

## **PERFORMANCE ANALYSIS** **for the January - September 2025 period**

According to the unaudited stand-alone and consolidated Income Statement for the January - September 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 – September 2025 period in the amount of MKD 10,789,845 thousand have increased by 5%, compared to the revenues realized in the same period in 2024. The largest portion of 94% in the total revenues belongs to the sales revenues, which compared to 2024 have increased by 2%.

The total consolidated revenues for the January – September 2025 period in the amount of MKD 15,742,664 thousand have increased by 9%, 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 7%.

### **Total expenses**

The total stand-alone expenses for the January - September 2025 period in the amount of MKD 9,131,160 thousand have increased by 4% compared to the expenses realized in the same period in 2024.

The total consolidated expenses for the January - September 2025 period in the amount of MKD 14,068,022 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 24,000.00 to MKD 31,099.00 in the January-September 2025 period, with an average of MKD 27,334.92 - representing a 31.7% increase compared to the same period in 2024. 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 30.09.2025, 6,395 individuals and companies held ALKALOID AD Skopje shares, while its market capitalization was MKD 36.9 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 as of May 2025 the company started paying dividend 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 – September 2025 period a total of MKD 929,290 thousand has been invested in fixed assets.

**Borrowings**

The total consolidated borrowings as at 30.09.2025 are in the amount of MKD 3,043,280 thousand.

**Employees**

In the January – September 2025 period, ALKALOID AD Skopje recruited 46 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 2,996 employees, of which 2,251 in the country and 745 in its subsidiaries and representative offices abroad.

**Significant Income statement positions**

The achieved stand-alone and consolidated results for the January - September 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	2,855,258	28	2,733,473	27	104
Foreign market	7,325,609	72	7,263,995	73	101
<b>Total:</b>	<b>10,180,867</b>	<b>100</b>	<b>9,997,468</b>	<b>100</b>	<b>102</b>

**Consolidated sales**

Market	(In 000 MKD)				
	2025		2024		Ind
	Sales	%	Sales	%	25/24
<b>Domestic market</b>	<b>5,309,380</b>	<b>35</b>	<b>4,532,449</b>	<b>32</b>	<b>117</b>
Southeast Europe	4,157,124	27	3,792,500	27	110
Eastern Europe (CIS, UA, ...)	2,857,651	19	2,772,814	19	103
Western Europe (EU and EFTA)	2,745,293	18	3,040,222	21	90
Other	121,702	1	98,141	1	124
<b>Total foreign market</b>	<b>9,881,770</b>	<b>65</b>	<b>9,703,677</b>	<b>68</b>	<b>102</b>
<b>Total:</b>	<b>15,191,150</b>	<b>100</b>	<b>14,236,126</b>	<b>100</b>	<b>107</b>

**Significant Income statement positions (continued)**

The total consolidated sales revenues for the period January-September 2025 have increased by 7% compared to the same period last year. In 2024, ALKALOID achieved an impressive 14% growth, significantly exceeding initial projections and planned growth for that year. This exceptional result set a high benchmark for 2025, where current growth is moderate but aligned with the projected dynamics. Compared to the planned sales for the first nine months of 2025, actual sales are 2% higher.

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 35%. Compared to the same period last year, domestic sales have grown by 17%.

Foreign markets account for 65% of total consolidated sales. Sales in foreign markets for the first nine months of 2025 show a 2% increase compared to the previous year. The largest growth in export markets is recorded in South-East Europe (growth of 10%). In the upcoming period, we expect cumulative sales in foreign markets to exceed last year's figures.

Group of products	(In 000 MKD)				
	2025		2024		Ind
	Sales	%	Sales	%	25/24
Antibiotics	3,451,899	23	3,775,723	27	91
OTC products	2,699,023	18	2,556,836	18	106
Cardiovascular products	1,819,066	12	1,635,242	11	111
Neurological products	1,912,040	13	1,761,636	12	109
Other	1,355,024	9	1,182,415	8	115
<b>Total products - ALKALOID</b>	<b>11,237,052</b>	<b>74</b>	<b>10,911,852</b>	<b>77</b>	<b>103</b>
Commodities	2,532,875	17	1,875,585	13	135
Services and other revenue	65,364	0	93,244	1	70
<b>Total Pharmaceuticals</b>	<b>13,835,291</b>	<b>91</b>	<b>12,880,681</b>	<b>90</b>	<b>107</b>
<b>Total Chemistry</b>	<b>291,792</b>	<b>2</b>	<b>242,515</b>	<b>2</b>	<b>120</b>
<b>Total Cosmetics</b>	<b>905,260</b>	<b>6</b>	<b>928,213</b>	<b>7</b>	<b>98</b>
<b>Total Botanicals</b>	<b>158,807</b>	<b>1</b>	<b>184,717</b>	<b>1</b>	<b>86</b>
<b>Total:</b>	<b>15,191,150</b>	<b>100</b>	<b>14,236,126</b>	<b>100</b>	<b>107</b>

The decrease in sales of Antibiotics is primarily due to the seasonality of colds and flu, which had a noticeable peak in the first half 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, Serbia and Montenegro during a certain period of the year.

**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	2,546,861	25	2,365,013	24	108
Consolidated EBITDA	2,771,617	18	2,505,447	18	111

**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	1,531,840	15	1,435,396	14	107
Consolidated Net profit	1,487,455	10	1,381,387	10	108

The achieved stand-alone net profit in 2025 amounts to MKD 1,531,840 thousand, a 7% increase compared to the previous year.

The achieved consolidated net profit in 2025 amounts to MKD 1,487,455 thousand, a 8% 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**

The trend of operating within challenging economic conditions, which has prevailed in recent years, continues 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.