Living a healthy life.
Committed to the future

Krka is one of the leading international generic pharmaceutical companies. We have been consolidating our global position with investments enabling progress, many research projects and stable sales growth, as well as by achieving good results in our existing markets and entering new ones.

Our developmental strength is the result of clear strategies, development strategies and dedication to our common values: speed and flexibility, partnership and trust, creativity and efficiency. Numerous new products, investments and the knowledge of our employees around the world are the foundation on which we will continue to create added value in the future.

The results which we are achieving today will be important for the realisation of new plans. We would like to achieve even better results and help create a more pleasant and safer life in the environment in which we live. We set high standards in all areas of our work and business operations. This is also one of the reasons Krka is a successful Slovenian company offering products of European quality with which we can successfully compete in the global pharmaceutical market.

The respect of our partners and trust of our end-users commit us to continuing success in development, production and sales. So that people can live a healthy life.
WE ARE ONE OF THE LEADING GENERIC PHARMACEUTICAL COMPANIES WORLDWIDE
Our beginnings reach back to 1954, when Boris Andrijanič established the Krka pharmaceutical laboratory in Novo mesto. At first, only nine people worked in two small laboratories, production and packaging facilities equipped with a tablet press and a machine for mixing medicines.

Stable sales growth, investments, many research projects and the good results achieved under the leadership of the President of the Management Board and Chief Executive Miloš Kovačič contributed to the company becoming the largest public limited company in Slovenia.

In addition to the parent company, Krka, d. d., Novo mesto, the Krka Group comprises other subsidiaries in Slovenia and abroad with over 40 companies and representative offices.

Krka’s main activities are the development, production, marketing and sale of prescription products, non-prescription products and animal health products, as well as Terme Krka health resort and tourist services.

Today, Krka is internationally renowned and ranks among the 10 largest generic pharmaceutical companies worldwide.
A pharmaceutical laboratory named after the River Krka was established.

*The first medicines acquired marketing authorisations.*

**1962**

*We began selling our products in foreign markets.*

1964

*We expanded marketing and sales network abroad and built new productive plants.*

1980s

*Krka shares were quoted on the Ljubljana Stock Exchange.*

1990

*With the acquisition of the German company TAD Pharma, our marketing and sales network was expanded to Western European markets.*

1997

*Today Krka is one of the world’s leading generic pharmaceutical companies.*

2001

*From a small laboratory to the world*

Over 60 years, Krka has developed into an international company employing more than 10,000 people.

Living a healthy life.
We develop generic medicines with added value

Our generic medicines are based on:

- our own, innovative synthesis procedures,
- our own, innovative pharmaceutical forms and technologies,
- extensive studies, which ensure quality, safety and efficacy.

What are generic medicines?

- They contain the same active substances as the original medicines.
- They equal the originators’ medicines in quality, safety and efficacy.
Half of all the Krka Group’s employees work outside Slovenia.

Our products are available in over 70 countries.

Over 90% of products are sold outside Slovenia.

10 million patients are treated with Krka’s medicines for the treatment of cardiovascular diseases every day.

Living a healthy life.
Key strategic objectives up to 2016

- Average annual sales growth of at least 6%.
- In addition to organic growth, expand through mergers and acquisitions and long-term partnerships.
- Have new products account for at least one third of total sales.
- Strengthen the competitive advantage of the product portfolio by maintaining vertical product integration and launching selected products as the first generic pharmaceuticals in selected key markets.
- Increase the cost efficiency of products.
- Improve asset efficiency.
- Strengthen innovation in all business functions.
- Maintain independence.

Mission
Living a healthy life.

Our main aim is to enable people to live a healthy and high-quality life.

Vision

We are continually consolidating our position as one of the leading generic pharmaceutical companies worldwide.
This is accomplished independently by strengthening long-term business connections and partnerships in the field of development, product supply and marketing.

Values
speed and flexibility
partnership and trust
creativity and efficiency
WE MARKET OUR OWN BRANDS

Living a healthy life.
The Krka Group sells over 1 billion euros worth of products and services every year.

We manufacture prescription pharmaceuticals, non-prescription products and animal health products, which are marketed under our own brand names. Our range of operations is further complemented by the health resort and tourist services of Terme Krka.

Our core products are prescription pharmaceuticals, which account for over 80% of Krka’s sales.
The most significant therapeutic groups of prescription pharmaceuticals are medicines for treating cardiovascular diseases, gastrointestinal and metabolic diseases and medicines for the treatment of diseases of the central nervous system.

Medicines and products are produced in various pharmaceutical forms: tablets, capsules, powders, syrups, ampoules, ointments etc. We develop and acquire marketing authorisations for new pharmaceutical forms of medicines, which are more suitable for use and offer new ways of administration.

Krka medicines and products can treat and prevent the majority of the most prevalent illnesses.

The leading prescription pharmaceuticals are: Atoris (atorvastatin), Enap (enalapril), Lontaro/Lavista (losartan), Prenessa/Perineva (perindorpil), Nolpaza (pantoprazole), Zylit/Kardogrel (clopidogrel), Emanera/Emozul (esomeprazole), Zalasta/Zolrix (olanzapine), Lanzul/Lansoptol (lansoprazole), Valsacor (valsartan), Vasilip (simvastatin) and Fromilid (clarithromycin).

Our leading non-prescription products are Bilobil, Septolete, Herbion and Pikovit.

The most significant therapeutic groups of non-prescription products are vitamins and minerals, products for improving cerebral and peripheral circulation, products for cold and cough relief, and products for the oral cavity, throat, alimentary tract and metabolism.
90% of the Krka Group’s total sales are generated in markets outside Slovenia.

Krka is the leader in the local market and is also widely present in the generic pharmaceutical markets of South-East, Central and Eastern Europe. During the last few years, we have been increasing our sales in Western European markets.

The most important therapeutic groups of animal health products are general systemic anti-infectives and antiparasitics for food-producing and companion animals.

Our leading animal health products are Enroclav, Florfenicol* and Fiprotil.

* Krka does not manufacture, offer for sale, or sell Florfenicol manufactured following the process protected under the patent EP 922 040 in countries in which this patent is valid.
VERTICAL INTEGRATION ENABLES CONTROL OF THE ENTIRE PROCESS FROM DEVELOPING RAW MATERIALS TO PRODUCING FINISHED PRODUCTS.
The quality, safety and efficacy of Krka’s products make them among the best in the world.

Quality is an ongoing priority in:

- the research and development process,
- pre-clinical and clinical testing,
- production, quality assurance and quality control,
- warehousing and distribution,
- sales and marketing.

Our competitive advantage is a vertically integrated business model, which enables planning and control of the entire process from customer demands, research and development, raw material production, purchasing, production, warehousing, control, quality assurance, and distribution to marketing and monitoring customer satisfaction.

Our generic medicines are based on our own innovative synthesis procedures. The quality of our products is further underlined by modern and attractive packaging.

Medicines are developed from the active substance to the finished product, for which we acquire marketing authorisations for various countries. The results of our research work are protected by patent applications, which ensures that the market exclusivity of our generic medicines in almost any pharmaceutical form for a variety of conditions according to our own procedures. We control technologies for the preparation of solid, semi-solid and liquid pharmaceutical forms.

Vertically integrated services include:

- the research and development process,
- pre-clinical and clinical testing,
- production, quality assurance and quality control,
- warehousing and distribution,
- sales and marketing.

Our products are manufactured in modern, technologically advanced production plants. The quality of our products is further underlined by modern and attractive packaging.

Our general medicines are based on our own innovative synthesis procedures.

The quality of Krka’s products among the best in the world.
Modern pharmaceutical production

Krka has production and distribution sites in Slovenia, the Russian Federation, Germany, Poland and Croatia.

In designing modern production plants, we follow good manufacturing practice procedures, as well as safety and ecological standards, and equip buildings with materials of the highest quality and cutting-edge technology.

Our production plants manufacture over 10 billion tablets and capsules a year, which are prescribed to patients from Lisbon to Vladivostok.
Integrated management and quality system

We are committed to the quality, safety and efficacy of our products and services, so our manufacturing procedures, quality control and quality assurance comply with the guidelines of good manufacturing practice.

In addition to good manufacturing practice and other good practices, the integrated management system comprises standards which cover the following areas:

- quality, which is defined by good manufacturing practice, other good practices and the implementation of the ISO 9001 standard;
- care for the environment, which is at the core of the Krka system, with the implementation of the ISO 14001 standard;
- health and safety at work, which is defined by the BS OHSAS 18001 standard;
- food safety as defined by HACCP;
- information protection system, which is certified in accordance with ISO/IEC 27001;
- business continuity management system defined by BS 25999.

Inspections carried out by regulatory bodies, internal audits and audits by our partners monitor the integrated management system.

The integrated management system defines our attitude to quality, the environment, health and safety at work, food safety and information protection. Good business results prove that the system is effective and successful.
Krka’s medicines are the result of our own knowledge and experience

Over 500 professionals are employed in R&D; they are responsible for the development of new products and technologies and for conducting research as the basis of development and obtaining marketing authorisation. Research and development are enabled by sound investments in knowledge, modern equipment and new laboratories. In 15 years, we have renovated and upgraded the entire research and development infrastructure and optimised development capabilities. Our trained team ensures the development of the most technically challenging projects. Here, continuous education is essential, as the life-cycle of technologies is becoming increasingly shorter. Effective research and development and the launch of new products have a significant effect on competitiveness, so we will continue to invest in research and development. We are currently working on 100 new projects which are starting points for new products.

9% of sales revenue is invested in research and development, which ranks Krka among the leading 250 companies in Europe irrespective of industry.

Krka invests more in research and development than the average in Slovenia and the European Union.

Literature:
At Krka, knowledge is value

The knowledge, experience and motivation of every employee are essential factors in company growth. The employees of the Krka Group are highly qualified, as more than half have at least university level qualifications.

We offer scholarships for young people studying science and engineering, particularly pharmacists and chemists.

On average, every Krka employee attends 50 hours of professional development a year.

Krka Prizes

Krka Prizes have been encouraging research and professional development for over 40 years. There have been over 2,300 winners of Krka Prizes with research projects in sciences and technologies connected to the pharmaceutical industry.
WE ARE SOCIALLY RESPONSIBLE
Our strategy is based on the principles of sustainable development

Social responsibility is one of Krka’s main guidelines. The company’s progress has always been related to the advancement of a broader social community. Since we are a socially responsible company, our main mission of Living a healthy life is reflected in several areas.

Krka has been named an energy efficient company twice, as we are aware of the significance of efficient and cost-effective energy management. In 2010, we built the first photovoltaic (solar) power plant and bought an electric delivery vehicle. An electric vehicle charging station is located in front of Krka Headquarters.
Environmental Protection

At Krka, responsible treatment of the environment in everything we do is one of the key strategies.

Krka’s environmental policy is based on the ISO 14001 international standard, which involves all areas of environmental protection: reducing emissions into the environment (water, waste, soil, air, noise, light pollution), use of natural resources, energy efficiency, identifying incidents and their management, and public relations. In April 2010, the Integrated Pollution Prevention and Control (IPPC) was acquired from the Slovenian Environment Agency, which is the most important national licence for the operation of equipment in the area of environmental protection.

4 to 5 million euros are spent on environmental protection each year with 1 to 2 million spent on investments.
Communication

At Krka, we care about responsible and ethical communication, focusing on employees, the professional public, business partners, buyers and end consumers, investors and other members of the public important to Krka.

We regularly inform the professional public – doctors, veterinarians and pharmacists – on medications and other products. We support and organise professional meetings and educational events and prepare various professional materials. Special attention is paid to educating patients, which is why we publish the booklets V skrbi za vaše zdravje (‘Taking Care of Your Health’) and Nasveti za samozdravljenje (‘Advice on Self-Medication’), the magazine V skrbi za vaše zdravje (‘Taking Care of Your Health’) and other publications. Information on illnesses, treatments, medicines and other current news is also available online.

We have an open relationship with the local and broader community – we organise meetings with the local communities, invite recipients of Krka sponsorships, organise open days and welcome visits from different groups.

We communicate with the external public through the web pages www.krka.si and press releases. We also organise press conferences and various events. We communicate with our investors through a publication called Utrpj prihodnosti and the web portal of the Ljubljana Stock Exchange (SEO – net).
Sponsorship and grants

In line with our mission, Living a healthy life, we support projects and activities which contribute to the development of the social environment by means of sponsorship and grants.

Most of the funds are allocated to not-for-profit activities in local and national communities, but we also support projects outside Slovenia. We give priority to long-term projects that can contribute to improving the lives of as many people as possible. We support those whose actions contribute to protecting the natural environment.

The largest share of sponsorship and grants is used for health and sports, followed by science, education, humanitarian actions and culture.
Living a healthy life.
Terme Krka is the market leader among providers of health-resort services in Slovenia

Terme Krka is a Krka subsidiary. The company comprises the spa health resorts in Dolenjske and Šmarješke Toplice, the Talaso Strunjan coastal centre, Otočec Hotels - with one of the most famous Slovenian castles with a diverse golf course - and the business hotel Krka Hotel in Novo mesto.

Terme Krka prides itself on a long health-resort tradition. Our core business activity is medical rehabilitation. At our thermal spas in Dolenjske and Šmarješke Toplice and Strunjan, we offer professional rehabilitation after severe injuries and diseases of the motor system, cardiovascular and pulmonary diseases. All three resorts have modern diagnostic centres with several specialist clinics.

Our extensive medical knowledge is applied in prevention programmes. Terme Krka was the first spa in Slovenia to offer guests medically based relaxation programmes. Detoxification and healthy weight loss programmes with an individual approach, personal trainers, nutritionists and doctors ensure excellent results.
Living a healthy life.