



ANNUAL REPORT / 23



ALKALOID
SKOPJE



ALKALOID
SKOPJE

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KEY FINANCIAL INDICATORS

| | (In 000 MKD) | | |
|---|--------------|------------|--------|
| | Amount | Amount | Index |
| | 2023 | 2022 | 23/22 |
| Total Revenues | 16,957,698 | 15,349,814 | 110.47 |
| Sales | 16,512,978 | 14,289,051 | 115.56 |
| Gross Profit | 7,575,383 | 6,453,574 | 117.38 |
| Earnings before interest, taxes, depreciation and amortization (EBITDA) | 2,750,021 | 2,537,702 | 108.37 |
| Operating Profit | 1,822,789 | 1,669,966 | 109.15 |
| Profit Before Tax | 1,785,660 | 1,643,767 | 108.63 |
| Net Profit | 1,576,864 | 1,463,421 | 107.75 |
| Total Assets | 19,953,909 | 17,589,256 | 113.44 |
| Equity | 13,791,033 | 12,507,915 | 110.26 |
| Net Cash Flow | 180,555 | [209,155] | - |
| Investments in Assets (PPE&IA) | 1,741,562 | 1,474,213 | 118.14 |
| Number of Employees | 2,843 | 2,617 | 108.64 |
| Sales per Employee | 5,808 | 5,460 | 106.38 |
| Current Ratio | 1.79 | 1.87 | 95.42 |
| Long-term Debt | 5.2% | 4.7% | 110.00 |
| ROE Return on Equity | 11.99 | 12.11 | 99.03 |
| EPS Basic Earnings per Share (In MKD) | 1,121.9 | 1,041.2 | 107.75 |
| DPS Net Dividend per Share (In MKD) | 486.00 | 441.00 | 110.20 |
| Total Number of Shares | 1,431,353 | 1,431,353 | 100.00 |
| 1 EUR/1 MKD (Average) | 61.5570 | 61.6219 | 99.89 |

FINANCIAL HIGHLIGHTS

| | (In 000 EUR) | | |
|--|--------------|---------|--------|
| | Amount | Amount | Index |
| | 2023 | 2022 | 23/22 |
| Total Revenues | 275,480 | 249,097 | 110.59 |
| Sales | 268,255 | 231,883 | 115.69 |
| EBITDA | 44,674 | 41,182 | 108.48 |
| EBIT Earning Before Interest and Taxes | 29,611 | 27,100 | 109.27 |
| Net Profit | 25,616 | 23,748 | 107.87 |
| EPS Earnings per Share | 18.23 | 16.90 | 107.87 |

HIGHLIGHTS/23

**Alkaloid commissioned
a new capital project:
Tablet Department 2.0
– an investment worth
EUR 19.4 million**

**Omeprazole Liquid:
Alkaloid's First Patent
for Value Added Medicine**

**Alkaloid organized
the First Cefixime Global
meeting in Istanbul, Türkiye**

**Alkaloid registered
new subsidiaries in
Kazakhstan, Serbia
and Croatia**

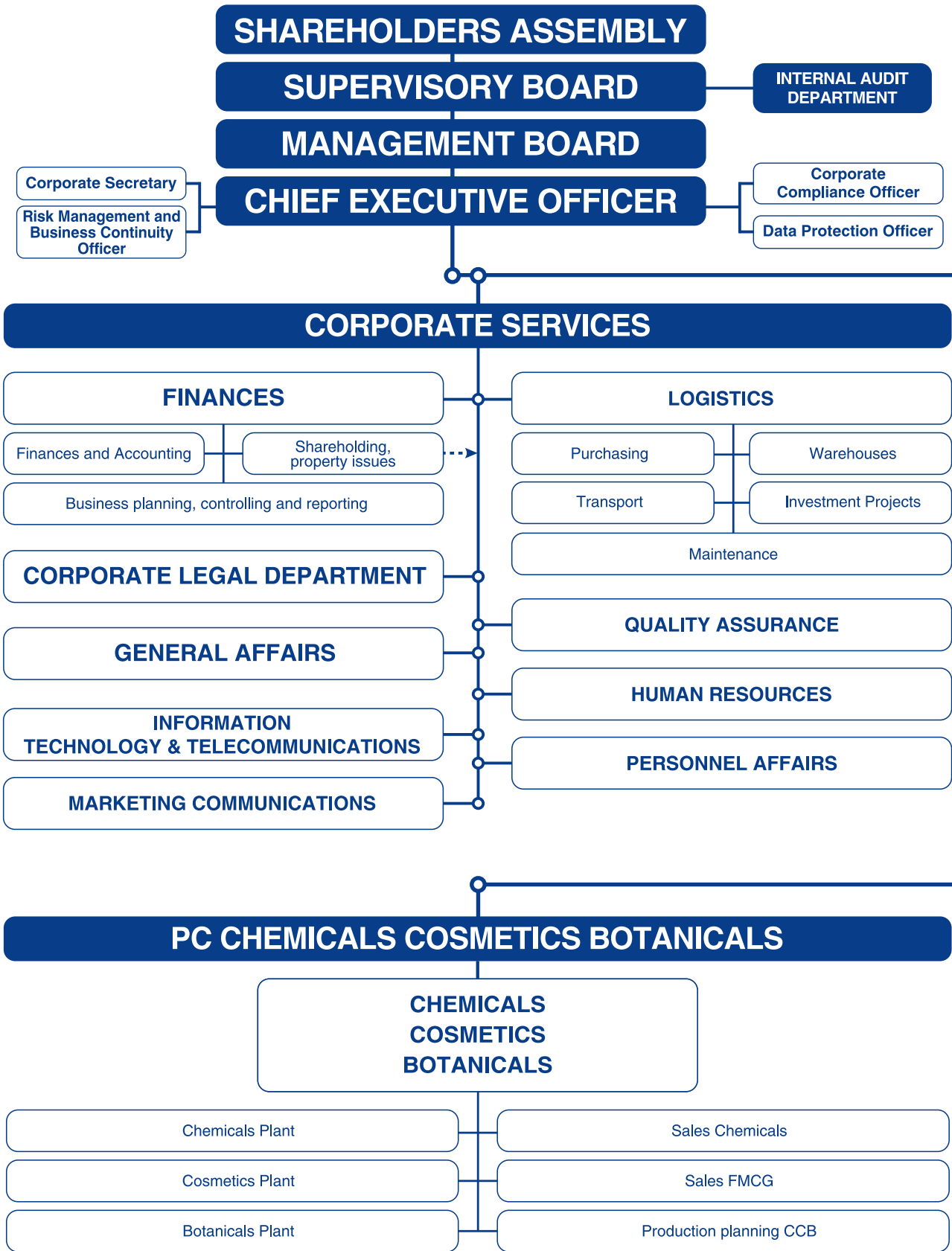
**Becutan Brand marked
45 years of existence**

**Most Transparently Listed
Company and 2023 Stock of the
Year in 2023 for Alkaloid by the
Macedonian Stock Exchange**

**Trajche Mukaetov Foundation
granted 40 new scholarships
to students of pharmacy
and medicine at the University
Sts. Cyril and Methodius in Skopje**

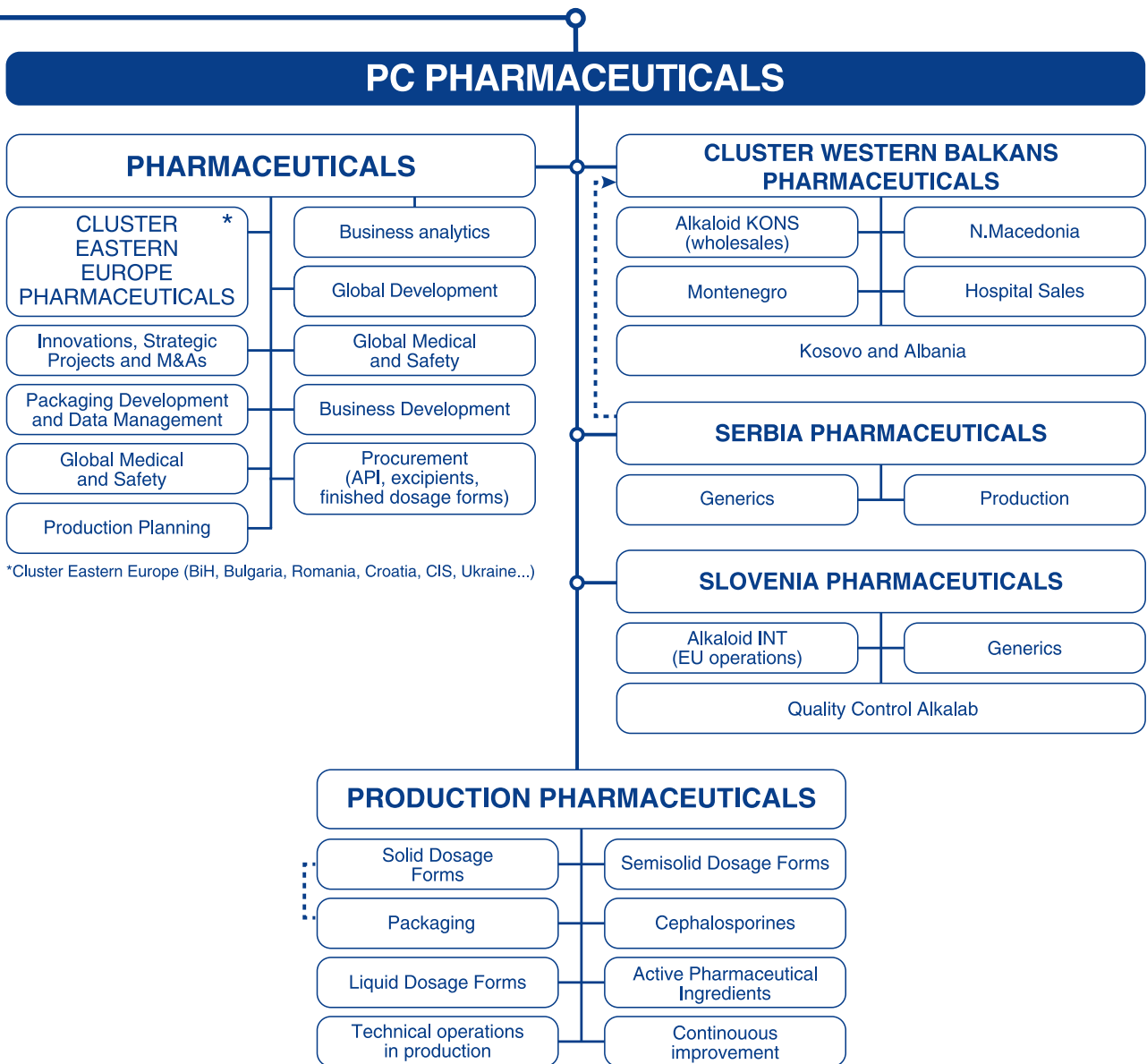
**Alkaloid and the Red Cross
continue their
collaborative humanitarian
efforts: Together, we can
accomplish more!**

**Alkaloid and
SOS Childrens' Village
marked one year of
strategic partnership**



2024

ORGANIZATIONAL CHART ALKALOID AD SKOPJE





CORPORATE INFORMATION

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

As of 26 April 2023, in connection with the election of a new mandate of the members of the Supervisory Board, via decision passed at the Shareholders' Assembly, the Supervisory Board functioned 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.



Lidija Sofrevska Andonova

Independent member of the Supervisory Board

Holds Master's degree in Economics from Sts. Cyril and
Methodius University in Skopje.
Member of the Board since 2023.



Bojancho Krlevski

Member of the Supervisory Board

B.Sc. in Chemical Engineering.
Employed at Alkaloid AD Skopje.
Member of the Board since 1998.

CORPORATE INFORMATION

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 2023, the Supervisory Board held 12 (twelve) sessions and passed 27 (twenty-seven) 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 the previous year, as well as those for the period 1 January to 31 March 2023; 1 January to 30 June 2023; 1 January to 30 September 2023 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.

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 previous year (standalone and consolidated). The Supervisory Board thus assessed that the operations of the Company and its management were carried out successfully, 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.

The Supervisory Board reviewed the documents of the Company regarding its financial operation and status of assets and securities pertaining to the year 2023, and upon inspection, asserted that the results of the Company in this respect are also positive and in compliance with the existing legislation.

Pursuant to Article 379, Section 1 of the Law on Trade Companies, the Supervisory Board passed a Decision for election of Prof. d-r Miodrag Micajkov for President of the Supervisory Board.

Pursuant to Article 374, Section 3 of the Law on Trade Companies, the Supervisory Board passed a Decision for election of new members of the Management Board: Olivera Paneva, in the vacant place of Milkica Gligorova, with mandate from 11 April 2023 to 20 November 2028.

The Supervisory Board also passed a Decision for re-assigning Dimitar Ristovski as Corporate Secretary of Alkaloid AD Skopje.

The Supervisory Board also reviewed the Business Plan of the company pertaining to the year 2024 in all its aspects, thus assessed that it was qualitatively well compiled, based on realistic expectations and clearly defines the targets on all levels of management of the company thus providing integration of all efforts in the achievement of the common goals of the company.

In accordance with Article 415-v 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 2023. 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 2023 of the Internal Audit Department, the Supervisory Board reviewed and adopted the Quarterly reports for the period January-March, April-June, July-September 2023. 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 Internal Audit Strategic Plan for year 2024, which was reviewed and approved by the Supervisory Board.

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 2023. The annual report contained the subject of audit with a description of the undertaken activities by sector according to the audit schedule 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 2023 and the Independent Auditors' Report along with the opinions issued by the independent auditor Price Waterhouse Coopers LTD Skopje.

The audit was performed in accordance with the International Auditing Standards and the Law on Audits in the Republic of North Macedonia. According to the opinion of the independent auditor, the financial reports of Alkaloid AD Skopje for the year ended 31 December 2023 are well prepared in all material aspects, in accordance with the valid

CORPORATE INFORMATION

Macedonian regulations and the opinion of the independent auditor PWC Ltd. 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 PWC LTD, the Proposal Annual Statement of Accounts of the Company, Annual Performance Report for the period January – December 2023 and the Decision-proposal for allocation and distribution of the profit according to the annual statement of accounts of the Company for 2023, 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 Price Waterhouse Coopers LTD Skopje for the year ended as at 31 December 2023;
- Annual Statement of Accounts (Balance Sheet) of the Company for year 2023;
- Annual Performance Report for the period January – December 2023 (Standalone and Consolidated);
- Decision for approval of the work and the managing of the Company on behalf of the members of the Management Board in 2023;
- Decision-proposal for allocation and distribution of the profit according to the annual statement of accounts of the Company for year 2023.

The Supervisory Board also reviewed other proposals submitted by the Management Board of the Company such as: Decision-proposal for additions and amendments to the Statute of Alkaloid AD, Decision proposal for determining dates for payment of dividends for year 2023 (dividend calendar); Decision-proposal for acquisition of proper shares with buy-out 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 2023 were in the frame of the competences set forth in the Law of Trade Companies, the Code of Corporate Management for Companies Listed on the Macedonian Stock Exchange, the Statute of Alkaloid AD Skopje and other internal acts of Alkaloid AD Skopje.

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.



Olivera Paneva

**Member of the Management Board
and Director of QA and CIMS**

Doctor of Medicine with postgraduate studies in pharmacovigilance from the University of Hertfordshire in Hatfield, UK. Member of the Board since April 2023. Responsible for quality assurance and Alkaloid's corporate integrated management system.



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.

CORPORATE INFORMATION

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 assets segment.



Kire Icev

**Member of the Management Board,
Director of the General Services Department of Alkaloid AD Skopje.**

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 its ongoing activities. 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 manages the company's overall operations at its own responsibility.

Within the reporting period, the Management Board performed its activities within the framework of its competences and in compliance with the Law on Trade Companies 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 2023, completed 29 (twenty-nine) sessions on which 150 (one-hundred-and-fifty) 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 2023.

Interim its 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 Department of Production Planning and Alkaloid CONS Ltd.

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 engagement of maximum efforts for 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 the previous year, as well as those pertaining to the quarterly periods: 1 January to 31 March 2023; 1 January to 30 June 2023, 1 January to 30 September 2023 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 held on 3 April 2023.

Aiming for better work organization and efficiency, the Management Board passed decisions for changes and amendments in the Guidelines for Systematization of Posts, Analytical Job Evaluation and Internal Organization of Alkaloid AD Skopje.

The Management Board also passed the following decisions approving:

- Payment of Vacation Leave Incentives;
- Increase in the job net point value starting from June 2023;
- Payment of New Year Bonus;
- Subsidies for extra-curricular activities for the children of the employees of Alkaloid AD Skopje and subsidiaries abroad.

The Management Board during its sessions held in the course of 2023, passed the following general acts:

- Code of Conduct for Suppliers of Alkaloid AD Skopje;
- Guidelines for employees' Occupational Health and Safety representatives for Alkaloid AD Skopje;
- Environmental Social Governance (ESG) Strategy for 2024.

The Management Board also passed decision for re-election of the Corporate secretary Dimitar Ristovski upon approval by the Supervisory Board.

The Management Board passed a decision for approval of the basis of the Business Plan for the company for 2024 and gave directions for its implementation.

Pursuant to Article 375, Section 3 and Article 366, Section 3 of the Law on Trade companies, the Management Board passed a decision for assigning operation managers with special authorizations and responsibilities at the company during the year 2024.

The Management Board passed a decision for establishment of a limited liability company Alkaloid SEE DOO Beograd where sole proprietor will be Alkaloid AD Skopje.

The Management Board passed Decisions for approval of the financial report of the Foundation "Trajche Mukaetov" - Skopje for year 2023 and approved the working program of this Foundation for the year 2024. 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.

Pursuant to the Code of Corporate Management of companies listed on the Macedonian Stock Exchange, the Management Board passed the Environmental Social Governance Report.

The Management Board also passed the Programs for Work for the year 2024 of the Chess Club Alkaloid, the Handball Club Alkaloid and the Handball Club Multi Essence.

Regarding the operations of the companies abroad founded by ALKALOID AD Skopje, the Management Board passed decisions for assignment and continuation of mandates of the subsidiaries abroad whose founder and sole proprietor is Alkaloid AD Skopje.

In accordance with Article 415-v of the Law on Additions and Amendments to the Law on Trade Companies, the Management Board received the Annual Report of operations for the previous year 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 audits;
- Consulting activities;
- Information on the Internal Audit Department.

The Management Board thus passed a decision for approval of the work for year 2023 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 2023, the Management Board of ALKALOID AD Skopje, in the capacity of Assembly of Cofounders of ALKALOID CONS LTD Skopje, held 10 (ten) meetings and passed 24 (twenty-four) 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 of the balance sheet, the annual report of the company and the unaudited standalone financial reports of the company;
- Decision for allocation of profit;
- Decision for approval of the Auditor's Report and the Financial Reports and the Independent Auditors' Report along with the opinions issued by the independent auditor Deloitte LTD Skopje for 2023;
- Decision for changes in the analytical assessment of posts at ALKALOID CONS LTD Skopje;
- Decision for re-election of Controller of ALKALOID CONS LTD Skopje;
- Decision for re-election of the manager of ALKALOID CONS LTD Skopje;
- Decision for payment of vacation leave allowance;
- Decision for appointment of managing persons;
- Decision to increase in the job net point value starting from June 2023; etc.

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. In the course of 2023, the Assembly held 7 (seven) meetings and passed 7 (seven) 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;
- Decision for allocation of profit;
- Decision for payment of vacation leave allowance;
- Decision to increase in the job net point value starting from June 2023; etc.

The work of the Management Board in the course of the year 2023 was within the frame of the competences determined by the Law on Trade Companies and the Statute of Alkaloid AD Skopje and other internal acts of the Company.

ADDRESS OF THE CEO/MB PRESIDENT OF ALKALOID AD SKOPJE



Zhivko Mukaetov
Chief Executive Officer / Management Board President of Alkaloid AD

Since 2005, the Alkaloid is presenting average growth rate of 12.4%, reaching fivefold company growth since then. We ended 2023 with turnover of EUR 268,3 million. In the pharmaceutical industry, placements usually correspond with investments, skills and people's knowledge, that in the past two decades we advanced into building a modern and competitive portfolio. In the past 15 years, Alkaloid executed numerous investment projects, amounting to EUR 220 million and we plan to remain on that track in future.

RESULTS

The prospects of the global economy are still under the influence of military, energy and logistic flows, and the inflation rates are highly affecting the operations in all business segments. In our case, these imposed unforeseen expenditures, besides the strictly regulated prices of pharmaceutical products, in which case amendments are not allowed. In such challenging times, we increased the level of precaution, employing extraordinary vigilance in all levels of operational management.

Besides all difficulties in the everyday operations, Alkaloid managed to generate positive financial results in its operations, surpassing the planned:

We achieved total consolidated sales of MKD 16.512.977.886 representing 16% growth, and our consolidated net profit amounted to MKD 1.576.864.006, representing growth of 8% compared to 2022.

31% of the sales were effectuated in the domestic market, whereas 69% were exports, out of which: 28% were intended for the SEE markets, 22% for the Western European markets, 17% for Eastern and 1% were for the remaining markets. Highest growths were registered in the Western European markets (25%) and Eastern Europe (growth of 23%). I would hereby point the example of Romania, where we placed EUR 10.3 million, which represents growth of 71% compared to 2022, when we opened our subsidiary in Bucharest, which decision for our own entity and team in that market was proven correct.

Out of 90% of the total consolidated sales were effectuated by the Pharmaceuticals segment, whereas 10% belonged to the Chemicals, Cosmetics and Botanicals segment.

CORPORATE INFORMATION

STOCK EXCHANGE OPERATIONS

With approximately 5500 shareholders, Alkaloid is a company with the largest number of individual shareholders at the Macedonian Stock Exchange. The shares of Alkaloid are among the three top trades and most liquid shares on the Macedonian stock exchange market.

Alkaloid AD Skopje in the regular stock exchange operations participated with traded MKD 513.5 million, which is 18.67% of the total turnover recorded on the first official market of the Stock Exchange in 2023. The share price of Alkaloid AD Skopje ranged from MKD 17,199 to MKD 18,500 with an average of MKD 17.781,93. The market capitalization of Alkaloid AD Skopje at the end of 2023 was MKD 25.985.569.606.

In 2023, for 11th time, the Macedonian Stock Exchange awarded Alkaloid with the prestigious award for Most Transparently Listed Joint Stock Company. In its portfolio, Alkaloid included another award – Stock of the Year for 2023 based on a public poll organized by the MSE and the Faktor internet platform.

INVESTMENTS AND UNDERTAKINGS

Under specific circumstances, in 2023 we continued our investment ventures amounting to MKD 1.741.562.000 allocated for increase and diversification of the production capacities.

In the part of investments, I would highlight our mega investment project Tablet department 2.0. completed in the last quarter of 2023, which should enable double increase in the capacity of production of solid dosage forms: tablets, film coated tablets, capsules and bilayer tablets, introduced as production technology in our country for the first time. Alkaloid has two business models: business to customer, including our own portfolio and business to business including an out-license program. It was clear that having larger volumes and economy of scale, with less batch analysis, would be more competitive.

Being a primarily generic company, our goal is to differentiate with added value products. Our first innovation product, for which the company was granted an international patent for value added medicine (VAM) – the liquid omeprazole, emphasizes Alkaloid's dedication to extraordinary achievements in the sphere of pharmaceuticals, thus representing a novelty in generic drugs production through innovation, market differentiation and treatment of specific group of patients.

We opened three new subsidiaries: ALKALOID SEE Ltd. Belgrade - third subsidiary of the company in the Serbian market; ALKALOID PHARMA INTERNATIONAL doo Zagreb, second subsidiary in Croatia and eighth established in an EU member country and ALKALOID KAZAHSTAN LLC., based in Almaty, our first subsidiary in Asia.

In the service of quality education and creation of future healthcare professionals, we increased the number of high school and university students included in the current dual education and internship programs, and the Foundation Trajche Mukaetov continued its program activities. Up to date, the number of scholarship recipients was 659, and based on scholarships and one-off premiums to valedictorians in medicine and pharmacy, Alkaloid invested approximately MKD 132 million through the Foundation.

In the spirit of corporate social responsibility was also the jubilee of our leading child cosmetics brand Becutan. On the occasion of celebrating its 45th anniversary, the company donated nearly MKD 2 million to the Macedonian branch of the international fostering organization SOS Children's Village.

PROSPECTS

On the threshold of the third millennium, when technology and artificial intelligence are easily accessible, we all learned to value more human potentials. Human resources were always in the center of Alkaloid's attention. Our imperative is to foster an environment where people would be satisfied and invest their potentials into mutual success. We inherited foundation of a successful story from the past generation and passed that story globally, working dedicatedly and creating for the generations to come. With our continuously transparent and ethical operation, we will continue our endeavors for sustainable growth.

TRAJCHE MUKAETOV FOUNDATION GRANTED 40 NEW SCHOLARSHIPS FOR 2023/2024 ACADEMIC YEAR

For the past sixteen years, the Trajche Mukaetov Foundation has awarded scholarships to 659 students of pharmacy and medicine at the Sts. Cyril and Methodius University from Skopje and invested nearly 130 million MK denars in scholarships and one-off premiums to valedictorians.

The Trajche Mukaetov Foundation has granted 40 scholarships to students at the Faculty of Pharmacy and the Faculty of Medicine at the Sts. Cyril and Methodius University from Skopje, for the sixteenth consecutive year. As required in the public call for applications, the Foundation's Management Board selected the 2023/2024 academic year recipients from the shortlist proposed by the Scholarship Committees, composed of representatives of the Foundation, the two faculties, and the students.

As in previous years, the Foundation also awarded a one-off premium amounting to €1,200 award in MK Denars countervalue to the best students of the generation from both faculties: Teodora Mazneva from the Faculty of Pharmacy (GPA 9.81) and Leonid Rene Tomas Karadjinov from the Faculty of Medicine (GPA 9.98; scholarship recipient of the Trajche Mukaetov Foundation).

"In such challenging times, it is a pleasure and privilege to contribute to a continuous positive narrative of education, commitment to science and

outstanding achievements in the field of healthcare and pharmacy. We are particularly pleased that over the past 16 years the Foundation and Alkaloid have been part of the successful academic journeys of 659 scholarship recipients at the State University in Skopje who will contribute to further development of the Macedonian healthcare and pharmaceuticals. Education in these two domains is crucial, and the processes within our company demand a highly skilled workforce. I am particularly delighted that, to date, 101 of the scholarship recipients have decided to start their professional careers in one of our departments, where they can fully demonstrate their knowledge and potentials" – said Zhivko Mukaetov, President of the Trajche Mukaetov Foundation and CEO/MB President of Alkaloid AD Skopje.

As of November 2022, the amount of the scholarships was set to MKD 7,000 over a 12-month period, distributed evenly for both current and new scholarship recipients until they formally complete their studies.

CORPORATE INFORMATION



ALKALOID COMMISSIONS NEW CAPITAL INVESTMENT PROJECT WORTH €19.4 MILLION

The recent commissioning of the new solid dosage forms manufacturing facilities, covering an area of 6,200 square meters, marks the most significant investment made by the company in the past two decades.

Committed to continuous modernization and expanding manufacturing capacities, volume and product range, Alkaloid AD Skopje has recently completed its most substantial investment venture in the past two decades. This project involved the establishment of an advanced facility for manufacturing solid pharmaceutical forms, known as Tablet Department 2.0, along with its accompanying technical infrastructure.

The new technical and technological infrastructure, designed to more than double the production volume and enhance the flexibility of solid pharmaceutical forms manufacturing, spans 6,200 square meters, encompassing both production and technical facilities. Alkaloid invested a total of 19.4 million euros in this venture. The building construction, which commenced in April 2021, engaged 30 local and 16 international companies. Alkaloid's professional departments supervised both: the construction and fur-

nishing processes. The facilities were constructed to adhere to the strict world standards of good manufacturing practices, with all processes fully integrated and digitalized. All data from process controls are automatically generated.

The newly established facility for manufacturing solid pharmaceutical forms will produce tablets, film-coated tablets, capsules and bi-layered tablets, introducing this manufacturing technology to Alkaloid's portfolio for the first time.

Upon commissioning the new technical and technological unit for manufacturing solid pharmaceutical forms, production capacity has doubled: from 2 billion tablets annually, the projected manufacturing capacity now exceeds 4 billion tablets per year.



CORPORATE INFORMATION



OMEPRAZOLE LIQUID: ALKALOID'S FIRST PATENT FOR VALUE ADDED MEDICINE

The product comprises of two separate solutions in a dual-chamber package, designed to treat reflux esophagitis and gastro-esophageal reflux disease (GERD) in young children unable to swallow tablets, as well as in adult patients who have difficulty swallowing (dysphagia patients).

In recent years, Alkaloid has embarked on a process of redesigning existing generic pharmaceutical products for new indications. The goal was to develop value-added medicines (VAM), that address the treatment and fulfill the needs of individual or specific patient groups. Strategic investments aimed at modernizing the product portfolio resulted in the successful development of Alkaloid's first patented value-added medicine.

Proton pump inhibitors, including Omeprazole, are the preferred medications for treating reflux esophagitis and GERD. These medications are typically available in the form of gastro-resistant tablets and capsules, as well as powder for dissolution. In a groundbreaking discovery, Alkaloid has developed ready-to-use liquid Omeprazole for the first time in history.

The novelty of this Alkaloid product lies in enclosing two separate solutions in a dual-chamber package. Upon opening, these solutions automatically

mix to provide ready-to-use liquid Omeprazole. This product is primarily designed to treat reflux esophagitis and gastroesophageal reflux disease (GERD) in young children unable to swallow tablets, as well as in adult patients who have difficulty swallowing (dysphagia patients) and those with an inability to swallow (gastric feeding tube patients and/or geriatric patients). The product has a pleasant lemon and menthol flavor and is free from sugar, sorbitol, and artificial coloring. To accommodate the specific requirements of this drug's manufacturing process, the company invested in a custom-built machine tailored to this innovative product, ensuring an efficient and sustainable global supply chain.

Alkaloid's groundbreaking formulation of ready-to-use liquid Omeprazole has been awarded the 2023 Patent of the Year by the Macedonian Office of Industrial Property on the occasion of marking the World Intellectual Property Day, April 26th.



CORPORATE INFORMATION



ALKALOID AND THE MACEDONIAN RED CROSS CONTINUE THEIR COLLABORATIVE HUMANITARIAN EFFORTS: TOGETHER, WE CAN ACCOMPLISH MORE!

The overwhelming response of Alkaloid employees to calls for humanity within social structures serves as the strongest testament to the company's nine decades-long commitment to humanitarian ideals.

Alkaloid's dedication and inclination to collectively aid and swiftly respond to humanitarian needs within the community have catalyzed numerous impactful projects and initiatives. These initiatives, undertaken as a symbol of solidarity, were realized under the patronage of Alkaloid and the Macedonian Red Cross.

The clothing donation drives yielded nearly 3 tons of gently used garments, while the food donation initiatives collected nearly 2 ton of non-perishable food items to aid citizens facing social challenges. Continuing its long-standing tradition, Alkaloid organized major blood donation campaigns themed Donate Blood – Save a Life, with 529 blood units collected during 3 company calls.

Besides these regular donation drives, Alkaloid supported the renovation and rebranding of the Blood Donation Day Center in 2013 and continues to support its ongoing operations. The company consistently supports the Red Cross's appeals to alleviate the impacts of natural disasters, including floods, earthquakes, mining accidents, and other calamities of similar nature in the country and the region. The company also extends significant assistance to other critical categories, such as homeless individuals, refugees, and migrants, supporting efforts to uphold the dignity of those forced into different living conditions against their will.

By actively affirming its role as a societal partner dedicated to fostering meaningful change and making a positive impact, Alkaloid consistently upholds its commitments outlined in its corporate social responsibility strategy.



CORPORATE INFORMATION



45 YEARS BECUTAN

Out of only 5 products for hygiene in children’s skin, today, the portfolio of Becutan contains more than 60 types of cosmetic products with above 100 different packaging forms, all clinically and dermatologically tested, developed in collaboration with leading pediatricians, neonatologists and dermatologists. Their selfless dedication, care and expertise will remain the foremost foundations for further development of the brand, extension of the existing formulations and creation of new ones.

“When guided by love, we only want what’s best for our children. We want their world to be filled with love, tenderness and ultimate care” – since 1978, the story of our brand Becutan is based on devotion and affection for the youngest ones since the day they were born.

Becutan is not only Alkaloid’s pride, it is one of the most recognizable Macedonian brands in the region and wider, positioned among the top leaders in the segment of children’s cosmetics.

For a brand to survive the fierce competition, it must consistently fulfill the given promises and guarantee high quality. Over the past 45 years, the Becutan brand has earned this trust by consistently delivering exceptional quality products. This anniversary, was celebration of the

company’s unwavering dedication and the trust that generations of parents place in this brand for decades.

The jubilee was marked in the presence of extinguished healthcare professionals, media representatives from the region paralleled with event organized for the children of the company employees. The event featured a premiere of the new Becutan TVC.

Highlight of the Becutan jubilee year is a donation to the Macedonian branch of the SOS Children Village whereby certain percentage of the sales effectuated of the liquid line of the brand in the course of 2023 would be donated.



CORPORATE INFORMATION



1978



80'



90'



00'



2016

ONE YEAR OF PARTNERSHIP BETWEEN ALKALOID AND SOS CHILDREN'S VILLAGE

"Children are our future! Every child deserves a warm home, care and love! Every child is our care!"

– These powerful messages were conveyed to the community, establishing the foundation for a synergy that is fully acknowledged and honored by both organizations.

In light of the 45th jubilee of the Becutan brand, a strategic collaboration with SOS Children's Village was established by symbolical naming a house according to the company's brand within the organizations' local complex. For the purposes of the partnership, Alkaloid allocated MK Denars 2 million to support the daily operations of the housing and the activities associated with the functioning of the 5 fostered children (aged 5 to 13 years) and their caregivers.

Throughout the jubilee year, Alkaloid reserved a portion of the sales of its Becutan brand, resulting in collection of MK Denars 2 million intended for SOS Children Village North Macedonia.

As a component of the partnership, in addition to alleviating current financial burdens, children were also provided with continual educational

support, access to professional counseling, addressing developmental challenges and similar.

To mark one year of the strategic partnership, the children fostered at SOS Children Village in Skopje organized an art competition themed "Love is...".

SOS Children's Village North Macedonia is part of a 70-years-old international organization active in 136 countries worldwide. The Macedonian branch currently fosters more than 394 children and youth, orphaned or at risk of losing their parents. The organization is funded by donations from individuals, companies, institutions and various forms of partnerships. Anyone can donate, and contributions are used exclusively for the needs of the children sheltered by SOS Children's Village.



CORPORATE INFORMATION



ALKALOID AD SKOPJE REGISTERED 3 NEW SUBSIDIARIES ABROAD

Alkaloid AD Skopje is a prominently export oriented company, placing almost 70% of its production portfolio in the export markets, where by 28% are intended for the Southeastern Europe markets, 22% are exports in Western Europe, 17% in Eastern Europe (remaining are other markets). In line with Alkaloid's continuous endeavors, the company opened 3 new subsidiaries:

- ALKALOID SEE Ltd. Belgrade - which is the third subsidiary of the company in the Serbian market. Serbia is the only country where Alkaloid has production facilities outside the Macedonian base.
- ALKALOID PHARMA INTERNATIONAL doo Zagreb, which is second subsidiary in Croatia. This newly opened company is the 8th established in an EU member country.
- ALKALOID KAZAHSTAN LLC., based in Almaty, is the first subsidiary of Alkaloid in Asia. Alkaloid's portfolio in Kazakhstan will initially consists of antibiotics and nutritional supplements for pregnant women. The company's future plans involve broadening its product assortment and presence into other countries within this region of interest.

With these latest additions, Alkaloid AD counts 26 subsidiaries abroad, that cover almost 50 markets around the world where the company is present with its products.



ALKALOID KONS

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, 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 employs 42 people, cooperates with more than 20 non-domicile companies and distributes more than 2.000 pharmaceutical products (medical products, medical devices, medical equipment, food supplements) with proven quality and competitive prices.

In 2009, ALKALOID KONS was certified with the international certificates for quality and environment standards ISO 9001 and ISO 14001, and with ISO 13485 certificate for medical devices.

ALKALOID KONS, has established cooperation with the following companies:

| |
|--|
| MEDTRONIC TRADING NL B.V., UAE |
| MSD B.V., Netherlands |
| TAKEDA PHARMACEUTICAL INTERNATIONAL AG, Ireland |
| BIOMARIN INTERNATIONAL LIMITED, Ireland |
| ALCON PHARMACEUTICALS LTD, Switzerland |
| GETINGE Czech Republic s.r.o., Czech Republic |
| SWIXX Biopharma, Switzerland |
| NOVARTIS PHARMA SERVICES INC., Switzerland |
| PFIZER EXPORT B.V., Netherlands |
| FUJIFILM HEALTHCARE EUROPE HOLDING AG, Switzerland |
| MEDISON PHARMA TRADING AG, Switzerland |
| PRIZMA D.O.O., Serbia |
| LEMIS-HANDELS GmbH, Austria |
| BETAMED d.o.o., Croatia |
| ELEPHANT PHARMA d.o.o., Serbia |
| HEART MEDICAL, Netherlands |
| FITOBIOS, Italy |

HUMAN RESOURCES MANAGEMENT

The human capital is one of the key resources in the company, whose knowledge, experiences and skills are of key importance in the functioning of the company and managing all processes in all nearly 50 markets where the company has established business operations. Alkaloid continuously fosters a motivating and inspiring work environment. As the human resources evolve, so does the role of the Human Resources Management in the company.

Employee care and safety is one of the top priorities in Alkaloid's Environmental Social Governance Strategy, having special accent on continuous improvement of the work conditions in all aspects and all segments of the company.

RECRUITMENT AND SELECTION

In 2023, Alkaloid welcomed 232 new employees.

The recruitment and selection process underwent a total digital transformation with the successful implementation of a new software. This transformation encompassed every aspect, from annual personnel planning to meeting employment needs all utilizing a new web application accessible via Alkaloid's corporate website.

Human resources count as at 31 December 2023 was as follows:

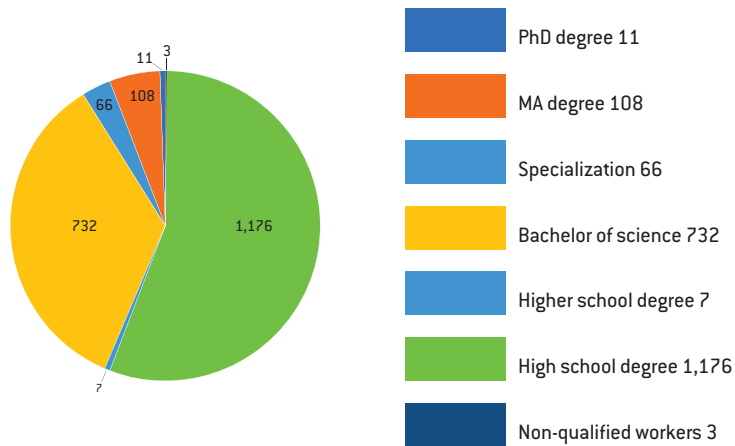
| PC/OU | Number of employees |
|--|---------------------|
| Pharmaceuticals | 1,157 |
| Chemicals | 73 |
| Cosmetics | 125 |
| Botanicals | 51 |
| Sales Chemicals Cosmetics Botanicals | 25 |
| CCB Administration | 2 |
| Production Planning CCB | 7 |
| Corporate services | 663 |
| TOTAL ALKALOID AD Skopje | 2,103 |
| Subsidiaries | 720 |
| Representative offices | 12 |
| Total number of employees at Alkaloid Group | 2,835 |

CORPORATE INFORMATION

In 2023, Alkaloid was once again honored with the title of the most desirable Macedonian employer in a public poll conducted via the internet platform of the employment agency Vработuvanje.mk.

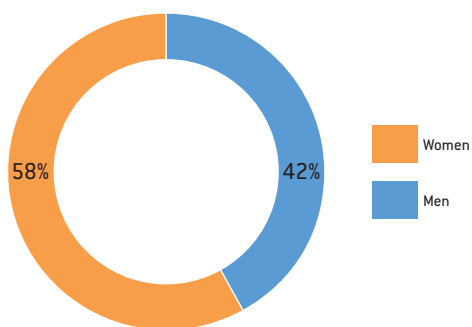
Alkaloid continuously invests in enhancing its employees' qualification structure. We believe that only a well-educated and trained workforce can successfully achieve the company's strategic goals and objectives.

Qualification structure of Alkaloid employees

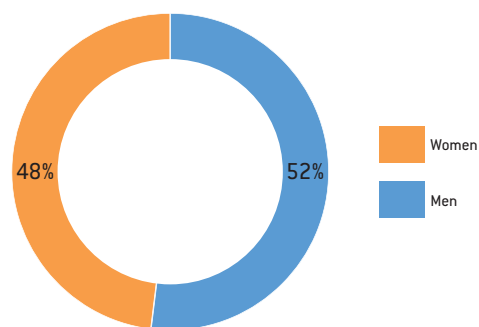


The gender structure was as follows:

Gender structure of Alkaloid Employees



Gender structure of management positions at Alkaloid



YOUNG TALENTS PROGRAM

The Young Talents Program engaged 447 students in company's development activities, fostering their integration into practical, real-world tasks within the company.

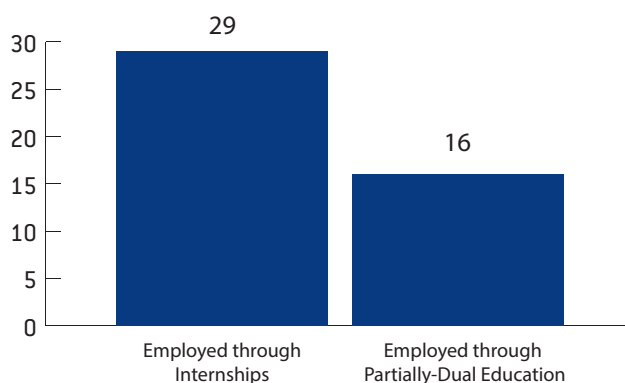
Our programs for young talents, specifically the dual education and internship initiatives, have produced outstanding outcomes. Notably, 20% of our new hires originated from these programs. A total of 29 interns joined us through the Internship Program and 16 were students of the inaugural partially dual class.

In 2023, we hosted **53 interns** in our summer internship program and launched the largest partially dual class to date, with 27 students.

These initiatives have not only strengthened our collaboration with educational institutions but also contributed significantly to enhancing the professionalism of the workforce in the pharmaceutical sector.



Employment Through the Young Talents Program in 2023



EMPLOYEE TRAINING, DEVELOPMENT AND TALENT MANAGEMENT SYSTEM

Each employee, on average, underwent 116 hours of training throughout the year.

We conducted numerous internal and external trainings in 2023 to enhance our employees' knowledge, skills, and competencies.

In 2023, Alkaloid focused on enhancing and optimizing the talent management system. We included more employees in the talent management system, increasing the number of employees from participating departments who set goals.

CORPORATE INFORMATION

CARE FOR EMPLOYEES, SPORTS AND RECREATION

Alkaloid strives to introduce employee care innovations. To substantiate the fundamental company values, Alkaloid's Employee Benefits for Children project continued in the course of the 2023/2024 academic year with **676 children** registered for subsidizing extracurricular activities. Company's participation amounting to MK Denars 1150 on a monthly basis was intended for employees' children enrolled in pre-school, elementary, middle and high-school extracurricular programs including foreign languages learning, computer courses, sports activities as well as activities in the field of science and culture in the course of the whole academic year.

SKOPJE MARATHON

In the 2023 Skopje Marathon, 552 employees from Alkaloid participated, with 498 runners competing in the 5 km race, 52 in the half-marathon and 2 in the marathon.

Among the participants, the women's team achieved an impressive fifth place out of 187 teams in the 5 km race, while the men's team secured the 20th position out of 180.



ENVIRONMENTAL PROTECTION

Our dedication to sustainable industrial practices, eco-friendly design, environmental education, circular economy, renewable energy utilization, and sustainable development embodies the strategic objective of the company towards fostering a sustainable future.

ALKALOID implements its environmental strategy by implementing and cultivating established environmental management practices, collaborative teamwork, and dedicated efforts by each employee aimed at constructing a sustainable environmental management system. This endeavor aims to generate sustainable environmental value for the company and foster a healthy environment for all.

Alkaloid is firmly dedicated to enhancing environmental performances primarily via:

- Generating own energy from renewable sources;
- Promoting energy efficiency across all operations and processes;
- Consistently implementing effective waste management practices;
- Emphasizing waste reduction, reuse and recycling;
- Integrating sustainable approaches into product development;
- Monitoring and implementation of cutting-edge innovations in: energy efficiency, carbon footprint management, water resource management, waste management, manufacturing systems, sustainable transportation and monitoring and implementing the latest innovations to advance our pursuit of climate neutrality.

ALKALOID's business strategy focuses on fostering a healthier environment for the community. We achieve this by maintaining an environmental management system as part of the integrated management system. Additionally, we set sustainable environmental goals and establish key measurement indicators. The company also adopts the GRI standards as a framework for its ESG reporting.

ENVIRONMENTAL MANAGEMENT SYSTEM

The environmental management system adheres to the international standard ISO 14001:2015 and is implemented across all organizational units of ALKALOID, including ALKALOID CONS, ALKALOID DOO Belgrade, and ALKALOID Veleđrogerija DOO Belgrade.

This system is seamlessly incorporated into ALKALOID's integrated management system.

The company maintains a continuous monitoring process for laws and regulations about environmental issues, following the guidelines outlined in the Procedure for legal and other requirements monitoring and compliance - environment and OSH.

ALKALOID's environmental aspects are components of a company's activities, products, or services that interact with the environment, either currently or potentially. Our Environmental Master Plan is a documented strategy that outlines the process of identifying, assessing, controlling, and defining appropriate measures to mitigate adverse environmental impacts.

Environmental monitoring involves the systematic measurement, observation and control of environmental conditions, quality and changes in various media or areas of the environment.

To ensure compliance with legislation, the Quality Assurance-Environment team is responsible for completing specific forms mandated by applicable laws and by-laws. These include:

- Log of air emissions, submitted to the MOEPP;
- Annual report on waste, submitted to the MOEPP;
- Cadaster of emissions in the environment, submitted to the MOEPP;
- Investments in environmental protection, submitted to the State Statistics Office;
- Waste statistics, submitted to the State Statistics Office;
- Cadaster of pollutants in the territory of the Gazi Baba Municipality
- Quarterly reports on separate waste streams (packaging, batteries, electrical and electronic equipment, waste oils), submitted to the respective Collective Processor.

CORPORATE INFORMATION

OBLIGATIONS UNDER “A” INTEGRATED ENVIRONMENTAL PERMITS AND ENVIRONMENTAL PROTECTION ELABORATES

The Quality Assurance-Environment team adheres to the prescribed requirements outlined in “A” Integrated Environmental Permits (applicable to PC Pharmaceuticals sites in Avtokomanda and Gjorche Petrov, and PC CCB Chemicals Program) and Environmental Protection Elaborates (PC CCB Botanicals Program, Cosmetics Program and the Resort in Old

Dojran). The team prepares an Annual Report summarizing the company’s environmental activities each year. This report is submitted to the competent authority, specifically the MOEPP, by 31 March, as legislation mandates. This annual report provides detailed information on the company’s environmental endeavors and initiatives.

CONTINUOUS IMPROVEMENTS

ALKALOID’s environmental strategy is aligned with defined goals and environmental Key Performance Indicators (KPIs). For its environmental efforts, Alkaloid has earned a badge of commitment in recognition of its sustainability achievements by EcoVadis, a globally trusted provider of business sustainability ratings. The company’s overall score increased from 43 points to 55 points, and the score of the Environment segment increased from 50 to 80 points.

One of the company’s main objectives is to ensure a culture of sustainability via continuous trainings with responsible persons and top management on environmental topics (climate change, global agreements, national and regional laws, sustainability initiatives).

SHAREHOLDING



Gjorgji Jovanov

MB Member

Director of Shareholding Operations
and Propriety Issues of the Company

The shares of ALKALOID AD Skopje have been listed on the first official market of the Macedonian Stock Exchange since 2002.

The total number of authorized and issued shares amounts to 1,431,353 shares with a par value of EUR 25.56 per share. 99.7% (1,428,125) of the shares are ordinary shares (including 59 reserved shares for former owners) and 0.23% (3,228) are priority shares also reserved for former owners and/or proprietors who need to prove their ownership rights.

STRUCTURE OF THE SHAREHOLDERS AT 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 2023 were amongst the most traded and most liquid ones. There were 2,106 transactions made, 28,864 shares were traded, worth a total of MKD 513.5 million.

ALKALOID AD Skopje, as one of the leading companies on the Macedonian Stock Exchange, in the regular stock exchange operations participated with 18,7% of the total turnover recorded on the first official market of the Stock Exchange in 2023. The share price of Alkaloid AD Skopje ranged from MKD 17,199.00 to MKD 18,500.00, with an average of MKD 17,781.93 which is 2% increase compared to the average in 2022.

CORPORATE INFORMATION

Average price in MKD



At the end of 2023, Alkaloid had 5,487 shareholders holding ordinary shares, while its market capitalization was MKD 26 billion.

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 2023 amounted to MKD 486.00 denars for one ordinary share which compared to the paid net-dividend per share for 2022 in amount of 441 denars represents an increase of 10,2%.

| Net dividend per share (In MK Denars) | | |
|---------------------------------------|--------|--------|
| 2023 | 2022 | 2021 |
| 486.00 | 441.00 | 396.00 |

ALKALOID WITH TWO RECOGNITIONS FROM THE MACEDONIAN STOCK EXCHANGE FOR 2023

At the 2023 Annual Awards Ceremony organized by the Macedonian Stock Exchange, Alkaloid was granted two recognitions: The Most Transparently Listed Company for 2023 and Stock of the Year for 2023.

The Most Transparently Listed Company award, Alkaloid's eleventh in a row, is a testament of the company's high standards of corporate governance and an evidence of its exceptional commitment to high level of transparency in the operations and the high quality of communication maintained with all stakeholders, including investors, institutions, media and the public in general.

The Macedonian Stock Exchange acknowledged Alkaloid with another award, Stock of the Year for 2023 based on the votes cast in a public poll organized by the MSE and the internet platform of www.faktor.mk.

The company's positive outcomes stem directly from its unwavering commitment to transparency in its operations. Alkaloid remains dedicated to building a sustainable growth and development model, providing clear and predictable expectations for the community and all its stakeholders. These principles shall remain fundamental to the company's overall operations in the years to come.



CORPORATE INFORMATION



A grayscale, high-magnification microscopic image of a cell, likely a eukaryotic cell, showing a large, dark, textured nucleus. The nucleus is roughly circular and occupies the lower half of the frame. Above it, there are several smaller, lighter-colored, circular structures, possibly organelles or vesicles, arranged in a curved path. The overall image has a grainy, high-contrast appearance typical of electron microscopy or high-magnification light microscopy.

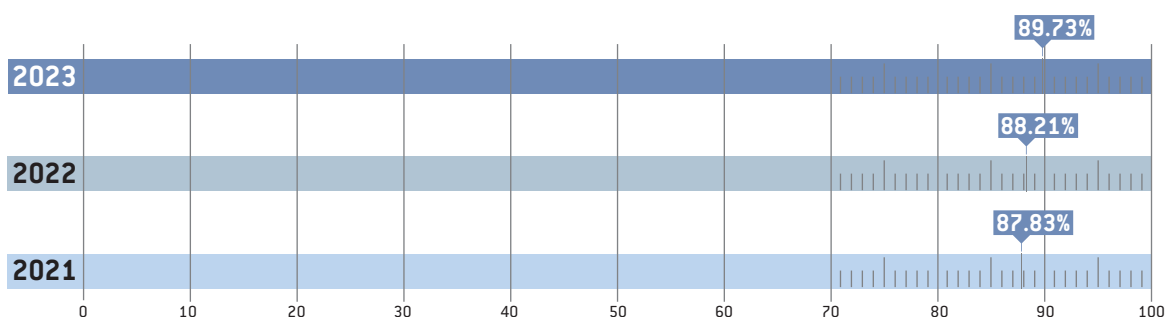
PHARMACEUTICALS

MARKETING AND SALES

In 2023, 1,157 employees were working in the Pharmaceuticals segment in its headquarters in Skopje and 718 employees in its subsidiaries. The total net sales of PC Pharmaceuticals amounted to MKD 14.8 billion [EUR 240.70 million], which is a share of 89.73% in the total sales of Alkaloid Group.

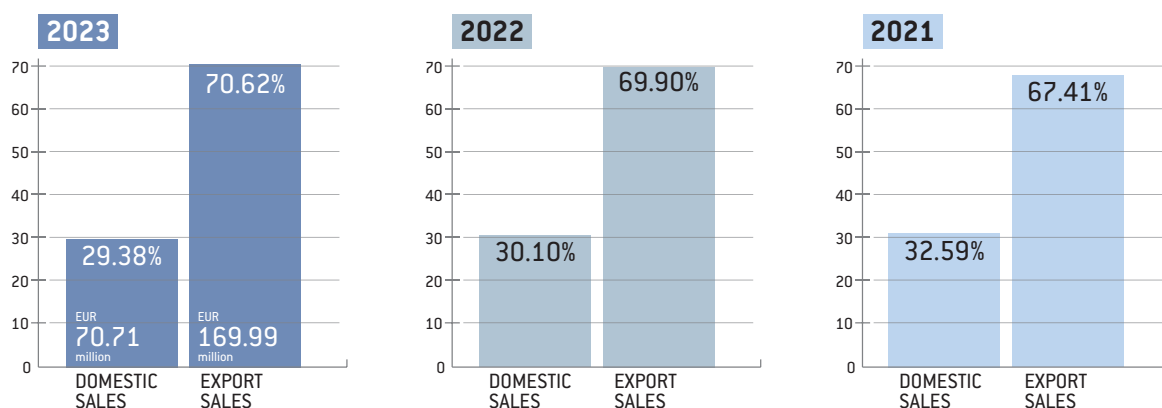
In 2023, the products of the PC Pharmaceuticals were available on the markets in 36 countries.

PC Pharmaceuticals as a part of Alkaloid Group

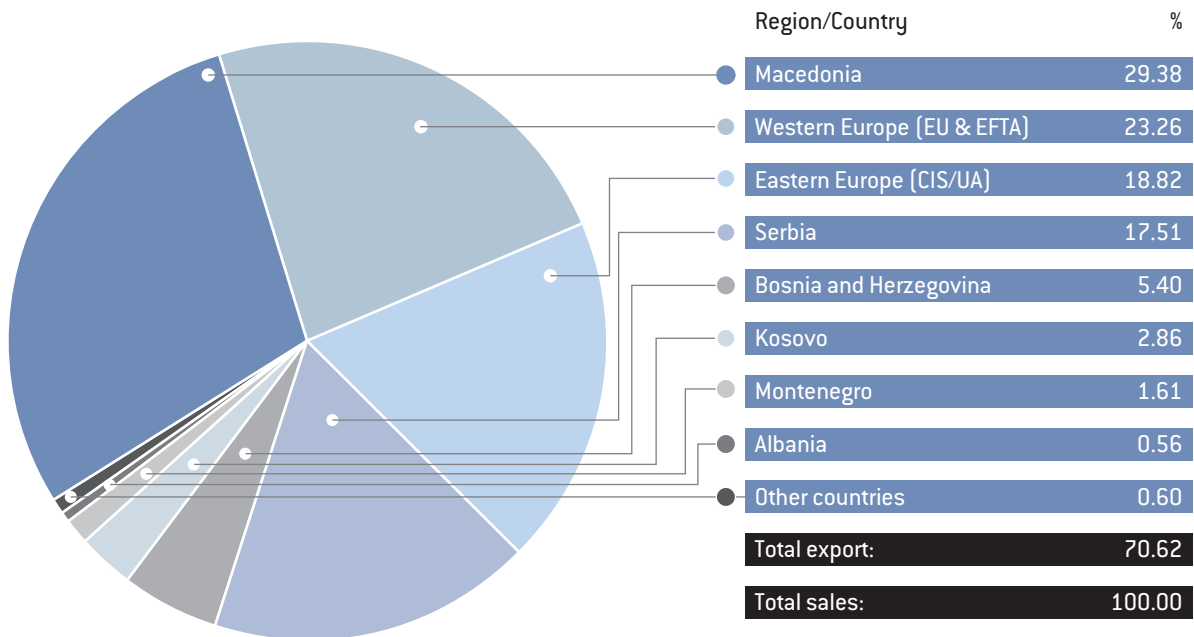


In 2023 we managed to increase the sales level by 17.6% compared to last year. This was primarily due to the increase in the domestic sales by 14.7%, and the increase in the export sales by 18.8% compared to 2022.

Sales per markets



Sales per countries



Top 5 products of PC Pharmaceuticals

Sales of top 5 products for the year 2022 [% participation in the total sales of PC Pharmaceuticals]:

| | % participation | | |
|----------------------|-----------------|-------|-------|
| | 2023 | 2022 | 2021 |
| PANCEF (Cefixime) | 25.80 | 22.31 | 18.39 |
| CAFFETIN | 4.75 | 5.52 | 5.44 |
| ANALGIN (Metamizole) | 3.07 | 3.57 | 3.92 |
| BUPRENORFIN | 2.78 | 3.17 | 3.47 |
| LAMAL (lamotrigine) | 2.75 | 3.15 | 2.20 |

FIRST CEFIXIME GLOBAL MEETING IN ISTANBUL SUPPORTED BY ALKALOID

Besides being the most commonly prescribed oral third-generation cephalosporin, Alkaloid's Cefixime is ranked second as per production volume in Europe. As flagship product in Alkaloid's pharmaceuticals segment, Cefixime has been a staple in clinical practice since 1995, available in over 20 countries worldwide.

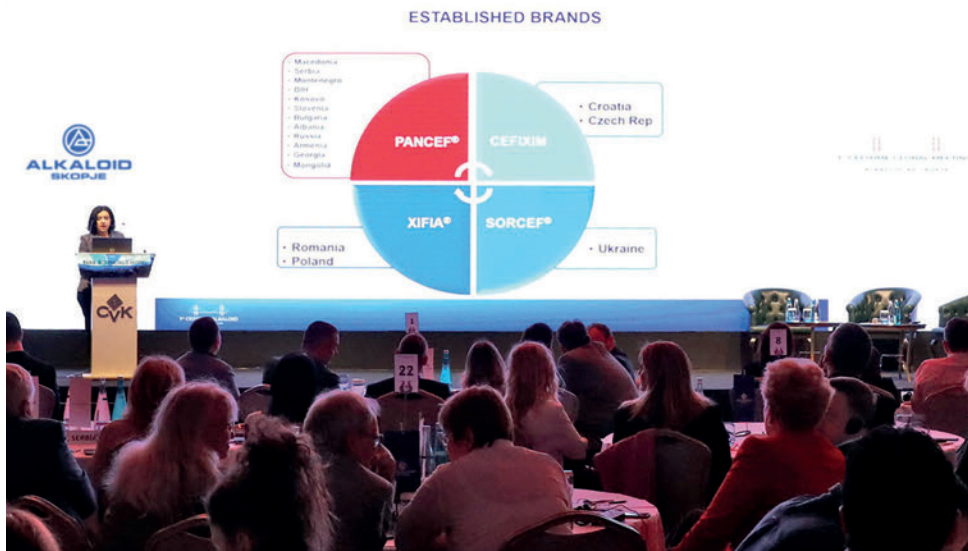
The city on the Bosphorus, the beautiful Istanbul, welcomed over 200 company representatives from Alkaloid's base in Skopje and the subsidiaries abroad, along with numerous healthcare experts from 12 countries for the first Cefixime Global Meeting supported by Alkaloid.

As a company committed to fostering continuous education and facilitating the exchange of experiences within the professional community, the purpose of the 1st Cefixime Global Meeting supported by Alkaloid, was to contribute to promoting the rational use of antibiotics and combating the increasing trend of antimicrobial resistance worldwide.

The pharmaceuticals and healthcare experts who attended the event, firmly believe that the longstanding and successful professional and scientific collaboration with Alkaloid, spanning though decades, is primarily due to the quality of the company's products, as well as its recognition and appreciation of the human element, encompassing all stakeholders within its operational structure.

This pioneering gathering was intended to enhance the daily practices in the rational utilization of antibiotics, thereby improving the quality of patient care worldwide.





AUDITS AND INSPECTIONS

ALKALOID AD Skopje has a comprehensively designed and correctly applied integrated management system (IMS), which incorporates the requirements of cGxP, ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, 13485:2016, ISO 22716, FSSC22000, HACCP and HALAL. The effectiveness and compliance of the IMS is confirmed by external inspections and checks by regulatory institutions, notification bodies, certification bodies and our partners.

In 2023, we continued with the successful renewal and maintenance of the numerous certificates of conformity of Alkaloid AD Skopje. Checks from existing and new partners also resulted in success.

18 Audits/Inspections of Alkaloid AD were performed in 2023:

- Successfully completed 2 inspections for compliance with the requirements of Good Manufacturing Practice (GMP) for the Eurasian Economic Union for the two sites of PC Pharmaceuticals for Alkaloid AD Skopje: Blvd. Aleksandar Makedonski No. 12 and Blvd. Partizanski Orded No.98A., by SID and GP (Russia), which resulted in renewal of the GMP Certificates valid until October 2026.
- Successfully completed 2 inspections by MALMED – renewal of the manufacturing license and renewal of the GMP Certificate for the plant for the production of pharmaceutical raw materials.
- Successfully completed inspection by the Kosovo Medicines Agency KMA – for the renewal of the GMP Certificate
- Successfully completed 6 audits by Certification Bodies - 3 audits by Quality Austria and 1 audit by Notification Body DEKRA, Contol Union Certification (C.U.C.), Pro-Cert.
- Successfully completed one audit by Bluepharma for GMP in the R&D and Clinical Unit,
- Successfully completed 6 audits by partners: Novartis, Umsebe, Certipharm, Aflofarm, Terapia, Lactalis.

In addition, 5 questionnaires and regulatory bodies for partners were fulfilled, participation in Audits of partners for Alkaloid KONS DOOEL and support in the audit of Alkaloid-INT d.o.o. Ljubljana.



LATEST RELEASES

2023

LATEST RELEASES 2023

Rx products

REFIDORO

Rosuvastatin/ezetimibe

20/10 mg film-coated tablets, 30 tablets

10/10 mg film-coated tablets, 30 tablets

C10BA06, Combinations of various lipid modifying agents, rosuvastatin and ezetimibe



OTC products



Nebremel
levonorgestrel
1,5 mg tablets, 1 tablet
G03AD01, Hormonal
contraceptives for systemic use,
Emergency contraceptives



Premama Duo Quatrefolic®
food supplement
prenatal supplement with 11
vitamins, 10 minerals, 100% active
folate and omega-3 (DHA+EPA)
30 film-coated tablets +
30 soft gel capsules

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, anthelmintics, benzimidazole derivatives |
| ALDIZEM® | | |
| diltiazem | 60 mg and 90 mg prolonged-release tablets, 30 tablets | C08DB01, calcium channel blocker |
| ALKALAX-TAB® | | |
| bisacodyl | 5 mg gastro-resistant tablets, 20 tablets | A06AB02, drugs for constipation contact laxatives |
| ALKAVIT® folic acid | | |
| folic acid | 0.4 mg film-coated tablets, 30 tablets 5 mg film-coated tablets, 20 tablets | B03BB01, antianemic preparations |
| 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 | 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 | 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 | J01CA01, broad spectrum penicillin |

(in alphabetical order)

| 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 solution for injection, 10 and 50 ampoules 2.5g/5ml solution for injection, 10 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 |
| BENDAMUSTINE ALKALOID® | | |
| bendamustine | 2.5 mg/ ml powder for concentrate for solution for infusion, 5 vials with 25 mg or 100 mg powder | L01AA09, antineoplastic agents, alkylating agents |
| BETADINE® | | |
| povidone - iodine Manufactured under the license of Mundipharma AG Basel, Switzerland | 100 mg/g ointment, 20 g ointment 7.5 % cutaneous solution, 1000 ml solution 10 % cutaneous solution, 100 ml and 1000 ml solution | D08AG02, antiseptic & disinfectant |
| BETADINE® | | |
| povidone - iodine Manufactured under the license of Mundipharma AG Basel, Switzerland | 1% gargle, 100 ml solution | R02AA15, throat antiseptic |
| BETADINE® | | |
| povidone-iodine Manufactured under the license of Mundipharma AG Basel, Switzerland | 200 mg vaginal pessaries 14 pessaries | G01AX11, gynecological 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 |
| BlokMax® Duo | | |
| ibuprofen, paracetamol | 200 mg / 500 mg film-coated tablets 10 or 20 tablets | N02BE51, paracetamol, combinations excl. psycholeptics |
| BlokMax® Forte | | |
| ibuprofen | 400 mg film-coated tablets, 10 tablets | M01AE01, NSAID |
| BlokMax® Forte for kids | | |
| ibuprofen | 200 mg / 5 ml oral suspension 100 ml suspension | M01AE01, NSAID |

(in alphabetical order)

| 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 |
| BlokMax® for kids | | |
| ibuprofen | 100 mg / 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 |
| BORTEZOMIB ALKALOID® | | |
| bortezomib | 1 mg and 3.5 mg powder for solution for injection 1 vial | L01XG01, antineoplastic agents, other antineoplastic agents |
| BRONLES® | | |
| carbocisteine | 375 mg capsules, hard 30 capsules 250 mg/5 ml oral solution, 150 ml solution | R05CB03, mucolytic |
| BRONLES® for children | | |
| carbocisteine | 125 mg/5 ml oral solution, 150 ml solution | R05CB03, mucolytic |
| BRONLES DIRECT® | | |
| carbocisteine | 750 mg/10 ml oral solution 15 sachets with 10 ml solution | R05CB03, mucolytic |
| BULNEXO® | | |
| buprenorphine, naloxone | 2 mg/0.5 mg or 8 mg/2 mg sublingual tablets, 7 or 28 tablets | N07BC51, drugs used in opioid dependence |
| BUPRENORFIN ALKALOID® | | |
| buprenorphine | 0.4 mg, 2 mg and 8 mg sublingual tablets, 7 and 28 tablets | N07BC01, drugs used in opioid dependence |
| 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, pseudoephedrine, dextromethorphan, ascorbic acid | 500 mg/ 30 mg/ 15 mg/ 60 mg film-coated tablets, 10 tablets | N02BE51, cough & cold medication |
| 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 |

PHARMACEUTICALS

(in alphabetical order)

| Registered name, INN (generic) | Presentation, (strength, pharmaceutical form, pack size) | ATC-code, pharmaco-therapeutic group |
|-------------------------------------|---|--|
| CAFFETIN® menstrual | | |
| ibuprofen lysinate | 200 mg film-coated tablets, 10 tablets | M01AE01, NSAID |
| CARDIOPIRIN® | | |
| acetylsalicylic acid | 100 mg gastro-resistant tablets, 30 tablets | B01AC06, platelet aggregation inhibitors |
| CARVEDILOL ALKALOID® | | |
| carvedilol | 6.25 mg or 25 mg tablets, 30 tablets | C07AG02, alpha and beta blocking agents |
| CEFACTOR ALKALOID® | | |
| cefactor | 500 mg capsules, hard, 16 capsules 125 mg/5 ml and 250 mg/5 ml granules for oral suspension, 60 ml suspension | J01DC04, second-generation cephalosporins |
| CEFALEXIN ALKALOID® | | |
| cefalexin | 500 mg capsules, hard, 16 and 100 capsules 250 mg/5 ml powder for oral suspension, 100 ml suspension | J01DB01, first-generation cephalosporins |
| CEFAZ® | | |
| ceftazidime | 500 mg and 1 g powder for solution for injection, 10 vials | J01DD02, third-generation cephalosporins |
| CHLORAMPHENICOL ALKALOID® | | |
| chloramphenicol | 50 mg/g ointment, 5 g ointment | D06AX02, antibiotic for topical use |
| 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/10 ml 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 |

(in alphabetical order)

| Registered name, INN (generic) | Presentation, (strength, pharmaceutical form, pack size) | ATC-code, pharmaco-therapeutic group |
|---|--|--|
| 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 |
| CRICEA® | | |
| drospirenone, ethynilestradiol | 3 mg/0.02 mg film-coated tablets, 28 tablets (24 active and 4 placebo tablets) | G03AA12, hormonal contraceptives for systemic use |
| CRYPINEO® | | |
| drospirenone, ethynilestradiol | 3 mg/0.03 mg film-coated tablets, 21 tablets | G03AA12, hormonal contraceptives for systemic use |
| DECOTAL® | | |
| diflucortolone | 1 mg/g cream, 20 g cream 1 mg/g ointment, 20 g ointment | D07AC06, potent corticosteroid dermo-therapeutic |
| DIAZEPAM ALKALOID® | | |
| diazepam | 2 mg and 5 mg coated tablets, 30 tablets 10 mg/2 ml solution for injection, 10 ampoules | N05BA01, anxiolytic |
| DicloJet® | | |
| diclofenac | 75 mg gastro-resistant capsules, hard, 20 capsules | M01AB05, anti-inflammatory and antirheumatic products, non-steroids |
| Diclo Duo® | | |
| diclofenac | 75 mg modified-release capsules, hard, 20 capsules | M01AB05, anti-inflammatory and antirheumatic products, non-steroids |
| DIPROL® | | |
| paracetamol | 120 mg/5 ml oral suspension, 100 ml suspension | N02BE01, analgesic and antipyretic |
| DOPEZAL® | | |
| donepezil | 5 mg and 10 mg film-coated tablets, 28 tablets | N06DA02, anti-dementia drugs, anticholinesterases |
| 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 | N05AL01, antipsychotic |
| ENALAPRIL ALKALOID® | | |
| enalapril | 5 mg, 10 mg and 20 mg tablets, 20 tablets | C09AA02, ACE inhibitor |
| ENALAPRIL H ALKALOID® | | |
| enalapril, hydrochlorothiazide | 10 mg/25 mg tablets, 20 tablets | C09BA02, ACE inhibitor and diuretic |
| EVEROLIMUS ALKALOID® | | |
| everolimus | 2,5 mg; 5 mg and 10 mg tablets, 30 tablets | L01EG02, antineoplastic agents, protein kinase inhibitors |

PHARMACEUTICALS

(in alphabetical order)

| Registered name, INN (generic) | Presentation, (strength, pharmaceutical form, pack size) | ATC-code, pharmaco-therapeutic group |
|---|---|---|
| FAMOSAN® | | |
| famotidine | 10 mg and 20 mg film-coated tablets, 20 tablets 40 mg film-coated tablets, 10 tablets | A02BA03, H ₂ receptor antagonists |
| FELKARID | | |
| flecainide | 50 mg and 100 mg tablets, 30 tablets | C01BC04, antiarrhythmics, class Ic |
| 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 | | |
| FLIRKANO | | |
| amlodipine, valsartan, HCTZ | 5 mg/160 mg/12.5 mg; 5 mg/160 mg/25 mg; 10 mg/160 mg/12.5 mg; 10 mg/160 mg/25 mg or 10 mg/ 320 mg/ 25 mg film-coated tablets, 28 tablets | C09DX01, angiotensin II receptor blockers (ARBs), other combinations |
| FLONSENO | | |
| salmeterol/ fluticasone | 25 mcg/50 mcg; 25 mcg/125 mcg or 25 mcg/250 mcg pressurised inhalation, suspension, 120 doses | R03AK06, adrenergics in combination with corticosteroids or other drugs, excl. anticholinergics |
| FLUOXETIN ALKALOID® | | |
| fluoxetine | 20 mg capsules, hard, 30 capsules | N06AB03, antidepressant |
| FOVELID® | | |
| levofloxacin | 250 mg and 500 mg film-coated tablets, 5 or 10 tablets | J01MA02, quinolone for systemic use, fluoroquinolones |
| FOKLEROS | | |
| erlotinib | 100 mg and 150 mg film-coated tablets, 30 tablets | L01EB02, antineoplastic agents, protein kinase inhibitors |
| FURAL® | | |
| nifuroxazide | 200 mg/5 ml oral suspension, 90 ml suspension | A07AX03, intestinal antiinfective agent |
| FURAL® | | |
| nifuroxazide | 100 mg capsules, hard, 30 capsules 200 mg capsules, hard, 20 capsules | A07AX03, intestinal antiinfective agent |
| FURAL® S | | |
| nifuroxazide | 200 mg capsules, hard, 10 capsules | A07AX03, intestinal antiinfective agent |
| FUROSEMID ALKALOID® | | |
| furosemide | 40 mg tablets, 10 tablets | C03CA01, diuretic |
| FUREXTIL | | |
| cefuroxime | 250 mg or 500 mg film-coated tablets, 10 tablets | J01DC02, second-generation cephalosporins |

(in alphabetical order)

| Registered name, INN (generic) | Presentation, (strength, pharmaceutical form, pack size) | ATC-code, pharmaco-therapeutic group |
|---|--|---|
| 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 |
| GEFITINIB ALKALOID® | | |
| gefitinib | 250 mg tablets, 30 tablets | L01EB01, antineoplastic agents, protein kinase inhibitors |
| 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 | 6.02 g/0.373 g/0.294 g/6.276 g/ /1000 ml solution for infusion, 500 ml solution | B05BB01, blood substitutes and perfusion solutions |
| 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 |
| IBANDRONIC ACID ALKALOID® | | |
| ibandronic acid | 150 mg film-coated tablets, 1 or 3 tablets | M05BA06, drugs affecting bone structure and mineralization, Bisphosphonates |
| KALCIUM KARBONAT ALKALOID® | | |
| calcium carbonate | 1000 mg tablets, 50 tablets | A12AA04, mineral supplement |
| KETOCONAZOLE ALKALOID® | | |
| ketoconazole | 20 mg/g shampoo, 100 ml | D01AC08, antifungals for topical use |
| KLINDAMICIN ALKALOID® | | |
| clindamycin | 150 mg and 300 mg capsules, hard 16 capsules | J01FF01, lincosamide antibiotic |
| LAMAL® | | |
| lamotrigine | 25 mg, 50mg, 100 mg and 200 mg tablets, 30 tablets | N03AX09, antiepileptic |
| LANZOPRAZOL ALKALOID® | | |
| lansoprazole | 15 mg gastro-resistant capsules, hard, 14 capsules 30 mg gastro-resistant capsules, hard, 28 capsules | A02BC03, drugs for peptic ulcer and gastro-oesophageal refluxdisease (gord), Proton pump inhibitor |
| LAPPOXO | | |
| omeprazole | 10 mg/ 15 ml or 20 mg/ 15 ml oral solution, 14 bottles | A02BC01, drugs for acid related disorders, proton pump inhibitors |

PHARMACEUTICALS

(in alphabetical order)

| Registered name, INN (generic) | Presentation, (strength, pharmaceutical form, pack size) | ATC-code, pharmaco-therapeutic group |
|-----------------------------------|---|--|
| LEFISYO | | |
| levomethadone | 5 mg/ 1 ml oral solution, 100 ml; 500 ml or 1000 ml solution | N07BC05, Drugs used in addictive disorders, Drugs used in opioid dependence |
| LENALIDOMIDE ALKALOID® | | |
| lenalidomide | 5 mg; 10 mg; 15 mg or 25 mg capsules, hard, 21 capsules | L04AX04, Immunosupresants, Other immunosuppressants |
| LESTEDON® | | |
| dutasteride | 0.5 mg capsules, soft, 30 capsules | G04C B02 testosterone-5-alpha-reductase inhibitors |
| LEXILIUM® | | |
| bromazepam | 1.5 mg, 3 mg and 6 mg tablets, 30 tablets | N05BA08, benzodiazepine derivatives |
| LIRTONEN | | |
| amlodipine, atorvastatin | 5 mg/ 10 mg or 10 mg/ 10 mg film-coated tablets, 30 or 90 tablets | C10BX03, lipid modifying agents in combination with other drugs |
| LORATADIN ALKALOID® | | |
| loratadine | 10 mg tablets, 10 tablets 1 mg/1 ml 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 |
| LOSMORID | | |
| lacosamide | 50mg, 100 mg, 150 mg and 200 mg film-coated tablets, 56 tablets | N03AX18, antiepileptics, other antiepileptics |
| LUNATA® | | |
| zolpidem | 5 mg and 10 mg 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 |
| MASSIDO® | | |
| nebivolol | 5 mg tablets, 28 tablets | C07AB12, beta blocking agents, selective |
| MANITOL 10 % ALKALOID® | | |
| mannitol, sodium lactate | 100 g/6.72 g/1000 ml solution for infusion, 500 ml | B05BC01, solutions producing osmotic diuresis |
| MANITOL 20 % ALKALOID® | | |
| mannitol | 200 g/1000 ml solution for infusion, 250 ml | B05BC01, solutions producing osmotic diuresis |
| MAPRAZAX | | |
| alprazolam | 0.25 mg; 0.5 mg and 1 mg tablets, 30 tablets | N05BA12, benzodiazepine derivatives |
| MENDILEX® | | |
| biperiden | 2 mg tablets, 50 tablets | N04AA02, antiparkinsonic |

(in alphabetical order)

| Registered name, INN (generic) | Presentation, (strength, pharmaceutical form, pack size) | ATC-code, pharmaco-therapeutic group |
|--|---|--|
| METADON ALKALOID® | | |
| methadone | 10 mg/ml oral drops, solution 10 ml solution 10 mg/ml oral solution, 100 ml and 1000 ml solution, 1 mg /1 ml oral solution, 100 ml and 1000 ml solution | N07BC02, opioid analgesic; drug used in opioid dependence |
| METFORMIN ALKALOID® | | |
| metformin | 500 mg, 850 mg and 1000 mg film-coated tablets, 30 tablets | A10BA02, oral blood glucose lowering drugs, biguanides |
| METOPROLOL ALKALOID® | | |
| metoprolol | 50 mg and 100 mg film-coated tablets, 30 tablets | C07AB02, beta blocking agents |
| MORFIN HIDROHLORID ALKALOID® | | |
| morphine | 20 mg/ml solution for injection, 10 ampoules | N02AA01, opioid analgesic |
| MOXIRAL® | | |
| moxifloxacin | 400 mg film-coated tablets, 5; 7 or 10 tablets | J01MA14, quinolone antibacterials, fluoroquinolones |
| 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 | 0.5 mg/ml and 0.25 mg/ml nasal drops, 10 ml solution | R01AA05, decongestant for topical use, Sympathomimetic |
| NEBREMEL® | | |
| levonorgestrel | 1.5 mg tablets, 1 tablet | G03AD01, emergency contraceptives |
| NODRIGA | | |
| dasatinib | 20 mg; 50 mg and 70 mg film-coated tablets, 60 tablets 100 mg and 140 mg film-coated tablets, 30 tablets | L01EA02, antineoplastic agents, protein kinase inhibitors |
| 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 |

PHARMACEUTICALS

(in alphabetical order)

| 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/5 ml 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 |
| PAROXETIN ALKALOID® | | |
| paroxetine | 20 mg and 30 mg film-coated tablets, 30 tablets | N06AB05, selective serotonin reuptake inhibitors |
| PENTOKSIFILIN ALKALOID® | | |
| pentoxifylline | 400 mg prolonged release tablets, 20 film-coated tablets | C04AD03, peripheral vasodilator |
| PHENOBARBITAL ALKALOID® | | |
| phenobarbital | 15 mg and 100 mg tablets, 30 tablets | N03AA02, antiepileptic |
| PYNETRA® | | |
| prasugrel | 5 mg and 10 mg film-coated tablets, 30 tablets | B01AC22, platelet aggregation inhibitors excl. heparin |
| PIMEF® | | |
| cefepime | 1 g and 2 g powder for solution for injection or infusion, 5 vials | J01DE01, fourth-generation cephalosporins |
| PROCULIN® | | |
| naphazoline | 0.3 mg/ml eye drops, 10 ml solution | S01GA01, ophthalmic decongestant |
| PROPAFENON ALKALOID® | | |
| propafenone | 150 mg film-coated tablets, 40 tablets | C01BC03, antiarrhythmic |
| PROPILTIOURACIL ALKALOID® | | |
| propylthiouracil | 50 mg tablets, 20 tablets, 100 mg tablets, 45 tablets | H03BA02, thyrostatic |
| REFIDORO | | |
| rosuvastatin, ezetimibe | 5 mg/10 mg; 10 mg/10 mg; 20 mg/10 mg or 40 mg/10 mg, film-coated tablets, 30 tablets | C10BA06, Combinations of various lipid modifying agents, rosuvastatin and ezetimibe |
| REGLAN® | | |
| metoclopramide | 10 mg tablets, 40 tablets, 5 mg/5 ml oral solution, 120 ml solution | 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 |

(in alphabetical order)

| Registered name, INN (generic) | Presentation, (strength, pharmaceutical form, pack size) | ATC-code, pharmaco-therapeutic group |
|--|---|--|
| RELIKA PLUS® | | |
| perindopril, indapamid | 2 mg/0.625 mg; 4 mg/1.25 mg and 8 mg/2.5 mg tablets, 30 tablets | C09BA04, ACE inhibitors and diuretics |
| REPAGLINID ALKALOID® | | |
| repaglinide | 0.5 mg; 1 and 2 mg film-coated tablets, 90 tablets | A10BX02, other blood glucose lowering drugs, excl. insulins |
| 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, 30 tablets | C10AA07, lipid modifying agents, plain, HMG CoA reductase inhibitors |
| RUFIXALO | | |
| rivaroxaban | 2.5 mg film-coated tablets, 56 tablets 10 mg film-coated tablets, 10 or 30 tablets 15 mg film-coated tablets, 28 or 42 tablets 20 mg film-coated tablets, 28 tablets | B01AF01, Antithrombotic agents, Direct factor Xa inhibitors |
| SALBUTAMOL ALKALOID® | | |
| salbutamol | 2 mg tablets, 60 and 100 tablets, 2 mg/5 ml oral solution, 150 ml solution | R03CC02, bronchodilator |
| SKOPRYL® | | |
| lisinopril | 5 mg, 10 mg and 20 mg tablets, 20 tablets | C09AA03, ACE inhibitor |
| SKOPRYL® COMBO | | |
| lisinopril, amlodipine | 10 mg/5 mg; 20 mg/5 mg; 20 mg/10 mg tablets 30 or 90 tablets | C09BB03, ACE inhibitors and calcium channel blockers, lisinopril and amlodipine |
| SKOPRYL plus® | | |
| lisinopril, hydrochlorothiazide | 20 mg/12.5 mg tablets, 20 tablets 20 mg/25 mg tablets, 20 tablets | C09BA03, combined antihypertensive |
| SUNITINIB ALKALOID® | | |
| sunitinib | 12.5 mg; 25 mg or 50 mg capsules, hard, 28 capsules | L01EX01, Other protein kinase inhibitors |
| 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 |
| TAMLOS® DuoD | | |
| dutasteride, tamsulosine | 0.5 mg/0.4 mg capsules, hard, 30 caspules | G04CA52, urologicals, Alpha-adrenoreceptor antagonists |

PHARMACEUTICALS

(in alphabetical order)

| Registered name, INN (generic) | Presentation, (strength, pharmaceutical form, pack size) | ATC-code, pharmaco-therapeutic group |
|--|---|--|
| TILSEPTIN | | |
| amyletacresol, 2,4 dichlorobenzylalcohol | 1.2 mg/ 0.6 mg lozenges, 24 lozenges | R02AA03, throat preparations, Antiseptics |
| TILSEPTIN PLUS | | |
| amyletacresol, 2,4 dichlorobenzylalcohol, lidocaine | 0.6 mg/ 1.2 mg/ 2 mg lozenges, 16 lozenges | R02AA03, throat preparations, Antiseptics |
| TIMOLOL ALKALOID® | | |
| timolol | 5 mg/ml eye drops, 5 ml solution | S01ED01, antiglaucoma preparation |
| TINGORA | | |
| ticagrelor | 60 mg or 90 mg film-coated tablets, 56 tablets | B01AC24, Platelet aggregation inhibitors excl. heparin |
| 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 | 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/5 ml powder for oral suspension, 100 ml suspension | J01DD13, third-generation cephalosporins |
| TRIGLID® | | |
| fenofibrate | 145 mg tablets, 30 tablets | C10AB05, lipid modifying agent, plain; fibrates |
| VASOFLEX® | | |
| prazosin | 1 mg tablets, 30 tablets 2 mg and 5 mg tablets, 60 tablets | C02CA01, selective α -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 |
| VERAPAMIL ALKALOID® | | |
| verapamil | 40 mg and 80 mg coated tablets, 30 tablets | 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 |

(in alphabetical order)

| Registered name, INN (generic) | Presentation, (strength, pharmaceutical form, pack size) | ATC-code, pharmaco-therapeutic group |
|---|---|---|
| WALZERA® plus | | |
| valsartan, hydrochlorothiazide | 80 mg/12.5 mg, film-coated tablets, 28 tablets | C09DA03, angiotensin II antagonists and diuretics |
| 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 75 mg tablets, 30 tablets | N06AX16, antidepressants |
| ZANFEXA® XR | | |
| venlafaxine | 37,5 mg, 75 mg and 150 mg prolonged release capsules, hard, 30 capsules | N06AX16, antidepressants |
| 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 | A04AA01, antiemetic and antinauseant |

New Marketing Authorizations

[in alphabetical order]

| Registered name, INN (generic) | Presentation, (strength, pharmaceutical form, pack size) | ATC-code, pharmaco-therapeutic group |
|---|---|---|
| EZETIMIBE/ATORVASTATIN ALKALOID® | | |
| ezetimibe/atorvastatin | 10mg/10mg; 10mg/20mg; 10mg/40mg; 10mg/80mg film-coated tablets, 30 tablets | C10BA05, combinations of various modifying agents |
| KASSARIO® | | |
| tadalafil | 5mg film-coated tablets , 14 and 28 tablets 10 mg film-coated tablets, 2 and 4 tablets 20 g film-coated tablets, 2; 4 and 8 tablets | G04BE08, urologicals, drugs used in erectile dysfunction |
| FLENTY® | | |
| dimetindene maleate | 1mg/g gel, 30g | D04AA13, antihistamines for topical use |
| MAZENID® | | |
| diclofenac diethylamine | 1.16% gel, 50g; 60g and 100g | M02AA15, local preparations against joint and muscle pain, nonsteroidal anti-inflammatory drugs |
| MAZENID® FORTE | | |
| diclofenac diethylamine | 2.32% gel, 50g; 60g and 100g | M02AA15, local preparations against joint and muscle pain, nonsteroidal anti-inflammatory drugs |

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 delbrueckii, LBY-27™ ™unregistered trademarks of Chr. Hansen A/S | Lactobacillus acidophilus, LA-5™, approx. 32 mg; Streptococcus thermophilus, STY-31™ approx. 23 mg; Bifidobacterium, BB-12™ approx. 17 mg and Lactobacillus delbrueckii, LBY-27™ approx. 6 mg, 10 capsules |
| DIASTOP® DIRECT | |
| Lactobacillus rhamnosus BIFOLAC™ GG; Bifidobacterium animalis, SSP lactis, BL-04; cholecalciferol ™unregistered trademark of Bifodan® | Each sachet (1 g) with oral powder for direct use at release contains: live, lyophilized lactic bacteria in a total quantity of minimum 9×10^9 CFU of the strains Lactobacillus rhamnosus BIFOLAC™ GG and Bifidobacterium animalis, SSP lactis, BL-04 and 7.5 µg vitamin D3, oral powder for direct use, 10 sachets with 1 g powder |
| DIASTOP® baby | |
| Lactobacillus rhamnosus KP GG (ATCC 53103) | 1×10^9 cfu/0,33 ml oral drops, suspension, 10 ml suspension |
| DIASTOP® kids | |
| Bifidobacterium Lactis BL-04, Lactobacillus rhamnosus GG, Vitamin D3, Vitamin C | min. 4×10^9 CFU in total per tablet of the probiotic bacteria / 5 µg/ 20 mg, 20 chewable tablets |

Medical Devices

| Registered name | Presentation |
|--|--|
| AICart AMINAL Cart | Sodium bicarbonate cartridges for bicarbonate haemodialysis. 620 g, 650 g, 720 g, 750 g, 760 g, 900 g, 950 g, 1000 g, 1100 g and 1150 g cartridge |
| AMINAL® CONCENTRATES FOR BICARBONATE HAEMODIALYSIS | Alkaline concentrates for bicarbonate haemodialysis. 5 l, 6 l and 10 l solutions. Acidic concentrates for bicarbonate haemodialysis with different dilution ratios (1+35.830, 1+34, 1+44). 4.7 l, 5 l, 6 l, 7.8 l and 10 l solutions. Sets of liquid and solid components for preparation of acidic concentrated solutions for bicarbonate haemodialysis with different dilution ratios (1+34, 1+44). One set is sufficient for preparation of 100 l of acidic concentrated solution. |
| AMINAL 3V systems AMINAL CITRATE 3V systems | Three component system for on-line preparation of dialysis fluid for bicarbonate haemodialysis. |
| AMINAL DIALYSER | Low flux and high flux dialysers for haemodialysis. 20 pcs per box |
| AMINAL HD SET AMINAL SA | Haemodialysis connection and disconnection sets for fistula and catheter. Sizes S, M and L |
| AMINAL bloodline | Bloodline tubing systems. |
| AMINAL Cleaner | Cartridges for cleaning and disinfection of haemodialysis machines. AMINAL Cleaner A Cartridge with sodium carbonate, 13 g AMINAL Cleaner C Cartridge with citric acid, 32 g |
| Alkadez | Disinfectants for disinfection of medical instruments, medical devices, dental instruments and surfaces in the medical area. |
| Diacitral 20% MD Diacitral 50% MD | Liquid concentrates based on citric acid, for cleaning, decalcification and heat-disinfection of haemodialysis machines. 1000 ml, 5 l and 10 l solution |
| PROCULIN® TEARS | Sodium hyaluronate 0.2 %, moisturizing ophthalmic solution. 10 ml solution |
| PROCULIN® TEARS ADVANCE / ALKAVISION® TEARS ADVANCE | Ocular drops based upon sodium hyaluronate 0.4 % and distilled waters, preservative free. 10 ml solution |

Medical Devices

| Registered name | Presentation |
|--|--|
| PROCULIN® TEARS ADVANCE + | Ocular drops based upon cross-linked hyaluronic acid 0.4%. 10 ml solution |
| CITIKOL B® | Ophthalmic solution with citicoline, hyaluronic acid and vitamin B ₁₂ . 10 ml solution |
| PROCULIN® LENS PROCULIN® LENS travel pack | Multipurpose lens care solution with hyaluronic acid. 400 ml solution 100 ml solution |
| PROCULIN® SOFT LENS / ALKAVISION® SOFT LENS PROCULIN® SOFT LENS travel pack / ALKAVISION® SOFT LENS travel pack | Multipurpose lens care solution with hyaluronate. For soft contact lenses. 360 ml solution 100 ml solution |
| Becutan KIDS VITS anticolic | Anticolic oral drops based on Simethicone in olive oil, Vitamin A, Vitamin E and Coenzyme Q ₁₀ . 30 ml bottle with a dropper |
| Becutan KIDS VITS Nasal aspirator | Nasal aspirator for babies. 1 nasal aspirator + 4 extra soft tips in plastic box |
| Becutan KIDS VITS Nasal isotonic solution | Pediatric nasal spray. Spray 30 ml |
| BECUTAN 4 MAXI BECUTAN 5 JUNIOR BECUTAN 6 JUNIOR PLUS | Incontinence diapers for children. 7-18 kg, 11-25 kg, 16+ kg. 96 pcs |
| ALKOPED® ALKOPED® PREMIUM | Adult diapers, sizes: medium, large and extra-large. 10 pcs and 30 pcs per bag. |
| ALKALOID ANGIOGRAPHY STERILE SET | Sterile set for general use in angiography surgeries. |

Food Supplements

| Registered name | Presentation (strength, pharmaceutical form, pack size) |
|--|---|
| ALKAKAPS® Shark Oil | 500 mg shark liver oil (min. 20% alkylglycerols), soft capsules, 30 capsules |
| ALKAKAPS® Coenzyme Q₁₀ forte | 30 mg coenzyme Q10 (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 |
| VITAMIN A+D₃ ALKALOID® | 1667 IU vitamin A (in a form of retinol palmitate) and 400 IU vitamin D3 (cholecalciferol), soft capsules, 50 capsules |
| PREMAMA DUO | Premama Duo is a pregnancy supplement which contains 11 vitamins, 10 minerals and Omega 3 fatty acids (DHA and EPA). 30 tablets and 30 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 |
| 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 7 5 mg |

Food Supplements

| Registered name | Presentation (strength, pharmaceutical form, pack size) |
|---|---|
| LUNERBA® Plus | Film coated tablets, 30 tablets Passiflora incarnata L. 100 mg Valeriana officinalis L. 25 mg Melissa officinalis L. 50 mg Eschscholzia californica Cham. 50 mg Melatonin 1 mg |
| PROCULIN® Plus | soft capsules, 30 capsules contains: DHA, lutein + zeaxanthin, vitamin C, vitamin E, zinc, vitamin B ₂ , copper, vitamin A, selenium |
| BECUTAN KIDS VITS B-complex | syrup, 100 ml, contains 7 B-vitamins |
| BECUTAN KIDS VITS Multivitamin | syrup, 100 ml, contains 9 vitamins |
| BECUTAN KIDS VITS Multiomega-3 | syrup, 250 ml, contains DHA; EPA, Vitamins & minerals |
| BECUTAN KIDS VITS Multiimmuno | sachets, 14 sachets, contains LGG+vitamins+minerals |
| CELLENERGY Q₁₀ | 50 mg capsules, 30 capsules, contains coenzyme Q ₁₀ , vitamin E, selenium , black pepper extract |
| BIOKRILL ACTIVE® | 500 mg soft capsules x 30 blister, contains krill oil |
| MULTI ESSENCE Magnesium 400 + B complex | 20 sticks, contains Magnesium & B vitamins |
| COLLACARE | 500 ml bottle, contains complex with collagen, hyaluronic acid, vitamins and minerals |
| PROCULIN® Plus once daily | 30 soft capsules, contains DHA, lutein, zeaxanthin, vitamins, minerals |
| CITIKOL | 500 mg citicoline, oral solution 10 ml, 30 vials |
| MULTI ESSENCE Vitamins and minerals for adults | 30 sticks, contains 13 vitamins, 10 minerals and lutein |
| MULTI ESSENCE Vitamins and minerals for adults | 30 multilayer tablets, contains 13 vitamins, 10 minerals and lutein |
| MULTI ESSENCE Vitamins and minerals for adults 50+ | 30 multilayer tablets, contains 13 vitamins, 11 minerals and lutein |

Food Supplements

| Registered name | Presentation (strength, pharmaceutical form, pack size) |
|--|--|
| MULTI ESSENCE VITAMIN D₃ | 1000 IU (25 µg) Vitamin D ₃ , 30 soft capsules 2000 IU (50 µg) Vitamin D ₃ , 30 soft capsules 4000 IU (100 µg) Vitamin D ₃ , 30 soft capsules |
| MULTI ESSENCE Immuno | contains vitamin C, zinc, selenium, vitamin D and vitamin B ₁₂ microgranules for direct use, 20 sticks |
| FEROZOMAL | contains liposomal iron, vitamin C and vitamin B ₁₂ microgranules for direct use, 30 sticks |
| COLLACARE Flexy | contains complex with collagen, vitamin C and hyaluronic acid 30 sachets |
| VITAMIN C ALKALOID® | 180 mg and 500mg tablets 12 tablets |
| PREMAMA DUO QUATREFOLIC® | Premama Duo is a pregnancy supplement which contains 11 vitamins, 10 minerals and Omega 3 fatty acids (DHA and EPA). Contains 100% active folic acid. 30 tablets and 30 capsules. |

Food Supplements - New notifications

| Registered name | Presentation (strength, pharmaceutical form, pack size) |
|--|--|
| MULTI ESSENCE MAGNESIUM 250 + B COMPLEX | 20 sticks, contains Magnesium & B vitamins |

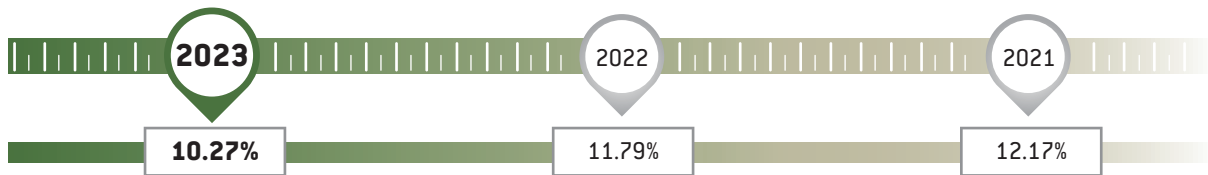
A microscopic cross-section of a plant stem, showing various tissue layers such as the cortex, vascular bundles, and pith. The image is overlaid with a semi-transparent green filter. The text 'CHEMICALS, COSMETICS & BOTANICALS' is centered in the lower half of the image, with a thick green horizontal bar below it.

CHEMICALS, COSMETICS & BOTANICALS

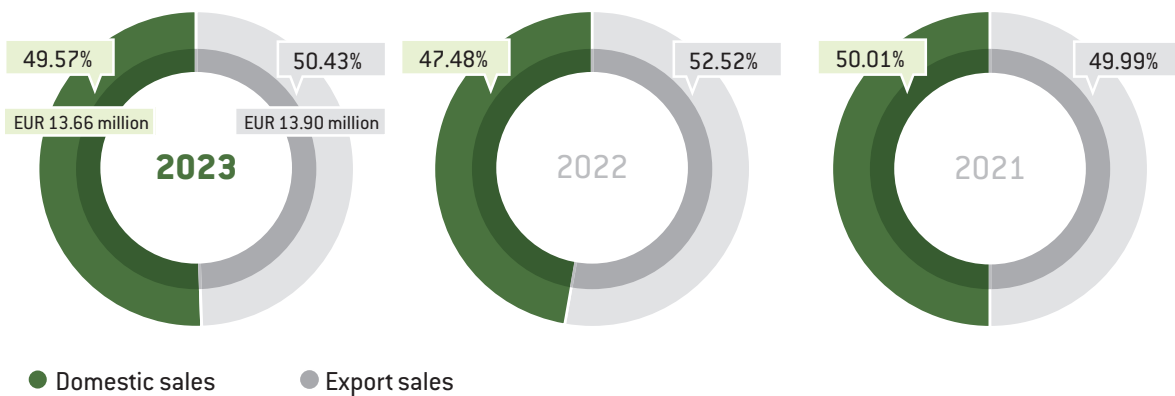
MARKETING AND SALES

In 2023, PC Chemistry Cosmetics Botanicals had 293 employees working in the headquarters in Skopje. The total net sales of this Profit Centre amounted to MKD 1.70 billion (EUR 27.56 million), which is a share of 10.27% in the total sales of Alkaloid Group. In 2023, the products of the PC Chemistry Cosmetics Botanicals were available on the markets in 15 countries.

PC Chemistry Cosmetics Botanicals as a part of Alkaloid Group

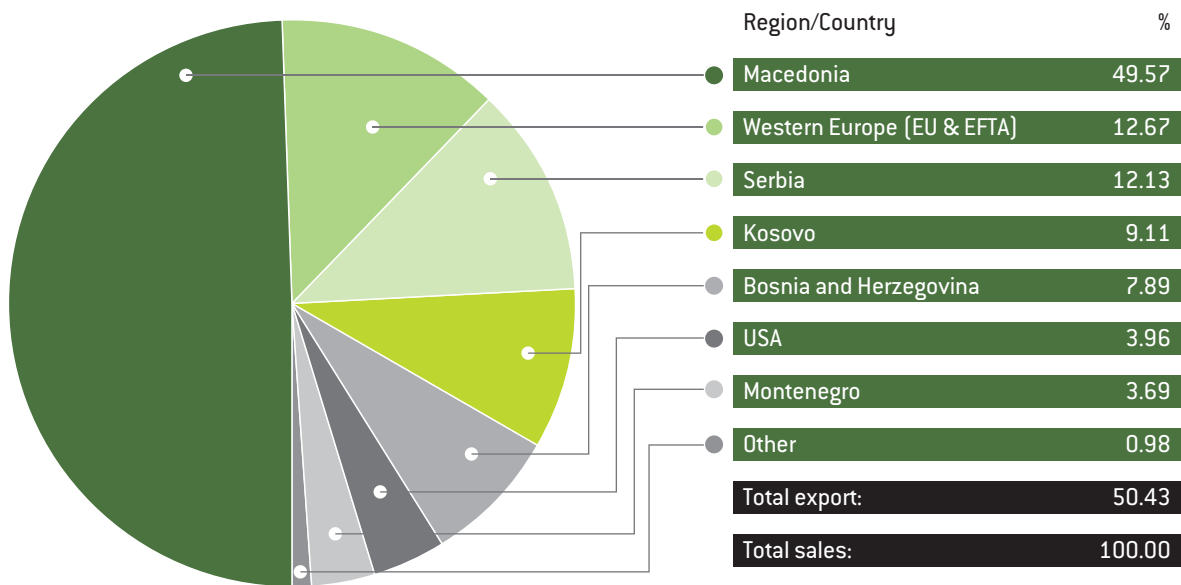


In 2023 the sales level demonstrated an increase of 1% compared to last year, i.e. an decrease of 13.20% in the Chemistry segment, an increase of 10.45% in the Cosmetics and an decrease of 15.75% in the Botanicals segment.



CHEMICALS, COSMETICS & BOTANICALS

Sales per countries 2023

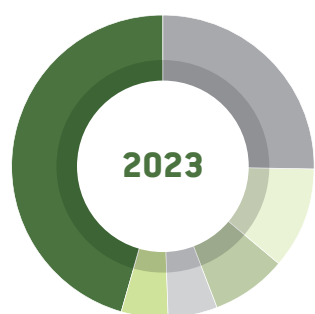


The participation of the three segments in the total sales of PC Chemistry Cosmetics Botanicals in 2023 was as follows:

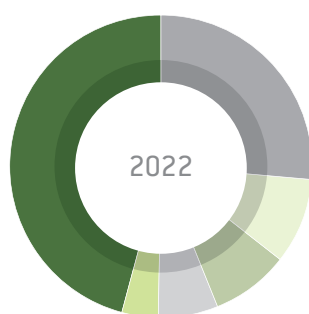
| Segment of CCB | % participation | | |
|-------------------|-----------------|--------------|--------------|
| | 2023 | 2022 | 2021 |
| CHEMISTRY | 18.56 | 21.52 | 21.26 |
| Domestic market | 12.12 | 13.60 | 13.49 |
| Export market | 6.44 | 7.92 | 7.77 |
| COSMETICS | 66.47 | 60.58 | 62.53 |
| Domestic market | 27.81 | 24.40 | 26.82 |
| Export market | 38.66 | 36.18 | 35.71 |
| BOTANICALS | 14.97 | 17.90 | 16.21 |
| Domestic market | 9.64 | 9.49 | 9.70 |
| Export market | 5.33 | 8.41 | 6.51 |

The sales structure per segments is presented below:

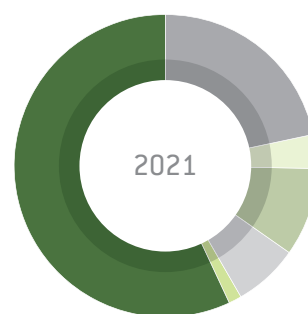
SALES STRUCTURE CHEMISTRY



| | |
|------------------------------|-------|
| ● ARGENTUM SALTS | 25.28 |
| ● DEGREASERS | 11.10 |
| ● ACIDUM ACETICUM | 7.92 |
| ● LIQUID MINERAL FERTILISERS | 5.23 |
| ● ETHANOL | 5.05 |
| ● OTHERS | 45.42 |



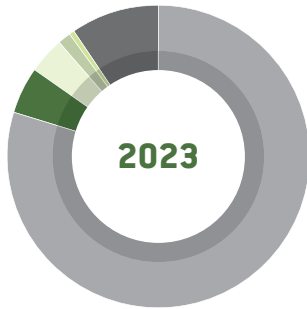
| | |
|------------------------------|-------|
| ● ARGENTUM SALTS | 26.48 |
| ● DEGREASERS | 9.24 |
| ● ACIDUM ACETICUM | 8.21 |
| ● LIQUID MINERAL FERTILISERS | 6.40 |
| ● ETHANOL | 3.94 |
| ● OTHERS | 45.73 |



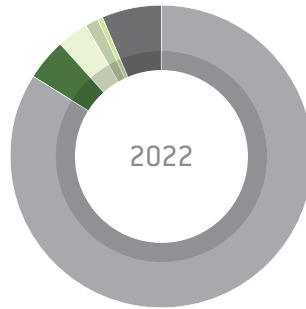
| | |
|------------------------------|-------|
| ● ARGENTUM SALTS | 21.70 |
| ● DEGREASERS | 3.72 |
| ● ACIDUM ACETICUM | 9.57 |
| ● LIQUID MINERAL FERTILISERS | 6.82 |
| ● ETHANOL | 1.27 |
| ● OTHERS | 56.92 |

CHEMICALS, COSMETICS & BOTANICALS

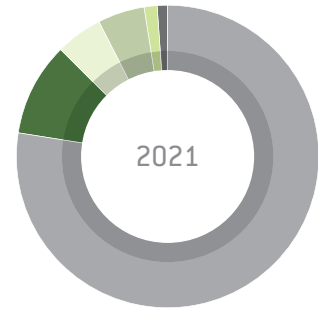
SALES STRUCTURE COSMETICS



| | |
|---------------------------------------|-------|
| ● BECUTAN (Baby cosmetics) | 79.83 |
| ● SHAMPOOS | 5.11 |
| ● GLOSS (Household cleaning products) | 3.76 |
| ● PERFUMES | 1.32 |
| ● SOAPS | 0.62 |
| ● OTHERS | 9.36 |

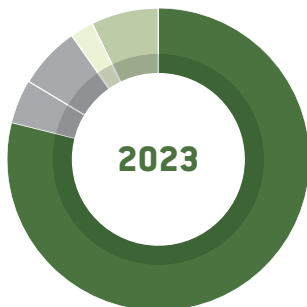


| | |
|---------------------------------------|-------|
| ● BECUTAN (Baby cosmetics) | 84.14 |
| ● SHAMPOOS | 4.25 |
| ● GLOSS (Household cleaning products) | 3.47 |
| ● PERFUMES | 1.30 |
| ● SOAPS | 0.60 |
| ● OTHERS | 6.24 |

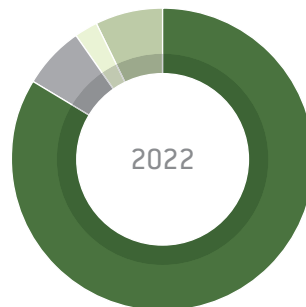


| | |
|---------------------------------------|-------|
| ● BECUTAN (Baby cosmetics) | 80.35 |
| ● SHAMPOOS | 4.53 |
| ● GLOSS (Household cleaning products) | 4.42 |
| ● PERFUMES | 1.33 |
| ● SOAPS | 0.88 |
| ● OTHERS | 8.49 |

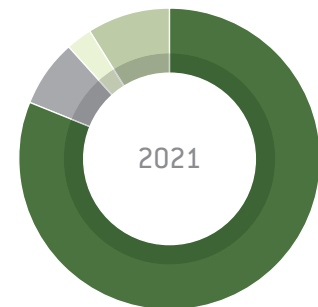
SALES STRUCTURE BOTANICALS



| | |
|-----------------------------|-------|
| ● TEAS | 79.06 |
| ● ZACHINAL (Food seasoning) | 9.35 |
| ● MEDICAL HERBS | 3.31 |
| ● OTHERS | 8.28 |



| | |
|-----------------------------|-------|
| ● TEAS | 83.88 |
| ● ZACHINAL (Food seasoning) | 6.53 |
| ● MEDICAL HERBS | 2.46 |
| ● OTHERS | 7.13 |



| | |
|-----------------------------|-------|
| ● TEAS | 81.33 |
| ● ZACHINAL (Food seasoning) | 7.27 |
| ● MEDICAL HERBS | 2.68 |
| ● OTHERS | 8.72 |



**FINANCES &
CONSOLIDATED
FINANCIAL REPORT**

FINANCES



Viktor Stojchevski
Chief Financial Officer
MB Member

This annual report and financial overview cover Alkaloid's 2023 fiscal year, January 1, 2023 to December 31, 2023.

All financial reports, both standalone and consolidated, that are 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 applicable in Republic of North Macedonia.

KEY POINTS

Sales and profit for 2023 exceeded the business plan projections.

- Consolidated net sales increased 16% compared to 2022;
- (EBITDA) and net profit for 2023 both increased 8% compared to 2022;
- Investments reached EUR 28.3 million;
- Net dividend per share increased 10% compared to 2022;
- We continued to maintain a strong balance sheet with total assets of EUR 324.5 million.

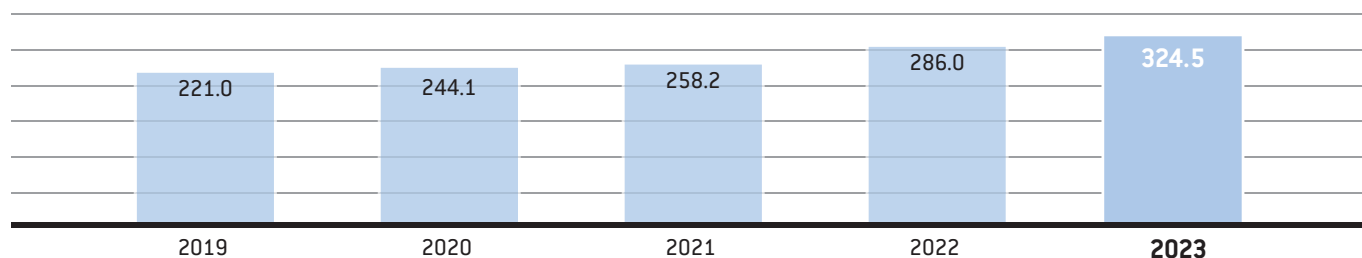
OVERVIEW

Alkaloid delivered strong operational and financial results in 2023, despite all actual challenges. Consolidated net sales were EUR 268.3 million, up 16% compared to 2022. Earnings before interest, taxes, depreciation and amortization (EBITDA) was EUR 44.7 million, up 8% and Net profit for 2023 was EUR 25.6 million, up 8% compared to 2022.

Key challenges in the past period were inflation and increasing interest rates, which are nonetheless, anticipated to maintain their current levels or even experience slight declines in the future. Additionally, global security crises further complicate the economic landscape, introducing uncertainties that may impact energy prices, disrupt supply chains, and affect the availability of certain materials.

FINANCES & CONSOLIDATED FINANCIAL REPORT

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



However, we have managed to sustain the stable financial profile of the company and further improve the financial flexibility. Our ability to transform will enable us to emerge stronger, as we continue on the course of sustainable long-term growth.

A total of EUR 28.3 million were invested in fixed assets, an increase of 18.1% compared to 2022. This increase in investments is due to ALKALOID's biggest investment project in the last 20 years – the new production department for the production of solid forms 2 – which increases the capacities for the production of solid forms by more than double.

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 2023, the net dividend paid to shareholders is MKD 486.00, or gross MKD 540.00 for one ordinary share, which is an increase of 10.2% compared to dividends paid for 2022.

Moving into 2024, we intend to continue with investments equivalent to around 10% of the consolidated sales in tangible and intangible assets. The business plan for 2024 anticipates growth in consolidated sales of 10% compared to 2023, and growth in pre-tax consolidated profit of 7% in comparison to 2023. The 2024 business plan is based on the expectations, forecasts and opportunities on the existing and new markets and products available to the Company at the time of drafting the plan. Circumstances and events in 2024 may vary from those considered in the Business Plan and so may actual results.

I would like to express our gratitude for the trust placed in us by our valued stakeholders that include our shareholders, employees, customers, partners and the communities in which we live and work. We look forward to continuing these strong relationships and remain resolute on our commitment to create sustained long-term value for all our stakeholders.

Yours sincerely,
Viktor Stojchevski
Chief financial officer/
Member of the Management Board



Independent auditor's report

To the Supervisory Board and Shareholders of Alkaloid AD Skopje

Report on the consolidated financial statements

We have audited the accompanying consolidated financial statements of Alkaloid AD Skopje, which comprise the consolidated statement of financial position as of 31 December 2023 and the consolidated profit and loss, consolidated statement of other 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 accounting standards applicable in the Republic of North Macedonia 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 Standards on Auditing applicable in the Republic of North Macedonia (the "Standards"). The 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 judgement, 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.

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FINANCES & CONSOLIDATED FINANCIAL REPORT



Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Alkaloid AD Skopje as of 31 December 2023, and of its financial performance and its cash flows for the year then ended in accordance with accounting standards applicable in the Republic of North Macedonia.

Report on other legal and regulatory requirements

Consolidated annual report was prepared by the Management in accordance with the requirement of the article 384 of the Company Law.

Management is also responsible for the preparation of the consolidated annual accounts and consolidated annual report of Alkaloid AD Skopje, which were approved by the Managing Board and Supervisory Board.

As required by the Audit Law, we report that the historical information presented in the consolidated annual report prepared by Management of Alkaloid AD Skopje in accordance with article 384 of the Company Law, is consistent, in all material respects, with the financial information presented in the consolidated annual accounts and audited consolidated financial statements of Alkaloid AD Skopje as of 31 December 2023 and for the year then ended.

Dragan Davitkov
General Manager

Dragan Davitkov
Certified Auditor

PricewaterhouseCoopers REVIZIJA DOO Skopje

29 February 2024
Skopje, Republic of North Macedonia

This version of our report is a translation from the original, which was prepared in Macedonian. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(In thousands of Denar)

| | Note | As at 31 December | |
|-------------------------------------|------|-------------------|-------------------|
| | | 2023 | 2022 |
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | 6 | 8,059,289 | 6,976,234 |
| Intangible assets | 7 | 2,148,382 | 1,976,502 |
| Deferred tax assets | 18 | 24,243 | 27,980 |
| Available-for-sale financial assets | 9 | 9,231 | 8,551 |
| Other non-current assets | 12 | 90,692 | 307,437 |
| | | 10,331,837 | 9,296,704 |
| Current assets | | | |
| Inventories | 10 | 5,577,893 | 4,899,072 |
| Trade receivables | 11 | 2,848,723 | 2,606,933 |
| Other receivables | 12 | 727,501 | 499,147 |
| Cash and cash equivalents | 13 | 467,955 | 287,400 |
| | | 9,622,072 | 8,292,552 |
| TOTAL ASSETS | | 19,953,909 | 17,589,256 |
| EQUITY | | | |
| Share capital | 14 | 2,220,127 | 2,220,127 |
| Treasury shares | 14 | (109,285) | (109,285) |
| Legal reserves | | 626,632 | 623,368 |
| Other reserves | 15 | 2,083,175 | 1,660,233 |
| Retained earnings | | 8,969,840 | 8,112,887 |
| Minority interests | | 544 | 585 |
| Total equity | | 13,791,033 | 12,507,915 |
| LIABILITIES | | | |
| Non-current liabilities | | | |
| Non-current borrowings | 16 | 714,239 | 588,881 |
| Retirement benefit obligations | 17 | 59,698 | 58,693 |
| Deferred tax liabilities | 18 | 4,410 | 5,889 |
| | | 778,347 | 653,463 |
| Current liabilities | | | |
| Trade and other payables | 19 | 4,190,772 | 3,494,340 |
| Income tax | | 38,285 | 32,752 |
| Current borrowings | 16 | 1,155,472 | 900,786 |
| | | 5,384,529 | 4,427,878 |
| Total liabilities | | 6,162,876 | 5,081,341 |
| TOTAL EQUITY AND LIABILITIES | | 19,953,909 | 17,589,256 |

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

These consolidated financial statements were approved by the Group's Managing Board on 08 February 2024

Approved by:

Zhivko Mukaetov
General Manager



Viktor Stojchevski
Finance Manager



Goran Minov
Certified accountant
ID number: 0101521



FINANCES & CONSOLIDATED FINANCIAL REPORT

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(In thousands of Denar)

| | Note | Year ended 31 December | |
|--------------------------------------|------|------------------------|------------------|
| | | 2023 | 2022 |
| Sales | 5 | 16,512,978 | 14,289,051 |
| Cost of sales | 22 | (8,937,595) | (7,835,477) |
| Gross profit | | 7,575,383 | 6,453,574 |
| Research and development expenses | 22 | (189,147) | (163,070) |
| Selling and marketing expenses | 22 | (4,726,887) | (4,089,940) |
| Administrative expenses | 22 | (805,911) | (660,667) |
| Other income | 20 | 441,058 | 1,060,762 |
| Other expenses | 21 | (471,707) | (930,693) |
| Operating profit | | 1,822,789 | 1,669,966 |
| Finance expenses | 25 | (37,129) | (26,199) |
| Profit before income tax | | 1,785,660 | 1,643,767 |
| Income tax | 26 | (208,796) | (180,346) |
| Profit for the year | | 1,576,864 | 1,463,421 |
| Attributable to the: | | | |
| Shareholders of the Parent Company | | 1,576,905 | 1,463,426 |
| Minority interests | | (41) | (5) |
| Profit for the year | | 1,576,864 | 1,463,421 |
| Earnings per share (In Denar) | | | |
| - Basic | 27 | 1,121.92 | 1,041.20 |

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(In thousands of Denar)

| | Note | Year ended 31 December | |
|---|------|------------------------|------------------|
| | | 2023 | 2022 |
| Consolidated profit for the year | | 1,576,864 | 1,463,421 |
| Other comprehensive income: | | | |
| Fair value of investments | 15 | 680 | (316) |
| Revaluation of land | 15 | 446,882 | - |
| Translation differences | 15 | (24,620) | 4,145 |
| Other consolidated comprehensive income, net of tax | | 422,942 | 3,829 |
| Total consolidated comprehensive income for the year | | 1,999,806 | 1,467,250 |

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

FINANCES & CONSOLIDATED FINANCIAL REPORT

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

| | Share capital | Treasury shares | Legal reserves | Other reserves | Retained earnings | Minority interests | Total Equity |
|---|------------------|------------------|----------------|------------------|-------------------|--------------------|-------------------|
| As at January 1, 2022 | 2,220,127 | (109,285) | 620,479 | 1,656,404 | 7,274,270 | 590 | 11,662,585 |
| Purchase of treasury shares | - | - | - | - | - | - | - |
| Transfer to reserves | - | - | 2,181 | - | (2,181) | - | - |
| Dividend payments and tax on dividend paid out (Note 29) | - | - | - | - | (618,424) | - | (618,424) |
| Profit for the year | - | - | - | - | 1,463,426 | (5) | 1,463,421 |
| Other corrections | - | - | - | - | (35) | - | (35) |
| <i>Consolidated statement of comprehensive income</i> | | | | | | | |
| Fair value of gain on investments (Note 9) | - | - | - | (316) | - | - | (316) |
| Foreign exchange differences on translation of foreign operations | - | - | 708 | 4,145 | (4,169) | - | 684 |
| | - | - | 708 | 3,829 | (4,169) | - | 368 |
| As at December 31, 2022 | 2,220,127 | (109,285) | 623,368 | 1,660,233 | 8,112,887 | 585 | 12,507,915 |
| Purchase of treasury shares | - | - | - | - | - | - | - |
| Transfer to reserves | - | - | 2,318 | - | (2,318) | - | - |
| Dividend payments and tax on dividend paid out (Note 29) | - | - | - | - | (688,699) | - | (688,699) |
| Profit for the year | - | - | - | - | 1,576,905 | (41) | 1,576,864 |
| Other corrections | - | - | - | - | (198) | - | (198) |
| <i>Consolidated statement of comprehensive income</i> | | | | | | | |
| Fair value of gain on investments (Note 9) | - | - | - | 680 | - | - | 680 |
| Fair value of land | - | - | - | 446,882 | - | - | 446,882 |
| Foreign exchange differences on translation of foreign operations | - | - | 946 | (24,620) | (28,737) | - | (52,411) |
| | - | - | 946 | 422,942 | (28,737) | - | 395,151 |
| As at December 31, 2023 | 2,220,127 | (109,285) | 626,632 | 2,083,175 | 8,969,840 | 544 | 13,791,033 |

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

CONSOLIDATED CASH FLOW STATEMENT

| | Year ended 31 December | |
|---|------------------------|--------------------|
| | 2023 | 2022 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Cash receipts from customers | 16,498,488 | 14,130,899 |
| Cash paid to suppliers and employees | (14,603,940) | (12,946,989) |
| Cash generated from operations | 1,894,548 | 1,183,910 |
| Interest received | 15,532 | 12,939 |
| Net cash generated from operating activities | 1,910,080 | 1,196,849 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchases of property, plant and equipment | (1,324,262) | (1,222,119) |
| Sale of property, plant and equipment | - | 983 |
| Subsidies received | (4,281) | 193,027 |
| Acquisition/Sale of investment in available-for-sale securities, net | - | 2,136 |
| Net cash used in investing activities | (1,328,543) | (1,025,973) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Proceeds from borrowings | 4,156,696 | 3,060,574 |
| Repayments of borrowings | (3,791,158) | (2,779,018) |
| Interest paid | (41,266) | (20,158) |
| Purchase of treasury shares | - | - |
| Dividends paid to shareholders, tax on dividends paid out and other profit distribution | (688,313) | (618,904) |
| Net cash used in financing activities | (364,041) | (357,506) |
| Net increase/(decrease) in cash and cash equivalents | 217,496 | (186,630) |
| Cash and cash equivalents at beginning of year | 287,400 | 496,555 |
| Translation differences | (36,941) | (22,525) |
| Cash and cash equivalents at the end of year | 467,955 | 287,400 |

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

FINANCES & CONSOLIDATED FINANCIAL REPORT

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 twenty one subsidiaries, two sports associations and one Foundation in the Republic of North Macedonia and other countries. For the list of the subsidiaries please refer to Note 2.2.

Production facilities of the Group are located in Skopje and Belgrade. Alkaloid AD Skopje, the Parent Company, is a joint stock company, incorporated and registered (with its head office) in the Republic of North Macedonia. The registered address of the Parent Company is:

*Aleksandar Makedonski 12
1000 Skopje, Republic of North Macedonia*

The shares of Alkaloid AD Skopje are 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 all the years presented.

2.1. Basis of Preparation and Presentation of the Consolidated Financial Statements

Pursuant to the provisions of the Company Law [Official Gazette nos. 28/04, 84/05, 71/06, 25/07, 87/08, 17/09, 23/09, 42/10, 48/10, 8/11, 21/11, 24/11, 166/12, 70/13, 119/13, 120/13, 187/13, 13/14, 41/14, 138/14, 88/15, 192/15, 6/16, 30/16, 61/16, 64/18, 120/18, 195/2018, 225/2018, 239/2018, 290/20, 215/21 and 99/22] legal entities in the Republic of North Macedonia are required to maintain their books of account and to prepare their financial statements in conformity with the International Financial Reporting Standards published in the Official Gazette of the Republic of North Macedonia.

A newly-issued Rulebook for Chart of Accounts [Official Gazette nos. 159/09, 164/10 and 107/11] was adopted on December 29, 2009. It contains: the International Accounting Standards ("IAS"), International Financial Reporting Standards ("IFRS") and related interpretations issued by the Standing Interpretation Committee ("SIC") and the International Financial Reporting Interpretations Committee ("IFRIC") determined and issued by the International Accounting Standards Board ("IASB") as of January 1, 2009. This Rulebook has been effective from January 1, 2010.

Until the date of preparation of the accompanying consolidated financial statements, the amendments of the International Financial Reporting Standards ("IFRS/ISA") and interpretations of IFRIC in effect for the annual periods beginning on or after January 1, 2009, have not yet been translated and published in the Republic of North Macedonia.

Given the potentially material effects which the departures of accounting regulations applicable in Republic of North Macedonia from the International Financial Reporting Standards may have on the fairness of presentation made in the Company's consolidated financial statements, the accompanying consolidated financial statements cannot be treated as a set of consolidated financial statements prepared in accordance with the International Financial Reporting Standards.

The accompanying consolidated financial statements were prepared at historical cost principle, unless otherwise stipulated in the accounting policies presented hereunder. In the preparation of the accompanying consolidated financial statements, the Company adhered to the accounting policies described in Note 2.

The financial statements are prepared on going concern basis.

All amounts in the Company's consolidated financial statements are stated in thousands of Macedonian Denars (MKD). The Denar is the official reporting currency in the Republic of North Macedonia.

The preparation of the consolidated financial statements in accordance with the Law on Trade Companies and the Rulebook on Accounting requires the application of estimates and assumptions by the management of the Company, which affect the positions expressed in the consolidated financial statements. Although management estimates are based on reasonable information and knowledge of events and activities, the actual results may differ from those estimated. Management estimates are shown in Note 4.

2.2. 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:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2. Subsidiaries (Continued)

| | 2023 % of ownership | 2022 % of ownership |
|--|------------------------|------------------------|
| Alkaloid DOO Zagreb, Croatia | 100% | 100% |
| Alkaloid DOO Beograd, Serbia | 100% | 100% |
| Alkaloid INT DOO Ljubljana, Slovenia | 100% | 100% |
| Alkaloid DOO Sarajevo, Bosnia and Herzegovina | 100% | 100% |
| Alkaloidpharm SA Fribourg, Switzerland | 100% | 100% |
| Alkaloid EOOD Sofia, Bulgaria | 100% | 100% |
| ALK&KOS Shpk Prishtina, Kosovo | 100% | 100% |
| Alkaloid Bilna apteka DOOEL Skopje, N. Macedonia | 100% | 100% |
| Alkaloid Kons DOOEL Skopje, N. Macedonia | 100% | 100% |
| Alkaloid USA LLC Columbus, Ohio USA | 49% | 49% |
| Fund "Trajce Mukaetov" Skopje, N. Macedonia | 100% | 100% |
| Alkaloid DOO Podgorica, Montenegro | 100% | 100% |
| OOO Alkaloid RUS Moscow, Russia | 100% | 100% |
| Alkaloid FARM DOO Ljubljana, Slovenia | 100% | 100% |
| Alkaloid Veledrogerija DOO Beograd, Serbia | 100% | 100% |
| Alkaloid ILAC TLS Istanbul, Turkey | 100% | 100% |
| ALKA-LAB DOO Ljubljana, Slovenia | 100% | 100% |
| Alkaloid Kiev CO. LTD., Ukraine | 100% | 100% |
| Alkaloid Shpk Tirana, Albania | 100% | 100% |
| Alkaloid LGL DOO Zagreb, Croatia | 100% | 100% |
| Alkaloid UK Limited, Great Britain | 100% | 100% |
| HC Alkaloid Handball Skopje | 100% | 100% |
| HC Multi Essence Skopje | 100% | 100% |
| Alkaloid Bucharest SRL Romania | 100% | 100% |
| Alkaloid SEE DOO Beograd, Serbia | 100% | - |

The investment in Alkaloid USA LLC Columbus, Ohio USA is the equity share of 49%, but the Parent Company exercises control.

In 2022 a new subsidiary was established in Romania with a name Alkaloid Bucharest S.R.L. The subsidiary is 100% owned by the Company. In 2023 a new subsidiary was established in Serbia with a name Alkaloid SEE DOO Beograd. The subsidiary is 100% owned by the Company.

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

FINANCES & CONSOLIDATED FINANCIAL REPORT

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3. 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 December 31, 2023, the Group was 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 comprised 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, and suspensions.
- Topical preparations: Ointments, creams, solutions, gels, sprays, vaginal pessaries, suppositories.
- Sterile dosage forms: Parenteral small-volume, eye drops, and ointments for eyes.

Besides the capacities for manufacturing finished pharmaceutical products, Alkaloid-Pharmaceuticals also has 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, universities, clinics, 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 Group's income statement that is directly attributable to a segment and the relevant portion of the Group 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. Group 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 Group's accounting policies. This is the measure to the managing board for decision making purposes in the field of resource allocation and assessment of segment performance.

2.4. Lease

Leases, in which a significant portion of the risks and rewards of ownership are retained by the lessor, are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the consolidated profit and loss on straight-line basis over the period of the lease.

2.5. 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 differences 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

Assets and liabilities are translated at the closing rate at the date of the consolidated statement of financial position. 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:

For the purposes of the consolidated financial statements presentation, assets and liabilities of the Group's foreign operations are translated at the reporting date currency. 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.6. Property, plant and equipment

Property plant and equipment are initially recorded at cost. Land is measured at fair value, based on the appraisal performed by external independent appraisers. 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.

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 reporting 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 property, plant and equipment is eliminated from the consolidated statement of financial position together with the carrying amount of accumulated depreciation. Gains and/or losses on disposals are determined as the difference between the proceeds on disposals and the carrying amount of the assets and included in the consolidated income statement.

2.7. Intangible assets

Intangible assets are consisted of trademarks, licenses and software. Intangible assets are carried at cost less accumulated amortization. The cost value includes the invoiced expense of purchased intangible assets increased by all expenditures that are 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, maximum of 10 years.

The following are the ranges of useful life of the intangible assets:

| | | |
|-----------------------------|----|-------|
| Software | 5 | years |
| Internally generated assets | 10 | years |
| Trademarks and patents | 10 | years |

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives i.e. up to 10 years. The estimated useful life and amortization method are reviewed at the end of each reporting period.

Internally-generated intangible assets – research and development expenditure

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

An internally-generated intangible asset arising from development is recognized 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 recognized 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 recognized, development expenditure is recognized 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 amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Patents

Patents are measured initially at purchase cost and are amortized on a straight-line basis over their estimated useful lives of 10 years.

FINANCES & CONSOLIDATED FINANCIAL REPORT

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.8. 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.

2.9. 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 2.11).

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 recognized 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 2.11.

2.10. Inventories

Inventories are stated at the lower of cost and net realizable value. The cost of finished goods and work in progress comprises direct production costs and related production overheads. Net realisable value is the actual or estimated selling price of an asset (net of trade discounts but before settlement discounts) less all further costs of completion and all costs to be incurred in marketing, selling, and distributing. The costs of purchase of inventories include the purchase price, import duties and other taxes (other than those subsequently recoverable by the entity from the taxing authorities), haulage, handling, and other costs directly attributable to the acquisition of finished goods, materials and services. Trade discounts, rebates and other similar items are deducted in determining the costs of purchase.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.11. 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".

2.12. Cash and cash equivalents

Cash and cash equivalents include cash balances held on bank accounts and cash in hand.

2.13. 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.

2.14. 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 reporting date.

2.15. Trade and other payables

All financial liabilities are measured subsequently at amortized cost using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortized cost of a financial liability.

2.16. Income tax

Current income tax is calculated and paid in accordance with the Income tax Law. The estimated tax liability is paid in advance on a monthly basis. The final tax is payable in the Republic of North Macedonia at the rate of 10% applicable to the taxable income, which is 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 reported in the consolidated financial statements. However, the deferred income tax is not accounted for, if arising from initial recognition of an asset or a 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 reporting date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

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.

2.17. 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.

FINANCES & CONSOLIDATED FINANCIAL REPORT

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.17. Employee benefits (Continued)

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.

2.18. 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.

2.19. 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 the Group 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.20. 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.

2.21. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Parent company Alkaloid AD Skopje and its subsidiaries (Note 2.2). The financial statements of the subsidiaries are included in the consolidated financial statements from the date on which control is transferred to the Parent Company until the date that control ceases.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group's accounting policies.

2.22. Government grants

Government grants are not recognized until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received. Government grants are recognized in profit or loss on a systematic basis over the periods in which the Company recognizes as expenses the related costs for which the grants are intended to compensate.

Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognized as deferred income in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognized in profit or loss in the period in which they become receivable.

FINANCES & CONSOLIDATED FINANCIAL REPORT

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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 sufficient cash in foreign currencies held on bank accounts in order to maintain its future commercial transactions.

b) Price risks

The Group is exposed to equity securities price risk because of Investments in equity instruments 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 a 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 rate 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 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 assessment

The fair value of Investments in equity instruments traded in active markets is based on quoted market prices at the reporting 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 Group's objectives when managing capital are to safeguard the Group'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 Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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.

Depreciation and amortization rates

The determination of the useful lives of assets is based on historical experiences with similar assets as well as any anticipated technological development and changes in broad economic or industry factors. The appropriateness of the estimated useful lives is reviewed annually. Further, due to the significant weight of depreciable assets in our total assets, the impact of any changes in these assumptions could be material to our financial position and results of operations. If depreciation cost is decreased/increased by 10%, this would result in change of annual depreciation expense of approximately 58,705 MKD thousand (2022: MKD 54,275 thousand).

Useful life of intangible assets

The determination of the useful lives of intangible assets is based on historical experiences with similar assets as well as any anticipated technological development and changes in broad economic or industry factors. The appropriateness of the estimated useful lives is reviewed annually, or whenever there is an indication of significant changes in the underlying assumptions. Further, due to the significant weight of depreciable assets in our total assets, the impact of any changes in these assumptions could be material to our financial position and results of operations. If depreciation cost is decreased/increased by 10%, this would result in change of annual depreciation expense of approximately 34,014 MKD thousand (2022: MKD 32,498 thousand).

Fair value of land

The fair value of the land is analysed by the Group at the balance sheet date in order to determine whether any significant changes on the market price have occurred. The fair value of the land is determined by the independent valuator on an annual basis, applying the methodology for valuation of land published in Official Gazette of Republic of North Macedonia. The impact of any changes in these assumptions which are used in the process of valuation of the land could be material to our financial position and results of operations. If the price of the land decreased/increased by 3%, this would result in change of the value of the land/revalorisation reserves annually of approximately 63,587 MKD thousand (2022: MKD 36,015 thousand).

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.

Impairment of Trade and Other Receivables

The allowance for impairment of doubtful receivables is formed based on the estimated losses arising from customer's default. The management's assessment is based on the ageing analysis of accounts receivable, historical write-offs, customer creditworthiness and changes in the terms of sale, identified upon determining the adequacy of allowance for impairment of doubtful receivables. This includes the assumptions on future customer behavior and future collections arising therefrom. The management believes that no allowance for impairment, except for the provisions already included in the financial statements, is necessary.

Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Provisions are measured and recorded as the best estimate of the expenditure required to settle the present obligation at the financial statement date. The provision charge is recognized in the consolidated profit and loss for the year.

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.

FINANCES & CONSOLIDATED FINANCIAL REPORT

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

5. SEGMENT REPORTING

Reportable segments - Products

Segment information reported to the Management Board is based on product types and customer categories. The segment information by product is more relevant to the Group.

Principal product types are pharmaceutical and non-pharmaceutical products (chemicals cosmetics and botanicals). The principal customer category Group's products are wholesalers.

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

| | Segment revenue | | Segment operating profit | |
|----------------------------|-------------------|-------------------|--------------------------|------------------|
| | 2023 | 2022 | 2023 | 2022 |
| Pharmaceutical products | 14,816,742 | 12,604,165 | 1,798,225 | 1,649,118 |
| Chemical products | 314,771 | 362,627 | 7,366 | 16,209 |
| Cosmetic products | 1,127,403 | 1,020,711 | 15,858 | 2,448 |
| Botanical products | 254,062 | 301,548 | 1,340 | 2,191 |
| Total | 16,512,978 | 14,289,051 | 1,822,789 | 1,669,966 |
| Finance expenses | | | (37,129) | (26,199) |
| Profit before tax | | | 1,785,660 | 1,643,767 |
| Income tax | | | (208,796) | (180,346) |
| Profit for the year | | | 1,576,864 | 1,463,421 |

Revenue reported above represents revenue generated from external customers.

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

| Segment assets | | 2023 | 2022 |
|--------------------------|--|-------------------|-------------------|
| Pharmaceutical products | | 18,769,780 | 16,576,036 |
| Chemical products | | 634,309 | 520,197 |
| Cosmetic products | | 378,415 | 313,238 |
| Botanical products | | 171,405 | 179,785 |
| Total assets | | 19,953,909 | 17,589,256 |
| Segment liabilities | | 2023 | 2022 |
| Pharmaceutical products | | 5,791,014 | 4,716,602 |
| Chemical products | | 144,136 | 131,468 |
| Cosmetic products | | 186,265 | 185,239 |
| Botanical products | | 41,461 | 48,032 |
| Total liabilities | | 6,162,876 | 5,081,341 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

5. SEGMENT REPORTING (Continuing)

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

| | Depreciation and amortization | | Addition to non-current assets | |
|--------------------------|-------------------------------|----------------|--------------------------------|------------------|
| | 2023 | 2022 | 2023 | 2022 |
| Pharmaceutical products | 806,716 | 764,787 | 1,592,088 | 1,285,571 |
| Chemical products | 28,671 | 19,377 | 33,568 | 98,319 |
| Cosmetic products | 50,824 | 46,390 | 83,165 | 52,274 |
| Botanical products | 40,980 | 37,177 | 32,741 | 38,049 |
| Total liabilities | 927,191 | 867,731 | 1,741,562 | 1,474,213 |

Geographical information

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

| | Revenue from external customers | | Non-current assets | |
|------------------------|---------------------------------|-------------------|--------------------|------------------|
| | 2023 | 2022 | 2023 | 2022 |
| North Macedonia | 5,193,459 | 4,594,347 | 10,044,898 | 8,778,929 |
| Serbia | 2,800,257 | 2,568,099 | 92,973 | 105,147 |
| Russia | 2,305,002 | 1,883,714 | 3,220 | 3,365 |
| Croatia | 1,101,567 | 975,991 | 4,379 | 5,120 |
| Bosnia and Herzegovina | 933,401 | 844,535 | 5,916 | 1,078 |
| Kosovo | 578,631 | 571,010 | 3,070 | 5,222 |
| Other countries | 3,600,661 | 2,851,355 | 53,215 | 53,875 |
| Total | 16,512,978 | 14,289,051 | 10,207,671 | 8,952,736 |

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

Non-current assets are consisted of property, plant and equipment and Intangible assets.

Information about major customers

The sales of Pharmaceutical products are spread over many countries and customers. There are no major customer shares in the direct sales of Pharmaceutical products.

In the sales of Chemicals products, there is one major customer with a share of 21.9% (2022: 22.1%) in direct sales.

In the sales of Cosmetics products, there is one major customer with a share of 17.2% (2022: 17.2%) in direct sales.

In the sales of Botanicals products, there is a single major customer with a share of 26.5% (2022: 40.3%) in direct sales.

| Sales by category | 2023 | 2022 |
|----------------------|-------------------|-------------------|
| Sales of goods | 12,150,210 | 10,770,158 |
| Sales of commodities | 4,225,899 | 3,397,958 |
| Other revenue | 136,869 | 120,935 |
| | 16,512,978 | 14,289,051 |

FINANCES & CONSOLIDATED FINANCIAL REPORT

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

6. PROPERTY, PLANT AND EQUIPMENT

| | Land | Buildings | Equipment | Construction in progress | Total |
|---|------------------|------------------|------------------|--------------------------|-------------------|
| Cost or valuation | | | | | |
| As at January 1, 2022 | 1,672,705 | 3,907,669 | 6,045,501 | 240,183 | 11,866,058 |
| Additions | - | 3,950 | 26,252 | 1,039,905 | 1,070,107 |
| Transfer from construction in progress | - | 289,297 | 426,818 | (716,115) | - |
| Disposals | - | (17,088) | (51,493) | - | (68,581) |
| Revaluation | - | - | - | - | - |
| Translation differences | - | (184) | (1,471) | 99 | (1,556) |
| As at December 31, 2022 | 1,672,705 | 4,183,644 | 6,445,607 | 564,072 | 12,866,028 |
| Accumulated depreciation | | | | | |
| At January 1, 2022 | - | 2,044,508 | 3,369,409 | - | 5,413,917 |
| Depreciation charge in 2022 | - | 100,400 | 442,350 | - | 542,750 |
| Disposals | - | (15,400) | (50,203) | - | (65,603) |
| Translation differences | - | (98) | (1,172) | - | (1,270) |
| As at December 31, 2022 | - | 2,129,410 | 3,760,384 | - | 5,889,794 |
| Net book value as at December 31, 2022 | 1,672,705 | 2,054,234 | 2,685,223 | 564,072 | 6,976,234 |
| Cost or valuation | | | | | |
| At January 1, 2023 | 1,672,705 | 4,183,644 | 6,445,607 | 564,072 | 12,866,028 |
| Additions | - | - | 55,473 | 1,170,357 | 1,225,830 |
| Transfer from construction in progress | - | 312,726 | 579,852 | (892,578) | - |
| Disposals | - | (55) | (58,496) | (332) | (58,883) |
| Revaluation | 446,882 | - | - | - | 446,882 |
| Translation differences | - | 5 | (1,409) | - | (1,404) |
| As at December 31, 2023 | 2,119,587 | 4,496,320 | 7,021,027 | 841,519 | 14,478,453 |
| Accumulated depreciation | | | | | |
| At January 1, 2023 | - | 2,129,410 | 3,760,384 | - | 5,889,794 |
| Depreciation charge in 2023 | - | 104,930 | 482,120 | - | 587,050 |
| Disposals | - | (55) | (56,855) | - | (56,910) |
| Translation differences | - | 14 | (784) | - | (770) |
| As at December 31, 2023 | - | 2,234,299 | 4,184,865 | - | 6,419,164 |
| Net book value as at December 31, 2023 | 2,119,587 | 2,262,021 | 2,836,162 | 841,519 | 8,059,289 |

The fair value of the land was determined by the independent valuator "Drustvo za ulugi Centar za procena DOO Skopje" as at 31 December 2023, applying the methodology for valuation of land published in Official Gazette of Republic of North Macedonia. The revaluation surplus/deficit was credited to other reserves within shareholders' equity [Note 15].

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

7. INTANGIBLE ASSETS

| | Trademarks and licenses | Software and Internally generated intangibles | Other assets | Construction in progress | Total |
|---|----------------------------|--|-----------------|-----------------------------|------------------|
| Cost or valuation | | | | | |
| At January 1, 2022 | 371,199 | 3,455,320 | 112,718 | 49,230 | 3,988,467 |
| Additions | - | 482 | 868 | 402,756 | 404,106 |
| Transfer from construction in progress | - | 380,947 | 10,256 | (391,203) | - |
| Elimination | (23) | (3,076) | - | (160) | (3,259) |
| Translation differences | (503) | 303 | 620 | - | 420 |
| As at December 31, 2022 | 370,673 | 3,833,976 | 124,462 | 60,623 | 4,389,734 |
| Accumulated amortization | | | | | |
| At January 1, 2022 | 355,664 | 1,652,904 | 82,338 | - | 2,090,906 |
| Charge for the year | 6,494 | 310,310 | 8,177 | - | 324,981 |
| Elimination | (23) | (3,076) | - | - | (3,099) |
| Translation differences | (3) | 326 | 121 | - | 444 |
| As at December 31, 2022 | 362,132 | 1,960,464 | 90,636 | - | 2,413,232 |
| Net book value as at December 31, 2022 | 8,541 | 1,873,512 | 33,826 | 60,623 | 1,976,502 |
| Cost or valuation | | | | | |
| At January 1, 2023 | 370,673 | 3,833,976 | 124,462 | 60,623 | 4,389,734 |
| Additions | 68 | 14,053 | 436 | 501,175 | 515,732 |
| Transfer from construction in progress | - | 489,122 | 6,913 | (496,035) | - |
| Elimination | - | (1,081) | - | (3,640) | (4,721) |
| Translation differences | (500) | (1,379) | 116 | 1 | (1,762) |
| As at December 31, 2023 | 370,241 | 4,334,691 | 131,927 | 62,124 | 4,898,983 |
| Accumulated amortization | | | | | |
| At January 1, 2023 | 362,132 | 1,960,464 | 90,636 | - | 2,413,232 |
| Charge for the year | 3,655 | 328,793 | 7,693 | - | 340,141 |
| Elimination | - | (1,043) | - | - | (1,043) |
| Translation differences | - | (1,343) | (386) | - | (1,729) |
| As at December 31, 2023 | 365,787 | 2,286,871 | 97,943 | - | 2,750,601 |
| Net book value as at December 31, 2023 | 4,454 | 2,047,820 | 33,984 | 62,124 | 2,148,382 |

The net book value of software is Denar 57,608 thousand (2022: Denar 71,093 thousand), and the rest of the amount is internally generated intangibles.

FINANCES & CONSOLIDATED FINANCIAL REPORT

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

8. FINANCIAL INSTRUMENTS

Capital risk management

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

| | 2023 | 2022 |
|---------------------------|------------|------------|
| Debt | 1,869,711 | 1,489,667 |
| Cash and cash equivalents | (467,955) | (287,400) |
| Net debt | 1,401,756 | 1,202,267 |
| Equity | 13,791,033 | 12,507,915 |
| Net debt to equity ratio | 10.16% | 9.61% |

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:

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 North Macedonia.

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

| | Liabilities | | Assets | |
|------------------|-------------|-----------|-----------|-----------|
| | 2023 | 2023 | 2023 | 2023 |
| EUR | 1,789,277 | 1,462,054 | 1,767,663 | 1,363,222 |
| RUR | 101,456 | 91,218 | 185,669 | 288,741 |
| USD | 297,186 | 213,131 | 13,410 | 8,191 |
| CHF | 10,280 | 13,268 | 16,384 | 10,345 |
| Other currencies | 240,684 | 273,612 | 992,040 | 892,294 |

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

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 amount below indicates an increase in profit in Consolidated Income Statement, while a negative amount indicates a decrease.

| | Increase of 10% | | Decrease of 10% | |
|--|-----------------|-----------------|-----------------|---------------|
| | 2023 | 2022 | 2023 | 2022 |
| EUR | 2,161 | 9,883 | (2,161) | (9,883) |
| RUR | (8,422) | (19,752) | 8,422 | 19,752 |
| USD | 28,378 | 20,494 | (28,378) | (20,494) |
| CHF | (610) | 292 | 610 | (292) |
| Other currencies | (75,136) | (61,869) | 75,136 | 61,869 |
| Impact on the income statement and equity | (53,629) | (50,952) | 53,629 | 50,952 |

The Group's sensitivity to foreign currency rates has increased during the current period mainly due to the increase in foreign trade receivables and liabilities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

8. FINANCIAL INSTRUMENTS (Continued)

Interest rate risk

The Group is exposed to interest risk arising from variable interest rate on borrowings, which depend on the financial market trends.

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

| | Increase of 10% | | Decrease of 10% | |
|------------------------------------|-----------------|----------------|-----------------|--------------|
| | 2023 | 2022 | 2023 | 2022 |
| Borrowings | 4,071 | 2,605 | (4,071) | (2,605) |
| Income statement and equity | (4,071) | (2,605) | 4,071 | 2,605 |

Had the interest rates been 10% higher the Group's profit for the year ended December 31, 2023 and retained earnings would have decreased by Denar 4,071 thousand and vice versa, had the interest rates been 10% lower, the Group's profit for the year ended December 31, 2023 and retained earnings would have increased by Denar 4,071 thousand.

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 maturities of its financial liabilities:

| 2023 | Less than 1 month | 1 - 3 months | 3 - 12 months | 12 - 60 months | Total |
|----------------|-------------------|------------------|------------------|----------------|------------------|
| Trade payables | 1,656,711 | 1,159,481 | 258,649 | 10,991 | 3,085,832 |
| Borrowings | 36,093 | 78,681 | 1,070,536 | 748,017 | 1,933,327 |
| | 1,692,804 | 1,238,162 | 1,329,185 | 759,008 | 5,019,159 |
| 2022 | Less than 1 month | 1 - 3 months | 3 - 12 months | 12 - 60 months | Total |
| Trade payables | 1,401,407 | 872,587 | 270,553 | 7,804 | 2,552,351 |
| Borrowings | 22,142 | 74,496 | 804,149 | 588,880 | 1,489,667 |
| | 1,423,549 | 947,083 | 1,074,702 | 596,684 | 4,042,018 |

The following tables detail the Group's remaining contractual maturities of its financial assets:

| 2023 | Less than 1 month | 1 - 3 months | 3 - 12 months | 12 - 60 months | Total |
|---------------------------|-------------------|------------------|----------------|----------------|------------------|
| Trade receivables | 1,318,827 | 1,355,449 | 174,447 | - | 2,848,723 |
| Cash and cash equivalents | 467,955 | - | - | - | 467,955 |
| | 1,786,782 | 1,355,449 | 174,447 | - | 3,316,678 |
| 2022 | Less than 1 month | 1 - 3 months | 3 - 12 months | 12 - 60 months | Total |
| Trade receivables | 1,197,069 | 1,252,669 | 157,195 | - | 2,606,933 |
| Cash and cash equivalents | 287,400 | - | - | - | 287,400 |
| | 1,484,469 | 1,252,669 | 157,195 | - | 2,894,333 |

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

8. FINANCIAL INSTRUMENTS (Continued)

Credit risk

The following table represents Company exposure to credit risk as of 31 December 2023 and 31 December 2022:

| | 2023 | 2022 |
|-------------------------------|------------------|------------------|
| Cash and cash equivalents | 466,702 | 286,395 |
| Trade receivables | 2,848,723 | 2,606,933 |
| Other receivables - financial | 727,501 | 499,147 |
| | 4,042,926 | 3,392,475 |

Cash and cash equivalents in the table above excludes cash on hand as no credit risk exists for this category.

The receivables are summarized as follows:

| | 31 December 2023 | 31 December 2022 |
|--------------------------------|-------------------|-------------------|
| | Trade receivables | Trade receivables |
| Neither past due nor impaired | 2,241,952 | 2,070,379 |
| Past due but not impaired | 606,771 | 536,554 |
| Impaired | 229,918 | 232,604 |
| Gross | 3,078,641 | 2,839,537 |
| Less: allowance for impairment | (229,918) | (232,604) |
| Net | 2,848,723 | 2,606,933 |

Neither past due nor impaired

Trade receivables of MKD 2,241,952 thousand (2022: MKD 2,070,379 thousand) were neither past due nor impaired. These relate mainly to customers for which there is no recent history of default and the Group has longterm cooperation.

Past due but not impaired

Trade receivables of MKD 606,771 thousand (2022: MKD 536,554 thousand) were neither past due nor impaired. These relate mainly to customers for which there is no recent history of default and the Group has longterm cooperation.

The ageing structure of the receivables past due, but not impaired as of December 31, 2023 and 2022 is as follows:

| | 2023 | 2022 |
|------------------------|----------------|----------------|
| Less than 30 days | 284,390 | 220,591 |
| Between 31 and 60 days | 178,566 | 171,380 |
| Between 61 and 90 days | 97,678 | 135,543 |
| Over 90 days | 46,137 | 9,040 |
| | 606,771 | 536,554 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

8. FINANCIAL INSTRUMENTS (Continued)

Credit risk arising from cash and cash equivalents

Management is focused on dealing with most reputable banks in foreign and domestic ownership on the domestic market. Even though most of the financial institutions and commercial banks in North Macedonia do not have a credit rating assigned by the credit rating companies, the Group prudently chooses the banks for its placements. The Group focuses its analyses mainly on the following: net assets, profitability, portfolio, customer base. When the analyses provide positive score, the selection is performed. The Company collaborates with reputable banks in Republic of North Macedonia and the main focus are the largest banks (as per the National bank classification). In relation to the cash in the other countries where the Parent Company has its own subsidiaries, the Group in the analyses applies the risk grades estimated by external international rating agencies (Fitch, Moody's)

The following table discloses the cash and cash equivalents per bank:

| | 2023 | 2022 |
|-------------------------------|----------------|----------------|
| Domestic banks | 219,655 | 67,454 |
| Banca Intesa Serbia (BBB) | 10,054 | 1,620 |
| ProCredit Bank Serbia (BBB-) | 39,653 | 43,339 |
| OTP Serbia (Baa1) | 17,094 | 196 |
| Societe Serbia | 271 | - |
| OTP Croatia (Baa1) | 255 | 313 |
| Raiffeisenbank Croatia (BBB+) | 19,311 | 30,500 |
| ZABA Croatia (BBB) | 26,623 | 16,039 |
| UniCredit Slovenia | 25,601 | 33,724 |
| NLB Slovenia (BBB+) | 7,174 | 356 |
| SKB Slovenia (BBB+) | 10,103 | 1,876 |
| Other foreign banks | 90,908 | 90,978 |
| | 466,702 | 286,395 |

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

9. AVAILABLE-FOR-SALE FINANCIAL ASSETS

| | 2023 | 2022 |
|--------------------------|--------------|--------------|
| At January 1 | 8,551 | 8,867 |
| Additions | 1,113 | 30 |
| Disposals | (433) | (346) |
| As at December 31 | 9,231 | 8,551 |

Available-for-sale financial assets consist of:

| | 2023 | 2022 |
|---|--------------|--------------|
| Available-for-sale financial assets in non-quoted companies | 2,679 | 2,405 |
| Available-for-sale financial assets in quoted companies | 6,552 | 6,146 |
| Available-for-sale financial assets in non-related parties | 9,231 | 8,551 |

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

| | 2023 | 2022 |
|-------------------------------|------------------|------------------|
| Raw materials | 1,807,971 | 1,714,002 |
| Spare parts | 1,029 | 1,104 |
| Tools and consumable supplies | 2,417 | 3,254 |
| Work in progress | 413,588 | 353,901 |
| Finished goods | 2,288,319 | 1,938,744 |
| Trading goods | 1,064,569 | 888,067 |
| | 5,577,893 | 4,899,072 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

11. TRADE RECEIVABLES

| | 2023 | 2022 |
|---|------------------|------------------|
| Trade receivables | 3,078,641 | 2,839,537 |
| Less: Provision for impairment of receivables | (229,918) | (232,604) |
| Trade receivables - net | 2,848,723 | 2,606,933 |

Changes in the provision are as follows:

| | 2023 | 2022 |
|----------------------------------|----------------|----------------|
| At January 1 | 232,604 | 240,057 |
| Provision for the year | 96 | 47 |
| Write off | (2,587) | (7,419) |
| Collected bad and doubtful debts | (256) | (1,179) |
| Translation differences | 61 | 1,098 |
| As at December 31 | 229,918 | 232,604 |

Ageing of impaired trade receivables are as follows:

| | 2023 | 2022 |
|--------------------------|----------------|----------------|
| Up to 1 year | - | - |
| Over 1 year | 229,918 | 232,604 |
| As at December 31 | 229,918 | 232,604 |

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

12. OTHER RECEIVABLES

| | 2023 | 2022 |
|----------------------------|----------------|----------------|
| Prepayments | 113,188 | 88,254 |
| Receivables from employees | 374 | 140 |
| Prepaid VAT | 340,913 | 265,147 |
| Government grants | 122,987 | - |
| Other receivables | 150,039 | 145,606 |
| | 727,501 | 499,147 |

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

| | 2023 | 2022 |
|-----------------------------------|---------|---------|
| Other receivables - financial | 263,601 | 234,000 |
| Other receivables - non financial | 463,900 | 265,147 |

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

12. OTHER RECEIVABLES (Continuing)

Other non-current receivables

Non-current receivables relate to loans to employees and prepayments for property, plant and equipment that are due more than 1 year.

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

| | 2023 | 2022 |
|--------------|--------|---------|
| Other assets | 90,692 | 307,437 |

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

| | 2023 | 2022 |
|--|-------|-------|
| | 5.25% | 1.75% |

13. CASH AND CASH EQUIVALENTS

| | 2023 | 2022 |
|-------------------------------|----------------|----------------|
| Cash balances held with banks | 464,797 | 285,099 |
| Cash in hand | 1,253 | 1,005 |
| Other | 1,905 | 1,296 |
| | 467,955 | 287,400 |

14. SHARE CAPITAL

| | Ordinary shares | Treasury shares | Total |
|--------------------------------|------------------|------------------|------------------|
| At January 1, 2022 | 2,220,127 | (109,285) | 2,110,842 |
| Purchase of treasury shares | - | - | - |
| As at December 31, 2022 | 2,220,127 | (109,285) | 2,110,842 |
| Purchase of treasury shares | - | - | - |
| As at December 31, 2023 | 2,220,127 | (109,285) | 2,110,842 |

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 in. As of 31.12.2023, the number of voting shares is 1,405,509 shares.

During 2023 no shares were acquired. The total number of treasury shares is 22,557. The number of 3,287 shares is reserved for former proprietors of which 3,228 are priority shares and 59 are ordinary shares.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

15. OTHER AND LEGAL RESERVES

| | Transfer of reserves | Land | Investments in equity instruments | Fund for shares | Total |
|--------------------------------|----------------------|------------------|-----------------------------------|-----------------|------------------|
| At January 1, 2022 | (9,604) | 1,449,460 | 4,416 | 212,132 | 1,656,404 |
| Increase (Note 9) | - | - | (316) | - | (316) |
| Translation differences | - | 4,145 | - | - | 4,145 |
| As at December 31, 2022 | (9,604) | 1,453,605 | 4,100 | 212,132 | 1,660,233 |
| Increase (Note 9) | - | - | 680 | - | 680 |
| Revaluation | - | 446,882 | - | - | 446,882 |
| Translation differences | - | (24,620) | - | - | (24,620) |
| As at December 31, 2023 | (9,604) | 1,875,867 | 4,780 | 212,132 | 2,083,175 |

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

- Revaluation reserves for land are created based on valuation of the land. These reserves are not distributable to shareholders.
- The reserves for Investments in equity instruments are created based on valuation of investments. These reserves are not distributable to shareholders.
- Funds for shares are created from retained earnings based on the relevant decision of the Shareholder assembly and are distributable to shareholders if not utilized.

| | | | Legal reserves |
|--------------------------------|--|--|----------------|
| At January 1, 2022 | | | 620,479 |
| Increase | | | 2,181 |
| Decrease | | | - |
| FX differences | | | 708 |
| As at December 31, 2022 | | | 623,368 |
| Increase | | | 2,318 |
| Decrease | | | - |
| FX differences | | | 946 |
| As at December 31, 2023 | | | 626,632 |

The Group shall have a mandatory general reserve as a general reserve fund established by retaining funds from the net profit. This reserve shall be calculated and allocated as percentage determined in the company's agreement, that is, the statute and cannot be less than 5% of the profit until the reserve of the company reach an amount equal to one tenth of the basic capital. If the reserve generated in this way decreases, it has to be supplemented in the same manner.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

16. BORROWINGS

| | 2023 | 2022 |
|------------------------|------------------|------------------|
| Non-current borrowings | 714,239 | 588,881 |
| Current borrowings | 1,155,472 | 900,786 |
| | 1,869,711 | 1,489,667 |

The maturity of the borrowings is as follows:

| | 2023 | 2022 |
|-----------------------|------------------|------------------|
| Up to 1 year | 1,155,472 | 900,786 |
| Between 1 and 3 years | 714,239 | 588,881 |
| | 1,869,711 | 1,489,667 |

The borrowings are denominated in following currencies:

| | 2023 | 2022 |
|-------|------------------|------------------|
| EUR | 206,072 | 261,756 |
| MKD | 1,663,461 | 1,227,718 |
| Other | 178 | 193 |
| | 1,869,711 | 1,489,667 |

The effective interest rates at the reporting date were as follows:

| | December 31, 2023 | | | December 31, 2022 | | |
|----------------|-------------------|-----|----------|---------------------|-----|----------|
| | EUR | USD | MKD | EUR | USD | MKD |
| Fixed interest | | | | 3 - 6 month EURIBOR | | |
| Interest rates | +0.89 – 4.4% | - | 1.6-3.4% | +0.59 – 1.3% | - | 1.4-2.7% |

As at 31 December 2023, the Parent Company maintains the financial ratios (debt ratio in relation to equity and EBITDA and total equity/total assets) determined based on the agreement signed with the banks.

17. RETIREMENT BENEFIT OBLIGATIONS

| | 2023 | 2022 |
|---------------------|---------------|---------------|
| Retirement benefits | 59,698 | 58,693 |

The retirement benefits are calculated based on the Group's legal obligation to pay two monthly net salaries to a vesting employee on the retirement date according to the actuarial calculation.

The amounts recognized in the Income statement are as follows:

| | 2023 | 2022 |
|------------------------------|---------------|---------------|
| Beginning of the year | 58,693 | 58,995 |
| Increase in calculation | 1,002 | - |
| Foreign exchange differences | 3 | (302) |
| As at December 31 | 59,698 | 58,693 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

17. RETIREMENT BENEFIT OBLIGATIONS (Continuing)

The principal actuarial assumptions used were as follows:

- Average monthly salary based on public available data in Republic of North Macedonia in the last three months of the year 2023;
- Retirement condition: 64 years (men) and 62 years (women) as well as 15 years working experience;
- Nominal annual increase of the salary

| | 2023 | 2022 |
|---------------|-------|-------|
| Discount rate | 3.58% | 3.00% |

18. DEFERRED TAX

| | 2023 | 2022 |
|--------------------------|---------------|---------------|
| Deferred tax assets | 24,243 | 27,980 |
| Deferred tax liabilities | (4,410) | (5,889) |
| | 19,833 | 22,091 |

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

| | 2023 | 2022 |
|---|---------------|---------------|
| At January 1, | 22,091 | 16,257 |
| Deferred tax included in the income statement (Note 27) | 3,239 | (8,759) |
| Realized deferred tax liabilities | (5,497) | 14,593 |
| As at December 31, | 19,833 | 22,091 |

The movements on deferred tax assets and (liabilities), net were as follows:

| | Accruals | Fair value | Total |
|-----------------------------------|---------------|------------|---------------|
| At January 1, 2022 | 16,257 | - | 16,257 |
| Charged to the income statement | (8,759) | - | (8,759) |
| Realized deferred tax liabilities | 14,593 | - | 14,593 |
| As at December 31, 2022 | 22,091 | - | 22,091 |
| Charged to the income statement | 3,239 | - | 3,239 |
| Realized deferred tax liabilities | (5,497) | - | (5,497) |
| As at December 31, 2023 | 19,833 | - | 19,833 |

19. TRADE AND OTHER PAYABLES

| | 2023 | 2022 |
|-------------------------------|------------------|------------------|
| Trade payables | 3,085,832 | 2,552,351 |
| Customer's prepayments | 32,709 | 31,692 |
| Payables to employees | 234,162 | 196,755 |
| Dividends | 9,304 | 9,304 |
| Deferred subsidies revenues | 403,743 | 385,447 |
| Provisions and other payables | 425,022 | 318,791 |
| | 4,190,772 | 3,494,340 |

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

20. OTHER INCOME

| | 2023 | 2022 |
|------------------------------------|----------------|------------------|
| Collected written-off receivables | 25 | - |
| Interest income | 3,614 | 5,070 |
| Foreign exchange transaction gains | 226,119 | 811,657 |
| Subsidies revenues | 100,410 | 89,565 |
| Other income | 110,695 | 154,470 |
| | 441,058 | 1,060,762 |

21. OTHER EXPENSES

| | 2023 | 2022 |
|-------------------------------------|----------------|----------------|
| Interest expenses | 1,728 | 685 |
| Foreign exchange transaction losses | 313,094 | 795,207 |
| Write off and shortage of inventory | 120,339 | 84,505 |
| Other expenses | 36,547 | 50,296 |
| | 471,707 | 930,693 |

22. EXPENSES BY NATURE

| | 2023 | 2022 |
|---------------------------------|-------------------|-------------------|
| Raw materials | 4,300,596 | 3,826,386 |
| Employee benefit expense | 3,795,651 | 3,268,686 |
| Depreciation and amortization | 927,191 | 867,731 |
| Energy | 330,632 | 434,744 |
| Impairment of trade receivables | 96 | 47 |
| Transportation | 217,223 | 183,254 |
| Changes in the inventories | (163,812) | (303,510) |
| Cost of trading goods | 2,777,980 | 2,255,705 |
| Lease | 252,653 | 217,793 |
| Marketing | 1,567,961 | 1,286,332 |
| Other expenses | 653,369 | 711,986 |
| | 14,659,540 | 12,749,154 |

In the category "Other expenses" an amount of MKD 31,002 thousands is related to the solidarity tax. In accordance with the Solidarity tax law published in Official Gazette at 25 September 2023, this represent one-off tax for 2023. The calculation and payment of the solidarity tax for the year 2023 the Parent Company has performed in accordance with the Solidarity Tax Law.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

23. EMPLOYEE BENEFIT EXPENSES

| | 2023 | 2022 |
|--|------------------|------------------|
| Gross salaries | 3,339,874 | 2,867,484 |
| Other employees benefits | 455,777 | 401,202 |
| | 3,795,651 | 3,268,686 |
| Number of employees as at 31 December | 2,843 | 2,617 |

24. 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.

| Minimum operating leasing | 2023 | 2022 |
|------------------------------------|----------------|----------------|
| | 252,653 | 217,793 |
| | 252,653 | 217,793 |
| Future non-cancellable obligations | 2023 | 2022 |
| Up to 1 year | 144,790 | 182,571 |
| Between 2 to 5 years | 259,341 | 191,849 |
| | 404,131 | 374,420 |

25. FINANCE EXPENSES

| | 2023 | 2022 |
|---|-----------------|-----------------|
| Net foreign exchange transaction (losses)/gains on borrowings | (79) | (152) |
| Interest expense on borrowings | (37,050) | (26,047) |
| | (37,129) | (26,199) |

26. INCOME TAX

| | 2023 | 2022 |
|------------------------------|----------------|----------------|
| Current income tax | 205,557 | 189,105 |
| Deferred income tax (Note18) | 3,239 | (8,759) |
| | 208,796 | 180,346 |

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

26. INCOME TAX (Continuing)

The income tax reconciliation for the year 2023 and 2022 is presented in the table below:

| | 2023 | 2022 |
|-----------------------------------|------------------|------------------|
| Profit before tax | 1,785,660 | 1,643,767 |
| Tax calculated at tax rate of 10% | 165,184 | 153,313 |
| Expenditure reconciliation | 132,935 | 115,776 |
| Tax allowances | (92,562) | (79,984) |
| Deferred income tax | 3,239 | (8,759) |
| Income tax | 208,796 | 180,346 |
| Effective tax rate | 11.69% | 10.97% |

27. EARNINGS PER SHARE

| | 2023 | 2022 |
|--|-----------------|-----------------|
| Basic earnings per share | | |
| Profit attributable to the shareholders (In Denar) | 1,576,864,006 | 1,463,420,874 |
| Weighted average number of shares outstanding | 1,405,509 | 1,405,509 |
| Basic earnings per share (in Denar) | 1,121.92 | 1,041.20 |

28. DIVIDENDS

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

The dividends approved by shareholders on April 3, 2023 amounted to Denar 701,363 thousands for the year ended December 31, 2022. The approved dividends were paid and retained earnings appropriately decreased. The dividend and the tax related to the dividend are disclosed as decrease of retained earnings.

29. COMMITMENTS

Capital expenditures contracted for acquisition of property, plant and equipment at the reporting date but not yet incurred amount to Denar 175,728 thousand (2022: Denar 657,379 thousand).

30. CONTINGENT LIABILITIES

The Group has contingent liabilities with respect to the guaranties issued to third parties in the amount of Denar 461,774 thousand (2022: Denar 422,051 thousand).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31. RELATED PARTY TRANSACTIONS

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

Key management compensations

The management team of Alkaloid consists of 160 individuals, including members of the Management Board. In the reporting year, the total allowances for gross salaries and awards, annual leave allowance, New Year's bonus, management insurance, severance pay, jubilee awards, and private health insurance for the management team amounted to a total of MKD 735.5 million (2022: MKD 730.4 million) on a gross basis. This amount comprises MKD 586.4 million (2022: MKD 577.1 million) fixed compensation and MKD 149.1 million (2022: MKD 153.3 million) variable compensation. No compensations were paid to the Management Board members for the purpose of participation in the Management Board. In 2023, the amount of MKD 4,799 thousand were paid to the Supervision Board members (2022: 4,438 thousand).

32. EXCHANGE RATES OF PRINCIPAL CURRENCIES

The exchange rates used for translation on 31 December 2023 and 31 December 2022 were as follows:

| Closing rates: | 31 Dec 2023 | 31 Dec 2022 |
|----------------|-------------|-------------|
| EUR | 61.50 | 61.49 |
| RUR | 0.61 | 0.78 |
| USD | 55.65 | 57.65 |
| CHF | 66.41 | 62.45 |

33. TAXATION RISK

The Republic of North Macedonia currently has several tax laws in effect, as imposed by the Ministry of Finance of the Republic of North Macedonia. The applicable taxes include: value added tax, corporate income tax, and personal income tax, among others. Apart from that, the regulations governing these taxes were not enforced for substantial periods of time; in contrast to similar legislation in more developed market economies. Moreover, the regulations defining the implementation of these laws are often unclear or non-existent. Hence, few precedents with regard to tax issues have been established in the Republic of North Macedonia. Often, contrary opinions pertaining to legal interpretations exist both among, and within, governmental ministries and organizations, thus creating uncertainties and areas of legal contention. Tax returns, together with all other areas regulated by the law (such as customs) are reviewed and controlled by competent authorities by several authorized vested in powers to assess severe fines and penalties.

The Company performs significant transactions with its related parties. Although the management believes that the Company possesses sufficient and adequate documentation on transfer prices, it is still uncertain whether the tax and other authorities' requirements and interpretations of the tax legislation will differ from those of the management. The management believes that any varying interpretations will have no material effects on the Company's consolidated financial statements.

The interpretation of tax legislation by tax authorities as applied to the transactions and activity of the Company may not coincide with that of the management. As a result, transactions may be challenged by tax authorities and the Company may be assessed additional taxes, penalties and interest, which can be significant. The periods remain open to review by the tax and customs authorities with respect to tax liabilities for five years. The abovementioned explanations pose tax risks in the Republic of North Macedonia which are materially more significant than those common in the countries with more developed tax systems.

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34. EVENTS AFTER THE REPORTING PERIOD

On 24 February 2022, Russia engaged in military actions on Ukraine territory.

Following these events, the Group has taken necessary measures to protect its employees, and tries to provide safety conditions.

As of 31 December 2023, the Group has exposures arising from the operations in the two countries directly affected by the conflict, as follows:

| in MKD 000 | Russia | | | Ukraine | | |
|---|-------------------|----------------|------------------|-------------------|------------|----------------|
| | Trade receivables | Inventory | Revenue | Trade receivables | Inventory | Revenue |
| Balance as of 12/31/2023 | 14,883 | 359,861 | 2,255,049 | 63,850 | / | 386,010 |
| Subsequent collection of receivables (in 2024, to date) | (4,597) | / | / | (59,258) | / | / |
| Subsequent sales of the inventories (in 2024, to date) | / | (359,861) | / | / | / | / |
| Net exposure | 10,286 | 0 | N/A | 4,592 | N/A | N/A |

The Group includes 100% owned subsidiary in Russia OOO Alkaloid RUS, Moscow through which the Group generated 14% of consolidated revenue during the 12 months period ended as of 31 December 2023. In addition, the Group includes 100% owned subsidiary in Ukraine TOV Alkaloid Kiev which has no significant business operation yet. However, the parent Company makes direct sales to third parties on the Ukraine market, which represented 2% of consolidated revenue for the year ended 31 December 2023.

Since most of receivables and inventories held on these two markets as of 31 December 2023 have been subsequently realized, management of the Group believes that no adjustments are needed on the amounts presented in the consolidated financial statements for the year then ended.

As the conflict continues to evolve, it is challenging to predict the full extent and duration of its business and economic implications. Consequently, these circumstances may impact Group members with challenges relating to the business operations mostly in Russia and Ukraine due to the respective governmental bodies measures and policies which have already been implemented or might be implemented in the future.

The Group management is closely monitoring developments that may impact trading activities including sanctions, actions by governments and developments in Ukraine itself. Management will further assess the impact on business operations and will take any potential actions needed, as facts and circumstances are subject to change and may be influencing trading strategies and barriers in the markets affected by the conflict. At this stage, management is not able to reliably estimate prolonged impact on Group future revenues and overall business, since the events are unfolding day-by-day.

There have been no events that would require additional disclosures in or any adjustments to the consolidated financial statements (adjusting events) until the date of their issuance.



CONTACTS

CONTACTS

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CORPORATE CONTACTS

(in alphabetical order)

CORPORATE SERVICES



Corporate Compliance Officer

Corporate Data Protection Officer

Corporate Legal Department

Corporate Legal Department – Legal Affairs for EU and new markets

Corporate Legal Department – Legal Affairs for MKD, Western Balkans, CIS, UA

Corporate Secretary

Finances

General Affairs

Human Resources

Information Technology and Telecommunications

Internal Audit Department

Logistics

Marketing Communications

Personnel Affairs

Production Planning

Quality Assurance

Shareholders, Property Issues

SUBSIDIARIES



Albania
Bosnia and Herzegovina
Bulgaria
CIS Region
Croatia
Kazakhstan
Kosovo
Montenegro
Romania
Serbia
Slovenia
Switzerland
Türkiye
Ukraine
United Kingdom
USA

ALKALOID KONS



Finances
Logistics
Pharmacovigilance
Quality Assurance
Regulatory Affairs
Sales & Marketing Medical Devices
Sales & Marketing Medicinal Products
Sales & Marketing Operational Activities

PC PHARMACEUTICALS



Business Development
Cluster Eastern Europe (CEE)
Cluster Western Balkans (CWB)
Global Medical and Safety
Global Pharmacovigilance
Hospital Sales Department, CWB
Innovations, Strategic Projects, M&As
Packaging Development and Data Management
Production Pharmaceuticals
Regulatory Affairs
Research & Development and Regulatory Affairs
Sales N. Macedonia, CWB
Sales Operations CEE

PC Chemistry, Cosmetics & Botanicals



Botanical Pharmacy
Business Development FMCG
Production & R&D Chemistry (Chemicals And Medical Devices)
Production, R&D, Regulatory Affairs – Botanicals
Production, R&D, Quality control - Cosmetics
Sales Chemistry
Sales FMCG - Domestic Market
Sales FMCG - Export Sales



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