

In accordance with the articles 106 and 130 of the Market in Financial Instruments Act the Management Board announces the

**Resolutions of the 23rd Annual General Meeting of Krka, tovarna zdravil, d. d.,
Novo mesto, held on 6 July 2017.**

The total number of shares and voting rights represented on the meeting was 17,906,705, representing 55.55% of the total shares with voting rights.

The General Meeting was attended by notary public, Darja Jarnovič, from Novo mesto.

1. Opening of the AGM and election of working bodies

- 1.1. The attorney Stojan Zdolšek shall be appointed as the Chair of the AGM, and IXTLAN FORUM, d. o. o., Ljubljana as the vote enumerator.**

The resolution was passed unanimously.

- 2. Presentation of the 2016 Annual Report prepared by the Management Board, including the information on remuneration of members of the Management and Supervisory Boards, the Auditor's Report, and the Supervisory Board's report on its verification and approval of the 2016 Annual Report, adoption of the resolution on the allocation of the 2016 accumulated profit and the discharge of liability for the Management and Supervisory Boards for 2016**

- 2.1. The AGM shall be informed about the Management Board's Annual Report for the 2016 financial year, including the remuneration of Management and Supervisory Board members, the auditor's report, and the report of the Supervisory Board on its verification and approval of the 2016 Annual Report.**

The shareholders did not vote on this item as it was of a purely informative nature.

Shareholder Jože Colarič submitted the counterproposal to the item 2.2. as follows:

- 2.2. The accumulated profit for 2016 in the amount of €142,658,499.48 shall be allocated as follows:**
- | | |
|--|--------------------|
| – for dividends (€2.75 gross per share): | €88,044,468.00 |
| – other revenue reserves: | €27,007,015.74 and |
| – retained earnings : | €27,007,015.74. |

The payout of dividends shall commence on 20 July 2017. The shareholder records in the share register at KDD – Centralna klirinško depotna družba (Central Securities Clearing Corporation), d. d., Ljubljana as at 19 July 2017 shall apply for the dividend payout.

In accordance with the uniform *European Standards for Corporate Actions* including also dividend payouts, Krka shall remit funds for all dividend payouts to the account at KDD – Centralna klirinško depotna družba on 20 July 2017, which shall then transfer payouts of dividends through its members to the beneficiaries' accounts on the very same day, provided that all the data required for the payout are available to the KDD's members.

The resolution was adopted. There were 15,581,208 votes cast on the proposed resolution, equivalent to the same number of shares. There were 13,069,330 votes in favour of the proposed resolutions representing 83.88% of all votes cast. There were 2,511,878 votes against of the proposed resolutions representing 16.12% of all votes cast. There were 2,325,497 abstentions.

2.3. The AGM approves and gives its consent to the work of the Management Board for the 2016 financial year and discharges it from liability for performance of its duties.

The resolution was adopted. There were 17,906,205 votes cast on the proposed resolution, equivalent to the same number of shares. There were 17,887,164 votes in favour of the proposed resolutions representing 99.89% of all votes cast. There were 19,041 votes against of the proposed resolutions representing 0.11% of all votes cast. There were 500 abstentions.

2.4. The AGM approves and gives its consent to the work of the Supervisory Board for the 2016 financial year and discharges it from liability for performance of its duties.

The resolution was adopted. There were 17,906,205 votes cast on the proposed resolution, equivalent to the same number of shares. There were 17,880,948 votes in favour of the proposed resolutions representing 99.86% of all votes cast. There were 25,257 votes against of the proposed resolutions representing 0.14% of all votes cast. There were 500 abstentions.

3. Authorisation to acquire treasury shares

The AGM authorises the Management Board to acquire and dispose of the treasury shares as follows:

- a) The Management Board shall be authorised to acquire treasury shares. However, the share of total treasury shares shall not exceed 10% of the company's share capital, i.e. 3,279,344 shares. The share total shall also include treasury shares owned by the company as at the date of issuance of this authorisation.
- b) The authorisation to acquire treasury shares shall remain in effect 36 months after the adoption of this resolution.

- c) The company may acquire treasury shares on the regulated market at respective market prices. The company may acquire treasury shares also outside the regulated market. When acquiring treasury shares on the regulated market or non-regulated market, the purchase price must not be lower than the book value based on the last published audited financial statements of the Krka Group. Furthermore, the purchase price must not exceed 25-times earnings per share held by the majority stakeholders as stated in the last published audited financial statements of the Krka Group.
- d) The company may dispose of the treasury shares acquired under this authorisation as follows:
 - in exchange for equity-stakes in other companies by pursuing its M&A strategy, or
 - by selling them to a strategic partner.
- e) Upon treasury share disposal, the preferential right of the existing shareholders shall be completely excluded in compliance with Item d of this resolution.

The resolution was adopted. There were 17,906,205 votes cast on the proposed resolution, equivalent to the same number of shares. There were 17,860,201 votes in favour of the proposed resolutions representing 99.74% of all votes cast. There were 46,004 votes against of the proposed resolutions representing 0.26% of all votes cast. There were 500 abstentions.

4. Appointment of the auditor for the 2017 financial year

4.1. ERNST & YOUNG Revizija, poslovno svetovanje, d. o. o., Dunajska cesta 111, 1000 Ljubljana shall be appointed the auditor for the 2017 financial year.

The resolution was adopted. There were 17,900,506 votes cast on the proposed resolution, equivalent to the same number of shares. There were 17,882,891 votes in favour of the proposed resolutions representing 99.90% of all votes cast. There were 17,615 votes against of the proposed resolutions representing 0.10% of all votes cast. There were 6,199 abstentions.

5. Recall and appointment of supervisory board members of the company

5.1. Anja Strojín Štampar, MSc is recalled from the position of a member of the Supervisory Board of Krka, d. d., Novo mesto as of 6 July 2017.

The resolution was adopted. There were 15,743,710 votes cast on the proposed resolution, equivalent to the same number of shares. There were 15,220,498 votes in favour of the proposed resolutions representing 96.68% of all votes cast. There were 523,212 votes against of the proposed resolutions representing 3.32% of all votes cast. There were 2,162,995 abstentions.

Chair of the AGM announced that Simona Razvornik Škofič resigned from the position of the Supervisory Board member effective on 6 July 2017.

Shareholder SDH, d. d. submitted the counterproposal to the item 5.2. as follows:

5.2. Hans – Helmut Fabry is elected as a member of the Supervisory Board of Krka, d. d., Novo mesto for a five (5) year term of office, starting on the day after his election at the AGM, i.e. on 7 July 2017.

The resolution was adopted. There were 15,063,498 votes cast on the proposed resolution, equivalent to the same number of shares. There were 11,812,046 votes in favour of the proposed resolutions representing 78.42% of all votes cast. There were 3,251,452 votes against of the proposed resolutions representing 21.58% of all votes cast. There were 2,843,207 abstentions.

Shareholder Modra zavarovalnica, d. d. submitted additional voting proposal within the item 5. as follows:

5.3. Borut Jamnik, Glavarjeva 31, 1000 Ljubljana, Slovenia is elected as a member of the Supervisory Board of Krka, d. d., Novo mesto for a five (5) year term of office, starting on the day after his election at the AGM, i.e. on 7 July 2017.


The resolution was adopted. There were 12,624,449 votes cast on the proposed resolution, equivalent to the same number of shares. There were 12,292,499 votes in favour of the proposed resolutions representing 97.37% of all votes cast. There were 331,950 votes against of the proposed resolutions representing 2.63% of all votes cast. There were 5,282,256 abstentions.

Shareholder VZMD announced challenging action against adopted resolution 5.2.

The following major shareholders were present or represented on the General Meeting:

Shareholder	No. of shares held and voting rights	% of total voting rights
SDH, D. D.	5,312,070	16,48
KAPITALSKA DRUŽBA D. D.	3,493,030	10.84
SPLITSKA BANKA D. D.	2,162,249	6.71
ADIKO BANK D. D.	1,196,138	3.71
LUKA KOPERV, D. D.	433,970	1.35

Novo mesto, 6 July 2017



Jože Colarič
President of the Management Board and CEO