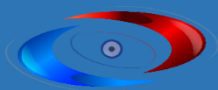
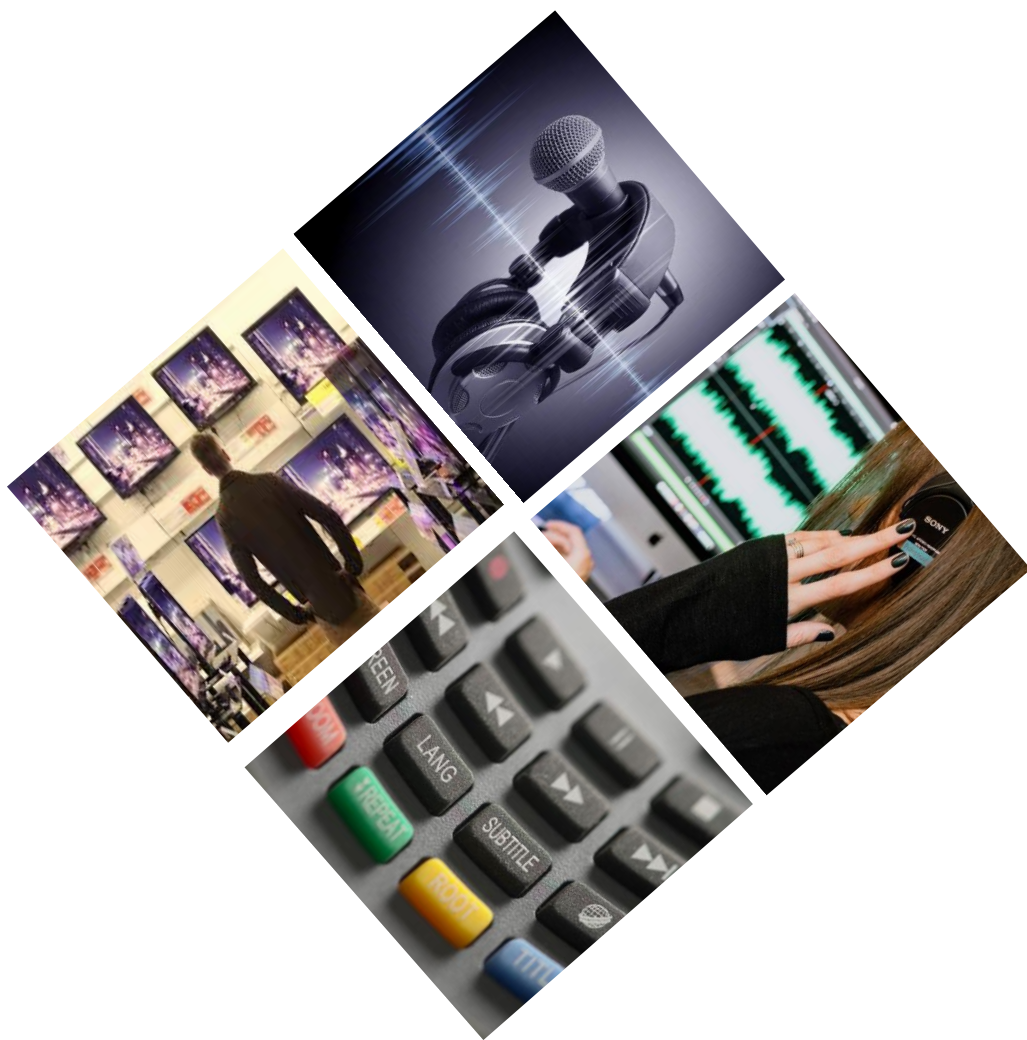
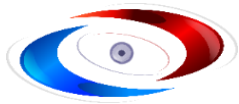


Analysis of the Market of Audio and Audiovisual Media Services in 2021



Agency for Audio and Audiovisual
Media Services

August, 2022



**AGENCY FOR AUDIO AND AUDIOVISUAL
MEDIA SERVICES**

Analysis of the Market of Audio and Audiovisual Media Services in 2021

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INTRODUCTION

The purpose of this Analysis is to determine the market conditions of the audio and audiovisual media industry in 2021. The pandemic with the COVID-19 virus, which began in the previous year 2020, significantly hampered the functioning of the overall economy, and thus of course also the media. The consequences of the pandemic, which is still ongoing, are reflected in the operation of TV stations and radios, but this Analysis shows that compared to the previous year, the industry is slowly recovering. However, it is still not possible to reach the level of the pre-pandemic year 2019, and not to speak of any growth in the market, especially because a significant part of the revenues of TV stations and radios in the analysed year is from financial aid from the state.

In the preparation of this Analysis, for the economic operation of the public service and of the commercial televisions and radios, the data that they themselves submitted to the Agency (within the fulfilment of the obligation from Article 15 of the Law on Media) were used, as well as the data from their final accounts. Data from the "Financial report for the realization of the financial plan of PBE Macedonian Radio Television for 2021" was also used for the operation of Macedonian Radio Television.

The operation of the public service is analysed separately from the operation of the commercial broadcasters because it is a completely different way of financing. The commercial broadcasters are analysed within the framework of the relevant markets, from the aspect of the product – separately the TV stations and separately the radio stations, and from the geographical aspect – according to the level of coverage – separately the broadcasters on state, regional and local level.

In order to get as complete a picture of the situation in the industry as possible, the Analysis also contains data on the number of viewers of TV stations and on the number of listeners of radio stations in 2021. These data were provided by the research agency "Segments research" from Skopje, on the order of the Agency.

SUMMARY

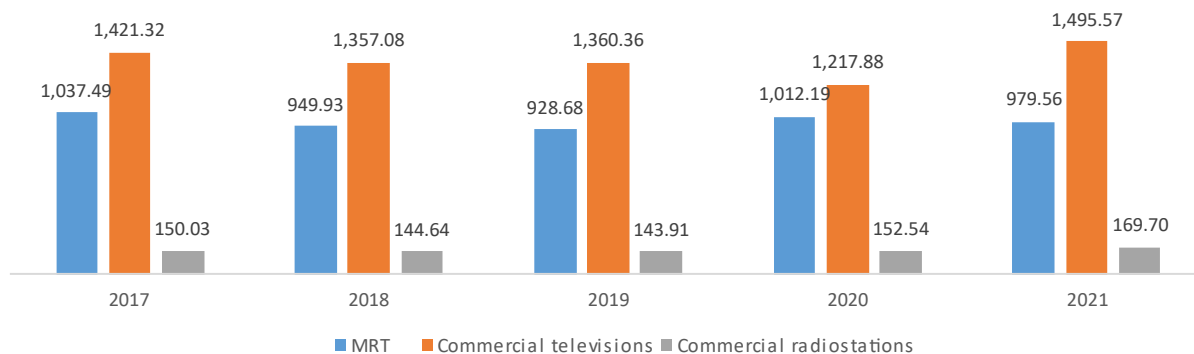
Table 1: Key findings

	Total revenue	Advertising revenue	Total expenses	Operational results	Average number of full-time employees
Macedonian Radio Television	979.56	40.73	985.42	-6.74	704
Commercial Televisions	1,495.57	1,238.36	1,430.39	50.69	995
Terrestrial, state-level TV stations	1,200.01	1,003.28	1,135.83	52.17	612
State level TV stations via unlimited resource	157.13	129.79	173.38	-16.70	228
Regional TV stations	99.19	70.33	91.89	5.82	118
Local TV stations	39.24	34.96	29.29	9.40	37
Commercial radio stations	169.70	139.23	155.38	12.56	184
State-level radio stations	64.50	56.15	61.55	2.07	51
Regional radio stations	58.44	49.14	50.91	4.89	49
Local radio stations	46.76	33.94	42.92	5.60	84
Total	2,644.83	1,418.32	2,571.19	56.51	1,883

Total revenues in the industry

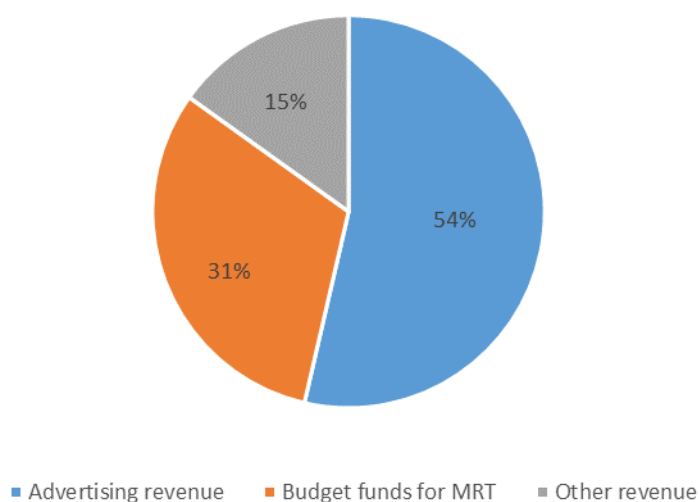
Total revenues in the industry in 2021 amounted to 2,644.83 million denars. This is the highest amount of total revenue in the last five years, but this is due to the financial assistance to deal with the consequences of the Covid-19 virus pandemic that the state has allocated to commercial media, and it is to cover the costs of the fee for the broadcasting license, to cover the costs of transmitting the signal, subsidies for employee salary contributions and more, as well as the income that commercial broadcasters have made from paid political advertising. Thus, commercial broadcasters as a whole showed higher revenues than in the previous year. At the same time, the public broadcasting service had less funds even compared to the previous year.

Image 1: Total revenues of public service and commercial broadcasters over the last five years



More than half of the revenues are generated from advertising (54% or a total of 1,418.32 million denars), of which 238.15 million denars are from paid political advertising during the local elections. 826.95 million denars, representing 31% of the total revenues in the industry, were transferred to the public service from the funds for financing the broadcasting activity that are allocated from the Budget of RN Macedonia.

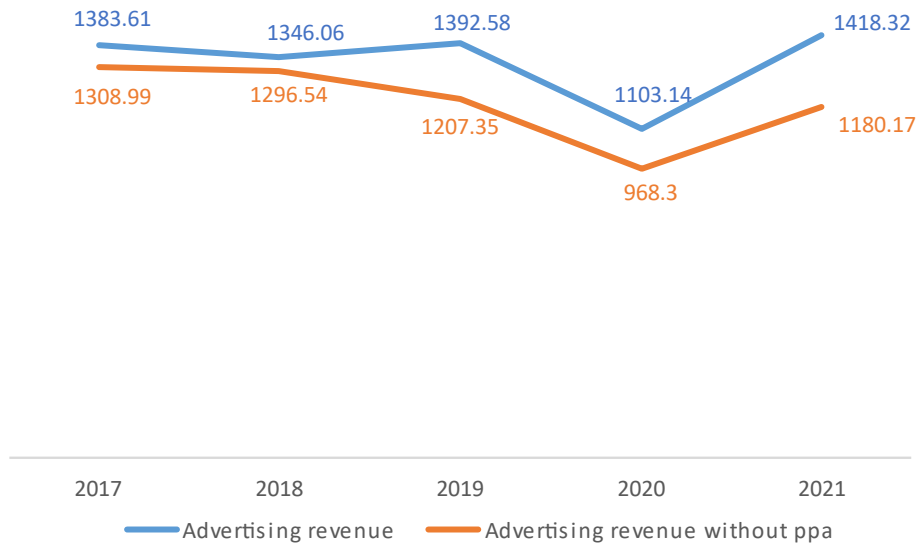
Image 2: Industry's Revenue Structure in 2021



Advertising revenue in the industry

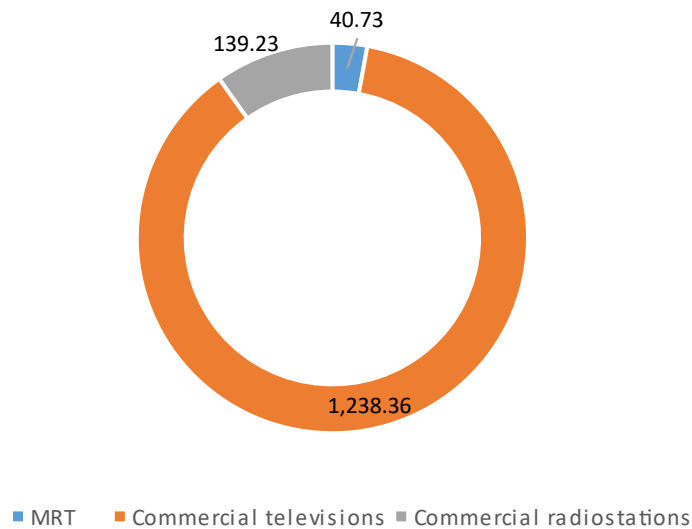
Graph no. 3 shows that in 2021 the broadcasters achieved the highest total advertising revenue in the last five years, but also that if the revenue from paid political advertising is subtracted, the advertising revenue in 2021 still does not reach those of before the pandemic.

Image 3: Industry's advertising revenue in the last five years



Most of the income from advertising was achieved by commercial televisions - 87%, and 10% by commercial radio stations. The share of MRT in advertising revenue is only 3%.

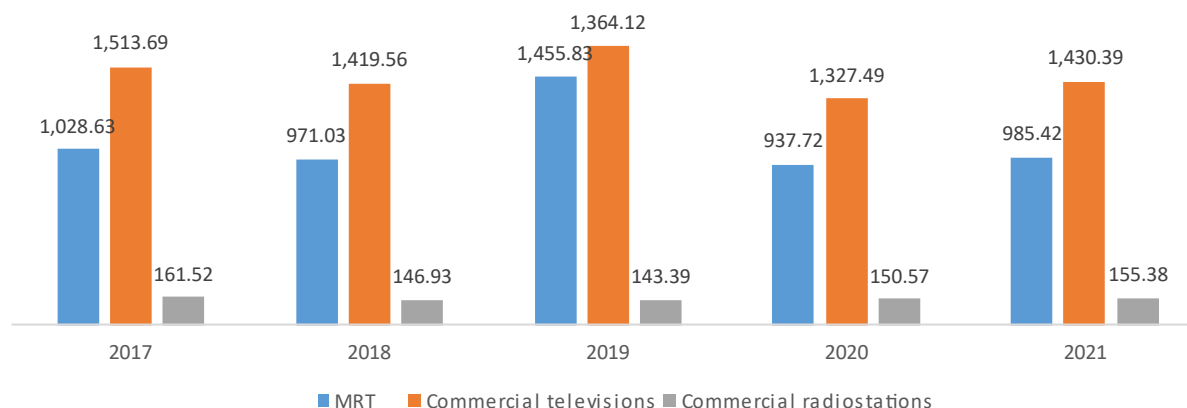
Image 4: Industry's advertising revenue share



Industry's total expenditure

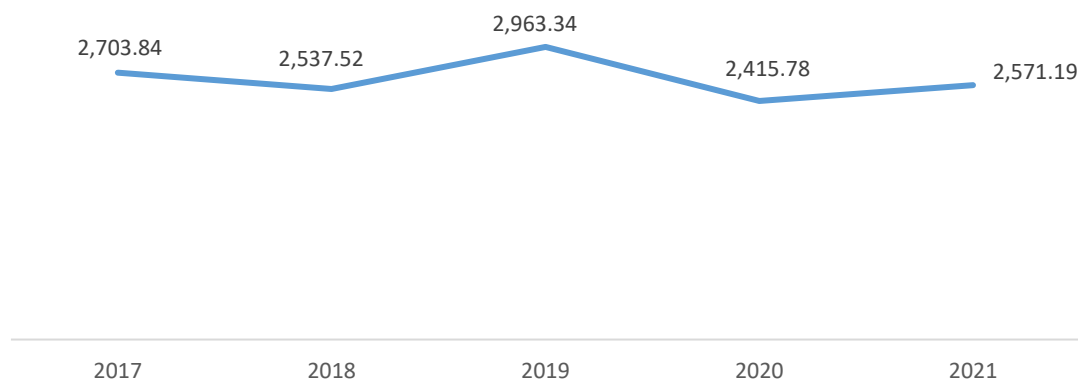
Total expenditures in the industry amounted to 2,571.19 million denars. Of these, 56% are the costs of commercial television, 38% of public service and 6% of commercial radio stations. Compared to last year, more funds were spent by commercial broadcasters and the public service.

Image 5: Total expenditures of public service and commercial broadcasters over the last five years



The growth of total costs in the industry is insignificant - they increased by 6% compared to the previous year.

Image 6: Industry's total expenditure in the last five years



Financial result and number of employees

The financial result of the entire industry in 2021 was a profit of 56.51 million denars. MRT showed a negative financial result of 6.74 million denars, and commercial television and radio stations jointly showed a profit of 50.69 million denars, ie 12.56 million denars. This is the first time, in the period from 2017 onwards, that the joint financial result of commercial televisions is a profit.

Table 2: Operational financial result

	2017	2018	2019	2020	2021
MRT	7.03	-26.02	-527.15	74.47	-6.74
Commercial Televisions	-102.10	-69.48	-7.64	-109.92	50.69
Commercial radio stations	-11.54	-1.41	-0.01	0.77	12.56

In the entire industry, the total number of full-time employees at the end of the year was 1,814, and 635 were freelancers. The average number of full-time employees was 1,883.

Number of broadcasters in the industry

At the beginning of 2021, programs were broadcast by 45 commercial television stations, 65 commercial radio stations and four non-profit radio stations. During the year, the licenses of one television station (Nova¹ from Gevgelija) and one radio station (Actuel² from Bitola) were revoked, both due to failure to meet the minimum staffing requirements. In addition, the licenses of three radio stations, namely BI-KI-AL³ from Bitola (due to bankruptcy), Aljbana⁴ from Kumanovo (due to liquidation) and 102KA-FM⁵ from Struga (with a written statement from the license holder that stops broadcasting a radio program). In 2021, one license was granted for radio broadcasting at the local level - to Impuls⁶ from Novo Selo. At the end of the year, programs were broadcast by 44 commercial television stations, 62 commercial radio stations and four non-profit radio stations.

In these five years, the number of broadcasters has decreased by a total of 24 – at the beginning of 2017, a total of 134 entities had permission to broadcast programs, and at the end of 2021, 110 entities.

¹ Decision on revoking the license for television broadcasting of the Commercial Broadcasting Company TV NOVA LLC Gevgelija (Reg. No. 08-424 of 26.11.2021)

² Decision on revoking the license for radio broadcasting of the Commercial Radio Broadcasting Company RADIO ACTUEL Bitola LLC (Up1 No. 08-425 of 26.11.2021)

³ Decision on deleting from the register of broadcasters of the Trade Broadcasting Company BI-KI-AL DOOEL Bitola (Ref. 1 No. 08-80 of 22.02.2021)

⁴ Decision on deleting from the register of broadcasters of the Commercial Broadcasting Company ALJBANA PLUS DOOEL-Kumanovo (Reference 1 No. 08-217 of 13.04.2021)

⁵ Decision on deleting from the register of broadcasters of the Trade Broadcasting Company RADIO 102KA-FM DOOEL Struga (Reference 1 No. 08-156 of 19.05.2021)

⁶ Decision on the granting of a license for radio broadcasting of a general format music-talk radio program service in the Macedonian language, at the local level, in the area of the municipality of Novo Selo (UP1 No. 08-333 of 25.08.2021)

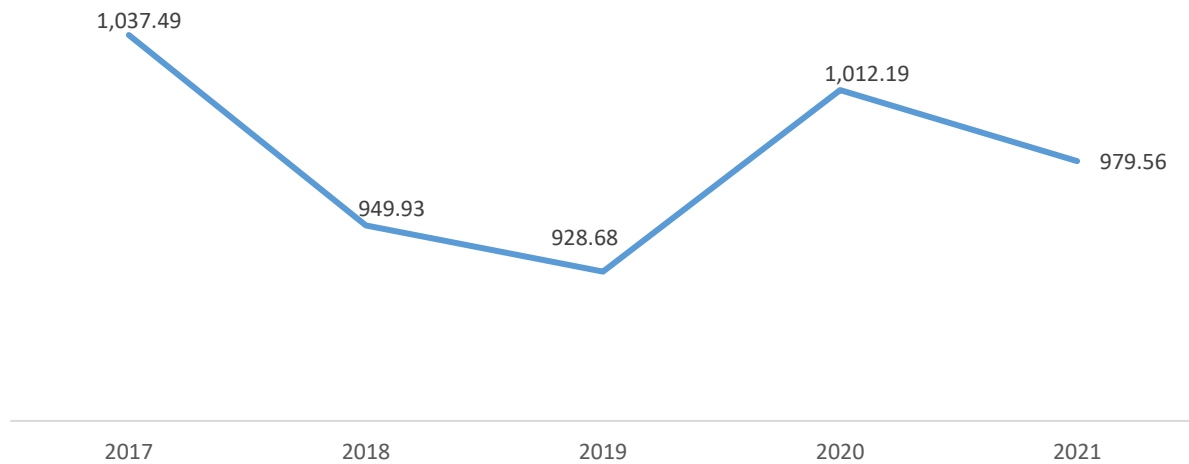


Macedonian Radio Television

MACEDONIAN RADIO TELEVISION

The total revenues of Macedonian Radio Television in 2021 amounted to 979.56 million denars and compared to last year they are lower by 3.22%.

Image 7: MRT's total revenue movement over the last five years



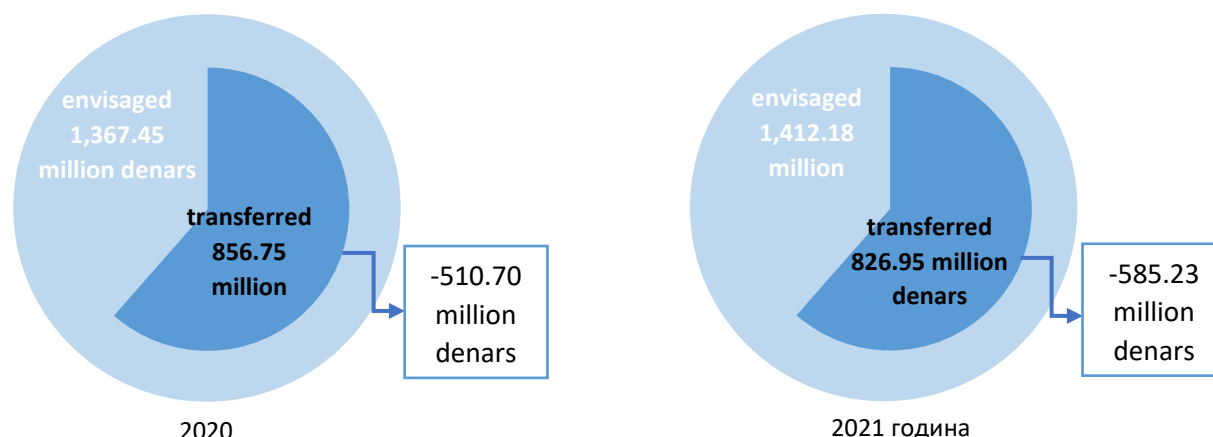
95.2% of the total revenues are the funds for financing the public service (826.95 million denars) and the so-called other business income (105.32 million denars).

This year too, less funds were transferred to the public service from the state budget than is provided for by law.

Namely, according to the Law on Audio and Audiovisual Media Services, the amount of funds for financing the broadcasting activity, for the operation and development of MRT, PE Macedonian Radio Broadcasting and the Agency for Audio and Audiovisual Media Services, in 2021 was supposed to amount to 1% of the realized total income in 2020.

74.5% of this amount, i.e. 1,412.18 million denars, should have been transferred to the MRT account. But the Government transferred only 826.95 million denars to the public service, that is, only 59% of the legally stipulated amount.

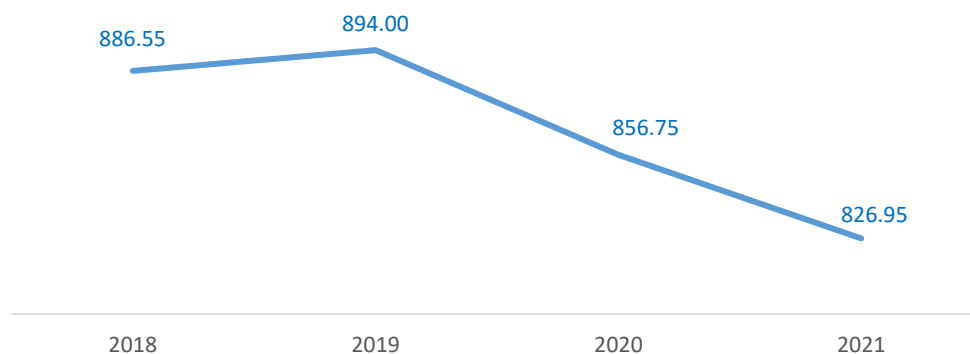
Image 8: Envisaged and transferred funds from the state budget for MRT financing



With the amendments to the Law on Audio and Audiovisual Media Services from 2018, it was predicted that the amount that the public service will receive from the state budget (as well as PE MB and AAVMS) will increase from year to year - that in 2019 the allocation from the budget will amount to 0.8%, in 2020 – 0.9%, and starting from 2021 – 1%.

However, from 2019 onwards, every year Macedonian Radio and Television received less and less funds on this basis.

Image 9: Transferred funds from the state budget for MRT financing over the last four years



It is also important that 10.8% of the total revenues of the public service represent the so-called "other business revenues" of which, as noted in the Financial Report for the Implementation of the Financial Plan of PSE Macedonian Radio Television for 2021 "*...the largest volume of the realized revenues refer to revenues based on the write-off/cancellation of the reservation for calculated interest for MMI based on a concluded agreement, and which interest was previously stated as a reserved expense ... as well as*

income based on profit tax and value added tax that were transferred from reprogrammed debt to off-balance sheet records.

Table 3: Structure of MRT's total revenues over the last five years

	2017	2018	2019	2020	2021
Funds for financing broadcasting activity from the Budget of the Republic of Macedonia	149.00	886.55	894.00	856.75	826.95
Rent	0.38	0.28	0.30	0.30	0.28
Revenues from the Government of the Republic of Macedonia for financial support of the MRT in accordance with the Law on AAVMS	240.00	0.00	0.00	0.00	0.00
Broadcasting tax	586.15	0.00	0.00	0.00	0.00
Revenue from services in the country	3.80	4.13	2.07	2.07	2.23
Revenue from services abroad (technical services, assigned rights, ISDN lines, etc.)	5.83	0.27	0.46	0.10	0.80
Other business revenue (interest income, positive exchange rate differences, written-off liabilities, income from previous years)	13.84	18.81	17.93	24.27	105.32
Litigation income	0.00	0.01	0.18	0.78	2.98
Revenue from the Ministry of Culture in accordance with the Law on the Support of Macedonian Music Production	7.12	4.79	0.00	0.00	0.00
Advertising time revenue (marketing)	25.08	34.33	12.99	7.13	40.73
Revenues from the Budget of the Republic of Macedonia (Ministry of Information Society) Article 92 paragraph 10 of the Law on AAVMS	6.29	0.00	0.00	0.00	0.00
Donations, program and services sales revenue	0.00	0.00	0.75	0.79	0.27
AAVMS donation revenue	0.00	0.00	0.00	30.00	0.00
Program and technological development of PSE MRT revenue from MISA	0.00	0.00	0.00	90.00	0.00
Revenues from the Government of the Republic of Macedonia for financial support for the realization of the digitalization process of radio and TV program	0.00	0.75	0.00	0.00	0.00
TOTAL:	1,037.49	949.93	928.68	1,012.19	979.56

Advertising revenues amounted to 40.73 million denars. According to the Financial Report on the Implementation of the Financial Plan of PSE Macedonian Radio Television for 2021, the increase in advertising revenue compared to 2020 is due to the reduction of preventive measures related to the corona virus, in 2021 the number of held events that were previously postponed increased, and also many other new events and manifestations in the field of culture, sports and music were held.

The funds that the public service spent in 2021 amounted to 985.42 million denars. Compared to last year, all types of expenses have increased, with the exception of common expenses.

Table 4: MRT's expenditure structure over the last five years

2017	2018	2019	2020	2021
------	------	------	------	------

Employee-related costs	389.67	370.47	399.06	439.03	464.77
Transport and travel expenses	9.45	5.77	9.10	1.99	5.01
Common costs	398.30	431.56	883.47	205.63	168.78
Copyrights	178.00	123.47	113.56	238.43	276.52
Other operating expenditures	52.90	39.76	50.64	52.64	70.34
TOTAL COSTS:	1,028.32	971.03	1,455.83	937.72	985.42
Equipment procurement	8.86	6.51	46.74	1.88	1.88
TOTAL EXPENDITURES:	1,037.18	977.54	1,502.57	939.60	987.29

Employee costs were the highest item in the total costs of the public service. They amounted to 464.77 million denars, which represents almost half (47.16%) of the total costs incurred. Most of them are gross salaries for employees (452.73 million denars), but this amount also includes the costs of severance pay for employees who have exercised their right to a pension, annual vacation pay, assistance for employees on various grounds, jubilee awards, as well as education costs.

The costs for copyrights amounted to 276.52 million denars. These funds were intended for the purchase of rights to broadcast and air sporting events (SEHA League - handball, EHF Champions League - handball, figure skating, Macedonian Football Cup - Macedonian Football League, broadcast of the 2020 Summer Olympic Games, which due to the pandemic took place in 2021, rights to broadcast matches from the 2021 European Volleyball Championship, etc.), and the expenses of co-producing projects for realizing agreements for cooperative recording and broadcasting television projects in the area of music, culture, education, children's and educational shows, other programming rights for the coordination of radio news and radio sports, as well as for the purchase of rights for films, series, documentary shows and children's animated series.

The group of common costs includes costs for raw materials and materials, costs for energy, for audio and video lines, for maintenance of basic assets and construction facilities, costs for maintaining the MRT website, for vehicle registration and others. These costs amounted to 168.78 million denars.

This year, the Macedonian radio and television showed a negative financial performance result, amounting to 6.74 million denars. This, as noted in the Financial Report of MRT for 2021 "*...occurs solely due to the non-transference of funds, i.e., due to the reduced amount of income that MRT received from the state on the basis of financing broadcasting activities, which as such, does not correspond at all with the provisions of the Law on AAVMS and whose continuous reduction... has an extremely negative impact, that is, it makes the overall current operation more difficult and calls into question its liquidity...*".

The average number of employees in MRT in 2021 was 704 people (43 people less than the previous year), and at the end of the year 606 people were in full-time employment and 79 were freelancers.

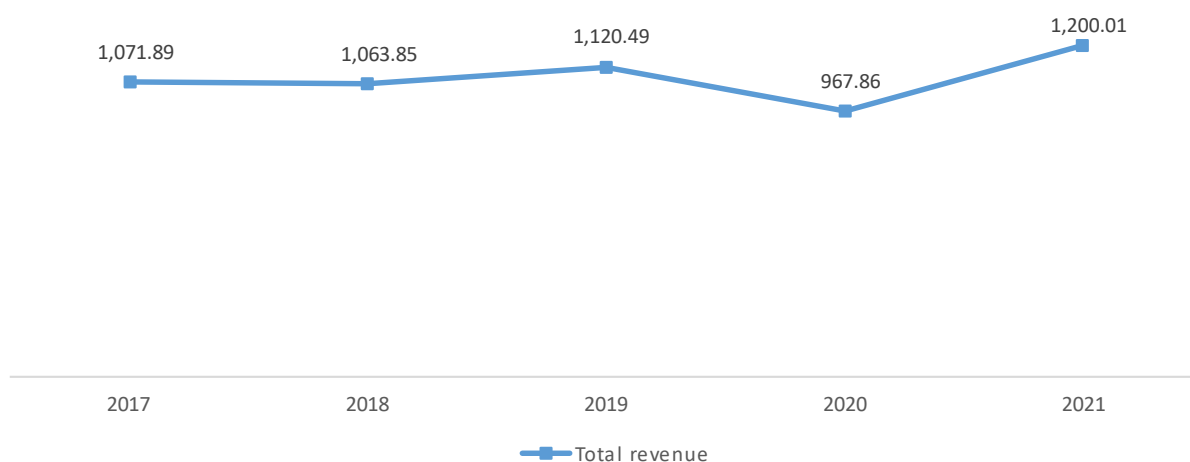


Commercial Televisions

TERRESTRIAL STATE LEVEL TV STATIONS

In 2021, the joint revenues of the terrestrial TV stations that broadcast programs throughout the country have increased significantly compared to the previous year (by 24%) and this year they amount to 1,200.01 million denars.

Image 10: Movement of total revenue



There is an increase in total revenues for all five televisions, but the biggest increase is for Alsat-M - by 31% and Alfa - by 30%. Sitel's revenues increased by 25%, Kanal 5 by 22% and Telma by 12%.

The total income of these televisions also includes financial assistance from the state, in the amount of 41.9 million denars for all five TV stations, as support for dealing with the crisis caused by the COVID-19 pandemic, provided for the implementation of measure 3 of the Fifth Package economic measures (2.78 million denars for each TV station to compensate for the cost of the broadcast license and 5.6 million denars for compensation for the cost of transmitting the signal through the terrestrial digital multiplex). In addition, apart from TV Alsat-M, the other four TV stations also used subsidies for salary contributions for employees in the total amount of 18.89 million denars.

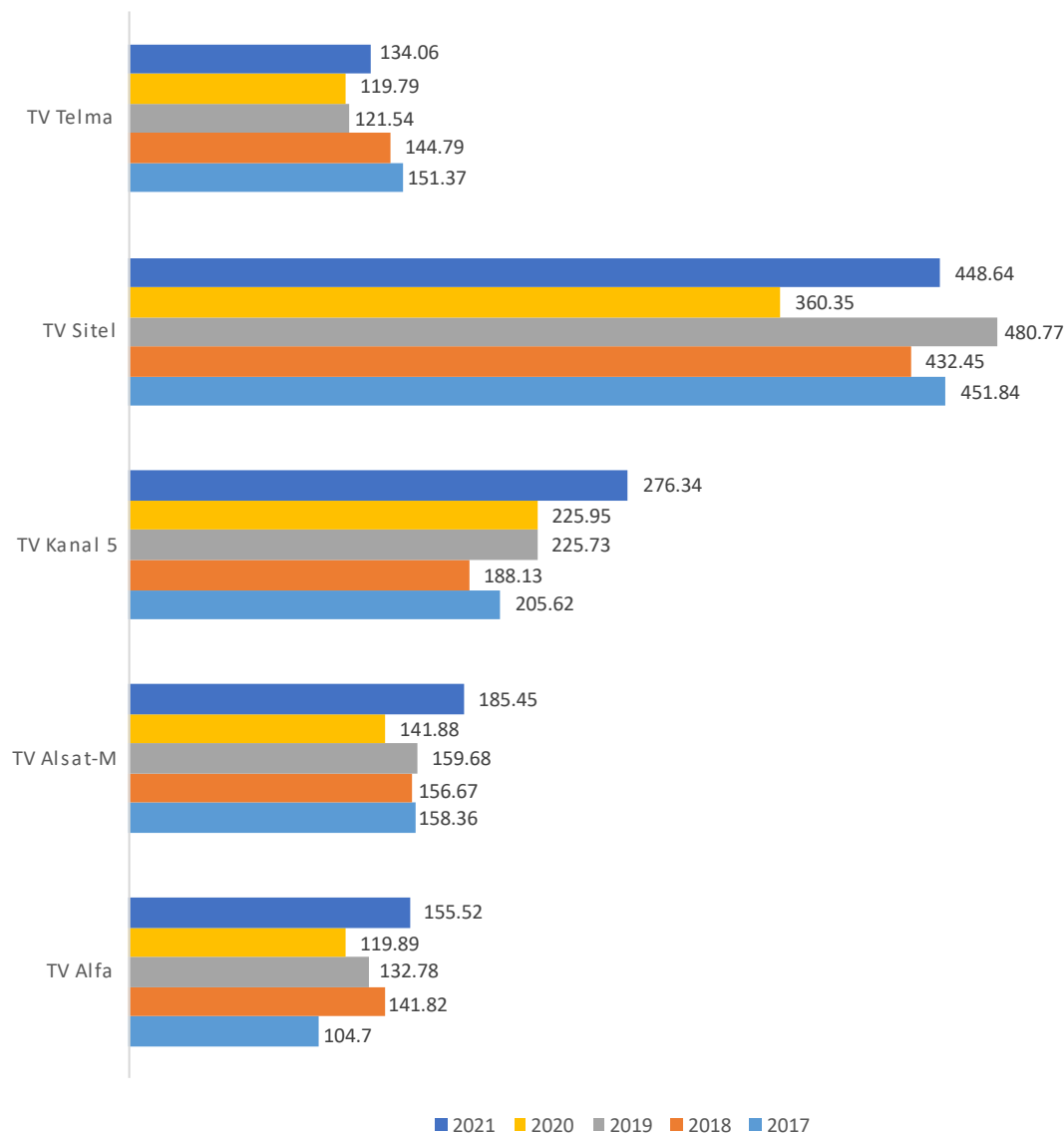
Table 5: Structure of terrestrial state level television revenues

TV	advertisements and teleshopping	content sales	revenues from services provided by third parties	other income	INCOME FROM PRINCIPAL ACTIVITY	income from other activities	TOTAL INCOME
TV Alfa	48.53	94.30	0.00	12.68	155.52	0.00	155.52
TV Alsat-M	173.43	0.00	0.00	12.02	185.45	0.00	185.45
TV Kanal 5	262.12	0.00	0.00	14.22	276.34	0.00	276.34
TV Sitel	410.96	0.00	0.00	37.67	448.63	0.01	448.64
TV Telma	108.24	0.00	4.23	21.59	134.06	0.00	134.06

TV Alfa is the only television that showed income from content sales.

In the period from 2017 to 2021, the highest total revenues were achieved by Alfa, Alsat-M and Kanal 5 televisions in the analysed year, Sitel in 2019, and Telma in 2017.

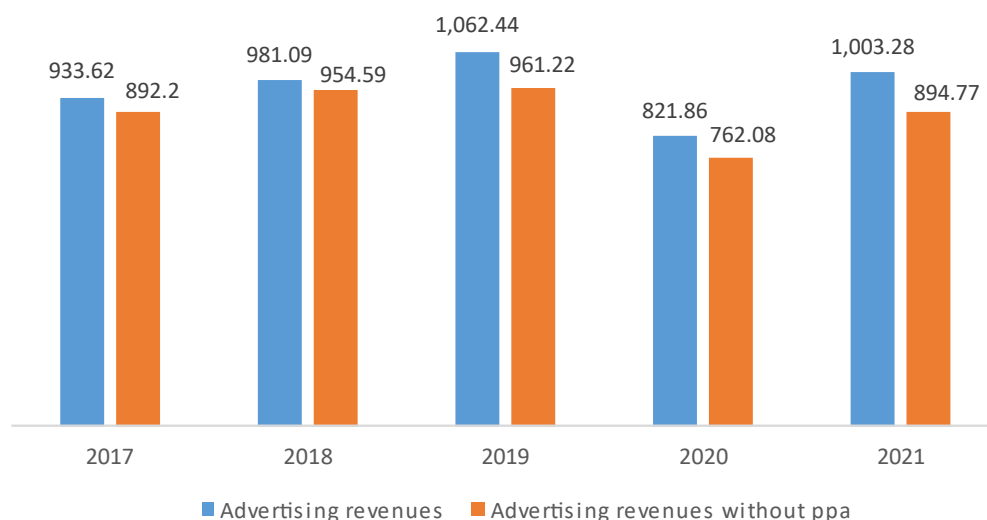
Image 11: Individual total revenues of terrestrial state level televisions over the last five years



Economic data for these five television stations show that they are generally financed by the sale of advertising time, except for Alfa, where the dominant source of financing in 2021 was the sale of content.

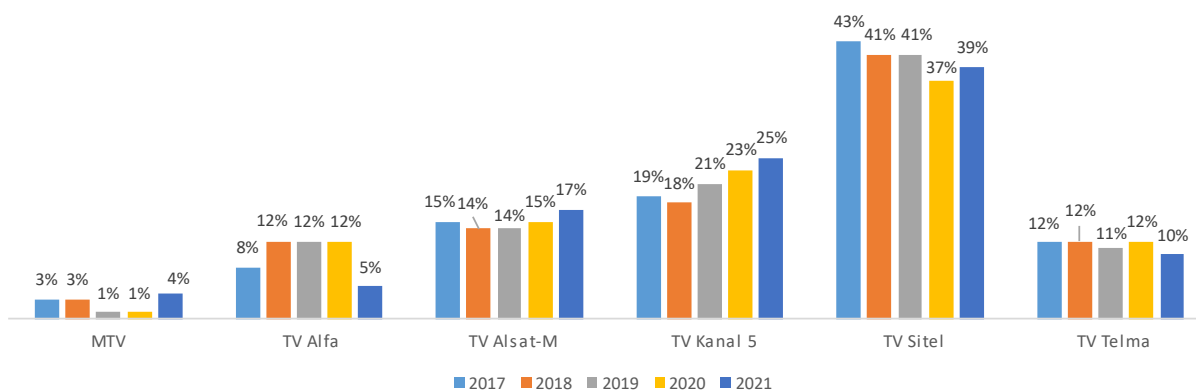
Advertising revenues amounted to 1,003.28 million denars, which represents 83.6% of the total realized revenues. This amount also includes the income that the five television stations earned from paid political advertising during the local elections in 2021, in a total amount of 108.51 million denars (of which Kanal 5 earned 30.73 million denars, Alsat-M 28.89 million denars, Sitel 27.48 million denars, Telma 13.57 million denars and Alfa 7.84 million denars). Without them, the growth rate of revenue from commercial advertising alone is 17.41% higher than in 2020.

Image 12: Movement of advertising revenue (with and without PPA) on terrestrial television



It's not unexpected that advertising revenue in 2021 is higher than the previous year, due to the fact that the biggest hit to the industry was the COVID-19 pandemic in 2020. However, it can be seen from image no. 12 that the level of the two pre-pandemic years has not yet been reached and that a period of time is needed for the industry to recover.

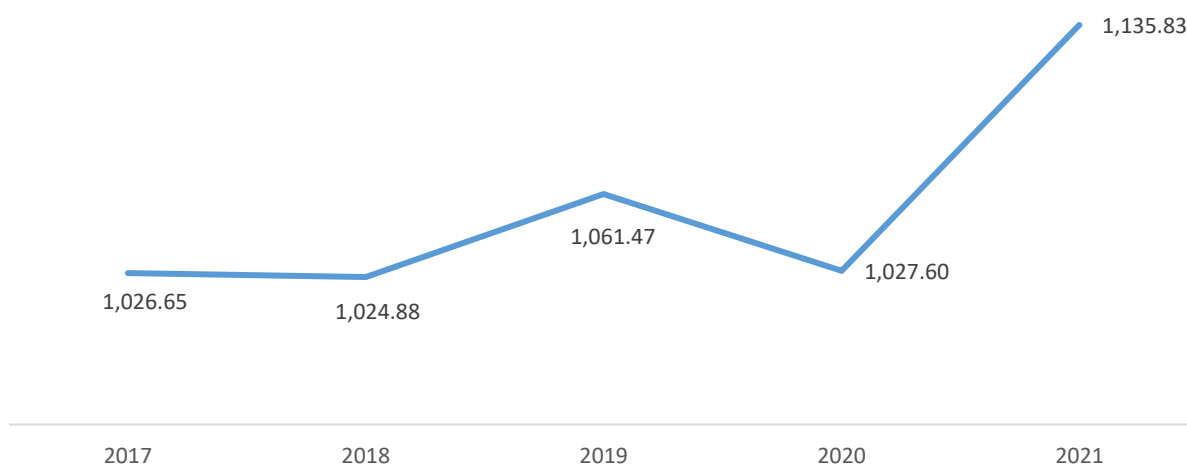
Image 13: Advertising revenue share in total advertising revenue over the last five years



In the period from 2017 to 2021, Sitel always had the largest share in the total revenues from advertisements generated by the five terrestrial television stations, while Kanal 5 had almost half as less each year. This year, there is a drop in the share of advertising revenue at Alfa - from 12% to 5%, and at Telma - from 12% to 10%, and the share of the three TV stations is increasing by two percentage points.

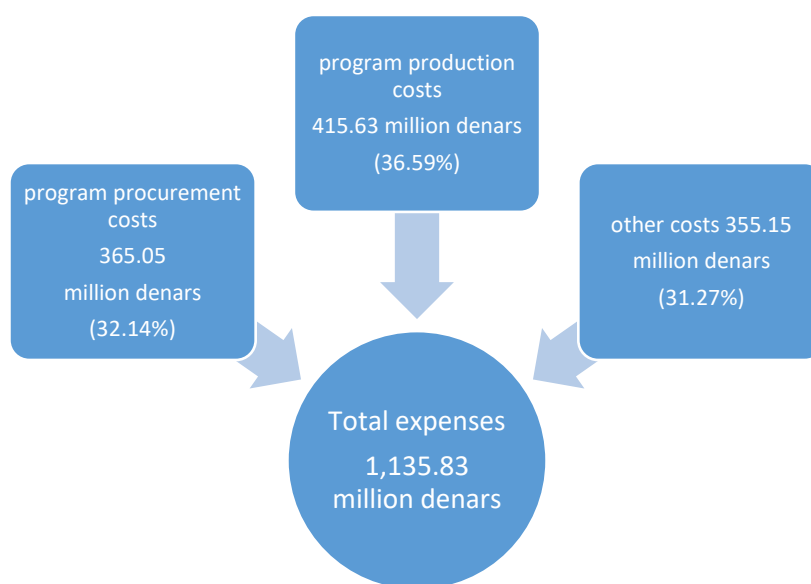
These five TV stations together spent 1,135.83 million denars. Compared to last year, total costs increased by 10.53%.

Image 14: Movement of total costs of terrestrial state level television over the last five years



TV stations allocated the most funds for content procurement- 365.05 million denars. The other costs for creating a program, which include material costs, non-material costs (services) and salaries for people directly related to program production, amounted to almost 416 million denars.

Image 15: Costs of terrestrial state level television



Sitel spent the most funds for content procurement (193.26 million denars) and for salaries for employees directly related to program production (84.99 million denars), Kanal 5 had the highest material costs (20.97 million denars), and Alfa the highest non-material costs (26.12 million denars).

Table 6: Structure of terrestrial state level television costs

TV	material costs	program procurement costs	non-material costs (services)	salaries and other compensations for persons directly related to program production	DIRECT PROGRAM PRODUCTION COSTS	other costs	TOTAL COSTS
TV Alfa	1.31	21.04	26.12	54.73	103.20	38.71	141.91
TV Alsat-M	0.33	25.27	11.21	63.96	100.76	65.21	165.97
TV Kanal 5	20.97	94.48	0.00	50.93	166.38	108.84	275.22
TV Sitel	8.31	193.26	21.61	84.99	308.16	117.91	426.07
TV Telma	1.10	31.01	18.85	51.22	102.18	24.48	126.66

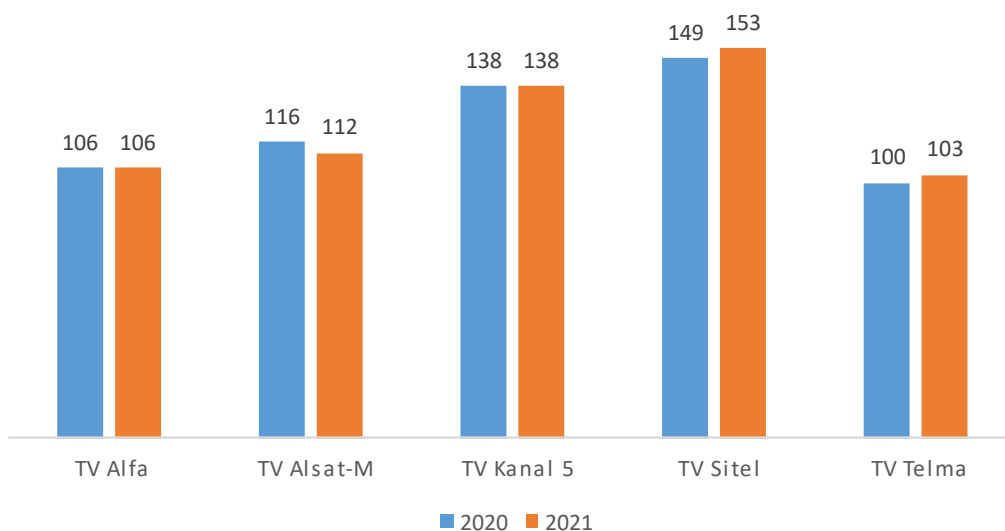
In the period of the last five years, for the first time in the analysed year, all five television stations achieved a positive financial result (profit of 52.17 million denars). Alsat-M (17.09 million denars) and Sitel (16.35 million denars) had the biggest net profit. Although they recorded a net profit, the operation result of Alfa and Sitel was significantly lower compared to the one in 2019 - before the start of the pandemic with COVID-19.

Table 7: Operational financial result of terrestrial state level television over the last five years

	2017	2018	2019	2020	2021
TV Alfa	1.67	9.51	39.33	-8.85	11.17
TV Alsat-M	5.85	5.36	8.44	0.53	17.09
TV Kanal 5	0.86	0.28	1.5	-12.11	0.16
TV Sitel	46.85	18.68	28.45	-21.89	16.35
TV Telma	-18.99	-21.48	-21.91	-17.47	7.4

The average number of full-time employees was 612. Compared to the previous year, the average number of employees remained unchanged in Alfa and Kanal 5, in Alsat-M it decreased by four people, and in Sitel and Telma it increased by four and three people, respectively. TV Sitel had the most employees (153 people), and the least had Telma (103 people).

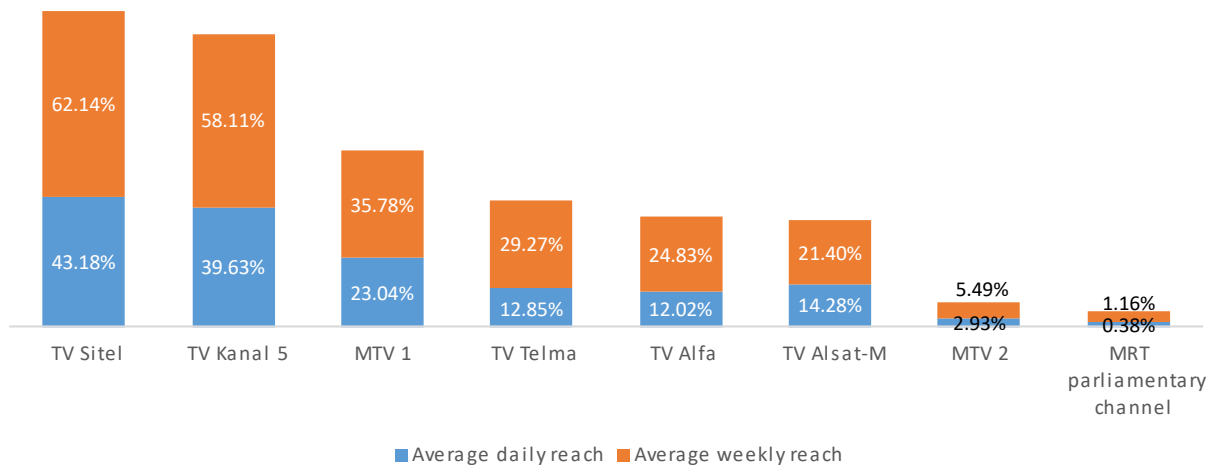
Image 16: The average number of full-time employees in terrestrial televisions for 2020 and 2021



On 31.12.2021, the total number of employees in these five television stations was 749 people, of which 614 were in full-time employment, and 135 were hired part-time.

In 2021, the most watched TV stations were Sitel and Kanal 5, with an average weekly reach of 62.14% and 58.11%, respectively.

Image 17: Average daily and weekly reach of terrestrial state level television

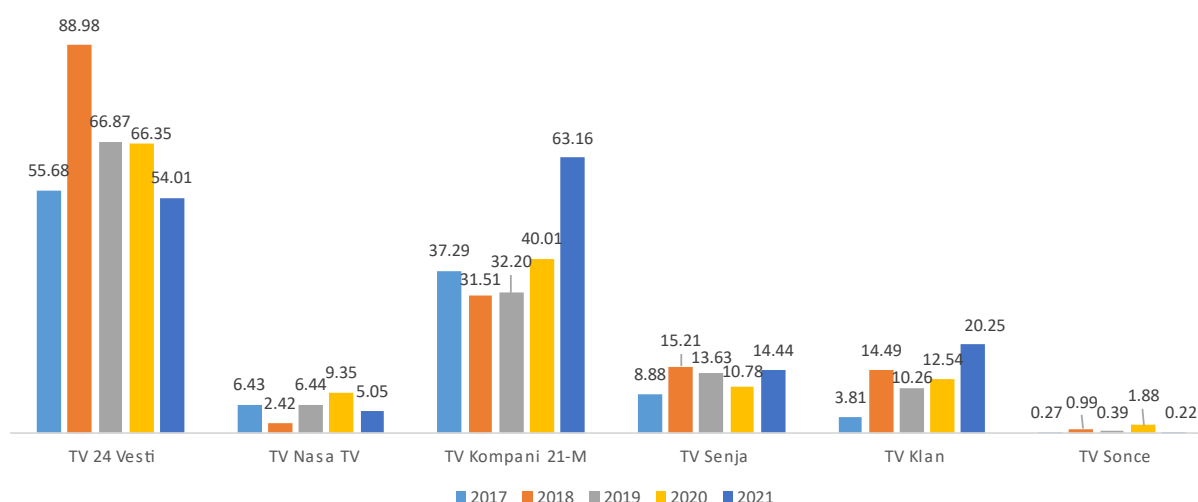


STATE LEVEL TV STATIONS VIA UNLIMITED RESOURCE

The market of state level TV stations via unlimited resource consists of six TV stations - 24 Vesti and Nasha TV, which broadcast via satellite, and TV stations Company 21-M, Shenja, Klan and Sonce, which broadcast via public electronic communication network. Their total revenues in 2021 amounted to 157.13 million denars. This amount, compared to the previous year, is higher by 11.50%.

44% of the total income of these six TV stations is the financial assistance to cover the fee for the license for television broadcasting in the amount of 15.47 million denars and the income from paid political advertising in the amount of 53.66 million denars.

Image 18: Movement of individual total revenue of terrestrial state level television over the last five years



Except for Nasha TV, which generated the most income from other sources (write-off of liabilities, income from written-off receivables), all other TV stations were mainly financed from the sale of advertising time. At the same time, Nasha TV is the only TV station that showed income from content sales.

Table 8: Revenue structure of state level TV stations via unlimited resource

TV	advertisements and teleshopping	content sales	other income	INCOME FROM PRINCIPAL ACTIVITY	extraordinary income	TOTAL INCOME
TV 24 Vesti	42.87	0.00	0.00	42.87	11.14	54.01
Nasha TV	1.49	0.30	3.26	5.05	0.00	5.05
TV Kompani 21-M	57.76	0.00	5.38	63.15	0.01	63.16
TV Shenja	8.64	0.00	5.80	14.44	0.00	14.44
TV Klan	18.83	0.00	0.00	18.83	1.42	20.25
TV Sonce	0.20	0.00	0.02	0.22	0.00	0.22

Together, these six TV stations earned 129.79 million denars from advertising, with Kompani 21-M earning the most (57.76 million denars), and Sonce TV the least (0.20 million denars).

The advertising revenues of Kompani 21-M, Klan and Sonce accounted for over 90% of the total revenues of each of these three TV stations. The share of these revenues at Shenja was 60%, and the lowest was at Nasha TV – 30%.

Table 9: Share of advertising revenue in the total revenue of each state-level television station via unlimited resource

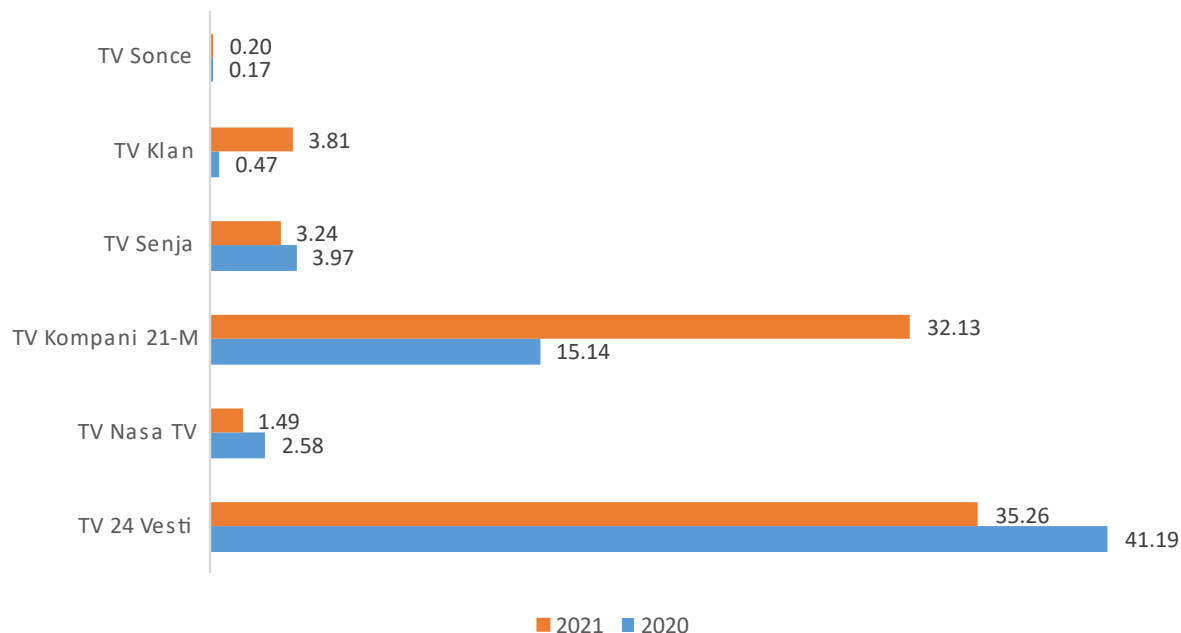
	TV 24 Vesti	Nasha TV	TV Kompani 21-M	TV Shenja	TV Klan	TV Sonce
total revenue	54.01	5.05	63.16	14.44	20.25	0.22
advertising revenue	42.87	1.49	57.76	8.64	18.83	0.2
share	79.37%	29.50%	91.45%	59.83%	92.99%	90.91%

41% of the revenue generated from the sale of advertising time was from paid political advertising (PPA) during the 2021 local elections. Seen separately by TV station, 80% of Klan's advertising revenues were from PPA, at Shenja they amounted to 63% of advertising revenues, at Kompani 21-M 44% and at 24 Vesti 18%. Presented in absolute values, 24 Vesti made 7.61 million denars from PPA, Kompani 21-M 25.63 million denars, Shenja 5.40 million denars and Klan 15.02 million denars. Nasha TV and Sonce did not broadcast paid political advertising.

If you look at the advertising revenue without paid political advertising, it can be noted that compared to 2020, advertising revenue increased for Klan, Company 21-M and Sonce (insignificantly), and for 24 Vesti, Shenja and Nasha TV, it decreased.

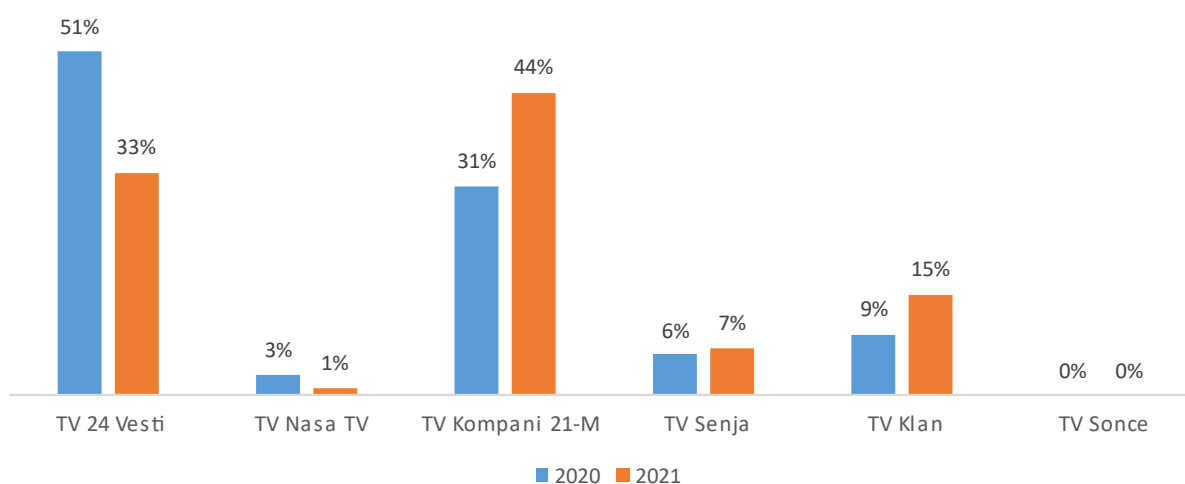
Revenue generated from commercial advertising alone (excluding paid political advertising) is 19.87% higher than in 2020.

Image 19: Advertising revenue (without PPA) of state level TV stations via unlimited resource in 2020 and 2021



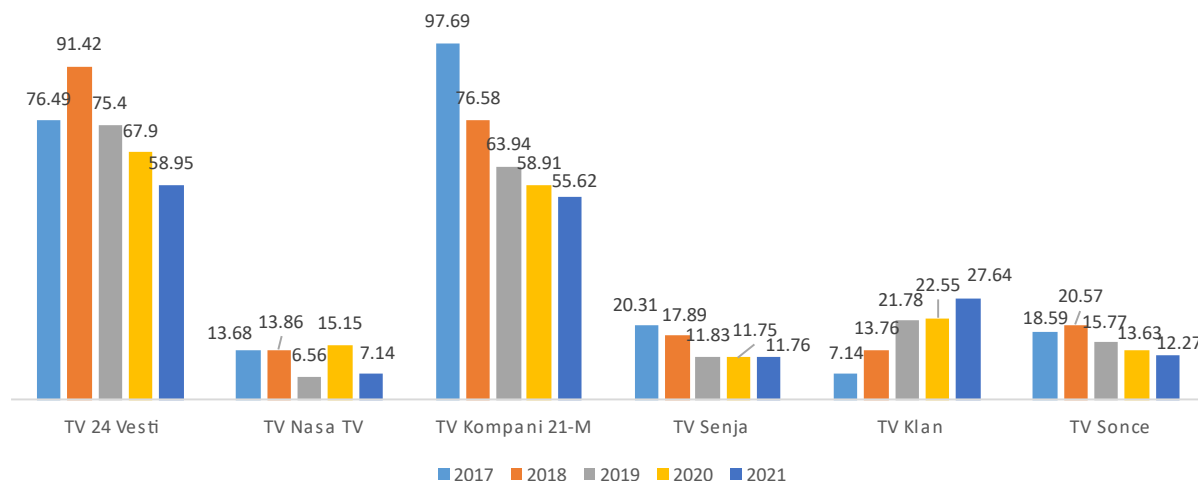
In the analysed year, Kompani 21-M had the largest share in advertising revenues. Compared to the previous year, there was an increase in the share of Klan, Shenja and Kompani 21-M, while the share of 24 Vesti and Nasha TV decreased. The share of Sonce's advertising revenue is insignificant and cannot be expressed in percentages.

Image 20: Share of advertising revenue in the total advertising revenue of state-level television stations via unlimited resource in 2020 and 2021



Total expenditures of these TV stations amounted to 173.38 million denars. Compared to last year, they decreased for 8.69%.

Image 21: Total expenses of state level TV stations via unlimited resource
over the last five years



The biggest expenditure of these six televisions was the cost of program production, which amounted to 92.52 million denars, i.e., 53.36% of the total expenses. This amount consists of material costs, non-material costs and salaries for employees directly related to the program production. Of these types of expenses, the most funds were spent on salaries for employees - 77.57 million denars.

Unlike the expenses of program production, the expense of content procurement was very small - only 7.92 million denars (4.57% of total costs), which indicates that these TV stations invested more in their own production than in procurement of contents.

Table 10: Structure of the expenditure of state level TV stations via unlimited resource

TV	material costs	program procurement costs	non-material costs (services)	salaries and other compensations for persons directly related to program production	DIRECT PROGRAM PRODUCTION COSTS	other costs	TOTAL COSTS
TV 24 Vesti	1.46	0.48	4.34	39.30	45.57	13.38	58.95
Nasha TV	0.02	0.12	1.48	1.64	3.26	3.88	7.14
TV Kompani 21-M	2.26	3.76	0.27	14.64	20.94	34.68	55.62
TV Shenja	0.11	0.84	0.00	6.99	7.94	3.82	11.76
TV Klan	1.69	1.02	0.00	15.00	17.71	9.93	27.64
TV Sonce	0.49	1.70	2.83	0.00	5.02	7.25	12.27

This year, two TV stations operated with profit - Kompani 21-M (7.40 million denars) and Shenja (2.36 million denars). The other four TV stations ended the year with a loss, and the highest was the loss of Sonce - 12.05 million denars.

Table 11: Operational financial result of state level TV stations via unlimited resource over the last five years

TV	2017	2018	2019	2020	2021
TV 24 Vesti	-20.82	-2.44	-8.54	-1.55	-4.94
Nasha TV	-7.25	-11.44	-0.12	-5.80	-2.08
TV Kompani 21-M	-60.40	-45.06	-31.74	-18.90	7.40
TV Shenja	-11.44	-2.68	1.61	-0.97	2.36
TV Klan	-3.33	0.66	-11.52	-10.01	-7.39
TV Sonce	-18.32	-19.57	-15.38	-11.75	-12.05

The number of full-time employees at the end of the year was 224, which is 12 less than the previous year, and the number of freelancers was nine less than in 2020 and was 90.

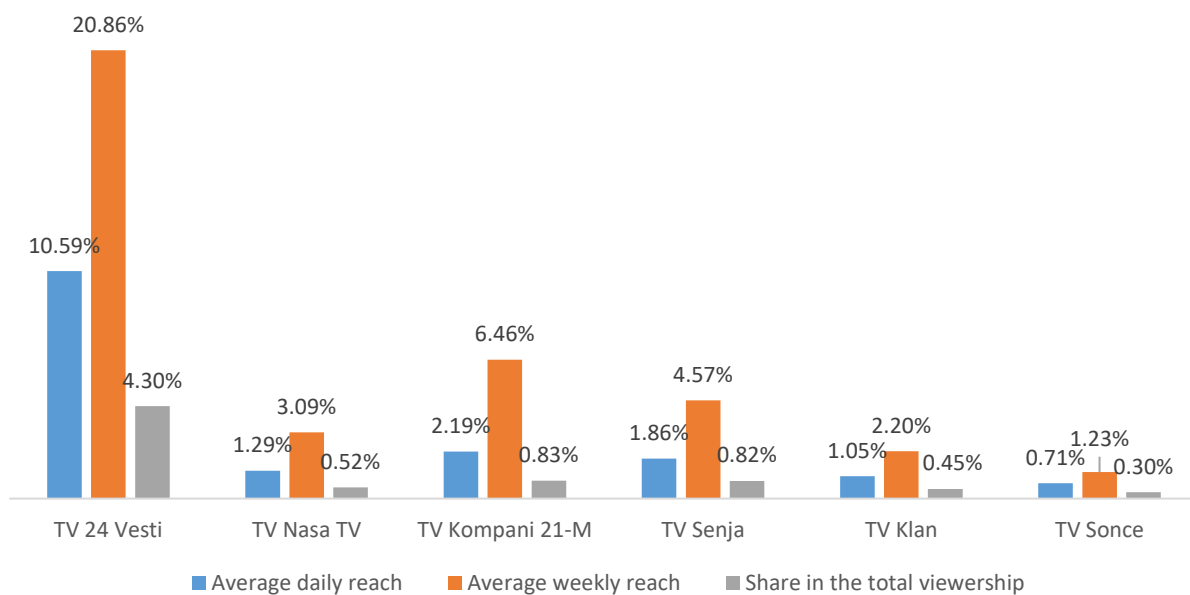
The average number of full-time employees was 228. There was an increase at 24 Vesti by one person and at Klan by ten people. The average number of employees decreased by seven people at Kompani 21-M, while it remained unchanged at Nasha TV, Shenja and Sonce.

Table 12: Number of employees in state level TV stations via unlimited resource

TV	2021		
	full-time employment	freelancers	average number of full-time employees
TV 24 Vesti	86	12	98
Nasha TV	1	32	1
TV Kompani 21-M	41	27	38
TV Shenja	37	0	35
TV Klan	41	0	38
TV Sonce	18	19	18
Total	224	90	228

Of the two satellite televisions (24 Vesti and Nasha TV), 24 Vesti had a significantly higher viewership, and of the four televisions that broadcast programs via cable, Kompani 21-M was the most watched. The figure below shows the values for the average daily and weekly reach of the six televisions, as well as their share in the total viewership.

Image 22: Average daily reach, weekly reach and total watch share of state level TV stations via unlimited resource



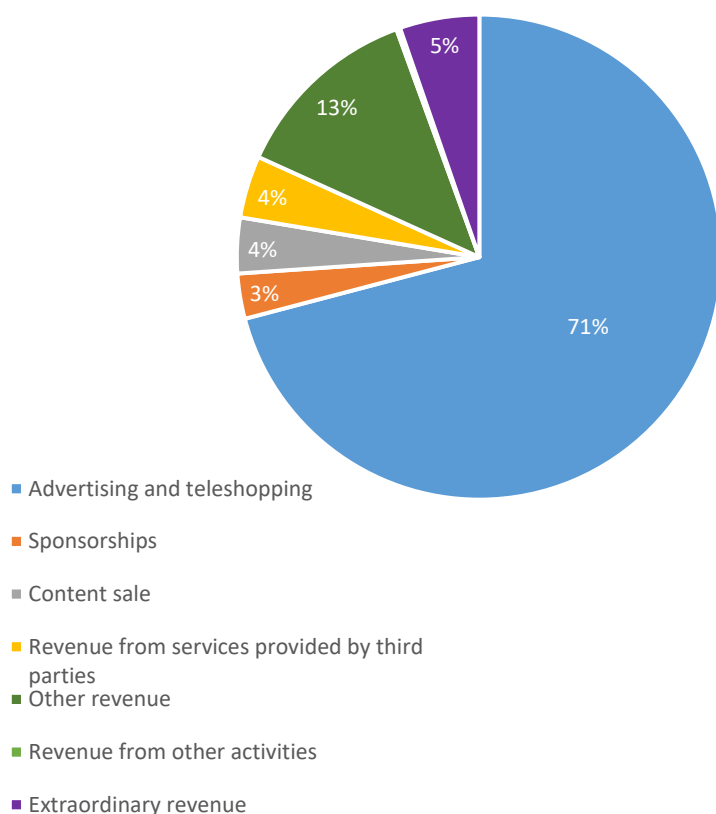
REGIONAL TV STATIONS

A total of 18 television stations broadcast a television program at the regional level during the entire year 2021, but the data on the economic operation of 17 were processed in the analysis, due to the fact that the Siti television station, which broadcast in the D1-Crn Vrv Skopje region, gave up its license in March 2022 and did not submit data on its operations in the previous year.

The joint revenues of the 17 regional TV stations amount to 99.19 million denars. Almost half of this amount, or rather 49%, is the financial assistance for dealing with the consequences of the pandemic in a total amount of 10.72 million denars (7 million denars exemption from the obligation to pay the fee for the permit and 3.72 million denars covering the costs of transmission of the signal through the digital terrestrial multiplex of six regional terrestrial televisions⁷) and revenues from paid political advertising in the total amount of 38.37 million denars.

Most of the total revenues are generated from the sale of advertising time (70.90%).

Image 23: Revenue structure of regional TV stations



⁷ We are talking about MTM TV, Shutel TV, Edo TV, Era TV, KTV TV and Koha TV

The biggest increase in total revenues compared to 2020 was at Tera (for 5.62 million denars), which also achieved the highest revenues of all regional televisions - an amount of 15.20 million denars, and at Koha (for 4.46 million denars), whose total income was 12.84 million denars.

Table 13: Total revenue of the regional TV stations in 2020 and 2021

TV	2020	2021
TV Siti	4.46	n.p.
TV Edo	3.97	2.99
TV Era	10.54	12.08
TV MTM	6.08	6.85
TV Shutel	4.26	3.25
TV KTV	2.08	4.13
TV Iris	2.23	1.81
TV Star	8.36	10.35
TV M Net-HD	0.32	2.56
TV Kanal Vis	9.98	8.71
TV Kobra	1.77	1.75
TV Tera	9.58	15.20
TV M	5.01	8.45
Television 3	0.36	0.64
TV Koha	8.38	12.84
TV Polog	1.28	1.49
TV Topestrada	2.53	1.22
TV K&M	2.48	4.86
Total:	83.65	99.19

The revenues realized in 2021 were higher by 18.58% than those in the previous year, and this is mostly due to the increase in revenues from the sale of advertising time realized by regional TV stations. In 2020, they earned 56.41 million denars from advertising, and in 2021, 70.33 million denars.

The table below shows the dominant share of advertising revenue in total revenue in all broadcasting regions where there are regional television stations.

Table 14: Advertising revenue share in total revenue of regional TV stations

	D1-Skopje	D1-Veles	D2	D3	D4	D5	D6	D7	D8
total revenue	25.18	4.13	/	14.72	10.46	15.20	8.45	0.64	20.41
advertising revenue	15.20	2.52	/	12.67	8.83	8.26	5.28	0.64	16.93
share	60.37%	61.02%	/	86.07%	84.42%	54.34%	62.49%	100.00%	82.95%

Like last year, Koha (11.64 million denars), Era (9.92 million denars) and Star (9.78 million denars) had the highest revenues from advertisements.

More than half of the revenues from advertisements was generated from paid political advertising during the local elections in 2021, i.e., out of a total of 70.33 million denars from advertisements, 38.37 million denars are from paid political advertising.

Revenues from the sale of contents were shown by only three TV stations - MTM from D1-Skopje (0.35 million denars), Tera from D5-Pelister (3.32 million denars) and K&M from D8-Popova Shapka (an insignificant amount of 0.01 million denars).

The same number of TV stations also earned income from services provided to third parties. We are talking about the TV stations Shutel from D1-Skopje (0.62 million denars), Tera from D5-Pelister (2.34 million denars) and K&M from D8-Popova Shapka (1.16 million denars).

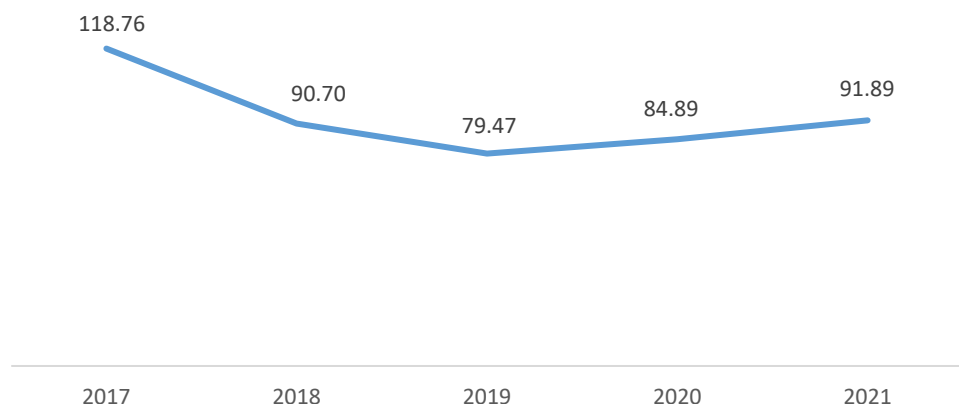
Only two regional TV stations showed incomes earned on the basis of sponsoring shows or parts of shows, namely TV M from D6-Mali Vlay (2.83 million denars) and Koha from D8-Popova Shapka (0.16 million denars).

Table 15: Structure of the total income of regional TV stations, divided in broadcasting areas

	D1-Skopje	D1-Veles	D2	D3	D4	D5	D6	D7	D8
Advertisements and teleshopping	15.20	2.52	/	12.68	8.83	8.26	5.28	0.64	16.93
Sponsorships	0.00	0.00	/	0.00	0.00	0.00	2.83	0.00	0.16
Content sale	0.35	0.00	/	0.00	0.00	3.32	0.00	0.00	0.01
Revenues from services provided by third parties	0.62	0.00	/	0.00	0.00	2.34	0.00	0.00	1.16
Other revenue	4.86	1.61	/	1.52	1.63	1.11	0.34	0.00	1.50
Revenues of the main activity	21.02	4.13	/	14.20	10.46	15.03	8.45	0.64	19.76
Revenue from other activities	0.03	0.00	/	0.04	0.00	0.17	0.00	0.00	0.00
Extraordinary revenue	4.12	0.00	/	0.48	0.00	0.00	0.00	0.00	0.65
Total revenue	25.18	4.13	/	14.72	10.46	15.20	8.45	0.64	20.41

The joint costs of the regional televisions amounted to 91.89 million denars, which is 8.25% more than last year.

Image 24: Movement of the total expenditure of regional TV stations in the last five years



The analysis of economic data shows that almost 60% of the total expenditure of regional televisions are direct expenditures for program creation. In the period of the last five years, the expenditures for the production of program contents and the expenditures for the contents procurement have the largest decrease in 2018 compared to 2017.

Table 16: Direct expenditure for program creation over the last five years

Expenditure for:	2017	2018	2019	2020	2021
content production	65.45	58.11	51.24	50.9	50.51
content procurement	10.81	2.73	3.08	3.34	3.96

From the structure of expenses made by regional television stations, it can be noted that they invested the most funds in the production of their own program. Star allocated the largest amount for this purpose - 8.23 million denars.

39.78 million denars were spent on salaries of the employees who are directly related to the production of the program, which represents 79% of the expenditures of program creation.

This year, as well as the previous one, the highest expenditures were incurred by Kanal Vis (15.77 million denars) and Era (12.63 million denars).

Table 17: Structure of the total expenditure of regional TV stations, divided in broadcasting areas

	D1- Skopje	D1- Veles	D2	D3	D4	D5	D6	D7	D8
Material costs	1.10	0.22	/	0.77	1.09	1.02	1.79	0.00	0.54
Program procurement costs	1.06	0.15	/	0.81	0.12	1.07	0.41	0.02	0.31
Non-material costs (services)	1.15	0.05	/	0.93	0.00	0.87	1.20	0.00	0.00
Salary and other payments to staff directly involved with production of the TV program	9.00	2.08	/	10.32	4.10	4.08	2.76	2.11	5.34
Direct cost for TV program production	12.31	2.50	0.00	12.83	5.31	7.04	6.16	2.13	6.19
Salary and other payments to staff not directly involved with production of the TV program	0.00	0.00	/	0.00	1.27	0.32	0.00	0.00	0.94
Depreciation of equipment	1.48	0.06	/	0.66	0.93	1.07	0.47	0.00	3.67
Depreciation of rights and licenses	1.21	0.00	/	0.00	0.00	0.00	0.00	0.00	0.00
Rents and other overhead expenses	4.64	0.02	/	0.00	0.26	0.40	0.00	0.22	0.52
All other, not mentioned, expenses	1.60	1.17	/	0.41	10.17	0.26	0.30	0.02	2.34
Total operating expenses	21.24	3.75	0.00	13.90	17.94	9.09	6.93	2.37	13.66
Expenses for other activities	0.00	0.00	/	0.01	0.00	0.00	0.00	0.00	0.00
Extraordinary expenses	2.86	0.00	/	0.00	0.00	0.14	0.00	0.00	0.00
Total operating expenses	24.10	3.75	0.00	13.91	17.94	9.23	6.93	2.37	13.66

In 2021, the regional TV stations together achieved a positive financial result in the amount of 5.82 million denars. Tera had the best financial result - a profit of 5.45 million denars. Five TV stations ended the year with a loss (Era, Iris, Kanal Vis, Cobra and Television 3).

The number of employees in regional TV stations has decreased compared to 2020, both of staff in full-time employment (by 10 people), and of freelancers (by 17 people). The average number of full-time employees was 118.

Table 18: Number of employees in the regional TV stations

TV	2021		
	full-time employment	freelancers	average number of full-time employees
TV Siti	n.p.	n.p.	n.p.
TV Edo	7	8	7
TV Era	25	0	23
TV MTM	3	7	3

TV Shutel	6	0	3
TV KTV	6	6	6
TV Iris	4	6	n.p.
TV Star	9	6	9
TV M Net-HD Shtip	4	7	5
TV Kanal Vis	13	0	13
TV Kobra	5	5	5
TV Tera	9	5	9
TV M	8	5	8
Television 3	4	4	3
TV Koha	12	1	12
TV Polog	1	9	1
TV Topestrada	1	6	1
TV K&M	12	3	10
Total	129	78	118

In 2021, Koha was the most watched regional TV station. The average weekly reach of this TV station was 30.40%, and the share in viewership in the region was 2.83%.

Table 19: Average weekly reach and share for the regional TV stations

Area	TV station	Average weekly reach	Share in area	Share in total
D1-Crn Vrv/Skopje	TV Siti	0.70%	0.13%	0.04%
	TV Edo	1.90%	0.40%	0.12%
	TV Era	1.60%	0.39%	0.12%
	TV MTM	1.20%	0.09%	0.03%
	TV Shutel	1.10%	0.35%	0.11%
D1-Crn Vrv/Veles	TV KTV	6.30%	1.47%	0.14%
D3-Turtel	TV Iris	7.80%	0.55%	0.05%
	TV Star	18.70%	2.26%	0.23%
	TV M Net-HD	5.80%	0.25%	0.03%
D4-Boskija	TV Kanal Vis	17.30%	1.32%	0.10%
	TV Kobra	1.60%	0.43%	0.03%
D5-Pelister	TV Tera	11.10%	1.57%	0.27%
D6-Mali Vljaj	TV M	5.70%	1.01%	0.04%
D7-Stogovo	Television 3	8.10%	1.01%	0.04%
D8-Popova Shapka	TV Koha	30.40%	2.83%	0.29%
	TV Polog	2.00%	0.26%	0.02%
	TV Topestrada	12.70%	0.58%	0.07%
	TV K&M	5.50%	0.57%	0.06%

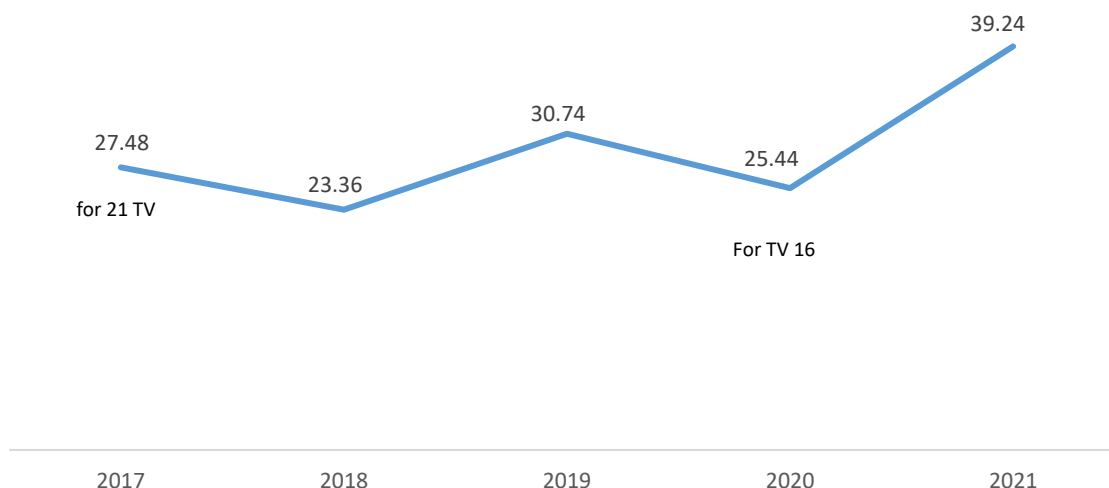
LOCAL TV STATIONS

The total amount of income that the local television stations achieved in 2021 was 39.24 million denars.

65.24% of this amount is the revenue from paid political advertising (25.6 million denars).

In addition, the total income includes the financial assistance they received in the analysed year in the form of exemption from the obligation to pay compensation in the amount of 1.68 million denars.

Image 25: Movement of the total expenditure of local TV stations in the last five years



Compared to 2020, total income increased by 54.25%. Viewed individually by TV stations, 12 local TV stations showed higher revenues, and three decreased their revenues.

Table 20: Total revenue of the local TV stations in 2020 and 2021

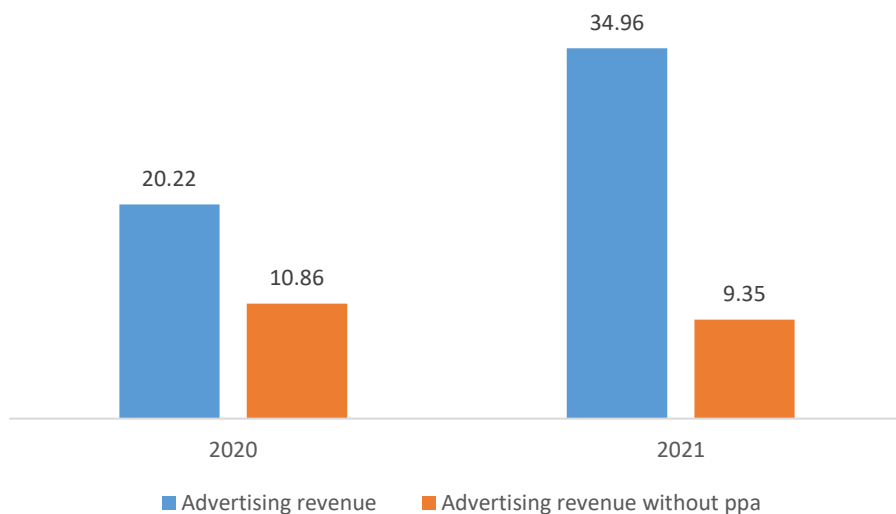
	2020	2021
Festa	1.44	1.81
Nova*	1.27	/
TV K	1.37	1.38
Kanal 8	2.15	2.34
Protel	1.14	1.74
Kanal 21	0.67	0.49
Zdravkin	0.03	0.04
Svet	0.83	0.92
Kaltrina	1.03	3.85
Spektra	1.12	1.78
Dibra	1.09	0.91
Gurra	1.83	0.99
Due	2.49	6.22
G-TV	2.37	6.73
Plus	4.89	6.82
Uskana media	1.74	3.21

*AAVMS does not have data on the economic operation of this TV station, because the license of this broadcaster ceased to be valid in November 2021

Plus (6.82 million denars), G-TV (6.73 million denars) and Due (6.22 million denars) showed the highest total revenues.

Almost 90% of the revenue was generated from the sale of advertising time. These revenues show an increase of 72.90% compared to 2020, and the increase is due to the significantly higher revenues that the television stations earned from paid political advertising during the local elections (25.61 million denars in total). Televisions made 9.35 million denars from commercial advertising alone, i.e., 13.90% less than in the previous year.

Image 26: Advertising revenue (with and without PPA) at local TV stations in 2020 and 2021



The three TV stations that showed the highest total revenues also had the highest advertising revenues. The income from advertising of Plus amounted to 5.69 million denars, of Due - 6.22 million denars (the entire income of this television was generated from advertisements) and of G-TV - 6.39 million denars.

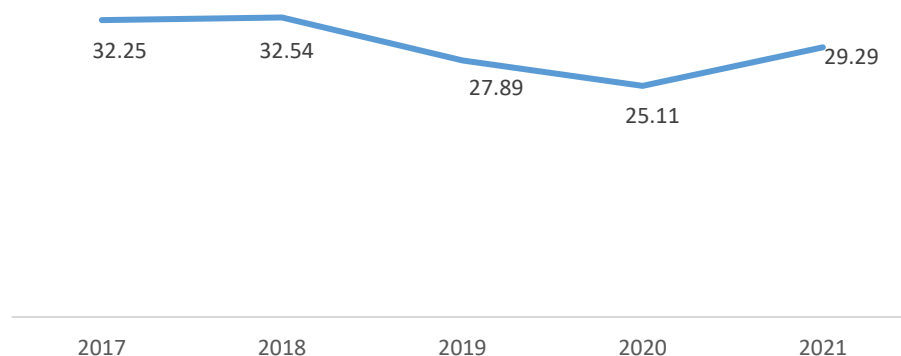
TV Plus is the only local TV station that showed revenue from content sales (amount of 0.54 million denars), G-TV is the only one that generated revenue from sponsorships (amount of 0.1 million denars), and Svet is the only one that generated revenue from services provided to third parties (amount of MKD 0.52 million).

Table 21: Revenue structure of local TV stations

TV	advertisements and teleshopping	sponsorships	content sales	revenues from services provided by third parties	other income	PRIMARY ACTIVITY REVENUE	extraordinary income	TOTAL REVENUE
Festa	1.44	0.00	0.00	0.00	0.20	1.64	0.17	1.81
TV K	1.22	0.00	0.00	0.00	0.17	1.38	0.00	1.38
Kanal 8	1.71	0.00	0.00	0.00	0.29	2.00	0.33	2.34
Protel	1.46	0.00	0.00	0.00	0.00	1.46	0.28	1.74
Kanal 21	0.48	0.00	0.00	0.00	0.00	0.48	0.01	0.49
Zdravkin	0.04	0.00	0.00	0.00	0.00	0.04	0.00	0.04
Svet	0.36	0.00	0.00	0.52	0.05	0.92	0.00	0.92
Kaltrina	3.60	0.00	0.00	0.00	0.00	3.60	0.24	3.85
Spektra	1.52	0.00	0.00	0.00	0.03	1.55	0.23	1.78
Dibra	0.91	0.00	0.00	0.00	0.00	0.91	0.00	0.91
Gurra	0.80	0.00	0.00	0.00	0.19	0.99	0.00	0.99
Due	6.22	0.00	0.00	0.00	0.00	6.22	0.00	6.22
G-TV	6.39	0.10	0.00	0.00	0.24	6.73	0.00	6.73
Plus	5.69	0.00	0.54	0.00	0.59	6.82	0.00	6.82
Uskana media	3.10	0.00	0.00	0.00	0.11	3.21	0.00	3.21

Out of a total of 29.29 million denars, as much as all TV stations spent together, the most funds were intended for program production - 17.99 million denars, ie 61.42% of the total costs.

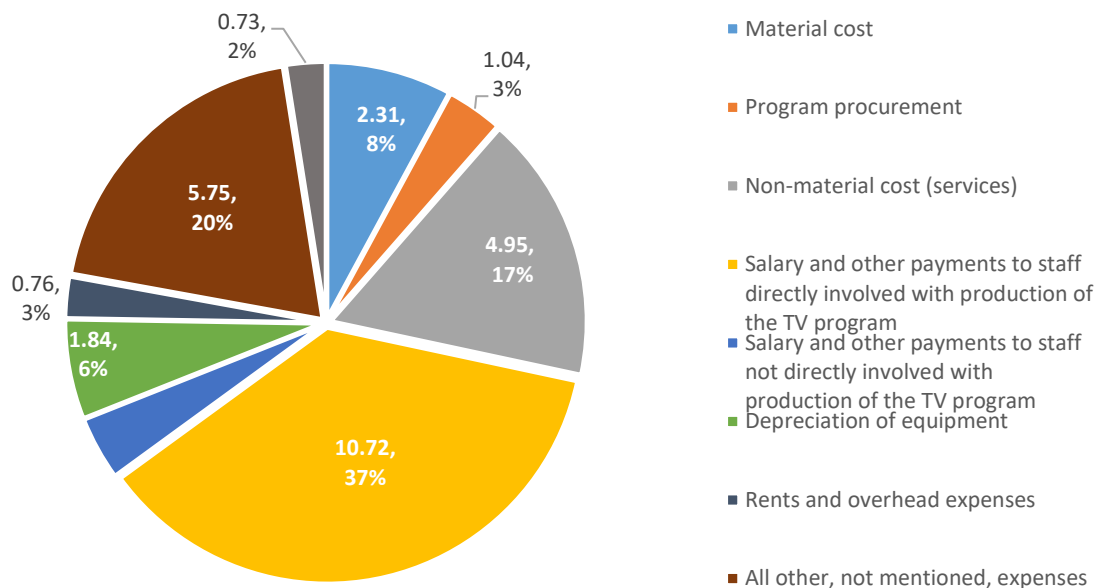
Image 27: Movement of the total expenditure of local TV stations in the last five years



The three TV stations that generated the highest revenues spent the most funds. They are: G-TV, which spent 5.76 million denars, Plus - with 4.80 million denars spent, and Due with 4.15 million denars.

The largest amount of the funds intended for the production of the program was spent on employee salaries (10.72 million denars). For material costs, the TV stations set aside 2.31 million denars, and for non-material costs (services) - 4.95 million denars.

Image 28: Revenue structure of local TV stations



The result of the operation of the local television stations was a profit of 9.40 million denars. Kaltrina was the local TV station with the best financial result, which made a profit of 1.98 million denars. Five television stations showed a negative financial result, and Zdravkin's loss was the highest - 0.57 million denars.

The number of persons in full-time employment in 2021 was 43, while 64 persons were freelancers.

Table 22: Number of employees in the local TV stations

TV	2021		
	full-time employment	freelancers	average number of full-time employees
TV Festa	1	6	1
TV K	5	0	2
TV Kanal 8	2	3	2
TV Protel	4	2	4
TV Kanal 21	1	4	1
TV Zdravkin	1	4	1

TV Svet	2	5	2
TV Kaltrina	5	6	3
TV Spektra	2	3	1
TV Dibra	3	6	3
TV Gurra	1	6	1
TV Due	3	3	3
G-TV	4	3	4
TV Plus	7	8	6
TV Uskana media	2	5	3
Total	43	64	37

This year too, the most watched local TV station was Protel, with an average weekly reach of 18.13% and a 5% share in the region. The table below presents the viewership data of all local TV stations.

Table 23: Average weekly reach and share for the local TV stations

TV station	Average weekly reach	Share in area	Share in total
TV Festa	5.48%	0.82%	0.05%
TV K	7.25%	1.28%	0.04%
TV Kanal 8	3.15%	1.22%	0.04%
TV Protel	18.13%	5.00%	0.07%
TV Kanal 21	5.60%	1.28%	0.04%
TV Zdravkin	7.90%	1.22%	0.04%
TV Svet	9.88%	1.02%	0.02%
TV Kaltrina	7.00%	1.46%	0.03%
TV Spektra	10.10%	1.34%	0.02%
TV Dibra	8.38%	1.89%	0.03%
TV Gurra	2.70%	0.15%	0.01%
TV Due	10.50%	1.86%	0.05%
G-TV	10.53%	1.28%	0.03%
TV Plus	5.75%	1.18%	0.06%
TV Uskana media	5.73%	0.60%	0.02%



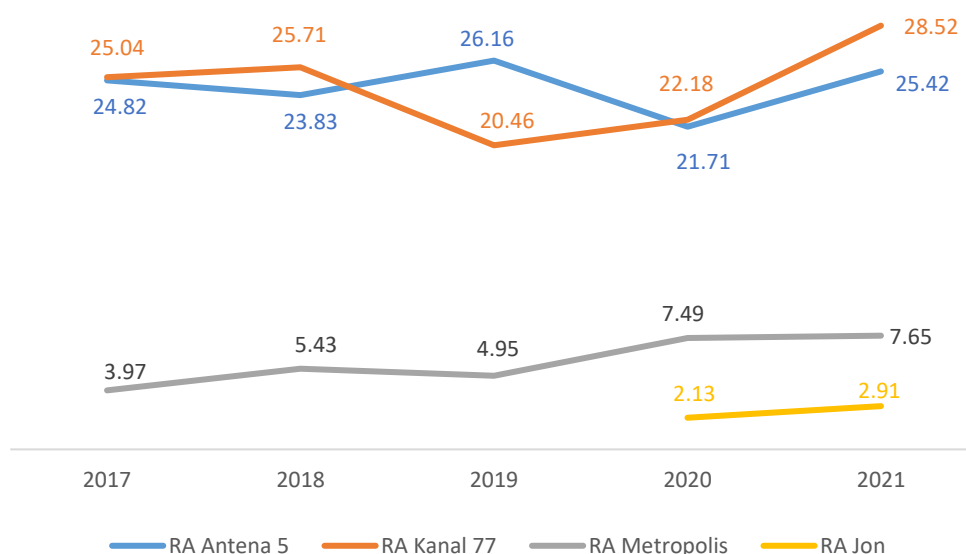
Commercial radio stations

STATE LEVEL RADIO STATIONS

The revenues that the radio stations achieved together at the state level amounted to 64.50 million denars. 10.16% of this amount is the income from paid political advertising (3.65 million denars) and the financial aid with which the costs of the permit fee were covered from the state budget (2.9 million denars).

Kanal 77 (28.52 million denars) and Antena 5 (25.42 million denars) earned notably higher revenues than the other two radio stations. The total revenues of Metropolis amounted to 7.65 million denars, and the least revenue was earned by Jon Radio - only 2.91 million denars.

Image 29: Movement of the total revenue of state level radio stations in the last five years



Kanal 77 had the highest total revenues. Apart from that, this radio station was the only one that showed revenues generated on the basis of sponsorships (1.74 million denars) and revenues from services provided to third parties (3.59 million denars).

Table 24: Total revenue, advertising revenue and weekly reach of state level radio stations

	Antena 5	Kanal 77	Metropolis	Jon
total revenue	25.42	28.52	7.65	2.91
advertising revenue	25.25	21.02	7.63	2.25
average weekly reach	21.1%	15.5%	7.5%	1.9%

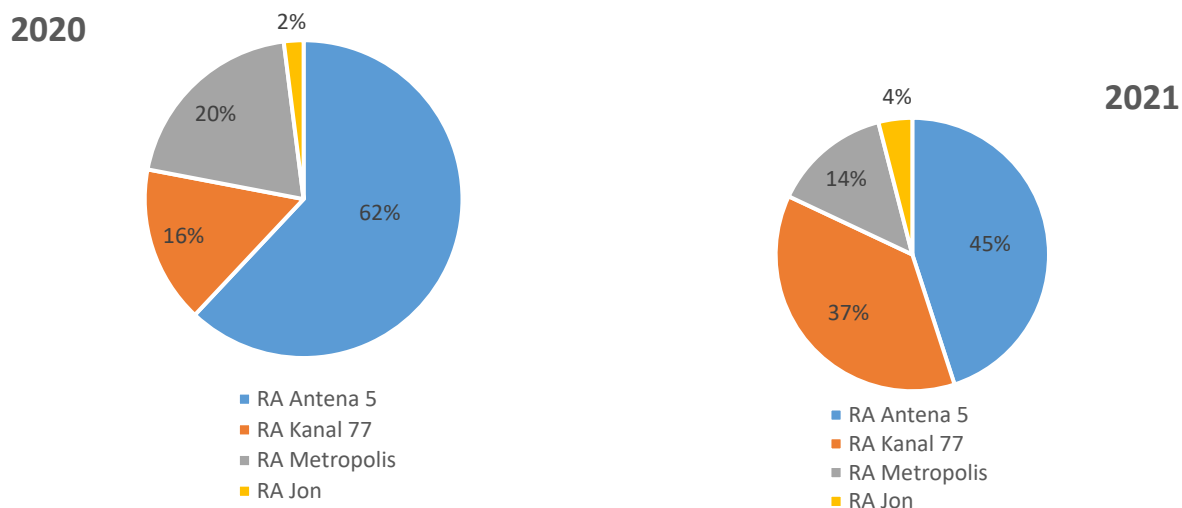
Antena 5, as the most listened to radio station with an average weekly reach of 21.1%, also achieved the highest revenues from advertisements, which amounted to 25.25 million denars.

Table 25: Revenue structure for the state level radio stations

RA	advertisements and teleshopping	sponsorships	revenues from services provided by third parties	other income	PRIMARY ACTIVITY REVENUE	extraordinary income	TOTAL REVENUE
RA Antena 5	25.25	0.00	0.00	0.17	25.42	0.00	25.42
RA Kanal 77	21.02	1.74	3.60	2.14	28.50	0.02	28.52
RA Metropolis	7.63	0.00	0.00	0.02	7.65	0.00	7.65
RA Jon	2.25	0.00	0.00	0.66	2.91	0.00	2.91

Compared to the previous year, the share of advertising revenue in total advertising revenue decreased at Antena 5 and Metropolis, and increased at Kanal 77 and Jon Radio.

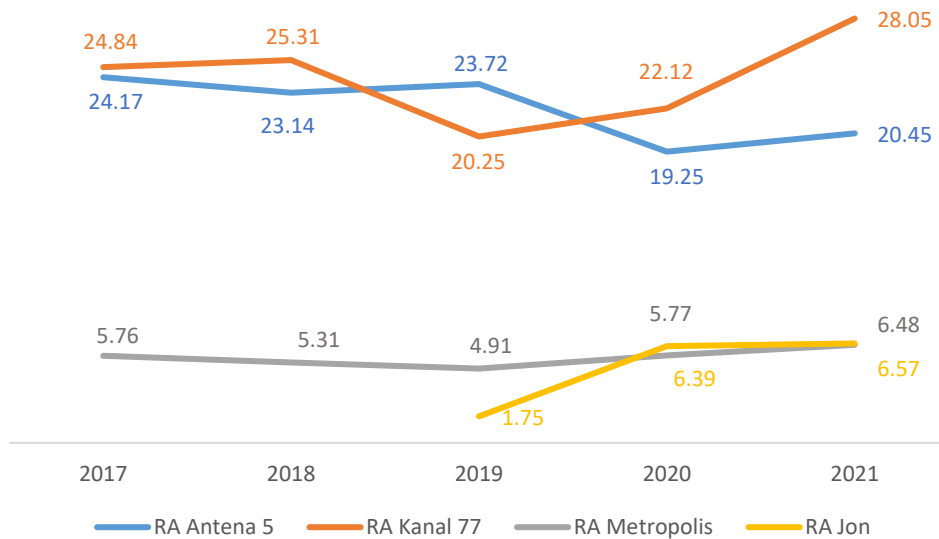
Image 30: Advertising revenue share of the state-level radio stations



From paid political advertising during the local elections in 2021, Kanal 77 earned the highest revenue - 1.73 million denars. Antena 5 made 0.70 million denars, Metropolis - 0.33 million denars and Jon - 0.89 million denars.

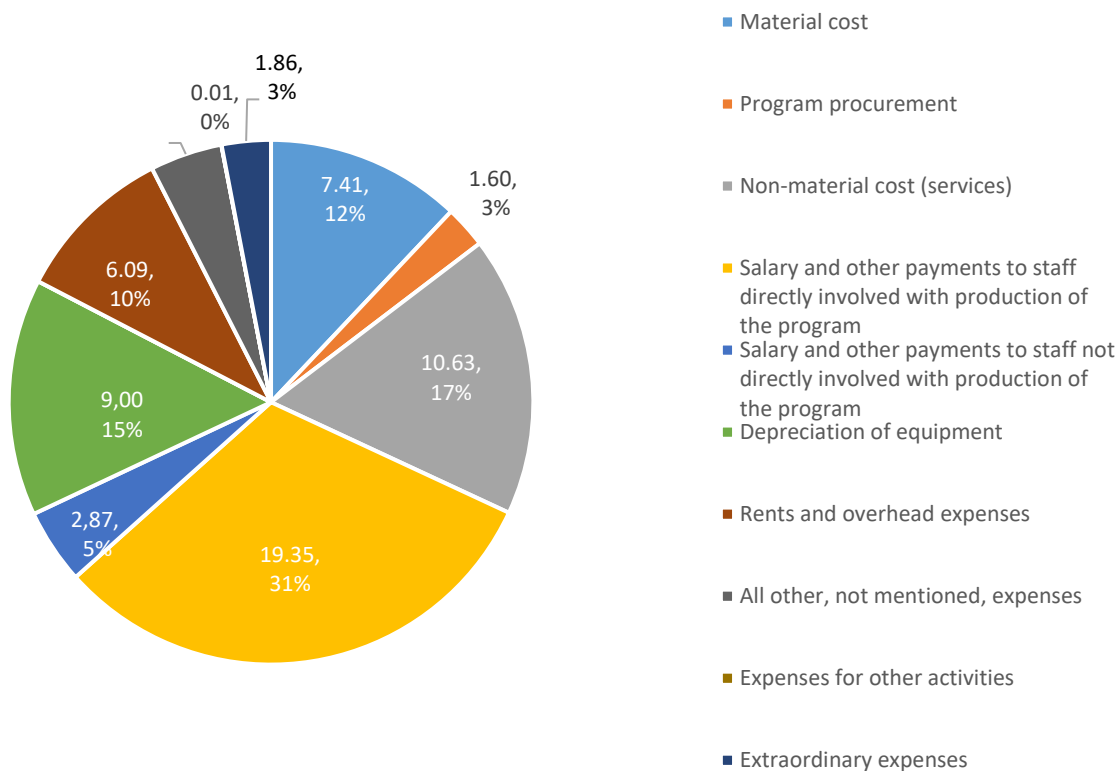
These four radio stations spent slightly less funds than the revenues they generated. Their joint expenses amounted to 61.55 million denars.

Image 31: Movement of the total expenditures of state level radio stations in the last five years



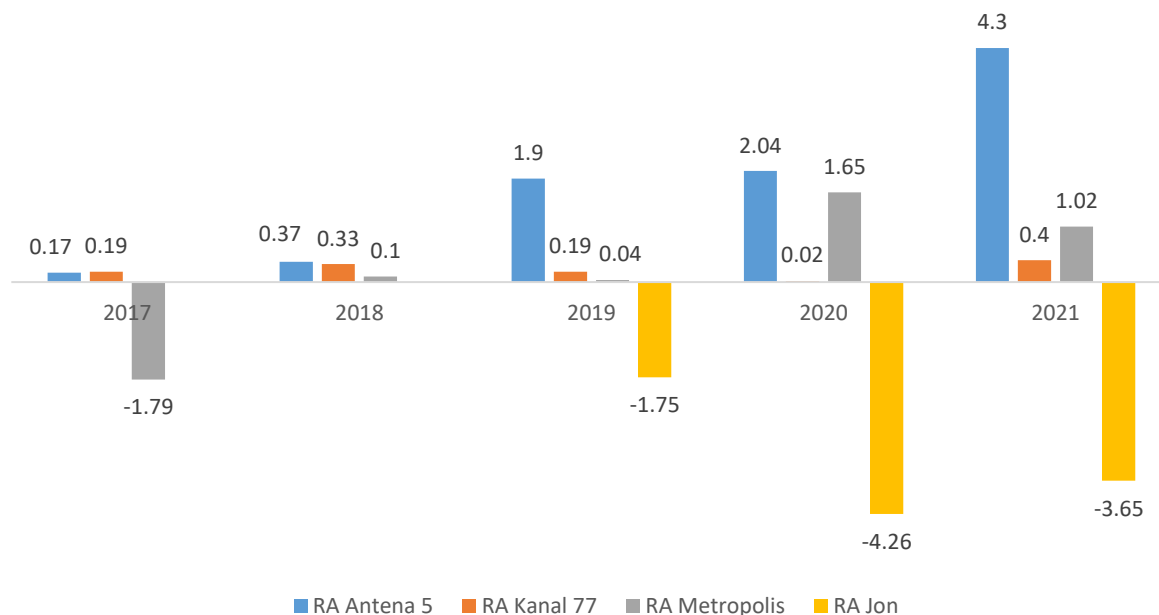
Direct costs for program production were the highest and accounted for 63% of the total costs of these radio stations. Of these, only 1.60 million denars were spent on the content procurement, and the entire amount was made by Antena 5. For program production, the radio stations invested 37.38 million denars, of which the most for salaries for employees directly related to the production of the program - 19.35 million denars. Kanal 77 allocated 11 million denars for this purpose, Antena 5 - 4.42 million denars, Metropolis - 2.68 million denars and Jon - 1.25 million denars.

Image 32: Revenue structure for the state level radio stations



This year too, Jon radio showed a loss from operations (3.65 million denars). Antena 5 and Kanal 77 increased their profit compared to the previous year and in 2021 they made a profit of 4.30 million denars, i.e., 0.40 million denars, while Metropolis made a smaller profit, i.e., 1.02 million denars.

Image 33: Operational financial result of state level radio stations
over the last five years



The average number of full-time employees in 2021 was 51, which is six more than last year. There was an increase of one person at Antena 5 and five people at Kanal 77. The number of employees at Metropolis and Jon remained unchanged.

Table 26: Number of employees in state level radio stations

RA	2021		
	full-time employment	freelancers	average number of full-time employees
RA Antena 5	15	6	15
RA Kanal 77	19	13	20
RA Metropolis	10	4	9
RA Jon	7	12	7
Total	51	35	51

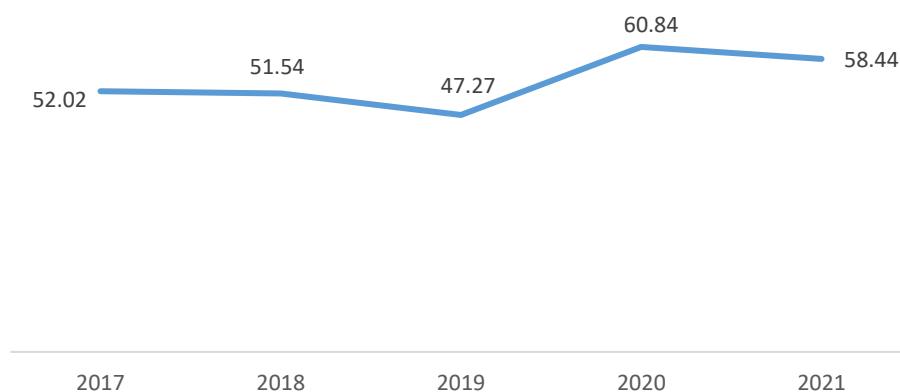
REGIONAL RADIO STATIONS

The total revenues achieved by the regional radio stations were lower by 3.9% compared to 2020 and in 2021 they amounted to 58.44 million denars.

This is the only segment of the commercial sector where total revenues in 2021 are lower than in the previous year. Ten radio stations made more income than in the previous year, and the remaining seven decreased their income. However, the total amount by which the revenues of these seven radio stations decreased is much higher than the amount by which the revenues of the ten radio stations increased.

The revenues from paid political advertising, in the total amount of 5.14 million denars, and the financial assistance to cover the costs of compensation for the broadcasting license, in the amount of 3.03 million denars, represent 13.98% of the total income of the regional radio stations.

Image 34: Movement of the total expenditure of regional radio stations in the last five years



Buba Mara had the highest total income (10.41 million denars), which was also the most listened to regional radio station. The average weekly reach of this radio station was 8.5%, and the revenues from advertisements that it achieved amounted to 8.32 million denars.

Table 27: Total revenue, advertising revenue and weekly reach of regional radio stations

	total revenue	advertising revenue	average weekly reach
RA Arachina	1.47	1.47	1.9%
RA Buba Mara	10.41	8.32	8.5%
RA Vat	5.13	4.82	2.1%
RA Zona M-1	1.85	1.85	3.0%
RA Urban	1.97	1.67	0.5%
RA Club FM	2.33	2.13	1.6%
RA Life FM	2.67	2.66	1.2%
RA Rosa AB	1.60	1.40	1.8%
RA RFM	0.34	0.34	0.1%
RA City	5.66	5.48	8.2%
RA Sky	4.17	3.73	5.0%
RA Lider	0.11	0.11	0.3%
RA Sports radio 90.3 FM	8.56	8.13	0.4%
University radio STUDENT FM 92.9	4.07	0.00	0.0%
RA Capitol	1.66	1.34	0.4%
RA Fortuna	5.73	5.59	6.2%
RA Jazz FM	0.71	0.10	0.3%

The revenues from advertisements, which all regional radio stations achieved together, amounted to 49.14 million denars, which represents 84% of their total revenues. The individual share of advertising revenue of regional radio stations is shown in the table below:

Table 28: Advertising revenue shares of the regional radio stations

radio station	advertising revenue shares
RA Buba Mara	16.93%
RA Sports radio 90.3 FM	16.54%
RA Fortuna	11.38%
RA City	11.15%
RA Vat	9.81%
RA Sky	7.59%
RA Life FM	5.41%
RA Club FM	4.33%
RA Zona M-1	3.76%
RA Urban	3.40%
RA Arachina	2.99%
RA Rosa AB	2.85%
RA Capitol	2.73%
RA RFM	0.69%
RA Lider	0.22%
RA Jazz FM	0.20%

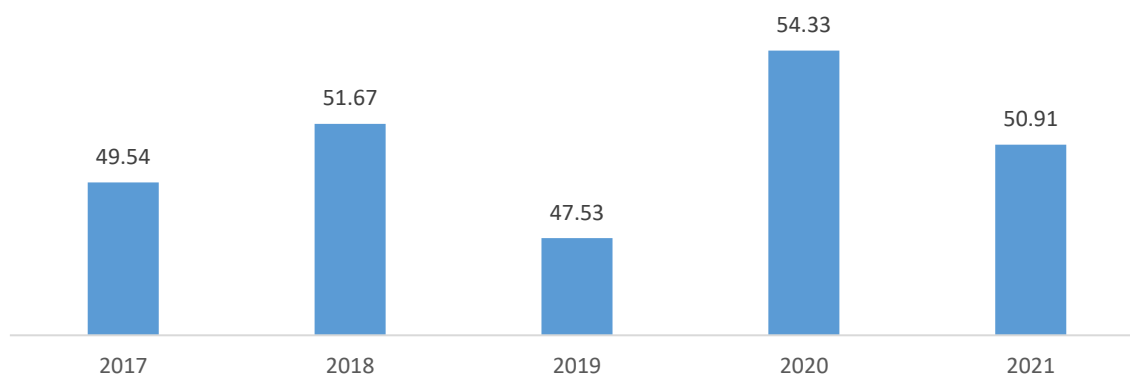
Sports radio is the only radio that earned revenues from sponsorships (0.16 million denars), and Buba Mara is the only radio that earned revenues from third-party services (1.88 million denars).

The other revenues from the operation of the regional radio stations participated with 11.86% in the total revenues or in absolute amount they amounted to 6.93 million denars.

From paid political advertising during the local elections in 2021, Kanal 5.14 earned the highest revenue - 1.73 million denars. Zona M-1 achieved the most revenues from PPA (0.86 million denars).

The expenditures of these radio stations amounted to 50.91 million denars. This year, Buba Mara (9.33 million denars) and Sports Radio 90.3 FM (8.52 million denars) spent the most funds.

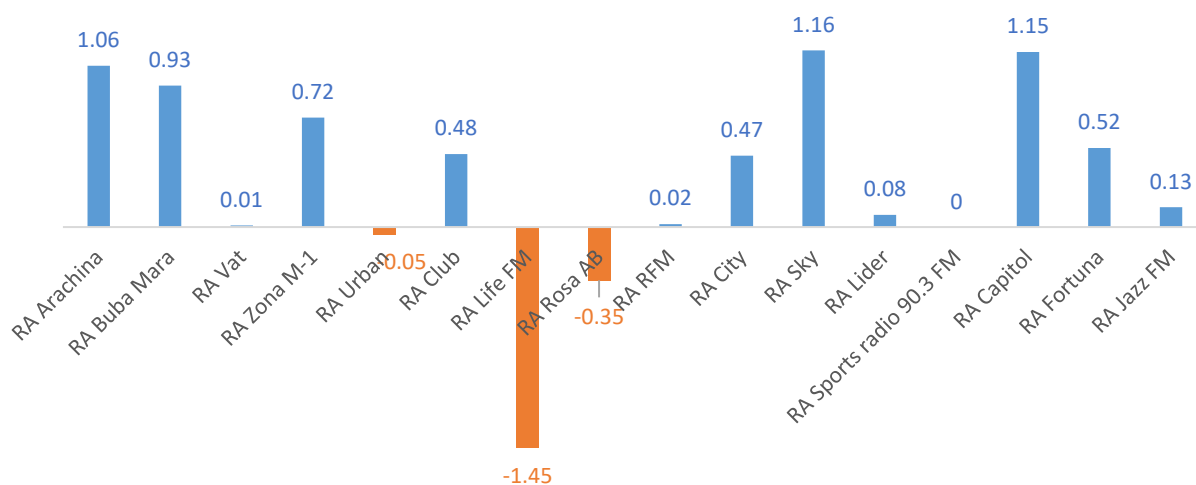
Image 35: Movement of the total expenditure of regional radio stations in the last five years



Program production costs were the highest cost of these radio stations - 30.85 million denars. 77% of this amount was set aside for salaries for employees directly related to program production. Sports Radio 90.3 FM (4.05 million denars) allocated the most funds for salaries, where the average number of employees was six, and the total number of employees at the end of the year was nine (six full-time employees and three freelancers).

Only three radio stations ended the year with a negative financial result, namely: Life, Rosa AB and Urban FM. The radio station Sky had the best financial result - a profit of 1.16 million denars.

Image 36: Operational financial result of regional radio stations



The average number of full-time employees at regional radio stations increased by only one person in relation to the previous year. At the end of the year, there were 56 full-time employees, and 66 freelancers.

Table 29: Number of employees in the regional TV stations

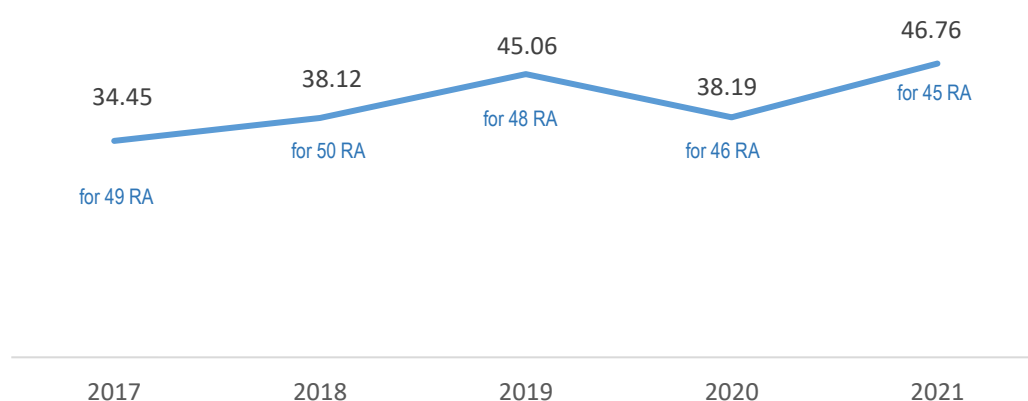
RA	2021		
	full-time employment	freelancers	average number of full-time employees
RA Arachina	1	5	1
RA Buba Mara	6	6	6
RA Vat	4	4	3
RA Zona M-1	1	10	1
RA Urban	3	2	3
RA Club FM	5	2	5
RA Life FM	4	1	4
RA Rosa AB	3	3	3
RA RFM	0	8	n.p.
RA City	6	3	6
RA Sky	4	2	4
RA Lider	6	1	0
RA Sports radio 90.3 FM	6	3	6
RA Student FM 92.9	0	7	0
RA Capitol	1	5	1
RA Fortuna	5	0	5
RA Jazz FM	1	4	1
TOTAL	56	66	49

LOCAL RADIO STATIONS

In 2021, the revenues of local radio stations amounted to 46.76 million denars and are higher by 22.44% compared to the previous year.

The revenues from paid political advertising, in the total amount of 3.21 million denars, and the financial assistance to cover the costs of compensation for the broadcasting license, in the amount of 0.96 million denars, represent 8.92% of the total income of the local radio stations.

Image 37: Movement of the total revenues of local radio stations in the last five years



The three commercial local radio stations that generated the highest revenues were Kavadarci (5.33 million denars), Express (2.40 million denars) and Super (2.26 million denars). The revenues of Express and Super were almost entirely generated from advertisements, and Kavadarci radio station generated 37% of the total revenues from the sale of advertising time. The remaining revenues of this broadcaster were from other activities and extraordinary revenues (29% and 34%, respectively).

Table 30: Total revenue and advertising revenue of the local commercial radio stations

RA	total revenue	advertising revenue	RA	total revenue	advertising revenue
Sky radio plus	0.04	0.03	RA Puls	1.09	0.97
RA 106	1.37	1.33	RA Lav	0.00	0.00
RA B-97	0.32	0.25	RA Super	2.26	2.25
RA Valandovo	0.41	0.38	RA 5 Choki	0.71	0.49
RA Goldy	0.47	0.47	RA Meff	1.02	1.02
RA Merak 5 FM	0.66	0.43	RA Holiday	1.99	1.86
RA La Costa	0.45	0.12	RA Pela	1.08	0.85

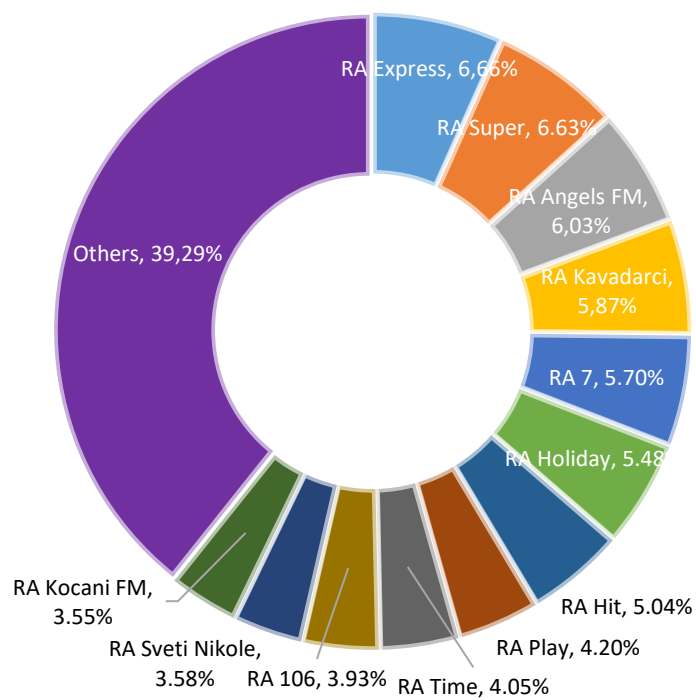
RA Cometa	0.53	0.53	RA Eko	0.37	0.34
RA PRO FM	0.40	0.37	RA Modea	0.40	0.31
RA Balcan FM	0.89	0.89	RA Sveti Nikole	1.41	1.21
RA Time	1.75	1.37	RA Play	1.45	1.43
RA Zora	0.38	0.38	RA Rrapi	1.37	0.29
RA Galaxy-2002	1.37	1.05	RA Express	2.40	2.26
RA Kavadarci	5.33	1.99	RA Hit	1.71	1.71
RA Aleksandar Makedonski	0.09	0.09	RA Blea	1.61	1.07
RA Acord	0.20	0.19	RA Kiss	0.71	0.33
RA Medison	0.17	0.17	RA Plus Forte	0.67	0.67
RA Uskana-Plus	0.06	0.06	RA 7	1.99	1.94
RA Kochani FM	1.25	1.20	RA Red FM	0.44	0.33
RA Boom	1.52	1.06	RA Angels FM	2.05	2.05
RA Jehona FM	0.36	0.20	RA Impulse	0.05	0.00

The university radios Uklo FM and UGD FM, which function as separate organizational units within the framework of educational institutions, did not show any income, and the third non-profit local radio station - Marija Blagovest, made a total income of 3.96 million denars, all from donations.

Only Impulse did not earn advertising revenue from the commercial radio stations, as this radio station only broadcast a program for a few days at the end of 2021. Lav, on the other hand, is the only local radio station that did not generate any income at all.

The graph below presents the percentage share of advertising revenue of local radio stations in total advertising revenue, where it can be noted that the share of 12 radio stations ranges between seven and four percent, and the share of revenue of other local radio stations achieved on this basis is lower.

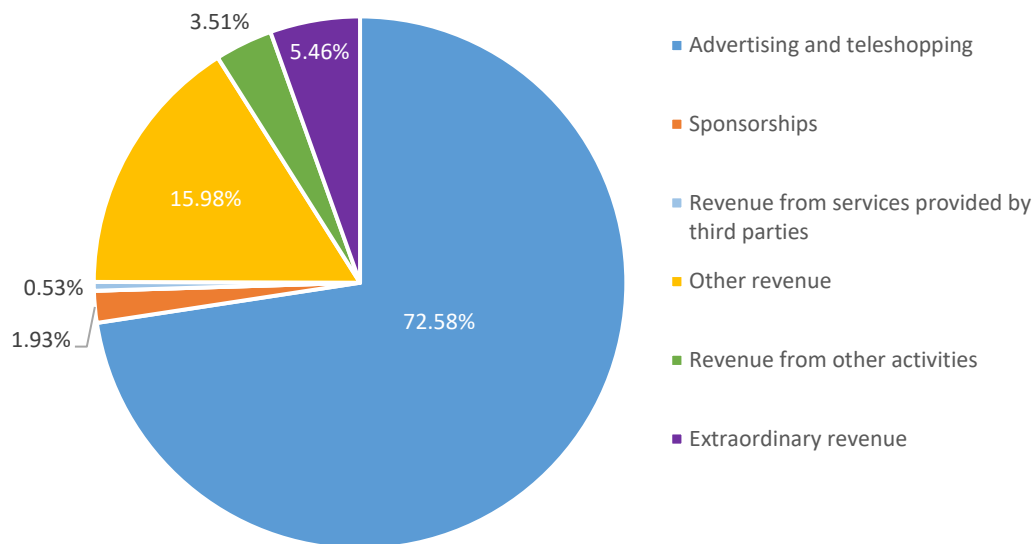
Image 38: Advertising revenue share of local radio stations



From paid political advertising during the local elections in 2021, the local radio stations together made 1.73 million denars. The highest revenues from PPA, in the amount of 0.38 million denars, were shown by Super Radio.

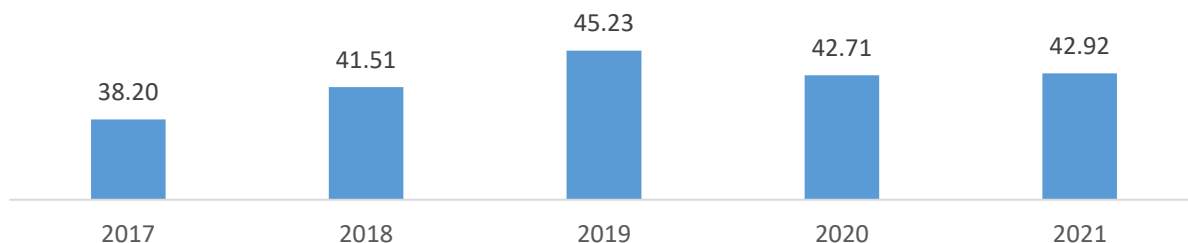
Local radio stations reported 7.47 million denars in "other revenue".

Image 39: Revenue structure of local radio stations



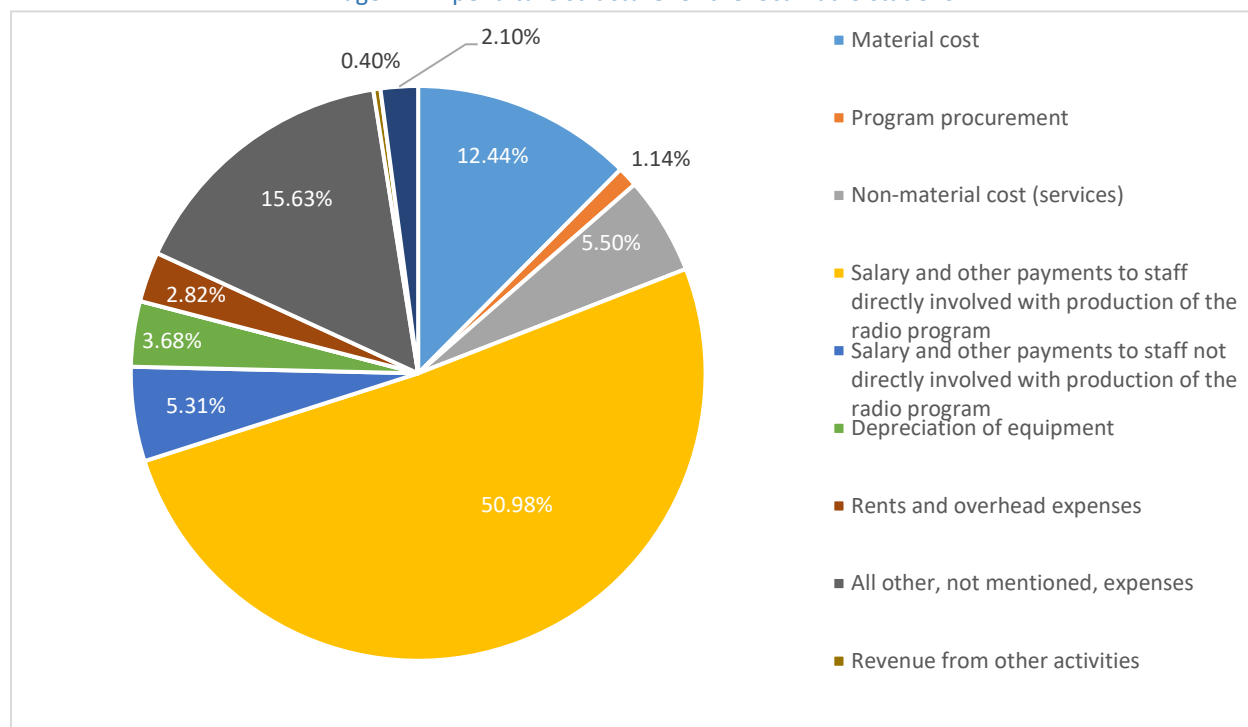
The expenses of the local radio stations in 2021 amounted to 42.92 million denars. The highest expenses were incurred by Kavadarci (4.04 million denars), Super Radio (2.23 million denars) and the non-profit radio Marija-Blagovest (2.72 million denars). Super Radio and Marija Blagovest spent the most funds on salaries for employees directly related to program production, and most of the expenses of Radio Kavadarci are from the category of "other not mentioned, operating expenses".

Image 40: Movement of the total expenditures of local radio stations in the last five years



According to the expenditure structure of local radio stations, half of the total costs are for salaries for employees directly related to program production, 12% are material costs and 16% are all other not mentioned operating costs.

Image 41: Expenditure structure for the local radio stations



In 2021, the local radio stations together made a profit of 5.6 million denars. A total of 32 local radio stations ended the year with a profit. The best financial result was achieved by the non-profit radio Marija Blagovest (1.25 million denars) and radio Kavadarci (1.23 million denars).

The number of full-time employees at the end of the year was 91, and 88 were freelancers. The average number of full-time employees was 84.

The table below shows the data for the average daily and weekly reach of local radio stations in 2021.

Table 31: Average daily and weekly reach pf the local radio stations

Radio station	Average daily reach	Average weekly reach	Radio station	Average daily reach	Average weekly reach
RA Sky radio plus	8.00%	11.30%	RA Lav	1.60%	1.90%
RA 106	6.90%	14.90%	RA Super	7.70%	17.40%
RA Actuel	0.90%	2.90%	RA Aljbana	0.60%	1.80%
RA B-97	2.00%	3.30%	RA 5 Choki	1.40%	3.60%
RA UKLO FM	0.70%	1.10%	RA Meff	2.20%	9.40%
RA Valandovo	12.50%	19.60%	RA Holiday	5.30%	17.20%
RA Goldy	4.60%	7.60%	RA Pela	4.20%	8.30%
RA Merak 5 FM	6.90%	9.20%	RA Eko	8.50%	10.90%
RA La Costa	13.00%	19.60%	RA Modea	7.00%	22.20%
RA Cometa	3.80%	6.10%	RA Sveti Nikole	6.90%	17.60%

RA PRO-FM	2.00%	2.60%	RA Play	1.70%	7.40%
RA Balcan FM	2.30%	3.30%	RA Rrapi	2.00%	5.10%
RA Time	13.50%	20.20%	RA Express	3.30%	6.60%
RA Zora	6.80%	11.40%	RA Hit	7.30%	13.50%
RA Galaxy-2002	3.80%	4.90%	RA Bleta	4.60%	5.80%
RA Kavadarci	16.50%	31.40%	RA Kiss	3.80%	8.90%
RA A. Makedonski	4.90%	8.30%	RA Plus Forte	1.70%	2.40%
RA Acord	3.00%	6.80%	RA 7	1.40%	2.40%
RA Medison	1.50%	6.00%	RA Red FM	1.70%	1.70%
RA Uskana-Plus	1.50%	3.40%	RA Angels FM	12.10%	18.30%
RA Kochani FM	11.90%	14.00%	RA UGD FM	1.70%	1.70%
RA Boom	6.90%	13.60%	RA Marija - Blagovest	1.50%	2.20%
RA Jehona FM	1.20%	3.60%	RA 102KA	0.3%	0.70%
RA Puls	3.10%	5.20%	RA Impulse	/	/

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