

PRESS RELEASE

Krka Reports Half-Year 2025 Operating Results

Novo mesto

24 July 2025

In the first half of 2025, the Krka Group generated revenue of €1,048.5 million, up 6% year on year, yielding €246.7 million net profit, up 11% on the same period last year. The Supervisory Board of Krka discussed the 2025 interim business report for the Krka Group and Krka at their regular meeting yesterday.

President of the Management Board and Chief Executive Jože Colarič explained: 'We reported at the Annual General Meeting (AGM) on 10 July that we performed well in the first half of this year. Interim product and service sales surpassed €1 billion for the first time. We increased sales in five of our sales regions and in most of their markets and across all product and service groups. We added eleven new products to our range of products. Year on year, we increased product and service sales by 7%, and net profit by 11%. We have recorded the highest interim sales and net profit since the incorporation.

Net profit increased on the back of the net financial result, which was greatly impacted by changes in the value of the Russian rouble. Year on year, all our key financial indicators also improved. We continue to generate robust cash flows from operating activities, a comfortable funding source for our operating liabilities, investments, and implementation of our long-term dividend policy. Today, Krka shareholders are getting paid 2024 dividends at €8.25 gross per share, up 10% year on year. In consideration of the performance in the first half of 2025, we expect to meet our annual plans by the end of the year.'

Krka Group Financial highlights

€ thousand	Jan–Jun 2025	Jan–Jun 2024	Index
Revenue	1,048,541	985,418	106
– Of which revenue from product and service sales	1,045,775	980,838	107
Gross profit	607,385	566,878	107
Earnings before interest, tax, depreciation and amortisation (EBITDA)	303,254	283,676	107
Operating profit (EBIT)	256,977	237,675	108
Profit before tax (EBT)	299,414	267,248	112
Net profit	246,680	221,623	111
R&D expenses	94,857	91,703	103
Investments	40,886	54,942	74

Krka Group Performance ratios

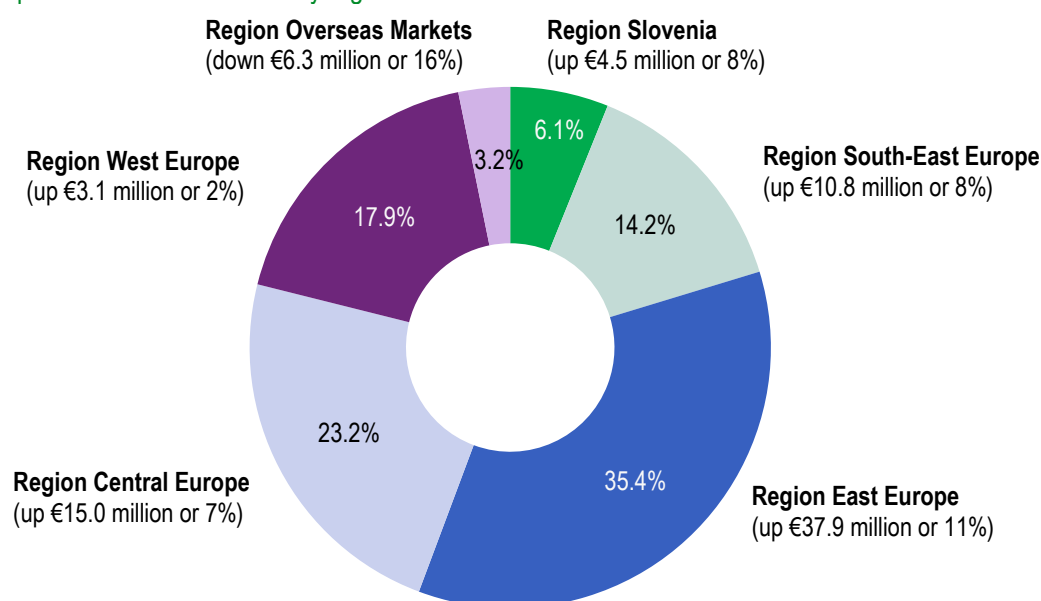
	Jan–Jun 2025	Jan–Jun 2024
Gross profit margin	57.9%	57.5%
EBITDA margin	28.9%	28.8%
EBIT margin	24.5%	24.1%
EBT margin	28.6%	27.1%
Net profit margin (ROS)	23.5%	22.5%
Return on equity (ROE)	20.8%	19.3%
Return on assets (ROA)	16.5%	15.3%
Liabilities/Equity	0.254	0.252
R&D expenses/Revenue	9.0%	9.3%

Krka Group Sales

Product and service sales by region

€ thousand	Jan–Jun 2025	Jan–Jun 2024	Index
Region Slovenia	64,422	59,911	108
Region South-East Europe	148,196	137,442	108
Region East Europe	370,360	332,445	111
Region Central Europe	242,535	227,572	107
Region West Europe	187,021	183,918	102
Region Overseas Markets	33,241	39,550	84
Total	1,045,775	980,838	107

H1 2025 product and service sales by region



The figures in parentheses show year-on-year changes in sales by region.

Generating €370.4 million in product sales, Region East Europe was our largest region in terms of sales. Product sales totalled €218.6 million in the Russian Federation, our largest individual market, up 12% on last year. Ukraine, our third largest individual market in size, recorded product sales of €49.7 million, up 8% year on year. We generated €31.7 million in product sales in Uzbekistan, up 11%. We also recorded sales growth in all other markets of eastern Europe and central Asia, except in Kazakhstan and Georgia.

Region Central Europe, our next largest sales region, recorded product sales of €242.5 million. Product sales in Poland, our second largest individual market in size, generated €122.0 million in product sales, a 12% year-on-year increase. Product sales amounted to €34.4 million (up 9%) in Czechia, and €28.0 million (down 9%) in Hungary. We recorded sales growth in most other regional markets.

Generating €187.0 million, Region West Europe was the third largest region in terms of sales. In Germany, the largest regional market and our fourth largest individual market in size, product sales amounted to €46.9 million, up 3% year on year. Our regional sales saw the highest increases in Belgium (up 38%), Austria (up 26%), and the Netherlands (up 20%).

Region South-East Europe generated product sales of €148.2 million. We increased sales in all regional markets. In Romania, product sales totalled €40.3 million, up 5% year on year.

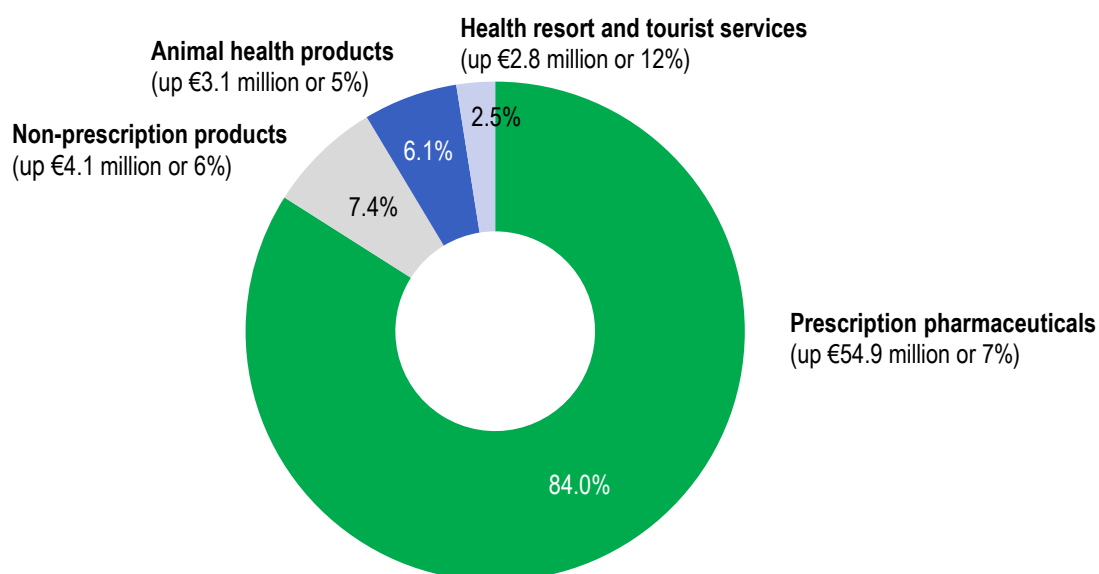
Product and service sales in Region Slovenia totalled €64.4 million. According to the latest available data for the first half of 2025, we retained the leading position among pharmaceutical suppliers, holding a 7.3% share of the Slovenian market.

Region Overseas Markets recorded a drop in sales primarily owing to a sales decrease in the Middle East.

Product and service sales by group

€ thousand	Jan–Jun 2025	Jan–Jun 2024	Index
Human health products	956,176	897,143	107
– Prescription pharmaceuticals	878,260	823,356	107
– Non-prescription products	77,916	73,787	106
Animal health products	63,422	60,366	105
Health resort and tourist services	26,177	23,329	112
Total	1,045,775	980,838	107

H1 2025 product and service sales by group



The figures in parentheses show year-on-year changes in sales by product and service group.

Research and development

We added eleven new products to our portfolio in the first half of 2025, nine prescription pharmaceuticals, one non-prescription product, and one animal health product. We market them under different brand names in individual markets.

We obtained marketing authorisations for three new antidiabetic agents in film-coated tablets, allowing for contemporary, patient-tailored therapy. Dagrado (dapagliflozin/sitagliptin) is an innovative single-pill that combines two distinct mechanisms of action for improving glycaemic control in adults with type 2 diabetes mellitus when the treatment with both dapagliflozin and sitagliptin is appropriate. A single-pill combination Mextdagry (dapagliflozin/metformin) ensures effective glycaemic control and good patient compliance. Lynxaram (linagliptin) can be used as monotherapy or in combination with other agents for reliable glycaemic control. The medicine is taken once a day and no dose adjustment is required for patients with renal impairment.

We added new products to the portfolio of cardiovascular agents, our largest therapeutic class of products. Bi-Prenessa (bisoprolol/perindopril) is a single-pill combination of an ACE inhibitor and a selective beta-blocker indicated for the treatment of coronary artery disease and/or chronic heart failure. The synergistic activity of active ingredients allows for effective blood pressure control. We obtained marketing authorisations for a new strength of Co-Amlessa (perindopril/amlodipine/indapamide) tablets, providing new options for patient-tailored therapies. We were also granted marketing authorisations for Telassmo (telmisartan/amlodipine) tablets indicated for blood pressure control with essential hypertension as a replacement therapy for telmisartan and amlodipine taken in separate tablets at the same doses. Pixoroso (rosuvastatin/perindopril) film-coated tablets, an innovative single-pill combination, is indicated for the treatment of patients with concomitant arterial hypertension and hyperlipidaemia to achieve target blood pressure levels and lipids by taking one tablet a day.

We were granted marketing authorisations as the first generic manufacturer for Delanxara (dexketoprofen/tramadol) film-coated tablets. This single-pill analgesic combines two active ingredients with distinct mechanisms of actions. Their

synergistic and complementary action effectively relieves moderate to severe pain at low doses with fewer side effects than monotherapy.

We were granted marketing authorisations for vonoprazan film-coated tablets in China. This contemporary medicine for the gastrointestinal tract reduces the amount of acid in the stomach, delivering quick and sustained relief.

We obtained marketing authorisations for non-prescription product, cola flavoured Septabene (benzylamine/cetylpyridinium chloride) lozenges, on certain markets also marketed as Septotele Total. With adolescents and young adults in mind, we designed lozenges with cola flavouring of natural origin that retain their demonstrated effectiveness in relieving pain and inflammation in the mouth and throat.

We were granted marketing authorisations for EU markets for our new animal health product for companion animals, a spot-on solution Dehinexxa (praziquantel/emodepside), in certain countries also available as Dehispot. This dewormer is indicated for the treatment and prevention of mixed parasitic infestations in cats. In certain countries, it has been approved as a non-prescription product, making it more accessible to pet owners.

Investments

In the first half of 2025, the Krka Group allocated €40.9 million to investments, of that €29.6 million to the controlling company.

We upgraded water supply systems and automated washing systems, and finished refurbishment of the packaging facility in Noto1, Novo mesto, Slovenia. We are upgrading the logistics system at present to ensure reliable operations of the plant for the next 20 years. We intend to increase the production capacities by installing additional equipment at Noto2, another production plant in Novo mesto.

We installed a coating line and a container filling-and-packaging line at the Solid Dosage Products plant in Novo mesto, Slovenia. Robotic cells of packaging lines are also being upgraded.

Construction of the Sterile Products Department extension in Novo mesto, Slovenia, entered into its final phase, with installation of a new suspension inspection line currently in progress. This is expected to increase the production capacities significantly.

In Novo mesto, Slovenia, two multi-purpose buildings are under construction.

Preparation works are in progress for construction of a connecting building to the Powders and Solutions work unit at the Bršljin Department in Novo mesto, Slovenia, to increase production capacities. New packaging lines in the existing facility are expected to boost the capacities for packaging tablets for use in veterinary medicine and spot-on products.

At the Ljutomer plant, Slovenia, we intend to increase production capacities for uncoated lozenges and are about to start building an automated high-bay warehouse and expanding the plant.

We finished the construction of the technically and technologically advanced waste water treatment plant in Krško, Slovenia. We are still in the process of obtaining the environmental protection and chemical safety (SEVESO) permits.

At the production and distribution centre in Jastrebarsko, Croatia, we are currently increasing production capacities.

Our joint venture Krka Pharma Private Limited started construction of production facilities in Hyderabad, India, which should be ready for use in slightly more than two years if everything goes to the plan. The core businesses of Krka and Laurus Labs Ltd., the co-founders of the joint venture, are complementary. The two stakeholders intend to join forces in development and production to expand into new markets and consolidate their positions among the leading generic pharmaceutical manufacturers. Krka has made a capital investment and holds a 51% stake in the joint venture.

Employees

At the end of June 2025, the Krka Group had 13,006 employees on payroll, up 2% year-to-date, of whom 5,379 or 41% worked abroad. Overall, 47% had at least university-level qualifications, including 202 holding a doctoral degree. Total headcount of the Krka Group, including agency workers, tallied 13,047 employees.

Investor and share information

The Krka share increased by 39.2% over the first six months, trading at €193.50 at the Ljubljana Stock Exchange on 30 June 2025. Year on year, holdings of foreign investors slightly decreased, while holdings of Slovenian retail investors, legal entities and institutional investors, as well as treasury shares increased. Holdings of other shareholders remained unchanged. At the end of June 2025, Krka had 47,628 shareholders.

Market capitalisation of Krka, including treasury shares on the Ljubljana Stock Exchange, totalled €6.3 billion as at 30 June 2025. In this period, the average daily trading volume of Krka shares reached €1.2 million.

In the first half of 2025, Krka acquired 145,232 treasury shares. As at 30 June 2025, Krka held 2,252,569 treasury shares, accounting for 6.869% of its share capital.

Sustainability (ESG)

We published our *2024 Annual Report* on 10 April 2025. The 'Sustainability statement' is an integral part of the business report. We reported for the first time under the applicable *European Sustainability Reporting Standards* (ESRS) and the external auditor issued a limited assurance report in this regard. The 'Sustainability statement' outlines sustainability management within the Krka Group, material sustainability impacts, risks and opportunities and their interaction with strategy and business model and approaches to managing material impacts, risks and opportunities in the light of implementation of actions and activities, monitoring key performance indicators, and pursuit of sustainability goals.

On 31 January 2025, Krka received the S&P Global CSA score from S&P Global, the international credit and ESG rating agency. The score 56 out of 100 was higher than the 2023 score, and upon receipt placed us among the top 10% in the pharmaceutical industry.

2025 Krka Group plans

We expect product and service sales to generate over €2 billion. Net profit is planned at €365 million. The total number of employees in Slovenia and abroad is expected to increase by 1%. We plan to allocate €150 million to investments, primarily for expanding and introducing technological upgrades to production and development facilities and infrastructure.

Press release on the 2025 performance estimates is due on 13 November 2025. We expect to meet our annual plans by the end of the year, taking into account the performance estimates for the first half of 2025.