

## **PERFORMANCE ANALYSES**

### **For the period January - September 2017**

According to the unaudited stand alone and consolidated Income statement for the period January - September 2017, 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 2017.

#### **Total revenues**

The total stand alone revenues for January - September 2017 in the amount of 5.382.603 thousand denars have increased for 9%, compared to 2016. The largest portion of 96% in the total revenues belongs to the sales revenues, which compared to 2016 have increased for 7%.

The total consolidated revenues for January - September 2017 in the amount of 6.868.541 thousand denars have increased for 8%, compared to 2016. The largest portion of 97% in the total revenues belongs to the sales revenues, which compared to 2016 have increased for 8%.

#### **Total expenses**

The total stand alone expenses for January - September 2017 in the amount of 4.762.037 thousand denars have increased for 9% compared to 2016.

The total consolidated expenses for January - September 2017 in the amount of 6.224.139 thousand denars have increased for 8% compared to 2016.

#### **Dividend**

The dividends approved by shareholders on 3 April 2017 were Denar 357.838 thousands or gross 250 denars for one ordinary share. Net dividend for 2016 is 225 denars for one ordinary share.

#### **Investments**

The total investments in non-current assets in January - September 2017 are in the amount of 518.374 thousand denars.

#### **Borrowings**

The total consolidated borrowings as at 30.09.2017 are in the amount of 653.067 thousand denars.

#### **New employments**

There were 92 new employments for the period January - September 2017 in Alkaloid in Republic of Macedonia.

**Significant Income statement positions**

The achieved stand alone and consolidated results for the period January - September 2017, the proportions, dynamics and comparison with the previous year are as follows:

**Stand alone sales**

Market	(In 000 MKD)				
	2017		2016		Ind
	Sales	%	Sales	%	17/16
Domestic market	1.985.444	39	1.859.892	39	107
Foreign market	3.157.767	61	2.928.468	61	108
<b>Total:</b>	<b>5.143.211</b>	<b>100</b>	<b>4.788.360</b>	<b>100</b>	<b>107</b>

**Consolidated sales**

Market	(In 000 MKD)				
	2017		2016		Ind
	Sales	%	Sales	%	17/16
<b>Macedonia</b>	<b>2.585.504</b>	<b>39</b>	<b>2.431.754</b>	<b>39</b>	<b>106</b>
Southeast Europe	2.154.926	32	2.090.058	34	103
Russia and CIS	435.953	7	402.429	7	108
Western Europe (EU and EFTA)	1.391.799	21	1.091.938	18	127
Other (USA, Turkey etc.)	78.459	1	143.977	2	54
<b>Total foreign market</b>	<b>4.061.137</b>	<b>61</b>	<b>3.728.402</b>	<b>61</b>	<b>109</b>
<b>Total:</b>	<b>6.646.641</b>	<b>100</b>	<b>6.160.156</b>	<b>100</b>	<b>108</b>

Out of the total consolidated sales, 61% were realized in the foreign market. The highest rise in export markets was seen in the following countries: Great Britain – 1.374%, Croatia - 9%, Romania – 69%, Slovenia - 13%, Hungary- 963%, Russia – 5%, Ukraine - 36%, Montenegro – 10% etc.

Group of products	(In 000 MKD)				
	2017		2016		Ind
	Sales	%	Sales	%	17/16
Antibiotics	894.267	13	728.678	12	123
OTC products	1.414.937	21	1.112.632	18	127
Cardiovascular products	1.102.312	17	1.098.681	18	100
Neurological products	866.999	13	832.700	14	104
Other	611.118	9	616.932	10	99
<b>Total products - Alkaloid</b>	<b>4.889.633</b>	<b>74</b>	<b>4.389.623</b>	<b>71</b>	<b>111</b>
Commodities	642.967	10	623.948	10	103
Sevices and other revenue	53.927	1	38.788	-	139
<b>Total Pharmaceuticals</b>	<b>5.586.527</b>	<b>84</b>	<b>5.052.359</b>	<b>82</b>	<b>111</b>
<b>Total Chemistry</b>	<b>225.432</b>	<b>3</b>	<b>203.123</b>	<b>3</b>	<b>111</b>
<b>Total Cosmetics</b>	<b>660.140</b>	<b>10</b>	<b>659.158</b>	<b>11</b>	<b>100</b>
<b>Total Botanicals</b>	<b>174.542</b>	<b>3</b>	<b>245.516</b>	<b>4</b>	<b>71</b>
<b>Total:</b>	<b>6.646.641</b>	<b>100</b>	<b>6.160.156</b>	<b>100</b>	<b>108</b>

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

	(In 000 MKD)				
	2017		2016		Ind
	Amount	% in Sales	Amount	% in Sales	17/16
Stand alone EBITDA	978.095	19	893.601	19	109
Consolidated EBITDA	1.018.511	15	920.084	15	111

**Net profit**

	(In 000 MKD)				
	2017		2016		Ind
	Amount	% in Sales	Amount	% in Sales	17/16
Stand alone Net profit	565.186	11	525.612	11	108
Consolidated Net profit	553.940	8	509.357	8	109

Stand alone Net profit for 2017 is 565.186 thousand denars, which compared to last year has increased for 8%.

Consolidated Net profit for 2017 is 553.940 thousand denars, which compared to last year has increased for 9%.