



**2024 Unaudited Consolidated  
Financial Statements of the Krka Group and  
Unaudited Financial Statements of  
Krka, d. d., Novo mesto  
with Relevant Notes**

Novo mesto, March 2025

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Based on the provisions of the *Ljubljana Stock Exchange Rules* and Article 17 of Regulation (EU) No 596/2014, Krka, d. d., Novo mesto hereby presents

## 2024 UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE KRKA GROUP AND UNAUDITED FINANCIAL STATEMENTS OF KRKA, D. D., NOVO MESTO WITH RELEVANT NOTES

The 2024 unaudited consolidated financial statements of the Krka Group and unaudited financial statements of Krka, d. d., Novo mesto with comparative data for 2023 have been prepared in accordance with the *International Financial Reporting Standards* (IFRS). The 2023 comparative statements have been audited.

Krka, d. d., Novo mesto has no authorised capital and made no conditional share capital increase.

### At a glance

Krka, d. d., Novo mesto (hereinafter the Company, Krka, or the controlling company) is the controlling company of the Krka Group, which comprised the following subsidiaries as at 31 December 2024:

	Ownership share of the controlling company 31 Dec 2024 (%)
TERME KRKA, d. o. o., Novo mesto	100
KRKA-FARMA d.o.o., Zagreb, Croatia	100
KRKA ROMANIA S.R.L., Bucharest, Romania	100
KRKA-FARMA DOO BEOGRAD, Belgrade, Serbia	100
KRKA-FARMA DOOEL Skopje, Skopje, North Macedonia	100
KRKA Bulgaria EOOD, Sofia, Bulgaria	100
KRKA HELLAS E.P.E., Athens, Greece	100
KRKA FARMA d.o.o., Sarajevo, Sarajevo, Bosnia and Herzegovina	100
KRKA-RUS LLC, Istra, Russian Federation	100
KRKA FARMA LLC, Istra, Russian Federation	100
KRKA UKRAINE LLC, Kiev, Ukraine	100
LLC 'KRKA Kazakhstan', Almaty, Kazakhstan	100
KRKA - POLSKA Sp. z o.o., Warsaw, Poland	100
KRKA ČR, s. r. o., Prague, Czechia	100
KRKA Magyarország Kft., Budapest, Hungary	100
KRKA Slovensko, s.r.o., Bratislava, Slovakia	100
UAB KRKA Lietuva, Vilnius, Lithuania	100
SIA KRKA Latvija, Riga, Latvia	100
TAD Pharma GmbH, Cuxhaven, Germany	100
KRKA Sverige AB, Stockholm, Sweden	100
KRKA Pharma GmbH, Vienna, Austria	100
KRKA Farmacêutica, Unipessoal Lda., Estoril, Portugal	100
Krka FARMACÊUTICA, S.L., Madrid, Spain	100
KRKA Farmaceutici Milano S.r.l., Milan, Italy	100
Krka France Eurl, Paris, France	100
KRKA PHARMA DUBLIN LIMITED, Dublin, Ireland	100
KRKA Belgium, SA, Brussels, Belgium	100
KRKA Finland Oy, Espoo, Finland	100
KRKA UK LTD, London, United Kingdom	100
123 Acurae Pharma GmbH, Cuxhaven, Germany	100
KRKA Netherlands B.V., Breskens, Netherlands	100
Ningbo Krka Menovo Pharmaceutical Company Limited, Ningbo, China	60
KRKA USA LLC, Wilmington, United States of America	100
KRKA GCC L.L.C., Dubai, United Arab Emirates	100

As at 31 December 2024, the subsidiary Terme Krka, d. o. o. held a 100-percent interest in Golf Grad Otočec, d. o. o., Slovenia, while the subsidiary KRKA France Eurl held a 100-percent interest in HCS bvba in Belgium. The Chinese company Ningbo Menovo Pharmaceutical Co. Ltd. owns 40% of Ningbo Krka Menovo Pharmaceutical Co. Ltd.

Together with Indian company Laurus Labs Ltd., Krka established a joint venture, Krka Pharma Private Limited, headquartered in Hyderabad, India, in April 2024. Krka holds a 51% and Laurus a 49% stake in the joint venture, respectively. The joint venture will enable Krka to produce finished products for the existing and new markets. Investing in a production facility in India is planned to start in the first half of 2025.

## Financial highlights

€ thousand	Krka Group			Krka		
	2024	2023	Index	2024	2023	Index
Revenue	1,909,544	1,806,391	106	1,766,021	1,674,572	105
– Of that revenue from contracts with customers (products and services)	1,899,848	1,798,969	106	1,538,576	1,449,739	106
Gross profit	1,093,883	1,026,709	107	983,768	888,427	111
Earnings before interest, tax, depreciation and amortisation (EBITDA)	520,085	504,215	103	457,150	402,547	114
Operating profit (EBIT) <sup>1</sup>	427,572	399,621	107	385,997	322,308	120
Profit before tax (EBT)	419,078	367,126	114	380,968	329,049	116
Net profit	356,202	313,732	114	321,192	294,481	109
Effective tax rate	15.0%	14.5%		15.7%	10.5%	
R&D expenses	184,855	178,582	104	179,822	173,783	103
Investments	117,049	131,932	89	87,800	111,751	79
	<b>31 Dec 2024</b>	<b>31 Dec 2023</b>	<b>Index</b>	<b>31 Dec 2024</b>	<b>31 Dec 2023</b>	<b>Index</b>
Non-current assets	1,022,901	1,059,267	97	1,044,180	1,076,235	97
Current assets	1,826,120	1,705,024	107	1,577,456	1,537,636	103
– Inventories	638,608	604,621	106	548,188	513,892	107
– Trade receivables	552,710	509,070	109	518,425	463,126	112
– Cash and cash equivalents	344,895	174,011	198	238,183	140,993	169
Equity	2,237,784	2,181,766	103	2,186,351	2,133,258	102
Non-current liabilities	162,662	149,218	109	130,433	118,930	110
Current liabilities	448,575	433,307	104	304,852	361,683	84
– Trade payables	148,285	153,762	96	171,183	175,847	97
<b>RATIOS</b>	<b>2024</b>	<b>2023</b>		<b>2024</b>	<b>2023</b>	
Gross profit margin	57.3%	56.8%		55.7%	53.1%	
EBITDA margin	27.2%	27.9%		25.9%	24.0%	
EBIT margin	22.4%	22.1%		21.9%	19.2%	
EBT margin	21.9%	20.3%		21.6%	19.6%	
Net profit margin (ROS)	18.7%	17.4%		18.2%	17.6%	
Return on equity (ROE) <sup>2</sup>	16.1%	14.5%		14.9%	14.0%	
Return on assets (ROA) <sup>3</sup>	12.7%	11.5%		12.3%	11.5%	
Liabilities/Equity	0.273	0.267		0.199	0.225	
R&D expenses/Revenue	9.7%	9.9%		10.2%	10.4%	
<b>NUMBER OF EMPLOYEES</b>	<b>2024</b>	<b>2023</b>		<b>2024</b>	<b>2023</b>	
Year-end	12,810	11,780		7,523	6,509	
Average	11,984	11,667		6,724	6,411	
<b>SHARE INFORMATION</b>		<b>2024</b>		<b>2023</b>	<b>Index</b>	
Total number of shares issued		32,793,448		32,793,448	100	
Earnings per share (EPS) in € <sup>4</sup>		11.60		10.14	114	
Gross dividend per share in €		7.50		6.60	114	
Closing price at the end of the year in € <sup>5</sup>		139.00		110.00	126	
Price/Earnings ratio (P/E)		11.99		10.85	111	
Book value in € <sup>6</sup>		68.24		66.53	103	
Price/Book value (P/B)		2.04		1.65	123	
Market capitalisation in € thousand (31 Dec)		4,558,289		3,607,279	126	

<sup>1</sup> The difference between operating income and expenses

<sup>2</sup> Net profit/Average shareholders' equity in the year

<sup>3</sup> Net profit/Average total asset balance in the year

<sup>4</sup> Net profit for the year attributable to majority equity holders of the Krka Group/Average number of shares issued in the year, excluding treasury shares

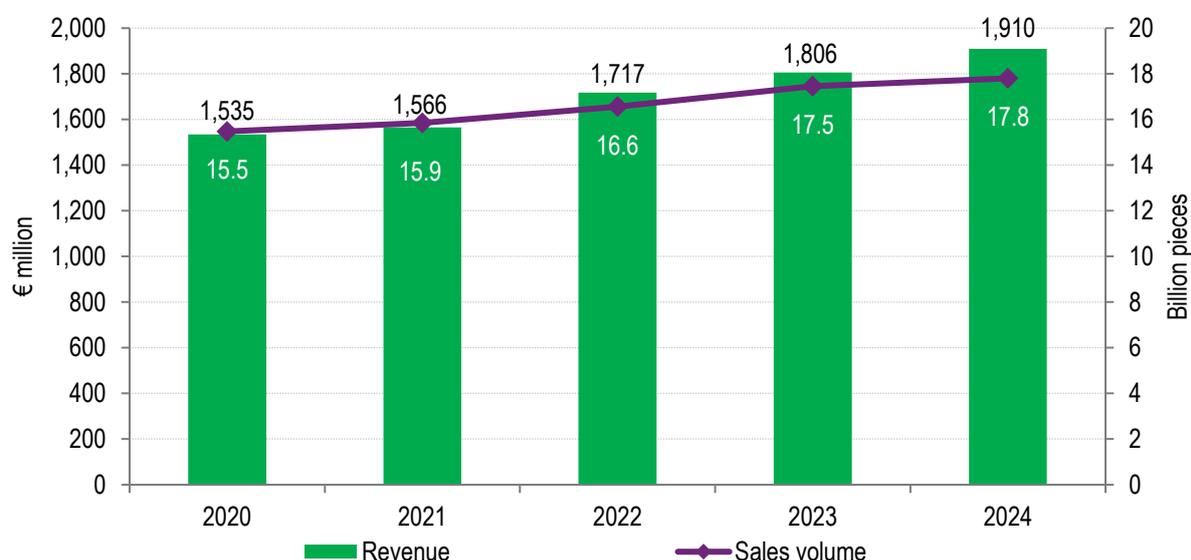
<sup>5</sup> Share price on the Ljubljana Stock Exchange

<sup>6</sup> Equity as at 31 Dec/Total number of treasury shares

## Performance analysis

### Operating income

#### Revenue



In 2024, the Krka Group generated revenue of €1,909.5 million, a €103.2 million or 6% increase on 2023, of which revenue from contracts with customers on sales of products and services reached €1,899.8 million and revenue from contracts with customers on sales of materials and other sales revenue constituted the difference. Five year compound average growth rate of sales volume was 4.3% and of sales value was 5%.

### Operating expenses

The Krka Group posted operating expenses of €1,489.1 million, up €76.2 million or 5% on 2023.

Krka Group operating expenses comprised: costs of goods sold of €815.7 million; selling and distribution expenses of €373.4 million; R&D expenses of €184.9 million; and general and administrative expenses of €115.2 million. Operating expenses accounted for 78% of revenue and, over the past five years, ranged from 75% (in 2020) to 78% (between 2021 and 2024).

Costs of goods sold, up 5% on 2023, represented the largest Krka Group operating expense item, accounting for 42.7% of total revenue in 2024, and 43.2% in 2023. Selling and distribution expenses increased by 7% compared to 2023, and accounted for 19.6% of total revenue, up 0.3 percentage points on 2023. R&D expenses increased by 4% and accounted for 9.7% of total revenue (down 0.2 percentage points on 2023). General and administrative expenses amounted to 6.0% of total revenue, up 8%, while their proportion in revenue increased by 0.1 percentage point.

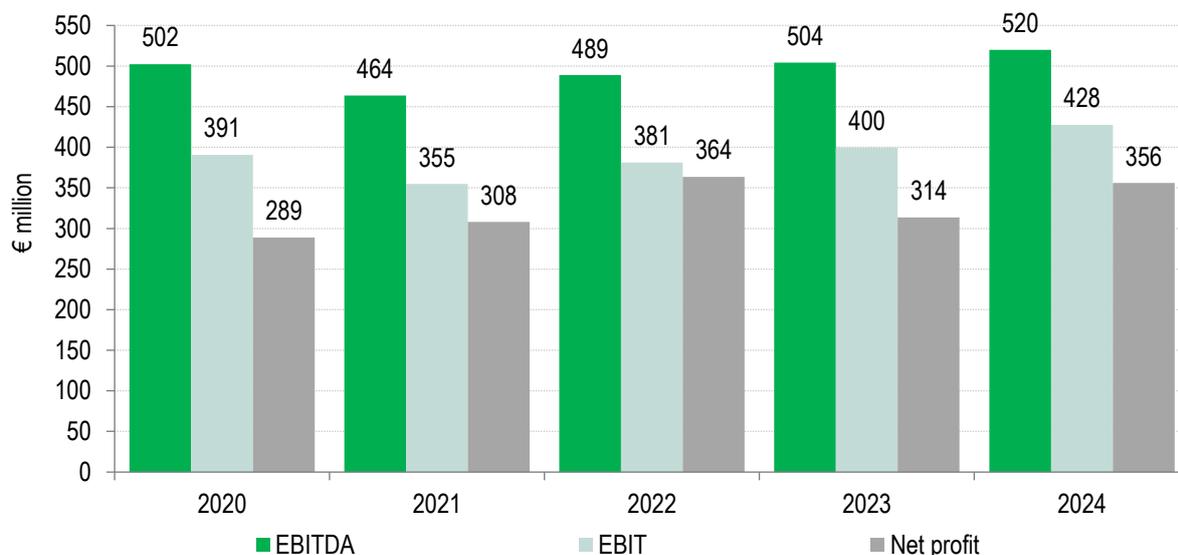
### Finance income and expenses

The Krka Group operates in diverse international environments and is exposed to foreign exchange risks in certain sales and purchase markets. Krka Group currency risk exposure generated a loss of €22.9 million in 2024.

Krka Group finance income comprised: interest income of €14.1 million; derivatives income of €10.1 million; income from other financial instruments of €9.0 million; and dividend income of €0.8 million. Finance expenses comprised: net foreign exchange differences of €31.3 million; derivative expense of €1.7 million; interest expense of €0.5 million; and other finance expenses of €9.0 million. The Krka Group recorded net financial loss of €8.5 million in 2024.

## Operating results

### EBITDA, EBIT, and net profit



The Krka Group recorded operating profit (EBIT) totalling €427.6 million, up €28.0 million or 7% on 2023. The Krka Group posted earnings before interest, tax, depreciation and amortisation (EBITDA) totalling €520.1 million, up €15.9 million or 3%. Five year compound average growth rate of EBIT was 9.3% and of EBITDA was 6.2%.

In 2024, Krka Group profit before tax increased by €52.0 million or 14% to €419.1 million. The effective tax rate for the Krka Group was 15.0%. Net profit totalled €356.2 million, up €42.5 million or a 14% increase on 2023. Year on year, increases in profit before tax and net profit resulted primarily from relatively lower cost growth compared to sales growth and reduced financial loss as to the year before. Five year compound average growth rate of net profit was 7.8%.

## Assets

€ thousand	31 Dec 2024	%	31 Dec 2023	%	Index
<b>Non-current assets</b>	<b>1,022,901</b>	<b>35.9</b>	<b>1,059,267</b>	<b>38.3</b>	<b>97</b>
Property, plant and equipment (PP&E)	806,646	28.3	790,345	28.6	102
Intangible assets	100,747	3.5	102,348	3.7	98
Investments and loans	59,846	2.1	117,772	4.2	51
Other	55,662	2.0	48,802	1.8	114
<b>Current assets</b>	<b>1,826,120</b>	<b>64.1</b>	<b>1,705,024</b>	<b>61.7</b>	<b>107</b>
Inventories	638,608	22.4	604,621	21.9	106
Trade receivables	552,710	19.4	509,070	18.4	109
Other	634,802	22.3	591,333	21.4	107
<b>Total assets</b>	<b>2,849,021</b>	<b>100.0</b>	<b>2,764,291</b>	<b>100.0</b>	<b>103</b>

At the end of 2024, assets of the Krka Group were valued at €2,849.0 million, a €84.7 million or 3% increase on year-end 2023. The proportion of non-current to current assets in the overall asset structure differed from that recorded at year-end 2023, as the share of non-current assets dropped by 2.4 percentage points to 35.9%.

Krka Group non-current assets were valued at €1,022.9 million, a €36.4 million or 3% decrease on year-end 2023. Property, plant and equipment (PP&E) valued at €806.6 million was the most important item, accounting for 28.3% of total Krka Group assets. Intangible assets amounted to €100.7 million, accounting for 3.5% of total assets.

Current assets were valued at €1,826.1 million, a €121.1 million or 7% increase on year-end 2023. Inventories amounted to €638.6 million or 22.4% of total Krka Group assets. Trade receivables due from customers totalled

€552.7 million, accounting for 19.4% of Krka Group total assets. Inventories increased by €34.0 million or 6% and trade receivables by €43.6 million or 9%. Krka Group current loans totalled €10.5 million or 0.4% of total Krka Group assets. Investments at fair value through profit or loss totalled €224.1 million and were made into treasury bills of the EU Member States with high credit ratings. Cash and cash equivalents totalled €344.9 million, up €170.9 million on year-end 2023, accounting for 12.1% of total Krka Group assets. The increase primarily entailed a €86.4 million deposit with maturity up to 90 days.

## Equity and liabilities

€ thousand	31 Dec 2024	%	31 Dec 2023	%	Index
Equity	2,237,784	78.6	2,181,766	78.9	103
Non-current liabilities	162,662	5.7	149,218	5.4	109
Current liabilities	448,575	15.7	433,307	15.7	104
<b>Total equity and liabilities</b>	<b>2,849,021</b>	<b>100.0</b>	<b>2,764,291</b>	<b>100.0</b>	<b>103</b>

As at 31 December 2024, the Krka Group posted equity of €56.0 million, up 3% on year-end 2023. The increase in equity resulted from an increase in Krka Group net profit of €356.2 million, while its decrease was the result of a decrease in other comprehensive income net of tax in total of €44.2 million, dividend payments in total of €230.9 million, and a repurchase of treasury shares in total of €25.0 million.

The Krka Group recorded provisions of €136.9 million, up €12.5 million on year-end 2023, owing to an increase in liabilities for post-employment and other benefits, which increased by €15.5 million and totalled €128.8 million. Provisions for lawsuits totalled €7.6 million, down €3.0 million. Other provisions totalled €0.5 million, and remained the same as a year ago.

Of Krka Group current liability items, trade payables decreased by €5.5 million (of which payables to domestic suppliers decreased by €7.2 million and payables to suppliers abroad increased by €1.7 million). Current liabilities from contracts with customers increased by €3.9 million (of which bonuses and volume rebates increased by €6.8 million and right of return by €0.1 million, while contract liabilities decreased by €3.0 million). Other current liabilities increased by €1.2 million, of which payables to employees increased by €3.5 million.

## Cash flow statement

€ thousand	2024	2023
Net cash flow from operating activities	360,933	227,254
Net cash flow from investing activities	75,094	-343,235
Net cash flow from financing activities	-264,548	-229,822
<b>Net change in cash and cash equivalents</b>	<b>171,479</b>	<b>-345,803</b>

Net change in cash and cash equivalents (exclusive of exchange rate fluctuations) of the Krka Group totalled €171.5 million in 2024, because the positive cash flows from operating and investing activities outstripped the negative cash flow from financing activities.

The Krka Group created €489.7 million operating profit before changes in net current assets. Changes in current assets that positively impacted cash flow included changes in deferred revenue and other current liabilities, while changes in trade receivables, inventories, trade payables, and provisions had a negative impact. Income tax paid additionally resulted in a decrease in net cash flows from operating activities.

Positive cash flows from investing activities of €75.1 million primarily accrued from proceeds from sale of non-current investments of €71.2 million; current investments of €477.2 million; and net proceeds from current loans of €55.5 million. Dividends paid and other profit shares of €230.9 million and treasury share repurchases of €25.0 million contributed the most to negative cash flows from financing activities in total of €264.5 million.

## Marketing and sales

### Krka Group product and service sales by region

€ thousand	2024	%	2023	%	Index
Region Slovenia	121,004	6.4	113,777	6.3	106
Region South-East Europe	269,025	14.2	249,330	13.9	108
Region East Europe	650,339	34.2	593,951	33.0	109
Region Central Europe	426,530	22.4	397,079	22.1	107
Region West Europe	351,803	18.5	369,624	20.5	95
Region Overseas Markets	81,147	4.3	75,208	4.2	108
<b>Total</b>	<b>1,899,848</b>	<b>100.0</b>	<b>1,798,969</b>	<b>100.0</b>	<b>106</b>

In 2024, the Krka Group generated €1,899.8 million revenue from contracts with customers on sales of products and services, an increase of €100.9 million or 6% year on year. We recorded sales growth in most sales markets.

Region East Europe recorded the highest sales, €650.3 million or 34.2% of total Krka Group sales, up 9% year on year. In the Russian Federation, our product sales generated €373.3 million, up 8% on 2023, a 19% increase in sales denominated in the Russian rouble. We also increased sales in all other regional markets. In Ukraine, we made €96.0 million in product sales, up 15% on 2023. Uzbekistan generated €53.7 million in product sales, up 10% year on year.

Region Central Europe, comprising the Visegrad Group and the Baltic states, followed with €426.5 million, or 22.4% of total Krka Group sales, up 7% on 2023. Poland, the leading market in the region, generated product sales of €206.1 million and recorded 14% growth. Product sales in Czechia totalled €58.6 million, down 4%, while in Hungary, product sales increased by 2% to €53.3 million. We increased sales in all other countries of the region.

Region West Europe ranked third in terms of sales with €351.8 million or 18.5% of total Krka Group sales. Germany, where product sales totalled €83.4 million, was the largest market in the region. The Scandinavian countries, Portugal, Italy, and the United Kingdom followed. We recorded the highest absolute sales growth in the United Kingdom, the Netherlands, and the Scandinavian countries.

Product sales in Region South-East Europe amounted to €269.0 million, up 8% on 2023, accounting for 14.2% of total Krka Group sales. Romania and Croatia remained our two leading markets in the region, while Romania, Bulgaria, and Croatia recorded the highest absolute sales growth. Our product sales in Romania generated €77.6 million, up 7%, and in Croatia €49.0 million, up 7%. We increased sales in all regional markets.

Region Slovenia recorded sales of €121.0 million, up 6%, accounting for 6.4% of total Krka Group sales. The major part, totalling €71.7 million, was created by product sales, which increased by 8%. Health resort and tourist services yielded €49.4 million, up 3% on 2023.

Region Overseas Markets accounted for 4.3% in overall Krka Group sales and generated €81.1 million in product sales, up 8% on 2023.

### Krka Group sales by product and service group

€ thousand	2024	%	2023	%	Index
Human health products	1,738,650	91.5	1,646,633	91.6	106
– Prescription pharmaceuticals	1,567,359	82.5	1,469,381	81.7	107
– Non-prescription products	171,291	9.0	177,252	9.9	97
Animal health products	111,847	5.9	104,640	5.8	107
Health resort and tourist services	49,351	2.6	47,696	2.6	103
<b>Total</b>	<b>1,899,848</b>	<b>100.0</b>	<b>1,798,969</b>	<b>100.0</b>	<b>106</b>

Sales of prescription pharmaceuticals generated €1,567.4 million, up 7% year on year, accounting for 82.5% of total Krka Group product and service sales. We increased sales in all our regions except in Region West Europe, where we recorded a 5% drop. Region East Europe increased sales by 12% and Region Slovenia by 9%, while Region Central Europe, Region South-East Europe, and Region Overseas Markets increased their respective sales by 8% each. Of our ten largest individual markets in size, prescription pharmaceuticals saw the highest absolute sales growth in Poland, the Russian Federation and Ukraine, and of our other markets in the United Kingdom and the Netherlands.

The top ten prescription pharmaceuticals in terms of sales were product groups containing:

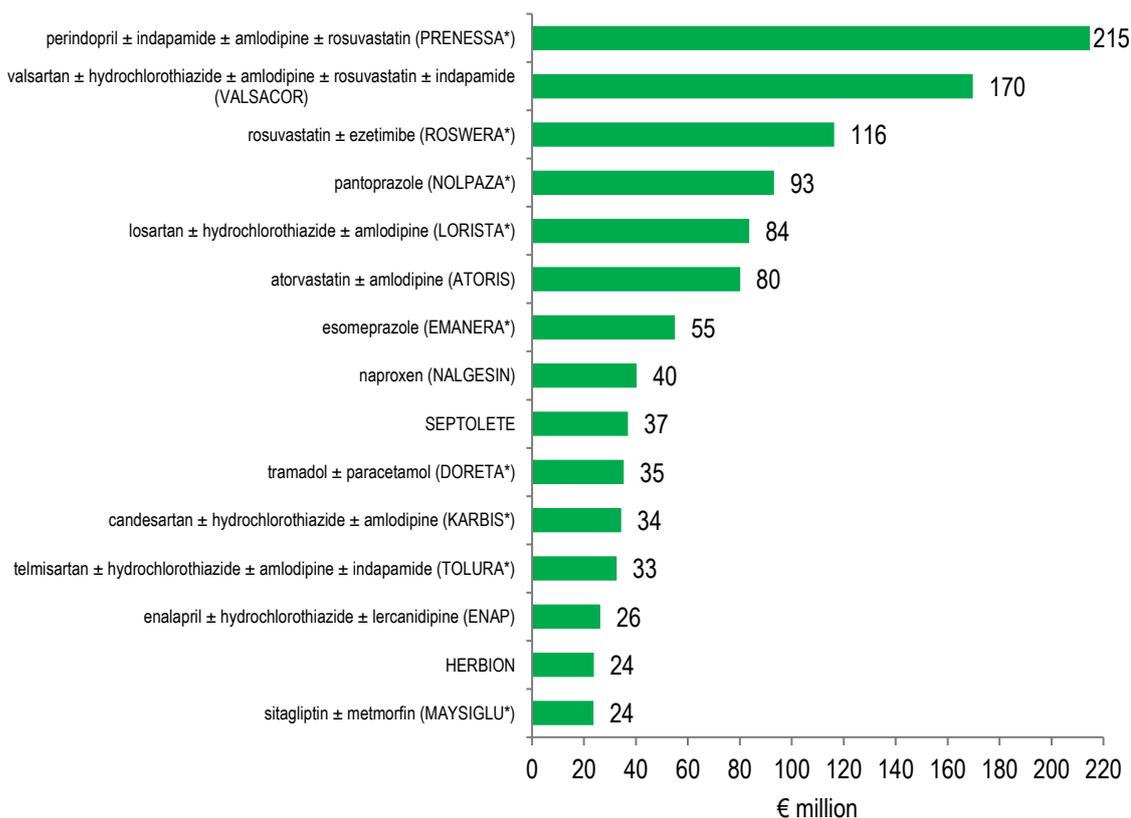
- perindopril (Prenessa\*, Co-Prenessa\*, Amlessa\*, Co-Amlessa\*, Roxiper\*, Roxampex\*);
- valsartan (Valsacor\*, Valsacombi\*, Vamloset\*, Co-Vamloset\*, Valarox\*);
- rosuvastatin (Roswera\*, Co-Roswera\*);
- pantoprazole (Nolpaza\*);
- losartan (Lorista\*, Lorista H\*, Lorista HD\*, Tenloris\*);
- atorvastatin (Atoris\*);
- esomeprazole (Emanera\*);
- naproxen (Nalgesin\*);
- tramadol (Doreta\*, Tadol\*); and
- candesartan (Karbis\*, Karbicombi\*, Kandoset\*).

Sales of non-prescription products totalled €171.3 million, down 3% on 2023, accounting for 9.0% of total Krka Group sales. In 2024, we recorded the highest absolute sales increases in Poland, Slovenia, and Germany. Septolete\*, Nalgesin\*, Herbion\*, and Septanazal\* were our primary product brands in terms of sales.

Sales of animal health products grew by 7% and generated €111.8 million, accounting for 5.9% of overall sales. Sales generated in the Russian Federation, Spain, and Poland were the primary drivers of absolute growth. In 2024, the combination of milbemycin and praziquantel (Milprazon\*) remained the best-selling animal health product. It was followed by products containing fipronil (Fypryst\*, Fypryst\* Combo) and selamectin (Selehold\*).

Sales of health resort and tourist services totalled €49.4 million, up 3% on 2023 (2.6% of overall sales). We recorded 342,176 overnight stays, a 2% year-on-year increase.

## 2024 sales of leading products



\*Sales of leading products are presented by the leading active ingredient. Combination medicines that incorporate this active ingredient are also included. Products marketed under different product brand names or the Krka trademark in individual markets are marked with an asterisk.

## Research and development

In 2024, we expanded our product range with twenty-two new products, including eighteen new prescription pharmaceuticals, and three additions to our portfolio of consumer health products and food supplements, and one veterinary medicine.

We pursue our development strategy with project approach and constant investments and maintain the highest quality throughout a product's life cycle in compliance with requirements of all markets where we are present. In 2024, we finalised over 1,000 registration procedures for new and already established products and received approvals for more than 24,000 regulatory variations to ensure uninterrupted supply to various markets.

We filed nine patent applications for new technological solutions we evaluated as innovations at the global ranking level. As per priority applications from 2023, we filed seven international and two European patent applications. We were granted four patents in various countries. Overall, over 200 valid patents protect our technological solutions.

We filed 134 applications for Krka trademarks in Slovenia. We also filed 75 international and 34 national trademark applications. Overall, we held authorisations in various countries for 1,100 different marks.

## New prescription pharmaceuticals

We obtained marketing authorisations for four new single-pill cardiovascular agents. Kanpiduo\* (candesartan/indapamide) is a unique medication in Europe that combines candesartan, a contemporary angiotensin II receptor blocker, and indapamide, a diuretic. It is available in tablets. Taken once daily, this convenient medication provides stable blood pressure control in patients who have already been treated with candesartan and indapamide. We concluded marketing authorisation procedures for Valomindo\*

(valsartan/indapamide) 80 mg/1.5 mg modified-release tablets, a new strength of this blood pressure lowering agent, and Co-Atoris\* (atorvastatin/ezetimibe) film-coated tablets indicated for the treatment of hypercholesterolaemia and prevention cardiovascular events in patients with coronary heart disease (CHD) and a history of acute coronary syndrome (ACS). We were granted marketing authorisations under the decentralised procedure for our triple single-pill combination Co-Amlessa Neo\* (perindopril arginine/amlodipine/indapamide) tablets. Our new perindopril formulation enables tailoring of the treatment to the needs of individual patients in various countries.

As the first provider of generic medicines, we obtained marketing authorisations under the decentralised procedure for our antithrombotic agent Delianda (edoxaban) film-coated tablets. Edoxaban is a value-added antithrombotic agent. It is distinguished by once-daily administration, which ensures good patient compliance, and a reduced risk of bleeding.

We obtained marketing authorisations for our contemporary central nervous agent Varesta (vortioxetine) film-coated tablets indicated for the treatment of major depressive episodes in adults. Vortioxetine differs from other antidepressants in its mechanism of action, which simultaneously modulates neurotransmission in several systems, and is therefore a medicine of choice for patients with severe forms of the disease.

We were granted marketing authorisations for Apremilast Krka (apremilast) film-coated tablets for safe and effective systemic treatment of moderate to severe chronic plaque psoriasis in adult patients. It is also indicated for the treatment of active psoriatic arthritis and the treatment of oral ulcers associated with Behçet's disease.

We also obtained marketing authorisations for Eltrombopag Krka (eltrombopag) film-coated tablets. It is indicated for the treatment of various types of thrombocytopenia and severe aplastic anaemia.

We were granted marketing authorisations under the centralised procedure for our oncology agent Pomalidomide Krka (pomalidomide) hard capsules. It is indicated for the treatment of adult patients with advanced forms of multiple myeloma as it reduces signs and symptoms and slows down disease progression.

We developed and were authorised to market a new strength of Vitamin D3 Krka (cholecalciferol) 30 000 IU tablets indicated for prevention and treatment of vitamin D deficiency and as adjunctive therapy in the treatment of osteoporosis. The new strength helps tailor the treatment to patients' needs. We are one of the few manufacturers whose vitamin D products were granted marketing authorisations as prescription pharmaceuticals.

We also received approvals for Nalgesin Duo (naproxen/paracetamol) film-coated tablets, our innovative single-pill combination indicated for relieving mild to moderate pain. This is the first marketing authorisation for the single-pill combination of naproxen and paracetamol in the Russian Federation. We also supported it with our clinical study.

We were granted marketing authorisations for several new products in China. Marketing authorisations were granted for two cardiovascular single-pill combinations, our new amlodipine/valsartan film-coated tablets for treating hypertension, and amlodipine/atorvastatin film-coated tablets for the concomitant treatment of arterial hypertension and hyperlipidaemia. We obtained marketing authorisations for our bisoprolol-based film-coated tablets, one of the essential therapies for many cardiovascular conditions, for example hypertension, coronary artery disease, and heart failure. Also, we received approvals for our three combinations in film-coated tablets, containing hydrochlorothiazide and contemporary angiotensin II receptor blockers: a combination of losartan and hydrochlorothiazide; a combination of valsartan and hydrochlorothiazide; and a combination of olmesartan and hydrochlorothiazide. We were granted marketing authorisations for a central nervous system agent, aripiprazole tablets. This atypical antipsychotic is associated with fewer adverse drug reactions than other agents from the same product group.

### New non-prescription products

Herbion Iceland Moss lozenges contain dry extract of Icelandic moss, relieve irritation of the mucosa in the throat and mouth, and the associated dry cough, and can be taken by adults and adolescents 12 years of age and older.

We added two new products to our portfolio of food supplements. They contain beta-glucan and a combination of vitamins and minerals for immune support. Imunogard Krka Junior strawberry-flavoured powder for solution contains beta-glucan, vitamins A, C, D, and zinc, and is intended for children aged three years and older.

Imunogard Krka lemon-flavoured powder for solution contains beta-glucan, vitamins C, A, D, B<sub>6</sub>, B<sub>9</sub>, and B<sub>12</sub>, and minerals zinc, selenium, and manganese. It can be taken by adults and adolescents aged 14 years and older.

## New animal health products

We obtained marketing authorisations for Otomicol, on other markets also marketed as Otosur, (miconazole/prednisolone/polymyxin) ear drops and cutaneous suspension. We obtained marketing authorisations in several European countries for this triple-combination product for the treatment of primary and secondary infections of skin and skin adnexa in dogs, cats, and guinea pigs, as well as for the treatment of otitis externa in dogs and cats.

## Investments

In 2024, the Krka Group allocated €117.0 million to investments, of that €87.8 million to the controlling company.

Completed investments:

- We finished the construction of a new multi-purpose building Paviljon 3 in Ločna, Novo mesto, Slovenia. The building design incorporates additional facilities for our microbiological laboratory, Supply Chain Management, and other organisational units.
- We implemented a system for capturing the excess effluent temperature for heat generation to increase the energy use efficiency at our waste water treatment plant in Ločna, Novo mesto, Slovenia. This investment supports the responsible management of natural resources in line with the strategic environmental goals of our *ESG Policy*.
- We expanded the capacity for pharmaceutical water production through enhanced drinking water treatment in our Vodarna 2 water plant, also in Novo mesto, Slovenia. This upgrade ensures redundancy and reliability across all stages of process and pharmaceutical water production from drinking water.
- We increased capacities for granulation and packaging at our site in Ljutomer, Slovenia.

Investments in progress:

- We upgraded water supply systems and automated washing systems, and replaced 16 worn out packaging lines in Notol, our solid dosage forms production plant in Novo mesto, Slovenia. We also plan to increase the capacity for compression mixture preparation, and upgrade and expand the granulation capacity at Notol and Notol 2, both in Novo mesto, Slovenia. We are upgrading the logistic system to allow for reliable operations of the Notol plant in the upcoming 20 years. We intend to replace an inspection machine, container washing machine, and tablet press at the Notol plant in the next two years. The total value of plant renovations is estimated at €75 million.
- We started construction of another building at our central site in Ločna, Novo mesto, Slovenia. The investment is estimated at €17 million.
- At the Solid Dosage Products plant in Novo mesto, Slovenia, the investment in additional capacities for tableting mixture preparation, granulation, and logistic capacities is drawing to a close. Together with additional investments in equipment at this plant, the (investment) total is estimated at €35 million.
- We launched activities to expand production and packaging capacities for animal health products at the Bršljin Department of Powders and Solutions in Novo mesto, Slovenia. The investment is estimated at €35 million.
- Works for placement of personnel and material airlocks at the old section of our Ljutomer plant, Slovenia, are currently in progress. A newly installed inspection machine is expected to increase production capacities for uncoated lozenges, and a robotic cell for packaging optimisation. We are also starting to build an automated high-bay warehouse and expand the plant. The investment is valued at €58 million.
- We obtained the integral building permit for our plant in Krško, Slovenia, comprising the Sinteza 2 API production plant, laboratories for chemical analyses (Kemijsko-analitski center), the liquid raw materials warehouse, and the waste water treatment plant, based on project documentation and an environmental impact assessment. We are still in the process of obtaining the environmental protection and chemical safety (SEVESO) permits. At the end of 2023, the construction of a technically and technologically advanced waste water treatment plant started, but we intend to postpone the construction of other buildings for a few years.
- We are increasing production capacities at the manufacturing and distribution centre in Jastrebarsko, Croatia, for solid dosage forms for veterinary use.

- At our subsidiary TAD Pharma in Germany, we plan to refurbish the old section of the office building to increase its energy efficiency. An extension to the production and distribution building will provide additional capacities.

## Employees

At the end of 2024, the Krka Group employed 12,810 persons, of whom 41% or 5,247 worked outside Slovenia. Of all employees, 47% have at least university-level qualifications, and of that, 202 hold a doctoral degree. Including agency workers, the Krka Group employed 12,857 persons.

## Investor and share information

The Krka share price increased by just over 26% in 2024, reaching €139.00 as at 31 December 2024. Krka shareholders received a dividend of €7.50 per share in July 2024, up 13.6% year on year. Considering the share price at the end of the year, this constituted a 5% annual dividend yield. Total Krka share return amounted to a sound 33% in 2024.

At the end of the year, Krka had 47,243 shareholders, on par with year-end 2023. The shareholder structure of Krka is stable, composed of domestic retail investors in 41.5% and foreign investors in 19.7%, and was subject to no major changes last year.

In 2024, Krka acquired 191,371 treasury shares, holding 2,107,337 treasury shares as at 31 December 2024, which accounted for 6.426% of its share capital.

## Sustainable operations

In 2024, we adopted a package of new corporate policies and codes on ESG governance in the Krka Group, comprising the *Environmental Policy of the Krka Group*; the *Human Rights Policy of the Krka Group*, the *Diversity, Equity and Inclusion Policy of the Krka Group*, the *Due Diligence Policy of the Krka Group*, and the *Code of Conduct for Business Partners of the Krka Group*. This package of new policies further enhanced corporate compliance in the Krka Group.

On 31 January 2025, we received the scoring from S&P Global Corporate Sustainability Assessment (CSA), the international credit and ESG rating agency. The score 56 out of 100 is higher than the 2023 score. As of 31 January 2025, our S&P Global CSA Score ranked among the top 10% in the pharmaceutical industry.

The received independent sustainability rating reaffirms the outlined direction of the Krka Group's sustainable management practices and ESG governance, prioritising corporate social responsibility and care for the health and well-being of patients. We provide patients with access to high-quality, safe, and effective medicines produced in accordance with the highest standards of good manufacturing practice. In this process, we place strong emphasis on environmental protection and reduction of our environmental impact, while adhering to the highest standards of business ethics, integrity, and transparent operations in the Krka Group's governance.

The received score encourages and commits us to further improve the sustainability practices of the Krka Group.

## Events after the Reporting Period

The 2024 financial statements were not impacted by the events after the end of the period.

### Repurchase of treasury shares in 2025

We repurchased 78,246 treasury shares between 1 January 2025 and 11 March 2025, and thus held 2,185,583 treasury shares at the end of this period, accounting for 6.665% of total shares.

### Joint venture

Krka and the Indian company Laurus Labs Ltd. (hereinafter Laurus) established a joint venture, Krka Pharma Pvt. Ltd., headquartered in Hyderabad, India, in April 2024. Krka holds a 51% and Laurus a 49% stake in the joint venture. At the beginning of October 2024, Krka paid in €2.5 million of initial capital, and on 10 March 2025 the second instalment of registered capital totalling €9,233,550 or 867,000 thousand Indian rupees.

Management Board  
Krka, d. d., Novo mesto

Novo mesto, March 2025

## Unaudited consolidated statement of financial position of the Krka Group

€ thousand	31 Dec 2024	31 Dec 2023	Index
<b>Assets</b>			
Property, plant and equipment	806,646	790,345	102
Intangible assets	100,747	102,348	98
Investments in joint ventures	2,492	0	
Loans	35,330	70,098	50
Investments	22,024	47,674	46
Deferred tax assets	54,434	47,728	114
Other non-current assets	1,228	1,074	114
<b>Total non-current assets</b>	<b>1,022,901</b>	<b>1,059,267</b>	<b>97</b>
Assets held for sale	44	41	107
Inventories	638,608	604,621	106
Contract assets	672	429	157
Trade receivables	552,710	509,070	109
Other receivables	28,891	51,364	56
Loans	10,506	58,719	18
Investments	249,794	306,769	81
Cash and cash equivalents	344,895	174,011	198
<b>Total current assets</b>	<b>1,826,120</b>	<b>1,705,024</b>	<b>107</b>
<b>Total assets</b>	<b>2,849,021</b>	<b>2,764,291</b>	<b>103</b>
<b>Equity</b>			
Share capital	54,732	54,732	100
Treasury shares	-163,491	-138,489	118
Reserves	136,315	154,495	88
Retained earnings	2,190,627	2,091,317	105
<b>Total equity holders of the controlling company</b>	<b>2,218,183</b>	<b>2,162,055</b>	<b>103</b>
Non-controlling interests	19,601	19,711	99
<b>Total equity</b>	<b>2,237,784</b>	<b>2,181,766</b>	<b>103</b>
<b>Liabilities</b>			
Provisions	136,895	124,398	110
Deferred income	5,654	5,547	102
Lease liabilities	9,502	8,547	111
Deferred tax liabilities	10,611	10,726	99
<b>Total non-current liabilities</b>	<b>162,662</b>	<b>149,218</b>	<b>109</b>
Trade payables	148,285	153,762	96
Lease liabilities	3,649	3,452	106
Income tax payables	24,379	8,960	272
Contract liabilities	166,078	162,173	102
Other current liabilities	106,184	104,960	101
<b>Total current liabilities</b>	<b>448,575</b>	<b>433,307</b>	<b>104</b>
<b>Total liabilities</b>	<b>611,237</b>	<b>582,525</b>	<b>105</b>
<b>Total equity and liabilities</b>	<b>2,849,021</b>	<b>2,764,291</b>	<b>103</b>

## Unaudited consolidated income statement of the Krka Group

€ thousand	2024	2023	Index
<b>Revenue</b>	<b>1,909,544</b>	<b>1,806,391</b>	<b>106</b>
– Revenue from contracts with customers	1,906,037	1,801,873	106
– Other revenue	3,507	4,518	78
Cost of goods sold	-815,661	-779,682	105
<b>Gross profit</b>	<b>1,093,883</b>	<b>1,026,709</b>	<b>107</b>
Other operating income	7,130	6,147	116
Selling and distribution expenses	-373,366	-347,898	107
– Whereof net impairments and write-offs of receivables	2,197	3,712	59
R&D expenses	-184,855	-178,582	104
General and administrative expenses	-115,220	-106,755	108
<b>Operating profit</b>	<b>427,572</b>	<b>399,621</b>	<b>107</b>
Finance income	33,946	23,567	144
Finance expenses	-42,440	-56,062	76
<b>Net financial result</b>	<b>-8,494</b>	<b>-32,495</b>	<b>26</b>
<b>Profit before tax</b>	<b>419,078</b>	<b>367,126</b>	<b>114</b>
Income tax expense	-62,876	-53,394	118
<b>Net profit</b>	<b>356,202</b>	<b>313,732</b>	<b>114</b>
Attributable to:			
– Equity holders of the controlling company	356,986	313,946	114
– Non-controlling interests	-784	-214	366
<b>Basic earnings per share (€)</b>	<b>11.60</b>	<b>10.14</b>	<b>114</b>
<b>Diluted earnings per share (€)</b>	<b>11.60</b>	<b>10.14</b>	<b>114</b>

## Unaudited consolidated statement of other comprehensive income of the Krka Group

€ thousand	2024	2023	Index
<b>Net profit</b>	<b>356,202</b>	<b>313,732</b>	<b>114</b>
<b>Other comprehensive income for the year</b>			
<b>Other comprehensive income reclassified to profit or loss at a future date</b>			
Translation reserve	-31,650	-49,705	64
<b>Net other comprehensive income reclassified to profit or loss at a future date</b>	<b>-31,650</b>	<b>-49,705</b>	<b>64</b>
<b>Other comprehensive income that will not be reclassified to profit or loss at a future date</b>			
Change in fair value of financial assets	-4,877	10,912	
Restatement of post-employment benefits	-8,426	-12,007	70
Deferred tax effect	704	-2,695	
<b>Net other comprehensive income that will not be reclassified to profit or loss at a future date</b>	<b>-12,599</b>	<b>-3,790</b>	<b>332</b>
<b>Total other comprehensive income for the year (net of tax)</b>	<b>-44,249</b>	<b>-53,495</b>	<b>83</b>
<b>Total comprehensive income for the year (net of tax)</b>	<b>311,953</b>	<b>260,237</b>	<b>120</b>
Attributable to:			
– Equity holders of the controlling company	312,063	261,740	119
– Non-controlling interests	-110	-1,503	7

## Unaudited consolidated statement of changes in equity of the Krka Group

€ thousand	Share capital	Treasury shares	Reserves						Retained earnings			Total equity holders of the controlling company	Non-controlling interests	Total equity
			Reserves for treasury shares	Share premium	Legal reserves	Statutory reserves	Fair value reserve	Translation reserve	Other profit reserves	Retained earnings from previous periods	Profit for the year			
<b>Balance at 1 Jan 2024</b>	54,732	-138,489	138,489	105,897	14,990	30,000	-511	-134,370	1,544,595	246,699	300,023	2,162,055	19,711	2,181,766
Net profit	0	0	0	0	0	0	0	0	0	0	356,986	356,986	-784	356,202
Total other comprehensive income for the year (net of tax)	0	0	0	0	0	0	-10,851	-32,331	0	-1,741	0	-44,923	674	-44,249
<b>Total comprehensive income for the year (net of tax)</b>	0	0	0	0	0	0	-10,851	-32,331	0	-1,741	356,986	312,063	-110	311,953
<b>Transactions with owners, recognised in equity</b>														
Formation of other profit reserves under the resolution of the AGM	0	0	0	0	0	0	0	0	75,503	-75,503	0	0	0	0
Transfer of profit from previous periods to retained earnings	0	0	0	0	0	0	0	0	0	300,023	-300,023	0	0	0
Repurchase of treasury shares	0	-25,002	0	0	0	0	0	0	0	0	0	-25,002	0	-25,002
Formation of reserves for treasury shares	0	0	25,002	0	0	0	0	0	0	0	-25,002	0	0	0
Dividends paid	0	0	0	0	0	0	0	0	0	-230,933	0	-230,933	0	-230,933
Acquisition of non-controlling interests	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total transactions with owners, recognised in equity</b>	0	-25,002	25,002	0	0	0	0	0	75,503	-6,413	-325,025	-255,935	0	-255,935
<b>Balance at 31 Dec 2024</b>	54,732	-163,491	163,491	105,897	14,990	30,000	-11,362	-166,701	1,620,098	238,545	331,984	2,218,183	19,601	2,237,784

€ thousand	Share capital	Treasury shares	Reserves						Retained earnings			Total equity holders of the controlling company	Non-controlling interests	Total equity
			Reserves for treasury shares	Share premium	Legal reserves	Statutory reserves	Fair value reserve	Translation reserve	Other profit reserves	Retained earnings from previous periods	Profit for the year			
<b>Balance at 1 Jan 2023</b>	<b>54,732</b>	<b>-124,566</b>	<b>124,566</b>	<b>105,897</b>	<b>14,990</b>	<b>30,000</b>	<b>2,670</b>	<b>-85,919</b>	<b>1,442,702</b>	<b>200,273</b>	<b>353,271</b>	<b>2,118,616</b>	<b>19,893</b>	<b>2,138,509</b>
<b>Net profit</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>313,946</b>	<b>313,946</b>	<b>-214</b>	<b>313,732</b>
<b>Total other comprehensive income for the year (net of tax)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-3,181</b>	<b>-48,451</b>	<b>0</b>	<b>-574</b>	<b>0</b>	<b>-52,206</b>	<b>-1,289</b>	<b>-53,495</b>
<b>Total comprehensive income for the year (net of tax)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-3,181</b>	<b>-48,451</b>	<b>0</b>	<b>-574</b>	<b>313,946</b>	<b>261,740</b>	<b>-1,503</b>	<b>260,237</b>
<b>Transactions with owners, recognised in equity</b>														
Formation of other profit reserves under the resolution of the AGM	0	0	0	0	0	0	0	0	101,893	-101,893	0	0	0	0
Transfer of profit from previous periods to retained earnings	0	0	0	0	0	0	0	0	0	353,271	-353,271	0	0	0
Repurchase of treasury shares	0	-13,923	0	0	0	0	0	0	0	0	0	-13,923	0	-13,923
Formation of reserves for treasury shares	0	0	13,923	0	0	0	0	0	0	0	-13,923	0	0	0
Dividends paid	0	0	0	0	0	0	0	0	0	-204,378	0	-204,378	0	-204,378
Acquisition of non-controlling interests	0	0	0	0	0	0	0	0	0	0	0	0	1,321	1,321
<b>Total transactions with owners, recognised in equity</b>	<b>0</b>	<b>-13,923</b>	<b>13,923</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>101,893</b>	<b>47,000</b>	<b>-367,194</b>	<b>-218,301</b>	<b>1,321</b>	<b>-216,980</b>
<b>Balance at 31 Dec 2023</b>	<b>54,732</b>	<b>-138,489</b>	<b>138,489</b>	<b>105,897</b>	<b>14,990</b>	<b>30,000</b>	<b>-511</b>	<b>-134,370</b>	<b>1,544,595</b>	<b>246,699</b>	<b>300,023</b>	<b>2,162,055</b>	<b>19,711</b>	<b>2,181,766</b>

## Unaudited consolidated statement of cash flows of the Krka Group

€ thousand	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Net profit</b>	<b>356,202</b>	<b>313,732</b>
<b>Adjustments for:</b>	<b>133,530</b>	<b>132,771</b>
– Amortisation/Depreciation	92,513	104,594
– Net foreign exchange gains and losses	-18,821	-27,030
– Net write-offs and allowances for inventories	18,794	11,420
– Net impairments and write-offs of receivables	-2,197	-3,712
– Investment income	-36,199	-25,534
– Investment expenses	7,117	6,688
– Income on financing activities	-31	-4
– Interest expense and other finance expenses	9,478	12,955
– Income tax expense	62,876	53,394
<b>Operating profit before changes in net current assets</b>	<b>489,732</b>	<b>446,503</b>
Change in trade receivables	-41,640	-104,133
Change in inventories	-52,782	-62,709
Change in trade payables	-3,266	24,477
Change in provisions	-451	1,770
Change in deferred income	107	-501
Change in other current liabilities	3,859	15,944
Income tax paid	-34,626	-94,097
<b>Net cash flow from operating activities</b>	<b>360,933</b>	<b>227,254</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	14,250	9,668
Dividends received	941	798
Proceeds from sale of property, plant and equipment	1,587	2,433
Purchase of property, plant and equipment	-107,762	-130,024
Purchase of intangible assets	-7,587	-9,187
Investments in joint ventures	-2,492	0
Proceeds from non-current loans	31,169	4,194
Payments for non-current loans	-3,489	-2,009
Net proceeds from/payments for current loans	55,475	-46,784
Proceeds from sale of non-current investments	71,168	33,346
Payments for acquiring non-current investments	-184	-51
Proceeds from sale of current investments	477,235	359,100
Payments for acquiring current investments	-455,480	-568,607
Proceeds from derivatives	1,959	4,277
Payments for derivatives	-1,696	-389
<b>Net cash flow from investing activities</b>	<b>75,094</b>	<b>-343,235</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Interest paid	-4,474	-8,657
Lease liabilities paid	-4,188	-4,184
Dividends and other profit shares paid	-230,884	-204,379
Repurchase of treasury shares	-25,002	-13,923
Proceeds from payment of non-controlling interests	0	1,321
<b>Net cash flow from financing activities</b>	<b>-264,548</b>	<b>-229,822</b>
<b>Net increase/decrease in cash and cash equivalents</b>	<b>171,479</b>	<b>-345,803</b>
Cash and cash equivalents at beginning of year	174,011	518,934
Effect of movements in exchange rates on cash held	-595	880
<b>Closing balance of cash and cash equivalents</b>	<b>344,895</b>	<b>174,011</b>

## Unaudited statement of financial position of Krka, d. d. , Novo mesto

€ thousand	31 Dec 2024	31 Dec 2023	Index
<b>Assets</b>			
Property, plant and equipment	609,628	595,525	102
Intangible assets	25,026	26,043	96
Investments in subsidiaries	355,265	357,265	99
Investments in joint ventures	2,492	0	
Loans	23,401	41,243	57
Investments	22,023	47,673	46
Deferred tax assets	5,677	7,846	72
Other non-current assets	668	640	104
<b>Total non-current assets</b>	<b>1,044,180</b>	<b>1,076,235</b>	<b>97</b>
Assets held for sale	41	41	100
Inventories	548,188	513,892	107
Trade receivables	518,425	463,126	112
Other receivables	13,800	47,116	29
Loans	9,025	65,699	14
Investments	249,794	306,769	81
Cash and cash equivalents	238,183	140,993	169
<b>Total current assets</b>	<b>1,577,456</b>	<b>1,537,636</b>	<b>103</b>
<b>Total assets</b>	<b>2,621,636</b>	<b>2,613,871</b>	<b>100</b>
<b>Equity</b>			
Share capital	54,732	54,732	100
Treasury shares	-163,491	-138,489	118
Reserves	304,943	290,481	105
Retained earnings	1,990,167	1,926,534	103
<b>Total equity</b>	<b>2,186,351</b>	<b>2,133,258</b>	<b>102</b>
<b>Liabilities</b>			
Provisions	125,667	113,999	110
Deferred income	2,585	2,366	109
Lease liabilities	2,181	2,565	85
<b>Total non-current liabilities</b>	<b>130,433</b>	<b>118,930</b>	<b>110</b>
Trade payables	171,183	175,847	97
Borrowings	17,805	88,061	20
Lease liabilities	1,118	1,022	109
Income tax payables	17,524	0	
Contract liabilities	18,112	18,953	96
Other current liabilities	79,110	77,800	102
<b>Total current liabilities</b>	<b>304,852</b>	<b>361,683</b>	<b>84</b>
<b>Total liabilities</b>	<b>435,285</b>	<b>480,613</b>	<b>91</b>
<b>Total equity and liabilities</b>	<b>2,621,636</b>	<b>2,613,871</b>	<b>100</b>

## Unaudited income statement of Krka, d. d., Novo mesto

€ thousand	2024	2023	Index
<b>Revenue</b>	<b>1,766,021</b>	<b>1,674,572</b>	<b>105</b>
– Revenue from contracts with customers	1,755,248	1,664,611	105
– Other revenue	10,773	9,961	108
Cost of goods sold	-782,253	-786,145	100
<b>Gross profit</b>	<b>983,768</b>	<b>888,427</b>	<b>111</b>
Other operating income	3,155	1,639	192
Selling and distribution expenses	-321,400	-300,863	107
– Whereof net impairments and write-offs of receivables	2,124	3,960	54
R&D expenses	-179,822	-173,783	103
General and administrative expenses	-99,704	-93,112	107
<b>Operating profit</b>	<b>385,997</b>	<b>322,308</b>	<b>120</b>
Finance income	34,967	60,964	57
Finance expenses	-39,996	-54,223	74
<b>Net financial result</b>	<b>-5,029</b>	<b>6,741</b>	
<b>Profit before tax</b>	<b>380,968</b>	<b>329,049</b>	<b>116</b>
Income tax expense	-59,776	-34,568	173
<b>Net profit</b>	<b>321,192</b>	<b>294,481</b>	<b>109</b>
<b>Basic earnings per share (€)</b>	<b>10.43</b>	<b>9.51</b>	<b>110</b>
<b>Diluted earnings per share (€)</b>	<b>10.43</b>	<b>9.51</b>	<b>110</b>

## Unaudited statement of other comprehensive income of Krka, d. d., Novo mesto

€ thousand	2024	2023	Index
<b>Net profit</b>	<b>321,192</b>	<b>294,481</b>	<b>109</b>
<b>Other comprehensive income that will not be reclassified to profit or loss at a future date</b>			
Change in fair value of financial assets	-4,877	10,912	
Restatement of post-employment benefits	-7,864	-12,133	65
Deferred tax effect	577	-2,493	
<b>Net other comprehensive income that will not be reclassified to profit or loss at a future date</b>	<b>-12,164</b>	<b>-3,714</b>	<b>328</b>
<b>Total other comprehensive income for the year (net of tax)</b>	<b>-12,164</b>	<b>-3,714</b>	<b>328</b>
<b>Total comprehensive income for the year (net of tax)</b>	<b>309,028</b>	<b>290,767</b>	<b>106</b>

## Unaudited statement of changes in equity of Krka, d. d., Novo mesto

€ thousand	Share capital	Treasury shares	Reserves					Retained earnings			Total equity
			Reserves for treasury shares	Share premium	Legal reserves	Statutory reserves	Fair value reserve	Other profit reserves	Retained earnings from previous periods	Profit for the year	
<b>Balance at 1 Jan 2024</b>	<b>54,732</b>	<b>-138,489</b>	<b>138,489</b>	<b>105,897</b>	<b>14,990</b>	<b>30,000</b>	<b>1,105</b>	<b>1,544,595</b>	<b>101,381</b>	<b>280,558</b>	<b>2,133,258</b>
<b>Net profit</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>321,192</b>	<b>321,192</b>
<b>Total other comprehensive income for the year (net of tax)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-10,540</b>	<b>0</b>	<b>-1,624</b>	<b>0</b>	<b>-12,164</b>
<b>Total comprehensive income for the year (net of tax)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-10,540</b>	<b>0</b>	<b>-1,624</b>	<b>321,192</b>	<b>309,028</b>
<b>Transactions with owners, recognised in equity</b>											
Formation of other profit reserves under the resolution of the AGM	0	0	0	0	0	0	0	75,503	-75,503	0	0
Transfer of profit from previous periods to retained earnings	0	0	0	0	0	0	0	0	280,558	-280,558	0
Repurchase of treasury shares	0	-25,002	0	0	0	0	0	0	0	0	-25,002
Formation of reserves for treasury shares	0	0	25,002	0	0	0	0	0	0	-25,002	0
Dividends paid	0	0	0	0	0	0	0	0	-230,933	0	-230,933
<b>Total transactions with owners, recognised in equity</b>	<b>0</b>	<b>-25,002</b>	<b>25,002</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>75,503</b>	<b>-25,878</b>	<b>-305,560</b>	<b>-255,935</b>
<b>Balance at 31 Dec 2024</b>	<b>54,732</b>	<b>-163,491</b>	<b>163,491</b>	<b>105,897</b>	<b>14,990</b>	<b>30,000</b>	<b>-9,435</b>	<b>1,620,098</b>	<b>73,879</b>	<b>296,190</b>	<b>2,186,351</b>

€ thousand	Share capital	Treasury shares	Reserves					Retained earnings			Total equity
			Reserves for treasury shares	Share premium	Legal reserves	Statutory reserves	Fair value reserve	Other profit reserves	Retained earnings from previous periods	Profit for the year	
<b>Balance at 1 Jan 2023</b>	<b>54,732</b>	<b>-124,566</b>	<b>124,566</b>	<b>105,897</b>	<b>14,990</b>	<b>30,000</b>	<b>4,307</b>	<b>1,442,702</b>	<b>69,974</b>	<b>338,190</b>	<b>2,060,792</b>
<b>Net profit</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>294,481</b>	<b>294,481</b>
<b>Total other comprehensive income for the year (net of tax)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-3,202</b>	<b>0</b>	<b>-512</b>	<b>0</b>	<b>-3,714</b>
<b>Total comprehensive income for the year (net of tax)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-3,202</b>	<b>0</b>	<b>-512</b>	<b>294,481</b>	<b>290,767</b>
<b>Transactions with owners, recognised in equity</b>											
Formation of other profit reserves under the resolution of the AGM	0	0	0	0	0	0	0	101,893	-101,893	0	0
Transfer of profit from previous periods to retained earnings	0	0	0	0	0	0	0	0	338,190	-338,190	0
Repurchase of treasury shares	0	-13,923	0	0	0	0	0	0	0	0	-13,923
Formation of reserves for treasury shares	0	0	13,923	0	0	0	0	0	0	-13,923	0
Dividends paid	0	0	0	0	0	0	0	0	-204,378	0	-204,378
<b>Total transactions with owners, recognised in equity</b>	<b>0</b>	<b>-13,923</b>	<b>13,923</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>101,893</b>	<b>31,919</b>	<b>-352,113</b>	<b>-218,301</b>
<b>Balance at 31 Dec 2023</b>	<b>54,732</b>	<b>-138,489</b>	<b>138,489</b>	<b>105,897</b>	<b>14,990</b>	<b>30,000</b>	<b>1,105</b>	<b>1,544,595</b>	<b>101,381</b>	<b>280,558</b>	<b>2,133,258</b>

## Unaudited statement of cash flows of Krka, d. d., Novo mesto

€ thousand	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Net profit</b>	<b>321,192</b>	<b>294,481</b>
<b>Adjustments for:</b>	<b>124,402</b>	<b>74,451</b>
– Amortisation/Depreciation	71,153	80,239
– Net foreign exchange gains and losses	-606	1,955
– Net write-offs and allowances for inventories	17,311	9,808
– Net impairments and write-offs of receivables	-2,124	-3,960
– Investment income	-35,952	-61,729
– Investment expenses	7,015	6,232
– Income on financing activities	-6	-1
– Interest expense and other finance expenses	7,835	7,339
– Income tax expense	59,776	34,568
<b>Operating profit before changes in net current assets</b>	<b>445,594</b>	<b>368,932</b>
Change in trade receivables	-52,006	-103,777
Change in inventories	-51,607	-30,722
Change in trade payables	-7,616	-14,391
Change in provisions	-410	1,871
Change in deferred income	219	-450
Change in other current liabilities	3,913	17,776
Income tax paid	-17,568	-83,840
<b>Net cash flow from operating activities</b>	<b>320,519</b>	<b>155,399</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	11,434	7,502
Dividends received	941	798
Proportionate profit of subsidiaries	14,216	29,890
Proceeds from sale of property, plant and equipment	361	1,380
Purchase of property, plant and equipment	-78,750	-109,515
Purchase of intangible assets	-6,938	-8,875
Acquisition of subsidiaries and a share of non-controlling interests net of financial assets acquired	0	-2,001
Refunds of subsequent contributions to subsidiaries	2,000	500
Investments in joint ventures	-2,492	0
Proceeds from non-current loans	31,954	8,372
Payments for non-current loans	-3,184	-1,288
Net proceeds from/payments for current loans	45,270	-50,984
Proceeds from sale of non-current investments	71,167	33,333
Payments for acquiring non-current investments	-56	-22
Proceeds from sale of current investments	477,235	359,100
Payments for acquiring current investments	-455,480	-568,607
Proceeds from derivatives	1,959	4,277
Payments for derivatives	-1,696	-389
<b>Net cash flow from investing activities</b>	<b>107,941</b>	<b>-296,529</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Interest paid	-3,705	-3,022
Net payments for/proceeds from current borrowings	-70,109	34,290
Lease liabilities paid	-1,164	-1,125
Dividends and other profit shares paid	-230,884	-204,379
Repurchase of treasury shares	-25,002	-13,923
<b>Net cash flow from financing activities</b>	<b>-330,864</b>	<b>-188,159</b>
<b>Net increase/decrease in cash and cash equivalents</b>	<b>97,596</b>	<b>-329,289</b>
Cash and cash equivalents at beginning of year	140,993	470,297
Effect of movements in exchange rates on cash held	-406	-15
<b>Closing balance of cash and cash equivalents</b>	<b>238,183</b>	<b>140,993</b>