



Krka, d. d., Novo mesto (KRKG SV)

# **KRKA 1-9 2025 Results and Strategy**



**WE STAND BY YOU**

**BECAUSE YOU NEED RELIABLE MEDICINES**

# Krka Group Business Performance

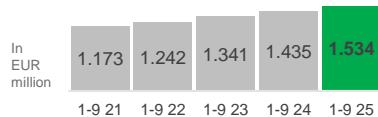
1-9/2025 business performance highlights



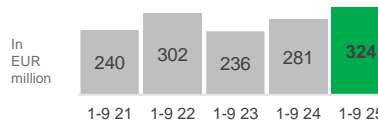
- ✓ Record 1-9 2025 sales: €1,534m; +7% yoy; volume growth: +5% yoy
- ✓ EBITDA margin: 28.5%; EBIT margin: 23.9%
- ✓ Record 1-9 2025 net profit: €324m; +15% yoy
- ✓ Sales increased in all regions, except Overseas markets, and all products & service groups
- ✓ Rx remains the most important product group contributing the most to increased sales figures

- ✓ RUB volatility affecting operating and net financial result → **+€28m net financial result**
- ✓ 17 new MA; €144m R&D expenses
- ✓ CAPEX: €67m
- ✓ On track to surpass the 20 billion FDF milestone in 2025

SALES 5Y CAGR: 5.8%



NET INCOME 5Y CAGR: 9.0%



Ranked among the TOP 10% of pharmaceutical companies



Received by the S&P Global as of 31 Jan 2025

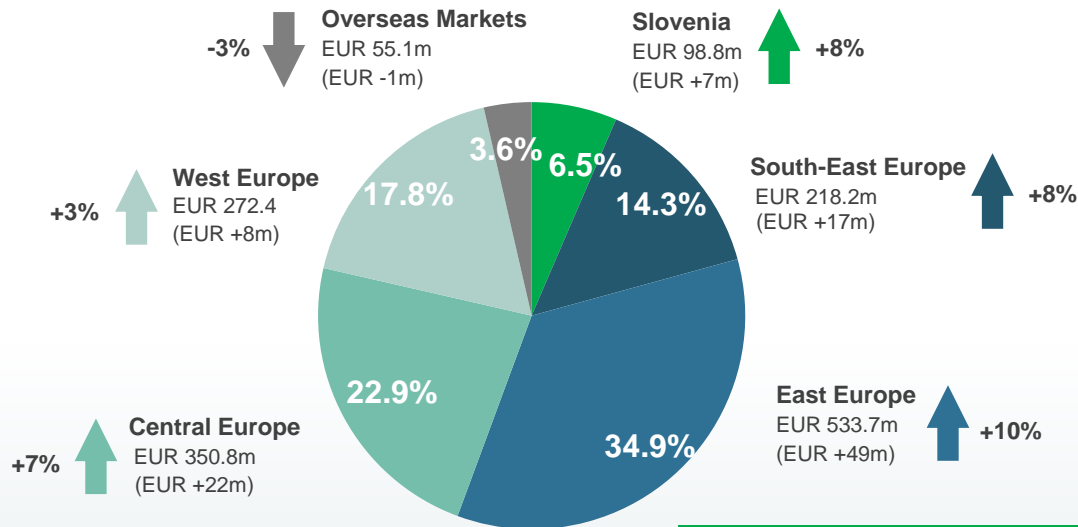
# Krka Group Sales by Regions

Continuation of robust sales dynamics

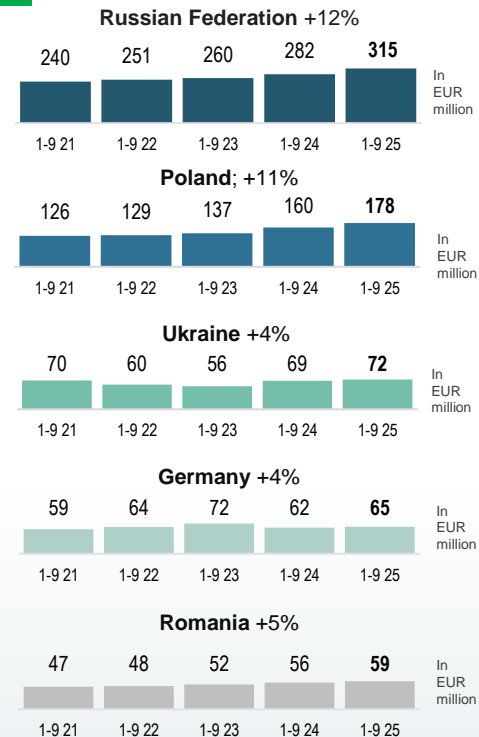


## TOP 5 markets

**1-9 2025 sales: EUR 1,529m of goods and services (+7% yoy; EUR +101.6m)**

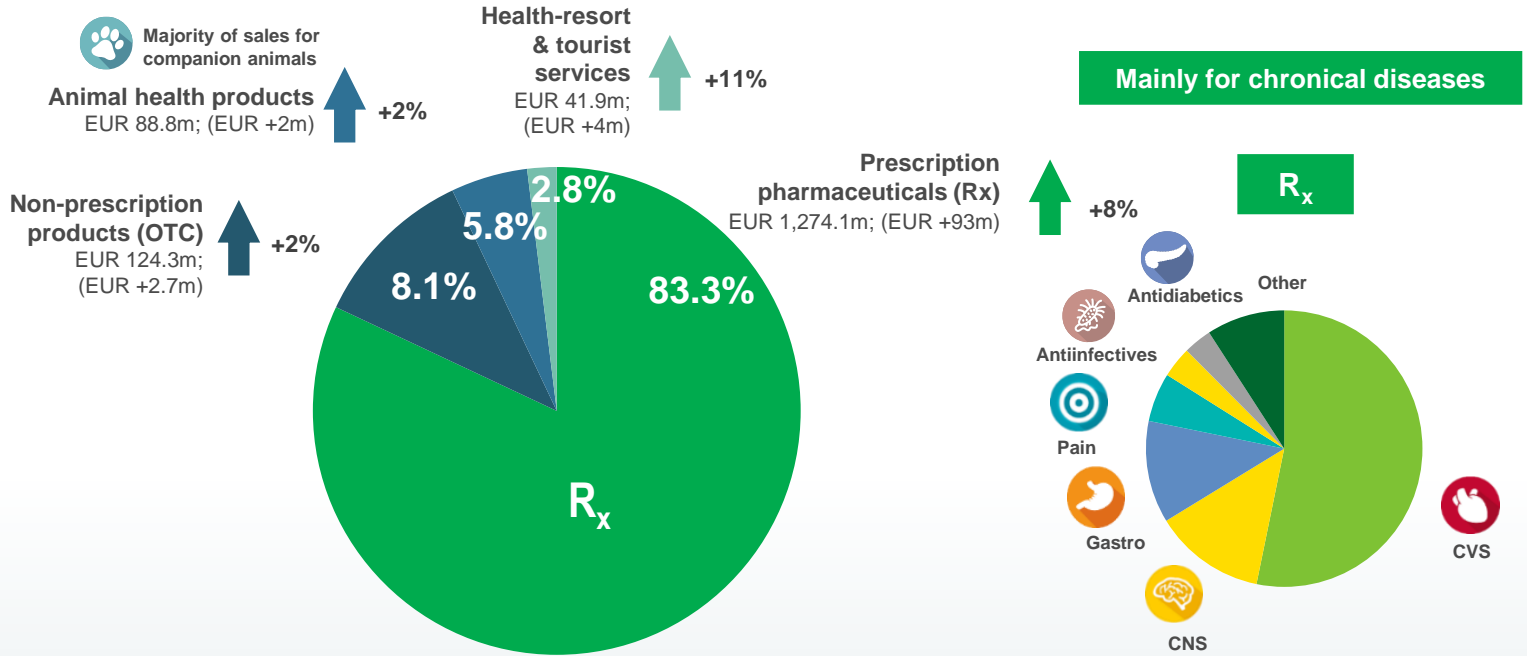


**Sales activities in 70+ countries all around the world**



# Broad Product Portfolio

R<sub>x</sub> remain the most important product group, with EUR +93m increase yoy



# Research and Development

Committed to continuous development of innovative branded generic products

17 new MA for products & over 790 MA procedures finalised €144m R&D expenses

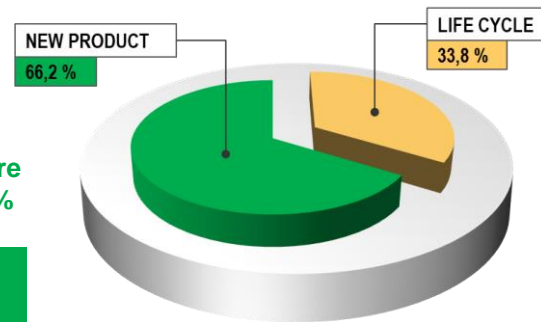
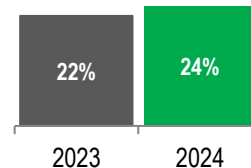
- ✓ **Dagraduo\*** (sitagliptin, dapagliflozin) diabetes. **Mexdagry & Lynxaram** for reliable glycaemic control. **Lynxaram\*** (linagliptin), available in film-coated tablets, is another antidiabetic agent for reliable glycaemic control
- ✓ **Valkubit\*** (sacubitril/valsartan) is used to treat high-risk patients with chronic heart failure. **Bi-Prenessa**, SPC of an ACE inhibitor and selective beta-blocker. **Telassmo** (telmisartan/amlodipine) and **Tolucombi** for blood pressure control. **Pixoroso\*** (rosuvastatin, perindopril) hypertension, hyperlipidemia. **Co-Amlessa\*** (perindopril, amlodipine, indapamide) in tablet form with new dosage form of the generic medicine. **Co-Roswera\*** (rosuvastatin/ezetimibe).
- ✓ **Delanxara\*** (dexketoprofen, tramadol) in the form of film-coated tablets. We were the first generic to obtain registration for the SPC.
- ✓ **Septabene** cola flavoured (OTC) and **Dehinexxa** parasitic treatment and (AH) **Robexera** (**robenacoxib**) solution for injection is indicated for the control of pain and inflammation associated with orthopaedic or soft tissue surgery in cats and dogs.

Over 170 products  
in our pipeline

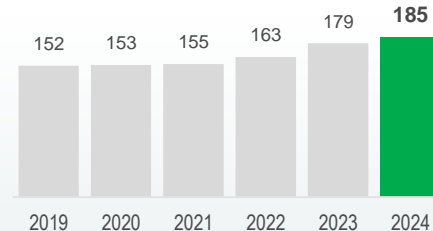
800 experts  
engaged in R&D

Strategic R&D target  
≈ 10% of sales

New product share  
of total sales in %



R&D expenses € million



# Krka's Innovative Medicines

*Innovative branded generic producer, with own R&D*



## STATE-OF-THE-ART EQUIPMENT

Delivering the most demanding projects in terms of techniques and technologies

## ADVANCED PHARMACEUTICAL FORMULATIONS

Great possibility of differentiation to other generics and originator

## UNIQUE STRENGTHS

Tailoring the treatment to patients needs

## UNIQUE SINGLE PILL COMBINATIONS

Synergistic action & improved adherence for patients

**>150  
SPCs**

**1000 products** based on **250+ active ingredients** (Rx, OTC & VET products)



**1<sup>st</sup> generic manufacturer** in the global pharma market to offer the **triple SPC** of **perindopril, indapamide and amlodipine**

## PATENT-PROTECTED INNOVATIONS

According to the European Patent Office (EPO), with 14 applications in 2024, Krka ranked 1st among Slovenian companies

**350**



# Investments

*Technological enhancement of manufacturing, development activities and quality assurance*



In the 1-9 2025, the Krka Group allocated EUR 66.7 million for investments, of which EUR 48 million was invested by the controlling company.

## NOTOL (FDF production & packaging)

- ✓ Objective: To ensure the uninterrupted operation of the packaging facility, and increase operational reliability for the next long-term period of 20–25 years



## OTO (FDF production)

- ✓ Objective: To provide additional capacities for intermediate product preparation and logistics



## BRŠLJIN (veterinary products)

- ✓ Objective: Expansion of capacities for veterinary products for small animals, and increase in packaging capacities

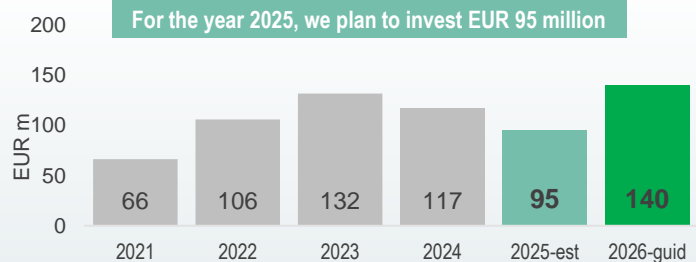


## OPSI (sterile products)

- ✓ Objective: To ensure the long-term continuation of sterile product manufacturing, and to increase optical inspection capacities



We follow the principles of sustainable development in our investments, and implement the best available technologies that ensure a safe working environment and minimal environmental impact. In 2024, we allocated EUR 10.84 million for environmental protection investments.

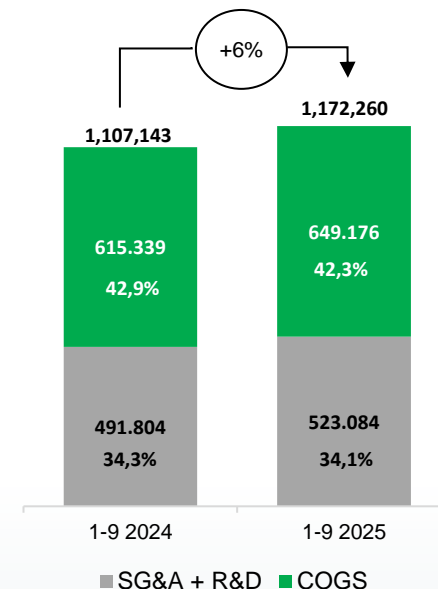


# Consolidated Income Statement

Maintaining high profitability



EUR thousand	1-9 2025	(%)	1-9 2024	(%)	YoY
<b>Revenue</b>	<b>1,534,028</b>	<b>100</b>	<b>1,434,662</b>	<b>100</b>	<b>7%</b>
Costs of goods sold	649,176		615,339		5%
<b>Gross profit</b>	<b>884,852</b>	<b>58</b>	<b>819,323</b>	<b>57</b>	<b>8%</b>
Other operating income	5,386	0	5,090	0	6%
Selling and distribution expenses	288,986	19	268,961	19	7%
R&D expenses	143,733	9	136,364	10	5%
General and administrative expenses	90,365	6	86,479	6	4%
<b>Operating profit</b>	<b>367,154</b>	<b>24</b>	<b>332,609</b>	<b>23</b>	<b>10%</b>
Net financial result	28,299		4,722		
<b>Profit before tax</b>	<b>395,453</b>	<b>26</b>	<b>337,331</b>	<b>24</b>	<b>17%</b>
Income tax	71,799		56,304		28%
<b>Net profit</b>	<b>323,654</b>	<b>21</b>	<b>281,027</b>	<b>20</b>	<b>15%</b>
<b>Basic earnings per share (EPS) in €</b>	<b>10.56</b>		<b>9.13</b>		<b>16%</b>



# Krka Group Operating Results

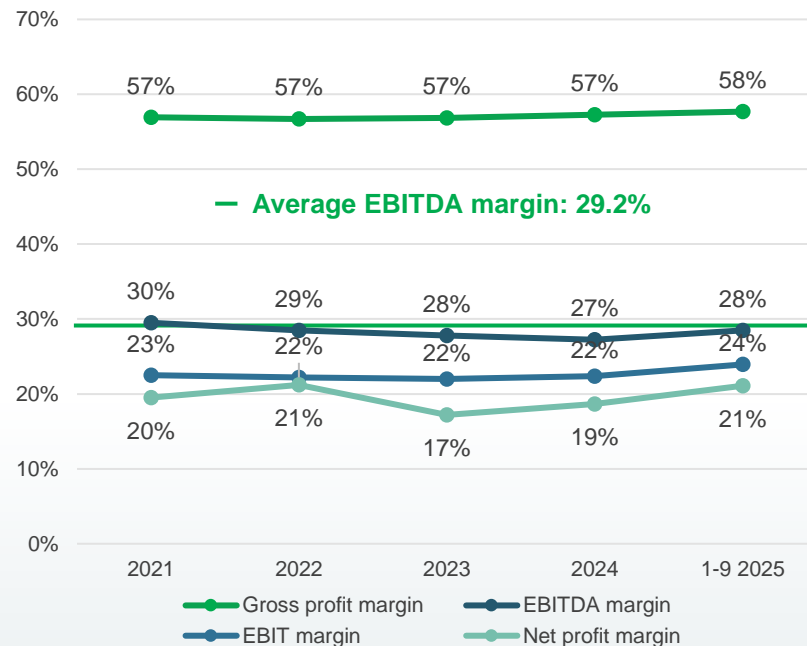
Maintaining high profitability



## Profitability

EUR million	1-9 2025	1-9 2024	yoy
<b>Gross profit</b>	<b>884.9</b>	<b>819.3</b>	<b>8%</b>
<i>Gross profit margin</i>	<i>57.7%</i>	<i>57.1%</i>	
<b>EBITDA</b>	<b>436.7</b>	<b>401.7</b>	<b>9%</b>
<i>EBITDA margin</i>	<i>28.5%</i>	<i>28.0%</i>	
<b>EBIT</b>	<b>367.2</b>	<b>332.6</b>	<b>10%</b>
<i>EBIT margin</i>	<i>23.9%</i>	<i>23.2%</i>	
<b>Net profit</b>	<b>323.7</b>	<b>281.0</b>	<b>15%</b>
<i>Net profit margin</i>	<i>21.1%</i>	<i>19.6%</i>	
<b>ROE</b>	<b>19.0%</b>	<b>17.1%</b>	
<b>ROA</b>	<b>14.8%</b>	<b>13.4%</b>	

## Margins development

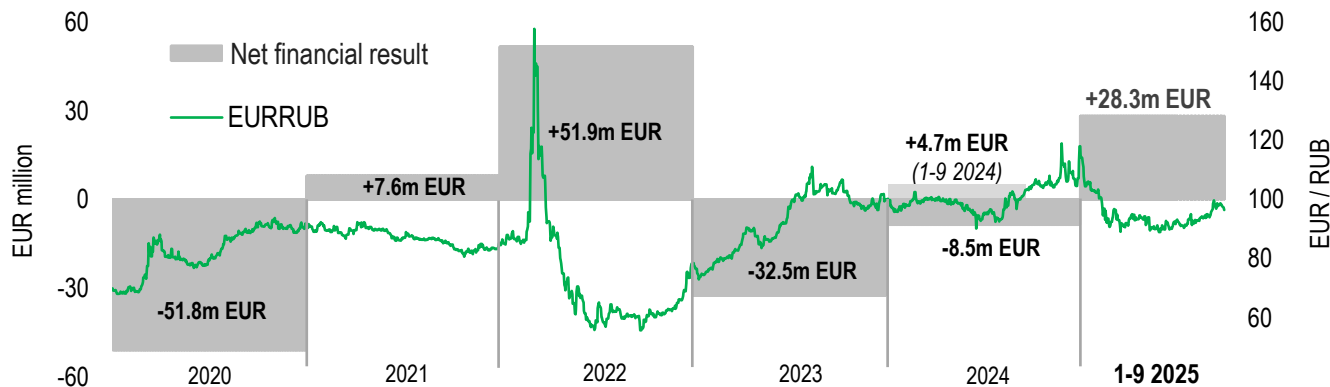


# FX Impact

Positive contribution of RUB in 1-9 2025



EUR/RUB FX rate (2020 –2025)



**The Krka Group's net financial profit**, which includes FX differences, interest income and expenses, the effects of financial instruments and other financial income and expenses, **totalled €28.3m in 1-9 2025**

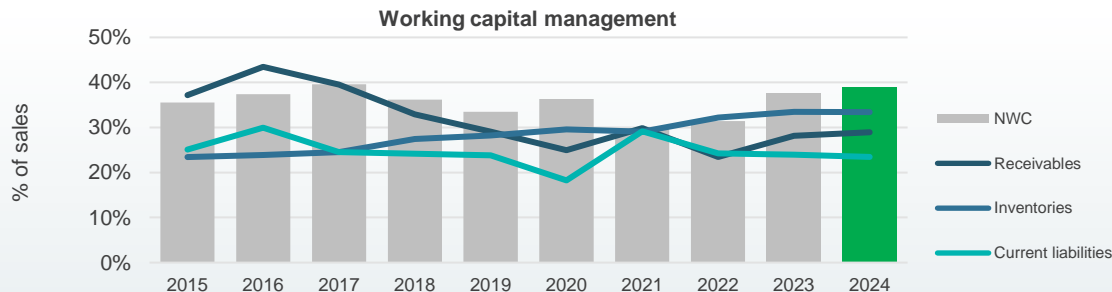
- ✓ **RUB, USD and PLN rate have a significant impact on the Krka Group's net financial result**, effect of other currencies is marginal. USD impact is hedged using financial instruments
- ✓ **The FX impact on the Krka Group's net financial result**, which includes positive FX differences of €34m and derivatives impact of -€8.7m, **was favourable in 1-9 2025, resulting in a net profit of €25.3m**
- ✓ **In 1-9 2025, RUB appreciated against EUR, gaining 22.4%** from the beginning of the year to the end of September
- ✓ **The average value of the RUB in EUR was 3.5% higher** than in the same period last year

# Consolidated Statement of Financial Position

*Strong financial position without leverage burden*



EUR thousand	30.09.2025	(%)	31.12.2024	(%)	change	change %
<b>ASSETS</b>	<b>2,967,622</b>	<b>100</b>	<b>2,849,021</b>	<b>100</b>	<b>118,601</b>	<b>4%</b>
Non-current assets	1,048,461	35	1,022,901	36	25,560	2%
Current assets	1,919,161	65	1,826,120	64	93,041	5%
Inventories	657,720	22	638,608	22	19,112	3%
Trade receivables	615,658	21	552,710	19	62,948	11%
<b>LIABILITIES</b>	<b>2,967,622</b>	<b>100</b>	<b>2,849,021</b>	<b>100</b>	<b>118,601</b>	<b>4%</b>
Equity	2,305,045	78	2,237,784	79	67,261	3%
Non-current liabilities	171,382	6	162,662	6	8,720	5%
Current liabilities	491,195	17	448,575	16	42,620	10%

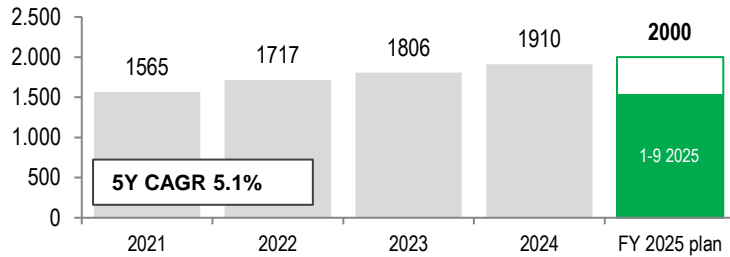


# Performance Indicators

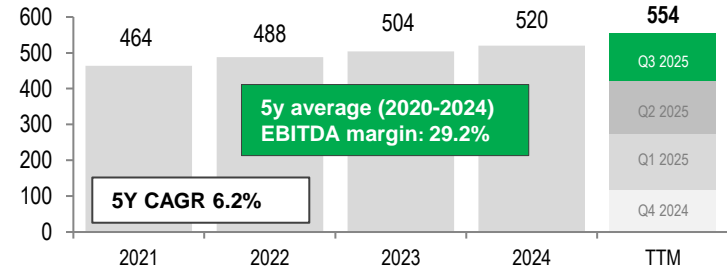
Maintaining long-term momentum



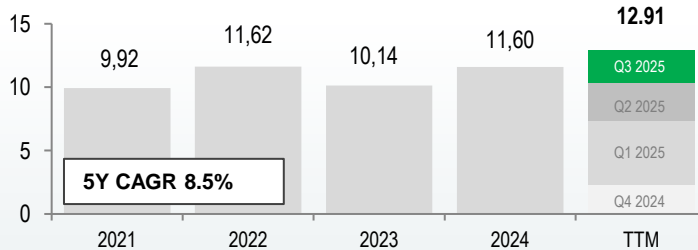
### Revenue in € million



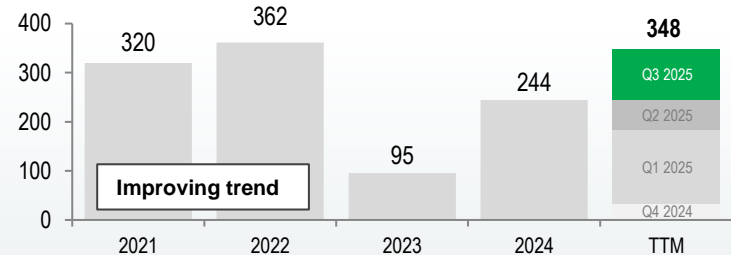
### EBITDA in € million



### EPS in €



### FCF in € million



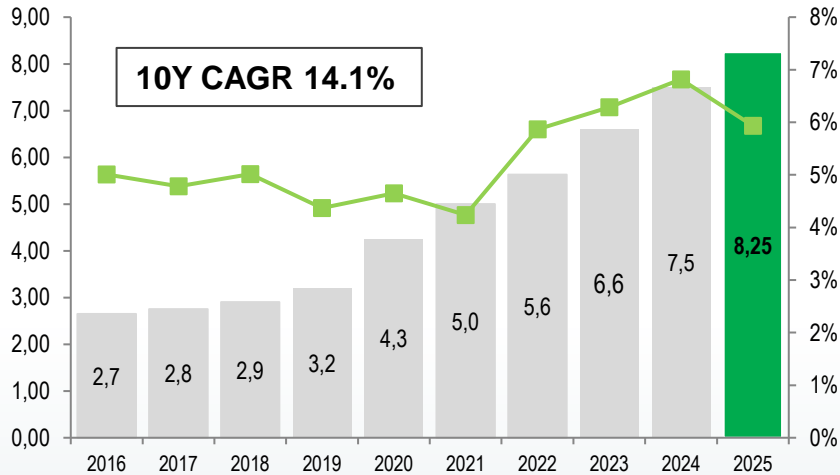
# Dividend Policy and Share Buyback

Management committed to stable capital allocation



## DPS and dividend yield\* for the business year

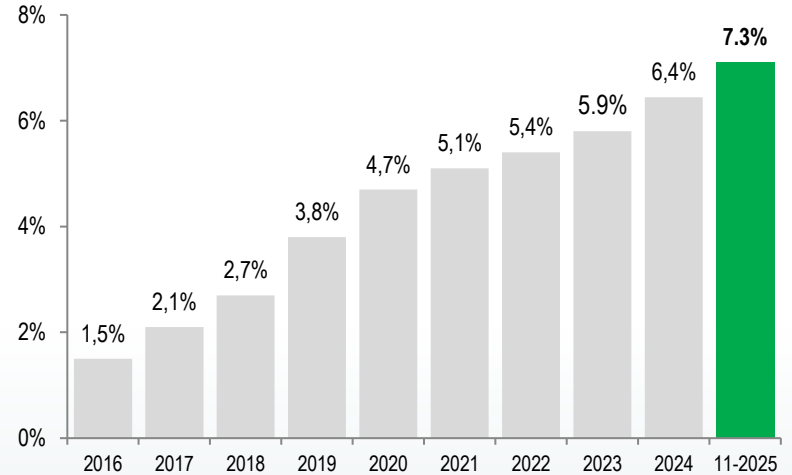
Continually increasing dividend payout policy



Over €1,350m allocated for dividends in past 10y

## Treasury shares

Repurchasing treasury shares whenever possible



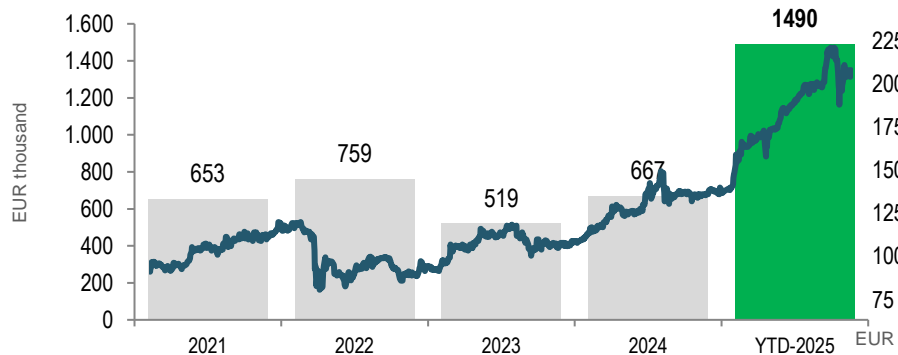
Over €55m allocated for treasury shares in 2025

# Share Information and Shareholder Structure

Stable shareholder structure (KRKG SV)

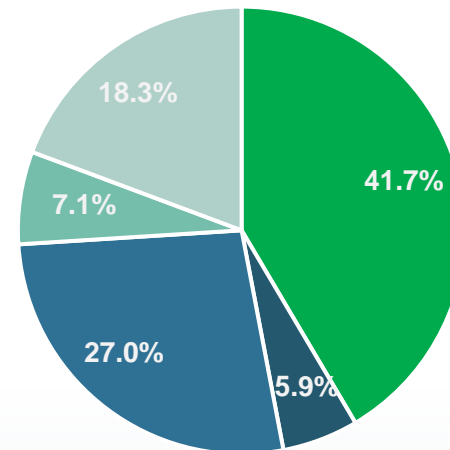


Average daily turnover and stock price YTD



- ✓ Market capitalization YTD\*: EUR 6.3 billion
- ✓ P/E: 16.88
- ✓ No. of shareholders: 47.5 thousand
- ✓ Shares issued: 32,793,448
- ✓ Treasury shares: 2,402,992
- ✓ Market maker in place since FEB 2019

Shareholder structure as of 30 September 2025



- Individual Slovenian investors
- Slovenian institutional investors
- State ownership (in)direct
- Treasury shares
- International investors



# 2025 Estimate and 2026 Guidance

Guidance in line with strategic goals



## 2025 Estimate

Sales: EUR 2,020 million

Net Income: EUR 383 million



CAPEX 2025: EUR 95 million

CAPEX 2026: EUR 140 million

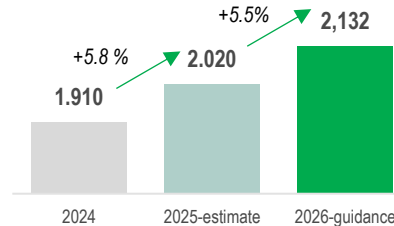
## 2026 Guidance

Sales: EUR 2,132 million

Net Income: EUR 405 million

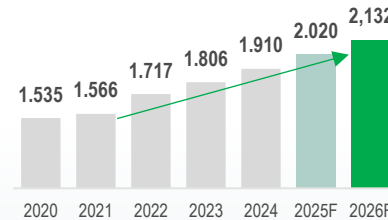
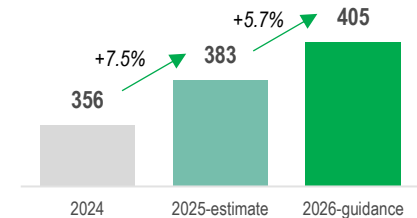
### Sales

(EUR million)

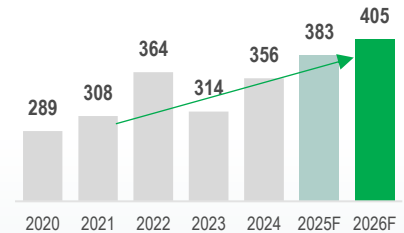


### Net income

(EUR million)



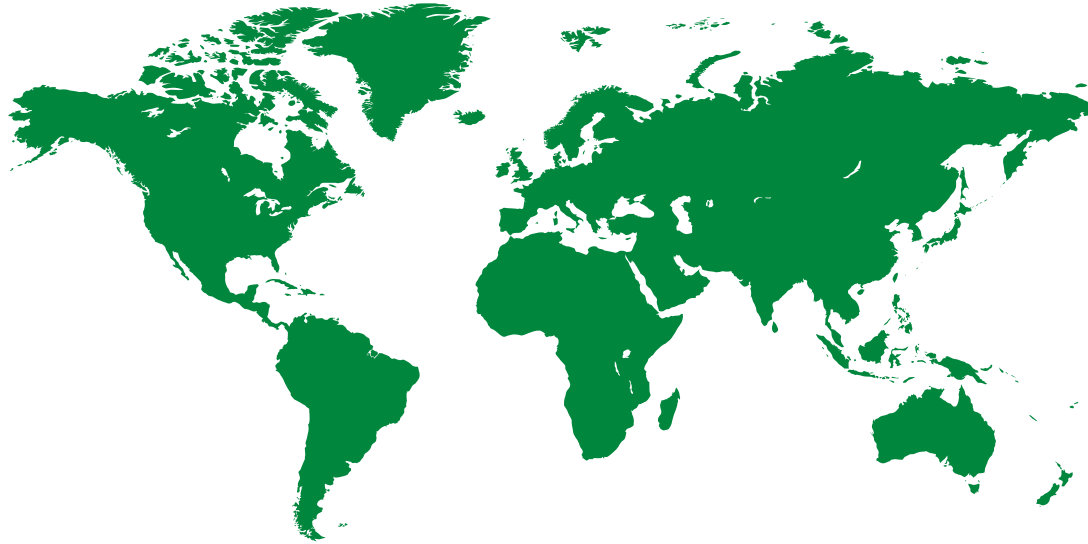
5Y SALES CAGR to 2026 of 6.3%



5Y NI CAGR to 2026 of 5.6%

Average EBITDA margin of at least 25%

**Where Access and Agility Lead...**



**...Value Follows**

# KRKA GROUP DEVELOPMENT STRATEGY

2026-2030

# Krka Group Development Strategy 2026-2030

## Strategic guidelines



Generic pharmaceutical market has entered a new mature phase — **the ability to ensure adequate product quantities is becoming an increasingly important competitive advantage** — no longer just the focus on new products and patent expirations → **yet development of new products remains important**

Global markets are experiencing **shortages of important products**, due to supply chain issues, also linked to strict product compliance checks, quality and other regulatory requirements

**Chronic diseases**, which affect a broad population, are often the result of modern lifestyles and demographic trends such as **population aging and increased life expectancy**



**Tailwind for further growth**



**Maintaining the existing product portfolio in terms of regulatory compliance and lifecycle development is more important today than ever before**

**Krka is strongly present in products for treatment of chronic diseases**, especially CVS, CNS and gastro, in pain relief, antidiabetics and oncology

**We continue to focus on conventional drugs, but also develop many complex drugs: SPCs, new formulations, strengths, delivery systems, peptides**

As a generic drug manufacturer, we play an important role in **ensuring sufficient quantities and timely delivery of high-quality essential medicines for wide population**

# Krka Group Development Strategy 2026-2030

*Amplifying our strategic foundation built on three strategic pillars*



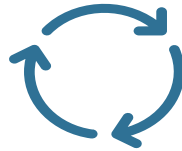
## PROVIDING ACCESS TO MEDICINES



### We supply!

Providing uninterrupted and sufficient supply of high-quality, safe, effective, and innovative generic medicines at affordable prices

## VERTICAL INTEGRATION



### We leverage!

Ensuring sufficient quantities of products, by leveraging the advantages of an efficient vertically integrated business model

## VALUE CREATION



### We create!

Positive impacts of our operations reaching all stakeholders, and contribute to achieving strong business performance

# Krka Group Development Strategy 2026-2030

Ensure uninterrupted supply of sufficient quantities of high-quality, safe, and effective medicines to more than 100 million users across over 70 markets and 6 regions

Ensure the sufficient quantities of products, and further strategically strengthen our product portfolio → continuous R&D for new products and product life-cycle








Ensure that the positive impacts of our operations reach all stakeholders, and contribute to achieving strong business results

Efficient utilization of our own strong marketing and sales network → organic volume and value sales growth

Increasing the efficiency, and leveraging the advantages of **vertically integrated business model** → competitive products


Maintaining operating profitability, capital allocation, financial and business risk mitigation and **stakeholder value creation**

Key therapeutic areas:

- CVS 
- CNS 
- alimentary tract, diabetes  
- pain relief 
- OTC 
- veterinary products 
- obesity 

MORE THAN  
**150**  
SPC

To strengthen the key elements of vertical integration, ensure adequate production capacities, and to increase process efficiency, **strategic investments** are crucial—both in the **expansion of manufacturing and R&D capacities** and in **modern tech equipment**. Increasingly important are **long-term strategic partnerships and JV** → progressively integrated into our business model


Focus on goals and activities, aimed at **generating long-term value for Krka's most important stakeholders**, which include not only medicine users but also investors, employees,  and the broader community

*“Living a Healthy Life”*

# Krka Group Development Strategy 2026-2030



Summary: key strategic objectives

To achieve 

<b>≥ 5%</b>	Average annual sales growth	<b>10%</b>	Annual sales revenue allocated to R&D	<b>&gt; 25%</b>	Average EBITDA margin
<b>Top 5</b>	Strengthen our position among the top 5 generic companies in all traditional markets	<b>€150m</b>	Average annual CAPEX allocated to expansion of manufacturing and R&D capacities	<b>≥ 50%</b>	Net profit of majority shareholders allocated to dividend payouts

Supported by

Effective in-house marketing and sales network  
Competitive product offering – chronic diseases  
Optimal product distribution and undisturbed supply  
Organic growth and targeted acquisitions  
Strengthening of Krka's brand reputation

Development and production of API and FDF  
Effective supply chain and sufficient FDF volume  
High standards of quality assurance and control  
Efficient regulatory procedures and product life-cycle  
Strategic investments and partnerships, incl. JVs

Long-term profitability  
Long-term stable dividend policy  
Employee potential development and management  
Safe and healthy working environment  
Sustainable business practices



**PROVIDING  
ACCESS TO MEDICINES**



**VERTICAL INTEGRATION**



**VALUE CREATION**

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*Living a healthy life.*