

## PERFORMANCE ANALYSES

### For the period January - March 2021

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

#### Accounting policies and evaluation methods

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

#### Total revenues

The total stand alone revenues for January - March 2021 in the amount of 2.541.165 thousand denars have decreased for 2%, compared to 2020. The largest portion of 95% in the total revenues belongs to the sales revenues, which compared to 2020 have decreased for 4%.

The total consolidated revenues for January - March 2021 in the amount of 3.367.234 thousand denars have decreased for 3%, compared to 2020. The largest portion of 97% in the total revenues belongs to the sales revenues, which compared to 2020 have decreased for 3%.

#### Total expenses

The total stand alone expenses for January - March 2021 in the amount of 2.231.255 thousand denars have decreased for 3% compared to 2020.

The total consolidated expenses for January - March 2021 in the amount of 2.975.320 thousand denars have decreased for 5% compared to 2020.

#### Dividend

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

#### Investments

The total investments in non-current assets in January - March 2021 are in the amount of 178.821 thousand denars.

#### Borrowings

The total consolidated borrowings as at 31.03.2021 are in the amount of 1.049.171 thousand denars.

#### Employees

There were 58 new employments for the period January - March 2021 in Alkaloid in R.N. Macedonia. The management board of Alkaloid AD Skopje reached a decision on approval and payment of holiday allowances for its employees in March 2021 in the amount of 100% of the average net salary paid by a worker in the previous three months in R.N. Macedonia. The amount paid was MKD 31,167 gross or MKD 28,050 net. The Alkaloid Group has 2,430 employees, of which 1,860 in Alkaloid in the country and 570 employees in its subsidiaries and representative offices abroad.

**Significant Income statement positions**

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

**Stand alone sales**

Market	(In 000 MKD)				
	2021		2020		Ind
	Sales	%	Sales	%	21/20
Domestic market	801.375	33	708.987	28	113
Foreign market	1.604.760	67	1.800.786	72	89
<b>Total:</b>	<b>2.406.135</b>	<b>100</b>	<b>2.509.773</b>	<b>100</b>	<b>96</b>

**Consolidated sales**

Market	(In 000 MKD)				
	2021		2020		Ind
	Sales	%	Sales	%	21/20
<b>Domestic market</b>	<b>1.084.379</b>	<b>33</b>	<b>950.996</b>	<b>28</b>	<b>114</b>
Southeast Europe	1.119.797	34	1.203.253	36	93
Russia and CIS	330.075	10	365.268	11	90
Western Europe (EU and EFTA)	710.953	22	767.673	23	93
Other (USA, Turkey etc.)	28.022	1	80.728	2	35
<b>Total foreign market</b>	<b>2.188.847</b>	<b>67</b>	<b>2.416.922</b>	<b>72</b>	<b>91</b>
<b>Total:</b>	<b>3.273.226</b>	<b>100</b>	<b>3.367.918</b>	<b>100</b>	<b>97</b>

Out of the total consolidated sales, 67% were realized in the foreign market. The minimal decrease in sales in the first quarter of 2021 compared to the same period last year is due to the increase of the security level of stocks of medicinal products among large number of our customers, especially in the export markets, realized in March 2020 and triggered by the COVID 19 pandemic.

Group of products	(In 000 MKD)				
	2021		2020		Ind
	Sales	%	Sales	%	21/20
Antibiotics	624.529	19	713.895	21	87
OTC products	689.726	21	742.854	22	93
Cardiovascular products	474.643	15	452.195	13	105
Neurological products	461.062	14	409.613	12	113
Other	306.408	9	282.365	8	109
<b>Total products - Alkaloid</b>	<b>2.556.368</b>	<b>78</b>	<b>2.600.922</b>	<b>77</b>	<b>98</b>
Commodities	325.001	10	330.041	10	98
Sevices and other revenue	13.737	0	18.902	1	73
<b>Total Pharmaceuticals</b>	<b>2.895.106</b>	<b>88</b>	<b>2.949.865</b>	<b>88</b>	<b>98</b>
<b>Total Chemistry</b>	<b>90.372</b>	<b>3</b>	<b>80.148</b>	<b>2</b>	<b>113</b>
<b>Total Cosmetics</b>	<b>219.177</b>	<b>7</b>	<b>220.028</b>	<b>7</b>	<b>100</b>
<b>Total Botanicals</b>	<b>68.571</b>	<b>2</b>	<b>117.877</b>	<b>3</b>	<b>58</b>
<b>Total:</b>	<b>3.273.226</b>	<b>100</b>	<b>3.367.918</b>	<b>100</b>	<b>97</b>

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

	(In 000 MKD)				
	2021		2020		Ind
	Amount	% in Sales	Amount	% in Sales	21/20
Stand alone EBITDA	514.699	21	460.989	18	112
Consolidated EBITDA	606.551	19	541.246	16	112

**Net profit**

	(In 000 MKD)				
	2021		2020		Ind
	Amount	% in Sales	Amount	% in Sales	21/20
Stand alone Net profit	283.499	12	256.095	10	111
Consolidated Net profit	346.686	11	314.486	9	110

Stand alone Net profit for 2021 is 283.499 thousand denars, which compared to last year has increased for 11%.

Consolidated Net profit for 2021 is 346.686 thousand denars, which compared to last year has increased for 10%.

**Business plan 2021**

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

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

**Expectations for the upcoming period**

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