



Explanation of Proposed Resolutions

To be adopted at the 17th Annual General Meeting of shareholders of KRKA, d. d., Novo mesto
on 5 July 2012

The Management and Supervisory Boards discussed the materials for the Annual General Meeting at several meetings until 30 May 2012, and prepared the draft agenda and resolutions to be adopted as follows:

Add 1)

According to the Rules of Procedure for General Meetings, the Chair of the General Meeting is elected for each session separately. The company Ixtlan Forum, d. o. o., Ljubljana is proposed as the vote enumerator based on its good references. This company successfully performed the voting and vote enumerating procedures at Krka's General Meetings in the past.

Add 2)

The Supervisory Board verified the Annual Report of Krka, d. d., and of Krka Group for 2011, had no comments or reservations in that regard, and approved the Annual Report unanimously. By this approval the Annual Report of Krka, d. d. and the Krka Group for 2011 was adopted. The Supervisory Board also discussed the Auditor's Report and the work of the Certified Auditor. The Supervisory Board expressed no comments concerning Certified Auditor's work and the performed audit.

The Management Board prepared a proposal for the allocation of the accumulated profit in total of EUR 172,712,532.70. The Supervisory Board adopted the motion, and the Management and Supervisory Boards jointly propose to the Annual General Meeting of the company to pass the resolution on the allocation of accumulated profit. In addition to this, both Boards propose that the Annual General Meeting discharges the Management Board of Krka, d. d., and the Supervisory Board of Krka, d. d., Novo mesto from their liabilities.

Add 3)

Also in 2012, the business performance of Krka, d. d. Novo mesto shall be examined by the certified auditor, who shall prepare a report on the examination and audit of the financial statements and business report. The Supervisory Board proposes that Ernst & Young Revizija, poslovno svetovanje, d. o. o., Ljubljana, Dunajska cesta 111, 1000 Ljubljana, is appointed as the auditor for 2012.

Novo mesto, 30 May 2012

Jože Colarič
President of the Management Board and
Chief Executive

Jože Lenič MSc
President of the Supervisory Board