5 l, 6 l, 7.8 l and 10 l solution |

Medical devices

| Registered name | Presentation |
|---|---|
| AMINAL[®] - C 0,50-1,25 | Acidic concentrated solution for bicarbonate haemodialysis, 1+44 dilution ratio, contains 138 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.25 mmol/l Ca ²⁺ , 0.5 mmol/l Mg ²⁺ . 4.7 l, 5 l, 6 l, 7.8 l and 10 l solution |
| AMINAL[®] - C 0,50-1,50 | Acidic concentrated solution for bicarbonate haemodialysis, 1+44 dilution ratio, contains 138 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.50 mmol/l Ca ²⁺ , 0.5 mmol/l Mg ²⁺ . 4.7 l, 5 l, 6 l, 7.8 l and 10 l solution |
| AMINAL[®] - C 0,50/3 | Acidic concentrated solution for bicarbonate haemodialysis, 1+44 dilution ratio, contains 138 mmol/l Na ⁺ , 3 mmol/l K ⁺ , 1.75 mmol/l Ca ²⁺ , 0.5 mmol/l Mg ²⁺ . 4.7 l, 5 l, 6 l, 7.8 l and 10 l solution |
| AMINAL[®] - C 0,50/3-1,25 | Acidic concentrated solution for bicarbonate haemodialysis, 1+44 dilution ratio, contains 138 mmol/l Na ⁺ , 3 mmol/l K ⁺ , 1.25 mmol/l Ca ²⁺ , 0.5 mmol/l Mg ²⁺ . 4.7 l, 5 l, 6 l, 7.8 l and 10 l solution |
| AMINAL[®] - C 0,50/3-1,50 | Acidic concentrated solution for bicarbonate haemodialysis, 1+44 dilution ratio, contains 138 mmol/l Na ⁺ , 3 mmol/l K ⁺ , 1.50 mmol/l Ca ²⁺ , 0.5 mmol/l Mg ²⁺ . 4.7 l, 5 l, 6 l, 7.8 l and 10 l solution |
| AMINAL[®] - C 0,75 | Acidic concentrated solution for bicarbonate haemodialysis, 1+44 dilution ratio, contains 138 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.75 mmol/l Ca ²⁺ , 0.75 mmol/l Mg ²⁺ . 4.7 l, 5 l, 6 l, 7.8 l and 10 l solution |
| AMINAL[®] - C 0,75-1,25 | Acidic concentrated solution for bicarbonate haemodialysis, 1+44 dilution ratio, contains 138 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.25 mmol/l Ca ²⁺ , 0.75 mmol/l Mg ²⁺ . 4.7 l, 5 l, 6 l, 7.8 l and 10 l solution |
| AMINAL[®] - C 0,75-1,50 | Acidic concentrated solution for bicarbonate haemodialysis, 1+44 dilution ratio, contains 138 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.50 mmol/l Ca ²⁺ , 0.75 mmol/l Mg ²⁺ . 4.7 l, 5 l, 6 l, 7.8 l and 10 l solution |
| AMINAL[®] - CD 0,75 | Acidic concentrated solution for bicarbonate haemodialysis, 1+44 dilution ratio, contains 138 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.75 mmol/l Ca ²⁺ , 0.75 mmol/l Mg ²⁺ , 1 g/l glucose. 4.7 l, 5 l, 6 l, 7.8 l and 10 l solution |

Medical devices

| Registered name | Presentation |
|--|--|
| AMINAL[®] - CD 0,75-1,25 | Acidic concentrated solution for bicarbonate haemodialysis, 1+44 dilution ratio, contains 138 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.25 mmol/l Ca ²⁺ , 0.75 mmol/l Mg ²⁺ , 1 g/l glucose. 4.7 l, 5 l, 6 l, 7.8 l and 10 l solution |
| AMINAL[®] - CD 0,75-1,50 | Acidic concentrated solution for bicarbonate haemodialysis, 1+44 dilution ratio, contains 138 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.50 mmol/l Ca ²⁺ , 0.75 mmol/l Mg ²⁺ , 1 g/l glucose. 4.7 l, 5 l, 6 l, 7.8 l and 10 l solution |
| AMINAL[®] - CD 0,50-1 | Acidic concentrated solution for bicarbonate haemodialysis, 1+44 dilution ratio, contains 138 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1 mmol/l Ca ²⁺ , 0.5 mmol/l Mg ²⁺ , 1 g/l glucose. 4.7 l, 5 l, 6 l, 7.8 l and 10 l solution |
| AMINAL[®] - CD 0,50-1,125 | Acidic concentrated solution for bicarbonate haemodialysis, 1+44 dilution ratio, contains 138 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.125 mmol/l Ca ²⁺ , 0.5 mmol/l Mg ²⁺ , 1 g/l glucose. 4.7 l, 5 l, 6 l, 7.8 l and 10 l solution |
| AMINAL[®] - CD 0,50/1 | Acidic concentrated solution for bicarbonate haemodialysis, 1+44 dilution ratio, contains 138 mmol/l Na ⁺ , 1 mmol/l K ⁺ , 1.75 mmol/l Ca ²⁺ , 0.5 mmol/l Mg ²⁺ , 1 g/l glucose. 4.7 l, 5 l, 6 l, 7.8 l and 10 l solution |
| AMINAL[®] - CD 0,50/1-1,25 | Acidic concentrated solution for bicarbonate haemodialysis, 1+44 dilution ratio, contains 138 mmol/l Na ⁺ , 1 mmol/l K ⁺ , 1.25 mmol/l Ca ²⁺ , 0.5 mmol/l Mg ²⁺ , 1 g/l glucose. 4.7 l, 5 l, 6 l, 7.8 l and 10 l solution |
| AMINAL[®] - CD 0,50/1-1,50 | Acidic concentrated solution for bicarbonate haemodialysis, 1+44 dilution ratio, contains 138 mmol/l Na ⁺ , 1 mmol/l K ⁺ , 1.50 mmol/l Ca ²⁺ , 0.5 mmol/l Mg ²⁺ , 1 g/l glucose. 4.7 l, 5 l, 6 l, 7.8 l and 10 l solution |
| AMINAL[®] - SET A 0227 | Set of liquid and solid components for preparation of acidic concentrated solutions for bicarbonate haemodialysis, 1+34 dilution ratio, final dialysis fluid contains 140 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.25 mmol/l Ca ²⁺ , 0.75 mmol/l Mg ²⁺ . One set is sufficient for preparation of 100 l of acidic concentrated solution |
| AMINAL[®] - SET AD 0227 | Set of liquid and solid components for preparation of acidic concentrated solutions for bicarbonate haemodialysis, 1+34 dilution ratio, final dialysis fluid contains 140 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.25 mmol/l Ca ²⁺ , 0.75 mmol/l Mg ²⁺ , 1 g/l glucose. One set is sufficient for preparation of 100 l of acidic concentrated solution |

Medical devices

| Registered name | Presentation |
|------------------------------|---|
| AMINAL® - SET A 0257 | Set of liquid and solid components for preparation of acidic concentrated solutions for bicarbonate haemodialysis, 1+34 dilution ratio, final dialysis fluid contains 140 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.50 mmol/l Ca ²⁺ , 0.75 mmol/l Mg ²⁺ . One set is sufficient for preparation of 100 l of acidic concentrated solution |
| AMINAL® - SET AD 0257 | Set of liquid and solid components for preparation of acidic concentrated solutions for bicarbonate haemodialysis, 1+34 dilution ratio, final dialysis fluid contains 140 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.50 mmol/l Ca ²⁺ , 0.75 mmol/l Mg ²⁺ , 1 g/l glucose. One set is sufficient for preparation of 100 l of acidic concentrated solution |
| AMINAL® - SET A 0277 | Set of liquid and solid components for preparation of acidic concentrated solutions for bicarbonate haemodialysis, 1+34 dilution ratio, final dialysis fluid contains 140 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.75 mmol/l Ca ²⁺ , 0.75 mmol/l Mg ²⁺ . One set is sufficient for preparation of 100 l of acidic concentrated solution |
| AMINAL® - SET AD 0277 | Set of liquid and solid components for preparation of acidic concentrated solutions for bicarbonate haemodialysis, 1+34 dilution ratio, final dialysis fluid contains 140 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.75 mmol/l Ca ²⁺ , 0.75 mmol/l Mg ²⁺ , 1 g/l glucose. One set is sufficient for preparation of 100 l of acidic concentrated solution |
| AMINAL® - SET AD 0255 | Set of liquid and solid components for preparation of acidic concentrated solutions for bicarbonate haemodialysis, 1+34 dilution ratio, final dialysis fluid contains 140 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.50 mmol/l Ca ²⁺ , 0.5 mmol/l Mg ²⁺ , 1 g/l glucose. One set is sufficient for preparation of 100 l of acidic concentrated solution |
| AMINAL® - SET AD 0355 | Set of liquid and solid components for preparation of acidic concentrated solutions for bicarbonate haemodialysis, 1+34 dilution ratio, final dialysis fluid contains 140 mmol/l Na ⁺ , 3 mmol/l K ⁺ , 1.50 mmol/l Ca ²⁺ , 0.5 mmol/l Mg ²⁺ , 1 g/l glucose. One set is sufficient for preparation of 100 l of acidic concentrated solution |
| AMINAL® - SET AD 8225 | Set of liquid and solid components for preparation of acidic concentrated solutions for bicarbonate haemodialysis, 1+34 dilution ratio, final dialysis fluid contains 138 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.25 mmol/l Ca ²⁺ , 0.5 mmol/l Mg ²⁺ , 1 g/l glucose. One set is sufficient for preparation of 100 l of acidic concentrated solution |

Medical devices

| Registered name | Presentation |
|-------------------------------|--|
| AMINAL® - SET A 8251 | Set of liquid and solid components for preparation of acidic concentrated solutions for bicarbonate haemodialysis, 1+34 dilution ratio, final dialysis fluid contains 138 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.50 mmol/l Ca ²⁺ , 1 mmol/l Mg ²⁺ . One set is sufficient for preparation of 100 l of acidic concentrated solution |
| AMINAL® - SET AD 8251 | Set of liquid and solid components for preparation of acidic concentrated solutions for bicarbonate haemodialysis, 1+34 dilution ratio, final dialysis fluid contains 138 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.50 mmol/l Ca ²⁺ , 1 mmol/l Mg ²⁺ , 1 g/l glucose. One set is sufficient for preparation of 100 l of acidic concentrated solution |
| AMINAL® - SET CA 8225 | Set of liquid and solid components for preparation of acidic concentrated solutions for bicarbonate haemodialysis, 1+44 dilution ratio, final dialysis fluid contains 138 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.25 mmol/l Ca ²⁺ , 0.5 mmol/l Mg ²⁺ . One set is sufficient for preparation of 100 l of acidic concentrated solution |
| AMINAL® - SET CAD 8225 | Set of liquid and solid components for preparation of acidic concentrated solutions for bicarbonate haemodialysis, 1+44 dilution ratio, final dialysis fluid contains 138 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.25 mmol/l Ca ²⁺ , 0.5 mmol/l Mg ²⁺ , 1 g/l glucose. One set is sufficient for preparation of 100 l of acidic concentrated solution |
| AMINAL® - SET CA 8255 | Set of liquid and solid components for preparation of acidic concentrated solutions for bicarbonate haemodialysis, 1+44 dilution ratio, final dialysis fluid contains 138 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.50 mmol/l Ca ²⁺ , 0.5 mmol/l Mg ²⁺ . One set is sufficient for preparation of 100 l of acidic concentrated solution |
| AMINAL® - SET CAD 8255 | Set of liquid and solid components for preparation of acidic concentrated solutions for bicarbonate haemodialysis, 1+44 dilution ratio, final dialysis fluid contains 138 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.50 mmol/l Ca ²⁺ , 0.5 mmol/l Mg ²⁺ , 1 g/l glucose. One set is sufficient for preparation of 100 l of acidic concentrated solution |
| AMINAL® - SET CA 8275 | Set of liquid and solid components for preparation of acidic concentrated solutions for bicarbonate haemodialysis, 1+44 dilution ratio, final dialysis fluid contains 138 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.75 mmol/l Ca ²⁺ , 0.5 mmol/l Mg ²⁺ . One set is sufficient for preparation of 100 l of acidic concentrated solution |

Medical devices

| Registered name | Presentation |
|-----------------------------------|---|
| AMINAL® - SET CAD 8275 | Set of liquid and solid components for preparation of acidic concentrated solutions for bicarbonate haemodialysis, 1+44 dilution ratio, final dialysis fluid contains 138 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.75 mmol/l Ca ²⁺ , 0.5 mmol/l Mg ²⁺ , 1 g/l glucose. One set is sufficient for preparation of 100 l of acidic concentrated solution |
| AMINAL® - SET CAF 8251 | Set of liquid and solid components for preparation of acidic concentrated solutions for bicarbonate haemodialysis, 1+44 dilution ratio, final dialysis fluid contains 138 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.50 mmol/l Ca ²⁺ , 1 mmol/l Mg ²⁺ . One set is sufficient for preparation of 100 l of acidic concentrated solution |
| AMINAL® - SET CADF 8251 | Set of liquid and solid components for preparation of acidic concentrated solutions for bicarbonate haemodialysis, 1+44 dilution ratio, final dialysis fluid contains 138 mmol/l Na ⁺ , 2 mmol/l K ⁺ , 1.50 mmol/l Ca ²⁺ , 1 mmol/l Mg ²⁺ , 1 g/l glucose. One set is sufficient for preparation of 100 l of acidic concentrated solution |
| ALKOPED® | Adult diapers, sizes: medium, large and extra-large. 10 pcs and 30 pcs per bag. |
| ALKOPED® PREMIUM | Adult diapers with textile backsheet, sizes: medium, large and extra-large. 10 pcs and 30 pcs per bag. |
| PROCULIN® TEARS | Sodium hyaluronate 0.2 %, moisturizing ophthalmic solution. 10 ml solution |
| PROCULIN® TEARS ADVANCE | Ocular drops based upon sodium hyaluronate 0.4% and distilled waters, preservative free. 10 ml ophthalmic solution |
| PROCULIN® LENS | Multipurpose lens care solution with hyaluronic acid. 400 ml solution |
| PROCULIN® LENS travel pack | Multipurpose lens care solution with hyaluronic acid. 100 ml solution |
| Super HR-U | Medical X-ray films, dimensions: 12 cm x 30 cm, 13 cm x 18 cm, 15 cm x 30 cm, 15 cm x 40 cm, 18 cm x 24 cm, 18 cm x 43.2 cm, 20 cm x 40 cm, 24 cm x 30 cm, 30 cm x 40 cm, 35.6 cm x 35.6 cm, 35.6 cm x 43.2 cm, 40 cm x 40 cm, 20 cm x 96 cm. 100 sheets per box; 25 sheets per box (20 cm x 96 cm). |

New approvals

| Registered name | Presentation |
|--|---|
| AMINAL AV FISTULA NEEDLE 15 G A | Arterial fistula needle. 500 pcs per box |
| AMINAL AV FISTULA NEEDLE 15 G V | Venous fistula needle. 500 pcs per box |
| AMINAL AV FISTULA NEEDLE 16 G A | Arterial fistula needle. 500 pcs per box |
| AMINAL AV FISTULA NEEDLE 16 G V | Venous fistula needle. 500 pcs per box |
| AMINAL AV FISTULA NEEDLE 17 G A | Arterial fistula needle. 500 pcs per box |
| AMINAL AV FISTULA NEEDLE 17 G V | Venous fistula needle. 500 pcs per box |
| AMINAL® - BCD 0,50/1 | Acidic concentrated solution for bicarbonate haemodialysis, 1+34 dilution ratio, contains 138 mmol/l Na ⁺ , 1 mmol/l K ⁺ , 1.75 mmol/l Ca ²⁺ , 0.5 mmol/l Mg ²⁺ , 1 g/l glucose. 4.7 l, 5 l, 6 l, 7.8 l and 10 l solution |
| AMINAL® - BCD 0,50/1-1,25 | Acidic concentrated solution for bicarbonate haemodialysis, 1+34 dilution ratio, contains 138 mmol/l Na ⁺ , 1 mmol/l K ⁺ , 1.25 mmol/l Ca ²⁺ , 0.5 mmol/l Mg ²⁺ , 1 g/l glucose. 4.7 l, 5 l, 6 l, 7.8 l and 10 l solution |
| AMINAL® - BCD 0,50/1-1,50 | Acidic concentrated solution for bicarbonate haemodialysis, 1+34 dilution ratio, contains 138 mmol/l Na ⁺ , 1 mmol/l K ⁺ , 1.50 mmol/l Ca ²⁺ , 0.5 mmol/l Mg ²⁺ , 1 g/l glucose. 4.7 l, 5 l, 6 l, 7.8 l and 10 l solution |
| AMINAL DIALYSER L 120 | Low flux dialyser for haemodialysis. 20 pcs per box |
| AMINAL DIALYSER L 140 | Low flux dialyser for haemodialysis. 20 pcs per box |

New approvals

| Registered name | Presentation |
|----------------------------------|---|
| AMINAL DIALYSER L 160 | Low flux dialyser for haemodialysis. 20 pcs per box |
| AMINAL DIALYSER L 180 | Low flux dialyser for haemodialysis. 20 pcs per box |
| AMINAL DIALYSER L 200 | Low flux dialyser for haemodialysis. 20 pcs per box |
| AMINAL DIALYSER H 120 | High flux dialyser for haemodialysis. 20 pcs per box |
| AMINAL DIALYSER H 140 | High flux dialyser for haemodialysis. 20 pcs per box |
| AMINAL DIALYSER H 160 | High flux dialyser for haemodialysis. 20 pcs per box |
| AMINAL DIALYSER H 180 | High flux dialyser for haemodialysis. 20 pcs per box |
| AMINAL DIALYSER H 200 | High flux dialyser for haemodialysis. 20 pcs per box |
| Alkadez Burbath | Ready to use solution for fast disinfection of burs and small dental instruments. 1000 ml solution |
| Alkadez Concentrate 5% MD | Liquid concentrate for disinfection of medical instruments and medical devices. 1000 ml, 3 l, 5 l and 10 l solution |
| Alkadez Enzy | Liquid concentrate for disinfection and enzymatic cleaning of invasive and non-invasive medical instruments and medical devices. 1000 ml, 3 l, 5 l and 10 l solution |

New approvals

| Registered name | Presentation |
|---------------------------|---|
| Alkadez Oxy | Concentrate, in granule form, intended for disinfection of invasive and non-invasive medical instruments and high-level cold chemical disinfection of thermo-resistant and thermo-sensitive medical devices. 1 kg and 3 kg |
| Alkadez Quat AM MD | Aldehyde free concentrate for disinfection of invasive and non-invasive medical instruments and medical devices. 1000 ml, 3 l, 5 l and 10 l solution |
| Alkadez Rapid MD | Ready to use, alcohol based solution for fast disinfection of medical instruments, medical devices and surfaces in the medical area. 750 ml, 1000 ml, 3 l, 5 l and 10 l solution |
| Alkadez Spray MD | Ready to use solution for fast disinfection of invasive and non-invasive medical and dental instruments, surfaces of medical equipment and medical devices. 200 ml, 750 ml, 1000 ml, 3 l, 5 l and 10 l solution |
| CITIKOL B® | Ophthalmic solution with hyaluronic acid, citicoline and vitamin B ₁₂ . 10 ml solution |

Food Supplements

| Registered name | Presentation (strength, pharmaceutical form, pack size) |
|--|---|
| ALKAKAPS® Shark Oil | 500 mg shark liver oil (min. 20% alkylglycerols), soft capsules 30 and 60 capsules |
| ALKAKAPS® Coenzyme Q₁₀ forte | 30 mg coenzyme Q ₁₀ (ubidecarenone), soft capsules, 30 soft capsules |
| ALKAKAPS® Beta Carotene | 6.67 mg betacarotene 30% [equivalent to 2 mg betacarotene, or 333 mcg vitamin A], soft capsules, 90 soft capsules |
| ALKAKAPS® Omega 3 | 500 mg fish oil (including 165 mg EPA and 110 mg DHA) and 5 mg vitamin E, soft capsules, 60 capsules |
| BioKrill Active® | 500 mg krill oil, soft capsules, 30 and 60 soft capsules |
| Red Omega 3® | 300 mg krill oil, soft capsules, 30 capsules |
| Vitamin A+D₃ Alkaloid® | 1667 IU vitamin A (in a form of retinol palmitate) and 400 IU vitamin D ₃ (cholecalciferol), soft capsules, 50 capsules |
| Premama Duo | 11 vitamins; 10 minerals with DHA combination of 30 tablets and 30 soft capsules |
| Magnesium 400 + B complex | Microgranules for direct use, 20 sticks Magnesium 400 mg Vitamin B ₃ 18 mg Pantothenic acid 18 mg Vitamin B ₂ 4.2 mg Vitamin B ₆ 4.2 mg Vitamin B ₁ 3.3 mg Folate 600 mcg Biotin 150 mcg Vitamin B ₁₂ 7.5 mcg |

Food Supplements

| Registered name | Presentation (strength, pharmaceutical form, pack size) |
|--|--|
| ACEROLA ALKALOID® | contains natural vitamin C 180 mg and 500 mg chewable tablets 30 tablets |
| ACEROLA ALKALOID® For children | contains 100% natural vitamin C 40 mg chewable tablets 30 tablets |
| LUNERBA® | Film coated tablets, 30 tablets Passiflora incarnata L. 100 mg Melissa officinalis L. 100 mg Valeriana officinalis L. 25 mg Eschscholzia californica Cham. 25 mg Mentha piperita L. 25 mg Milk protein hydrolysate 15 mg Vitamin B ₆ 0.7 mg Magnesium 75 mg |
| LUNERBA® plus | Film coated tablets, 30 tablets Passiflora incarnata L. 100 mg Valeriana officinalis L. 100 mg Melissa officinalis L. 50 mg Eschscholzia californica Cham. 50 mg Melatonin 1 mg |

Food Supplements New notifications

| | |
|-----------------------|--|
| PROCULIN® PLUS | soft capsules, 30 capsules contains: DHA, lutein + zeaxanthin, vitamin C, vitamin E, zinc, vitamin B ₂ , copper, vitamin A, selenium |
|-----------------------|--|

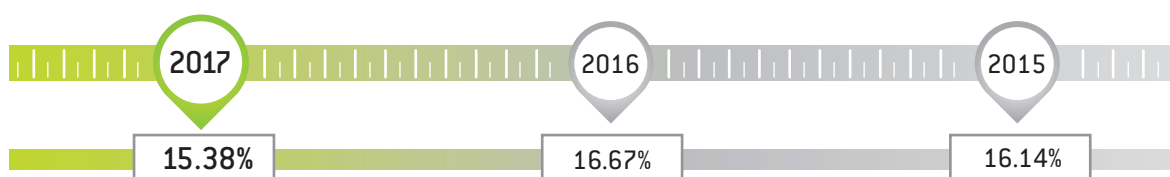


chemicals,
cosmetics
& botanicals

MARKETING AND SALES

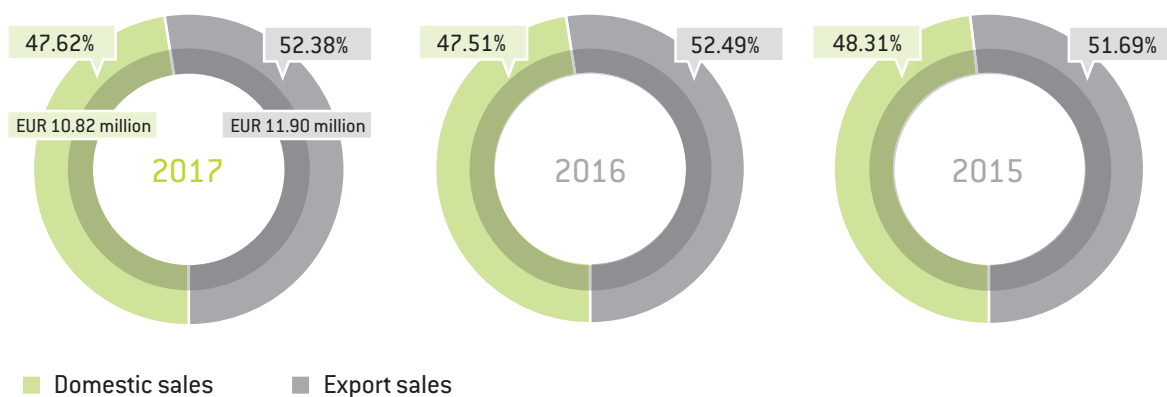
In 2017, PC Chemistry Cosmetics Botanicals had 202 employees working in the headquarters in Skopje. The total net sales of this Profit Centre amounted to 1.4 billion MK denars (EUR 22.72 million), which is a share of 15.38% in the total sales of Alkaloid Group. In 2017, the products of the PC Chemistry Cosmetics Botanicals were available on the markets in 16 countries.

PC Chemistry Cosmetics Botanicals as a part of Alkaloid Group

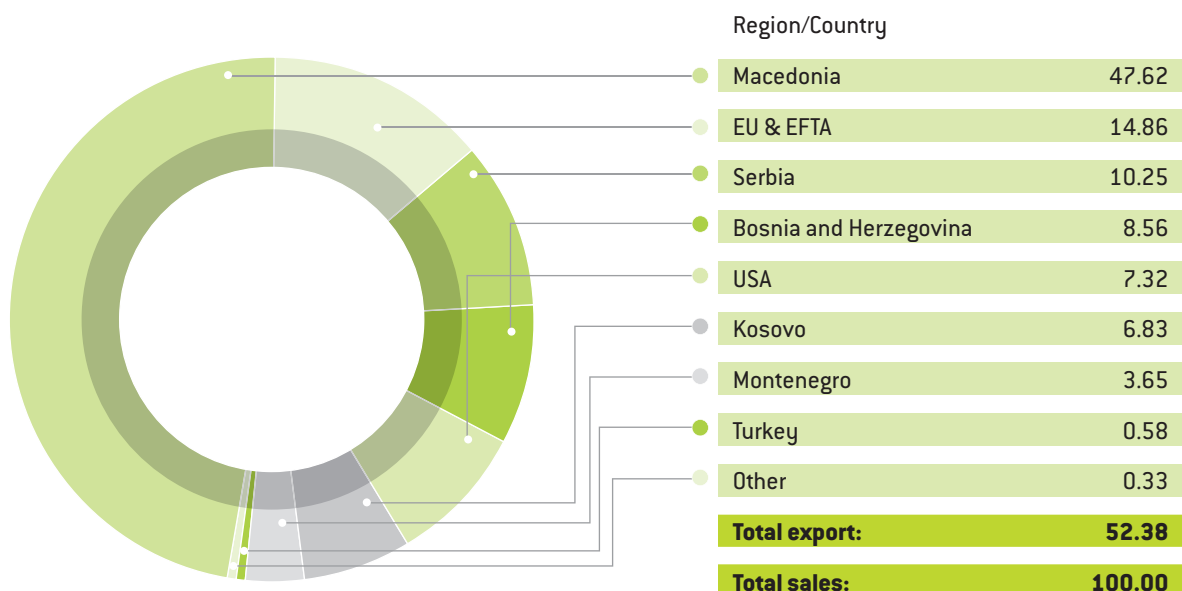


In 2017 the sales level demonstrated an increase of 1.18% compared to last year, i.e. an increase of 11.81% in the Chemistry segment, an increase of 2.24% in the Cosmetics and a decrease of 10.71% in the Botanicals segment.

Sales per markets



Sales per countries 2017 in %

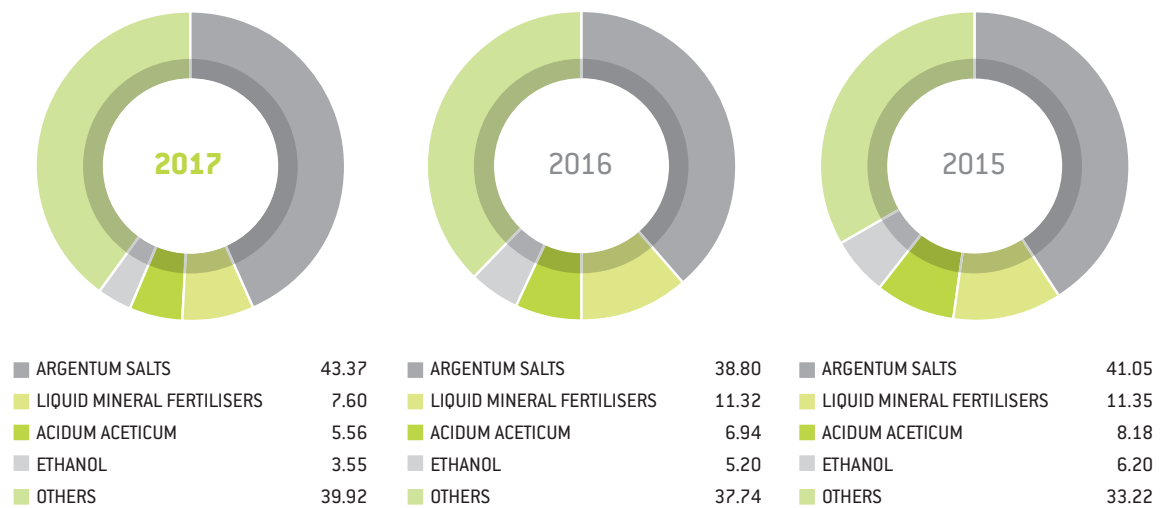


The participation of the three segments in the total sales of PC Chemistry Cosmetics Botanicals in 2017 was as follows:

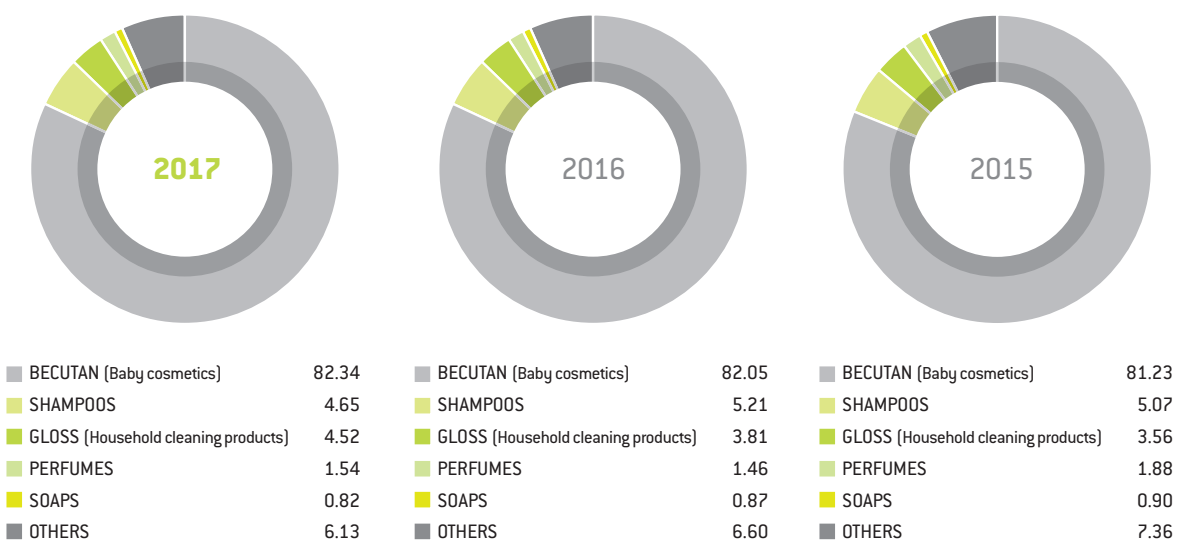
| Segment of CCB | % participation | | |
|-------------------|-----------------|--------------|--------------|
| | 2017 | 2016 | 2015 |
| CHEMISTRY | 20.53 | 18.58 | 17.24 |
| Domestic market | 10.35 | 9.97 | 9.16 |
| Export market | 10.18 | 8.61 | 8.08 |
| COSMETICS | 60.15 | 59.52 | 61.78 |
| Domestic market | 26.55 | 27.36 | 28.15 |
| Export market | 33.60 | 32.16 | 33.63 |
| BOTANICALS | 19.32 | 21.90 | 20.98 |
| Domestic market | 10.72 | 10.18 | 10.99 |
| Export market | 8.60 | 11.72 | 9.99 |

The sales structure per segments is presented below:

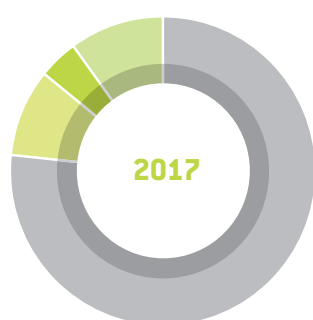
SALES STRUCTURE - CHEMICALS



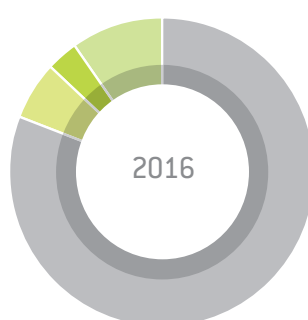
SALES STRUCTURE - COSMETICS



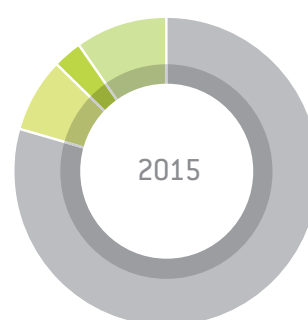
SALES STRUCTURE - BOTANICALS



| | |
|-----------------------------|-------|
| ■ TEAS | 78.69 |
| ■ ZACHINAL (Food seasoning) | 7.61 |
| ■ MEDICAL HERBS | 3.39 |
| ■ OTHERS | 10.31 |



| | |
|-----------------------------|-------|
| ■ TEAS | 81.09 |
| ■ ZACHINAL (Food seasoning) | 6.12 |
| ■ MEDICAL HERBS | 3.07 |
| ■ OTHERS | 9.72 |



| | |
|-----------------------------|-------|
| ■ TEAS | 79.68 |
| ■ ZACHINAL (Food seasoning) | 7.57 |
| ■ MEDICAL HERBS | 3.11 |
| ■ OTHERS | 9.64 |

“BECUTAN” AT THE LARGEST KIDS FAIR IN THE REGION

Once again, “Becutan” was part of the region’s largest Kids Fair, whose 21st edition was held in Belgrade and entailed more than 200.000 visitors.

The promotional, educational and entertaining character of this event that usually includes activities from different social spheres was enriched with innovative content and a promotional stand that was a real attraction for the youngest visitors.

The products of “Becutan” and the innovations in the product portfolio, with emphasis on the relatively new lavender oil and the biodegradable wet wipes, were presented through a modern and innovative exhibition stand, whose content included interactive approach and multidisciplinary activities for the visitors.

chemicals,
cosmetics & botanicals



finance & shareholding

FINANCES

INTRODUCTION

This annual report and financial overview cover Alkaloid's 2017 fiscal year, January 1, 2017 to December 31, 2017.

KEY POINTS

- Consolidated net sales increased 10% compared to 2016;
- (EBITDA) increased 9% and net profit for 2017 increased 11% compared to 2016;
- Operating cash flow increased 11% and Net working capital went up 9%;
- Net dividend per share increased 8% compared to 2016;
- Investments of EUR 14 million in manufacturing capacity, as well as information technologies and ERP systems;
- We continued to maintain a strong balance sheet with total assets in the amount of EUR 184 million.

OVERVIEW

Alkaloid once again delivered strong operational and financial results in 2017 despite the uncertain and challenging environment.

Consolidated net sales were EUR 147.7 million, up 10% compared to 2016. Earnings before interest, taxes, depreciation and amortization (EBITDA) was EUR 22.95 million, up 9% and Net profit for 2017 was EUR 13.14 million, up 11% compared to 2016.

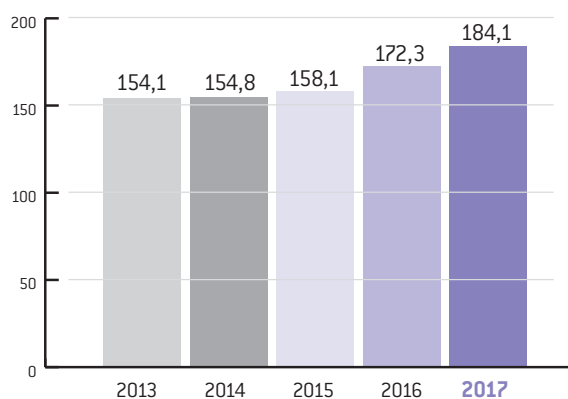
The Net profit margin of 8.9% was also higher than the previous year demonstrating the efficiency in operations.

Capital investment remained significant in 2017 at EUR 14 million, and we have secured funding at a cost that is efficient and effective.

Net working capital reached 54.83 million, an increase of 9% and Operating cash flow reaching 14.73 million went up 11%, both reflecting the right measures taken to reduce the impacts of the political and economic uncertainties in the region, and around the world.

We continued to take strong actions that make Alkaloid better, we have managed to sustain the stable financial profile of the company and further improve the financial flexibility

Total Balance Sheet assets (In EUR million at year-end)



In the past years we have continuously increased the dividends paid to our shareholders. According to the decision on appropriation and allocation of the profit for 2017 the net dividend paid to shareholders is MKD 243.00, or gross MKD 270.00 for one ordinary share which is an increase of 8% compared to dividends paid for 2016.

All financial reports, standalone and consolidated reports representing the business activities of Alkaloid AD Skopje and its subsidiaries abroad are compiled in accordance with the Law on Trade Companies, the Accounting Guidelines, the International Accounting Standards and the International Financial Reporting Standards.

I would like to thank our shareholders, customers, our employees, and the communities in which we live and work for their continuous support and trust. We look forward to building on our success in the months and years ahead.



Viktor Stojchevski
Chief Financial Officer /
Member of the Management Board

A handwritten signature in blue ink, appearing to be 'V. Stojchevski', written in a cursive style.

SHAREHOLDING

The capital of Alkaloid AD Skopje amounts to 1,431,353 shares with a par value of EUR 25.56 per share, or a total sum of EUR 36,585,382.68. All shares are freely transferable. All individuals registered in the Shareholders Registry, which is in compliance with the existing legislation and is kept with the Central Depository for Securities of the Republic of Macedonia – are considered shareholders. All shareholders enjoy equal status and have the right to vote at the Company's Shareholding Assembly with one vote per each ordinary share, and they also have the right to a dividend.

99.77% (1,428,125) of the shares are ordinary shares of which 59 shares are reserved for former proprietors, while 0.23% (3,228) are preference shares also reserved for former proprietors and proprietors who need to prove their ownership right for estate now belonging to ALKALOID AD Skopje.

STRUCTURE OF THE SHAREHOLDERS IN ALKALOID AD SKOPJE

| | | |
|--|-----------|--------|
| Legal entities and private individuals / Ordinary shares | 1,428,125 | 99.77% |
| Former proprietors / Preference shares | 3,228 | 0.23% |

According to the records of the Macedonian Stock Exchange, the shares of Alkaloid in the course of 2017 were amongst the most traded and most liquid ones. There were 1,876 transactions made, 59,688 shares were traded (which is 4.17% of the total share capital of Alkaloid AD Skopje), worth a total of EUR 6,108,407.

ALKALOID AD Skopje, as one of the leading companies on the Macedonian Stock Exchange, in the regular stock exchange operations participated with 14% of the total turnover recorded on the first official market of the Stock Exchange in 2017. The share price of Alkaloid AD Skopje ranged from MKD 5,351 to MKD 7,615, with an average of MKD 6,340.47.

As at 31st December 2017, Alkaloid had 4,929 shareholders holding ordinary shares. The substantial number of shareholders is a sufficient indicator of the interest in the Company and its successful operations.

DIVIDEND

Since 1995, when the company was restructured, Alkaloid AD Skopje has regularly paid dividends to its shareholders on an annual basis. The net dividend per share for the year 2017 amounted to MKD 243.00.

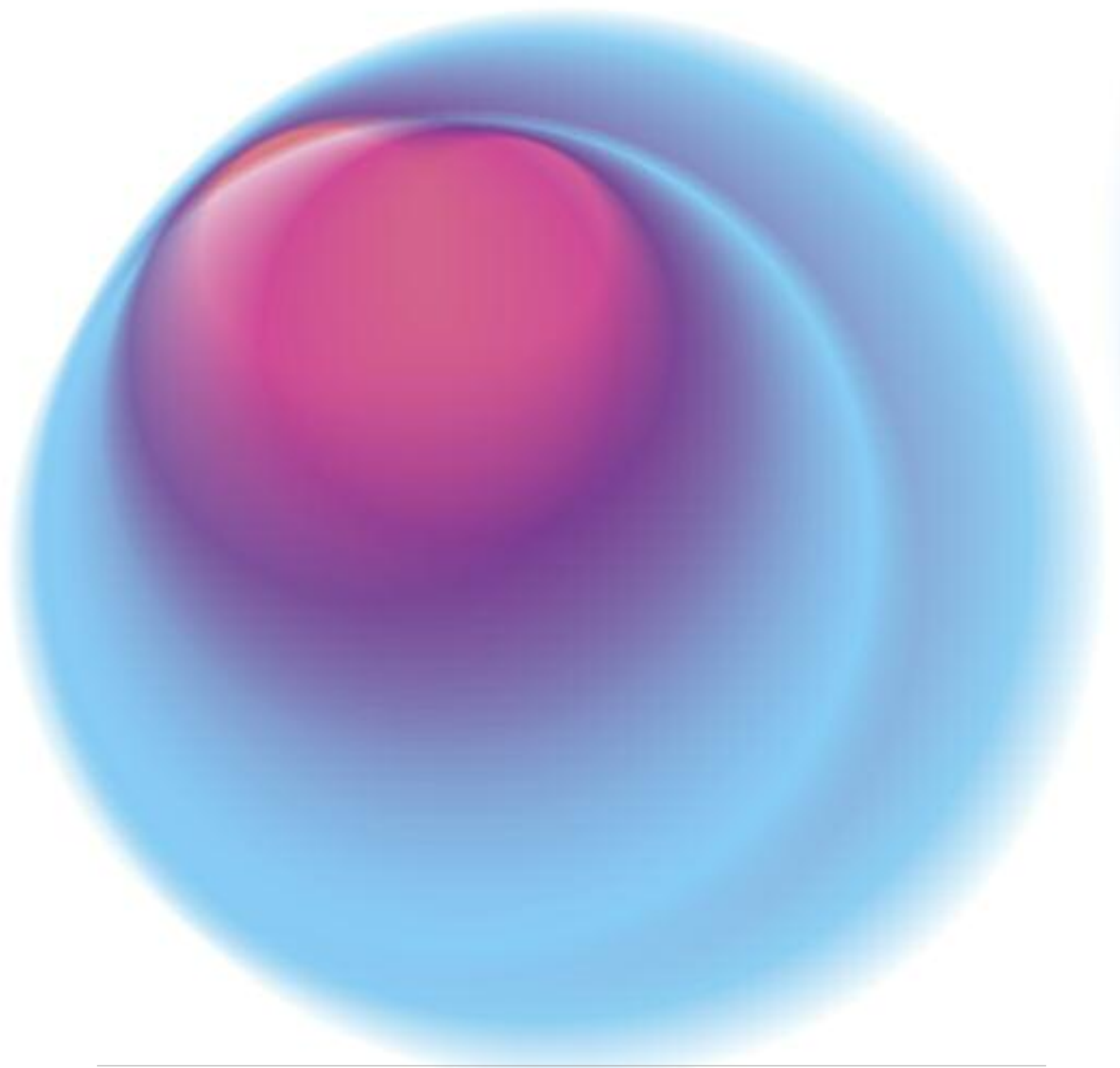
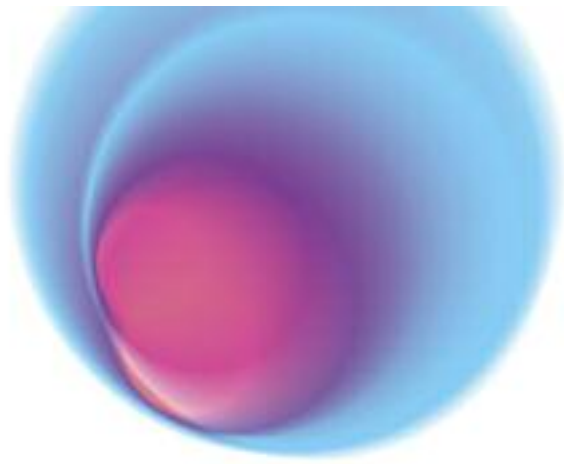
Net dividend per share (In MK Denars)

| 2017 | 2016 | 2015 |
|--------|--------|--------|
| 243.00 | 225.00 | 207.00 |



Gjorgji Jovanov,
Director / MB Member

A handwritten signature in blue ink, appearing to read 'G. Jovanov', written in a cursive style.





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INDEPENDENT AUDITORS' REPORT

Deloitte DOO Skopje
Partizanski Odredi 15A
1000 Skopje
Republic of Macedonia

Tax Identification Number: 4030994253680
Registration Number: 4681427

Tel: +389 (0) 3111 300
Fax: +389 (0) 3119 544
www.deloitte.com/mk

INDEPENDENT AUDITORS' REPORT

TO THE MANAGEMENT BOARD AND THE SHAREHOLDERS OF ALKALOID AD Skopje

We have audited the accompanying consolidated financial statements (page 2 to 36) of ALKALOID AD Skopje and its subsidiaries (hereinafter referred to as the "the Group"), which comprise the statement of consolidated financial position as at 31 December 2017, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

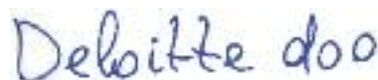
Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Law on Auditing and the applicable auditing standards in the Republic of Macedonia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects the financial position of ALKALOID AD Skopje and its subsidiaries as at 31 December 2017, and its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standards.



Deloitte DOO Skopje
bul. Partizanski Odredi br. 15A Skopje

February 28, 2018

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(In thousands of Denar)

| As at 31 December | | | |
|-------------------------------------|------|-------------------|-------------------|
| | Note | 2017 | 2016 |
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | 6 | 4,311,471 | 4,068,330 |
| Intangible assets | 7 | 1,455,417 | 1,339,186 |
| Deferred tax assets | 18 | 17,817 | 17,817 |
| Available-for-sale financial assets | 9 | 5,110 | 4,649 |
| Other non-current assets | 12 | 14,988 | 8,728 |
| | | 5,804,803 | 5,438,710 |
| Current assets | | | |
| Inventories | 10 | 2,479,984 | 2,393,188 |
| Trade receivables | 11 | 2,411,428 | 2,224,712 |
| Other current assets | 12 | 406,931 | 256,998 |
| Cash and cash equivalents | 13 | 214,389 | 277,638 |
| | | 5,512,732 | 5,152,536 |
| TOTAL ASSETS | | 11,317,535 | 10,591,246 |
| EQUITY | | | |
| Capital and reserves | | | |
| Share capital | 14 | 2,197,095 | 2,197,095 |
| Legal reserves | | 612,672 | 612,785 |
| Other reserves | 15 | 1,139,520 | 1,347,099 |
| Retained earnings | | 4,926,034 | 4,285,645 |
| Minority interests | | 749 | 781 |
| | | 8,876,070 | 8,443,405 |
| LIABILITIES | | | |
| Non-current liabilities | | | |
| Non-current borrowings | 16 | 270,534 | 67,620 |
| Retirement benefit obligations | 17 | 29,427 | 26,885 |
| Deferred tax liabilities | 18 | 205 | 8 |
| | | 300,166 | 94,513 |
| Current liabilities | | | |
| Trade and other payables | 19 | 1,739,318 | 1,592,425 |
| Income tax | | 20,362 | 20,914 |
| Current borrowings | 16 | 381,619 | 439,989 |
| | | 2,141,299 | 2,053,328 |
| Total liabilities | | 2,441,465 | 2,147,841 |
| TOTAL EQUITY AND LIABILITIES | | 11,317,535 | 10,591,246 |

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

These consolidated financial statements have been approved by the Managing Board on 9 February 2018

Approved by:
Zhivko Mukaetov
General Manager




Viktor Stojcevski
Finance Manager

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(In thousands of Denar)

| | Note | Year ended 31 December | |
|---|------|------------------------|------------------|
| | | 2017 | 2016 |
| Sales | 5 | 9,094,716 | 8,292,770 |
| Cost of sales | 23 | (5,036,402) | (4,548,509) |
| Gross profit | | 4,058,314 | 3,744,261 |
| Research and development expenses | 23 | (76,421) | (71,498) |
| Selling and marketing expenses | 23 | (2,732,544) | (2,433,623) |
| Administrative expenses | 23 | (356,110) | (385,509) |
| Provision for other liabilities and charges | 20 | (2,542) | (1,091) |
| Other income | 21 | 315,984 | 300,623 |
| Other expenses | 22 | (294,436) | (298,708) |
| Operating profit | | 912,245 | 854,455 |
| Finance expenses | 26 | (4,491) | (12,407) |
| Profit before income tax | | 907,754 | 842,048 |
| Income tax | 27 | (98,477) | (110,230) |
| Profit for the year | | 809,277 | 731,818 |
| Attributable to the: | | | |
| Shareholders of the Parent Company | | 809,309 | 731,850 |
| Minority interests | | (32) | (32) |
| Profit for the year | | 809,277 | 731,818 |
| Earnings per share (In Denar) | | | |
| - Basic | 28 | 571.28 | 516.60 |

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

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CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

(In thousands of Denar)

| | Note | Year ended 31 December | |
|--|------|------------------------|----------------|
| | | 2017 | 2016 |
| Profit for the year | | 809,277 | 731,818 |
| Other comprehensive income: | | | |
| Fair value of investments | 15 | 461 | 1,135 |
| Revaluation of assets | 15 | - | - |
| Translation differences | 15 | (10,350) | 26,101 |
| Other comprehensive income, net of tax | | (9,889) | 27,236 |
| Total comprehensive income for the year | | 799,388 | 759,054 |

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(In thousands of Denar)

| | Attributable to the Parent | | | | | | Total Equity |
|--|----------------------------|----------------|----------------|------------------|-------------------|--------------------|------------------|
| | Share capital | Share premiums | Legal reserves | Other reserves | Retained earnings | Minority interests | |
| As at 1 January 2016 | 2,197,095 | - | 611,914 | 1,319,863 | 3,890,742 | 813 | 8,020,427 |
| Fair value of investments (Note 9) | - | - | - | 1,135 | - | - | 1,135 |
| Transfer to reserves | - | - | 806 | - | (806) | - | - |
| Dividends and tax of paid dividend (Note 29) | - | - | - | - | (326,480) | - | (326,480) |
| Profit for the year | - | - | - | - | 731,850 | (32) | 731,818 |
| Translation differences | - | - | 65 | 26,101 | (9,661) | - | 16,505 |
| As at 31 December 2016 | 2,197,095 | - | 612,785 | 1,347,099 | 4,285,645 | 781 | 8,443,405 |
| Fair value of investments (Note 9) | - | - | - | 461 | - | - | 461 |
| Transfer to reserves | - | - | 1,009 | (197,690) | 196,681 | - | - |
| Dividends and tax of paid dividend (Note 29) | - | - | - | - | (354,448) | - | (354,448) |
| Profit for the year | - | - | - | - | 809,309 | (32) | 809,277 |
| Translation differences | - | - | 1.122 | (10,350) | (11,153) | - | (22,625) |
| As at 31 December 2017 | 2,197,095 | - | 612,672 | 1,139,520 | 4,926,034 | 749 | 8,876,070 |

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

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CONSOLIDATED CASH FLOW STATEMENT

(In thousands of Denar)

| | Year ended 31 December | |
|--|------------------------|------------------|
| | 2017 | 2016 |
| CASH FLOW FROM OPERATING ACTIVITIES | | |
| Cash receipts from customers | 8,848,268 | 8,095,109 |
| Cash paid to suppliers and employees | (7,932,364) | (7,276,073) |
| Cash generated from operations | 915,904 | 819,036 |
| Interest received | 910 | 5,928 |
| Net cash generated from operating activities | 916,814 | 824,964 |
| CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchases of property, plant and equipment | (710,567) | (616,146) |
| | 1,973 | - |
| Dividends received | - | 462 |
| Other payments to employees | (61,884) | (61,678) |
| Net cash used in investing activities | (770,478) | (677,362) |
| CASH FLOW FROM FINANCING ACTIVITIES | | |
| Proceeds from borrowings | 2,374,351 | 1,827,093 |
| Repayments of borrowings | (2,229,308) | (1,770,720) |
| Interest paid | (20,426) | (16,384) |
| Compensation to shareholders and tax of paid dividend and other allocation of profit | (324,234) | (299,010) |
| Net cash used in financing activities | (199,617) | (259,021) |
| NET DECREASE IN CASH AND CASH EQUIVALENTS | (53,281) | (111,419) |
| Cash and cash equivalents at beginning of year | 277,638 | 389,921 |
| Translation differences | (9,968) | (864) |
| CASH AND CASH EQUIVALENTS AT THE END OF YEAR | 214,389 | 277,638 |

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Alkaloid AD Skopje (the Parent Company) and its subsidiaries produce and sell a wide range of pharmaceutical, chemical and cosmetic products, as well as goods from herbal origin. The Parent Company (hereinafter referred to as “the Group”) has eighteen subsidiaries and one Foundation in the Republic of Macedonia and other countries. For the list of the subsidiaries refer to Note 2.4.

Production facilities of the Group are located in Skopje and Belgrade.

Alkaloid AD Skopje, the Parent Company is a joint stock company, established and with head office in the Republic of Macedonia. The registered address of the Parent Company is:
*Aleksandar Makedonski 12
1000 Skopje, Republic of Macedonia*

The shares of Alkaloid AD Skopje have been listed on the Macedonian Stock Exchange since 2002.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to the year presented.

2.1 Basis of preparation

The consolidated financial statements of Alkaloid AD Skopje have been prepared in accordance with International Financial Reporting Standards (IFRS). The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of land and buildings and available-for-sale financial assets.

The preparation of consolidated financial statements in conformity with International Financial Reporting Standards (IFRS) requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

2.2 Initial application of new amendments to the existing Standards effective for current financial period

The following new amendments to the existing standards issued by the International Accounting Standards Board are effective for current financial period:

- Amendments to IAS 7 “Statement of Cash Flows” - Disclosure Initiative (effective for annual periods beginning on or after 1 January 2017),
- Amendments to IAS 12 “Income Taxes” - Recognition of Deferred Tax Assets for Unrealised Losses (effective for annual periods beginning on or after 1 January 2017),
- Amendments to IFRS 12 due to “Improvements to IFRSs (cycle 2014-2016)” resulting from the annual improvement project of IFRS (IFRS 1, IFRS 12 and IAS 28) primarily with a view to removing inconsistencies and clarifying wording (amendments to IFRS 12 are to be applied for annual periods beginning on or after 1 January 2017).

The adoption of these amendments to the existing standards has not led to any material changes in the Entity’s financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 New Standards and amendments to existing standards in issue not yet adopted

At the date of authorization of these financial statements the following new standards and amendments to existing standards were in issue, but not yet effective:

- IFRS 9 "Financial Instruments" (IFRS 9) replaces IAS 39 "Financial Instruments: Recognition and Measurement" and becomes effective for annual periods beginning on or after 1 January 2018. The new standard introduces extensive changes to IAS 39's guidance on the classification and measurement of financial assets and introduces a new "expected credit loss" model for the impairment of financial assets. IFRS 9 also provides new guidance on the application of hedge accounting.

The Company's classification and measurement of financial assets on or after 1 January 2018 is revised and based on new criteria that take into account the contractual cash flows of assets and the business-model in which they are managed. According to these analysis of the portfolio of the Company, they did not lead to any reclassifications or adjustments of the financial instruments:

| IAS 39 Classification | as of 31 December 2017 | IFRS 9 Classification | as of 1 January 2018 |
|--------------------------------------|---------------------------|--|-------------------------|
| Financial assets | | Financial assets | |
| <u>Trade receivables</u> | | <u>Amortized Cost</u> | |
| Trade receivables | 2,411,428 | Trade receivables | 2,411,428 |
| Cash and cash equivalents | 214,389 | Cash and cash equivalents | 214,389 |
| | 2,625,817 | | 2,625,817 |
| <u>Securities available for sale</u> | | <u>Financial assets at fair value through other comprehensive income</u> | |
| Available-for-sale financial assets | 5,110 | Available-for-sale financial assets | 5,110 |
| | 5,110 | | 5,110 |

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 New Standards and amendments to existing standards in issue not yet adopted (Continued)

• IFRS 15 "Revenue from Contracts with Customers". IFRS 15 presents new requirements for recognition of revenue, replacing IAS 18 "Revenue", IAS 11 "Construction Contracts", and several revenue-related interpretations. The new standard establishes a control-based revenue recognition model and provides additional guidance in many areas not covered in detail under the existing IFRSs, including how to account for arrangements with multiple performance obligations, variable pricing, customer refund rights, supplier repurchase options, and other common complexities. IFRS 15 is effective for reporting periods beginning on or after 1 January 2018. The adoption of the standard will not lead to any material changes in the Company's financial statements.

The Company's major sources of revenue scoped in IFRS 15 relate to the following revenue streams:

- Sales of goods
 - Pharmaceutical products
 - Chemical products
 - Cosmetic products
 - Botanical products
- Sales of commodities
- Revenue from services

Revenues for the year ended December 31, 2017 reflect the consideration to which the Company has expected to be entitled in exchange for those goods during the year, the performance obligation is satisfied, i.e. when 'control' of the goods underlying the performance obligation was transferred to the customers.

- IFRS 16 "Leases" (effective for annual periods beginning on or after 1 January 2019),
- IFRS 17 "Insurance Contracts" (effective for annual periods beginning on or after 1 January 2021),
- Amendments to IFRS 2 "Share-based Payment" - Classification and Measurement of Share-based Payment Transactions (effective for annual periods beginning on or after 1 January 2018),
- Amendments to IFRS 4 "Insurance Contracts" - Applying IFRS 9 "Financial Instruments" with IFRS 4 "Insurance Contracts" (effective for annual periods beginning on or after 1 January 2018 or when IFRS 9 "Financial Instruments" is applied first time),
- Amendments to IFRS 9 "Financial Instruments" - Prepayment Features with Negative Compensation (effective for annual periods beginning on or after 1 January 2019),
- Amendments to IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures" - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture and further amendments (effective date deferred indefinitely until the research project on the equity method has been concluded),

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 New Standards and amendments to existing standards in issue not yet adopted (Continued)

- Amendments to IAS 28 "Investments in Associates and Joint Ventures" - Long-term Interests in Associates and Joint Ventures (effective for annual periods beginning on or after 1 January 2019),
- Amendments to IAS 40 "Investment Property" - Transfers of Investment Property (effective for annual periods beginning on or after 1 January 2018),
- Amendments to IFRS 1 and IAS 28 due to "Improvements to IFRSs (cycle 2014-2016)" resulting from the annual improvement project of IFRS (IFRS 1, IFRS 12 and IAS 28) primarily with a view to removing inconsistencies and clarifying wording (amendments to IFRS 1 and IAS 28 are to be applied for annual periods beginning on or after 1 January 2018),
- Amendments to various standards due to "Improvements to IFRSs (cycle 2015-2017)" resulting from the annual improvement project of IFRS (IFRS 3, IFRS 11, IAS 12 and IAS 23) primarily with a view to removing inconsistencies and clarifying wording (effective for annual periods beginning on or after 1 January 2019),
- IFRIC 22 "Foreign Currency Transactions and Advance Consideration" (effective for annual periods beginning on or after 1 January 2018).
- IFRS 9 "Financial Instruments" (effective for annual periods beginning on or after 1 January 2018),

The Entity has elected not to adopt these new standards and amendments to existing standards in advance of their effective dates. The Entity anticipates that the adoption of these standards and amendments to existing standards will have no material impact on the financial statements of the Entity in the period of initial application.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.4 Subsidiaries

Subsidiaries are all legal entities over which the Parent Company has the power to govern the financial and operating policies generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Parent Company controls another Company. The cost of acquisition is measured at fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

Subsidiaries are fully consolidated from the date on which control is transferred to the Parent Company. They are de-consolidated from the date that control ceases.

The accompanying consolidated financial statements include the financial statements of the Parent Company Alkaloid AD Skopje and the following subsidiaries:

| | 2017 | 2016 |
|---|----------------|----------------|
| | % of ownership | % of ownership |
| Alkaloid D00 Zagreb, Croatia | 100% | 100% |
| Alkaloid D00 Beograd, Serbia | 100% | 100% |
| Alkaloid INT D00 Ljubljana, Slovenia | 100% | 100% |
| Alkaloid D00 Sarajevo, Bosnia and Herzegovina | 100% | 100% |
| Alkaloidpharm SA Fribourg, Switzerland | 100% | 100% |
| Alkaloid E00D Sofia, Bulgaria | 100% | 100% |
| ALK&KOS Shpk Prishtina, Kosovo | 100% | 100% |
| Alkaloid Bilna apteka D00EL Skopje, Macedonia | 100% | 100% |
| Alkaloid Kons D00EL Skopje, Macedonia | 100% | 100% |
| Alkaloid USA LLC Columbus, Ohio USA | 49% | 49% |
| Fund "Trajce Mukaetov" Skopje, Macedonia | 100% | 100% |
| Alkaloid D00 Podgorica, Montenegro | 100% | 100% |
| O00 Alkaloid RUS Moscow, Russia | 100% | 100% |
| Alkaloid FARM D00 Ljubljana, Slovenia | 100% | 100% |
| Alkaloid Veledrogerija D00 Beograd, Serbia | 100% | 100% |
| Alkaloid ILAC TLS Istanbul, Turkey | 100% | 100% |
| ALKA-LAB D00 Ljubljana, Slovenia | 100% | 100% |
| Alkaloid Kiev CO. LTD., Ukraine | 100% | 100% |
| Alkaloid Shpk Tirana, Albania | 100% | 100% |

The investment in Alkaloid USA LLC Columbus, Ohio USA is the equity share of 49%, but the Parent Company exercises control. During 2016, Alkaloid AD Skopje established a new subsidiary in Albania, Alkaloid Shpk Tirana, and a new subsidiary in Ukraine, Alkaloid Kiev CO. LTD. In 2017 the company has increased its investment in Alkaloid Kiev CO. LTD., Ukraine by EUR 25 thousand.

Alkaloid's representative offices in Russia, Bosnia and Herzegovina and Ukraine are included in the consolidated financial statements of the Group.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.5 Segment reporting

Operating segments are reported in a manner with the internal reporting provided to the Managing Board. Managing Board is responsible for strategic decisions for each segment.

As at 31 December 2017, the Company is organized on a worldwide basis into four reportable segments:

- Pharmaceuticals - Production of medicines for human use;
- Chemicals - Production of chemicals products;
- Cosmetics - Production of cosmetics;
- Botanicals - Production of botanicals products.

The pharmaceutical overall production program of the products of Alkaloid Pharmaceuticals is consisted of the following pharmaceutical forms:

- Oral hard dosage forms: Tablets - conventional and modified release, film-tablets, coated tablets, sub-lingual tablets, capsules, dry powder for oral suspension.
- Liquid dosage forms for oral administration: Solutions for oral administration, syrups, suspensions.
- Topical preparations: Ointments, creams, solutions, gels, sprays, vaginal pessaries, suppositories.
- Sterile dosage forms: Parenteral small-volume, eye drops, ointments for eyes.

Besides the capacities for manufacturing finished pharmaceutical products, Alkaloid-Pharmaceuticals has also facilities for extraction of opioids which include production of morphine and its derivatives as pharmaceutical raw materials.

Alkaloid Chemical products today are developed program for the production of chemicals and organic and non-organic reagents, with pa, puriss, purum and with pharmacopeial qualities. They are suitable for laboratories within institutions, faculties, clinics, the pharmaceutical and cosmetic industry, as well as in the production processes of other industries.

Alkaloid's Cosmetics Unit develops and produces skincare products, children's skincare, soaps, hair care products, dental care products, men's perfume collection, women's perfume collection, as well as household cleaners. The ingredients that are used in the products are purchased from suppliers that satisfy our high-quality standards and are in accordance with the requirements of the European directive for quality cosmetic products.

The activities in Botanical unit consists of processing blending and packing herbal materials like roots, leaves, fruits, seeds etc.

Segment revenue is revenue reported in the company's income statement that is directly attributable to a segment and the relevant portion of the company income that can be allocated on a reasonable basis to a segment.

Segment expense is an expense resulting from the operating activities of a segment that is directly attributable to the segment and the relevant portion of an expense that can be allocated on a reasonable basis.

Net operating assets consist primarily of property, plant and equipment, intangible assets, inventories and receivables less operating liabilities. Company assets and liabilities principally consist of net liquidity (cash, cash equivalents and other current financial assets less financial debts) and deferred and current taxes.

The accounting policies of the reportable segments are the same as the Company's accounting policies. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.6 Leasing

Operating lease payments are recognized as an expense on a straight-line basis over the lease term.

2.7 Foreign currency translation

Functional and presentation currency

The consolidated financial statements are presented in thousands of Macedonian Denar (Denar or MKD), which is the Group's functional currency and the presentation currency for the consolidated financial statements.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the consolidated income statement. Translation differences of non-monetary assets denominated in foreign currency are recognized in equity.

Group companies

The results and financial position of all the group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities are translated at the closing rate at the date of the statement of financial position;

- Income and expenses are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and

- All resulting differences are recognized as a separate component of equity.

2.8 Property, plant and equipment

Property plant and equipment were initially recorded at cost. Land, buildings and part of equipment are stated at fair value, based on appraisal performed by external independent appraiser, less subsequent depreciation. When an item of property, plant and equipment is revalued, any accumulated depreciation at the date of the revaluation is restated proportionately with the change in the gross carrying amount of the asset so that the carrying amount of the asset after revaluation equals its revalued amount. Other property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition.

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the consolidated income statement during the financial period in which they are incurred.

Increases in the carrying amount arising on revaluation of land and buildings are credited to other reserves in shareholders' equity. Decreases that offset previous increases of the same asset are charged against other reserves directly in equity; all other decreases are charged to the consolidated income statement. The revaluation surplus is transferred to retained earnings upon ultimate disposal of revaluated asset.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.8 Property, plant and equipment (Continued)

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives, as follows:

| | |
|-----------------------------------|---------------|
| Buildings | 10 - 40 years |
| Machinery | 10 - 20 years |
| Vehicles | 4 years |
| Furniture, fittings and equipment | 3 - 10 years |

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each consolidated statement of financial position date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The carrying amount of disposed PP&E is eliminated from the consolidated statement of financial position together with the carrying amount of accumulated depreciation. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the consolidated income statement.

2.9 Intangible assets

Trademarks, licenses and software

Trademarks and licenses have a finite useful life and are carried at cost less accumulated amortization. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Amortization is calculated using the straight-line method to allocate the cost of trademarks, licenses and software over their estimated useful lives (5 - 10 years).

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period.

Internally-generated intangible assets - research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.9 Intangible assets (Continued)

An internally-generated intangible asset arising from development is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

2.10 Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment. Assets that are subject to amortization and depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2.11 Financial assets

The Group classifies its financial assets in the following categories: loans and receivables and available-for-sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. Loans and receivables are classified as trade and other receivables in the consolidated statement of financial position (Note 2.13).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.11 Financial assets (Continued)

Available-for-sale financial assets

Available-for-sale financial assets are included in non-current assets unless management intends to dispose of the investment within 12 months of the consolidated statement of financial position date.

Regular purchases and sales of investments are recognized on trade date, the date on which the Group commits to purchase or sell the asset. The purchase value of investments includes transaction costs. Investments are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets are subsequently carried at fair value. The Group also has investments in unlisted shares that are not traded in an active market but that are also classified as AFS financial assets are stated at cost. Loans and receivables are carried at amortized cost using the effective interest method.

Gains or losses arising from changes in the fair value of the available-for-sale financial assets are presented in the equity and the consolidated statement of comprehensive income, except for impairment losses, interest calculated using the effective interest method and foreign exchange gains and losses on monetary assets, which are recognised in profit or loss.

When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognized in equity are included in the consolidated income statement. Dividends on available-for-sale equity instruments are recognized in the consolidated income statement when the Group's right to receive payments is established.

The fair values of quoted investments are based on last traded prices. Investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are recognized at cost, less impairment.

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset is impaired. In the case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indicator that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss - measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognized in profit or loss - is removed from equity and recognized in the consolidated income statement. Method for evaluation of impairment of trade receivables is explained in Note 2.13.

2.12 Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined using the actual cost method. The cost of finished goods and work in progress comprises direct production costs and related production overheads. Net realizable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.13 Trade receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganization, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognized in the consolidated income statement within "selling and marketing costs".

2.14 Cash and cash equivalents

Cash and cash equivalents include cash in bank and in hand.

2.15 Share capital

Ordinary shares are classified as equity. Purchases of the Parent Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs are deducted from equity attributable to the Parent Company's equity holders until the shares are cancelled, reissued or disposed of. Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental transaction costs and are included in equity attributable to the Parent Company's equity holders.

2.16 Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the consolidated statement of financial position date.

2.17 Income tax

Current income tax is calculated and paid in accordance with the Income tax Law. The estimated tax is paid in advance on a monthly basis. The final tax is payable in the Republic of Macedonia at the rate of 10% calculated based on the profit as determined in the Consolidated statement of comprehensive income, adjusted for certain items as defined by the local tax legislation. In respect of the Group's subsidiaries the current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Group's subsidiaries operate and generate taxable income.

Deferred tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss. Deferred income tax is determined using tax rates that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.17 Income tax (Continued)

Deferred income tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Deferred tax is provided on temporary differences arising on investments in subsidiaries excepts where timing of the reversal of temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

2.18 Employee benefits

Pension liabilities

The Group has both defined benefit and defined contribution plans.

- Defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.
- A defined contribution plan is a pension plan under which the Group pays contributions into publicly and privately administered pension plans on a mandatory basis. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The liability recognized in the consolidated statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related pension liability.

The Group pays contributions to publicly or privately administered pension insurance plans on a mandatory basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

Termination benefits

Termination benefits are payable when employees are terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognizes termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. The Group recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

Profit-sharing and bonus plans

The Group recognizes a liability and an expense for bonuses and profit-sharing, based on a decision of a Managing Board. The Group recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.19 Provisions

Provisions for environmental restoration, restructuring costs and legal claims are recognized when the Group has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation.

2.20 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown, net of value-added tax, estimated returns, discounts and rebates. Revenue is recognized as follows:

Sales of goods

Sales of goods are recognized when a group Company has delivered products to the customer; the customer has accepted the products and collectability of the related receivables is reasonably assured.

Sales of services

Sales of services are recognized in the accounting period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided.

Interest income

Interest income is recognized on a time-proportion basis using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at original effective interest rate of the instrument, and continues unwinding the discount as interest income.

Dividend income

Dividend income is recognized when the right to receive payment is established.

2.21 Dividends

Dividend distribution to the Parent Company's shareholders is recognized as a liability in the Group's consolidated financial statements in the period in which the dividends are approved by the Group's shareholders.

3. FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance. The financial risk management is performed by the Group's financial department, based on Decisions from Managing Board.

Market risk

a) Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures.

To manage the foreign exchange risk the Group provides enough cash in foreign currencies held in banks in order to maintain its future commercial transactions.

b) Price risks

The Group is exposed to equity securities price risk because of available-for-sale investments held by the Group. The Group is not exposed to commodity price risk.

Credit risk

The Group has no significant concentrations of credit risk. It has policies in place to ensure that wholesales of products are made to customers with an appropriate credit history. Trade receivables consist of large number of balances. The Group has policies that limit the amount of credit exposure.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities.

Interest risk

As the Group has no significant interest-bearing assets, the Group's income and operating cash flow are substantially independent of changes in market interest rates.

The Group's interest rate risk arises from borrowings. The Group has no specific policy, but in direct negotiation with lenders attempts to reduce interest rate risk. Interest rates of long-term borrowings are lower than short term. Interest rates on short term borrowings are decreased in respect of previous year.

3.2 Fair value estimation

The fair value of available-for-sale financial assets traded in active markets is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Group is the last traded price.

The fair value of financial instruments that are not traded in an active market is determined by assumptions that are based on public information for recent arm's length transactions or reference to other instruments that are substantially the same.

The nominal value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial assets and liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

3.3 Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to minimize the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

4. ACCOUNTING ESTIMATES AND JUDGMENTS

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Fair value of property, plant and equipment

The Group tests annually whether fair value of land and buildings has suffered material changes compared with their fair value as assessed in the last appraisal. The Group estimation is that the difference between their fair value recorded into the books and the current market value is not material, and do not affect the result.

Fair value of financial assets

The available-for-sale financial assets that are not traded in an active market are stated at their cost. The Group estimation is that the difference between their fair value and cost is not material, and do not affect the result. This financial assets are insignificant both in the books in the Group and as a percentage of participation in the issuer capital.

Trade receivables

The Group assessed annually the fair value of trade receivables.

Estimates for accounting for employee benefits

IAS19, Employee Benefits, requires that certain assumptions are made in order to determine the amount to be recorded for retirement benefit obligations. These mainly actuarial assumptions such as expected inflation rates, long-term increase in health care costs, employee turnover and discount rates. Substantial changes in the assumed development of any one of these variables may change the Company's retirement benefit obligation.

5. SEGMENT REPORTING

Reportable segments - Products

Segment information reported to the Management Board is based on products and category of customers. The segment information by product is more relevant to the Group.

Principal categories of goods are pharmaceutical and non-pharmaceutical products (chemicals cosmetics and botanicals). Customers for the goods of the Group are wholesalers.

Segments revenues and results for the year ended 31 December is as follows:

(In thousands of Denar)

| | Segment revenues | | Segment operating profit | |
|----------------------------|------------------|------------------|--------------------------|----------------|
| | 2017 | 2016 | 2017 | 2016 |
| Pharmaceutical products | 7,695,963 | 6,910,385 | 884,343 | 788,715 |
| Chemical products | 287,194 | 256,855 | 20,542 | 17,658 |
| Cosmetic products | 841,275 | 822,820 | 19,498 | 23,124 |
| Botanical products | 270,284 | 302,710 | (12,138) | 24,958 |
| Total | 9,094,716 | 8,292,770 | 912,245 | 854,455 |
| Finance expenses | | | (4,491) | (12,407) |
| Profit before tax | | | 907,754 | 842,048 |
| Income tax | | | (98,477) | (110,230) |
| Profit for the year | | | 809,277 | 731,818 |

Revenue reported above represents revenue generated from external customers.

5. SEGMENT REPORTING (Continued)

Segment assets and liabilities for the year ended 31 December is as follows:

(In thousands of Denar)

| Segment assets | | |
|--------------------------|-------------------|-------------------|
| | 2017 | 2016 |
| Pharmaceutical products | 9,193,381 | 8,599,836 |
| Chemical products | 188,213 | 218,763 |
| Cosmetic products | 1,342,252 | 1,194,428 |
| Botanical products | 596,689 | 578,219 |
| Total assets | 11,317,535 | 10,591,246 |
| Segment liabilities | | |
| | 2017 | 2016 |
| Pharmaceutical products | 2,035,345 | 1,783,357 |
| Chemical products | 104,043 | 87,202 |
| Cosmetic products | 214,362 | 178,448 |
| Botanical products | 87,715 | 98,834 |
| Total liabilities | 2,441,465 | 2,147,841 |

Other segment information for the year ended 31 December is as follows:

(In thousands of Denar)

| | Depreciation and amortization | | Addition to non-current assets | |
|--------------------------|-------------------------------|----------------|--------------------------------|----------------|
| | 2017 | 2016 | 2017 | 2016 |
| Pharmaceutical products | 447,230 | 394,294 | 804,842 | 598,174 |
| Chemical products | 9,815 | 9,713 | 17,708 | 12,990 |
| Cosmetic products | 21,330 | 21,014 | 27,671 | 19,217 |
| Botanical products | 22,685 | 16,916 | 11,199 | 81,902 |
| Total liabilities | 501,060 | 441,937 | 861,420 | 712,283 |

5. SEGMENT REPORTING (Continued)

Geographical information

The Republic of Macedonia is the domicile country of the Group where part of the activities are performed.

(In thousands of Denar)

| | Revenue from external customers | | Non-current assets | |
|------------------------|---------------------------------|------------------|--------------------|------------------|
| | 2017 | 2016 | 2017 | 2016 |
| Macedonia | 3,486,685 | 3,321,026 | 5,668,858 | 5,318,980 |
| Serbia | 1,587,385 | 1,490,964 | 27,941 | 30,111 |
| Croatia | 813,248 | 717,053 | 10,166 | 9,543 |
| Bosnia and Herzegovina | 778,615 | 752,467 | 2,256 | 2,527 |
| Other countries | 2,428,783 | 2,011,260 | 57,667 | 46,355 |
| Total | 9,094,716 | 8,292,770 | 5,766,888 | 5,407,516 |

Geographical information about sales revenue is based on the customers' origin.

Non-current assets are consisted of PP&E and Intangible assets.

Information about major customers

The sales of Pharmaceutical products are spread over many countries and customers. No major customer participates in the direct sales of Pharmaceutical products.

In the sales of Chemicals products, there is one major customer with participation of 26% (2016: 27.5%) in direct sales.

In the sales of Cosmetics products, there is one major customer with participation of 15.9% (2016: 14.3%) in direct sales.

In the sales of Botanicals products, there is one major customer with participation of 37.5% (2016: 46.8%) in direct sales.

(In thousands of Denar)

| Sales by category | 2017 | 2016 |
|----------------------|------------------|------------------|
| Sales of goods | 6,774,755 | 6,195,299 |
| Sales of commodities | 2,217,458 | 2,023,179 |
| Other revenue | 102,503 | 74,292 |
| Total | 9,094,716 | 8,292,770 |

6. PROPERTY, PLANT AND EQUIPMENT

(In thousands of Denar)

| | Land | Buildings | Equipment | Construction in progress | Total |
|--|----------------|------------------|------------------|--------------------------|------------------|
| Cost or valuation | | | | | |
| At 1 January 2016 | 832,946 | 1,926,393 | 2,785,891 | 347,721 | 5,892,951 |
| Additions | - | 706 | 31,932 | 376,181 | 408,819 |
| Transfer from construction in progress | 579 | 139,317 | 538,982 | (678,878) | - |
| Disposals | - | (12) | (11,799) | - | (11,811) |
| Translation differences | - | (779) | 356 | - | (423) |
| As at 31 December 2016 | 833,525 | 2,065,625 | 3,345,362 | 45,024 | 6,289,536 |
| Accumulated depreciation | | | | | |
| At 1 January 2016 | - | 101,528 | 1,856,506 | - | 1,958,034 |
| Depreciation charge in 2016 | - | 57,796 | 216,946 | - | 274,742 |
| Disposals | - | (5) | (11,671) | - | (11,676) |
| Translation differences | - | (281) | 387 | - | 106 |
| As at 31 December 2016 | - | 159,038 | 2,062,168 | - | 2,221,206 |
| Net book value | | | | | |
| As at 31 December 2016 | 833,525 | 1,906,587 | 1,283,194 | 45,024 | 4,068,330 |

6. PROPERTY, PLANT AND EQUIPMENT (Continued)

(In thousands of Denar)

| | Land | Buildings | Equipment | Construction in progress | Total |
|--|----------------|------------------|------------------|-----------------------------|------------------|
| Cost or valuation | | | | | |
| At 1 January 2017 | 833,525 | 2,065,625 | 3,345,362 | 45,024 | 6,289,536 |
| Additions | - | - | 37,733 | 503,599 | 541,332 |
| Transfer from construction in progress | - | 112,918 | 318,392 | (431,310) | - |
| Disposals | - | (34) | (35,180) | (203) | (35,417) |
| Translation differences | - | 1,367 | 118 | - | 1,485 |
| As at 31 December 2017 | 833,525 | 2,179,876 | 3,666,425 | 117,110 | 6,796,936 |
| Accumulated depreciation | | | | | |
| At 1 January 2017 | - | 159,038 | 2,062,168 | - | 2,221,206 |
| Depreciation charge in 2017 | - | 60,039 | 237,190 | - | 297,229 |
| Disposals | - | (4) | (33,592) | - | (33,596) |
| Translation differences | - | 704 | (78) | - | 626 |
| As at 31 December 2017 | - | 219,777 | 2,265,688 | - | 2,485,465 |
| Net book value | | | | | |
| As at 31 December 2017 | 833,525 | 1,960,099 | 1,400,737 | 117,110 | 4,311,471 |

Land and buildings were revaluated as at 31 December 2014 by independent appraiser.
The revaluation surplus/deficit was credited to other reserves in shareholders' equity (Note 15).

7. INTANGIBLE ASSETS

(In thousands of Denar)

| | Trademarks and licenses | Software and Internally generated intangibles | Other assets | Construction in progress | Total |
|--|-------------------------|---|---------------|--------------------------|------------------|
| Cost or valuation | | | | | |
| At 1 January 2016 | 384,145 | 1,316,125 | 69,873 | 79,914 | 1,850,057 |
| Additions | - | 393 | 839 | 302,232 | 303,464 |
| Transfer from construction in progress | 4,003 | 284,560 | 2,919 | (291,482) | - |
| Disposals | (18,166) | - | - | (9) | (18,175) |
| Translation differences | (495) | 1,314 | 820 | (2) | 1,637 |
| As at 31 December 2016 | 369,487 | 1,602,392 | 74,451 | 90,653 | 2,136,983 |
| Accumulated amortization | | | | | |
| At 1 January 2016 | 305,610 | 309,750 | 32,139 | - | 647,499 |
| Charge for the year | 32,991 | 125,820 | 8,384 | - | 167,195 |
| Disposals | (18,166) | - | - | - | (18,166) |
| Translation differences | 2 | 1,032 | 235 | - | 1,269 |
| As at 31 December 2016 | 320,437 | 436,602 | 40,758 | - | 797,797 |
| Net book value as at 31 December 2016 | 49,050 | 1,165,790 | 33,693 | 90,653 | 1,339,186 |
| Cost or valuation | | | | | |
| At 1 January 2017 | 369,487 | 1,602,392 | 74,451 | 90,653 | 2,136,983 |
| Additions | - | 5,828 | 797 | 313,463 | 320,088 |
| Transfer from construction in progress | 5,669 | 272,813 | 7,853 | (286,335) | - |
| Disposals | (29,481) | - | - | - | (29,481) |
| Translation differences | (497) | (381) | 531 | (20) | (367) |
| As at 31 December 2017 | 345,178 | 1,880,652 | 83,632 | 117,761 | 2,427,223 |
| Accumulated amortization | | | | | |
| At 1 January 2017 | 320,437 | 436,602 | 40,758 | - | 797,797 |
| Charge for the year | 20,372 | 175,202 | 8,257 | - | 203,831 |
| Disposals | (29,481) | - | - | - | (29,481) |
| Translation differences | 2 | (339) | (4) | - | (341) |
| As at 31 December 2017 | 311,330 | 611,465 | 49,011 | - | 971,806 |
| Net book value as at 31 December 2017 | 33,848 | 1,269,187 | 34,621 | 117,761 | 1,455,417 |

The net book value of software is Denar 46,829 thousand (2016: Denar 46,877 thousand), and the rest of the amount is internally generated intangibles.

8. FINANCIAL INSTRUMENTS

Capital risk management

In order to be able to continue as going concern, the Group uses loans from banks and intends to maximize the return to the stakeholders through the optimization of the debt and equity balance.

The management of the Group reviews the capital structure on a regular basis.

(In thousands of Denar)

| | 2017 | 2016 |
|---------------------------|-----------|-----------|
| Debt | 652,153 | 353,738 |
| Cash and cash equivalents | (214,389) | (389,921) |
| Net debt | 437,764 | (36,183) |
| Equity | 8,876,070 | 8,020,427 |
| Net debt to equity ratio | 4.93% | (0.45%) |

Categories of financial instruments and risk management objectives

The Group's principal financial instruments are cash and cash equivalents and trade receivables, as well as, borrowings and trade payables. In the normal course of operations, the Group is exposed to the following risks:

8. FINANCIAL INSTRUMENTS (Continued)

Foreign currency risk

The Group undertakes certain transactions denominated in foreign currency in respect of sales of goods and services, purchase of raw materials, services and equipment and obtaining borrowings. The Group does not use any special financial instruments to hedge against this risk since no such instruments are in common use in the Republic of Macedonia.

The carrying amount of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

(In thousands of Denar)

| | Liabilities | | Assets | |
|------------------|-------------|---------|-----------|---------|
| | 2017 | 2016 | 2017 | 2016 |
| EUR | 1,085,227 | 966,714 | 1,223,249 | 867,492 |
| RUR | 4,897 | 6,194 | 434,080 | 459,252 |
| USD | 91,295 | 175,960 | 10,443 | 5,886 |
| CHF | 14,029 | 25,640 | 5,796 | 8,594 |
| Other currencies | 112,311 | 90,028 | 589,808 | 634,985 |

The Group is mainly exposed to Euro and Russian Ruble currency.

The following table details the Group's sensitivity analysis to a 10% increase and decrease in the Macedonian Denar against the relevant foreign currency. The sensitivity analysis includes only outstanding foreign currency denominated monetary

items and adjusts their translation at the date of the Consolidated Statement of financial position. A positive number below indicates an increase in profit in Consolidated Income Statement, and negative number below indicates a decrease.

(In thousands of Denar)

| | Increase of 10% | | Decrease of 10% | |
|-----------------------------------|-----------------|-----------------|-----------------|---------------|
| | 2017 | 2016 | 2017 | 2016 |
| EUR | (13,802) | 9,922 | 13,802 | (9,922) |
| RUR | (42,918) | (45,306) | 42,918 | 45,306 |
| USD | 8,085 | 17,007 | (8,085) | (17,007) |
| CHF | 823 | 1,705 | (823) | (1,705) |
| Other currencies | (47,750) | (54,496) | 47,750 | 54,496 |
| Profit and loss and equity | (95,562) | (71,168) | 95,562 | 71,168 |

The Group's sensitivity to foreign currency has increased during the current period mainly due to combine effect of increase of

foreign trade receivables and foreign trade payables and increase of borrowings.

8. FINANCIAL INSTRUMENTS (Continued)

Interest rate risk

The Group is exposed to interest risk arising from variable interest rate on borrowings, which depends on the changes of the financial market.

The sensitivity analysis below has been determined based on the exposure to interest rates as a result of a 10% increase or decrease for foreign borrowings at the balance sheet date. A positive number below indicates a decrease in profit and equity, and negative number below indicates an increase. and negative number below indicates an increase.

(In thousands of Denar)

| | Increase of 10% | | Decrease of 10% | |
|-----------------------------------|-----------------|----------------|-----------------|--------------|
| | 2017 | 2016 | 2017 | 2016 |
| Borrowings | 1,510 | 1,120 | (1,510) | (1,120) |
| Profit and loss and equity | (1,510) | (1,120) | 1,510 | 1,120 |

If interest rates had been 10% higher the Group's profit for the year ended 31 December 2017 and retained earnings would decrease by Denar 1,510 thousands and opposite if interest

rates had been 10% lower the Group's profit for the year ended 31 December 2017 and retained earnings would increase by Denar 1,510 thousands

8. FINANCIAL INSTRUMENTS (Continued)

Liquidity risk

The management of the Group has responsibility for maintenance adequate liquidity. In certain cases the Group uses short and long-term funding for liquidity purposes. The Group manages liquidity risk by maintaining adequate cash reserves, by

continuously monitoring forecast and actual cash flows. At any time, the Group can draw additional borrowings from banks with relatively low interest rates, which reduce further liquidity risk.

The following tables detail the Group's remaining contractual maturity for its financial liabilities:

(In thousands of Denar)

| 2017 | Less than 1 month | 1 - 3 months | 3-12 months | 12 - 60 months | Total |
|----------------|----------------------|-----------------|------------------|-------------------|------------------|
| Trade payables | 789,432 | 464,353 | 203,346 | 7,202 | 1,464,333 |
| Borrowings | - | 31,368 | 350,251 | 270,534 | 652,153 |
| | 789,432 | 495,721 | 553,597 | 277,736 | 2,116,486 |
| 2016 | Less than 1 month | 1 - 3 months | 3 - 12 months | 12 - 60 months | Total |
| Trade payables | 703,285 | 437,173 | 183,078 | 9,267 | 1,333,161 |
| Borrowings | 225 | - | 439,764 | 67,620 | 507,609 |
| | 703,510 | 437,173 | 622,840 | 77,244 | 1,840,770 |

8. FINANCIAL INSTRUMENTS (Continued)

Liquidity risk (Continued)

The following tables detail the Group's remaining contractual maturity for its financial assets:

(In thousands of Denar)

| 2017 | Less than 1 month | 1 - 3 months | 3 - 12 months | 12 - 60 months | Total |
|-------------------------------------|----------------------|-----------------|------------------|-------------------|------------------|
| Trade receivables | 1,223,235 | 961,278 | 226,915 | - | 2,411,428 |
| Available-for-sale financial assets | - | - | - | 5,110 | 5,510 |
| Cash and cash equivalents | 214,389 | - | - | - | 214,389 |
| | 1,437,624 | 961,278 | 226,915 | 5,510 | 2,631,327 |
| 2016 | Less than 1 month | 1 - 3 months | 3 - 12 months | 12 - 60 months | Total |
| Trade receivables | 1,234,792 | 841,714 | 148,206 | - | 2,224,712 |
| Available-for-sale financial assets | - | - | - | 4,649 | 4,649 |
| Cash and cash equivalents | 277,638 | - | - | - | 277,638 |
| | 1,512,430 | 841,714 | 148,206 | 4,649 | 2,506,999 |

Taxation risks

Macedonian tax legislation is subject to varying interpretations and changes that occur frequently. As a result, transactions may be challenged by tax authorities and the Group may be assessed additional taxes, penalties and interest, which can be significant. The period that remains opened for review by the tax and customs authorities with respect to tax liabilities is five years. During 2017 the company's accounting transactions were subject to examination by the tax authorities regarding VAT for the period January 1st to November 30th 2017, for which an tax control statement was issued without findings.

9. AVAILABLE-FOR-SALE FINANCIAL ASSETS

(In thousands of Denar)

| | 2017 | 2016 |
|---|--------------|--------------|
| At 1 January | 4,649 | 3,514 |
| Additions | 606 | 1,313 |
| Disposals | (145) | (178) |
| Fair value adjustment | - | - |
| As at 31 December | 5,110 | 4,649 |
| Available-for-sale financial assets consist of: | | |
| | 2017 | 2016 |
| Available-for-sale financial assets in non-quoted companies | 1,930 | 1,855 |
| Available-for-sale financial assets in quoted companies | 3,180 | 2,794 |
| Available-for-sale financial assets in non-related parties | 5,110 | 4,649 |

Investments in securities available-for-sale consist of shares in companies and banks. Participation in their shares is below 10% of the registered equity.

Available-for-sale financial assets, of quoted shares and bonds are presented by market values of identical assets. The unlisted shares that are not traded in an active market are stated at cost. The Group considers that cost approximates their fair value.

10. INVENTORIES

(In thousands of Denar)

| | 2017 | 2016 |
|-----------------------------|------------------|------------------|
| Raw materials | 929,727 | 871,534 |
| Spare parts | 573 | 602 |
| Tools and consumable stores | 1,701 | 1,678 |
| Work in progress | 377,362 | 276,809 |
| Finished goods | 752,409 | 861,135 |
| Trading goods | 418,212 | 381,430 |
| | 2,479,984 | 2,393,188 |

11. TRADE RECEIVABLES

(In thousands of Denar)

| | 2017 | 2016 |
|---|------------------|------------------|
| Trade receivables | 2,675,896 | 2,491,337 |
| Less: Provision for impairment of receivables | (264,468) | (266,625) |
| Trade receivables - net | 2,411,428 | 2,224,712 |
| Changes in the provision are as follows: | | |
| | 2017 | 2016 |
| At 1 January | 266,625 | 269,929 |
| Provision for the year | 8,284 | 16,724 |
| Direct write off | (18) | (550) |
| Collected bad and doubtful debts | (10,860) | (23,304) |
| Translation differences | 437 | 3,826 |
| As at 31 December | 264,468 | 266,625 |
| Ageing of impaired trade receivables are as follows | | |
| | 2017 | 2016 |
| Up to 1 year | - | - |
| Over 1 year | 264,468 | 266,625 |
| As at 31 December | 264,468 | 266,625 |

12. OTHER CURRENT ASSETS

(In thousands of Denar)

| | 2017 | 2016 |
|----------------------------|----------------|----------------|
| Prepayments | 180,927 | 56,766 |
| Receivables from employees | - | 60 |
| Prepaid VAT | 123,890 | 133,324 |
| Other receivables | 117,102 | 75,576 |
| Less: non-current portion | (14,987) | (8,728) |
| | 406,932 | 256,998 |

Non-current receivables relate to loans to employees and prepayments for property, plant and equipment that are due within 3 years.

The fair value of non-current other assets are as follows:

(In thousands of Denar)

| | 2017 | 2016 |
|--------------|--------|-------|
| Other assets | 14,987 | 8,728 |

The effective interest rate on non-current receivables was as follows:

| | 2017 | 2016 |
|--|-------|-------|
| | 3.25% | 3.75% |

There is no concentration of credit risk with respect to trade receivables, as the Group has a large number of customers, internationally dispersed.

Prepayments for VAT are refunded from the Tax authorities on regular basis.

13. CASH AND CASH EQUIVALENTS

(In thousands of Denar)

| | 2017 | 2016 |
|---------------|----------------|----------------|
| Cash at banks | 211,735 | 274,683 |
| Cash in hands | 971 | 1,123 |
| Other | 1,683 | 1,832 |
| | 214,389 | 277,638 |

14. SHARE CAPITAL

(In thousands of Denar)

| | Number of shares | Ordinary shares | Treasury shares | Total | Share premiums |
|-----------------------------|------------------|-----------------|-----------------|-----------|----------------|
| At 1 January 2016 | 1,416,612 | 2,220,127 | (23,032) | 2,197,095 | - |
| Purchase of treasury shares | - | - | - | - | - |
| As at 31 December 2016 | 1,416,612 | 2,220,127 | (23,032) | 2,197,095 | - |
| Purchase of treasury shares | - | - | - | - | - |
| As at 31 December 2017 | 1,416,612 | 2,220,127 | (23,032) | 2,197,095 | - |

The total authorized number of ordinary shares is 1,431,353 with a par value of EUR 25.56 per share. All issued shares are fully paid.

The total number of treasury shares is 14,741. The number of 3,287 shares is reserved for former proprietors of which 3,228 are priority shares and 59 are ordinary shares.

15. OTHER RESERVES

(In thousands of Denar)

| | Transfer of reserves | Property, plant and equipment | Available for-sale investments | Fund for shares | Total |
|-------------------------------|----------------------|-------------------------------|--------------------------------|-----------------|------------------|
| At 1 January 2016 | (9,604) | 1,101,488 | (937) | 228,916 | 1,319,863 |
| Increase | - | - | 1,135 | - | 1,135 |
| Translation differences | - | 26,101 | - | - | 26,101 |
| As at 31 December 2016 | (9,604) | 1,127,589 | 198 | 228,916 | 1,347,009 |
| Increase | - | - | 461 | - | 461 |
| Reclassification | - | (197,690) | - | - | (197,690) |
| Translation differences | - | (10,350) | - | - | (10,350) |
| As at 31 December 2017 | (9,604) | 919,549 | 659 | 228,916 | 1,139,520 |

The nature and rights of distribution of each class of other reserves are:

- Revaluation reserves for property, plant and equipment are created based on valuation of PP&E. These reserves are not distributable to shareholders.
- The reserves for available-for sales investments are created based on valuation of investments. These reserves are not distributable to shareholders.
- Funds for shares are created from retained earnings based on decision from Shareholders assembly and are distributable to shareholders if not utilized.

16. BORROWINGS

(In thousands of Denar)

| | 2017 | 2016 |
|------------------------|----------------|----------------|
| Non-current borrowings | 270,534 | 67,620 |
| Current borrowings | 381,619 | 439,989 |
| | 652,153 | 507,609 |

Bank borrowings in amount of Denar 25,363 thousands are secured by the Property plant and equipment in net book value of Denar 65,969 thousands.

The maturity of the borrowings is as follows:

(In thousands of Denar)

| | 2017 | 2016 |
|----------------------|----------------|----------------|
| Up to 1 year | 381,619 | 439,989 |
| Between 1 to 3 years | 270,534 | 67,620 |
| | 652,153 | 507,609 |

The borrowings are denominated in following currencies:

(In thousands of Denar)

| | 2017 | 2016 |
|-------|----------------|----------------|
| EUR | 296,614 | 287,701 |
| USD | - | 39,973 |
| MKD | 355,500 | 179,368 |
| Other | 39 | 567 |
| | 652,153 | 507,609 |

The effective interest rates at the balance sheet date were as follows:

| | 31 December 2017 | | | 31 December 2016 | | |
|----------------|--|-----|-----------|-----------------------------------|------|---------|
| | EUR | USD | MKD | EUR | USD | MKD |
| Interest rates | 3 - 6 month EURIBOR +0.85 – 4.5% | - | 2.8– 3.1% | 6 month EURIBOR +3.1 – 4.5% | 3.1% | 3.3– 6% |

17. RETIREMENT BENEFIT OBLIGATIONS

(In thousands of Denar)

| | 2017 | 2016 |
|---------------------|--------|--------|
| Retirement benefits | 29,427 | 26,885 |

The retirement benefits are calculated based on legal obligation for payment of two monthly net salaries on the retirement date.

The amounts recognized in the Income statement are as follows:

(In thousands of Denar)

| | 2017 | 2016 |
|------------------------------|---------------|---------------|
| Beginning of the year | 26,885 | 25,898 |
| Increase in calculation | 2,542 | 1,091 |
| Decrease in calculation | - | (104) |
| As at 31 December | 29,427 | 26,885 |

The principal actuarial assumptions used were as follows:

| | 2017 | 2016 |
|---------------|-------|-------|
| Discount rate | 3.66% | 4.01% |

18. DEFERRED TAX

(In thousands of Denar)

| | 2017 | 2016 |
|--------------------------|---------------|---------------|
| Deferred tax assets | 17,817 | 17,817 |
| Deferred tax liabilities | [205] | [8] |
| | 17,612 | 17,809 |

Deferred income tax is determined using tax rate of 10%.

(In thousands of Denar)

| | 2017 | 2016 |
|--------------------------------------|---------------|---------------|
| At 1 January | 17,809 | 19,502 |
| Net deferred tax in income statement | [205] | [1,693] |
| Realized deferred tax liabilities | 8 | - |
| As at 31 December | 17,612 | 17,809 |

The movement in deferred tax assets and liabilities is as follows:

(In thousands of Denar)

| | Accruals | Fair value | Total |
|-----------------------------------|---------------|------------|---------------|
| At 1 January 2016 | 19,502 | - | 19,502 |
| Charged to Income statement | [1,693] | - | [1,693] |
| Realized deferred tax liabilities | - | - | - |
| As at 31 December 2016 | 17,809 | - | 17,809 |
| Charged to Income statement | [205] | - | [205] |
| Realized deferred tax liabilities | 8 | - | 8 |
| As at 31 December 2017 | 17,612 | - | 17,612 |

19. TRADE AND OTHER PAYABLES

(In thousands of Denar)

| | 2017 | 2016 |
|-------------------------------------|------------------|------------------|
| Trade payables | 1,464,333 | 1,333,161 |
| Customer's prepayments | 25,741 | 9,713 |
| Payables to employees | 102,716 | 94,000 |
| Dividends | 12,102 | 10,986 |
| Other payables and accrued expenses | 134,426 | 144,565 |
| | 1,739,318 | 1,592,425 |

20. PROVISION FOR OTHER LIABILITIES AND CHARGES

(In thousands of Denar)

| | 2017 | 2016 |
|-----------------------------------|--------------|--------------|
| Provision for retirement benefits | 2,542 | 1,091 |
| | 2,542 | 1,091 |

21. OTHER INCOME

(In thousands of Denar)

| | 2017 | 2016 |
|------------------------------------|----------------|----------------|
| Collected written-off receivables | 10,860 | 23,304 |
| Interest income | 10,066 | 4,357 |
| Foreign exchange transaction gains | 168,254 | 174,025 |
| Other income | 126,804 | 98,937 |
| | 315,984 | 300,623 |

22. OTHER EXPENSES

(In thousands of Denar)

| | 2017 | 2016 |
|-----------------------------------|----------------|----------------|
| Interest expenses | 2,562 | 153 |
| Foreign exchange transaction loss | 143,129 | 105,602 |
| Other expenses | 148,745 | 192,953 |
| | 294,436 | 298,708 |

23. EXPENSES BY NATURE

(In thousands of Denar)

| | 2017 | 2016 |
|---------------------------------|------------------|------------------|
| Raw materials | 2,238,233 | 2,207,867 |
| Employee benefit expense | 1,912,897 | 1,691,568 |
| Depreciation and amortization | 501,060 | 441,937 |
| Energy | 160,632 | 137,579 |
| Impairment of trade receivables | 8,284 | 16,724 |
| Transportation | 217,744 | 190,230 |
| Changes in the inventories | (98,758) | (165,764) |
| Cost of trading goods | 1,593,272 | 1,486,422 |
| Other expenses | 1,668,113 | 1,432,576 |
| | 8,201,477 | 7,439,139 |

24. EMPLOYEE BENEFIT EXPENSE

(In thousands of Denar)

| | 2017 | 2016 |
|--|------------------|------------------|
| Gross salaries | 1,661,508 | 1,462,425 |
| Other employees benefits | 251,389 | 229,143 |
| | 1,912,897 | 1,691,568 |
| Number of employees as at 31 December | 1,856 | 1,725 |

25. OPERATING LEASING

Operating leasing relates to rent of premises and vehicles. The lease term is between 3-5 years. The Group do not has option to re-purchase premises and vehicles.

(In thousands of Denar)

| Minimum operating leasing | 2017 | 2016 |
|---|----------------|----------------|
| | 60,505 | 53,004 |
| | 60,505 | 53,004 |
| Future non-cancellable obligations | 2017 | 2016 |
| Up to 1 year | 38,525 | 40,613 |
| Between 2 to 5 years | 66,833 | 65,029 |
| | 105,358 | 105,642 |

26. FINANCE EXPENSES

(In thousands of Denar)

| | 2017 | 2016 |
|---|--------------|-----------------|
| Net foreign exchange transaction gains/(losses) on borrowings | (10,607) | (1,208) |
| Interest expense on borrowings | 15,098 | (11,199) |
| | 4,491 | (12,407) |

27. INCOME TAX

(In thousands of Denar)

| | 2017 | 2016 |
|-------------------------|---------------|----------------|
| Current income tax | 99,314 | 108,702 |
| Net deferred income tax | (837) | 1,528 |
| | 98,477 | 110,230 |

The income tax differs from the theoretical amount that would arise using the tax rate applicable to profit as follows:

(In thousands of Denar)

| | 2017 | 2016 |
|--|----------------|----------------|
| Profit before tax | 912,754 | 842,048 |
| Tax calculated at tax rate of 10% | 91,275 | 84,205 |
| Income not subject to tax | (3,293) | (72) |
| Expenses not deductible for tax purposes | 63,838 | 61,087 |
| Tax allowances | (53,343) | (34,990) |
| Net deferred income tax | - | - |
| Income tax | 98,477 | 110,230 |

28. EARNINGS PER SHARE

(In Denar)

| | 2017 | 2016 |
|--|---------------|---------------|
| Basic earnings per share | | |
| Profit attributable to shareholders (In Denar) | 809,277,171 | 731,818,674 |
| Average number of shares | 1,416,612 | 1,416,612 |
| Basic earnings per share (in Denar) | 571.28 | 516.60 |

29. DIVIDENDS

The Group does not recognize the dividend payable before it is approved on the Annual General Meeting.

The dividends approved by shareholders on 3 April 2017 were Denar 357,838 thousands. Approved dividends are paid and retained earnings are appropriately decreased.

30. COMMITMENTS

Capital expenditures contracted for acquisition of property, plant and equipment at balance sheet date but not yet incurred are in amount of Denar 12,143 thousands (2016: Denar 6,779 thousands).

31. CONTINGENCIES

The Group has contingent liabilities with respect to issued guaranties to third parties in the amount of Denar 233,232 thousands (2016: Denar 150,426 thousands).

32. RELATED PARTY TRANSACTIONS

The Group has no ultimate controlling party, the shares are widely held.

Key management compensations

No compensations were paid to the Management Board members. In 2017, the amount of Denar 4,207 thousands was paid to the Supervision Board members (2016: Denar 4,207 thousands). Total key management compensations amounting Denar 228,689 thousands (2016: Denar 218,337 thousands).

33. EXCHANGE RATES OF PRINCIPAL CURRENCIES

Closing rates:

| | 31.12.2017 | 31.12.2016 |
|-----|------------|------------|
| EUR | 61.49 | 61.48 |
| RUR | 0.89 | 0.96 |
| USD | 51.27 | 58.33 |
| CHF | 52.55 | 57.25 |



contacts
subsidiaries

CONTACTS

SUBSIDIARIES

ALKALOID AD Skopje

Blvd. Aleksandar Makedonski 12, 1000 Skopje;
R. Macedonia
Telephone: + 389 2 310 40 00
Facsimile: + 389 2 310 40 14
e-mail: alkaloid@alkaloid.com.mk
www.alkaloid.com.mk

CHIEF EXECUTIVE OFFICER / MB PRESIDENT

Zhivko Mukaetov

Telephone: + 389 2 310 40 01
Facsimile: + 389 2 310 40 04
e-mail: zmukaetov@alkaloid.com.mk

Elefterija Davcheva

Personal Assistant to the CEO / MB President
Telephone: + 389 2 310 40 01
Facsimile: + 389 2 310 40 04
e-mail: edavcheva@alkaloid.com.mk

FINANCES

Viktor Stojchevski

CFO / MB Member
Telephone: + 389 2 310 40 07
Facsimile: + 389 2 310 40 81
e-mail: vstojchevski@alkaloid.com.mk

SHAREHOLDERS, PROPERTY ISSUES

Gjorgi Jovanov

Director / MB Member
Tel: + 389 2 310 4 003
Facsimile: + 389 2 310 40 04
e-mail: gjovanov@alkaloid.com.mk

GENERAL AFFAIRS

Kire Icev

Director / MB Member
Telephone / Facsimile: + 389 2 310 40 43
e-mail: kicev@alkaloid.com.mk

INTERNAL AUDIT DEPARTMENT

Danilo Jovanovich

Telephone: + 389 2 310 4 119
e-mail: djovanovic@alkaloid.com.mk

STEERING COMMITTEE

Natasha Nasteva

Telephone: + 389 2 310 42 49
Facsimile: + 389 2 310 40 21
e-mail: nnasteva@alkaloid.com.mk

LOGISTICS

Zoran Kostovski

Telephone: + 389 2 310 40 35
Facsimile: + 389 2 310 40 36
e-mail: zkostovski@alkaloid.com.mk

PURCHASING, INVESTMENTS AND TRANSPORT

Dejan Krzhovski

Telephone: + 389 2 310 40 77
Facsimile: + 389 2 310 40 28
e-mail: dkrzovski@alkaloid.com.mk

QUALITY ASSURANCE

Nada Popstefanova

Telephone: + 389 2 310 43 70
Facsimile: + 389 2 310 40 05
e-mail: nadapopstefanova@alkaloid.com.mk

LEGAL & CORPORATE COMPLIANCE

Nikola Kolevski

Telephone: + 389 2 310 40 75

Facsimile: + 389 2 317 24 66

e-mail: nkolevski@alkaloid.com.mk

PERSONNEL AFFAIRS

Marija Malova

Telephone: + 389 2 310 40 32

Facsimile: + 389 2 317 24 66

e-mail: mmalova@alkaloid.com.mk

HUMAN RESOURCES

Nikola Eftimov

Telephone: + 389 2 310 40 44

Facsimile: + 389 2 317 16 44

e-mail: neftimov@alkaloid.com.mk

INFORMATION TECHNOLOGY AND TELECOMMUNICATIONS

Nikola Dimovski

Telephone: + 389 2 310 40 57

e-mail: ndimovski@alkaloid.com.mk

MARKETING COMMUNICATIONS

Dushko Markovski

Telephone: + 389 2 310 40 26

Facsimile: + 389 2 317 16 44

e-mail: dmarkovski@alkaloid.com.mk

PC PHARMACEUTICALS

PRODUCTION PHARMACEUTICALS

Milkica Gligorova

Director / MB Member

Telephone/Fax: + 389 2 310 40 05

e-mail: mgligorova@alkaloid.com.mk

PHARMACEUTICAL CORPORATE DEVELOPMENT

Milos Radulovic

Telephone: + 389 2 310 42 67

e-mail: mradulovic@alkaloid.com.mk

MEDICAL MARKETING AND PORTFOLIO

Snezhana Petrovska

Telephone: + 389 2 310 40 37

Facsimile: +389 2 310 42 25

e-mail: spetrovska@alkaloid.com.mk

RX DIVISION, IN-HOUSE PROJECTS

Sandra Chomovska Madevska

Telephone: + 389 2 310 41 08

Facsimile: +389 2 310 42 25

e-mail: scomovska@alkaloid.com.mk

OTC DIVISION, IN-HOUSE PROJECTS

Aleksandar Hristovski

Telephone: + 389 2 310 41 38

Facsimile: +389 2 310 42 25

e-mail: ahristovski@alkaloid.com.mk

Bussiness Development

Natasha Nikolovska

Telephone: + 389 2 311 07 40

e-mail: nnikolovska@alkaloid.com.mk

e-mail: business.development@alkaloid.com.mk

Direct Market Access

Ernest Debreshlioski

Telephone: +389 2 3104 372

e-mail: edebreslioski@alkaloid.com.mk

REGULATORY AFFAIRS

Jelena Lazova

Telephone: + 389 2 310 40 68

e-mail: jlazova@alkaloid.com.mk

GLOBAL PHARMACOVIGILANCE

Olivera Paneva

Telephone: + 389 2 310 40 85

e-mail: openeva@alkaloid.com.mk

RESEARCH&DEVELOPMENT

Sonja Ugarkovich

Telephone + 389 2 310 4 049

Facsimile: + 389 2 310 4 134

e-mail: sugarkovic@alkaloid.com.mk

Packaging Development

Slobodan Vukajlovic

Telephone: +389 2 3104 341

e-mail: svukajlovic@alkaloid.com.mk

QUALITY CONTROL

Hristina Babunovska

Telephone: + 389 2 310 40 65

Facsimile: + 389 2 310 40 05

e-mail: hbabunovska@alkaloid.com.mk

SALES PHARMACEUTICALS

Emil Micajkov

Telephone: + 389 2 3104 388

e-mail: emicajkov@alkaloid.com.mk

SALES PHARMACEUTICALS/ALKALOID CONS

/ SOUTH EASTERN EUROPE

Vladimir Indov

Telephone: + 389 2 310 4 388

e-mail: vindov@alkaloid.com.mk

SALES PHARMACEUTICALS/RUSSIA, UKRAINE, CIS

Tatjana Ivanoska Filipovska

Telephone: + 389 2 3104 068

e-mail: tivanoska@alkaloid.com.mk

SALES PHARMACEUTICALS MACEDONIA

Biljana Taneva

Telephone: + 389 2 310 4 045

Facsimile: + 389 2 310 4 056

e-mail: btaneva@alkaloid.com.mk

Regional Operating Manager for Albania and Kosovo

Emira Fida

Telephone: +355 4 242 2955

e-mail: efida@alkaloid.com.mk

Regional Operating Manager for Serbia, Montenegro, BiH

Ognjen Trajkovski

Telephone: + 389 2 310 40 53

Facsimile: + 389 2 310 42 25

e-mail: otrajkovski@alkaloid.com.mk

Regional Operating Manager for Russia, CIS and Ukraine

Dimitar Georgievski / Kalina Naumovska

Telephone: + 389 2 310 41 67

Facsimile: + 389 2 310 42 25

e-mail: dgeorgievski@alkaloid.com.mk

e-mail: knaumovska@alkaloid.com.mk

Regional Operating Manager for the EU Countries

Maja Nojkova Belevska

Telephone: + 359 2 80 81 083

Facsimile: + 359 2 95 89 367

e-mail: mnojkova@alkaloid.com.mk

MEDICINAL PROGRAM

Ilija Kovachevski

Telephone: + 389 2 310 40 74

Facsimile: + 389 2 310 40 27

e-mail: ikovacevski@alkaloid.com.mk

ALKALOID CONS LTD

Oliver Lazareski

Telephone: + 389 2 320 44 30

Facsimile: + 389 2 320 44 31

e-mail: olazareski@alkaloid.com.mk

BOTANICAL PHARMACY

Biljana Lazareska

Telephone: + 389 2 323 79 75

e-mail: blazareska@alkaloid.com.mk

PC CHEMISTRY COSMETICS BOTANICALS

Nikola Mizo

Telephone: + 389 2 310 40 02

Facsimile: + 389 2 310 40 27

e-mail: nmizo@alkaloid.com.mk

SALES FMCG

Domestic market

Nikola Ristov

Telephone: + 389 2 310 40 42

Facsimile: + 389 2 317 55 31

e-mail: nristov@alkaloid.com.mk

SALES FMCG

Export Sales

Darko Nanov

Telephone: + 389 2 310 40 33

Facsimile: + 389 2 310 40 27

e-mail: dnanov@alkaloid.com.mk

SALES CHEMISTRY

Ljube Danilovski

Telephone: + 389 2 310 40 19

Facsimile: + 389 2 310 40 27

e-mail: ljdanilovski@alkaloid.com.mk

PRODUCTION COSMETICS & R&D

Dobrila Sekulovska - Popovska

Telephone: + 389 2 203 79 29

Facsimile: + 389 2 203 72 16

e-mail: dsekulovska@alkaloid.com.mk

PRODUCTION BOTANICALS

Andrijana Muceva

Telephone / Facsimile + 389 2 246 15 61

e-mail: amuceva@alkaloid.com.mk

R&D BOTANICALS

Maja Stefkova

Telephone: + 389 2 2465 361

e-mail: mstefkova@alkaloid.com.mk

PRODUCTION CHEMISTRY

(X-Ray Films and Hemodialysis solutions) & R&D

Filip Godzo

Telephone: + 389 2 203 79 53

e-mail: fgodjo@alkaloid.com.mk

SUBSIDIARIES

UNITED STATES OF AMERICA

Alkaloid USA LLC.

6535 West Campus Oval

Suite 130, New Albany,

Ohio 43054, USA

Telephone/Facsimile:

+ 1 614 939 9488; + 1 614 939 9498

e-mail: vstavroff@alkaloid.com.mk;

e-mail: vstavroff@alkaloidusa.com

Contact person: Vera Stavroff

SWITZERLAND

Alkaloidpharm SA

Rue Georges-Jordil 4

1700 Fribourg, Switzerland

Telephone: + 41 26 323 41 90

Facsimile: + 41 26 323 41 72

e-mail: info@alkaloid.ch

Contact person: Natasha Milkovska

RUSSIAN FEDERATION

ALKALOID-RUS LLC

33 Usacheva str. Bld. 2 Office 9,

119048 Moscow, Russian Federation

Telephone / Facsimile: + 7495 502 92 97

e-mail: zadamcevski@alkaloid.com.mk

Contact person: Zharko Adamchevski

SLOVENIA

ALKALOID - INT d.o.o.

Slanrdova ulica 4,

1231 Ljubljana – Crnuce, Ljubljana, Slovenija

Telephone: + 386 1 3004 290

Facsimile: + 386 1 3004 291

e-mail: info@alkaloid.si

Contact person: Emil Micajkov

ALKALOID - FARM d.o.o.

Slanrdova ulica 4,

1231 Ljubljana – Crnuce, Ljubljana, Slovenija

Telephone: + 386 1 3004 290

Facsimile: + 386 1 3004 291

e-mail: alma.b@alkaloid.si

Contact person: Alma Bunič

ALKA-LAB d.o.o.

Celovška cesta 40a

1000 Ljubljana, Slovenija

Telephone: +386 1 777 11 20

Facsimile: + 386 1 777 11 21

e-mail: barbara.skvarc@alka-lab.si

Contact person: Barbara Skvarc

CROATIA

ALKALOID d.o.o.,

Slavonska avenija 6 A

10000 Zagreb, Croatia

Telephone: + 385 16 311 920

Facsimile: + 385 16 311 922

e-mail: alkaloid@alkaloid.hr

Contact person: Milosav Poposki

SERBIA

Alkaloid d.o.o.

Ul. Prahovska 3

11000 Beograd, Serbia

Telephone / Facsimile:

+ 381 11 3679 070

+ 381 11 3679 071

e-mail: office@alkaloid.co.rs

Contact person: Igor Petrov

ALKALOID WHOLESALES

d.o.o. Beograd

Ul. Prahovska 3

11000 Beograd, Serbia

Telephone / Facsimile:

+ 381 11 3679 070

+ 381 11 3679 071

e-mail: veledrogerija@alkaloid.co.rs

Contact person: Igor Petrov

MONTENEGRO

Alkaloid d.o.o. Podgorica

Ul. Svetlane Kane Radevic br.3/V

81 000 Podgorica, Crna Gora

Telephone / Facsimile:

+ 382 20 246-207

+382 20 246-208

e-mail: alkaloid@t-com.me

Contact person: Vladislav Stanishic

BOSNIA AND HERZEGOVINA

Alkaloid d.o.o.

Isevic sokak 4-b

Saraevo, BiH

Telephone / Facsimile:

+ 387 33 475 790

+ 387 33 475 791

e-mail: alkaloid@bih.net.ba

Contact person: Boris Jotevski

BULGARIA

Alkaloid EOOD

2. Rikardo Vakarini str. Fl.3 ap 10

1404 Sofia, Bulgaria

Telephone: + 35 92 80 81 081

Facsimile: + 35 92 95 89 367

e-mail: office@alkaloid.bg

Contact person: Goran Kadiev

ALBANIA

Alkaloid sh.p.k

Rr. A.Z. Cajupi, Pallati Teknoproket, Hyrja 1,

1001 Tirana, Albania

Telephone: +355 4 242 2955

KOSOVO

ALK&KOS Pharmaceuticals

Magjistranja Prishtine – Shkup (km. i shtate)

Laplje Selo,

10000 Prishtina, Kosovo

Tel. + 381 38 606 0081

e-mail: iveseli@alkaloid.com.mk

Contact person: Ilir Veseli

UKRAINE

“Alkaloid Kiev” Co. LTD

15/1A Kyrylivska street, office 4

04080, Kiev, Ukraine

Telephone: + 38(044) 390 60 66

Facsimile: + 38(044) 393 21 20

Email: dkaranfilov@alkaloid.com.ua

Contact person: Dejan Karanfilov

TURKEY

Alkaloid ilac Tic Ltd Sti,

Vizyon park A1/9, 29 ekim cad, Yenibosna merkez mah,

Bahcelievler,

Istanbul, Turkey

Telephone + 90 212 603 10 70

Facsimile: + 90 212 369 12 85

e-mail: ademiraga@alkaloid.com.mk

Contact person: Arben Demiraga

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