

## **PERFORMANCE ANALYSES**

### **For the period January - June 2021**

According to the unaudited stand alone and consolidated Income statement for the period January - June 2021, Alkaloid AD Skopje achieved positive financial results.

#### **Accounting policies and evaluation methods**

There were no changes in the accounting policies and evaluation methods in the positions of the financial statements of Alkaloid AD Skopje in 2021.

#### **Total revenues**

The total stand alone revenues for January - June 2021 in the amount of 5.063.282 thousand denars have increased for 3%, compared to 2020. The largest portion of 95% in the total revenues belongs to the sales revenues, which compared to 2020 have increased for 1%.

The total consolidated revenues for January - June 2021 in the amount of 6.453.784 thousand denars have increased for 3%, compared to 2020. The largest portion of 97% in the total revenues belongs to the sales revenues, which compared to 2020 have increased for 3%.

#### **Total expenses**

The total stand alone expenses for January - June 2021 in the amount of 4.407.068 thousand denars have increased for 2% compared to 2020.

The total consolidated expenses for January - June 2021 in the amount of 5.772.482 thousand denars have increased for 2% compared to 2020.

#### **Dividend**

The dividends approved by shareholders on 5 April 2021 were Denar 572.541 thousands or net-dividend of 360 denars for one ordinary share.

#### **Investments**

The total investments in non-current assets in January - June 2021 are in the amount of 524.114 thousand denars.

#### **Borrowings**

The total consolidated borrowings as at 30.06.2021 are in the amount of 1.644.254 thousand denars.

#### **Employees**

There were 121 new employments for the period January - June 2021 in Alkaloid in R.N. Macedonia. The management board of Alkaloid AD Skopje reached a decision on approval and payment of holiday allowances for its employees in March 2021 in the amount of 100% of the average net salary paid by a worker in the previous three months in R.N. Macedonia. The amount paid was MKD 31,167 gross or MKD 28,050 net. The Alkaloid Group has 2,479 employees, of which 1,909 in Alkaloid in the country and 570 employees in its subsidiaries and representative offices abroad.

**Significant Income statement positions**

The achieved stand alone and consolidated results for the period January - June 2021, the proportions, dynamics and comparison with the previous year are as follows:

**Stand alone sales**

Market	(In 000 MKD)				
	2021		2020		Ind
	Sales	%	Sales	%	21/20
Domestic market	1.585.093	33	1.451.366	31	109
Foreign market	3.203.667	67	3.288.779	69	97
<b>Total:</b>	<b>4.788.760</b>	<b>100</b>	<b>4.740.145</b>	<b>100</b>	<b>101</b>

**Consolidated sales**

Market	(In 000 MKD)				
	2021		2020		Ind
	Sales	%	Sales	%	21/20
<b>Domestic market</b>	<b>2.196.876</b>	<b>35</b>	<b>2.048.161</b>	<b>34</b>	<b>107</b>
Southeast Europe	2.152.426	34	2.093.762	35	103
Russia and CIS	643.343	10	501.443	8	128
Western Europe (EU and EFTA)	1.220.065	19	1.284.987	21	95
Other (USA, Turkey etc.)	59.702	1	139.163	2	43
<b>Total foreign market</b>	<b>4.075.536</b>	<b>65</b>	<b>4.019.355</b>	<b>66</b>	<b>101</b>
<b>Total:</b>	<b>6.272.412</b>	<b>100</b>	<b>6.067.516</b>	<b>100</b>	<b>103</b>

Out of the total consolidated sales, 65% were realized in the foreign market. The highest rise in export markets was seen in Russia and CIS region, increased by 28% and Southeast Europe, increased by 3%.

Group of products	(In 000 MKD)				
	2021		2020		Ind
	Sales	%	Sales	%	21/20
Antibiotics	1.103.592	18	909.090	15	121
OTC products	1.283.701	20	1.376.602	23	93
Cardiovascular products	922.709	15	905.382	15	102
Neurological products	875.748	14	809.608	13	108
Other	603.880	10	552.605	9	109
<b>Total products - Alkaloid</b>	<b>4.789.630</b>	<b>76</b>	<b>4.553.287</b>	<b>75</b>	<b>105</b>
Commodities	668.251	11	640.801	11	104
Sevices and other revenue	35.215	1	34.100	1	103
<b>Total Pharmaceuticals</b>	<b>5.493.096</b>	<b>88</b>	<b>5.228.188</b>	<b>86</b>	<b>105</b>
<b>Total Chemistry</b>	<b>178.719</b>	<b>3</b>	<b>157.943</b>	<b>3</b>	<b>113</b>
<b>Total Cosmetics</b>	<b>480.126</b>	<b>8</b>	<b>479.103</b>	<b>8</b>	<b>100</b>
<b>Total Botanicals</b>	<b>120.471</b>	<b>2</b>	<b>202.282</b>	<b>3</b>	<b>60</b>
<b>Total:</b>	<b>6.272.412</b>	<b>100</b>	<b>6.067.516</b>	<b>100</b>	<b>103</b>

**Significant Income statement positions (continued)**
**Earning before interest, taxes, depreciation and amortization (EBITDA)**

	(In 000 MKD)				
	2021		2020		Ind
	Amount	% in Sales	Amount	% in Sales	21/20
Stand alone EBITDA	1.065.700	22	944.488	20	113
Consolidated EBITDA	1.110.263	18	978.793	16	113

**Net profit**

	(In 000 MKD)				
	2021		2020		Ind
	Amount	% in Sales	Amount	% in Sales	21/20
Stand alone Net profit	588.962	12	525.025	11	112
Consolidated Net profit	583.524	9	511.911	8	114

Stand alone Net profit for 2021 is 588.962 thousand denars, which compared to last year has increased for 12%.

Consolidated Net profit for 2021 is 583.524 thousand denars, which compared to last year has increased for 14%.

**Business plan 2021**

The business plan for 2021, adopted by the Managing Board of Alkaloid AD Skopje at its session held on December 29th 2020, anticipates investment of around 12% of the consolidated sales in tangible and intangible assets, a growth in consolidated sales of 7% compared to 2020, as well as a growth in pre-tax consolidated profit of 7% in comparison with 2020.

The business plan for 2021 is based on the expectations, forecasts and opportunities of the current and new markets and products available to the Company at the time of drafting the plan. Circumstances and events in 2021, thus the actual results, may vary from those taken into account in the Business Plan.

**Expectations for the upcoming period**

In the past period, the company has faced a number of internal and external challenges and emerging risks, generated by the pandemic of COVID 19. We have taken a number of measures so far to neutralize all the negative effects, without compromising the health of employees and the successful operation of the company. In the upcoming period employees' health remains a top priority as well as maintaining current liquidity, financial stability and realization of the planned goals.