

Income Statement

In EUR

	Position	Previous Period	Curent Period	Indices
		01/01-31/12/22	01/01-31/12/23	curent year / previous year
1	Sales revenues	30.379.066	29.264.415	96
1a	Revenues from domestic market	94.205	142.348	151
1b	Revenues from foreign markets	30.284.861	29.122.067	96
2	Cost of goods sold	10.344.213	10.229.259	99
3	Gross Profit	20.034.853	19.035.156	95
4	Administrative Costs	1.529.954	1.379.608	96
5	Sales and Marketing Cost	2.727.401	2.229.356	82
6	Provisions	0	0	0
7	Other operating revenues	133.814	20.006	19
8	Impairment and Other operating Costs	467.375	507.031	108
9	Operating profit	15.443.937	14.939.167	96
10	Total Financial Revenue	147.696	264.701	179
10a	Financial revenues from investment, loans granted and interest and exchange rate gains	147.597	264.671	179
10b	Other Financial Revenue	99	30	30
10c	Income From Associated Companies	0	0	0
11	Total Financial Expenses	242.396	298.273	88
11a	Financial expenses from interests and exchange rate losses	242.396	298.270	88
11b	Other financial expenses	0	3	0
11c	Losses from Associates	0	0	0
12	Profit from ordinary activities	15.349.237	14.905.595	97
13	Net Profit from Discontinued activities	0	0	0
14	Profit from ordinary activities before taxation	15.349.237	14.905.595	97
15	Corporate tax	-1.399.223	-1.207.173	0
16	Net profit	13.950.014	13.698.422	98
17	Net profit minority shareholders	0	0	0
18	Net profit Majority shareholders	13.950.014	13.698.422	98
19	Total other comprehensive income	0	0	0
20	TOTAL COMPREHENSIVE INCOME	13.950.014	13.698.422	98

Analysis of the operating profit by nature of costs

	Position	Previous Period	Curent Period	Indices
		Year to date	Year to date	curent year / previous year
1	Sales revenues	30.379.066	29.264.415	96
1a	Revenues from rents and consumables	3.779	301	0
2	Other operating revenues	160.317	19.705	16
3	Changes in inventories of finished goods and work in progress	256.357	318.735	122
4	Cost of trading goods sold	0	0	0
5	Cost of consumed materials and other supplies	4.934.937	4.462.149	90
6	Cost of materials, spare parts and other inventory sold	5.508	347	0
7	Services	2.884.586	2.338.078	81
8	Other Expenditures	934.827	989.741	115
9	Service costs	3.999.665	4.100.834	103
10	Amortization And Depreciation	2.128.684	2.263.747	106
11	Impairment losses of Non-current assets	0	0	0
12	Impairment losses of current assets	229.329	413.928	180
13	Provisions	0	0	0
14	Other operating expenses	238.047	95.165	40
15	Operating profit	15.443.937	14.939.167	96

EXPLANATION ON THE OPERATION OF MERMEREN KOMBINAT AD PRILEP FOR THE PERIOD FROM 01.01.2023 TO 31.12.2023

In accordance to the changes and additions of the Quotation regulations, we present this explanation to the financial result for the period from 01 January to 31 December 2023.

- A. Changes in accounting policies and methods of evaluation of items in the financial statements compared to the latest annual audited financial statements have not been made.
- B. For the period from 01 January to 31 December 2023, Mermeren Kombinat AD Prilep ("the Company"), generated sales revenue in the amount of € 29,264,415, which is a decrease of 3.67% compared to the same period of the previous year.

Sales revenue	2023		2022	
- Domestic market	142,348	0.49%	94,205	0.31%
- Foreign market	29,122,067	99.51%	30,284,861	99.69%
	29,264,415		30,379,066	
Sales revenue	2023		2022	
- Quarry	28,425,609	97.13%	29,413,353	96.82%
- Factory	838,806	2.87%	965,713	3.18%
	29,264,415		30,379,066	

The operating profit for the period is in the amount of € 14,939,167, compared to the operating profit for the same period in 2022 in the amount of € 15,443,937, representing a decrease of 3.27%.

EBITDA for the period of 01 January to 31 December 2023 is € 17,205,859, compared to € 17,574,582 for the same period of the previous year, or decrease of 2.10%.

The final result after the tax is positive, amounting to € 13,698,422 shows a decrease of 1.80% compared to the profit for the same period last year, in the amount of € 13,950,014.

- C. Operating expenses are in the amount of € 14,663,989 and represent decrease of 4.50% compared to the same period of the previous year.
- D. The cost of materials and consumables were decreased by 9.58%, and employee expenses were increased by 2.53%.
- E. External services expenses are decreased by 18.95%. Depreciation costs amounted to € 2,263,747, and are higher by 6.34% compared to the previous year.
- F. There are no significant investments in tangible assets (real estate, plant and equipment) or significant write-off, higher than 30% of the value of the assets, compared to the last annual financial reports.
- G. At 11 December 2023 and according to the Shareholders' Assembly decision no. 02-5470/3, part of the retained earnings realized till 31 December 2022 in the amount of €19,028,643 Euros were allocated for dividends distribution. The amount of the gross dividend per ordinary share is determinate at €4.06 (1€=61.5 denars). During the period ended 31 December 2023 the Company paid dividends to its shareholders in net amount of €18,820,554 and in addition €204,050 relating to taxes on dividend paid.
- H. Loan indebtedness of the Company for the period January to December 2023 raised to € 56,052 compared to zero in the previous annual financial statements, due to engagement in leasing contracts.
- I. Prospects: 2024 is expected to be a period of positive operational and financial performance.