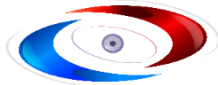


**Agency for Audio and Audiovisual
Media Services**



Analysis of the Market of Audio and Audiovisual Media Services in 2020



**Agency for Audio and Audiovisual
Media Services**

Analysis of the Market of Audio and Audiovisual Media Services in 2020

Zoran Trajchevski, PhD,
Magdalena D. Dovleva, M.A.,
Sanja Gudeska-Zdravkovska
Katerina Donevska

Table of contents:

- **MACEDONIAN RADIO TELEVISION**.....15
- **COMMERCIAL TELEVISIONS**.....23
 - Terrestrial state level TV stations.....25
 - State level TV stations (via unlimited resource)35
 - Regional TV stations.....45
 - Local TV stations.....53
- **COMMERCIAL RADIOSTATIONS**.....61
 - State level radiostations.....63
 - Regional radiostations.....71
 - Local radiostations.....79



INTRODUCTION

This analysis was made by the Agency for Audio and Audiovisual Media Services in order to acquire knowledge of the state of the television and radio industry in 2020.

For that purpose, the broadcasters' economic performance data were analyzed (the public broadcasting service, commercial television and radio stations as well as non-profit broadcasters), or more accurately, the data on their total incomes, revenue structure, advertising revenues, total expenditures, expenditure structure, their operating financial results, as well as the average number of full-time employees. The broadcasters made this data available to the Agency, in accordance with Article 15 of the Media law, on a special form prescribed by the Agency. The validity of the data was confirmed by cross-referencing them with the data from the financial reports of the broadcasters. This is not an obligation for the public broadcasting service, but the Macedonian Radio Television delivers the data every year, at the request of the Agency, which uses the Financial report on realization of the financial plan of the Macedonian Radio Television as an additional source of information. The data are analyzed in accordance to relevant markets, that is, the data on television and radio stations, the public service and commercial broadcasters are analyzed separately, and from the geographical aspect, the data are analyzed separately by the relevant markets on state, regional and local level.

The data on the average number of daily and weekly viewers, as well as the share of the television broadcasters in the total number of listeners in the case of radio stations, were provided from the regular quarterly audience research, that were conducted in 2020 by the research agency Indago from Skopje, ordered by the Agency.

SUMMARY

Table 1: Key findings

| | Total revenue | Advertising revenue | Total expenses | Operational results | Average number of full-time employees |
|--|--------------------|---------------------|-----------------|---------------------|---------------------------------------|
| | *in million denars | | | | |
| Macedonian Radio Television | 1,012.19 | 7.13 | 937.72 | 74.47 | 747 |
| Commercial TV stations | 1,217.88 | 991.08 | 1,327.49 | -109.92 | 1,005 |
| Terrestrial, state-level TV stations | 967.86 | 821.86 | 1,027.60 | -59.79 | 609 |
| State-level TV stations (via unlimited resource) | 140.93 | 92.59 | 189.89 | -48.98 | 224 |
| Regional TV stations | 83.65 | 56.41 | 84.89 | -1.46 | 133 |
| Local TV stations | 25.44 | 20.22 | 25.11 | 0.31 | 39 |
| Commercial radio stations | 152.54 | 104.93 | 150.57 | 0.77 | 185 |
| State-level radio stations | 53.51 | 31.70 | 53.53 | -0.55 | 45 |
| Regional radio stations | 60.84 | 45.02 | 54.33 | 4.03 | 48 |
| Local radio stations | 38.19 | 28.21 | 42.71 | -2.71 | 92 |
| Total | 2,382.61 | 1,103.14 | 2,415.78 | -34.68 | 1,937 |

Number of broadcasters

The most notable change in the program offer which happened in the analyzed year is that the Macedonian Radio Television started broadcasting three additional channels in April 2020: MRT3 – a channel broadcasting entertainment, music, culture and sports content, MRT4 – a channel broadcasting documentaries and content in languages of the ethnic minorities (Turkish, Roma, Vlach, Serbian and Bosnian) and MRT 5 – a channel broadcasting content for children.

There were 49 commercial TV stations, 68 commercial radio stations and 4 nonprofit radio stations broadcasting program at the start of 2020. During the year, the licenses of five TV stations and three radio stations ceased to be valid and one license to broadcast TV programs was granted.

The Agency revoked the licenses of TV stations Kiss¹, Anisa² (both of them for cessation of broadcast for longer than 30 days) and Kanal Vizija³ (failed to pay the license fee within the legally defined deadline), and by force of law (with a written statement that they will stop broadcasting their programme) the licenses of Sitel 2⁴ and TV Moris⁵ ceased to be valid. In 2020, one license for regional TV broadcasting was issued to M Net-HD⁶.

Three licenses for radiobroadcasting were revoked: Bravo⁷, Drini⁸ and MX⁹ (all of them for failing to pay the license fee within the legally defined deadline).

At the end of the year, there were a total of 110 commercial broadcasters (45 TV stations and 65 radio stations) and four nonprofit radio stations.

Total revenues

The revenues for the industry in 2020 totaled to 2,382.61 million denars. More than half came from the revenues of the commercial TV stations – 1,217.88 million denars (51.12%). The public service had a revenue total of 1,012.19 million denars (42.48%) and the revenues of commercial radio stations totaled to 152.54 million denars (6.4%).

¹ Decision on revoking the TV broadcasting license of the broadcast company TV Kiss, Zlate SMLLC, Tetovo (Up1 no.08-562 from 03.01.2020)

² Decision on revoking the TV broadcasting license of the broadcast company TV Anissa SMLLC, Plasnica (Up1 no. 08-392 from 11.12.2020 година)

³ Decision on revoking the TV broadcasting license of the broadcast company Vision BM-TV Kanal Vizija SMLLC, Skopje (Up1 no. 08-349 from 07.10.2020 година)

⁴ Decision on deleting the broadcast company TV SITEL 2 SMLLC Skopje from the TV broadcasting registry (Up1 no. 08-535 from 03.01.2020 година)

⁵ Decision on deleting the broadcasting company Jovan Trpeski TV Moris SMLLC Ohrid from the TV broadcasting registry (Up1 no. 08-380 from 21.10.2020 година)

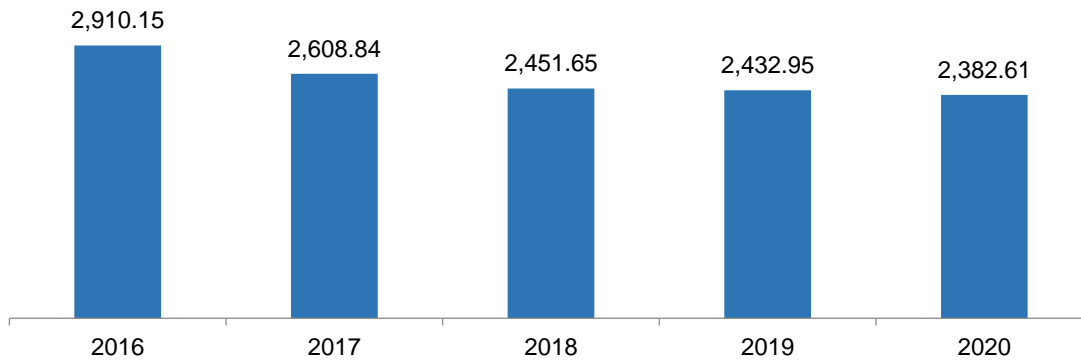
⁶ Decision on granting permission for broadcasting on a regional level through the public electronic communication network that does not use a limited resource ((Up1 no. 08-318 from 21.08.2020 година)

⁷ Decision on revoking the radio broadcasting license of the broadcast company Radio Bravo SMLLC Kumanovo (up1 no. 08-76 from 28.02.2020)

⁸ Decision on revoking the radio broadcasting license of the broadcast company RTV Drini SMLLC Struga (up1 no. 08-80 from 28.02.2020)

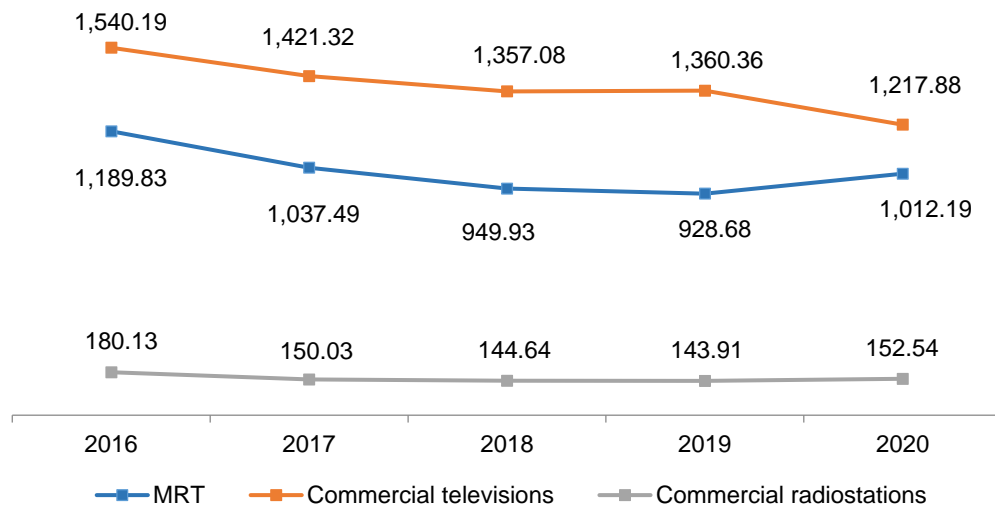
⁹ Decision on revoking the radio broadcasting license of the broadcast company Zoran Zdravkovic MXH-Radio SMLLC Ohrid (up1 no. 08-88 from 05.03.2020)

Image 1: Total revenue in the industry



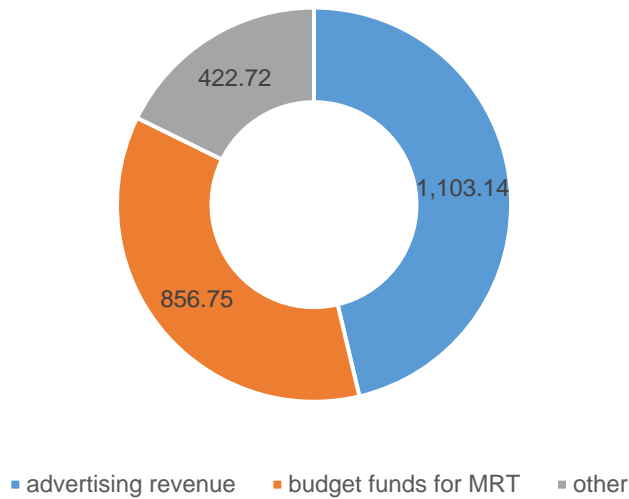
The commercial TV stations earned less revenues compared to last year, whereas commercial radio stations and MRT earned more.

Image 2: Industry's revenue movement



In the revenue structure, the biggest part is the advertising revenue – 46.30%. The funding of the broadcasting activity by the Budget of RN Macedonia partakes with 35.96% and the remaining 17.74% of total revenues were generated from other sources.

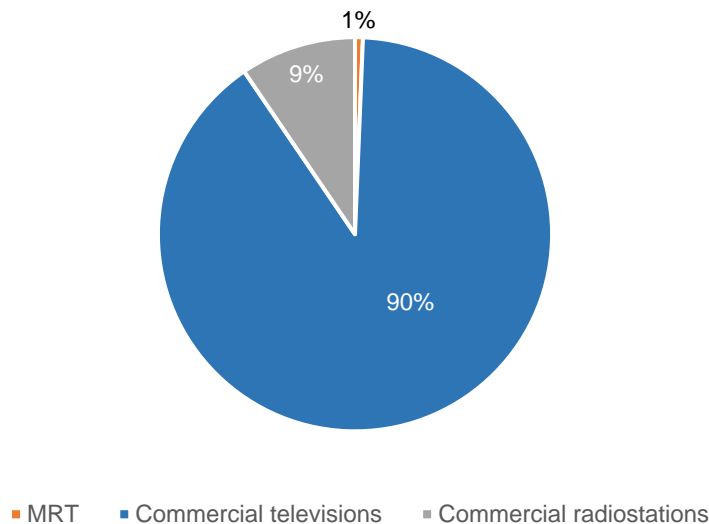
Image 3: Industry's revenue structure



Advertising revenue in the industry

The advertising revenue was 1,103.14 million denars. The biggest portion of this was generated by the commercial TV stations – 991.08 million denars. The commercial radio stations generated 104.93 million denars and MRT only 7.13 million denars. Compared to last year, the revenue dipped by 20.78%.

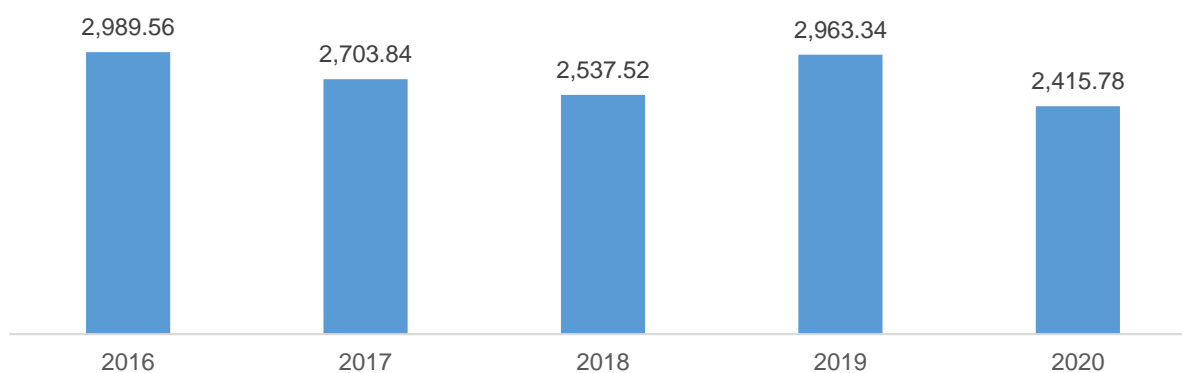
Image 4: Industry's advertising revenue



Industry's total expenditure

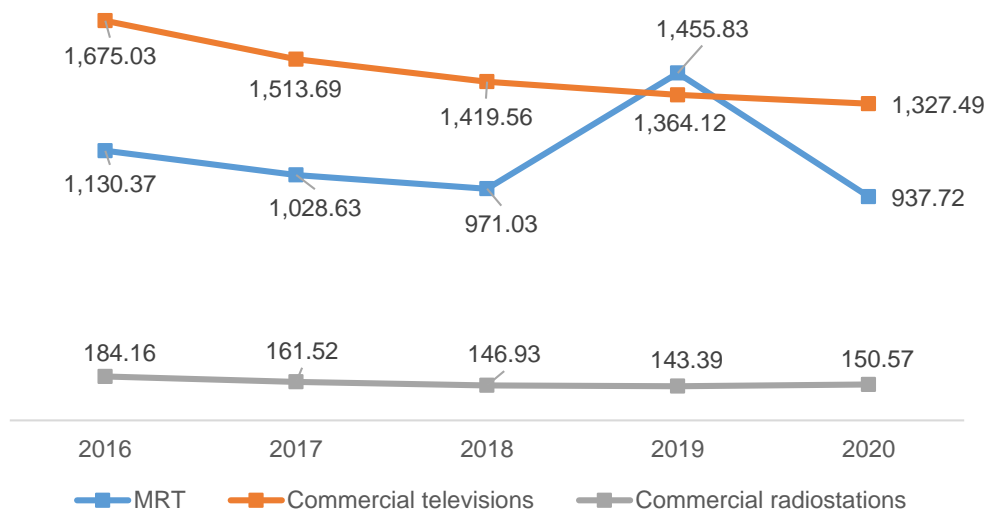
In the year 2020 the broadcasters amassed a total expenditure of 2,415.78 million denars. Of them, 1,327.49 million denars were spent by the commercial TV stations, 937.72 million denars were spent by MRT and 150.57 million denars by the commercial radio stations.

Image 5: Industry's total expenditure



The public broadcasting service and the commercial TV stations spent the least funds compared to the previous four years. Compared to last year, MRT reduced their expenditure by 35.59%, and the commercial TV stations by 2.69%. In the last five years, the commercial radio stations had the least amount of expenditure in the year 2019.

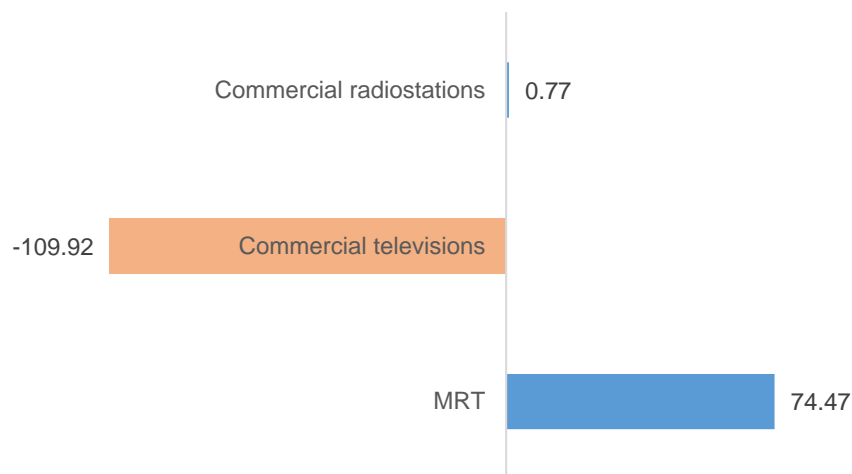
Image 6: Movement of the total expenditure in the industry



Operational financial result and number of employees

The industry's financial result for the year 2020 was a loss of 34.68 million denars. The negative financial result was reported only from the commercial TV stations, but the commercial radio stations and the public service had a net positive.

Image 7: Financial performance result



During the year, the average number of full-time employees was 1937, and on 31.12.2020 the total number of employees was 2587, of which 1960 were employed on a full-time basis and 627 as part-time employees.

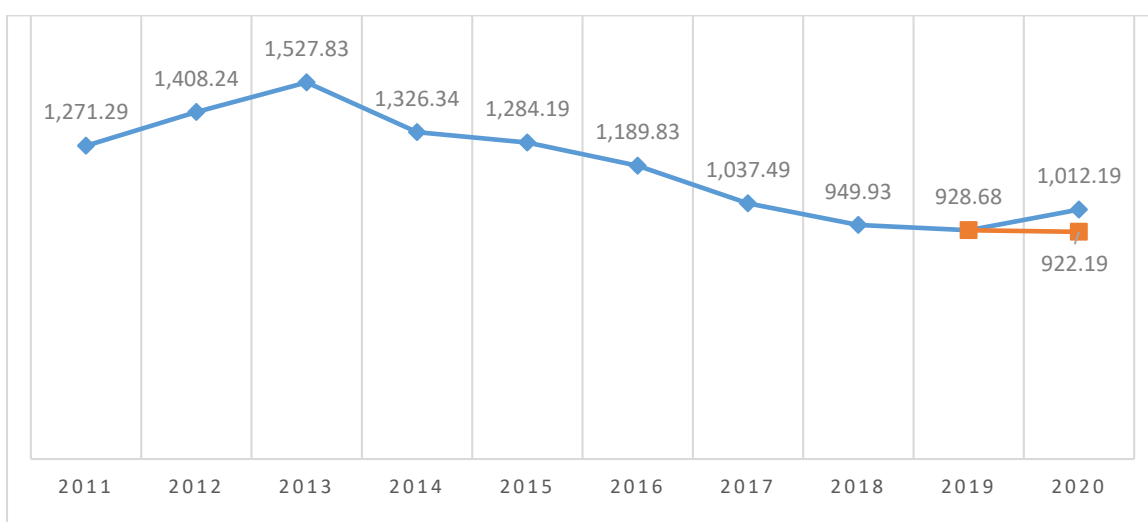


Macedonian
Radio Television

The funding of the Macedonian Radio Television is one of the most important topics in the media area that has remained open for an extended period of time. Although there were some legal changes on this topic in recent years, there is still no tangible solution that would allow for the Macedonian public service to have an adequate, secure and stable funding.

Despite the fact that, at first glance, you may get the impression that the public service had more funding in 2020 than the previous two years, this is not the case. The total revenue of MRT was 1,012.19 million denars and that is higher than in the previous year because at the end of December 2020, 90 million denars were transferred to the public service's account.

Image 8: MRT's total revenue variations in the last 10 years



The funding was provided by the Ministry of Information Society and Administration (MISA) in accordance with the “Decision on resource reallocation among budgetary users of the central government and among the funds” that was issued by the Assembly of the RN Macedonia on the 16th of December 2020 (Official Gazette of RN Macedonia no. 299/20) for, as stated in the MRT's Financial report of 2020, “*achieving a higher degree of program and technological development*”. It is stated in the same report that “*the funds will be used in the course of the year 2021, because they were made available at the very end of 2020*”.

If the actual funding for 2020 is taken into account for MRT, we can see a multiyear trend of decline for the overall available funding that continued to drop this year as well.

Furthermore, to get the real picture, it is important to note that 30 million denars from the total revenues of MRT in the analyzed year were a donation from the AAVMS, realized in April of 2020 as Covid-19 relief funds.

Therefore, it is clear that a solid solution for the funding of the public service is far from achieved. This situation was pointed out in the European Commission Report on North Macedonia for 2020, specifying: *“Sustainable solutions to ensure the public service broadcaster’s independence, professional standards and financial sustainability are needed”* and *“In the next year, the country needs: → to prioritize the reforms in the public service broadcaster, to ensure its financial sustainability and independence”*.

The manner of funding of MRT is determined by Article 105 of the Law on AAVMS law stating that: *“the funds for the broadcasting activity, for the functioning and development of the Macedonian Radio Television, the Public enterprise Macedonian broadcasting and the Agency for Audio and Audiovisual Media Services, are provided from the Budget of Republic of Macedonia, in the amount from 0.8% to 1% from the total revenues generated in the year before the fiscal year for which the amount is calculated”*.

With the 2018 amendments to the Law on AAVMS, the amount of the Budget that is being made available as funding for the broadcasting activity for the following period was determined as follows: in 2019 the Budget funding will be 0.8%, in 2020 0.9%, and starting from 2021 it will be 1%.

Table 2: MRT’s funding envisaged in accordance with the Law on AAVMS

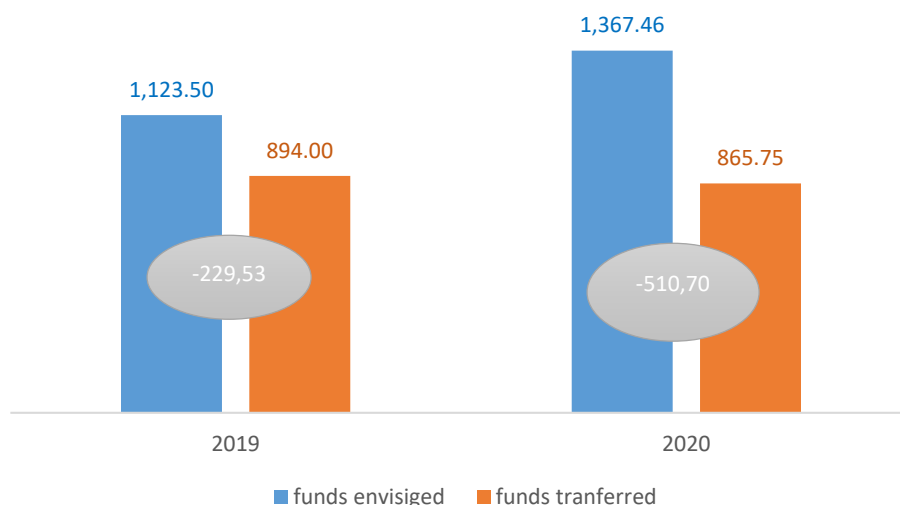
| | 2019 In million denars | 2020 In million denars |
|--|---------------------------|---------------------------|
| Total revenues generated in the year before the fiscal year for which the amount is calculated | 188,513.00 ¹⁰ | 203,946.00 ¹¹ |
| % for financing the broadcasting activity according to the Law on AAVMS | 0.8% | 0.9% |
| Amount | 1,508.10 | 1,835.51 |
| Amount for MRT 74.5% | 1,123.53 | 1,367.45 |

¹⁰ The data is provided by the annual financial budget report of 2018 available on the Ministry of finance's website, link included: https://finance.gov.mk/wp-content/uploads/2009/03/Zavrsna_smetka_2018_0.pdf

¹¹ The data is provided by the annual financial budget report of 2019 available on the Ministry of finance's website, link included: <Zavrsna-smetka-na-Budget-na-RSM-za-2019-god.pdf> (finance.gov.mk)

However, the same legal provision (Article 45 of the Law on modifications and amendments to the Law on AAVMS from 2018) specifies that: *“the amounts will be realized if that does not undermine the just distribution of budgetary funds and does not influence the funding planned in all of the budget expenditure items”*. The specified amounts have never been paid since that time.

Image 9: MRT's state budget funding for the years of 2019 and 2020.



If two years ago, the concern about the MRT's funding was whether the envisaged funding was sufficient for fulfilling the role of a true public service, now there is an additional source of concern, as even the planned budget funds were not fully transferred in 2019 and 2020.

We can notice, from the image shown above, that in 2019, the public service got 229.53 million denars less than anticipated, and 510.70 million denars less in 2020.

Not even once in the previous years had the Government clarified how would the transfer of the anticipated funding *“undermine the just distribution of budgetary funds”* and how it would *“influence the funding planned in all of the budget expenditure items”*- simply said, the public service gets less funding than planned, with no explanation whatsoever. This, too, was noted in the EC Progress Report for North Macedonia for 2020, specifying: *“The reform of the public service broadcaster is at an early stage and it needs to be prioritized. According to the Law on Audio and Audiovisual Media Services, the amount of public funding for the public broadcaster is defined as a percentage of the state budget, with a gradual increase over time (up to 0.8% in*

2019; up to 0.9% in 2020; 1% as of 2021). Due to the authorities' discretionary rights envisaged by the law, the transfer of funds continued to be executed at a lower percentage (around 0.6%)".

Table 3: MRT's total revenue structure

| | 2019 | 2020 |
|--|---------------|-----------------|
| Broadcasting business funding from the Budget of RM | 894.00 | 856.75 |
| Rent | 0.30 | 0.30 |
| Revenue from services in the country | 2.07 | 2.07 |
| Revenue from services abroad (technical services, licensing) | 0.46 | 0.10 |
| Other business revenue | 17.93 | 24.27 |
| Litigation income | 0.18 | 0.78 |
| Advertising time revenue (marketing) | 12.99 | 7.13 |
| Donations, program and services sales revenue | 0.75 | 0.79 |
| AAVMS donation | 0.00 | 30.00 |
| Program and technological development revenue from MISA | 0.00 | 90.00 |
| TOTAL: | 928.68 | 1,012.19 |

Despite the fact that the MRT can have other revenue streams that, according to paragraph 3 of Article 105, can be "*donations, sale of programs and services, as well as revenue from broadcasting of audio and audiovisual commercial communications as part of the programming content, based on special agreements with suppliers of audio and audiovisual contents that are protected by copyright, in accordance with the terms of the agreement*", it is clear that the predominant source of funding for the MRT should be the Budget, and all others should be additional revenue streams.

MRT had significant revenue in 2020 from the so called "Other business revenue" that include income from interest, exchange rate differences, written-off liabilities, past years' revenue, income from agreements in the past years such as income from copyrights of broadcasting and rebroadcasting of the program outside of the territory of RN Macedonia etc.

The advertisement revenue is 7.13 million denars, which is only 15.8% of the expected planned revenue (the anticipated advertisement revenue was 45 million denars). As noted in the Financial report for implementation of the MRT Financial Plan for 2020, this is the case because of: "*the well-known reason (Covid pandemic-related issues) that caused a lot of entertainment, cultural and specially sporting events to be canceled in 2020...*"

MRT's total costs were 937.72 million denars and total expenditures 939.6 million denars.

Table 4: MRT's total expenditure structure

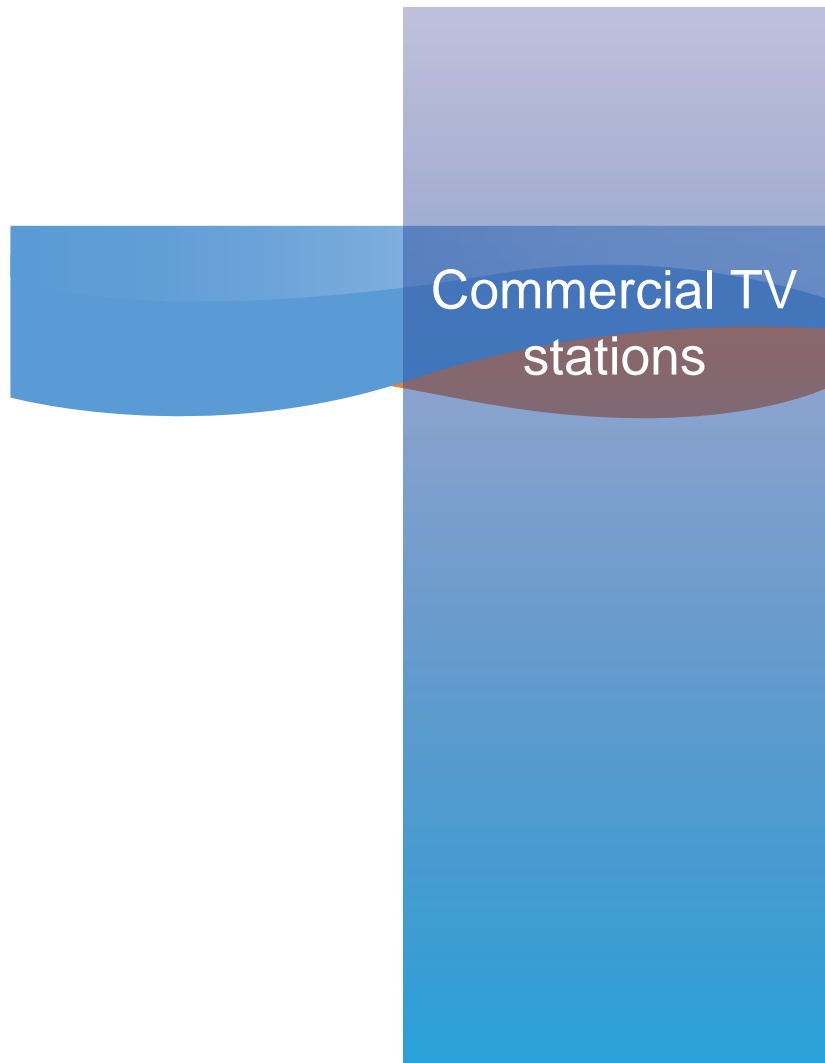
| | 2019 | 2020 |
|-------------------------------|-----------------|---------------|
| Employee-related costs | 399.06 | 439.03 |
| Transport and travel expenses | 9.1 | 1.99 |
| Common costs | 883.47 | 205.63 |
| Copyrights | 113.56 | 238.43 |
| Other operating expenditures | 50.64 | 52.64 |
| TOTAL COSTS: | 1,455.83 | 937.72 |
| Equipment procurement | 46.74 | 1.88 |
| TOTAL EXPENDITURES: | 1,502.57 | 939.6 |

The largest portion of the expenditure was the employee-related costs (439.03 million denars) from which 424.81 were spent for gross employee salaries. There is an increase in this expenditure compared to the previous year, not because of additional employments (there were no new employments in the public service in 2020), but due to the equalization of the minimal salary for the MRT employees on state level, done in September of 2020, in accordance with the collective agreement that was made between the MRT Union and the MRT Program Council. Severance pays for retiring employees, vacation pay and other expenses (education of employees, jubilee awards, sick pay for absences longer than six months etc.) were all included in the employee cost.

Copyright expenses amounted to 238.43 million denars and included the cost of the licenses to broadcast and air sporting events (20.57 million denars), movies (20.31 million denars), additional broadcasting copyrights in the amount of 92.32 million denars (procurement of licenses for broadcasting several areas and genres such as: educational, documentaries and children's content), and the expenses of coproducing projects in the amount of 105.13 million denars for realizing agreements for cooperative recording and broadcasting television projects in the areas of culture, music, education, entertainment and interactive shows, children and educational shows etc.

MRT had a positive financial performance at the end of the year – a gross positive of 74.47 million denars (before tax, i.e. 65.75 million denars after tax), mostly due to the funds that MISA transferred at the end of the analyzed year (90 million denars).

The average number of full-time employees was 747 and, as such, is the lowest in the past 10 years. The public service had 779 employees on 31.12.2020, from which 713 were full-time employees and 66 were freelancers.

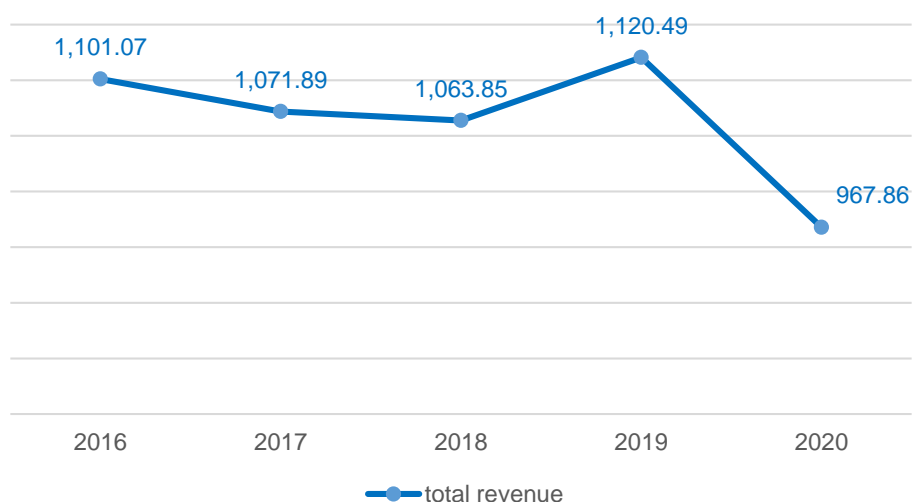




Terrestrial state-level TV stations

The five TV stations that broadcast via a terrestrial transmitter on a state level (Alfa, Alsat-M, Kanal 5, Sitel and Telma) achieved revenues in the total amount of 967.86 million denars. This is the lowest revenue amount in the last five years and compared to last year it shows a decrease of 13.62%.

Image 10: Fluctuations in the total revenue earned by all terrestrial state-level TV stations together in the past five years



Revenue decrease would have been even higher without the different types of financial aid given to the broadcasters in 2020 for the purpose of overcoming the crisis caused by the coronavirus Covid-19.

A total of 68.4 million denars was given by the AAAMS, giving each TV station¹² a portion of 4.36 million denars, governmental financial aid¹³ as a “*compensation to the digital terrestrial multiplex operator*” in the amount of 5.6 million denars for each TV station and 18.59 million denars for all five TV stations as subsidies for the mandatory social security of the employees in the media¹⁴. Also, the TV stations utilized benefits for the salary payments, a form of financial aid provided by the Government to the private sector.

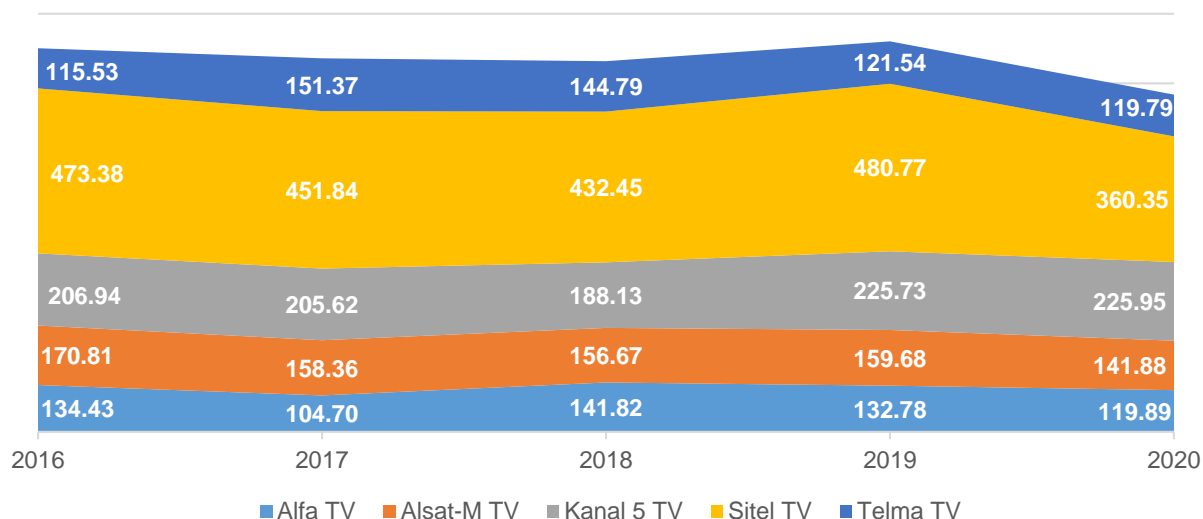
Besides Kanal 5, that has an insignificant increase of total revenue (about 0.1%), all of the four TV stations had a decrease in income, mostly Sitel (25.05%). Alsat-M had 11.15% lower revenue, Alfa 9.71% and Telma 1.44% lower revenue, respectively, compared to last year.

¹² The Decision of AAAMS is available at: [Odluka-za-dodeluvanje-finansiska-pomos-donacija-koronavirus.pdf \(avmu.mk\)](#)

¹³ Decree with legal force for establishing a fund for assistance and support for dealing with the crisis caused by COVID-19 (Official Gazette of the Republic of North Macedonia no. 106/20, 139/20 and 140/20)

¹⁴ Decree with legal force for subsidizing the contributions from the obligatory social insurance for employees in the media (Official Gazette of the Republic of North Macedonia no. 156/20)

Image 11: Fluctuations in the individual total revenues of the terrestrial state-level TV stations for the past five years



Sitel had the highest revenue this year with 360.35 million denars. In second place is Kanal 5 with total revenue of 225.95 million denars and as third comes Alsat-M with 141.88 million denars. Telma and Alfa reported almost identical amounts of revenue (119.79 and 119.89 million denars, respectively).

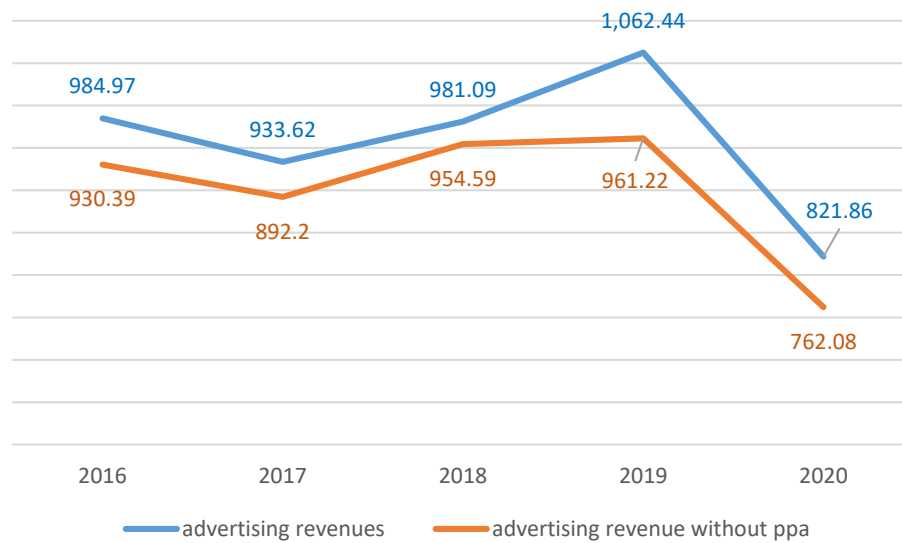
The TV stations reported combined advertising revenue of 821.86 million denars, which is the lowest amount reported in the past five years.

That is 16.56% lower than the advertising revenue in 2016, 11.97% less than 2017, 16.23% less than 2018 and 22.64% less than the advertising revenue accrued in 2019.

Furthermore, if we take the total revenue in 2020 and subtract the paid political advertising for the Early Parliamentary Elections and the local elections for the municipalities of Shtip and Plasnica (a total revenue of 59.78 million denars) than the commercial advertising revenue is only 762.08 million denars.

Kanal 5 generated the largest amount of revenue from paid political advertising (14.93 million denars) followed by Sitel (14.76 million denars). Alsat-M reported 13.71 million denars, Telma 8.61 million denars and Alfa 7.77 million denars.

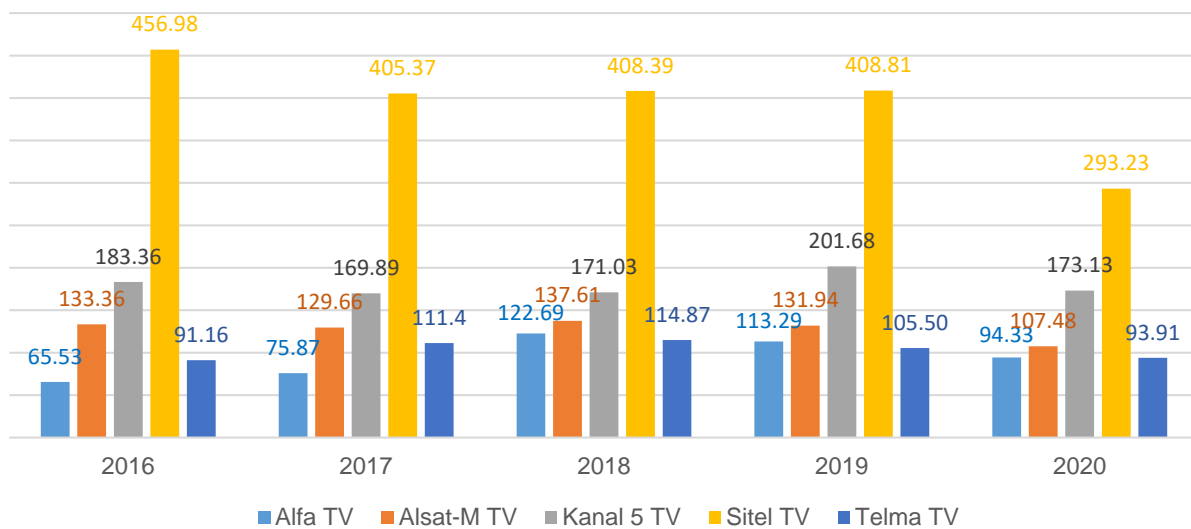
Image 12: Fluctuations in the advertising revenue earned by all terrestrial state-level TV stations together in the past five years



All of the five TV stations had a decrease in advertising revenue compared to last year: Alfa had 16.73% less, Alsat-M 18.54%, Kanal 5 14.16%, Sitel 28.27% and Telma 10.99% less.

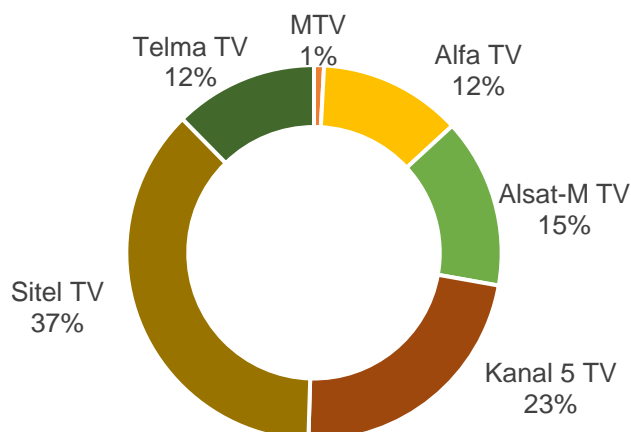
Advertising revenue comprises 84.91% of the total revenue of these TV stations and is the predominant source of income in each of them. A significant portion of the total revenue is shown in the so called "Other revenue" because the Covid-19 relief funds are shown in this category.

Image 13: Fluctuations in the advertising revenue (not including PPA) earned by all terrestrial state-level TV stations together in the past five years



Sitel and Kanal 5 generated 60% of the total advertising revenue in this segment of the TV market.

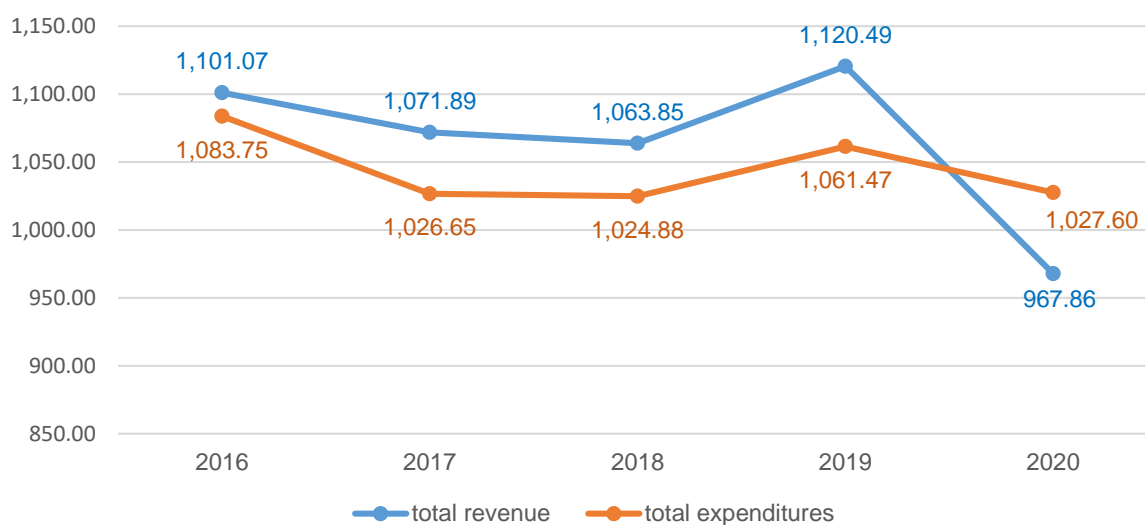
Image 14: Share in the total advertising revenues



Cumulatively, the five TV stations had an expenditure of 1,027.60 million denars. For the first time in the last five years, the total expenditure was higher than the total revenue.

Compared to the previous year, the combined total expenditure of these five TV stations was 3.19% lower.

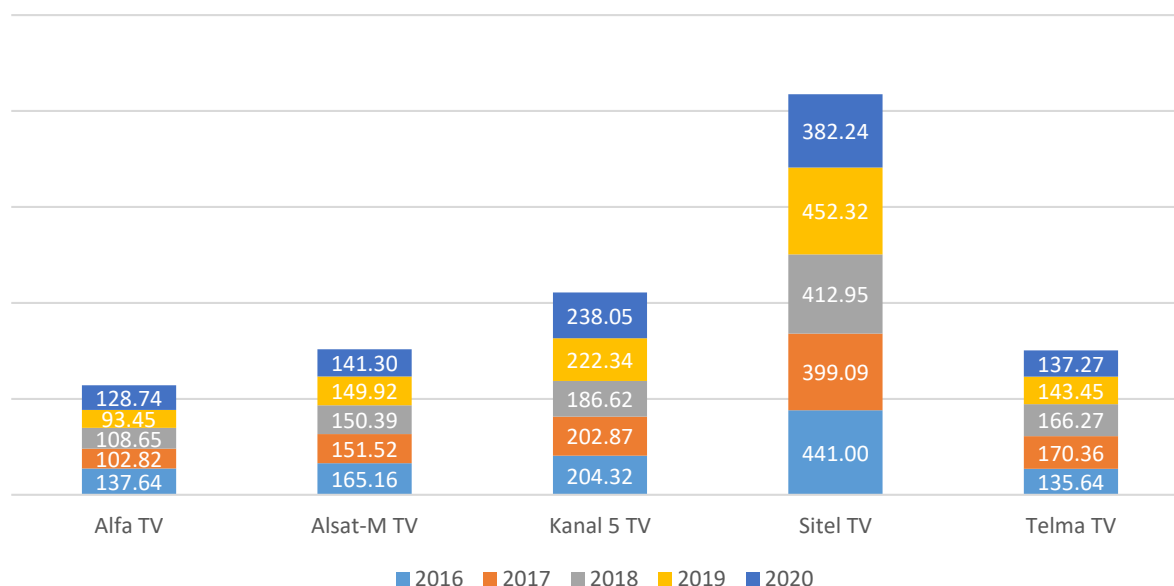
Image 15: Fluctuations in the total revenue and total expenditures of the terrestrial state level TV stations in the past five years



In each of the last five years, Sitel had the highest expenditure, which in 2020 was 382.24 million denars. The same as in the revenue section, Kanal 5 is in second place with a total expenditure

amount of 238.05 million denars. TV Alsat spent a total of 141.30 million denars, Telma 137.27 million denars and Alfa had the least amount spent with 128.74 million denars.

Image 16: Total expenditures of the terrestrial state level TV stations in the past five years



Compared to 2019, Alfa and Kanal 5 reported an increase of expenditure (37.76% and 7.07% respectively). The other three TV stations reported lower expenditure: Alsat-M by 5.75%, Sitel by 15.49% and Telma by 4.31%.

In the combined total expenditure structure, these five TV stations reported that their largest expenditure is the purchasing of program licensing with a total cost of 376.77 million denars, representing 36.67% of the total expenditure.

This is the case because of the steep cost of program procurement made by Sitel (196.35 million denars) and Kanal 5 (93.67 million denars). For the same purposes Telma spent 39.39 million denars, Alfa 25.59 million denars and Alsat-M had the lowest costs with 21.77 million denars.

Only Sitel and Kanal 5 had the purchasing of program as their biggest expenditures, and the rest three TV stations reported employee cost as their largest source of expenses. Alfa with 48.77 million denars, Alsat-M with 68.19 million denars and Telma with 53.42 million denars. This expense for Sitel was 79.81 million denars and Kanal 5, 58.75 million denars.

Table 5: Structure of the total expenditures of the terrestrial state level TV stations in the past five years

| | amount | share |
|--|-----------------|----------------|
| Material cost | 14.89 | 1.45% |
| Programme procurement | 376.77 | 36.67% |
| Non-material cost (services) | 49.62 | 4.83% |
| Salaries and other payments to staff directly involved with production of TV program | 281.19 | 27.36% |
| Direct cost for TV program production | 722.47 | 70.31% |
| Salaries and other payments to staff not directly involved with production of the TV program | 27.76 | 2.70% |
| Depreciation of equipment | 53.02 | 5.16% |
| Depreciation of rights and licenses | 1.82 | 0.18% |
| Rents and overhead expenses | 23.95 | 2.33% |
| All other not mentioned expenses | 193.30 | 18.81% |
| Total operating expenses | 1,022.32 | 99.49% |
| Expenses for other activities | 4.07 | 0.40% |
| Extraordinary expenses | 1.21 | 0.12% |
| Total operating expenses | 1,027.60 | 100.00% |

Only Alsat-M had a financial net positive at the end of 2020 (net positive of 0.53 million denars). The other four TV stations ended the year with a financial negative net balance (Sitel reported a loss of 21.89 million denars, Kanal 5 a loss of 12.11 million denars, Telma 17.47 million denars and Alfa 8.85 million denars net loss).

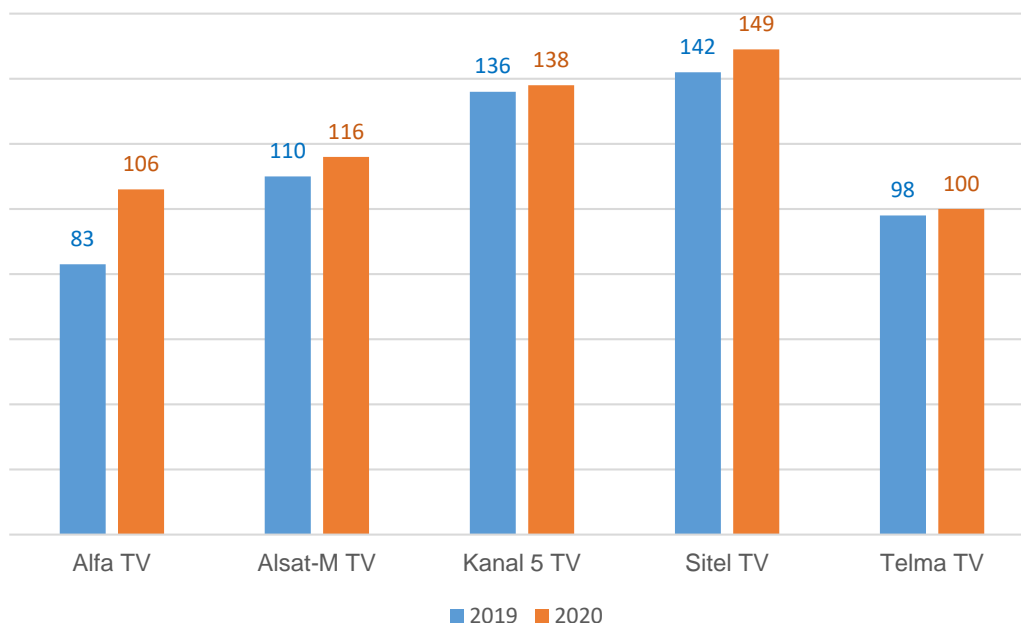
Table 6: Financial performances of the terrestrial state level TV stations for the past five years

| | 2016 | 2017 | 2018 | 2019 | 2020 |
|------------|--------|--------|--------|--------|--------|
| TV Alfa | -3.21 | 1.67 | 29.86 | 39.33 | -8.85 |
| TV Alsat-M | 4.71 | 5.85 | 5.36 | 8.44 | 0.53 |
| TV Kanal 5 | 0.89 | 0.86 | 0.28 | 1.5 | -12.11 |
| TV Sitel | 32.38 | 46.85 | 18.68 | 28.45 | -21.89 |
| TV Telma | -20.11 | -18.99 | -21.48 | -21.91 | -17.47 |

In each of the last five years Alsat-M recorded a net profit and Telma recorded a net loss. Kanal 5 and Sitel recorded a net loss for the first time in 2020.

The average total number of employees with regular employment status in these five TV stations in 2020 was 609 persons. The largest part goes to Sitel (149), followed by Kanal 5 (138). The average number of employees with regular employment status employees in Alsat-M was 116, Alfa had 106 people employed and Telma 100.

Image 17: The average number of employees with regular employment status in the terrestrial state level TV stations in 2019 and 2020



Compared to the previous year, the average number of employees went up by 40, from which 23 in Alfa, 7 in Sitel, 6 in Alsat-M and two in Kanal 5 and Telma each.

The total number of employees in these five TV stations on 31.12.2020 was 726. Of them, 622 were employees with regular employment status and 104 had a freelancing contract.

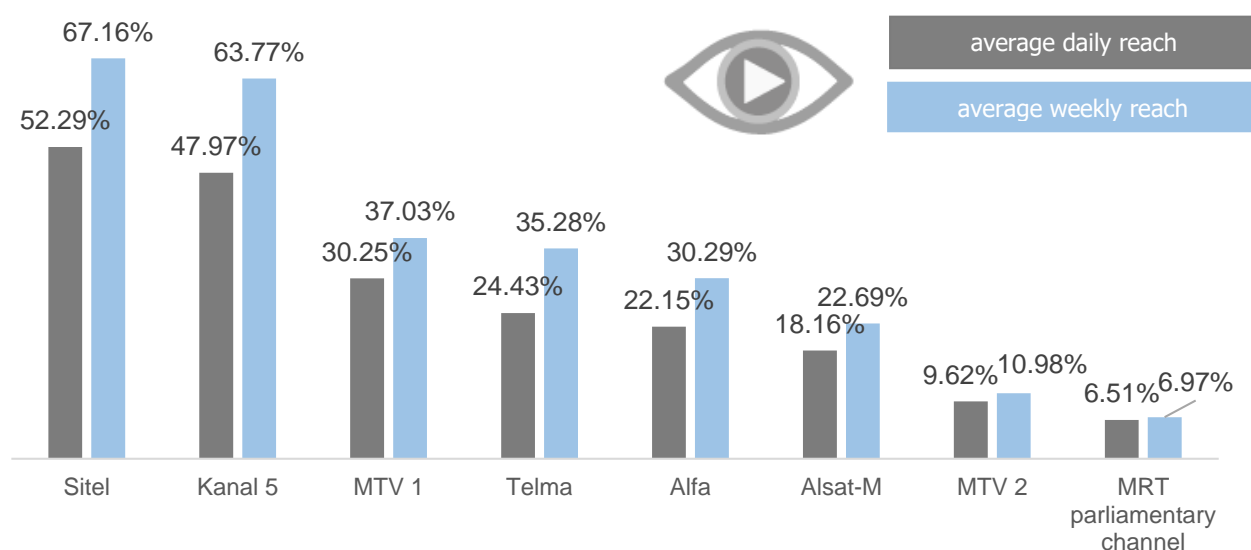
Image 18: Total number of employees (both employees with regular employment status and freelance) on 31.12.2020



According to the researches solicited by the Agency, the most watched TV channel of the year 2020 was Sitel, with an average daily reach of 52.29% and an average weekly reach of 67.16%.

Kanal 5 is the second most watched TV channel with an average daily reach of 47.97% and an average weekly reach of 63.77%¹⁵. All five TV stations, as well as the three public service channels had an increase of watch time compared to last year.

Image 19: Average daily and weekly reach for the terrestrial TV stations on national level



¹⁵ The average daily reach is the ratio between the population that reported watching a particular television in any period of the previous day and the total population, and the average weekly reach is the ratio between the population that reported watching a particular television in any period of the previous week and the total population.

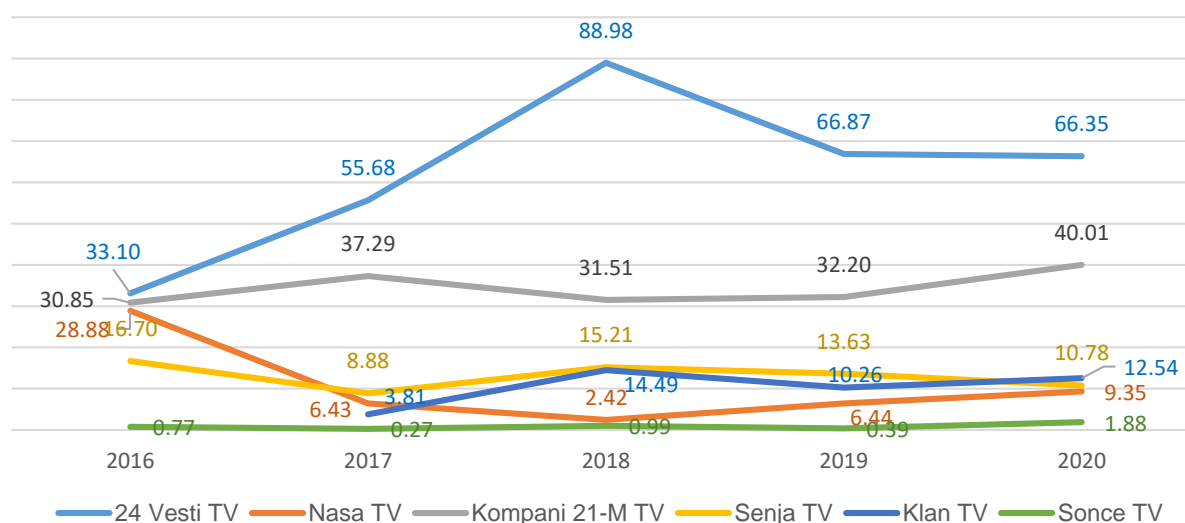


**State-level TV stations (via
unlimited resource)**

In the year 2020, a total of six TV stations broadcasted their program on state level via an unlimited resource, two of them (TV 24 and Nasha TV) via satellite and four via the public electronic communication network that does not use a limited resource (Company 21-M, Shenja, Klan and Sonce).

Jointly, they accumulated a total revenue of 140.93 million denars. 75.47% of that goes to 24 Vesti and Company 21-M.

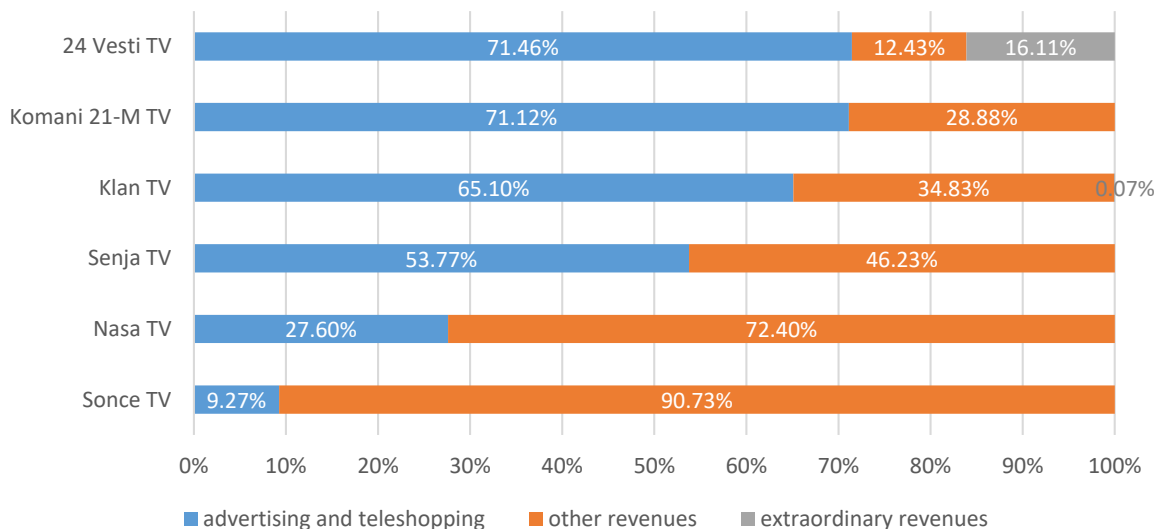
Image 20: Fluctuations in the individual total revenues of the state-level TV stations (via unlimited resource) for the past five years



A donation by the AAAMS in the amount of 17.92 million denars as COVID-19 relief funding is included in the total of 140.93 million denars. The TV stations that had paid the licence fee for 2020 had their payments for 2019 and 2020 refunded (24 Vesti – 4.14 million denars, Nasha TV 3.49 million denars and Klan 4.37 million denars) and the TV stations that did not have the 2020 license fee overdue at the time that AAAMS made the Decision, got reimbursed for their 2019 payment. (Sonce got 1.69 million denars refund and Company 21-M and Shenja got 2.11 million denars refunds) and were exempt from payment for the 2020 fee.

Only two TV stations reported a decrease in the total revenue, compared to the last year (24 Vesti 0.78% and Shenja 20.91%). The revenue of Nasha TV increased by 45.19%, Company 21-M by 24.25%, Klan by 22.22% and Sonce had an increase of revenue of 382.05%.

Image 21: Structure of the individual revenue of the state-level TV stations (via unlimited resource) for 2020



The largest portion of the total revenue was advertising revenue for 24 Vesti, Komani 21-M , Klan and Senja, while Nasa TV and Sonce had “other revenue” as their highest revenue item, in which the AAAMS donation was included.

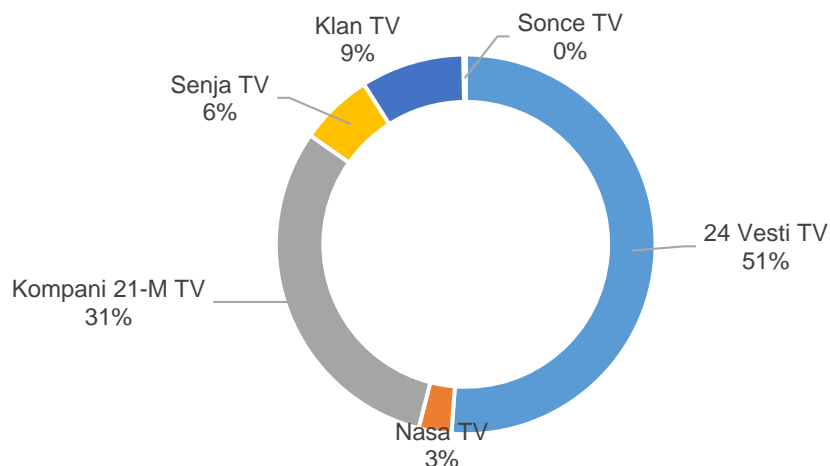
The combined total amount of advertising revenue generated by these six TV stations was 92.59 million denars. 24 Vesti and Komani 21-M made 82% of that amount.

All six TV stations reported less advertising revenue compared to the previous year as follows: 24 Vesti had 21.80% less revenue, Nasa TV 29.51%, Komani 21-M 8.55%, Shenja 57.38%, Klan 20.39% and Sonce had a decrease of 34,62%.

24 Vesti had the largest advertising revenue (47.41 million denars). Komani 21-M reported 28.46 million denars as this sort of revenue.

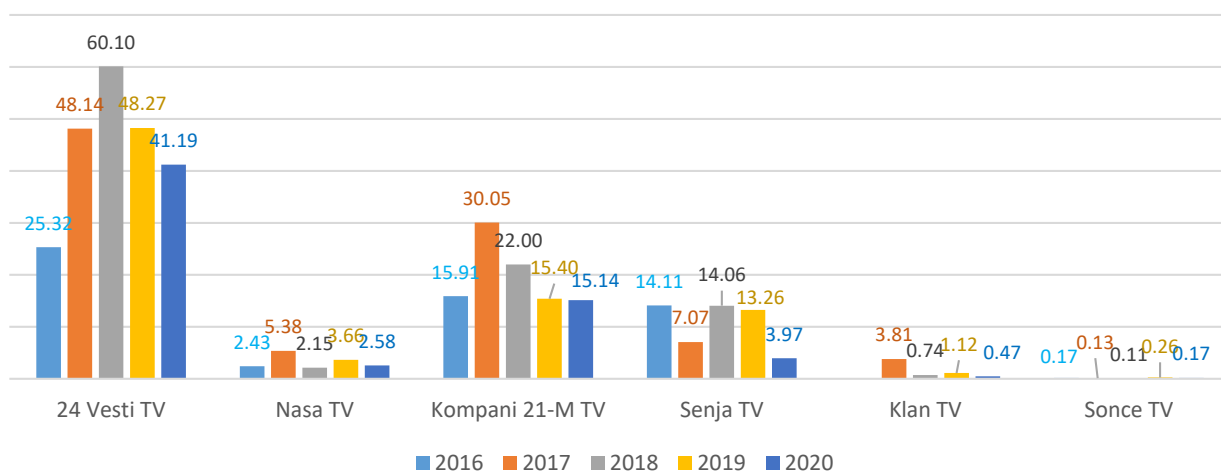
The rest four TV stations reported significantly lower income than the previous two, as follows: Klan 8.16 million denars, Shenja 5.80 million denars, Nasa TV 2.58 million denars and Sonce just 0.17 million denars.

Image 22: Advertising revenue share for each of the of the state-level TV stations (via unlimited resource)



The total amount of advertising revenue of these six TV stations (92.59 million denars) include the revenue of the paid political advertising (with a total amount of 29.07 million denars. Nasa TV and Sonce did not broadcast any paid political advertisements.)

Image 23: Advertising revenue excluding PPA for state-level TV stations (via unlimited resource) in the last five years

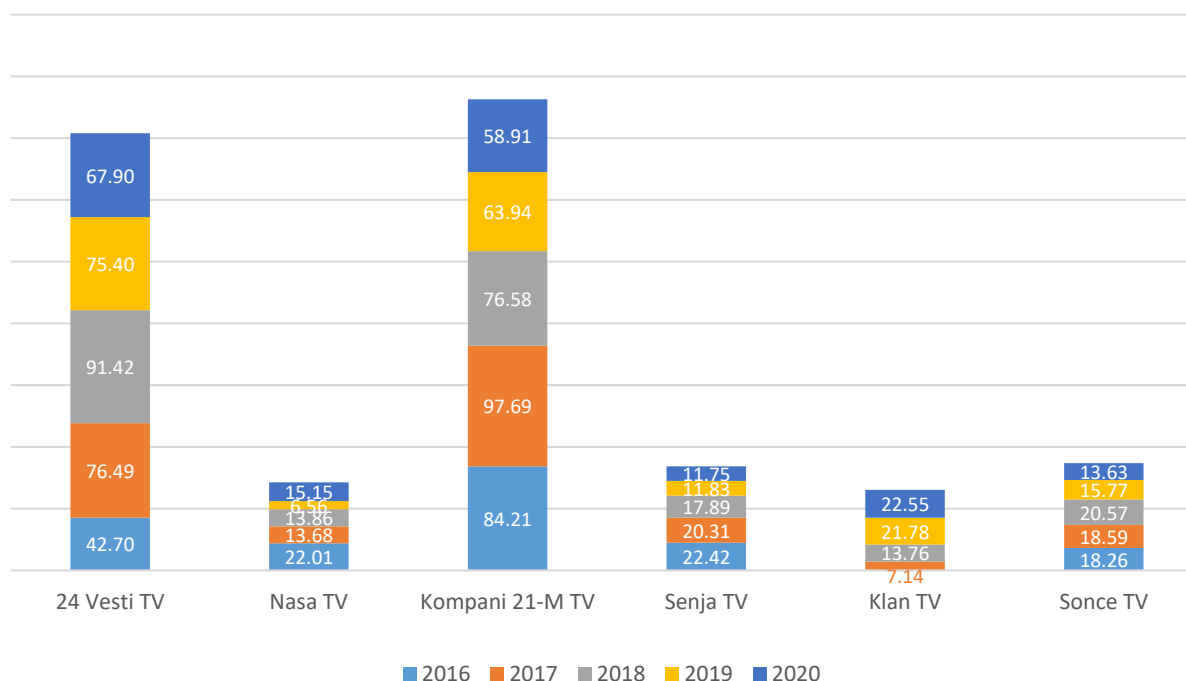


Amongst the four TV stations that had paid political advertising, the highest income was reported by Kompani 21-M (13.32 million denars). Klan made 7.69 million denars and 24 Vesti 6.22 million denars in PPA advertising revenue. Senja reported the least amount of such revenue (1.83 million denars).

These six TV stations spent a total of 189.89 million denars in the analyzed year. The expenditure of 24 Vesti, with 67.90 million denars and the expenditure of Kompani 21-M with 58.91 million denars are 66.78% from the total expenditure of all six TV stations.

Nasha TV and Klan TV had larger expenditures compared to the previous year (Nasha TV had an increase by 130.95% and Klan TV 3.54%). The other four TV stations had lower expenditure.

Image 24: Total expenditures of the state-level TV stations (via unlimited resource) in the past five years



The largest portion of the expenditures was the employee-related costs (salaries and other expenses) with a total of 88.25 million denars, from which 73.77 were spent on the employees directly involved with the content production. 24 Vesti had an employee cost amounting to 39.89 million denars, Kompani 21-M 21.11 million denars and Klan 14.82 million denars. Shenja TV spent 7.05 million denars for this type of expense and Sonce 4.37 million denars. Notably less was spent by Nasha TV (only 1.01 million denars).

The combined amount for program procurement was 13.69 million denars. More than half of this amount (6.99 million denars) was spent by 24 Vesti. Kompani 21-M with 2.22 million denars, Klan (1.88 million denars) and Sonce (1.74 million denars) also had significant expenditures in this area. Nasha TV did not spend anything on purchasing copyright licenses.

Table 7: Expenditures structure of the state-level TV stations (via unlimited resource)

| | amount | share |
|--|---------------|----------------|
| Material cost | 6.11 | 3.22% |
| Programme procurement | 13.69 | 7.21% |
| Non-material cost (services) | 18.58 | 9.79% |
| Salaries and other payments to staff directly involved with production of TV program | 73.77 | 38.85% |
| Direct cost for TV program production | 112.15 | 59.06% |
| Salaries and other payments to staff not directly involved with production of TV program | 14.48 | 7.63% |
| Depreciation of equipment | 17.82 | 9.38% |
| Depreciation of rights and licenses | 1.47 | 0.78% |
| Rents and overhead expenses | 7.96 | 4.19% |
| All other, not mentioned, expenses | 35.77 | 18.84% |
| Total operating expenses | 189.65 | 99.87% |
| Expenses for other activities | 0.20 | 0.10% |
| Extraordinary expenses | 0.05 | 0.03% |
| Total operating expenses | 189.89 | 100.00% |

All six TV stations reported a financial net loss. Kompani 21-M had the biggest negative with 18.9 million denars.

24 Vesti TV, Kompani 21-M and Sonce operated with a net loss in the last five years continuously. Nasha TV had a net positive in 2016, Shenja TV had a net positive in 2019 and Klan TV in 2018.

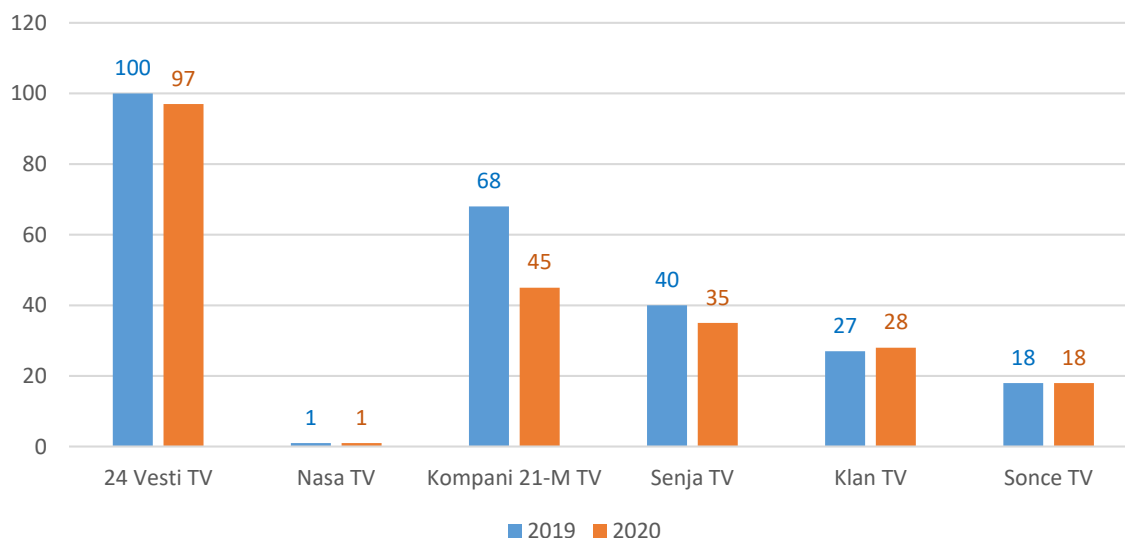
Table 8: Financial performances of the state-level TV stations (via unlimited resource) for the past five years

| | 2016 | 2017 | 2018 | 2019 | 2020 |
|-----------------|--------|--------|--------|--------|--------|
| 24 Vesti TV | -9.61 | -20.82 | -2.44 | -8.54 | -1.55 |
| Nasha TV | 6.87 | -7.25 | -11.44 | -0.12 | -5.80 |
| Kompani 21-M TV | -53.36 | -60.40 | -45.06 | -31.74 | -18.90 |
| Shenja TV | -5.76 | -11.44 | -2.68 | 1.61 | -0.97 |
| Klan TV | - | -3.33 | 0.66 | -11.52 | -10.01 |
| Sonce TV | -17.50 | -18.32 | -19.57 | -15.38 | -11.75 |

The average number of employees with regular employment status that these six TV stations had in 2020 was 224 people, which is a decrease of 30 people compared to the previous year.

Most of these were employed in 24 Vesti (a total of 97). Kompani 21-M has an average employee number of 45, Shenja TV 35, Klan 28 and Sonce 18 people. Nasha TV only has one person as a employee with regular employment status.

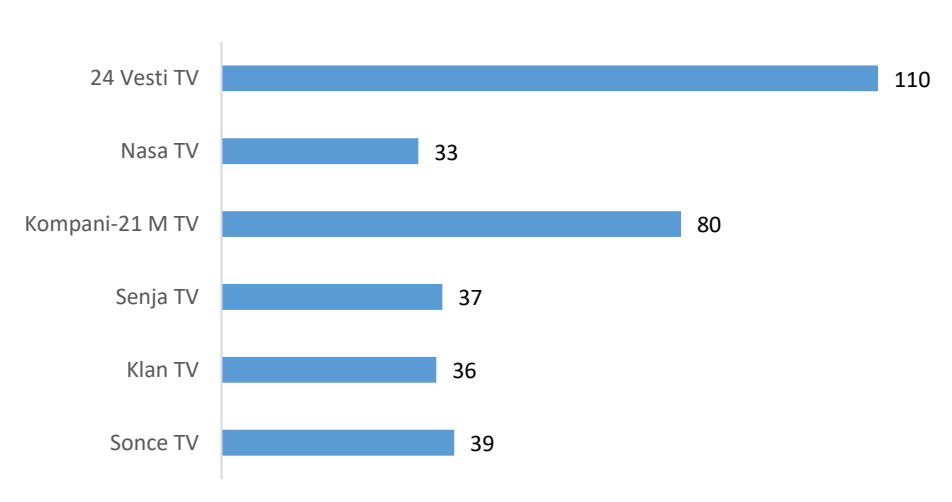
Image 25: The average number of employees with regular employment status in state level TV stations (via unlimited resource) for the years 2019 and 2020



In 2020, only Klan saw an increase of the average number of employees with regular employment status by one person. 24 Vesti decreased their average number by three people, Senja by five, Kompani 21-M by 23 people and Nasa TV and Sonce had no changes in the average number of employees with regular employment status.

The total number of employees in these six TV stations on 31.12.2020 was 336 people. Of them, 236 were employees with regular employment status and the rest 99 were freelancers.

Image 26: Total number of employees (both employees with regular employment status and freelance) on 31.12.2020



The three viewership indicators of 24 Vesti were multiple times higher than Nasa TV. The average daily reach for 24 Vesti was 14.67% the average weekly reach 24.52 and the total watch time share¹⁶ was 4.64%.

Image 27: Average daily and weekly reach for the satellite broadcasting TV stations

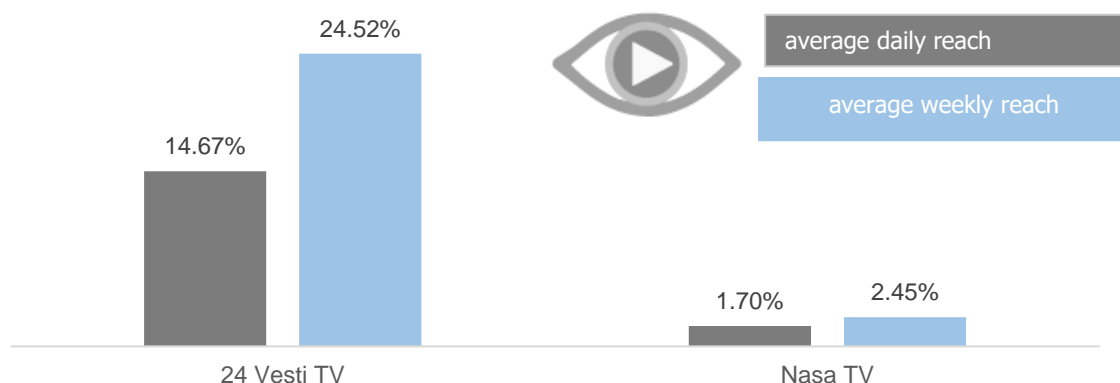
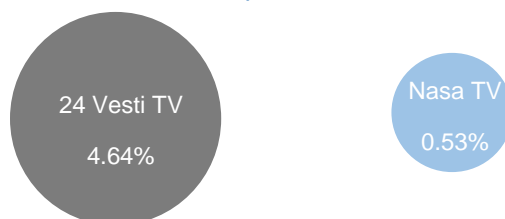


Image 28: Share in the total viewership of the satellite broadcasting TV stations



Kompani 21-M had the largest average daily reach of 2.53%, an average weekly reach of 4.75%, and the share in total viewership of 0.79%

¹⁶ ~~Total watchtime~~ The share in the total viewership is calculated as a ratio between the population that stated that watched a certain TV channel in any period of the previous day and the total number of TV channels that viewers watched in the previous day on the territory of RNS Macedonia.

Image 29: Average daily and weekly reach for the cable broadcasting TV stations

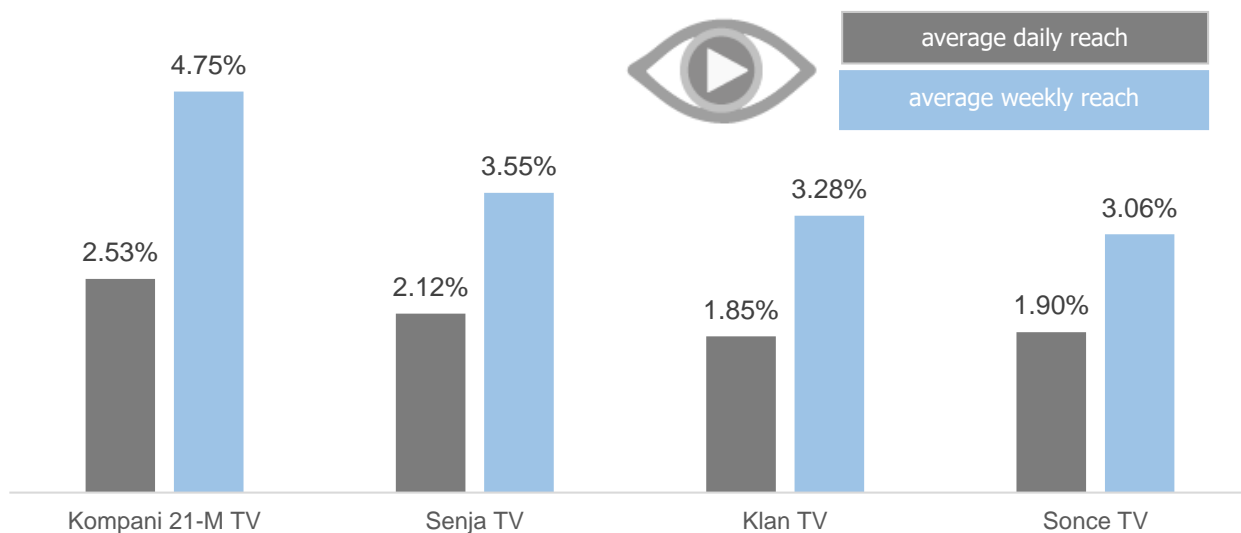
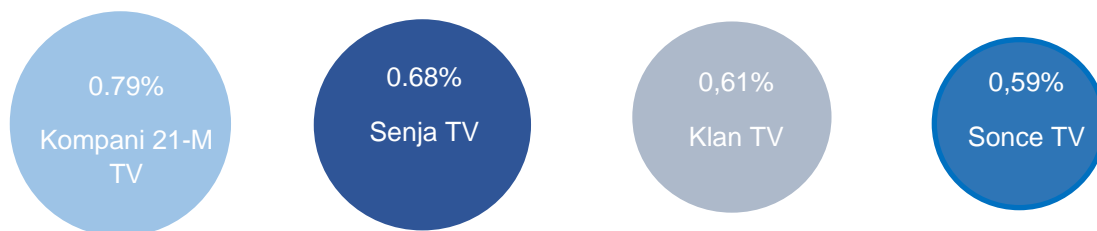


Image 30: Share in the total viewership of the cable broadcasting TV stations





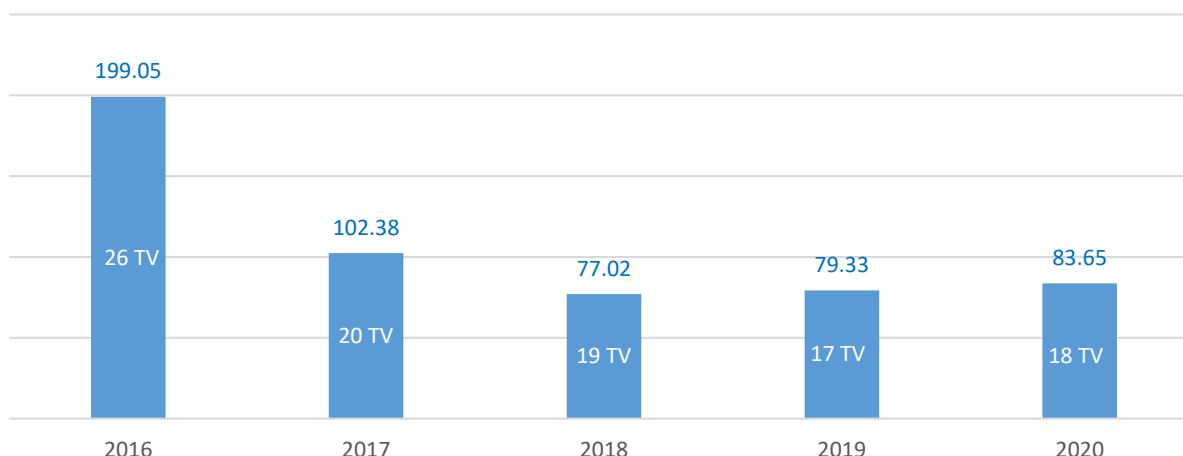
Regional TV stations

At the start of 2020, a total of 19 TV stations broadcasted their content on a regional level. In January this number decreased by two – because Sitel 2, a TV station that broadcasted in the D2 – Stracin area, stopped operating, which resulted with the lapse of its license to broadcast. TV Kiss, a broadcaster from the D8 region – Popova Shapka had their licence revoked. A new licence to broadcast TV program was issued to TV M Net-HD from Shtip, for the D3-Turtel area. At the end of the year, the total number of regional TV stations was 18.

Six of them broadcast their programme through a digital terrestrial multiplex (Edo, Era, MTM and Shutel – all from the area of Skopje, KTV from the D1-Crn vrv/Veles area and Koha from the D8-Popova Shapka area). The rest 12 TV stations are broadcasting through an unlimited resource, namely, through public electronic communication network operator with whom they have an agreement for broadcasting.

In the analyzed year they amassed a total revenue of 83.65 million denars.

Image 31: Total revenue for the regional TV stations in the last five years



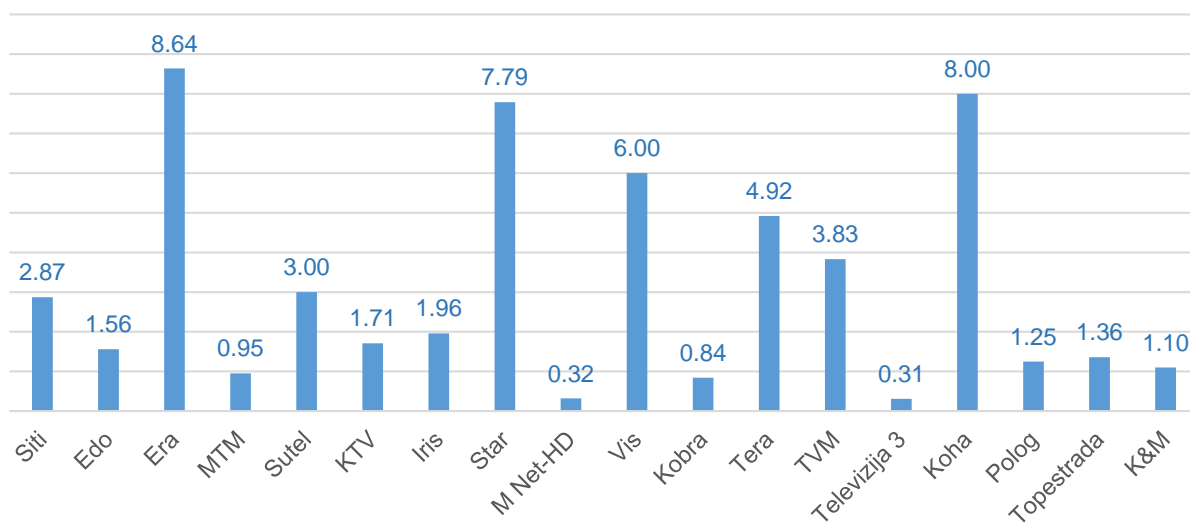
The total revenue of regional TV stations increased by 5.45% compared to 2019 and 8.61% compared to the total revenue in 2018. The increase is due to the various types of financial aid that were given to televisions due to the COVID-19 pandemic. If we subtract the AAAMS donation with the amount of 10.21 million denars for all of the regional TV stations, as well as the financial aid provided by the Government with the purpose of “*compensating the cost towards the operator of the digital terrestrial multiplex*” for the six terrestrial televisions with the amount of around 3.7 million denars, the total revenue amount would have decreased proportionally.

Table 9: Total revenue for the regional TV stations in the last five years

| Broadcasting area | TV | 2016 | 2017 | 2018 | 2019 | 2020 |
|----------------------|--------------|-------|-------|-------|-------|-------|
| D1 – Crn Vrv/ Skopje | City | 2.42 | 2.51 | 3.03 | 3.17 | 4.46 |
| | Edo | 4.00 | 2.64 | 2.40 | 2.88 | 3.97 |
| | Era | 12.97 | 14.18 | 15.76 | 10.37 | 10.54 |
| | MTM | 6.53 | 7.96 | 7.05 | 4.95 | 6.08 |
| | Shutel | 5.68 | 3.48 | 2.88 | 3.41 | 4.26 |
| D1- Crn Vrv/Veles | KTV | 3.30 | 3.09 | 2.31 | 3.76 | 2.08 |
| D3-Turtel | Iris | 4.91 | 3.72 | 3.75 | 2.28 | 2.23 |
| | Star | 8.56 | 8.40 | 6.44 | 8.06 | 8.36 |
| | M Net-HD | | | | | 0.32 |
| D4-Boskija | Kanal Vis | 10.37 | 4.10 | 4.87 | 8.21 | 9.98 |
| | Cobra | 3.79 | 3.23 | 3.00 | 2.58 | 1.77 |
| D5-Pelister | Tera | 9.70 | 7.83 | 7.04 | 11.57 | 9.58 |
| D6-Mali Vljaj | TV M | 4.99 | 3.56 | 5.14 | 6.84 | 5.01 |
| D7-Stogovo | Television 3 | | | 0.02 | 0.49 | 0.36 |
| D8-Popova Shapka | Koha | 8.04 | 7.31 | 6.15 | 7.79 | 8.38 |
| | Polog | 0.16 | 0.49 | 0.70 | 1.82 | 1.28 |
| | Topestrada | | 0.90 | 1.07 | 1.01 | 2.53 |
| | K&M | | | | 0.14 | 2.48 |

A total of ten TV stations: City, Edo, MTM, Era, Shutel, Star, Kanal Vis, Koha, Topestrada and K&M reported an increase in their revenue, compared to the previous year and the seven TV stations left reported a decrease in revenue.

Image 32: Advertising revenue for the regional TV stations for the year 2020.



The combined advertising revenue of all of the 18 TV stations was 56.41 million denars. TV stations in the area of Skopje made the biggest portion of it with a total of 17.01 million denars, the ones in the D8-Popova Shapka area made 11.71 million denars and in the D3-Turtel area, the stations made a total of 10.07 million denars.

Individually, the largest advertising revenue amount was made by Era from Skopje with a total of 8.64 million denars, Koha from Tetovo with 8 million denars and Star from Shtip with a total of 7.79 million denars in revenue.

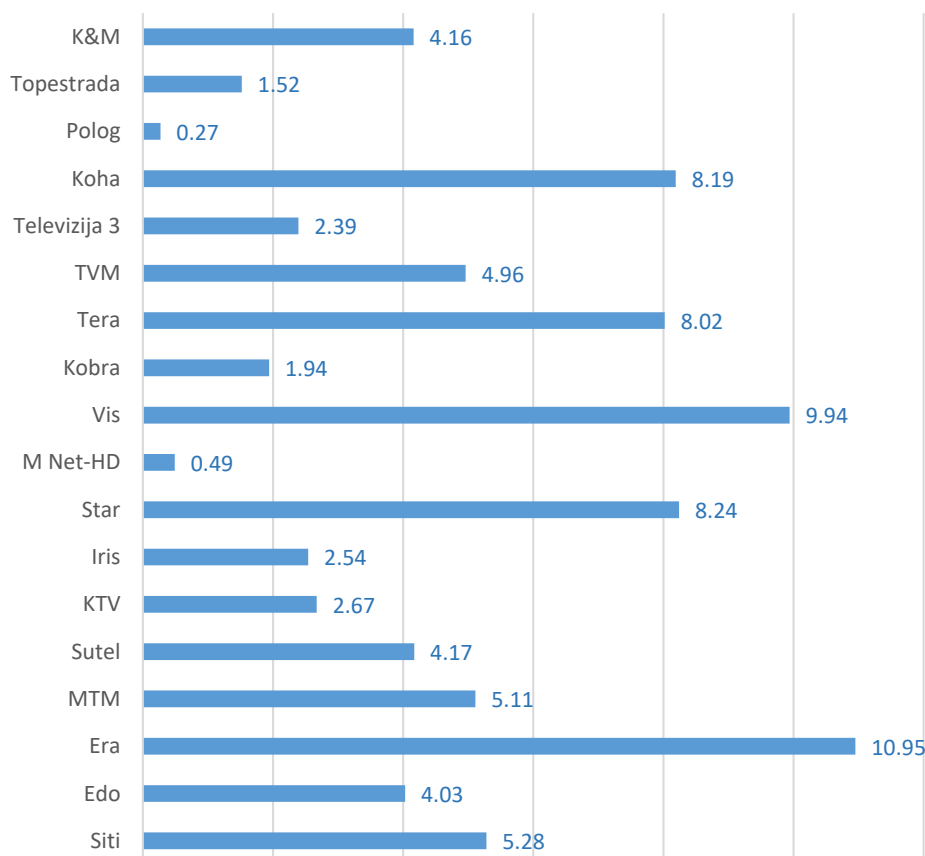
Table 10: Structure of the total revenue of the regional TV stations divided by areas of broadcasting

| | D1-Skopje | D1-Veles | D2 | D3 | D4 | D5 | D6 | D7 | D8 |
|---|--------------|-------------|----------|--------------|--------------|-------------|-------------|-------------|--------------|
| Advertising and teleshopping | 17.01 | 1.71 | / | 10.07 | 6.84 | 4.92 | 3.83 | 0.31 | 11.71 |
| Sponsorships | 0.00 | 0.00 | / | 0.20 | 0.21 | 0.00 | 0.00 | 0.00 | 0.00 |
| Content sale | 0.10 | 0.00 | / | 0.00 | 0.00 | 1.37 | 0.00 | 0.00 | 0.03 |
| Revenue from services provided by third parties | 0.00 | 0.00 | / | 0.00 | 0.00 | 1.99 | 0.00 | 0.00 | 0.09 |
| Other revenue | 10.33 | 0.37 | / | 0.55 | 4.70 | 1.01 | 1.18 | 0.05 | 2.84 |
| Revenues of the main activity | 27.44 | 2.08 | / | 10.82 | 11.75 | 9.29 | 5.01 | 0.36 | 14.67 |
| Revenue from other activities | 0.03 | 0.00 | / | 0.07 | 0.00 | 0.30 | 0.00 | 0.00 | 0.00 |
| Extraordinary revenue | 1.82 | 0.00 | / | 0.01 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total revenue | 29.30 | 2.08 | / | 10.91 | 11.75 | 9.58 | 5.01 | 0.36 | 14.67 |

The total amount of expenditure of regional TV stations was 84.89 million denars. The largest portion of the total amount (78.74%) were made in four broadcasting areas: D1-Skopje (29.55 million denars), D3-Turtel (11.27 million denars), D4-Boskija (11.88 million denars) and D8-Popova Shapka (14.14 million denars).

Era from Skopje with a total expenditure of 10.95 million denars and Kanal Vis from Strumica with 9.94 million denars had the largest expenditure and Polog from Tetovo with only 0.27 million denars and M Net-HD from Shtip with 0.49 million denars had the lowest expenditure.

Image 33: Regional TV stations expenditure for 2020.



In each of the broadcasting areas, the largest portion of the expenses was dedicated to direct costs for program creation (55.44% in the D1-Skopje area, 94.80% in D1-Veles, 86.85% in D3, 47.30% in D4, 80.54% in D5, 49.35% in D6, 91.64% in D7 and 63.32% in the D8 broadcasting area).

Nearly half of the total expenditure (48.53%) was dedicated as salaries and other employee-related costs (41.20 million denars). Individually, Star TV from Shtip with 6.11 million denars and Era TV with 4.04 million denars had the largest expenditure in this column.

Table 11: Structure of the total expenditure for the regional TV stations, divided in broadcasting areas

| | D1- Skopje | D1- Veles | D2 | D3 | D4 | D5 | D6 | D7 | D8 |
|--|---------------|--------------|----------|--------------|--------------|-------------|-------------|-------------|--------------|
| Material cost | 1.14 | 0.22 | / | 0.26 | 0.81 | 0.79 | 1.18 | 0.00 | 1.48 |
| Program procurement | 0.49 | 0.00 | / | 1.00 | 0.15 | 1.38 | 0.22 | 0.00 | 0.10 |
| Non-material cost (services) | 2.38 | 0.61 | / | 0.38 | 0.00 | 0.61 | 0.32 | 0.02 | 1.33 |
| Salary and other payments to staff directly involved with production of the TV program | 12.38 | 1.69 | / | 8.01 | 4.66 | 3.67 | 0.73 | 2.17 | 6.05 |
| Direct cost for TV program production | 16.38 | 2.53 | / | 9.65 | 5.62 | 6.46 | 2.45 | 2.19 | 8.96 |
| Salary and other payments to staff not directly involved with production of the TV program | 0.46 | 0.00 | / | 0.03 | 0.00 | 0.21 | 1.10 | 0.00 | 0.04 |
| Depreciation of equipment | 1.95 | 0.03 | / | 0.31 | 1.02 | 0.86 | 0.57 | 0.00 | 3.71 |
| Depreciation of rights and licenses | 1.18 | 0.00 | / | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Rents and overhead expenses | 5.28 | 0.00 | / | 0.00 | 0.00 | 0.00 | 0.00 | 0.19 | 0.00 |
| All other, not mentioned, expenses | 4.29 | 0.06 | / | 1.27 | 5.24 | 0.25 | 0.85 | 0.01 | 1.44 |
| Total operating expenses | 29.53 | 2.62 | / | 11.26 | 11.88 | 7.77 | 4.96 | 2.39 | 14.14 |
| Expenses for other activities | 0.00 | 0.04 | / | 0.02 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Extraordinary expenses | 0.02 | 0.00 | / | 0.00 | 0.00 | 0.25 | 0.00 | 0.00 | 0.00 |
| Total operating expenses | 29.55 | 2.67 | / | 10.27 | 11.88 | 8.02 | 4.96 | 2.39 | 14.14 |

Nine TV stations had a net positive in the end of the year, them being MTM TV, Shutel, Star, Kanal Vis, Tera, TVM, Koha, Polog and Topestrada TV. Bitola's Tera TV had the best financial result with a positive of 1.46 million denars.

The average number of employees with regular employment status was 133, which was two people less than in the previous year.

Table 12: Average number of employees with regular employment status in the regional TV stations

| TV | 2019 | 2020 | TV | 2019 | 2020 |
|-----------|------|------|----------------|------------|------------|
| City TV | 7 | 7 | Cobra TV | 5 | 5 |
| Edo TV | 6 | 7 | Tera TV | 11 | 11 |
| Era TV | 26 | 25 | M TV | 7 | 7 |
| MTM TV | 5 | 3 | Television 3 | 4 | 4 |
| Shutel TV | 3 | 3 | Koha TV | 12 | 12 |
| KTV TV | 7 | 6 | Polog TV | n.a. | 1 |
| Iris TV | 9 | 5 | Topestrada TV | 4 | 1 |
| Star TV | 7 | 8 | Kiss&Menada TV | 10 | 12 |
| M Net- HD | / | 4 | Kanal Vis TV | 12 | 12 |
| | | | Total | 135 | 133 |

The total number of employees with regular employment status in the regional TV stations on the 31.12.2020 was 139, and they had 95 freelancers.

Table 13: Total number of employees (both employees with regular employment status and freelance) on 31.12.2020

| Exact state as of 31.12.2020 | | Exact state as of 31.12.2020 | |
|---------------------------------|----|---------------------------------|------------|
| City TV | 11 | Kobra TV | 13 |
| Edo TV | 15 | Tera TV | 18 |
| Era TV | 25 | M TV | 12 |
| MTM TV | 10 | Television 3 | 8 |
| Shutel TV | 13 | Koha TV | 13 |
| KTV | 14 | Polog TV | 10 |
| Iris TV | 11 | Topestrada TV | 8 |
| Star TV | 15 | K&M TV | 12 |
| M Net-HD TV | 14 | total | 234 |
| Kanal Vis TV | 12 | | |

In the analyzed year, Star TV from the D3 area had the largest average weekly reach of 17.80% and largest share in the total viewership of 0.18%. The least watched was City with an average weekly reach of 0.80%.

Table 14: 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 | City TV | 0.80% | 0.14% | 0.03% |
| | Edo TV | 5.90% | 0.65% | 0.18% |
| | Era TV | 3.10% | 0.43% | 0.12% |
| | MTM TV | 2.80% | 0.26% | 0.07% |
| | Shutel TV | 2.10% | 0.36% | 0.10% |
| D1-Crn Vrv/Veles | KTV TV | 11.30% | 1.34% | 0.11% |
| D3-Turtel | Iris TV | 12.20% | 1.41% | 0.14% |
| | Star TV | 17.80% | 2.17% | 0.18% |
| D4-Boskija | Kanal Vis TV | 10.90% | 1.57% | 0.12% |
| | Kobra TV | 7.00% | 0.99% | 0.08% |
| D5-Pelister | Tera TV | 11.30% | 1.55% | 0.24% |
| D6-Mali Vlah | M TV | 6.70% | 0.81% | 0.05% |
| D7-Stogovo | Television 3 | 11.90% | 1.31% | 0.02% |
| D8-Popova Shapka | Koha TV | 14.00% | 2.44% | 0.35% |
| | Polog TV | 1.90% | 0.46% | 0.07% |
| | Topestrada TV | 2.40% | 0.50% | 0.08% |
| | K&M TV Tetovo | 5.00% | 0.65% | 0.09% |



Local TV stations

The total revenue of the 16 local TV stations in the analyzed year was 25.44 million denars, which is 17.24% lower compared to the revenue of 2019.

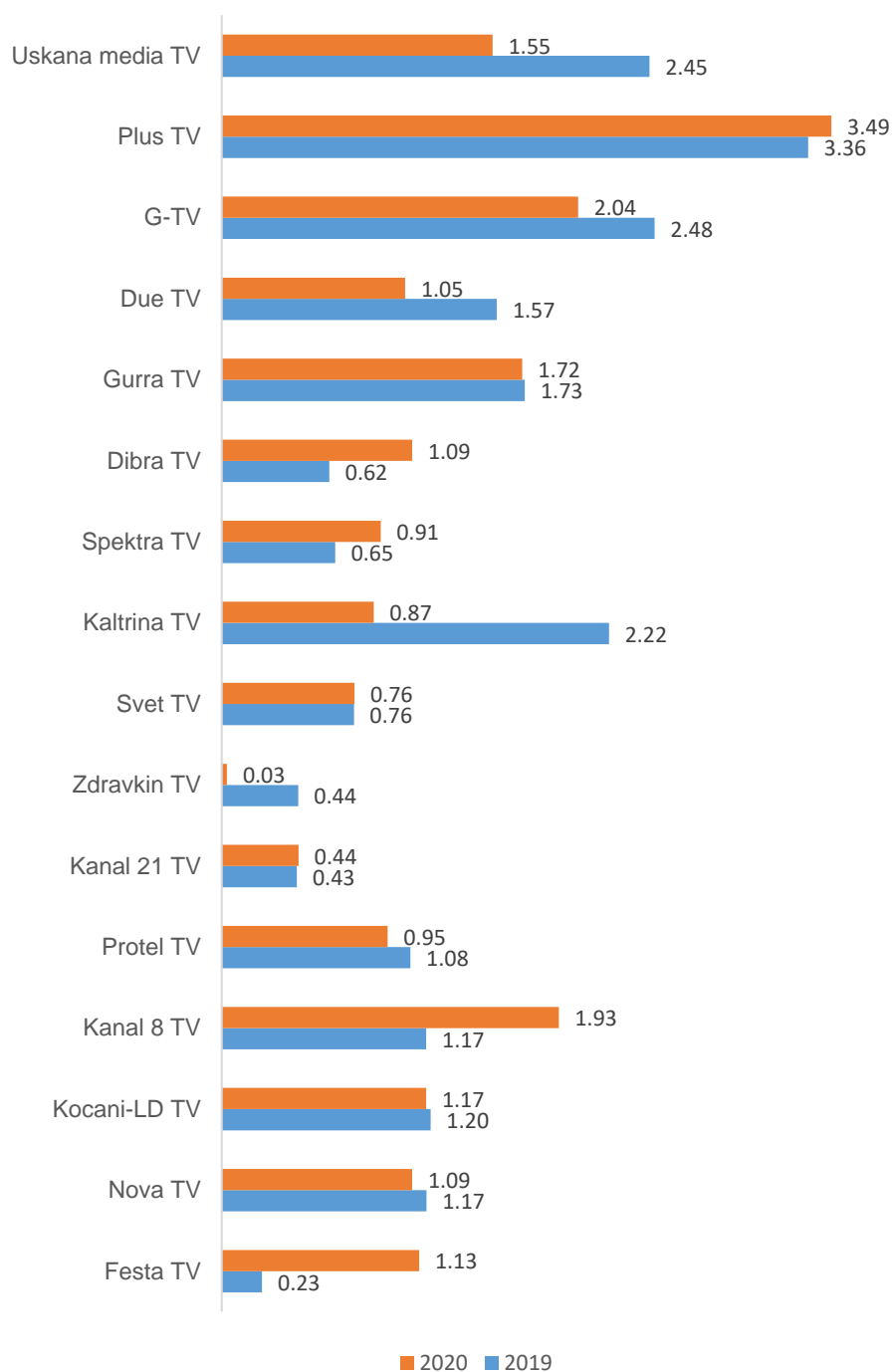
Table 15: Total revenue of local TV stations

| TV | 2019 | 2020 |
|-----------------|------|------|
| Festa TV | 1.52 | 1.44 |
| Nova TV | 1.17 | 1.27 |
| Kocani-LD TV | 1.20 | 1.37 |
| Kanal 8 TV | 1.22 | 2.15 |
| Protel TV | 1.32 | 1.14 |
| Kanal 21 TV | 0.76 | 0.67 |
| Zdravkin TV | 0.44 | 0.03 |
| Svet TV | 0.89 | 0.83 |
| Kaltrina TV | 2.22 | 1.03 |
| Spektra TV | 0.65 | 1.12 |
| Dibra TV | 0.62 | 1.09 |
| Gurra TV | 2.29 | 1.83 |
| Due TV | 1.57 | 2.49 |
| G-TV | 2.73 | 2.37 |
| Plus TV | 5.08 | 4.89 |
| Uskana Media TV | 2.45 | 1.74 |

Plus TV had the biggest amount of revenue reported with 4.89 million denars, and Zdravkin TV had the lowest with 0.3 million denars. An increase in revenue, compared to the previous year, was reported by six TV stations (Nova, Kochani-LD, Kanal 8, Spektra, Dibra and Due) and the ten remaining TV stations reported lower revenue.

The advertising revenue portion was 79.48% of the total revenue. Plus TV had the largest portion of advertising revenue with 17.26% or 3.49 million denars and Zdravkin TV with 0.15% or 0.03 million denars had the lowest amount of advertising revenue.

Image 34: Advertising revenue for the local TV stations in 2019 and 2020



The other revenues in the revenue structure participated with 11.52%. The largest portion of this revenue was the donation that AAAMS allocated as COVID-19 relief funding to the broadcasters. Plus TV reported the largest amount of other revenue (0.93 million denars).

Table 16: Structure of revenue for the local TV stations

| Structure of revenue for the local TV stations | Amount | Share |
|---|--------------|----------------|
| Advertising and teleshopping | 20.22 | 79.48% |
| Sponsorships | 0 | 0.00% |
| Content sale | 0.46 | 1.81% |
| Revenue from services provided by third parties | 0 | 0.00% |
| Other revenue | 2.93 | 11.52% |
| Primary activity revenue | 23.62 | 92.81% |
| Revenue from other activities | 0 | 0.00% |
| Extraordinary revenue | 1.83 | 7.19% |
| Total revenue | 25.44 | 100.00% |

Plus TV had the largest amount of revenue for broadcasting paid political advertisements during the early parliamentary elections with 1.47 million denars. No other TV station broadcasted paid political advertising during the snap local elections in Shtip and Plasnica.

Table 17: Total expenses for local TV stations

| TV | 2019 | 2020 |
|-----------------|------|------|
| TV Festa | 0.79 | 0.96 |
| TV Nova | 1.26 | 1.34 |
| TV Kocani-LD | 1.39 | 1.44 |
| TV Kanal 8 | 1.21 | 2.14 |
| TV Protel | 1.40 | 2.55 |
| TV Kanal 21 | 1.04 | 0.66 |
| TV Zdravkin | 1.06 | 0.61 |
| TV Svet | 0.92 | 0.85 |
| TV Kaltrina | 1.04 | 0.97 |
| TV Spektra | 0.81 | 1.16 |
| TV Dibra | 0.85 | 0.82 |
| TV Gurra | 1.87 | 1.15 |
| TV Due | 1.37 | 2.13 |
| G-TV | 2.53 | 2.31 |
| TV Plus | 4.46 | 4.58 |
| TV Uskana media | 1.68 | 1.44 |

The total expenditure spent by the local TV stations in 2020 was 25.11 million denars. Plus TV had the highest amount spent with 4.58 million denars, while Zdravkin TV had the lowest with 0.61 million denars.

Over half of the total expenditure (54.60%) was incurred by only five TV stations (Kanal 8, Protel, Due, G-TV and Plus).

50.53% of the total expenditure were for salaries and other employee-related costs. Plus TV had the highest salary expenditure with 3.21 million denars and Kanal 21 TV had the lowest with 0.13 million denars.

Table 18: Structure of the total expenses of local TV stations

| Structure of the total expenses- Local TV stations | Amount | Share |
|--|--------------|----------------|
| Material cost | 4.02 | 16.01% |
| Program procurement | 0.28 | 1.12% |
| Non-material cost (services) | 1.83 | 7.29% |
| Salary and other payments to staff directly involved with production of the TV program | 11.14 | 44.36% |
| Direct cost for TV program production | 17.27 | 68.78% |
| Salary and other payments to staff not directly involved with production of the TV program | 1.55 | 6.17% |
| Depreciation of equipment | 2.00 | 7.96% |
| Depreciation of rights and licenses | 0.00 | 0.00% |
| Rents and overhead expenses | 0.69 | 2.75% |
| All other, not mentioned, expenses | 2.49 | 9.92% |
| Total operating expenses | 24.00 | 95.58% |
| Expenses for other activities | 0.00 | 0.00% |
| Extraordinary expenses | 1.11 | 4.42% |
| Total operating expenses | 25.11 | 100.00% |

At the end of the year ten local TV stations had a net gain, and six of them reported a net loss. Gurra had the highest gain with 0.68 million denars and Protel had the highest net loss with 1.41 million denars.

The average number of employees with regular employment status in the local TV stations was 39.

Table 19: Average number of employees with regular employment status in the local TV stations

| TV | 2019 | 2020 | TV | 2019 | 2020 |
|--------------|------|-------|-----------------|-----------|-----------|
| Festa TV | 1 | 1 | Spectra TV | 2 | 2 |
| Nova TV | 3 | n.a.* | Dibra TV | 4 | 3 |
| Kocani-LD TV | 5 | 2 | Gurra TV | 1 | 1 |
| Kanal 8 TV | 3 | 3 | Anisa TV | 1 | / |
| Protel TV | 4 | 5 | Due TV | 4 | 3 |
| Kanal 21 TV | 1 | 1 | G-TV | 5 | 6 |
| Zdravkin TV | 1 | 1 | Plus TV | 7 | 5 |
| Svet TV | 2 | 1 | Uskana media TV | 1 | 2 |
| Vision BM TV | 1 | / | Total | 47 | 39 |
| Kaltrina TV | 1 | 3 | | | |

*there is no data about the number of employees with regular employment status in the local TV station in the end of year performance report

Compared to last year, this number decreased by eight people. The highest number of employees belongs to G-TV with 6. Local TV stations had 47 people as employees with regular employment status and 70 freelancers as of 31.12.2020.

Table 20: Total number of employees (both employees with regular employment status and freelance) at 31.12.2020

| | Exact state as of 31.12.2020 | | Exact state as of 31.12.2020 |
|--------------|------------------------------------|-----------------|------------------------------------|
| Festa TV | 7 | Spektra TV | 5 |
| Nova TV | 5 | Dibra TV | 9 |
| Kocani-LD TV | 5 | Gurra TV | 8 |
| Kanal 8 TV | 5 | Due TV | 6 |
| Protel TV | 6 | G-TV | 6 |
| Kanal 21 TV | 5 | Plus TV | 20 |
| Zdravkin TV | 6 | Uskana media TV | 7 |
| Svet TV | 6 | Total | 117 |
| Kaltrina TV | 11 | | |

Protel was the most watched local TV station with an average weekly reach of 20.30% and the viewership share of 4.65%.

Table 21: Average weekly reach and share in local TV stations

| TV station | Average weekly reach | Share in the region | Share in total |
|-----------------|----------------------------|------------------------|-------------------|
| Festa TV | 3.90% | 0.82% | 0.08% |
| Nova TV | 11.20% | 0.65% | 0.01% |
| Kocani-LD TV | 6.80% | 0.98% | 0.03% |
| Kanal 8 TV | 6.80% | 1.08% | 0.04% |
| Protel TV | 20.30% | 4.65% | 0.07% |
| Kanal 21 | 8.00% | 1.14% | 0.04% |
| Zdravkin TV | 9.20% | 1.01% | 0.04% |
| Svet TV | 11.50% | 1.13% | 0.01% |
| Kaltrina TV | 5.40% | 1.04% | 0.04% |
| Spektra TV | 4.50% | 1.05% | 0.04% |
| Dibra TV | 11.30% | 2.44% | 0.04% |
| Gurra TV | 2.50% | 0.46% | 0.02% |
| Due TV | 1.80% | 0.47% | 0.03% |
| G-TV | 2.30% | 0.43% | 0.03% |
| Plus TV | 7.20% | 1.41% | 0.11% |
| Uskana media TV | 4.70% | 0.64% | 0.03% |

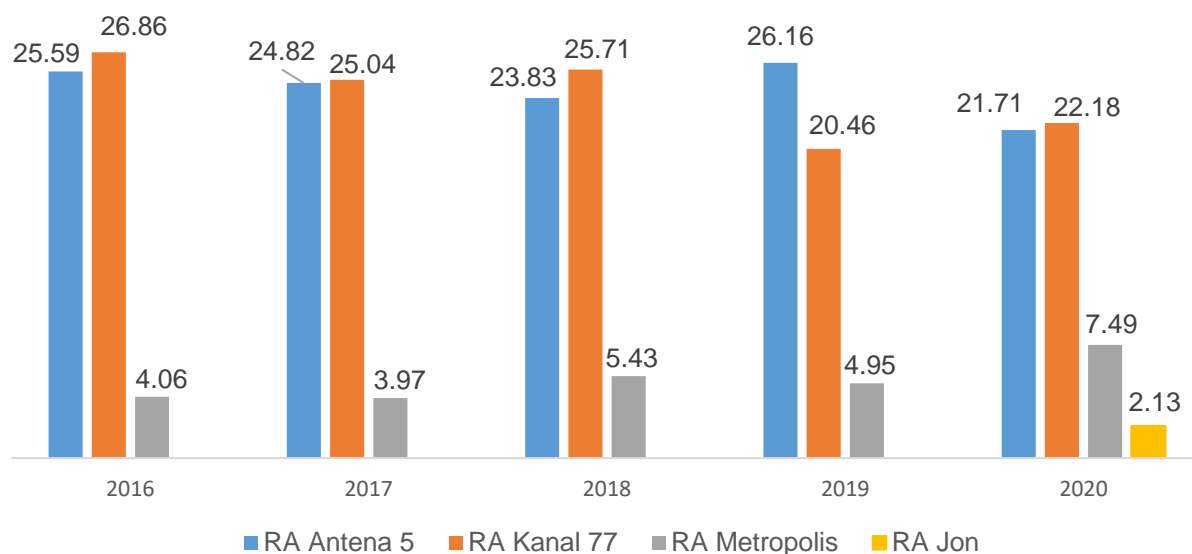




State-level radio stations

The combined total revenue made by state level radio stations (Antena 5, Kanal 77, Metropolis and Jon) was 53.51 million denars.

Image 35: Total revenue made by state-level radio stations



Only Antena 5 reported a decrease in total revenue compared to the previous year (17.01% less). Kanal 77 increased the revenue by 8.41%, Metropolis by 51.31%. Radio station Jon, which got a licence to broadcast in 2019, did not have any income in the first year of operation and had 2.13 million denars revenue in 2020.

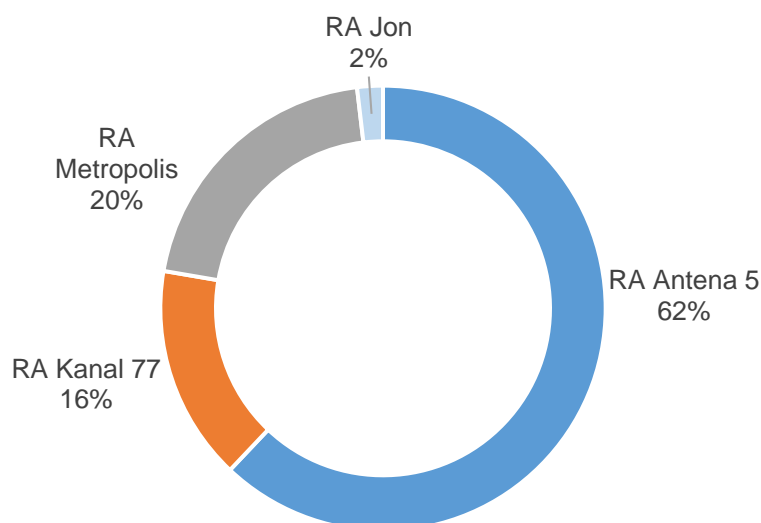
More than half of the total revenue (59.24%) was made from advertising.

Table 22: Revenue structure for the state level radio stations

| Revenue structure for the state level radio stations | Amount | Share |
|--|--------------|----------------|
| Advertising and teleshopping | 31.70 | 59.24% |
| Sponsorships | 0.00 | 0.00% |
| Content sale | 8.35 | 15.61% |
| Revenue from services provided by third parties | 4.69 | 8.76% |
| Other revenue | 7.10 | 13.27% |
| Primary activity revenue | 51.84 | 96.88% |
| Revenue from other activities | 0.06 | 0.11% |
| Extraordinary revenue | 1.61 | 3.01% |
| Total revenue | 53.51 | 100.00% |

Antena 5 reported the highest advertising revenue with 19.67 million denars, which represents 62.05% of the total advertising revenue made by all of the four radio stations. The three other radio stations reported significantly lower amounts of advertising revenue (Metropolis reported 6.48 million denars, Kanal 77 4.95 million denars and Jon 0.59 million denars).

Image 36: Advertising revenue share of the state-level radio stations



Only Kanal 77 reported revenue from content sale and revenue generated from third parties.

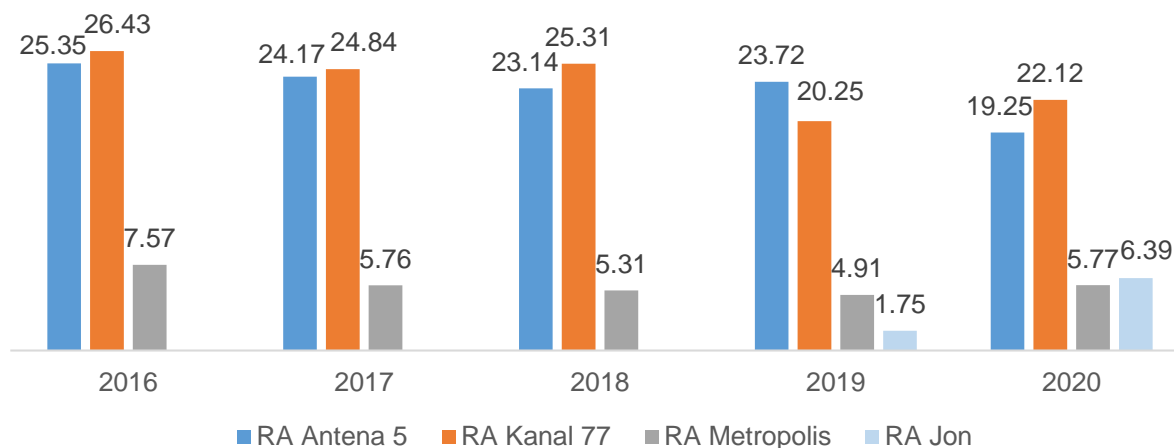
In the “other revenue” category, Kanal 77 reported the most with 4.14 million denars. Antena 5 reported 2.03 million denars in this type of revenue and Metropolis 0.92 million denars. The largest portion of this revenue was the donation of 4.1 million denars that AAAMS allocated as COVID-19 relief funding to the broadcasters

During the election campaign for the early parliamentary elections, all four radio stations broadcasted paid political advertisements, and only Kanal 77 did so during the early local elections in Shtip and Plasnica. Kanal 77 made the most revenue from paid political advertising with 1.54 million denars and Jon the least with 0.31 million denars. Metropolis made 1.36 million denars by broadcasting paid political advertising and Antena 5 reported 0.55 million denars of such revenue.

The total expenditure of all four radio stations for the year analyzed was 53.53 million denars. Kanal 77 was the biggest spender in 2020 with 22.12 million denars.

Compared to the previous year, it was only Antena 5 that cut costs by 18.84% while all other three increased theirs: Kanal 77 by 9.23%, Metropolis by 17.52% and Jon saw an increase of 265.14%.

Image 37: Total expenditures of state radio stations



The largest expense were salaries and employee-related costs with 15.20 million denars.

Table 23: Expenditure structure for the state level radio stations

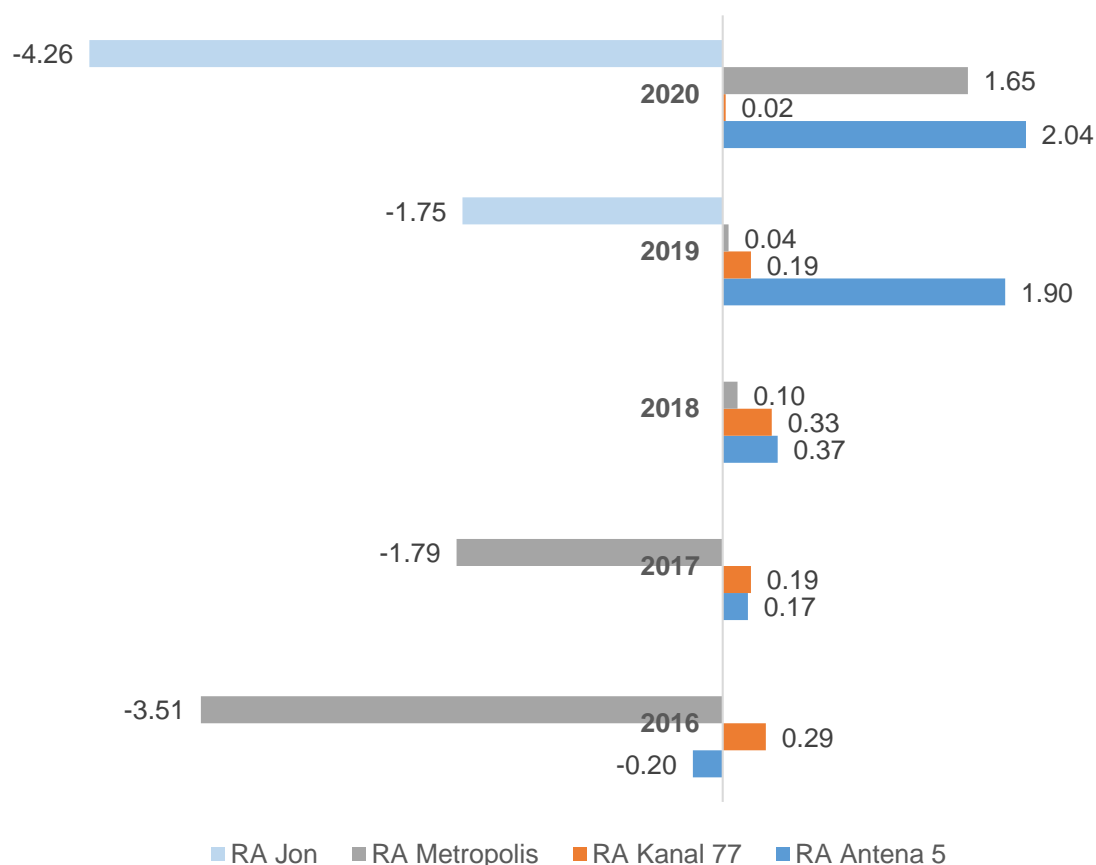
| Expenditure structure for the state level radio stations | Amount | Share |
|---|--------------|----------------|
| Material cost | 5.86 | 10.95% |
| Program procurement | 2.36 | 4.41% |
| Non-material cost (services) | 14.62 | 27.31% |
| Salary and other payments to staff directly involved with production of the program | 12.57 | 23.48% |
| Direct cost for program production | 35.41 | 66.15% |
| Salary and other payments to staff not directly involved with production of the program | 2.63 | 4.91% |
| Depreciation of equipment | 7.36 | 13.75% |
| Depreciation of rights and licenses | 0.00 | 0.00% |
| Rents and overhead expenses | 4.29 | 8.02% |
| All other, not mentioned, expenses | 3.18 | 5.94% |
| Total operating cost | 52.87 | 98.77% |
| Expenses for other activities | 0.01 | 0.02% |
| Extraordinary expenses | 0.65 | 1.21% |
| Total operating expenditure | 53.53 | 100.00% |

Antena 5 is the leader in this column with 6.86 million denars as salaries and employee-related costs. Kanal 77 had 3.52 million denars as such expense, Metropolis 2.75 million denars and Jon 2.07 million denars.

Only Jon worked with a net deficit in 2020, and had a net financial loss of 4.26 million denars.

The rest three radio stations ended the year with a profit. Antena 5 had a positive financial result of 2.04 million denars, Kanal 77 of 0.02 million denars and Metropolis had a net positive of 1.65 million denars.

Image 38: Financial performance result for the state level radio stations



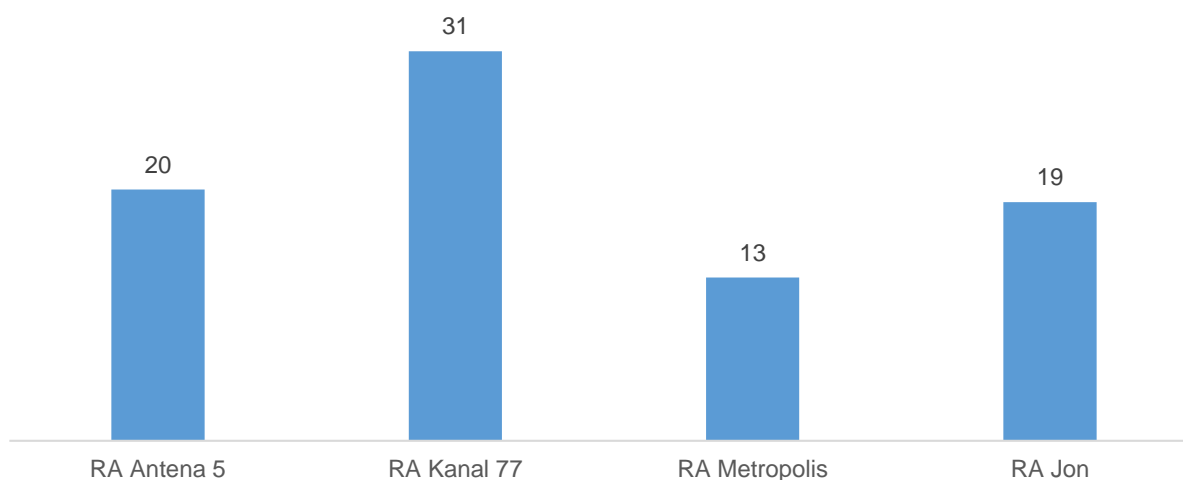
The state level radio stations reported no change in the number of employees with regular employment status in the analyzed year, compared to the previous year, that number being 45 employees in both years.

Table 24: Average number of employees with regular employment status in the state-level radio stations

| | 2019 | 2020 |
|--------------|-----------|-----------|
| Antena 5 | 15 | 14 |
| Kanal 77 | 14 | 15 |
| Metropolis | 11 | 9 |
| Jon | 5 | 7 |
| Total | 45 | 45 |

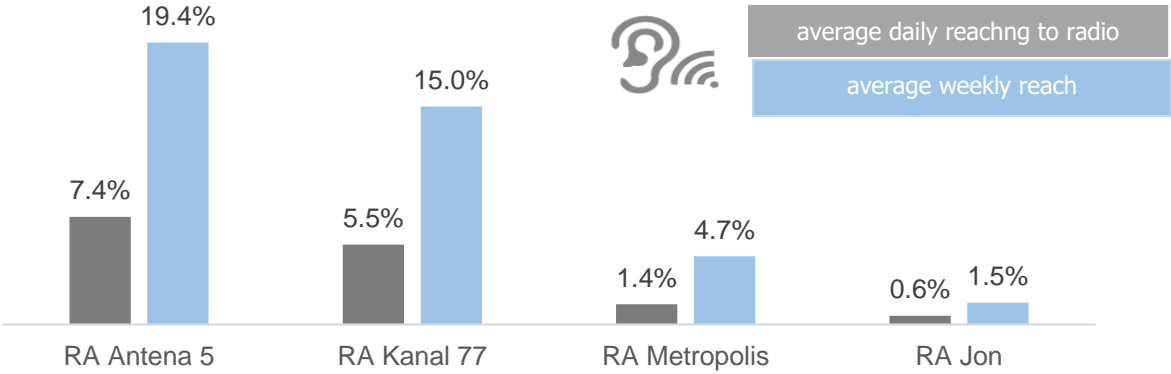
A total of 45 employees with regular employment status and 38 freelancers were reported on 31.12.2020.

Image 39: Total number of employees (both employees with regular employment status and freelance) as of 31.12.2020



Antena 5 was the most listened to radio station, which average weekly reach was 19.4%. The average weekly reach of Kanal 77 was 15%, Metropolis had 4.7% and Jon 1.5%.

Image 40: Average daily and weekly each of the state level radio stations

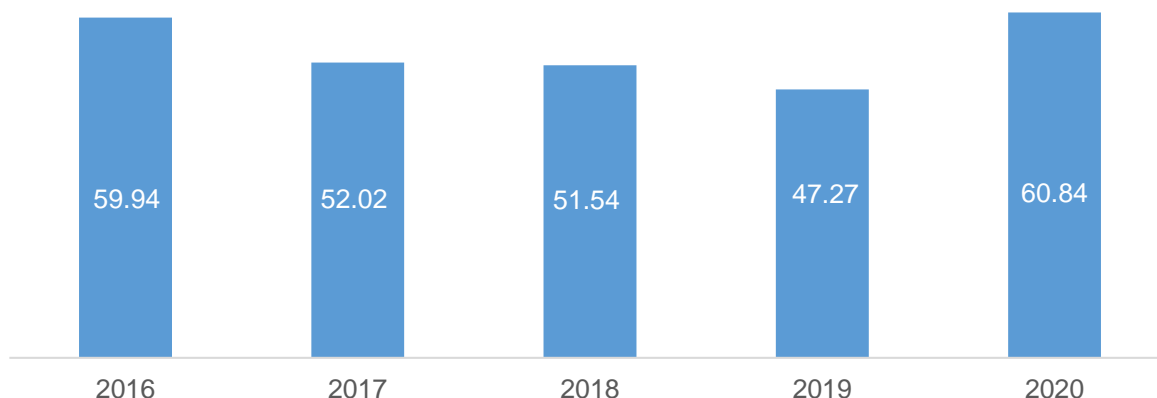




Regional radio stations

There were 17 regional radio stations in 2020 and they reported a combined revenue of 60.84 million denars. This is the highest amount reported in the last five years.

Image 41: Total revenue of regional radio stations



Bubamara reported the highest revenue with 13.35 million denars. The lowest revenue was reported by RFM with an amount of 0.18 million denars.

Table 25: Total revenue for the regional radio stations

| Radio station | 2016 | 2017 | 2018 | 2019 | 2020 |
|----------------------------------|--------------|--------------|--------------|--------------|--------------|
| Arachina | 2.45 | 0.39 | 3.59 | 0.45 | 0.84 |
| Bubamara | 11.50 | 7.55 | 7.02 | 7.79 | 13.35 |
| Vat | 5.74 | 5.31 | 5.84 | 4.56 | 4.63 |
| Zona M-1 | 1.16 | 1.01 | 0.86 | 0.76 | 1.27 |
| Urban | 6.78 | 4.70 | 2.36 | 1.75 | 1.97 |
| Club FM | 2.91 | 1.79 | 2.29 | 2.46 | 2.85 |
| Life FM | 3.12 | 2.79 | 4.18 | 3.67 | 4.69 |
| Rosa AB | 2.39 | 2.06 | 1.69 | 1.63 | 2.01 |
| RFM | 0.57 | 0.27 | 0.53 | 0.07 | 0.18 |
| City | 3.30 | 3.70 | 3.65 | 4.48 | 6.18 |
| Sky | 2.91 | 2.72 | 1.53 | 2.08 | 2.83 |
| Lider | 1.60 | 3.76 | 1.78 | 0.35 | 0.93 |
| Sports radio 90.3 FM | 7.15 | 7.68 | 7.85 | 8.17 | 7.00 |
| University radio STUDENT FM 92.9 | 2.29 | 3.26 | 2.06 | 3.22 | 4.00 |
| Capitol | 0.59 | 0.64 | 0.84 | 0.37 | 0.63 |
| Fortuna | 4.89 | 3.60 | 4.91 | 4.82 | 5.27 |
| Jazz FM | 0.59 | 0.80 | 0.56 | 0.64 | 2.21 |
| TOTAL | 59.94 | 52.02 | 51.54 | 47.27 | 60.84 |

Except Sports radio 90.3 FM, which reported a decrease in revenue compared to previous year, each one of the 16 other radio stations had increased their operating revenue.

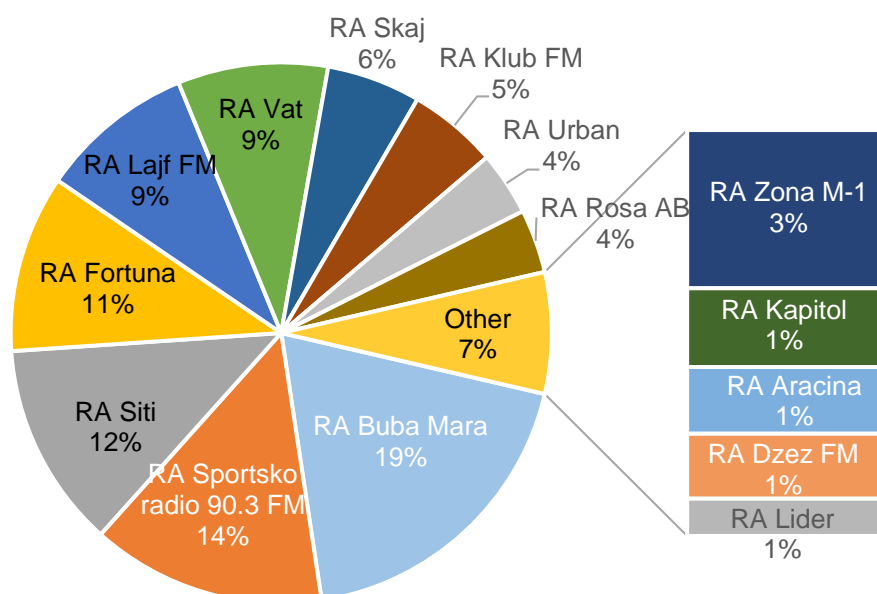
74% of the total revenue was advertising. Compared to the previous year, seven radio stations reported a decrease in their advertising revenue: Vat, Klub FM, RFM, Lider, Sports radio 90.3 FM, Fortuna and Jazz FM.

Table 26: Revenue structure for the regional radio stations

| Revenue structure for the regional radio stations | Amount | Share |
|---|--------------|----------------|
| Advertising and teleshopping | 45.02 | 74.00% |
| Sponsorships | 0.22 | 0.36% |
| Content sale | 0.00 | 0.00% |
| Revenue from services provided by third parties | 4.37 | 7.18% |
| Other revenue | 11.20 | 18.41% |
| Primary activity revenue | 60.81 | 99.95% |
| Revenue from other activities | 0.00 | 0.00% |
| Extraordinary revenue | 0.03 | 0.05% |
| Total revenue | 60.84 | 100.00% |

Bubamara FM had the largest amount of advertising revenue with 8.55 million denars and Lider reported the lowest amount with 0.30 million denars. RFM had no revenue of this kind.

Image 42: Advertising revenue shares of the regional radio stations



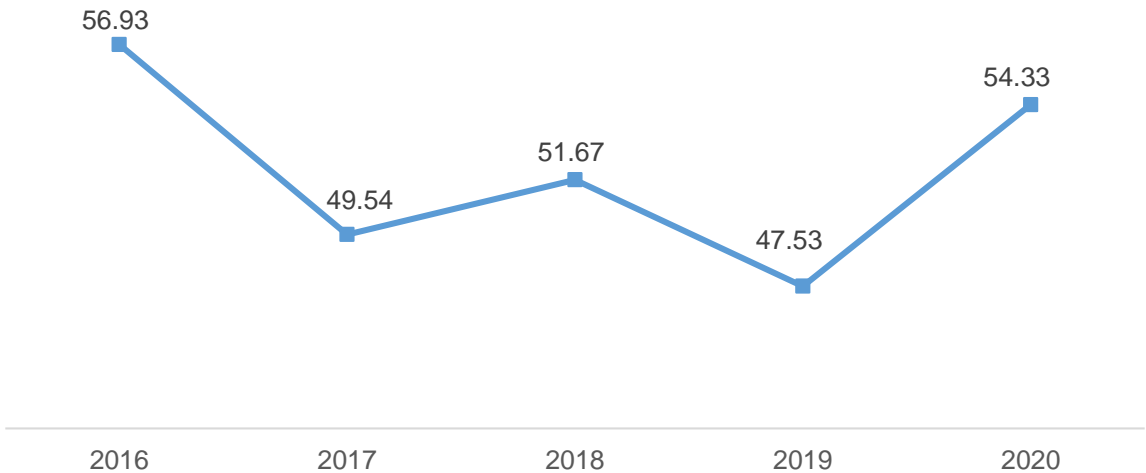
Compared to previous years, the analyzed year showed a significant portion of „other revenue“ in the revenue structure. This is due to the fact that in 2020, in this category goes the AAAMS

donation for COVID-19 relief with the amount of 4.7 million denars, as well as the revenue generated by the Government’s subsidies for salary contributions of media employees and other types of financial aid given as pandemic relief funds.

From a total of 17 regional radio stations, only ten of them reported revenue from paid political advertising. The largest amount of such revenue was reported by City with the amount of 1.21 million denars.

The total expenditure of the regional radio stations was 54.33 million denars which was an increase of 14.31% compared to the previous year.

Image 43: Total expenditure of the regional radio stations



Bubamara had the largest expenditure with 11.35 million denars with Sports radio 90.3 FM having a significant amount spent as well with 6.96 million denars.

Seven of the radio stations reported a decrease in expenditure and the ten remaining had an increase in spending. The largest decrease was noted at Vat with 1.09 million denars and the largest increase at Bubamara with 4.36 million denars.

Table 27: Expenditure structure for regional radio stations

| Expenditure structure for regional radio stations | amount | share |
|---|--------------|----------------|
| Material cost | 4.75 | 8.74% |
| Program procurement | 3.19 | 5.87% |
| Non-material cost (services) | 5.22 | 9.61% |
| Salary and other payments to staff directly involved with production of the radio program | 20.14 | 37.07% |
| Direct cost for radio program production | 33.30 | 61.29% |
| Salary and other payments to staff not directly involved with production of the radio program | 4.99 | 9.18% |
| Depreciation of equipment | 2.42 | 4.45% |
| Depreciation of rights and licenses | 0.15 | 0.28% |
| Rents and overhead expenses | 3.51 | 6.46% |
| All other, not mentioned, expenses | 9.74 | 17.93% |
| Total operating expenses | 54.11 | 99.59% |
| Expenses for other activities | 0.03 | 0.06% |
| Extraordinary expenses | 0.19 | 0.35% |
| Total operating expenses | 54.33 | 100.00% |

Employee salary and costs was the largest spending item with 46.25% of the total expenditure. Almost half of the total amount (12.49 million denars) is attributed to Bubamara with 5.93 million denars, Fortuna with 3.30 million denars and Sports radio 90.3 FM with 3.26 million denars.

Table 28: Financial performances of regional radio stations

| Radio station | 2016 | 2017 | 2018 | 2019 | 2020 |
|----------------------|-------|-------|-------|-------|-------|
| Arachina | 0.24 | -0.54 | 0.30 | -0.22 | 0.30 |
| Bubamara | 0.04 | 0.67 | 0.29 | 0.64 | 1.77 |
| Vat | -1.46 | -1.09 | 1.09 | -1.13 | 0.08 |
| Zona M-1 | 0.03 | -0.26 | -0.20 | -0.11 | 0.38 |
| Urban | 1.65 | 0.45 | -0.12 | -0.42 | -1.04 |
| Club FM | 1.44 | 0.06 | 0.20 | 0.02 | 0.52 |
| Life FM | 0.19 | 0.14 | 0.47 | 0.01 | -0.10 |
| Rosa AB | 0.01 | 0.01 | -1.10 | 0.00 | -0.26 |
| RFM | 0.00 | -0.04 | -0.43 | -1.29 | -0.38 |
| City | 0.00 | 0.07 | 0.02 | 0.12 | 0.39 |
| Sky | 0.91 | 0.03 | -1.05 | 0.19 | 0.01 |
| Lider | -1.77 | 1.03 | 0.05 | -0.02 | 0.70 |
| Sports radio 90.3 FM | -0.38 | 0.25 | 0.30 | 0.45 | 0.01 |
| Capitol | 0.02 | 0.05 | 0.04 | 0.12 | 0.25 |
| Fortuna | 0.12 | -0.65 | 0.06 | -0.15 | -0.03 |
| Jazz FM | -0.17 | 0.13 | -0.44 | -0.12 | 1.43 |

A net positive was reported by 11 regional radio stations. Bubamara had the best financial result with a profit of 1.77 million denars. Five radio stations had a net loss with the highest being at Urban FM with 1.04 million denars.

The average number of employees with regular employment status in 2020 within the regional radio stations was 48, which is one person less than 2019. The largest number of employees with regular employment status were reported by Bubamara, Sports radio 90.3 FM and City, with 6 employees each.

Table 29: Average number of employees with regular employment status employees in the regional radio stations

| Radio station | 2019 | 2020 | Radio station | 2019 | 2020 |
|---------------|------|-------|----------------------|-----------|-----------|
| Arachina | 1 | 1 | City | 5 | 6 |
| Bubamara | 6 | 6 | Sky | 5 | 4 |
| Vat | 3 | 3 | Lider | 1 | n.a.* |
| Zona M-1 | 1 | 1 | Sports radio 90.3 FM | 6 | 6 |
| Urban | 2 | 3 | Capitol | 0 | 0 |
| Club FM | 5 | 5 | Fortuna | 5 | 5 |
| Life FM | 4 | 4 | Jazz FM | 1 | 1 |
| Rosa AB | 4 | 3 | Total | 49 | 48 |
| RFM | n.a. | n.a.* | | | |

* There is no data about the number of employees with regular employment status in the radio station in the end of year performance report

The total number of employees, as of 31.12.2020, was 131, with 61 as employees with regular employment status and 70 as freelancers.

Table 30: Total number of employees (both employees with regular employment status and freelancing) as of 31.12.2020

| Radio station | Status on 31.12.2020 | Radio station | Status on 31.12.2020 |
|---------------|----------------------|----------------------|----------------------|
| Arachina | 6 | City | 8 |
| Bubamara | 12 | Sky | 6 |
| Vat | 8 | Lider | 16 |
| Zona M-1 | 11 | Sports radio 90.3 FM | 9 |
| Urban | 5 | Capitol | 6 |
| Club FM | 8 | Fortuna | 5 |
| Life FM | 5 | Jazz FM | 5 |
| Rosa AB | 6 | Student FM 92.9 | 7 |
| RFM | 8 | Total | 131 |

Just as last year, Bubamara was the most listened radio station with an average weekly reach of 9.7%.

Table 31: Average daily and weekly reach for the radio stations on regional level

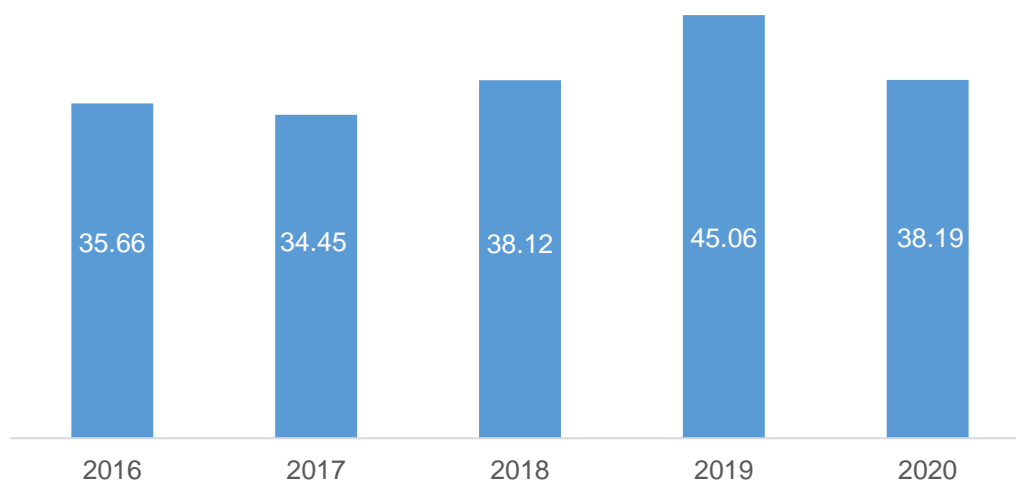
| Radio station | Average daily reach | Average weekly reach |
|----------------------------------|---------------------|----------------------|
| Arachina | 0.3% | 1.1% |
| Bubamara | 3.0% | 9.7% |
| Vat | 0.7% | 2.0% |
| Zona M-1 | 2.0% | 5.8% |
| Urban | 0.2% | 0.6% |
| Club FM | 0.7% | 1.7% |
| Life FM | 0.8% | 1.8% |
| Rosa AB | 1.1% | 3.0% |
| RFM | 0.0% | 0.1% |
| City | 2.6% | 7.7% |
| Sky | 2.2% | 5.8% |
| Lider | 0.1% | 0.4% |
| Sports radio 90.3 FM | 0.2% | 1.2% |
| University radio STUDENT FM 92.9 | 0.1% | 0.2% |
| Capitol | 0.4% | 1.4% |
| Fortuna | 3.0% | 7.4% |
| Jazz FM | 0.6% | 1.2% |



Local radio stations

The total revenue of the 46 local radio stations for 2020 was 38.19 million denars. That is a decrease of 15.25% compared to the previous year.

Image 44: Total revenue of local radio stations



The Kavadarci radio station had the largest revenue from all of the commercial local radio stations with the amount of 3.29 million denars. The lowest earning radio station was Sky radio plus with the amount of 0.04 million denars. A total of 17 local radio stations reported an increase of revenue compared to the previous year.

Table 32: Individual total revenue for the local radio stations

| Radio station | 2016 | 2017 | 2018 | 2019 | 2020 |
|-----------------------|------|------|------|------|------|
| Sky radio plus | 0.35 | 0.18 | 0.07 | 0.04 | 0.04 |
| 106 | 1.25 | 1.43 | 1.29 | 1.29 | 1.16 |
| Actuel | 0.55 | 0.31 | 0.27 | 0.31 | 0.10 |
| B-97 | 0.87 | 0.45 | 1.09 | 0.41 | 0.21 |
| Valandovo | 0.44 | 0.52 | 0.43 | 0.41 | 0.39 |
| Goldy | 0.36 | 0.44 | 0.52 | 0.88 | 0.45 |
| Merak 5 FM | 1.02 | 0.43 | 0.41 | 0.44 | 0.63 |
| La Costa | 0.34 | 0.31 | 0.37 | 0.34 | 0.32 |
| Cometa | 0.60 | 0.32 | 0.48 | 0.53 | 0.40 |
| PRO-FM | 0.15 | 0.25 | 0.51 | 0.20 | 0.29 |
| Balkan FM | 0.06 | 0.53 | 0.74 | 0.90 | 0.52 |
| Time | 1.84 | 1.61 | 1.67 | 1.66 | 1.30 |
| Zora | 0.40 | 0.45 | 0.36 | 0.34 | 0.34 |
| Galaxy-2002 | 1.25 | 1.18 | 1.77 | 0.94 | 1.02 |
| Kavadarci | 2.99 | 3.36 | 3.35 | 3.56 | 3.29 |
| Aleksandar Makedonski | 0.11 | 0.15 | 0.10 | 0.11 | 0.11 |
| Acord | 0.50 | 0.48 | 0.35 | 0.31 | 0.27 |

| | | | | | |
|----------------|------|------|------|------|------|
| Medison | 0.47 | 0.31 | 0.35 | 0.23 | 0.24 |
| Uskana-Plus | 0.06 | 0.05 | 0.00 | 0.00 | 0.00 |
| Kocani FM | 0.88 | 0.81 | 0.99 | 1.25 | 1.32 |
| Boom | 1.46 | 1.62 | 1.55 | 2.07 | 1.62 |
| Jehona FM | - | 0.30 | 0.16 | 0.30 | 0.40 |
| Puls | 0.68 | 0.63 | 0.94 | 0.96 | 0.94 |
| Lav | 0.09 | n.a. | 0.01 | 0.00 | 0.00 |
| Super | 2.46 | 2.35 | 3.39 | 3.93 | 2.58 |
| Choki | 0.65 | 0.76 | 0.58 | 0.64 | 0.80 |
| Meff | 0.93 | 0.82 | 0.96 | 1.01 | 0.83 |
| Holiday | 1.50 | 1.24 | 1.38 | 1.43 | 1.61 |
| Pela | - | 0.05 | 0.72 | 1.16 | 1.17 |
| Eko | 0.54 | 0.92 | 0.48 | 0.38 | 0.38 |
| Modea | 0.43 | 0.43 | 0.51 | 0.41 | 0.29 |
| Sveti Nikole | 0.89 | 0.69 | 0.42 | 0.93 | 0.75 |
| Play | 0.67 | 0.99 | 0.97 | 1.01 | 1.20 |
| Rrapi | 0.84 | 0.91 | 0.87 | 1.09 | 0.54 |
| Express | 1.97 | 1.79 | 1.87 | 1.86 | 1.96 |
| Hit | 1.47 | 1.64 | 1.47 | 1.44 | 1.07 |
| Bleta | 0.54 | 0.85 | 1.29 | 1.12 | 1.34 |
| Kiss | 1.01 | 0.70 | 0.82 | 0.91 | 0.74 |
| Plus Forte | 0.71 | 0.67 | 0.40 | 0.40 | 0.51 |
| Fama (Radio 7) | 0.78 | 0.59 | 0.72 | 0.67 | 0.92 |
| Red FM | 0.15 | 0.21 | 0.13 | 0.34 | 0.28 |
| Angels FM | 1.52 | 1.35 | 1.69 | 1.56 | 1.65 |
| 102-ka FM | - | - | 0.00 | 0.12 | 0.37 |

The nonprofit local radio stations had a reported revenue of 3.83 million denars. 3.81 million denars are attributed to Marija Blagovest and 0.02 million denars is to the University radio UKLO FM.

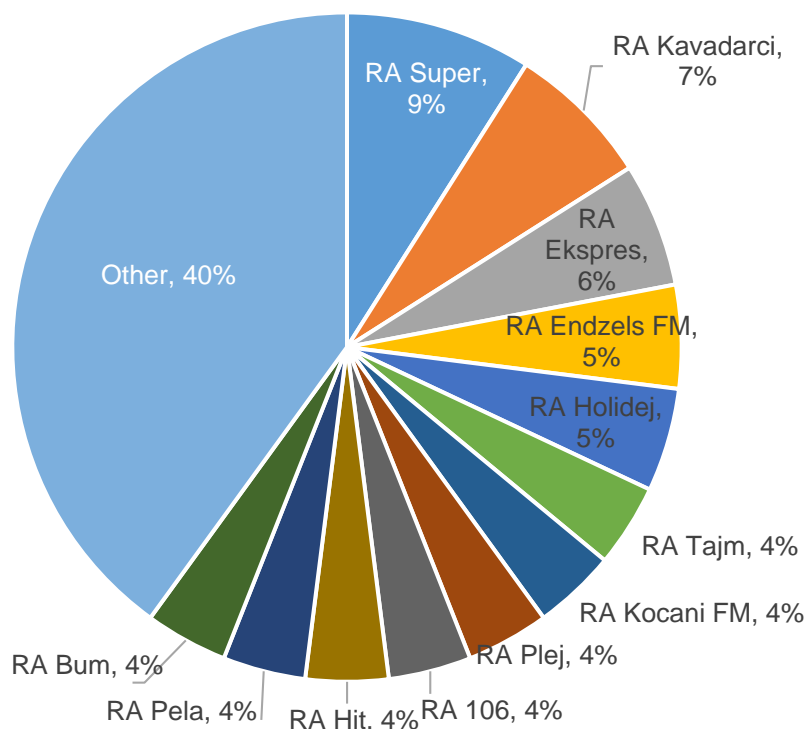
The local radio stations reported that 73.87% of the total revenue in the analyzed year is attributed to advertising.

Table 33: Revenue structure for the local radio stations

| Revenue structure for the local radio stations | amount | share |
|---|--------------|----------------|
| Advertising and teleshopping | 28.21 | 73.87% |
| Sponsorships | 0.26 | 0.68% |
| Content sale | 0.06 | 0.16% |
| Revenue from services provided by third parties | 0.29 | 0.76% |
| Other revenue | 6.76 | 17.70% |
| Primary activity revenue | 35.58 | 93.17% |
| Revenue from other activities | 1.45 | 3.79% |
| Extraordinary revenue | 1.16 | 3.04% |
| Total revenue | 38.19 | 100.00% |

Radio Super had the highest advertising revenue with the amount of 2.51 million denars, and Sky radio plus had the lowest with 0.04 million denars.

Image 45: Advertising revenue share for the local radio stations



A significant amount of revenue is shown in the “other revenue” because the COVID-19 relief funds given by the AAAMS were included in that column.

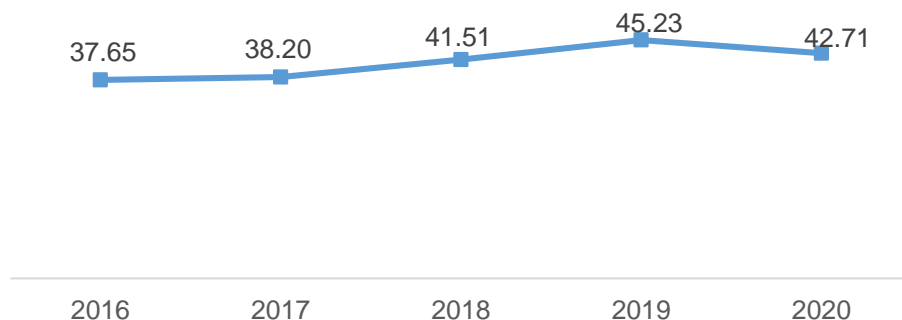
Super Radio made the largest amount of revenue from paid political advertising for the early parliamentary elections of 2020 with the amount of 0.35 million denars. No local radio stations had any paid political advertising during the early local elections in Shtip and Plasnica.

The total expenditure of the local radio stations was 42.71 million denars. That was a decrease of 5.57% compared to the previous year.

The largest amount in 2020 was spent by Radio Kavadarci with the amount of 3.25 million denars, and the least amount spent by Aleksandar Makedonski with 0.16 million denars.

Compared to the previous year, 28 of the local radio stations reported an increase of expenditure and the rest reported a decrease. Lav and Uskana Plus did not show their operating costs.

Image 46: Total expenditure of the local radio stations



Salary expenses is the biggest item in the expenditure of the local radio stations. 58.86% of the total expenditure was attributed to employee-related costs.

The University radio UKLO FM is the largest spender in this category with 1.66 million denars, followed by Angels with 1.55 million denars. Three commercial radio stations did not show any employee cost data: Merak 5 FM, Uskana Plus and Lav.

Table 34: Expenditure structure for the local radio stations

| Expenditure structure for the local radio stations | Amount | Share |
|---|--------------|----------------|
| Material cost | 4.76 | 11.14% |
| Program procurement | 0.47 | 1.10% |
| Non-material cost (services) | 4.10 | 9.60% |
| Salary and other payments to staff directly involved with production of the radio program | 24.22 | 56.71% |
| Direct radio program production cost | 33.55 | 78.55% |
| Salary and other payments to staff not directly involved with production of the radio program | 0.92 | 2.15% |
| Depreciation of equipment | 0.90 | 2.11% |
| Depreciation of rights and licenses | 0.00 | 0.00% |
| Rents and overhead expenses | 0.90 | 2.11% |
| All other, not mentioned, expenses | 6.12 | 14.33% |
| Total operating expenses | 42.39 | 99.25% |
| Revenue from other activities | 0.27 | 0.63% |
| Extraordinary revenue | 0.05 | 0.12% |
| Total operating expenses | 42.71 | 100.00% |

The local radio stations reported a net loss of 2.71 million denars. 19 radio stations reported a financial net positive at the end of the year with the largest being Marija-Blagovest with 1.29. A financial net loss was reported in 23 of the local radio stations. The largest loss was reported by

Sveti Nikole with an amount of 0.86 million denars. Lav and Uskana Plus did not show any financial gain or loss.

The average number of employees with regular employment status in the local radio stations was 92 people. Super Radio and Sveti Nikole are the largest employers with 5 employees with regular employment status each.

As of 31.12.2020, the total number of employees was 182 with 97 being employees with regular employment status and 85 freelancers. Radio Kavadarci was the most listened in the analyzed year, with an average weekly reach of 28.1% closely followed by Time with a reach of 25.1%.

Table 35: The average daily and weekly reach of the local radio stations

| Radio station | Average daily reach | Average weekly reach | Radio station | Average daily reach | Average weekly reach |
|----------------|---------------------|----------------------|------------------|---------------------|----------------------|
| Sky radio Plus | 10.0% | 13.4% | Jehona FM | 2.0% | 4.4% |
| Radio 106 | 3.8% | 9.1% | Puls | 4.1% | 9.3% |
| Acutel | 1.4% | 3.1% | Lav | 1.9% | 3.5% |
| B-97 | 0.5% | 2.5% | Super | 5.4% | 10.4% |
| Delfin | 1.4% | 2.9% | 5 Choki | 0.8% | 3.6% |
| UKLO FM | 0.9% | 1.8% | Meff | 2.5% | 6.1% |
| Valandovo | 8.9% | 17.9% | Holiday | 6.9% | 17.5% |
| Goldy | 4.2% | 6.8% | Pela | 0.0% | 4.2% |
| Merak 5 FM | 5.3% | 10.2% | Eko | 7.0% | 16.2% |
| La Costa | 7.6% | 19.4% | Modea | 9.0% | 19.3% |
| Kometa | 4.9% | 11.1% | Sveti Nikole | 4.5% | 16.0% |
| PRO-FM | 1.5% | 3.6% | Play | 0.7% | 2.4% |
| Balcan FM | 2.6% | 4.7% | Rrapi | 2.7% | 5.4% |
| Time | 17.6% | 25.1% | Express | 3.7% | 7.8% |
| Zora | 6.8% | 10.3% | Hit | 7.1% | 12.1% |
| Galaxy-2002 | 3.3% | 5.5% | Bleta | 3.8% | 6.2% |
| Kavadarci | 15.4% | 28.1% | Kiss | 4.1% | 8.9% |
| A. Makedonski | 2.6% | 4.9% | Plus Forte | 1.4% | 3.7% |
| Accord | 3.7% | 8.2% | Fama (Radio 7) | 0.6% | 2.5% |
| Medison | 0.0% | 1.1% | Red FM | 0.2% | 0.6% |
| Uskana-Plus | 1.9% | 4.1% | Angels FM | 8.4% | 15.2% |
| Kocani FM | 4.8% | 11.8% | UGD FM | 1.7% | 4.2% |
| Aljbana | 1.4% | 1.8% | 102-ka FM | 1.4% | 3.1% |
| Boom | 7.1% | 13.6% | Marija-Blagovest | 1.4% | 4.1% |

TABLE OVERVIEW

| | |
|--|----|
| Table 1: Key findings | 9 |
| Table 2: MRT's funding envisaged in accordance with the Law on AAVMS | 18 |
| Table 3: MRT's total revenue structure | 20 |
| Table 4: MRT's total expenditure structure..... | 21 |
| Table 5: Structure of the total expenditures of the terrestrial state level TV stations in the past five years | 32 |
| Table 6: Financial performances of the terrestrial state level TV stations for the past five years | 32 |
| Table 7: Expenditures structure of the state-level TV stations (via unlimited resource) | 41 |
| Table 8: Financial performances of the state-level TV stations (via unlimited resource) | 41 |
| Table 9: Total revenue for the regional TV stations in the last five years | 48 |
| Table 10: Structure of the total revenue of the regional TV stations divided by areas of broadcasting.... | 49 |
| Table 11: Structure of the total expenditure for the regional TV stations, divided in broadcasting areas | 51 |
| Table 12: Average number of employees with regular employment status in the regional TV stations | 51 |
| Table 13: Total number of employees (both employees with regular employment status and freelance) on 31.12.2020 | 52 |
| Table 14: Average weekly reach and share for the regional TV stations..... | 52 |
| Table 15: Total revenue of local TV stations..... | 55 |
| Table 16: Structure of revenue for the local TV stations | 57 |
| Table 17: Total expenses for local TV stations..... | 57 |
| Table 18: Structure of the total expenses of local TV stations | 58 |
| Table 19: Average number of employees with regular employment status in the local TV stations..... | 58 |
| Table 20: Total number of employees (both employees with regular employment status and freelance) at 31.12.2020 | 59 |
| Table 21: Average weekly reach and share in local TV stations | 59 |
| Table 22: Revenue structure for the state level radio stations | 65 |
| Table 23: Expenditure structure for the state level radio stations..... | 67 |
| Table 24: Average number of employees with regular employment status in the radio stations on national level..... | 69 |
| Table 25: Total revenue for the regional radio stations | 73 |
| Table 26: Revenue structure for the radio stations on regional level | 74 |
| Table 27: Expenditure structure for radio stations on regional level | 76 |
| Table 28: Financial performance result of radio stations on regional level | 76 |
| Table 29: Average number of employees with regular employment status employees in the radio stations on regional level | 77 |
| Table 30: Total number of employees (both employees with regular employment status and freelancing) as of 31.12.2020..... | 77 |
| Table 31: Average daily and weekly reach for the radio stations on regional level | 78 |
| Table 32: Total revenue for the radio stations on local level | 81 |
| Table 33: Revenue structure for the radio stations on local level | 82 |

| | |
|--|----|
| Table 34: Expenditure structure for the radio stations on local level | 84 |
| Table 35: The average daily and weekly reach of the radio stations on local level..... | 85 |

IMAGE OVERVIEW

| | |
|--|----|
| Image 1: Total revenue in the industry..... | 11 |
| Image 2: Industry's revenue movement..... | 11 |
| Image 3: Industry's revenue structure..... | 12 |
| Image 4: Industry's advertising revenue..... | 12 |
| Image 5: Industry's total expenditure..... | 13 |
| Image 6: Movement of the total expenditure in the industry..... | 13 |
| Image 7: Financial performance result | 14 |
| Image 8: MRT's total revenue variations in the last 10 years..... | 17 |
| Image 9: MRT's state budget funding for the years of 2019 and 2020. | 19 |
| Image 10: Fluctuations in the total revenue earned by all terrestrial state-level TV stations together | 27 |
| Image 11: Fluctuations in the individual total revenues of the terrestrial state-level TV stations | 28 |
| Image 12: Fluctuations in the advertising revenue earned by all terrestrial state-level TV stations together | 29 |
| Image 13: Fluctuations in the advertising revenue (not including PPA) earned by all terrestrial state-level TV stations together in the past five years | 29 |
| Image 14: Share in the total advertising revenues | 30 |
| Image 15: Fluctuations in the total revenue and total expenditures of the terrestrial state level TV stations in the past five years | 30 |
| Image 16: Total expenditures of the terrestrial state level TV stations in the past five years | 31 |
| Image 17: The average number of employees with regular employment status in the terrestrial state level TV stations in 2019 and 2020 | 33 |
| Image 18: Total number of employees (both employees with regular employment status and freelance) on 31.12.2020 | 33 |
| Image 19: Average daily and weekly reach for the terrestrial TV stations on national level | 34 |
| Image 20: Fluctuations in the individual total revenues of the state-level TV stations (via unlimited resource) for the past five years | 37 |
| Image 21: Structure of the individual revenue of the state-level TV stations (via unlimited resource) | 38 |
| Image 22: Advertising revenue share for each of the of the state-level TV stations (via unlimited resource) | 39 |
| Image 23: Advertising revenue excluding PPA for state-level TV stations (via unlimited resource) in the last five years | 39 |
| Image 24: Total expenditures of the state-level TV stations (via unlimited resource) in the past five years | 40 |
| Image 25: The average number of employees with regular employment status in state level TV stations (via unlimited resource) for the years 2019 and 2020 | 42 |
| Image 26: Total number of employees (both employees with regular employment status and freelance) on 31.12.2020 | 42 |

| | |
|--|----|
| Image 27: Average daily and weekly reach for the satellite broadcasting TV stations | 43 |
| Image 28: Share in the total viewership of the satellite broadcasting TV stations | 43 |
| Image 29: Average daily and weekly reach for the cable broadcasting TV stations | 44 |
| Image 30: Share in the total viewership of the cable broadcasting TV stations | 44 |
| Image 31: Total revenue for the regional TV stations in the last five years | 47 |
| Image 32: Advertising revenue for the regional TV stations for the year 2020. | 48 |
| Image 33: Regional TV stations expenditure for 2020..... | 50 |
| Image 34: Advertising revenue for the local TV stations in 2019 and 2020 | 56 |
| Image 35: Total revenue made by state-level radio stations | 65 |
| Image 36: Advertising revenue share of the state-level radio stations..... | 66 |
| Image 37: Total expenditures of state radio stations..... | 67 |
| Image 38: Financial performance result for the state level radio stations..... | 68 |
| Image 39: Total number of employees (both employees with regular employment status and freelance) as of 31.12.2020..... | 69 |
| Image 40: Average daily and weekly each of the state level radio stations | 70 |
| Image 41: Total revenue of regional radio stations..... | 73 |
| Image 42: Advertising revenue shares of the regional radio stations | 74 |
| Image 43: Total expenditure of the regional radio stations | 75 |
| Image 44: Total revenue of local radio stations | 81 |
| Image 45: Advertising revenue share for the local radio stations | 83 |
| Image 46: Total expenditure of the local radio stations..... | 84 |

| | |
|---|--|
| Title | Analysis of the Market of Audio and Audiovisual Media Services in 2020 |
| Title of the Original Publication in Macedonian: | Анализа на пазарот на аудио и аудиовизуелни медиумски услуги за 2020 година |
| Translation from Macedonian: | Jovan Jovanoski |
| Published by: | Agency for Audio and Audiovisual Media Services Palata Panko Brashnarov, ul. "Makedonija" br. 38, 1000 Skopje |
| | |
| | Tel. + 389 2 3103 400 |
| | |
| | www.avmu.mk |
| | contact@avmu.mk |
| For the publisher: | PhD Zoran Trajchevski, PhD, Director of the Agency |
| Authors: | Zoran Trajchevski, PhD, Magdalena D. Dovleva, M.A, Sanja Gudeska-Zdravkovska and Katerina Donevska |

