

Amendments to the Articles of Association of KRKA, tovarna zdravil, d. d., Novo mesto,
– proposed resolution for 12th Annual General Meeting in 2007

1.

Item 3.2. shall be amended with a new paragraph, reading:

“The basic objective of the company is to perform profitable activities to maximise the value of the company and to achieve profit and operate to the benefit of the company, employees, shareholders, and the community.”

2.

Item 4.1. shall be deleted and replaced by a new text, reading:

“The share capital of the company shall amount to € 59,126,194.28 and shall be divided into 35,426,120 ordinary no-par value bearer shares. Each share shall represent a proportionally equal value of equity.

No par-value shares are shares that give their bearer:

- the right to participate in governance of the company;
- the right to participate in the profit (dividend);
- the right to a corresponding part of the assets remaining following the company’s liquidation or bankruptcy.

Each share shall entitle the holder to one vote.”

3.

The text of Item 6.3. shall be deleted and replaced by a new text, reading:

“The Management Board of the company shall comprise four members and a worker director.

One of the four members shall be both the President of the Management Board and the Chief Executive.

The term-in-office for members of the Management Board shall be six years, with the possibility of re-appointment.”

4.

In Item 6.10., the number 5.9. shall be replaced by the number 6.9.

5.

The first paragraph of Item 6.11. shall be amended to read:

“Members of the Supervisory Board shall be appointed for a period of five years and may be re-appointed.”

6.

In Item 6.16. the first and second paragraphs shall be deleted and replaced by two new paragraphs, reading:

“Members of the Supervisory Board shall be entitled to payment for performing their work on the Supervisory Board and to a directors’ fee. The value of payment and directors’ fees shall be determined by the General Meeting. Furthermore, members shall also be entitled to reimbursement of travel expenses and other reasonable expenses for attending and participating in a meeting.

Pursuant to a General Meeting resolution, the remuneration for the work of members of the Supervisory Board may also be defined as participation in the accumulated profit, however, only in the case that the conditions laid down by these Articles of Association for participation in the accumulated profit have been fulfilled.”

Jože Colarič
President of the Management Board