

PRESS RELEASE

Novo mesto
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Krka Reports January to September 2025 Business Results

From January to September 2025, the Krka Group generated revenue of €1,534 million, up 7% year on year, yielding €323.7 million net profit, a 15% year-on-year increase. The Krka Supervisory Board deliberated on the January to September 2025 interim report for the Krka Group and Krka, d. d., Novo mesto at its regular meeting yesterday.

President of the Management Board and Chief Executive Jože Colarič explained: 'The Krka Group continued to record good business results also in the third quarter. We increased our product and service sales by 7% in the first nine months, generating over €1.5 billion. Sales grew across five sales regions, most of our markets, and all product and service groups. We added 17 new products to our product portfolio. Net profit increased by 15% year on year.

Based on achieved results, we expect the Krka Group target sales to outstrip the plans and create €2,020 million in product and service sales, and net profit of €383 million.

We presented the updated *2026–2030 Krka Group Development Strategy* to the Supervisory Board yesterday. The strategy prioritises uninterrupted supply of medicines and further growth in individual markets and selected therapeutic categories, primarily for treating chronic diseases. We plan to strengthen and optimise our vertically integrated business model, proven to be an effective strategic guideline and our competitive advantage, as it ensures high standards of product quality, safety, and efficacy. We intend to maintain our focus on maximising the long-term profitability of the products sold. Our strategy aims to deliver on sustainability goals and business targets, reinforcing our commitment to maintaining our economic, social, and environmental responsibility to the environment in which we operate.

The revised strategy serves as the underlying structure for the 2026 business plan. We plan product and service sales at €2,132 million and net profit at €405 million.'

Krka Group financial highlights

€ thousand	Jan–Sep 2025	Jan–Sep 2024	Index
Revenue	1,534,028	1,434,662	107
– Of which revenue from sales of products and services	1,529,127	1,427,514	107
Gross profit	884,852	819,323	108
Earnings before interest, tax, depreciation and amortisation (EBITDA)	436,734	401,748	109
Operating profit (EBIT)	367,154	332,609	110
Profit before tax (EBT)	395,453	337,331	117
Net profit	323,654	281,027	115
R&D expenses	143,733	136,364	105
Investments	66,742	91,703	73

Krka Group performance ratios

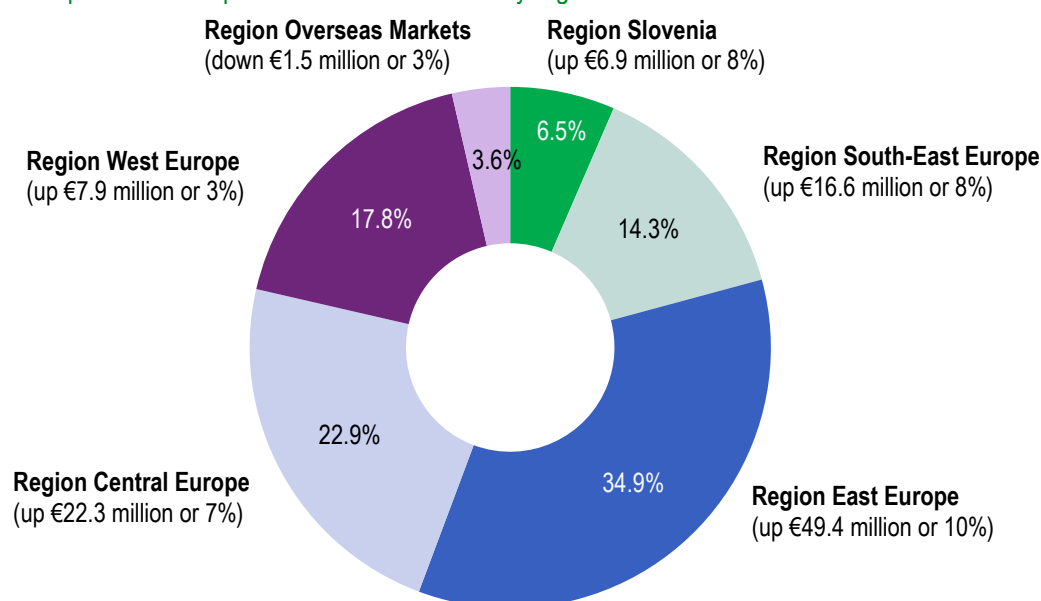
	Jan–Sep 2025	Jan–Sep 2024
Gross profit margin	57.7%	57.1%
EBITDA margin	28.5%	28.0%
EBIT margin	23.9%	23.2%
EBT margin	25.8%	23.5%
Net profit margin (ROS)	21.1%	19.6%
Return on equity (ROE)	19.0%	17.1%
Return on assets (ROA)	14.8%	13.4%
Liabilities/Equity	0.287	0.278
R&D expenses/Revenue	9.4%	9.5%

Krka Group sales

Product and service sales by region

€ thousand	Jan-Sep 2025	Jan-Sep 2024	Index
Region Slovenia	98,821	91,893	108
Region South-East Europe	218,220	201,627	108
Region East Europe	533,723	484,297	110
Region Central Europe	350,857	328,553	107
Region West Europe	272,389	264,538	103
Region Overseas Markets	55,117	56,606	97
Total	1,529,127	1,427,514	107

January to September 2025 product and service sales by region



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

Generating €533.7 million in product sales, Region East Europe was our largest region in terms of sales value. Product sales totalled €315.3 million in the Russian Federation, our largest individual market in size, up 12% on last year. In Ukraine, product sales reached €72.2 million, up 4% on the same period last year. We generated €44.6 million in product sales in Uzbekistan, up 13%. We also recorded sales growth in all markets of eastern Europe and central Asia, except in Kazakhstan.

Region Central Europe, our next largest sales region in size, recorded product sales of €350.9 million. Product sales in Poland, our second largest individual market in size, reached €178.1 million, an 11% year-on-year increase. Product sales amounted to €48.0 million (up 8%) in Czechia, and €39.7 million (down 5%) in Hungary. We recorded growth in all other regional markets, except in Estonia.

Generating €272.4 million, Region West Europe was the third region in terms of sales value. In Germany, the largest regional market, product sales amounted to €64.9 million, recording a 4% year-on-year increase. Our regional sales saw the highest increases in Belgium (up 43%), Finland (up 21%), and Austria (up 17%).

Region South-East Europe generated product sales of €218.2 million. We increased sales in all regional markets. In Romania, product sales totalled €58.7 million, up 5% year on year.

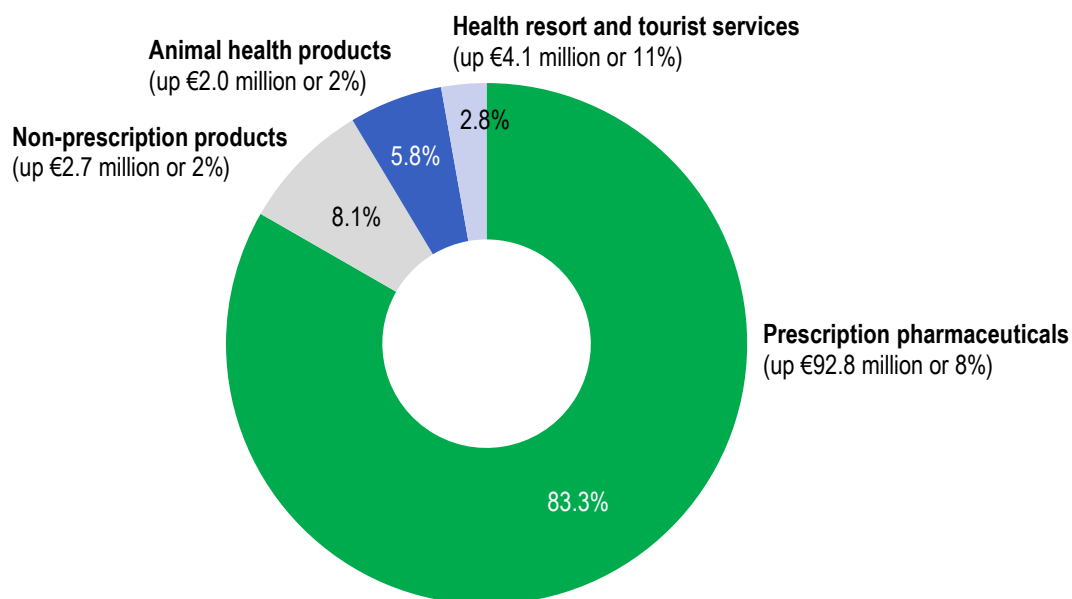
Product and service sales in Region Slovenia, our domestic market, totalled €98.8 million. Holding a 7.3% market share in terms of sales value, we maintained the leading position among providers of medicines in the country.

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

Product and service sales by group

€ thousand	Jan–Sep 2025	Jan–Sep 2024	Index
Human health products	1,398,379	1,302,920	107
– Prescription pharmaceuticals	1,274,060	1,181,266	108
– Non-prescription products	124,319	121,654	102
Animal health products	88,830	86,825	102
Health resort and tourist services	41,918	37,769	111
Total	1,529,127	1,427,514	107

January to September 2025 product and service sales by group



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

Research and development

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

We obtained marketing authorisations for our four new antidiabetic agents that allow for contemporary patient-tailored treatment. Our new innovative single-pill antidiabetic agent Dagrado (dapagliflozin/sitagliptin), available in film-coated tablets, 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. Our single-pill combination Mexdagry (dapagliflozin/metformin), available in film-coated tablets, ensures effective glycaemic control and good patient compliance. Lynxaram (linagliptin), available in film-coated tablets, is another antidiabetic agent for reliable glycaemic control that can be used as monotherapy or in combination with other agents. 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. Valkubit (sacubitril/valsartan) is used to treat high-risk patients with chronic heart failure. Available in film-coated tablets, the combination of sacubitril and valsartan is associated with reduced risk of hospitalisation and increased survival of patients with chronic heart failure.

Bi-Prelessa (bisoprolol/perindopril), available in film-coated tablets, combines a selective beta-blocker and an ACE inhibitor. This single-pill combination of two active ingredients has synergistic effect and allows for effective blood pressure control. It is indicated for the treatment of coronary artery disease or chronic heart failure. We obtained marketing authorisations for new strengths of Co-Amlessa (perindopril/amlodipine/indapamide), available in tablets, and Co-Roswera (rosuvastatin/ezetimibe), available in film-coated tablets, providing new options for patient-tailored therapies. We were also granted new marketing authorisations for our already established medicines indicated for the treatment of arterial hypertension, Telassmo (telmisartan/amlodipine) tablets and Tolucombi (telmisartan/hydrochlorothiazide) tablets.

Pixoroso (rosuvastatin/perindopril) in film-coated tablets is our innovative solution for patients with concomitant arterial hypertension and hyperlipidaemia. It allows for achieving target values of lipids and blood pressure by taking just one tablet per day.

We were granted marketing authorisations under the decentralised procedure for Delanxara (tramadol/dexketoprofen) film-coated tablets as the first generic manufacturer. This single-pill analgesic combines two active ingredients with distinct mechanisms of action. Their synergistic and complementary action effectively relieves moderate to severe pain at low doses, reducing the risk of adverse reactions.

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 also received approvals for marketing our dapagliflozin film-coated tablets indicated for the treatment of type 2 diabetes mellitus.

We obtained marketing authorisations for our new non-prescription product, cola flavoured Septabene (benzylamine/cetylpyridinium chloride) lozenges, on certain markets also available 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 in additional markets for the already established Herbion Iceland Moss Lozenges. They relieve irritation of the mucosa in the throat and mouth and the associated dry cough, and can be taken by adults and adolescents aged 12 years and older.

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. We also obtained marketing authorisations for Robexera (robenacoxib) solution for injection, indicated for the control of pain and inflammation associated with orthopaedic or soft tissue surgery in cats and dogs.

Investments

In the first nine months of 2025, the Krka Group allocated €66.7 million to investments, of that €48.0 million to the controlling company.

Upgrades made at the Notol plant (Novo mesto, Slovenia) will ensure reliable operations over the next 20 years. We intend to increase production capacities by installing additional equipment at Notol 2, another production plant in Novo mesto, Slovenia.

We upgraded the production and a filling-and-packaging line at the Solid Dosage Products plant in Novo mesto, Slovenia.

Construction of the extension to Sterile Products Department in Novo mesto, Slovenia, entered into its final phase. We are currently installing a new suspension inspection line to increase the production capacities significantly.

Two multi-purpose buildings are under construction there as well.

We started the construction of a facility at the Bršljin Department in Novo mesto, Slovenia, to increase production capacities. We also expect to boost the capacities for packaging tablets for use in veterinary medicine and spot-on products in the existing facility.

We increased capacities at our production site in Ljutomer, Slovenia. We are about to start building an automated high-bay warehouse and extending the plant.

We finished the construction of the technologically advanced wastewater 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.

We are about to start the extensive refurbishment of the Hotel Vital in Dolenjske Toplice (Slovenia) to improve accommodation for patients. In Slovenia, we refurbished the conference hall in Otočec, while renovation of the swimming pool in Strunjan entered the final phase.

Our joint venture Krka Pharma Private Limited started the construction of production facilities in Hyderabad, India, expected to be ready for use in slightly more than two years. The core businesses of Krka and Laurus Labs Ltd, the co-founders of the joint venture, are complementary. We had made a €11.7-million initial capital contribution to the joint venture by the end of September 2025.

Employees

At the end of September 2025, the Krka Group had 13,107 employees on payroll, up 2% year-to-date, of whom 5,455 or 42% worked abroad. Overall, 47% held at least a university-level qualification, including 200 employees with a doctoral degree. Total headcount of the Krka Group, including agency workers, tallied 13,139 employees.

Investor and share information

The Krka share price on the Ljubljana Stock Exchange rose by 54% over the first nine months of 2025, standing at €214.00 on 30 September 2025. In this period, holdings of Slovenian retail investors, legal entities and institutional investors, and treasury shares increased. At the end of September 2025, Krka had 47,811 shareholders. Market capitalisation of Krka, including treasury shares on the Ljubljana Stock Exchange, totalled €7.0 billion as at 30 September 2025. The average daily trading volume of Krka shares amounted to €1.4 million.

In the first nine months of 2025, Krka repurchased 221,656 treasury shares and held 2,328,993 treasury shares as at 30 September 2025, accounting for 7.102% of share capital.

2025 Krka Group performance estimate

- Full-year sales of products and services are projected at €2,020 million, up 6% year on year. Estimated sales outstrip the 2025 sales target.
- The market share outside Slovenia is estimated at 94%.
- Region East Europe is expected to generate the highest sales. Other regions are projected to follow in this order: Region Central Europe; Region West Europe; Region South-East Europe; Region Slovenia; and Region Overseas Markets.
- Prescription pharmaceuticals are projected to remain the most important product category, accounting for 83% of total sales.
- Net profit is forecast at €383 million, up 8% year on year. The estimate surpasses the amount planned for 2025 by €18 million.
- We plan to invest just short of €95 million in our in-house development, production, and infrastructure facilities. By the end of 2025, we will have paid a further €5 million in our joint venture Krka Pharma Private Limited in India.
- At the end of 2025, the Krka Group is expected to have 13,344 regular employees on payroll (up 4%), 41% of them outside Slovenia.

2026 Krka Group business plan

- We project product and service sales at €2,132 million, up €112 million or 6% on the 2025 sales estimate.
- The market share outside Slovenia is estimated at 94%.
- We expect prescription pharmaceuticals to remain our leading product category, accounting for more than 80% of overall sales.
- Net profit is projected at €405 million, a €22 million or 6% increase on the 2025 estimate.
- We plan to allocate over €140 million to investments, primarily for expanding and modernising production facilities and infrastructure, an increase of €45 million compared to the amount allocated in 2025. We earmarked €20 million for our joint venture Krka Pharma Private Limited in India.
- The total number of employees in Slovenia and abroad is projected to increase by 2%.

The 2026 business objectives derive from the *2026–2030 Krka Group Development Strategy* and are based on estimates, assessments, projections, and other available data. The Management Board believes projections are reasonable. In the event of major changes in the business environment, e.g. price erosion, rising prices of raw materials, exchange rate fluctuations for certain key currencies, or a decrease in demand for pharmaceutical products, actual operating results may deviate from the plan.

2026–2030 Krka Group Development Strategy

The *2026–2030 Krka Group Development Strategy* focuses on strengthening the Krka Group strategic competitive advantages and leveraging opportunities. The strategy prioritises strengthening key components of our vertically integrated business model, serving as the foundation for our future growth and development.

The generic pharmaceuticals market is in a mature phase, where gaining a competitive edge increasingly depends on the ability to supply sufficient quantities of products. Prioritising new product launches alone is no longer sufficient. Markets occasionally encounter certain product shortages because of supply chain issues, which are also connected with increasingly tight quality controls and strict regulatory requirements. It is therefore more important than ever to maintain the product portfolio in consideration of the product life cycle and regulatory compliance.

Our business model and strategy are based on organic growth, built on carefully planned entries to new markets and consolidation of position in individual markets. Our production output of medicines for treating chronic diseases aligns with growing market demand, which is expected to remain stable also in the future. Our in-house production capacities are being steadily enhanced by our long-term business partners and joint ventures, which enables us to be flexible and quickly increase output. We have started a joint venture in India in order to expand our production and development facilities.

Strategic pillars of Krka

The *2026–2030 Development Strategy* rests on three strategic pillars, which are as follows:



Strategic pillar no. 1: Providing access to medicines

We can only deliver on our mission *Living a healthy life* if we provide sufficient supplies for those who use our medicines, now counting over 100 million across 70 markets, divided into six sales regions. Our key therapeutic categories are medicines for treating chronic diseases, above all cardiovascular diseases; the central nervous system; the gastrointestinal tract; diabetes; pain relief; non-prescription products; and animal health products. Chronic diseases affect a wide proportion of the global population, often as a result of modern lifestyle and demographic trends such as ageing and increasing life expectancy. We are one of the leading companies that develop and produce combination medicines. Our primary goal and activities associated with this strategic pillar focus on the efficient use of Krka marketing and sales network and strategic planning of activities for increasing sales volume and value growth.

Key strategic goal of providing access to medicines

- To attain at least 5% annual sales growth on average, or at least equal to growth of local generic markets or the leading providers of generic medicines in the markets.

Strategic pillar no. 2: Vertical integration

We rely on efficient business operations and leverage the advantages of our vertically integrated business model to ensure steady supplies of products and further expand the strategic portfolio of products. This provides us with robust operational resilience and allows for agile response to market changes. Long-term strategic partnerships and joint ventures are gaining importance and are actively integrated in our business model. Key goals and activities focus on development and production of active ingredients, supply chain, development and production of medicines, quality control, and effective registration procedures.

Key strategic goals of vertical integration

- To timely provide sufficient quantities of products to satisfy all sales orders in all markets.
- To allocate 10% of revenue to research and development.
- To allocate on average €150 million per year to investments.

Strategic pillar no. 3: Value creation

Generating long-term value is a strategic pillar that focuses on goals and activities for generation of long-term value for most important Krka stakeholders, comprising – in addition to users of our medicines – investors, employees, and the entire social community. Strategic planning aims to extend the positive effect of our business operations to all stakeholders and to achieve strong business performance. This is why we plan adequate profitability of our business operations, long-term dividend policy, employee potential development and management, safe and healthy work environment, sustainability oriented business operations and corporate compliance, and corporate integrity.

Key strategic objectives of value creation

- To achieve a long-term average EBITDA margin of at least 25%.
- To pursue a stable dividend policy and allocate at least 50% of net profit of majority shareholders for dividend payouts.
- To ensure lasting balance of human resources through attraction, development, retention and management of employee potentials.

Detailed presentation of the *2026–2030 Krka Group Development Strategy* is available at the corporate web pages. Please go to www.krka.biz.