

According to Item 6.20. of the *Articles of Association* of Krka, tovarna zdravil, d. d., Novo mesto, Šmarješka cesta 6, Novo mesto, the Management Board of the Company convenes

The 22nd Annual General Meeting of Krka, tovarna zdravil, d. d., Novo mesto

**On Thursday, 7 July 2016 at 1:00 p.m.
at Hotel Šport in Otočec.**

The Annual General Meeting (AGM) shall be attended by notary public, Andrej Tiran, from Novo mesto.

The agenda and proposed resolutions

1. Opening of the AGM and election of working bodies

Proposed resolution

1.1 The attorney Stojan Zdolšek shall be appointed as the Chair of the AGM, and *IXTLAN FORUM, d. o. o., Ljubljana* as the vote enumerator.

2. Presentation of the 2015 Annual Report prepared by the Management Board, including the information on remuneration of the Management and Supervisory Board members, the Auditor's Report, and the Supervisory Board's report on its verification and approval of the 2015 Annual Report, adoption of the resolution on the allocation of the 2015 accumulated profit and the discharge of liability for the Management and Supervisory Boards for 2015.

Proposed resolutions

2.1 The AGM shall be informed about the Management Board's Annual Report for the 2015 financial year, including the remuneration of Management and Supervisory Board members, the auditor's report, and the report of the Supervisory Board on its verification and approval of the 2015 Annual Report.

2.2 The accumulated profit for 2015 in the amount of €186,908,421.49 shall be allocated as follows:

€85,932,525.20	for dividends (€2.65 gross per share);
€50,487,948.14	for other profit reserves;
€50,487,948.15	for retained earnings.

The pay-out of dividends shall commence within sixty (60) days after the AGM has been concluded. The shareholder records in the share register at *KDD – Centralna klirinško depotna družba* (Central Securities Clearing Corporation), d. d., Ljubljana, as at 12 July 2016 shall apply for the dividend pay-out.

2.3 The AGM approves and gives its consent to the work of the Management Board for the 2015 financial year and discharges it from liability for performance of its duties.

2.4 The AGM approves and gives its consent to the work of the Supervisory Board for the 2015 financial year and discharges it from liability for performance of its duties.

3. Information to the AGM about the resignation of Matej Pirc as a member and President of the Supervisory Board and the election of a Supervisory Board member, shareholder representative

Proposed resolutions

3.1 The AGM is informed that as at 7 July 2016, Matej Pirc's term as a Supervisory Board member and as the President of the Supervisory Board of Krka, d. d., Novo mesto ceases due to resignation.

3.2 Dr. Boris Žnidarič is elected as a member of the Supervisory Board of the Company, shareholder representative. His term begins on the date of election by the AGM and lasts until and including 19 August 2020.

4. Proposed amendments to the Articles of the Association

Proposed resolution

4.1 The proposed amendments to the Articles of the Association are accepted and enter into force on the date of the entry into the court register.

5. The appointment of the auditor for the year 2016

Proposed resolution

5.1 Ernst & Young revizija, poslovno svetovanje, d. o. o., Ljubljana, Dunajska cesta 111, 1000 Ljubljana is appointed as the auditor for the business year 2016.

Materials for the AGM

The complete materials for the AGM are available to shareholders for review at the Company's registered office address (Šmarješka cesta 6, Novo mesto) each business day from 10 a.m. to 1 p.m. from the day of the AGM notice publication in the Delo newspaper, the Ljubljana Stock Exchange electronic information system <http://seonet.ljse.si> and on the Company's web site www.krka.si until the AGM assembly.

The AGM notice and complete materials with the AGM agenda and proposed resolutions has been also published on the Company's web site www.krka.si.

Amendment of the agenda

Shareholders representing jointly at least five percent (5%) of total share capital may send, within seven (7) days after the publication of the AGM notice, a written request for an additional item to be added to the agenda. The written proposed resolution, to be decided by the AGM, or if the AGM is not deciding on the resolution, the written explanation of the agenda must be enclosed to the request. According to Paragraph 3 of Article 298 of the Companies Act (ZGD-1), the Management Board will publish those additional agenda items that will be sent by the shareholders at the latest within seven days after the publication of this convocation notice. The shareholders may send requests for additional agenda items to the Company by telefax number +386 7 332 15 37.

Shareholders' proposals

The shareholders may give proposals regarding each agenda item in written form according to Paragraph 1 of Article 300 and Article 301 of the Companies Act. The Management Board will publish shareholders' proposals in the same way as the AGM convocation notice, if the proposals meet the following criteria:

- proposals must be sent to the Company within seven days after the AGM notice;
- proposals have to be reasonably justified;
- proposals for which the proposing shareholder states that the shareholder intends to object to the Management Board or Supervisory Board proposal and solicit other shareholders to vote for the counterproposal.

Irrespective of the above stated, a shareholder is not required to justify the voting proposal according to Article 301 of the Companies Act.

The shareholder's proposal is published and communicated according to Article 296 of the Companies Act, if the shareholder sends its reasonably justified proposal to the Company within seven days after the AGM notice. Shareholders may send their proposals of resolutions and voting proposals by telefax number +386 7 332 15 37.

The right to be informed

Any Shareholder may use its right to be informed at the AGM according to Paragraph 1 of Article 305 of the Companies Act.

Comprehensive information on shareholders' rights based on Paragraph 1 of Article 298, Paragraph 1 of Article 300, Articles 301 and 305 of the Companies Act are available on the Company's web site www.krka.si.

Conditions for the participation and voting on the AGM

The right to attend the AGM and vote applies to shareholders that are recorded as share owners in the securities central register at *KDD – Centralna klirinško depotna družba, d. d.*, at the end of the fourth day before the AGM.

Shareholder or its proxy can attend the AGM and use its voting rights at the AGM under the condition that the attendance is announced in writing to the Management Board at the Company's registered office by the end of the fourth day before the AGM at the latest, so that shareholder's attendance application arrives to the Company's registered office until and including 3 July 2016.


The proxy statement must be in written format and must include general information of the shareholder (name, surname, personal ID or company's legal name, registered office, company ID and scope of the representation), its representative and the signature of the shareholder.

The proxy statement form for the use of the voting rights is available on the Company's web site www.krka.si.

Other notices

The AGM participants are asked to arrive to the venue half an hour before the AGM starts for drafting the attendance register and collection of the voting devices.

Novo mesto, 18 May 2016

A handwritten signature in blue ink, consisting of a large, sweeping loop followed by a horizontal line that tapers off to the right.

Jože Colarič
President of the Management Board and Chief
Executive

Information to shareholders

The AGM is convened by the Company's Management Board. The Management Board is the proposer of the resolution under Item 1. The Management and Supervisory Boards are joint proposers of resolutions under Item 2 and 4. The Supervisory Board is the proposer of the resolutions under Item 3 and 5.

Information on Krka, d. d., Novo mesto as at 16 May 2016

Total number of shares issued: 32,793,448

Total number of shares carrying the voting right: 32,427,368

Total number of treasury shares: 366,080

Major shareholders (exclusive of treasury shares)

	Shareholder	No. of Shares
1.	SLOVENSKI DRŽAVNI HOLDING D. D.	5,312,070
2.	KAPITALSKA DRUŽBA D. D.	3,493,030
3.	SOCIETE GENERALE – SPLITSKA BANKA D. D.	2,148,687
4.	HYPO ALPE- ADRIA-BANK D. D.	1,168,643
5.	KDPW	503,465

Krka, d. d., Novo mesto

Fax +386 7 332 15 37

www.krka.si

Novo mesto, 18 May 2016

Krka, d. d., Novo mesto