

PERFORMANCE ANALYSIS for the January - March 2025 period

According to the unaudited stand-alone and consolidated Income Statement for the January - March 2025 period, ALKALOID AD Skopje achieved positive financial results.

Accounting policies and evaluation methods

In 2025, changes were made to the accounting policies and valuation methods of the positions in the financial statements of ALKALOID AD Skopje in accordance with the Rulebook on Accounting Records, published in the Official Gazette of the RM No. 75/24 on April 3, 2024.

Total revenues

The total stand-alone revenues for the January – March 2025 period in the amount of MKD 3,656,314 thousand have increased by 4%, compared to the revenues realized in the same period in 2024. The largest portion of 95% in the total revenues belongs to the sales revenues, which compared to 2024 have increased by 1%.

The total consolidated revenues for the January – March 2025 period in the amount of MKD 5,398,565 thousand have increased by 8%, compared to the revenues realized in the same period in 2024. The largest portion of 96% in the total revenues belongs to the sales revenues, which compared to 2024 have increased by 6%.

Total expenses

The total stand-alone expenses for the January - March 2025 period in the amount of MKD 3,207,815 thousand have increased by 3% compared to the expenses realized in the same period in 2024.

The total consolidated expenses for the January - March 2025 period in the amount of MKD 4,836,177 thousand have increased by 9% compared to the expenses realized in the same period in 2024.

Shares

The shares of ALKALOID AD Skopje have been listed since 2002 and stand as one of the most traded and most liquid shares on the Macedonian Stock Exchange. The price of ALKALOID AD Skopje shares ranged from MKD 26,800.00 to MKD 31,099.00 in the January-March 2025 period, with an average of MKD 28,966.38 per share. The share price movement followed the average annual growth trend, driven by the consistent and transparent reporting of the company's positive performance, favorable public opinion, confidence in our products and management, and the general trend in global and regional stock exchanges. On 31.03.2025, 6,188 individuals and companies held ALKALOID AD Skopje shares, while its market capitalization was MKD 39.4 billion.

On April 1st 2025, the Annual Shareholders' Assembly approved the calculation and payment of gross dividend for 2024 in the amount of MKD 901,752 thousand. In accordance with the dividend calendar, the payment of the dividend will commence in May 2025 in the amount of MKD 630 gross i.e. MKD 567 net-dividend for one ordinary share. The dividend per share for 2024 is 16.67% higher than the dividend paid per share for 2023.

Capital expenditures

In the January – March 2025 period a total of MKD 256,658 thousand has been invested in fixed assets.

Borrowings

The total consolidated borrowings as at 31.03.2025 are in the amount of MKD 2,284,820 thousand.

Employees

In the January – March 2025 period, ALKALOID AD Skopje recruited 13 new employees in the R.N. Macedonia. In March 2025 the Management Board of ALKALOID AD Skopje decided to approve and pay holiday allowance to its employees in the amount of MKD 44,500 net. The ALKALOID Group has 3,046 employees, of which 2,288 in the country and 758 in its subsidiaries and representative offices abroad.

Significant Income statement positions

The achieved stand-alone and consolidated results for the January - March 2025 period, the proportions, dynamics and comparison with the previous year are as follows:

Stand-alone sales

Market	(In 000 MKD)				
	2025		2024		Ind
	Sales	%	Sales	%	25/24
Domestic market	926,319	27	891,410	26	104
Foreign market	2,532,075	73	2,528,332	74	100
Total:	3,458,394	100	3,419,742	100	101

Consolidated sales

Market	(In 000 MKD)				
	2025		2024		Ind
	Sales	%	Sales	%	25/24
Domestic market	1,669,279	32	1,345,469	27	124
Southeast Europe	1,315,077	25	1,273,138	26	103
Eastern Europe (CIS, UA, ...)	1,202,161	23	1,107,027	22	109
Western Europe (EU and EFTA)	972,194	19	1,164,489	24	83
Other	42,453	1	35,137	1	121
Total foreign market	3,531,885	68	3,579,791	73	99
Total:	5,201,164	100	4,925,260	100	106

Significant Income statement positions (continued)

The total consolidated sales revenues for the period January-March 2025 have increased by 6% compared to the same period last year. Compared to the planned revenues for the first quarter of 2025, they are also higher by 6%.

As a proven partner in public healthcare, the company actively participates in providing the latest rare and specialized treatments by representing renowned global pharmaceutical manufacturers, thereby significantly bolstering the national healthcare system. Despite the limited profitability of these programs, they have considerably increased the domestic market share in total consolidated sales, reaching 32%. Compared to the same period last year, domestic sales have grown by 24%.

Foreign markets account for 68% of total consolidated sales. Sales in foreign markets for the first quarter of 2025 are in line with the expected dynamics and show an 8% increase compared to the Business Plan. In the upcoming period, we expect cumulative sales in foreign markets to exceed last year's figures. The largest growth in export markets is recorded in Eastern Europe (growth of 9%) and in South-East Europe countries (growth of 3%).

Group of products	(In 000 MKD)				
	2025		2024		Ind
	Sales	%	Sales	%	25/24
Antibiotics	1,500,265	29	1,549,239	31	97
OTC products	836,477	16	927,462	19	90
Cardiovascular products	619,450	12	581,425	12	107
Neurological products	600,818	12	543,077	11	111
Other	444,959	9	364,730	7	122
Total products - ALKALOID	4,001,969	77	3,965,933	81	101
Commodities	778,225	15	476,200	10	163
Services and other revenue	23,649	0	43,296	1	55
Total Pharmaceuticals	4,803,843	92	4,485,429	91	107
Total Chemistry	93,897	2	96,785	2	97
Total Cosmetics	243,194	5	273,429	6	89
Total Botanicals	60,230	1	69,617	1	87
Total:	5,201,164	100	4,925,260	100	106

The decrease in sales of Antibiotics and OTC products is primarily due to the seasonality of colds and flu, which had a noticeable peak in the first quarter of last year, but did not recur this year. The decrease in the Cosmetics and Botanicals sales segment is mainly due to reduced and limited prices and margins across almost the entire portfolio in Macedonia and Montenegro.

Earning before interest, taxes, depreciation and amortization (EBITDA)

	(In 000 MKD)				
	2025		2024		Ind
	Amount	% in Sales	Amount	% in Sales	25/24
Stand-alone EBITDA	744,810	22	667,875	20	112
Consolidated EBITDA	928,314	18	857,944	17	108

Significant Income statement positions (continued)
Net profit

	(In 000 MKD)				
	2025		2024		Ind
	Amount	% in Sales	Amount	% in Sales	25/24
Stand-alone Net profit	407,432	12	390,911	11	104
Consolidated Net profit	491,703	9	479,529	10	103

The achieved stand-alone net profit in 2025 amounts to MKD 407,432 thousand, a 4% increase compared to the previous year.

The achieved consolidated net profit in 2025 amounts to MKD 491,703 thousand, a 3% increase compared to the previous year.

2025 Business Plan

The 2025 Business Plan, adopted by the Management Board of ALKALOID AD Skopje at its December 27th, 2024 meeting, anticipates investment of around 8% of the consolidated revenue in tangible and intangible assets, growth in consolidated sales of 8% compared to sales in 2024, and growth in pre-tax consolidated profit of 7% compared to 2024.

The 2025 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 2025 may vary from those taken into account in the Business Plan and so may actual results.

Expectations for the upcoming period

It is highly likely that the trend of operating within challenging economic conditions, which has prevailed in recent years, will persist into 2025. Key challenges such as inflation and increasing interest rates are anticipated to maintain their current levels or even experience slight declines. 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. The potential risk of a global trade war could trigger further increases in raw material prices and increased operating costs. We are closely monitoring these occurrences and are taking measures to mitigate potential effects.

We expect to sustain our growth trajectory in 2025. Building upon our ongoing investments in new manufacturing facilities, equipment, and research and development endeavors, we aim to fortify our competitive portfolio and capitalize on market expansion opportunities. In pursuit of these objectives, we will continue to recruit talent domestically and internationally, while steadfastly investing in enhancing the knowledge and skills of our workforce and in building talents.