



Ilirija d.d.
BIOGRAD NA MORU

Tel: Centrala ++385 23 383 165; Fax: ++385 23 384 564; Prodaja: ++385 23 383 556; sales@ilirijabiograd.com; www.ilirijabiograd.com

In Biograd na Moru, 20 January 2022

HANFA
MIRAMARSKA 24B
10 000 ZAGREB

Zagrebačka burza d.d.
Ivana Lučića 2a
10 000 Zagreb

HINA
Marulićev trg 16
10 000 Zagreb

COMPANY WEBSITE

ISIN:HRILRARA0009; **SECURITY:** ILRA-R-A
LEI: 74780000V0GH8Q3K5K76; **HOME MEMBER STATE:** Croatia
QUOTATION: Official market of the Zagreb Stock Exchange

Subject: Legal Dispute; statement with regard to the newspaper headline – 19 January 2022

To Whom It May Concern,

the online issue of the Slobodna Dalmacija and Jutarnji list newspapers of 19 January 2022 published an article entitled “Leading Dalmatian hotel company “snatches” seafront public land worth EUR 25 million! Main document destroyed in court?!”.

For the purpose of providing complete and accurate information to the public and enabling an objective assessment, Ilirija d.d. would like to use this opportunity to respond to the “sensationalist” claims made in the article. First of all, it points out that the real property in question, namely the “Ilirija Tennis Centre” in Biograd na Moru, with a surface area of 48,705 m², has been held and used by the company for 35 years, while it has been owned by the company for more than 25 years following a legally performed conversion process. The subject real property in the form of an undeveloped construction land was allocated for use to the predecessor of Ilirija d.d. By the Assembly of the Municipality of Biograd na Moru in 1988, which since 1990 has built 20 tennis courts with changing rooms and a restaurant facility, auxiliary roads, parking spaces and complete infrastructure on that land. The land, together with tennis courts and auxiliary facilities, has been appraised, contributed to the company share capital in the conversion process, and Ilirija d.d. acquired ownership thereof by virtue of the transformation and in accordance with the Act on Ownership and Other Real Rights.

In the process of transforming the land registry for the cadastral municipality Biograd na Moru in 2006, the entry in the previous land registry was changed for reasons unknown to us and ½ of the co-ownership share of Ilirija d.d. was removed, and the Town of Biograd na Moru was for the first time entered as the co-owner of the subject share. Consequently, Ilirija d.d. initiated civil proceedings for the establishment of the right of ownership and, under the 2012 ruling of the Commercial Court in Zadar, which



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was upheld by the 2016 ruling of the High Commercial Court of the Republic of Croatia, Ilirija was established as the owner of the entire real property Ilirija Tennis Centre.

Under the decision of the Supreme Court of the Republic of Croatia following the revision initiated by the Town of Biograd na Moru, with which we were made aware of on 18 January 2022, first-instance and second-instance rulings were set aside and the case was remanded for a retrial, during which it shall be determined whether amenities have been constructed, i.e. "more comprehensive works" have been performed on the subject real property – which is indisputably the case in our opinion. In further proceedings Ilirija d.d. will continue to assert its right of ownership over the real property, which represents an equipped complex of tennis courts with auxiliary facilities that has been in the possession and ownership of Ilirija d.d. for over 30 years.

ILIRIJA d.d.

Uprava: Goran Ražnjević

ILIRIJA dioničko društvo
za ugostiteljstvo i turizam
Biograd na Moru 2