

## PRESS RELEASE

Otočec, 9 July 2020

The 26th Annual General Meeting of Krka, tovarna zdravil, d. d., Novo mesto was held at the Šport Hotel in Otočec today. The shareholders were presented the *2019 Annual Report* of the Management Board, including information on the remuneration of Management and Supervisory Board members, the auditor's report, and the Supervisory Board's report on its verification and approval of the *2019 Annual Report*. The following members were appointed to the Supervisory Board for the upcoming five-year term of office: Matej Lahovnik, Boris Žnidarič, Julijana Kristl, and Jože Mermal. The Annual General Meeting also deliberated on the allocation of accumulated profit for 2019 and adopted a resolution that shareholders receive dividend payout of €4.25 gross per share, up 32.8% on 2019.

### Resolutions Adopted by the Annual General Meeting

At the Annual General Meeting, the shareholders adopted a resolution proposed by the shareholder Jože Colarič that 2019 accumulated profit of €270,870,010.09 be allocated as follows:

- |                                     |                  |
|-------------------------------------|------------------|
| • Dividends (€4.25 gross per share) | €133,273,523.00; |
| • Other profit reserves             | €68,798,243.54;  |
| • Retained earnings                 | €68,798,243.55.  |

Payout of dividends commences on 23 July 2020. The shareholder records as at 22 July 2020 in the share register at KDD – Centralna klirinško depotna družba (Central Securities Clearing Corporation), d. d., Ljubljana shall apply to dividend payout.

The shareholders examined and approved the work of the Management and Supervisory Boards in the financial year 2019 and discharged them from liability.

They also adopted a resolution on the authorisation of the Management Board for acquisition and disposal of treasury shares. The Management Board was authorised to acquire treasury shares over the period of the following 36 months. Total treasury shares, including shares already held, must not exceed 10% of the company's share capital, i.e. 3,279,344 shares. Based on the authorisation, Krka may acquire treasury shares on the regulated market at respective market prices. Krka may also acquire treasury shares outside the regulated market. When acquiring treasury shares on the regulated or non-regulated market, the purchase price must not be lower than the book value of the share based on the latest 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 latest published audited financial statements of the Krka Group. In compliance with Paragraphs 3 and 4 of Article 381 of the Companies Act (ZGD-1), the company may decrease its share capital by cancelling of all treasury shares under a simplified procedure to debit other profit reserves.

The following members were appointed to the Supervisory Board for a five-year term of office commencing on 21 August 2020: Matej Lahovnik, Boris Žnidarič, Julijana Kristl, and Jože Mermal.

The Management Board of Krka will publish the resolutions adopted by the Annual General Meeting in the daily newspaper *Delo*, in the Ljubljana Stock Exchange electronic information dissemination system (SEOnet), in the Polish Financial Supervision Authority electronic information dissemination system (ESPI), and on the Krka websites.