



**PHARMACEUTICAL CHEMICAL COSMETICAL INDUSTRY**

**CONSOLIDATED ANNUAL REPORT  
ON THE PERFORMANCE OF ALKALOID AD SKOPJE**

**FOR THE PERIOD JANUARY - DECEMBER 2018**

**February 2019**

## CONTENTS

1. **General information**
2. **Financial risk management**
3. **Additions to non-current assets**
4. **Dividends**
5. **Borrowings**
6. **Major transactions**
7. **Related party transactions**
8. **Share capital**
9. **Key management compensations**

### **Production and sales**

#### **Consolidated sales**

- Consolidated total sales
- Consolidated sales by segments
- Consolidated domestic market sales by segments
- Consolidated foreign market sales by segments
- Consolidated foreign market sales by regions/countries

### **Total revenues, determination and allocation of profit**

- Consolidated Income statement
- Consolidated total revenues
- Consolidated total expenses
- Consolidated Balance sheet
- Consolidated Performance indicators

### **Number of employees**

## 1. General information

Alkaloid AD Skopje, the Parent Company is a joint stock company, established and with head office in the Republic of Macedonia. The registered address of the Company is:  
Aleksandar Makedonski 12 1000 Skopje, Republic of Macedonia.

Production facilities of the Group are located in Skopje and Belgrade.

**Major business activity:** Alkaloid AD Skopje produces and sells wide range of pharmaceutical, chemical and cosmetic products, as well as goods from herbal origin. According to the Trade Registry, Alkaloid AD Skopje can perform wholesale operations and foreign trading with food and non food products.

**The main scope** is production of pharmaceutical products.

The shares of Alkaloid AD Skopje have been listed on the Macedonian Stock Exchange, since 2002.

Alkaloid AD Skopje is comprised of eighteen subsidiaries and one foundation in Republic of Macedonia and abroad. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are de-consolidated from the date that control ceases.

The Company's Annual consolidated report on the performance has been prepared in accordance with the Trade Company Law ("Official Gazette of the Republic of Macedonia" no. 28/04, 84/05, 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, 38/14, 41/14, 138/14, 88/15, 192/15, 6/16, 30/16, 61/16, 64/18 and 120/18) and the Rulebook for accounting ("Official Gazette of RM" no.159/09, 164/10 and 107/11). The consolidated report is prepared in accordance with the concept of purchase price, excluding the land property, construction buildings and available-for-sale financial assets, which are presented by their market value.

The presentation of the consolidated report on the performance in accordance with the Trade Companies Law and the Rulebook for Accounting requires management to make best estimates and reasonable assumptions that affect the amounts presented in the consolidated report. These estimations and assumptions are based on reasonable information available, as of the date of preparation of the financial statements. However, actual results may vary from these estimates.

## 2. Financial risk management

### 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 preformed 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 enough cash in foreign currencies held in banks in order to maintain its future commercial transactions.

**b) Price risk**

The Group is exposed to equity securities price risk because of available-for-sale investments 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 wholesale sales of products are made to customers with an appropriate credit history. Trade receivables consist of 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 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 has no specific policy, but in direct negotiation with lenders attempts to reduce interest rate risk. Interest rates of long-term borrowings are significantly lower than short term. Interest rates on short term borrowings are decreased in respect of previous year.

**Fair value estimation**

The fair value of available-for-sale financial assets traded in active markets is based on quoted market prices at the balance sheet 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 makes 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. Additions to non-current assets**

Additions to non-current assets include additions to property, plant and equipment and Intangibles.

Additions to non-current assets - segment reporting

<b>Segments</b>	<b>(In 000 MKD)</b>				
	<b>2018</b>		<b>2017</b>		<b>IND</b>
	<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>	<b>18/17</b>
Pharmacy	1,042,653	96	804,842	93	130
Chemistry Cosmetics Botanicals	39,084	4	56,578	7	69
<b>Total:</b>	<b>1,081,737</b>	<b>100</b>	<b>861,420</b>	<b>100</b>	<b>126</b>

**4. Dividends**

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

The dividends for 2017 approved by shareholders on 2 April 2018 were Denar 386,465 thousands. Approved dividends are paid and retained earnings are appropriately decreased.

**5. Borrowings**

<b>Borrowings</b>	<b>(In 000 MKD)</b>				
	<b>2018</b>		<b>2017</b>		<b>IND</b>
	<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>	<b>18/17</b>
Non-current	284,212	48	270,534	41	105
Current	303,990	52	381,619	59	80
<b>Total:</b>	<b>588,202</b>	<b>100</b>	<b>652,153</b>	<b>100</b>	<b>90</b>

The maturity of the borrowings is as follows:

<b>Maturity</b>	<b>(In 000 MKD)</b>				
	<b>2018</b>		<b>2017</b>		<b>IND</b>
	<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>	<b>18/17</b>
Up to 1 year	303,990	52	381,619	59	80
Between 1 to 3 years	284,212	48	270,534	41	105
<b>Total:</b>	<b>588,202</b>	<b>100</b>	<b>652,153</b>	<b>100</b>	<b>90</b>

**6. Major Transactions**

According to the Trade Company Law, Alkaloid AD Skopje has no major transactions in 2018.

The Group has no ultimate parent. The shares are widely held.

**7. Related party transactions**

The consolidated annual report on the performance includes the financial results of the parent Company and the following subsidiaries:

<b>Subsidiary</b>	<b>2018</b>	<b>2017</b>
	<b>% of ownership</b>	<b>% of ownership</b>
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%
Alkaloidfarm SA Fribourg, Switzerland	100%	100%
Alkaloid EOOD Sofia, Bulgaria	100%	100%
ALK&KOS Shpk Prishtina, Kosovo	100%	100%
Alkaloid Bilna apteka DOOEL Skopje, Macedonia	100%	100%
Alkaloid Kons DOOEL Skopje, Macedonia	100%	100%
Alkaloid USA LLC Columbus, Ohio US	49%	49%
Fund "Trajce Mukaetov" Skopje, 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%

All subsidiaries are 100% owned by the Company, except investment in Alkaloid USA with the equity share of 49%. Although the investment of Alkaloid AD Skopje in Alkaloid USA LLC Columbus, Ohio USA is 49%, the Company exercises control.

The Company has representative offices in Russia, Bosnia and Herzegovina and Ukraine. The operational results of the representation offices are included in the financial statements of the Company.

## 8. Share capital

	Number of shares	Ordinary shares	Treasury shares	Total	Share premium
At 1 January 2017	1,416,612	2,220,127	-23,032	2,197,095	-
Purchase of treasury shares	-	-	-	-	-
At 31 December 2017	1,416,612	2,220,127	-23,032	2,197,095	-
Purchase of treasury shares	-	-	-	-	-
At 31 December 2018	1,416,612	2,220,127	-23,032	2,197,095	-

The total authorized number of ordinary shares is 1,431,353 with a par value of EUR 25.56 (Denar 1,551) per share. All issued shares are fully paid.

The total number of treasury shares is 14,741. The number of 3,287 shares is reserved for former proprietors of which 3,228 are priority shares and 59 are ordinary shares acquired from the right to dividend payments.

## Earning per share

	(In MKD)		
	2018 Amount	2017 Amount	IND 18/17
Profit attributable to shareholders (in denars)	862,410,928	809,277,171	107
Number of shares	1,416,612	1,416,612	100
<b>Basic earning per share (in denars):</b>	<b>608.78</b>	<b>571.28</b>	<b>107</b>

## 9. Key management compensations

No compensations were paid to the Management Board members in 2018 and 2017.

In 2018, the amount of Denar 4,209 thousands were paid to the Supervision Board members (2017: Denar 4,207 thousands).

## Consolidated production in tons

Segment	(In tons)				
	2018		2017		IND
	Amount	%	Amount	%	18/17
Pharmacy	1,028	7	962	7	107
Chemistry Cosmetics Botanicals	13,878	93	12,923	93	107
<b>Total:</b>	<b>14,906</b>	<b>100</b>	<b>13,885</b>	<b>100</b>	<b>107</b>

The total amount produced for 2018 is 14,906 tons, which compared to last years' production amount of 13,885 tons has increased for 7%.

**Total consolidated sales**
**(In 000 MKD)**

<b>Market</b>	<b>2018</b>		<b>2017</b>		<b>IND</b>
	<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>	<b>18/17</b>
Domestic market	3,624,093	37	3,486,685	38	104
Foreign market	6,159,193	63	5,608,031	62	110
<b>Total:</b>	<b>9,783,286</b>	<b>100</b>	<b>9,094,716</b>	<b>100</b>	<b>108</b>

The total sales revenues for 2018 are 9,783,286 which compared to last years' 9,094,716 have increased for 8%. The growth in total sales revenues is a result of the increase of sales revenues on domestic market for 4% and foreign market for 10%.

The largest portion of total sales revenues of 63%, is generated on foreign markets.

**Total consolidated sales - segment reporting**
**(In 000 MKD)**

<b>Segment</b>	<b>2018</b>		<b>2017</b>		<b>IND</b>
	<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>	<b>18/17</b>
Pharmacy	8,358,622	85	7,695,963	85	109
Chemistry Cosmetics Botanicals	1,424,664	15	1,398,753	15	102
<b>Total:</b>	<b>9,783,286</b>	<b>100</b>	<b>9,094,716</b>	<b>100</b>	<b>108</b>

The largest portion in total sales revenues is generated on the Pharmacy segment with 8,358,622 thousand denars or 85%, which compared to last years' 7,695,963 thousand denars indicates an increase of 9%.

**Consolidated domestic market sales - segment reporting**
**(In 000 MKD)**

<b>Segment</b>	<b>2018</b>		<b>2017</b>		<b>IND</b>
	<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>	<b>18/17</b>
Pharmacy	2,929,153	81	2,820,665	81	104
Chemistry Cosmetics Botanicals	694,940	19	666,020	19	104
<b>Total:</b>	<b>3,624,093</b>	<b>100</b>	<b>3,486,685</b>	<b>100</b>	<b>104</b>

Total sales revenues on domestic market are 3,624,093 thousand denars, which compared to last years' 3,486,685 thousand denars have increased for 4%.

The largest portion in total sales revenues on domestic market is generated on the Pharmacy segment with 2,929,153 thousand denars or 81%.



**Consolidated foreign market sales - segment reporting**

(In 000 MKD)

Segment	2018		2017		IND 18/17
	Amount	%	Amount	%	
Pharmacy	5,429,469	88	4,875,298	87	111
Chemistry Cosmetics Botanicals	729,724	12	732,733	13	100
<b>Total:</b>	<b>6,159,193</b>	<b>100</b>	<b>5,608,031</b>	<b>100</b>	<b>110</b>

Total sales on foreign market are 6,159,193 thousand denars, which compared to last years' 5,608,031 thousand denars have increased for 10%.

The largest portion of the foreign market sales of 5,429,469 or 88% is generated on the Pharmacy segment.

**Consolidated foreign market sales by regions / countries**

(In 000 MKD)

Region / country	2018		2017		IND 18/17
	Amount	%	Amount	%	
<b>South Eastern Europe</b>	<b>3,384,574</b>	<b>55</b>	<b>2,996,158</b>	<b>53</b>	<b>113</b>
Albania	70,364	1	87,096	2	81
Bosnia and Herzegovina	794,301	13	778,615	18	102
Kosovo	382,938	6	319,677	6	120
Serbia	1,916,251	31	1,587,385	28	121
Monte Negro	220,720	4	223,385	4	99
<b>Russia and CIS</b>	<b>616,387</b>	<b>10</b>	<b>642,236</b>	<b>11</b>	<b>96</b>
Russia	388,821	6	510,959	9	76
Georgia	16,309	-	10,814	-	151
Armenia	18,978	-	17,133	-	111
Ukraine	192,131	3	103,330	2	186
Azerbaijan	148	-	-	-	-
<b>Western Europe (EU and EFTA)</b>	<b>2,015,106</b>	<b>33</b>	<b>1,847,184</b>	<b>33</b>	<b>109</b>
Bulgaria	276,002	4	250,105	4	110
Croatia	817,998	13	813,248	15	101
Germany	48,070	1	74,103	1	65
Romania	159,858	3	151,747	3	105
Hungary	128,112	2	31,453	1	407
Czech	33,416	1	20,629	-	162
Slovakia	-	-	2	-	-
Poland	72,261	1	17,791	-	406
Slovenia	263,109	4	278,650	5	94
Great Britain	203,141	3	202,665	4	100
Spain	8,698	-	-	-	-
Lithuania	974	-	979	-	99
Sweden	-	-	48	-	-
Finland	1,174	-	-	-	-
Netherlands	-	-	250	-	-
Greece	2,112	-	-	-	-
Cyprus	154	-	-	-	-
Switzerland	27	-	5,514	-	-
<b>Other countries</b>	<b>143,126</b>	<b>2</b>	<b>122,453</b>	<b>2</b>	<b>117</b>
USA	124,792	2	102,368	2	122
Turkey	11,187	-	17,598	-	64
Other countries	7,147	-	2,487	-	287
<b>Total:</b>	<b>6,159,193</b>	<b>100</b>	<b>5,608,031</b>	<b>100</b>	<b>110</b>

The largest portion of foreign market sales of 55% is generated on the South Eastern Europe region, which compared to last year indicates an increase of 13%.

**Consolidated Income statement**

	(In 000 MKD)				
	2018		2017		IND
	Amount	%	Amount	%	18/17
<b>Sales</b>	<b>9,783,286</b>	<b>97</b>	<b>9,094,716</b>	<b>97</b>	<b>108</b>
Cost of sales	-5,354,335	-53	-5,036,402	-53	106
<b>Gross profit</b>	<b>4,428,951</b>	<b>44</b>	<b>4,058,314</b>	<b>43</b>	<b>109</b>
Research and development expenses	-86,125	-1	-76,421	-1	113
Selling and marketing expenses	-2,882,776	-29	-2,732,544	-29	105
Administrative expenses	-371,896	-4	-356,110	-4	104
Provision for other liabilities and charges	-633	-	-2,542	-	25
Other income	302,631	3	315,984	3	96
Other expenses	-407,403	-4	-294,436	-3	138
<b>Operating profit</b>	<b>982,749</b>	<b>10</b>	<b>912,245</b>	<b>10</b>	<b>108</b>
Finance expenses (net)	-13,983	-	-4,491	-	311
<b>Profit before income tax</b>	<b>968,766</b>	<b>10</b>	<b>907,754</b>	<b>10</b>	<b>107</b>
Income tax expense	-106,355	-1	-98,477	-1	108
<b>Profit from continuing operations</b>	<b>862,411</b>	<b>9</b>	<b>809,277</b>	<b>9</b>	<b>107</b>
<b>Attributable to the:</b>					
Shareholders of the Parent Company	862,445	9	809,309	9	107
Minority interests	-34	-	-32	-	106
<b>Profit for the year</b>	<b>862,411</b>	<b>9</b>	<b>809,277</b>	<b>9</b>	<b>107</b>

**Sales by category**

	(In 000 MKD)				
	2018		2017		IND
	Amount	%	Amount	%	18/17
<b>Sales</b>					
Sales of goods	7,263,842	72	6,774,755	72	107
Sales of commodities	2,432,049	24	2,217,458	24	110
Other sales revenues	87,395	1	102,503	1	85
<b>Total:</b>	<b>9,783,286</b>	<b>97</b>	<b>9,094,716</b>	<b>97</b>	<b>108</b>

**Other income**

(In 000 MKD)

<b>Other income</b>	<b>2018</b>		<b>2017</b>		<b>IND</b>
	<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>	<b>18/17</b>
Foreign exchange transaction gains	152,987	2	168,254	2	91
Collected written off receivables	7,547	-	10,860	-	69
Surpluses	5,724	-	3,130	-	183
Interest income	4,989	-	10,066	-	50
Other income	131,384	1	123,674	1	106
<b>Total:</b>	<b>302,631</b>	<b>3</b>	<b>315,984</b>	<b>4</b>	<b>96</b>

**Finance income**

(In 000 MKD)

<b>Finance income</b>	<b>2018</b>		<b>2017</b>		<b>IND</b>
	<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>	<b>18/17</b>
Foreign exchange transaction gains on borrowing	1,132	-	13,278	-	9
Interest income on borrowings	-	-	-	-	-
<b>Total:</b>	<b>1,132</b>	<b>-</b>	<b>13,278</b>	<b>-</b>	<b>9</b>
<b>Total revenues:</b>	<b>10,087,049</b>	<b>100</b>	<b>9,423,978</b>	<b>100</b>	<b>107</b>

Total revenues for 2018 are 10,087,049 thousand denars, which compared to last year have increased for 7%.

The largest portion of total revenues 97%, belongs to sales of goods, sales of commodities and other sales revenues, which compared to last year have increased for 8%.

Other income have a portion in total revenues of 3% and compared to last year have decreased for 4%

Finance income consist of foreign exchange transaction gains on borrowings and interest income on borrowings. The portion in total revenues is insignificant.

**Expenses by nature**

(In 000 MKD)

<b>Expenses</b>	<b>2018</b>		<b>2017</b>		<b>IND</b>
	<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>	<b>18/17</b>
Raw materials	2,650,378	29	2,238,233	26	118
Employee benefit expense	2,067,704	23	1,912,897	22	108
Depreciation and amortization	572,734	6	501,060	6	114
Energy	184,262	2	160,632	2	115
Impairments	6,445	-	8,284	-	78
Transportation	178,069	2	217,744	3	82
Changes in the inventories	-152,399	-2	-98,758	-1	154
Cost of commodities	1,699,132	19	1,593,272	19	107
Other expenses	1,489,440	16	1,670,655	20	89
	<b>8,695,765</b>	<b>95</b>	<b>8,204,019</b>	<b>96</b>	<b>106</b>

**Employee benefit expense**

(In 000 MKD)					
Expenses	2018		2017		IND
	Amount	%	Amount	%	18/17
Gross salaries	1,795,638	20	1,661,508	20	108
Other employees benefits	272,066	3	251,389	3	108
	<b>2,067,704</b>	<b>23</b>	<b>1,912,897</b>	<b>22</b>	<b>108</b>

**Other expenses**

(In 000 MKD)					
Expenses	2018		2017		IND
	Amount	%	Amount	%	18/17
Foreign exchange transaction loss	217,581	2	143,129	2	152
Shortages	33,879	-	12,498	-	271
Expenses from previous year	46,542	-	19,344	-	241
Other expenses	109,401	1	119,465	1	92
	<b>407,403</b>	<b>4</b>	<b>294,436</b>	<b>3</b>	<b>138</b>

**Finance cost**

(In 000 MKD)					
Expenses	2018		2017		IND
	Amount	%	Amount	%	18/17
Foreign exchange transaction losses on borrowings	1,170	-	2,671	-	44
Interest expense on borrowings	13,945	-	15,098	-	92
<b>Total:</b>	<b>15,115</b>	<b>-</b>	<b>17,769</b>	<b>-</b>	<b>85</b>
<b>Total expenses:</b>	<b>9,118,283</b>	<b>100</b>	<b>8,516,224</b>	<b>100</b>	<b>107</b>

Total expenses in 2018 are 9,118,283 thousand denars, which compared to last years' 8,516,224 thousand denars have increased for 7%.

The largest portion in total expense of 29% belongs to Raw materials. Employee benefit expense has a portion of 23%, Other expenses 4%. Finance costs consist of expenses on borrowings, the portion in total expenses is insignificant.

Consolidated profit before taxes for 2018 is 968,766 thousand denars, which compared to last years' 907,754 thousand denars has increased for 7%. The portion of consolidated profit before taxes in total revenues is 10%.

Consolidated income tax for 2018 is 106,355 thousand denars, which compared to last years' 98,477 thousand denars has increased for 8%.

Consolidated Net profit for 2018 is 862,411 thousand denars, which compared to last years' 809,277 thousand denars has increased for 7%. The portion of consolidated Net profit in total revenues is 9%.

**Consolidated Balance Sheet**

	(In 000 MKD)				
	<b>2018</b>		<b>2017</b>		<b>IND</b>
	<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>	<b>18/17</b>
<b>Assets</b>					
<b>Non-current assets</b>					
Property, plant and equipment	4,672,492	39	4,311,471	38	108
Intangible assets	1,601,687	13	1,455,417	13	110
Deferred tax assets	20,557	-	17,817	-	115
Available-for-sale financial assets	6,819	-	5,110	-	133
Other non current receivables	14,988	-	14,988	-	100
<b>Total non-current assets:</b>	<b>6,316,543</b>	<b>53</b>	<b>5,804,803</b>	<b>51</b>	<b>109</b>
<b>Current assets</b>					
Inventories	2,736,752	23	2,479,984	22	110
Trade receivables	2,218,485	19	2,411,428	21	92
Other receivables	266,685	2	406,931	4	66
Cash and cash equivalents	433,811	4	214,389	3	202
<b>Total current assets:</b>	<b>5,655,733</b>	<b>47</b>	<b>5,512,732</b>	<b>49</b>	<b>103</b>
<b>Total assets:</b>	<b>11,972,276</b>	<b>100</b>	<b>11,317,535</b>	<b>100</b>	<b>106</b>
<b>Equity and liabilities</b>					
<b>Equity</b>					
Share capital	2,197,095	18	2,197,095	19	100
Legal reserves	614,437	5	612,672	5	100
Other reserves	1,093,530	9	1,139,520	10	96
Retained earnings	5,439,513	45	4,926,034	44	110
Minority interests	716	-	749	-	96
<b>Total equity:</b>	<b>9,345,291</b>	<b>78</b>	<b>8,876,070</b>	<b>78</b>	<b>105</b>
<b>Liabilities</b>					
<b>Current liabilities</b>					
Trade and other payables	1,992,113	17	1,739,318	15	115
Income taxes	16,444	-	20,362	-	81
Current borrowings	303,990	3	381,619	3	80
<b>Total current liabilities:</b>	<b>2,312,547</b>	<b>19</b>	<b>2,141,299</b>	<b>19</b>	<b>108</b>
<b>Non-current liabilities</b>					
Non-current borrowings	284,212	2	270,534	2	105
Non-current provisions	30,060	-	29,427	-	102
Deferred income tax liabilities	166	-	205	-	81
<b>Total non-currents liabilities:</b>	<b>314,438</b>	<b>3</b>	<b>300,166</b>	<b>3</b>	<b>105</b>
<b>Total liabilities:</b>	<b>2,626,985</b>	<b>22</b>	<b>2,441,465</b>	<b>22</b>	<b>108</b>
<b>Total equity and liabilities:</b>	<b>11,972,276</b>	<b>100</b>	<b>11,317,535</b>	<b>100</b>	<b>106</b>

**Performance indicators**

<b>Indicators</b>	<b>(In %)</b>		
	<b>2018</b>	<b>2017</b>	<b>IND 18/17</b>
Net profit margin (net profit / total revues)	8.55	8.59	100
Net profit margin (net profit / sales)	8.82	8.90	99
EBITDA	15.90	15.54	102
Current ratio	2.45	2.57	95
Net debt to equity ratio	1.65	4.93	33
Return of equity	9.23	9.12	101
Return of assets	7.20	7.15	101

**Number of employees on 31 December**

<b>Segment</b>	<b>2018</b>		<b>2017</b>		<b>IND 18/17</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	
Pharmacy	1,295	64	1,176	63	110
Chemistry Cosmetics Botanicals	199	10	203	11	98
Corporate unit	528	26	477	26	111
<b>Total:</b>	<b>2,022</b>	<b>100</b>	<b>1,856</b>	<b>100</b>	<b>109</b>

Total number of employees on 31 December 2018 is 2,022, which compared to last year has increased for 9%.

**Alkaloid AD Skopje**