

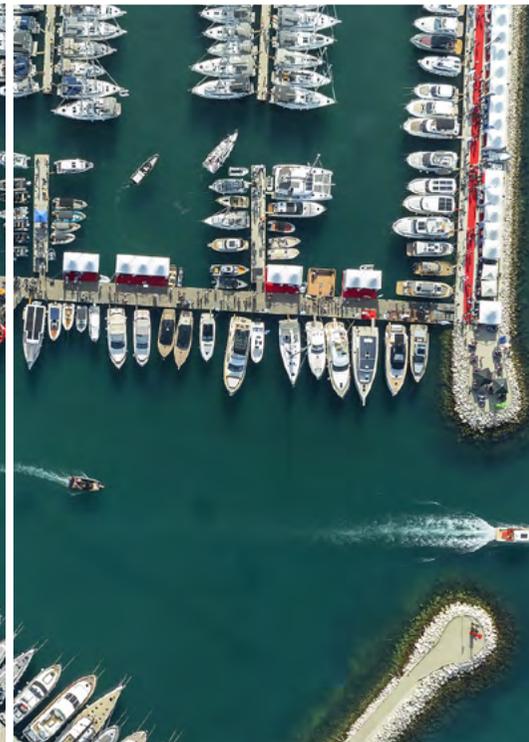
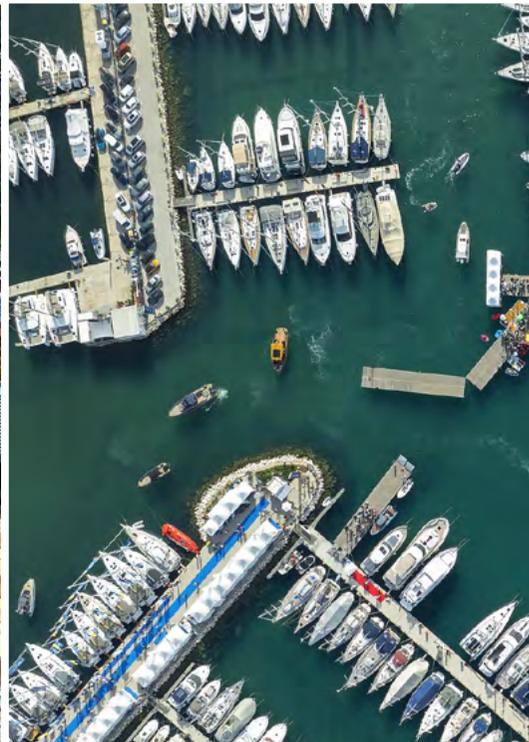


 *Ilinija d.d.*

# ANNUAL REPORT FOR THE YEAR 2025

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Biograd na Moru, February 2026



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## INTRODUCTION BY THE PRESIDENT OF THE MANAGEMENT BOARD



Goran Ražnjević, President of the Management Board

Dear shareholders,

**in 2025, we maintained the continued business growth from previous years, and had another successful business year at the level of the Company and all its sectors, particularly in terms of total and operating revenue, which in absolute amounts were the highest to date. At the Company level, there was an increase in all operating profitability indicators, while at the same time its balance sheet and capital position was strengthened by reducing total liabilities and net debt, which for the first time does not exist on an annual basis, i.e. net financial assets were realised. In a business year characterised by numerous macroeconomic and geopolitical challenges and instabilities at the global level, which significantly affected the national economy, especially reflecting on the competitiveness of Croatian tourism at the international level, the Company considers the operating results achieved in such market circumstances, in which the financial position was strengthened, service and amenities improved and year-round business activity strengthened, to be successful.**

All sectors achieved growth in operating revenue, the best to date across all sectors. The increased revenue

was the result of the growth in business activities, largely due to the increased demand in the Company's tourism sectors, primarily in the camping, hotel and DMC Ilirija Travel sectors, whose operations were marked by the growth in key physical and market indicators as a result of the increase in demand in the pre-season and post-season, followed by the growth in tourist traffic in the high season as well. Furthermore, the camping sector had its best business year to date in terms of physical, financial and profitability indicators, with strong operating results, especially in terms of revenue and profitability, which recorded double-digit growth rates, generating revenue and profitability growth at the level of the entire Company. Revenue of the hotel sector and DMC Ilirija Travel increased at a rate of 8%, with a strong year-round business activity, while the nautical sector recorded a 7% increase in revenue, and the real-estate sector at a rate of 6%.

Revenue increase both at the Company level and across all its sectors led to a growth in operating profitability, with all indicators higher compared to 2024, while individual profitability indicators (operating profit, profit, EBITDA and EBIT) were the best to date on an annual basis. Given that total expenses grew at a rate slightly higher than the growth rate of total revenue,

an appropriate level of operating profitability was recorded across all its indicators. Taking into account the operating conditions, particularly the general increase in labour costs in the Republic of Croatia, continued strong inflation and the strengthened position of tourist destinations in the Mediterranean, all of which significantly reflected on the competitiveness of tourist destinations in Croatia, especially in the high season, making the achieved level of profitability of the Company even more significant.

In the reporting period, we successfully continued to reduce liabilities, both in terms of total liabilities, which amounted to EUR 15,726,095.11, or 6.74% less compared to the previous business year, and further reduce net debt, which for the first time does not exist on an annual basis, or rather, the Company has no debt. At the same time, the share of self-financing also increased compared to the previous year and amounted to 78.32%. Furthermore, in addition to reducing its liabilities, the Company also recorded, for the first time, net financial assets in the amount of EUR 1,436,118.40. The financial position was also strengthened due to an increase in the value of assets and an increase in capital, whereby the increase in capital was the result of an increase in profitability, i.e. net profit,

profit from previous years and legal reserves, and was 3.86% higher, while the value of assets amounted to EUR 72,531,794.67 and increased by 1.36%.

We celebrated twenty-five years of operating in modern private ownership and market conditions, developing the Company as a modern, transparent and public company that also makes effort to balance of interests of all key participants in the business process, which successfully continued in 2025. We continued our efforts aimed at balancing the interests of our key stakeholders, i.e. guests, employees and shareholders, by continuously improving existing products and services at the level of high-class facilities and developing tourism offer with added value, in which the Company invested EUR 3,717,405.16. In terms of relations with employees, in 2025, the Company continued to improve their financial position by increasing the average net salary per employee, which is at the level of the average net salary in the Republic of Croatia, which in turn increased the cost of salaries by 19%, thereby ensuring the Company a competitive position in the labour market. Shareholders were paid a dividend in the amount of EUR 1,920,740.00, a 14% increase compared to the dividend paid in 2024. Furthermore, in 2025, the Company settled its liabilities to creditors, i.e. liabilities to

suppliers, the bank for repayment of loan principal and due interest, and liabilities to the government for taxes and contributions on time.

Another business year is behind us in which, despite a difficult business environment at both the global and national level, the Company continued its growth in key business indicators, ensured further strengthening of its capital and balance sheet position, while also strengthening the competitiveness of its offer and services on the market and further developing year-round business activities in its tourism sectors, and recorded another stable and successful business year.

Goran Ražnjević, President of  
the Management Board



## OVERVIEW OF KEY PERFORMANCE INDICATORS IN 2025

**33.2M**

TOTAL  
REVENUE (EUR)  
+8.06%

**15.7M**

TOTAL  
LIABILITIES (EUR)  
-6.74%

**4.6M**

PROFIT BEFORE  
TAX (EUR)  
+4.07%

**3.7M**

NET PROFIT  
(EUR)  
+4.11%

**8.3M**

EBITDA  
(EUR)  
+2.26%

**56.8M**

CAPITAL  
(EUR)  
+3.86%

**1.4M**

NET FINANCIAL  
ASSETS (EUR)

**0.00M**

NET DEBT  
(EUR)

**1.55€**

EARNINGS PER  
SHARE  
+3.33%

## OVERVIEW OF KEY PERFORMANCE INDICATORS IN 2025

(in EUR)	2025	2024	Index 2025/2024
<b>Financial indicators</b>			
Total revenues	33.158.887,88	30.685.992,57	108,06
Operating revenues	32.830.260,91	30.351.531,83	108,17
Hotel sector	10.592.713,85	9.797.346,04	108,12
Nautics	9.714.528,34	9.117.404,47	106,55
Camping	8.556.418,26	7.728.416,08	110,71
Ilirija Travel	1.637.740,34	1.518.117,98	107,88
Real-estate	2.285.461,83	2.159.072,06	105,85
Other	43.398,29	31.175,20	139,21
Revenues from sales	32.569.611,28	30.022.421,49	108,48
EBITDA	8.303.999,30	8.120.672,86	102,26
EBITDA margin	25,29%	26,76%	94,54
Adjusted EBITDA	8.812.901,50	8.426.874,52	104,58
Adjusted EBITDA margin	26,84%	27,76%	96,68
EBIT	5.032.914,74	4.896.264,66	102,79
Adjusted EBIT	5.541.816,94	5.202.466,32	106,52
Earnings before taxes	4.614.352,99	4.434.043,96	104,07
Profit	3.722.948,30	3.576.074,33	104,11
Profit margin	11,34%	11,78%	96,25

(in EUR)	31/12/2025	31/12/2024	Index 2025/2024
<b>Balance sheet indicators</b>			
Net debt	0,00	539.116,87	0,00
Net debt / EBITDA	0,00	0,07	0,00
Net debt /Adjusted EBITDA	0,00	0,06	0,00
Net financial assets	1.436.118,40	0,00	
Net financial assets/EBITDA	0,17	0,00	
Net financial assets/Adjusted EBITDA	0,16	0,00	
Interest coverage	11,02	9,88	111,54
Capital investments	3.717.405,16	1.593.127,52	233,34
ROE	6,55%	6,54%	100,24
ROA	5,13%	5,00%	102,71
Adjusted ROCE	10,73%	8,93%	120,16

(in EUR)	31/12/2025	31/12/2024	Index 2025/2024
<b>Indicators of the financial position</b>			
Value of assets	72.531.794,67	71.556.236,14	101,36
Capital	56.805.699,56	54.693.348,46	103,86
Total liabilities	15.726.095,11	16.862.887,68	93,26

(in EUR)	2025	2024	Index 2025/2024
<b>Achievements on the capital market</b>			
Market capitalization*	62.267.990,40	72.404.640,00	86,00
EV	60.831.872,60	72.943.756,87	83,40
EV / EBITDA	7,33	8,98	81,55
EV / Adjusted EBITDA	6,90	8,66	79,74
P / E	16,65	20,12	82,75
EPS	1,55	1,50	103,33
DPS	0,80	0,70	114,29

\*Indicated by the methodology of calculation according to last share price multiplied with number of share.

Physical indicators	2025	2024	Index 2025/2024
<b>Hotel sector</b>			
Number of accommodation units	435	435	100,00
Arrivals of tourists	44.488	42.573	104,50
Overnight stays of tourists	138.805	126.130	110,05
Occupancy days	145	140	103,57
Annual occupancy	39,72%	38,35%	103,57
<b>Nautics</b>			
Number of berths	805	805	100,00
Contracted vessel	744	754	98,67
Transith berth, overnight stays of vessels	7.142	7.179	99,48
Transith berth, inbound sail of vessels	2.442	2.816	86,72
Port service - number of operations	4.082	4.000	102,05
Days of work	365	365	100,00
<b>Camping</b>			
Number of accommodation units	1.130	1.130	100,00
Days of work	198	198	100,00
Occupancy days	114,79	116,24	98,75
Mobile homes	95,21	87,76	108,49
Individuals	49,31	48,4	101,88
Fixed lease	198,00	198,00	100,00
Lump sum	198,00	198,00	100,00
Occupancy	57,97%	58,71%	98,74
Mobile homes	48,09%	44,33%	108,48
Individuals	24,90%	24,44%	101,88
Fixed lease	100,00%	100,00%	100,00
Lump sum	100,00%	100,00%	100,00
Arrivals of tourists	54.271	49.854	108,86
Overnight stays of tourists	334.242	321.016	104,12
<b>Physical indicators - hotel and camping sector</b>			
Number of accommodation units	1.565	1.565	100,00
Arrivals of tourists	98.759	92.427	106,85
Overnight stays of tourists	473.047	447.146	105,79

Physical indicators	2025	2024	Index 2025/2024
<b>DMC Ilirija Travel</b>			
Number of events	310	295	105,08
Number of participants (events)	44.119	40.424	109,14
<b>Real-estate sector</b>			
Number of leesses	36	36	100,00
Common expenses	34	34	100,00
Common areas	27	24	112,50
Advertising space	8	8	100,00
Garage - number of parking spaces	410	410	100,00
Rented area (m <sup>2</sup> )	9.445,32	9.445,32	100,00
Number of vehicle in garage	739.713	734.990	100,64



## KEY INFORMATION FOR 2025

1 In 2025, the Company achieved the best operating results to date, both at the Company level and at the level of each of its sectors, especially with regard to generating revenue, total and operating, which was accompanied by the growth in key physical and market performance indicators in the tourism sectors and real-estate sector. Also, in the reporting period, at the Company level, growth was achieved in all key profitability indicators (operating profit, profit before tax, net profit, EBITDA and EBIT) which, except for net profit, were the best to date. Furthermore, the Company has maintained the continued strengthening its capital and balance sheet position based on the growth of asset value and capital growth. At the same time, the decrease in total liabilities and the increase in the share of self-financing continued compared to the previous business year, while the Company further strengthened its financial position by achieving net financial assets, i.e. for the first time on an annual basis, the Company had no net debt.

In the reporting period, the Company's sectors maintained their continued business growth, expressed through revenue growth, which was the best to date across all sectors, and the growth in key physical, market and financial indicators across most sectors. The

Company's tourism sectors, primarily the hotel, camping and DMC Ilirija Travel sectors, recorded a strong increase in demand in the pre-season and post-season with stable increase in tourist demand in the high season, which was reflected in the achieved operating results. A significant achievement in 2025 was made by the camping sector, which, in addition to recording the best operating results to date in terms of revenue, physical and market indicators, also realised double-digit growth in operating profitability, and contributed significantly to the growth in the Company's profitability. The hotel sector, with the highest individual revenue, which increased compared to the previous year, achieved significant growth in business activities in the pre-season and post-season with increase in demand in the high season as well, while the nautical and real-estate sectors maintained continued and stable growth in terms of operating results. Also, DMC Ilirija Travel successfully continued the development of year-round business activities in the pre-season and post-season, i.e. year-round business activity generated through other tourism sectors of the Company.

Taking into account the circumstances of the business year, both at the global and national levels, in par-

ticular the continued intensification of geopolitical instability combined with an unpredictable macroeconomic and trade environment at the global level, the growth of inflation and the economic slowdown of certain key outbound markets for Croatian tourism in Europe and the strong stabilisation of tourist demand for destinations in the Republic of Croatia, the strengthening of competitive destinations in the Mediterranean, strong last-minute sales in the high season and the lack of qualified and professional labour force in the labour market combined with a strong increase in labour costs at the national level, the Company considers its 2025 operating indicators to be successful, especially in terms of revenue and financial position indicators along with the achievement of an adequate level of operating profitability.

2 The Company's total revenue amounted to EUR 33,158,887.88, which compared to 2024, when it amounted to EUR 30,685,992.57, represents an increase of 8.06% generated by the growth of operating revenue.

Operating revenue amounted to EUR 32,830,260.91, recording an 8.17% increase compared to EUR 30,351,531.83 realised in the previous business year. The increase in operating revenue is the result of the

increase in revenue across all the Company's sectors, which not only recorded an increase in revenue compared to 2024, but also the revenue across all sectors was the best to date as a result of the growth in business activities, especially in the tourism sectors of the Company, also accompanied by the growth in activities in the real-estate sector, expressed through the growth in physical, market and financial operating indicators. The revenue increase rates across the sectors ranged from 6% to 11%, whereby the increase in operating revenue at the Company level was largely generated by the revenue increase in the camping sector.

The camping sector generated revenue in the amount of EUR 8,556,418.26, an 11% increase, or EUR 828,002.18 compared to 2024, when revenue amounted to EUR 7,728,416.08. The increase in the camping sector's revenue was mostly recorded in the accommodation segment, i.e. the "Park Soline" campsite, which recorded a 12% increase which was due to the growth in all key business market segments, i.e. mobile homes, lump sum, individual guests and other services. The increase in revenue was accompanied by the increase in arrivals and overnight stays, as well as the growth in key market indicators (average daily rate per campsite unit and accommodation revenue

per camping unit) and the growth in key financial indicators, where in addition to revenue, total revenue per camping unit, gross operating profit (GOP) and gross operating profit per accommodation unit also increased, which made the camping sector achieve its best results in terms of physical and financial indicators to date.

The hotel sector with EUR 10,592,713.85 in revenue in 2025 compared to 2024, when revenue amounted to EUR 9,797,346.04, recorded an 8% increase, or EUR 795,367.81. The increase in revenue of the hotel sector was the result of the increase in demand reflected in the growth in physical performance indicators, arrivals and overnight stays, with an intensive strengthening of business activities in the pre-season and post-season and growth in the high season. In addition to physical performance indicators, arrivals and overnight stays, the hotel sector recorded growth in key market indicators including increased number of rooms sold, occupancy and days of occupancy, accompanied by increased board services revenue per sold accommodation unit, which made the hotel sector record its best results to date in terms of revenue.

The revenue generated by the nautical sector amounted to EUR 9,714,528.34, a 7% increase, or EUR

597,123.87 compared to EUR 9,117,404.47 in 2024, which was the result of increased revenue in all its segments (Marina Kornati, nautical fair and catering), which allowed the nautical sector not only to maintain the continued operating revenue increase in the reporting period, but also record the best revenue to date on an annual basis. The most significant part of its revenue was generated in the vessel accommodation segment, i.e. Marina Kornati, which accounted for 82% of its revenue; and recorded 7% increase in its revenue. Increase of revenue in Marina Kornati was a result of an optimised model of vessel scheduling organisation, efficient use of available waters and improved operational business processes, which, along with a slight decrease in the key operating item (contracted berth vessels, which account for 75% of all marina revenue), was accompanied by an increase in revenue of other items, which resulted in the highest revenue of Marina Kornati to date. The increase in revenue in the accommodation segment was accompanied by a simultaneous 18% increase in catering revenue, and 1% increase in nautical fair revenue, which contributed to the increase in revenue at the level of the entire nautical sector.

In 2025, DMC Ilirija Travel generated revenue in the amount of EUR 1,637,740.34, an 8% increase, or EUR

119,622.36, compared to EUR 1,518,117.98 of revenue generated in 2024. Revenue generated by DMC Ilirija Travel was the result of the growth in its key indicators, the number of events and the number of persons at events, with a focus on the organisation of high-value events throughout the entire business year, the largest part of which took place in the pre-season and post-season, whereby the Company uses the destination management company to develop year-round business activity in other tourism sectors.

The real-estate sector, i.e. the City Galleria Business and Shopping Centre, generated revenue in the amount of EUR 2,285,461.83 in the reporting period, a 6% increase, or EUR 126,389.77, compared to EUR 2,159,072.06 of revenue generated in the previous year. The increase in revenue was the result of the increase in revenue in its key items, i.e. in revenue from lease, parking, use of common areas, revenue from common costs and revenue from advertising space with a high occupancy rate and a 4% increase in the average rent per m<sup>2</sup> of commercial premises on a monthly and annual basis.

<sup>3</sup> In 2025, total expenses amounted to EUR 28,544,534.89, and compared to 2024, when they amounted to EUR 26,251,948.61, they increased by

8.73%, i.e. EUR 2,292,586.28, due to an increase in operating expenses and depreciation.

Operating expenses amounted to EUR 24,854,888.58 and were 10.15%, or EUR 2,289,568.87 higher compared to 2024, when they amounted to EUR 22,565,319.71, and were generated due the increase in labour costs by 18.79%, cost of raw materials, materials and energy by 9.42% and other costs by 12.68%.

Labour costs in absolute and relative amounts contributed the most to the growth in operating expenses, and were a consequence of earlier and timely employment of employees, and their longer employment retention in order to ensure uninterrupted business operation, hiring a larger number of employees compared to the previous year due to the increased volume of business activities and continuous improvement of employee material rights in such a way that the average net salary paid per employee was at the level of the average net salary in the Republic of Croatia, which ultimately reflected in a strong increase in labour costs.

Moreover, in addition to labour costs, a significant increase was recorded in the costs of raw materials, materials and energy, especially in the food and beverage segment, which increased by 12.66%, as a result

of the increase in the cost of food and beverages in the accommodation with board services due to the increase in the number of guests and due to the increased number of events with the food and beverage service organised by DMC Ilirija Travel.

Furthermore, the costs of non-production services increased by 17.78% as a result of the increase in costs related to the organisation of the entertainment programme, production and remuneration to performers due to the organisation of higher-value events by DMC Ilirija Travel with the aim of developing year-round business activities.

4 In the reporting period, not only did the Company achieve business profitability in all key indicators (operating profit, profit before tax, net profit, EBITDA and EBIT), but they also grew compared to the previous business year, while most profitability indicators, except for net profit, recorded the highest amounts to date. The achieved business profitability was generated by the increase in revenue, total and operating, across all sectors of the Company, with the increase in total expenses at a rate slightly higher than the increase rate of total revenue. As a result, profitability growth was achieved, both at the level of the entire Company and its key sectors, with strong growth in the profitability of

individual sectors which recorded profitability growth at a rate higher than the growth in profitability at the Company level, such as the camping, nautical and the real-estate sector. Furthermore, given the business circumstances in 2025, which were characterised by an unfavourable macroeconomic and geopolitical environment with a strong stabilisation of tourist demand, especially in the high season and last-minute sales, the presence of strong inflation, a strong increase in labour costs due to challenges in the Croatian labour market, the Company's operating profitability was adequate and appropriate considering the business circumstances.

EBITDA amounts to EUR 8,303,999.30 and in the reporting period it increased by 2.26% or EUR 183,326.44 compared to the previous business year when it amounted to EUR 8,120,672.86.

EBIT amounted to EUR 5,032,914.74, constituting an increase of 2.79% or EUR 136,650.08 compared to the previous business year, when it amounted to EUR 4,896,264.66.

Operating profit was generated in the amount of EUR 7,975,372.33 and was 2.43% higher compared to the previous year, when it amounted to EUR 7,786,212.12, representing an increase of EUR 189,160.21.

Profit before tax amounted to EUR 4,614,352.99 and was 4.07% or EUR 180,309.03 higher compared to the previous year when it amounted to EUR 4,434,043.96.

Net profit in the reporting period amounted to EUR 3,722,948.30, and compared to the previous business year, when it amounted to EUR 3,576,074.33, it increased by 4.11%, i.e. EUR 146,873.97.

5 The value of assets as at the end of the reporting period amounted to EUR 72,531,794.67, representing an increase of 1.36%, i.e. EUR 975,558.53 compared 2024, when it amounted to EUR 71,556,236.14 as a result of an increase in current and fixed assets.

6 Capital and reserves in the reporting period amounted to EUR 56,805,699.56 and compared to 2024, when they amounted to EUR 54,693,348.46, they increased by EUR 2,112,351.10, i.e. 3.86%, due to the increase in profit from previous years by 10.58%, realised net profit for 2025 by 4.11% and increased statutory reserves by 6.65%.

7 Total liabilities amounted to EUR 15,726,095.11, and compared to the previous business year, when they amounted to EUR 16,862,887.68, they decreased by 6.74%, i.e. EUR 1,136,792.57, due to the decrease in

long-term liabilities, i.e. long-term loan liabilities and financial leasing.

8 In 2025, net debt, which includes both current and non-current liabilities towards banks, minus cash at bank, in hand, and deposits, amounted to EUR 0.00, i.e. for the first time on an annual basis, the Company had no net debt, while in 2024 net debt amounted to EUR 539,116.87. Furthermore, for the first time on an annual basis, the Company's net financial assets amounted EUR 1,436,118.40, which further strengthened its financial and balance sheet position through the realisation of net financial assets and the absence of net debt and successfully maintained the continuity of reducing indebtedness.

9 Own source of funds (capital and reserves) as at 31/12/2025 made up 78.32% of total assets, which compared to 2024, when the own source of funds made up 76.43% of the share, represents an increase by 1.88 percentage points, while external sources of funds amounted to 21.68% in the reporting period. In 2025, the Company continued to strengthen its balance sheet position, which was further strengthened due to capital growth, asset value growth, reduction of liabilities, absence of net debt, and for the first time on an annual basis, net financial assets.

10 In the reporting period, the Company held 1722 own shares, constituting 0.07% of the share capital. Furthermore, in the reporting period, the Company disposed of 12,499 own shares, constituting 0.51% of the share capital. Own shares were disposed of under the Share Transfer Agreement, concluded with the Company's employees in compliance with the decision of the Management Board on the allocation of own shares to the Company's employees free of charge, as a reward for the achieved business results in 2024 and 2025. Prior to the disposal of shares, the Company held 17,215 own shares, constituting 0.71% of the share capital, while, following the disposal, it had a total of 4,716 own shares, constituting 0.20% of its share capital.

11 At its session held on 26 February 2025, the Company Management Board adopted the Q4 2024 financial statements (unaudited, unconsolidated), the Annual Report and the 2024 Annual Financial Statements (audited, unconsolidated). Moreover, at the session of the Supervisory Board held on the same day, the Company's Annual Report, 2024 Annual Financial Statements (audited, unconsolidated) were adopted and draft decisions were established, which were sent to the General Assembly for adoption.

12 The General Assembly, held on 23 April 2025, took note of the Company's Annual Report for 2024 together with the Audit Report for 2024, Report of the Supervisory Board on the Performed Supervision of the Company's Operations for 2024, and the Management Board's Report on the Acquisition of Own Shares in 2024. The General Assembly adopted the Decision on the Approval of the 2024 Report on the Remuneration of Management Board and Supervisory Board Members, the Decision on Granting Discharge to the Company's Management Board for the financial year 2024, Decision on Granting Discharge to the Members of the Supervisory Board for the financial year 2024, and the Decision on the Appointment of the authorised auditing company "UHY RUDAN d.o.o.", Ilica 213, Zagreb, PIN (OIB): 717995390000 as the Company's Auditor for 2025 and 2026. Also, the Decision on the Use of Company Profit for the 2024 Financial Year was adopted at the General Assembly, according to which the achieved net profit in the 2024 financial year (after tax) in the amount of EUR 3,576,074.33, is distributed as follows:

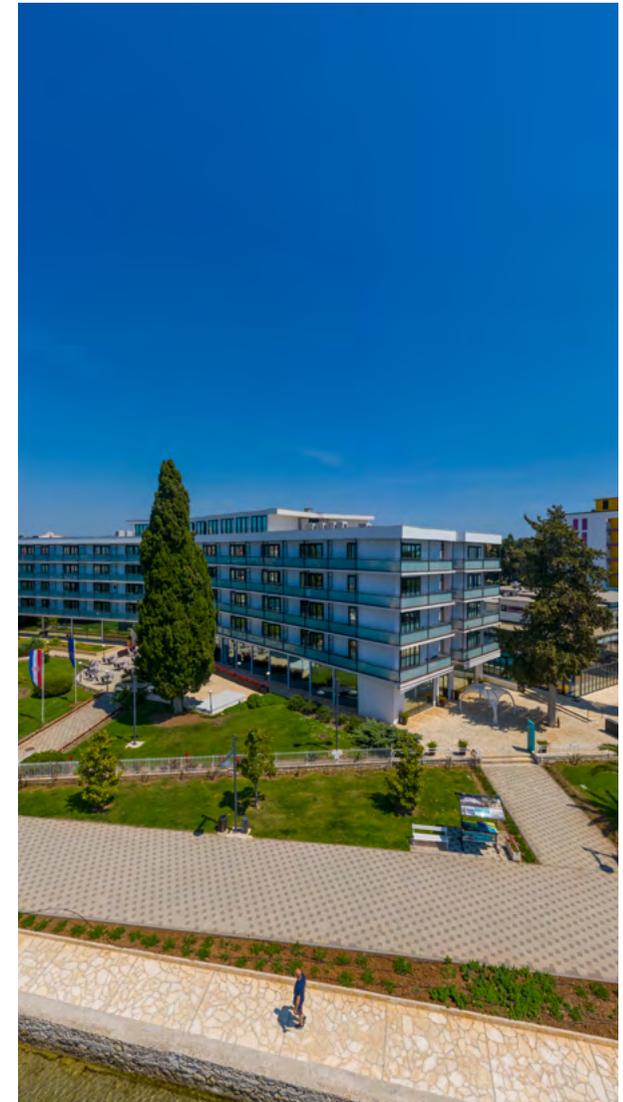
- EUR 1,655,334.33 into the retained profit, and
- EUR 1,920,740.00 for dividend distribution.

The dividend per share amounts to EUR 0.80.

**13** At its meeting held on 10 June 2025, the Supervisory Board adopted the decision to reappoint Mr Goran Ražnjević as the only member of the Management Board of ILIRIJA d.d. for a 5-year term, namely from 18 June 2025 to 18 June 2030.

**14** Investments in the reporting period amounted to EUR 3,717,405.16, and referred mostly to the hotel, camping and catering sector with the aim of raising the standards and quality of accommodation facilities and completely renovating the beach catering facility in Biograd na Moru and its market repositioning as well as shifting the concept into a modern beach club. In the hotel sector, significant investments were made in the expansion of external elevators, i.e. the panoramic elevator on the north-east side of the Ilirija\*\*\*\* hotel, and the external elevator on the north side of the Adriatic\*\*\* hotel, where investments also included renovation of the hotel lobby and reception. Moreover, in the hotel sector, investments were made in further digitalisation by introducing an IP telephony system that enables the implementation of technologically advanced solutions in the field of business telecommunications and better Wi-Fi network coverage at the hotel. With regard to the beach facility in Biograd na Moru, investments focused on the renova-

tion and modernisation of the entire facility, including the outdoor pool and the surrounding beach area, in order to create a modern beach bar with dining and relaxation areas, a recognisable design, the ability to effectively adapt to weather conditions, and flexibility in equipment placement. Furthermore, at Sv. Filip i Jakov, investments were made in the first phase of the reconstruction of the beach facility to structurally strengthen the building and reconstruct the entire roof, install the façade and exterior joinery. In the camping sector, investments were made into further infrastructural development of the campsite, i.e. the development of internal roads at the campsite, the modernisation of the children's playground with new facilities, and further horticultural development of the campsite. The Company also purchased land with a surface area of 3,728 m<sup>2</sup> in Biograd na Moru, within the area of the industrial zone, with the intention to build a modern central laundry room, a storage and distribution and service centre, as well as new storage spaces which are currently dispersed across several facilities within the hotel resort.



# 1 ABOUT ILIRIJA D.D.

## 1.1 BASIC INFORMATION

ILIRIJA d.d. is a public joint stock company registered for hospitality and tourism with registered office in Biograd na Moru, Tina Ujevića 7, that has been active in the Croatian tourist market for over **68 years**. The business operations of ILIRIJA d.d. is based on the principles of corporate social responsibility as an integral part its corporate values.

In its business operations, the Management Company applies the Code of Corporate Governance of the Zagreb Stock Exchange and HANFA. The data on the operations are public and transparent, and at all times available to all national, financial and other institutions, shareholders, banking institutions, funds, associations, business partners, institutional, individual and other investors in the regulated capital market in the Republic of Croatia. In its business operations, the Company covers all key segments of the Adriatic Mediterranean tourism offer that is: **hotel sector** (hotels: Ilirija\*\*\*\*, Kornati\*\*\*\*, Adriatic\*\*\*, Villa Donat\*\*\*\*/\*\*), **nautical sector** (Marina Kornati and Hotel port Ilirija-Kornati), **camping** (campsite „Park Soline“\*\*\*\*), **hospitality** (restaurant “Marina Kornati”, restaurant “Park Soline”, Beach bar “Donat”, “Lavender” lounge bar), **destination management company/DMC Ilirija Travel** (Arsenal in Zadar, Villa Primorje \*\*\*\*, diffuse ho-

tel Ražnjevića dvori AD 1307, event boat “Nada”), **sports-recreational and entertainment center** (Tennis center Ilirija with 20 tennis courts and Beach Club Ilirija with hospitality facilities), and since the month of December 2016, the Company’s portfolio includes the **Commercial-Shopping Center City Galleria** in Zadar with more than 28.500m<sup>2</sup> gross area in total six floors and total 9.445,32m<sup>2</sup> net rented floor area.

Its business is based on providing services by using its capacities (hotels, nautics, camping) at the same time providing additional amenities and services, thus creating a high-quality integrated and complementary tourism product in the domestic and international tourism market, presented under the brand Ilirija Travel. Destination management company was established as a result of the modern tourism demand, conditioned by the technological, social, market factors and trends of ever more demanding customer or market.

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## 1.2 CHRONOLOGICAL OVERVIEW OF THE COMPANY'S DEVELOPMENT

**Year 1957** | The Company was incorporated and domiciled in Biograd na Moru, where it operates today, although the beginnings of the company date back to 1934 when the first hotel called ILIRIJA in Biograd na Moru was built. These are also the first beginnings of organized tourism not only in Biograd but also in the entire Biograd Riviera, by which the Company becomes the pioneer and the leader of all tourism activities in the Biograd region.

**Years 1969-1972** | The construction of new hotel facilities (Hotel Kornati\*\*\*\* and Hotel Adriatic\*\*), the overall reconstruction and construction of hotels Ilirija\*\*\*\* and building an annex to the hotel Villa Donat \*\*\*\*/\*\* in Sv. Filip and Jakov.

**Year 1976** | Start of construction of the first nautical tourism port in Croatia, according to the first building permit in the Republic of Croatia for the construction of the first nautical port issued by the former Municipality of Biograd na Moru, number: UP/I-03-4-318/1977 as of 10th March 1977, Hotel port Ilirija-Kornati, situated in Biograd na Moru, with a total of 100 berths and the purchase the first charter fleet of 40 vessels, by which the Company became a pioneer of development of the nautical tourism.

**Year 1986** | Extended nautical capacities of the Company by constructing the nautical tourism Port Marina Kornati, located in Biograd na Moru, with total port area (aquatorium) of 131.600 m<sup>2</sup> with a total capacity of 705 berths on land and sea. Today, Marina Kornati is among the Top 3 Croatian marinas according to the number of berths, technical equipment, quality of service, cleanliness and neatness.

**Year 1988** | The construction of Tennis center, located in a pinewood Soline right next to the old town center Biograd na Moru (400m from the hotel, 150m from the main beach), on an area of 48.000 m<sup>2</sup> with 20 tennis courts (14 clay and 6 artificial grass tennis courts).

**Year 1988** | The construction of Aquatic Center, that is, a beach facility as a part of a unique, technological and

functional unit of the existing hotel capacities, that is basically an Olympic outdoor swimming pool with many additional amenities, as a supplement to the existing and basic hotel amenities. Built as a swimming, beach and sports, entertainment and hospitality facility with bleachers with the capacity of 4,000 seats and a terrace of 1.000 m<sup>2</sup>, whereby it represents a center for holding almost all sports, entertaining and dance events in the City Biograd na Moru.

**Year 1989** | Construction of an annex to the hotel Kornati\*\*\*\* and administrative building of the Company.

**Year 1991-1992** | Completion of the remaining part of the port area, i.e. the capacities of the Port of Nautical Tourism Marina Kornati, by building docks in the southern and western aquatorium.

**Year 1993** | The Croatian Privatization Fund, makes a decision on the transformation of HTP Ilirija into a joint stock company.

**Year 1999** | The Company was privatized and is in major ownership of the company Arsenal Holdings d.o.o. from Zadar, which is in major ownership of Mr. Davor Tudorović.

**Year 1999** | The Company starts boat show organized as Spring Open Days, mainly intended for companies that operate in the marina, as the first such event in North Dalmatia. Wishing for Biograd na Moru, to be top nautical event, at which all sectors of the boating and charter business will be presented in a short period, the Open Days grew into a boat event - Biograd Boat Show. Since 2004 Biograd Boat Show has been organized as the first autumn boat show in Croatia.

**Year 2000 - 2025** | During this period, i.e. as at 31 December 2025, the Company invested EUR 96,479,840.47 in

construction, reconstruction, extension, upgrading, renovation and adaptation of accommodation facilities and establishments of the Company in order to enhance the quality, improve the overall service and standards in all sectors of the Company, develop new products, improve and increase the categorization of the accommodation facilities and nautical capacities, expand hospitality facilities with an aim to create a high-quality, recognizable and competitive tourism product and enhance the quality of the offer of the destination itself together with the purchase of the City Galleria Business and Shopping Centre, which resulted in a growth in total revenue and newly created value in the mentioned period in the amount of EUR 201,583,425.80.

**Year 2002** | The National Audit Office carried out the audit of transformation and privatization of ILIRIJA d.d. and issued an unqualified opinion on the transformation and privatization in full, with an emphasis that the process was carried out in accordance with the legislation and that no irregularities were determined that would affect the legal implementation of the process of transformation and privatization.

**Year 2003** | The Company's shares were listed on the Zagreb Stock Exchange in the quotation of public joint stock companies.

**Year 2005** | As part of the Company's business system, the multimedia center Arsenal in Zadar, built in the 17th century at the time of the Venetian Republic, following the completion of the revitalization and renewal according to the concept of "indoor town square," began conducting business activities.

**Year 2009** | The Company's shares are listed on the Regular market of the Zagreb Stock Exchange, since the quotation of public joint stock companies was cancelled.

**Year 2014** | The market was presented the event ship "Nada" a floating convention center with multifunctional

purposes 36m in length and a capacity to accommodate 180 persons.

**Year 2014** | As a part of the Company's business system, the first Croatian diffuse hotel Ražnjevića dvori AD 1307 was opened.

**Year 2015** | Renovated Villa Primorje\*\*\*\*, built in the second half of the 19th century, luxuriously decorated and equipped in line with the latest standards for facilities of its kind and category, has its own restaurant that offers the possibility of organizing a number of events.

**Year 2015** | Recapitalization of the Company by Allianz ZB d.o.o., the compulsory pension fund management company, with headquarters in Zagreb, which has acquired 10% equity share in the ownership of the company.

**Year 2015** | The Company's shares are transferred from the Regular to the Official market of Zagreb Stock Exchange which will contribute to even greater transparency and openness of the company to all of its stakeholders.

**Year 2016** | The second recapitalization of the Company was successfully carried out in the month of November through which the share capital was increased by contributions in cash and by issuing New ordinary shares of the Company through public offering. The main purpose of the recapitalization is to raise funds for the acquisition of the Commercial-Shopping Center City Galleria in Zadar.

**Year 2016** | On 19 December 2016, having acquired the Commercial-Shopping Center City Galleria in Zadar, the Company successfully completed and carried out the process of acquisition or buying of the real property which created a company with a wide range of economic activities, where in addition to tourism and hospitality sector consisting of hotel sector, nautics, camping and destination management as core business activities, the Compa-

ny partly enters the real estate segment having acquired the modern Commercial-shopping center.

**Years 2015 - 2017 |** The investment cycle in Marina Kornati has been mainly completed by improving the quality of the accommodation of vessels by modernizing nearly seventy percent of the superstructure and the substructure of the marina or piers, allowing thus the accommodation for a larger category of vessels, better exploitation of the marina aquatorium, further enrichment and modernization of the offer by implementing the best existing technical solutions which contributes to further strengthening of the market position of Marina Kornati among the three leading ports of nautical tourism at the Adriatic Sea.

**Year 2018 |** The construction of the indoor swimming pool of useful surface area of approximately 500m<sup>2</sup> along with accompanying facilities, thus complementing the existing tourism offer of the hotel Ilirija Resort in the destination of Biograd na Moru.

## 1.3 COMPANY'S BODIES

### 1.3.1 COMPANY MANAGEMENT BOARD

Goran Ražnjević, President of the Management Board represents the Company solely and independently

### 1.3.2 SUPERVISORY BOARD

Goran Medić, President of the Supervisory Board

David Anthony Tudorović, Deputy President of the Supervisory Board

Davor Tudorović, Member of the Supervisory Board

Siniša Petrović, Member of the Supervisory Board

Darko Prebežac, Member of the Supervisory Board

### 1.3.3 SHAREHOLDERS' ASSEMBLY



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## 1.4 AFFILIATED COMPANIES

Arsenal Holdings d.o.o., Perivoj Gospe od Zdravlja 1, Zadar, PIN: 59794687464, owns 1,429,032 shares of the company, accounting for 59.21% share in the Company's share capital, as well as for the same proportion of votes in the company's Assembly.

The parent company Arsenal Holdings d.o.o. is registered with the Commercial Court of Zadar, CRN: 060014554; the share capital is EUR 2,790,828.85.

The majority owner of Arsenal Holdings d.o.o. is Mr Davor Tudorović with a 75.25% share in its share capital, who also holds 95,744 shares of Ilirija d.d. accounting for 3.97% of its share capital.



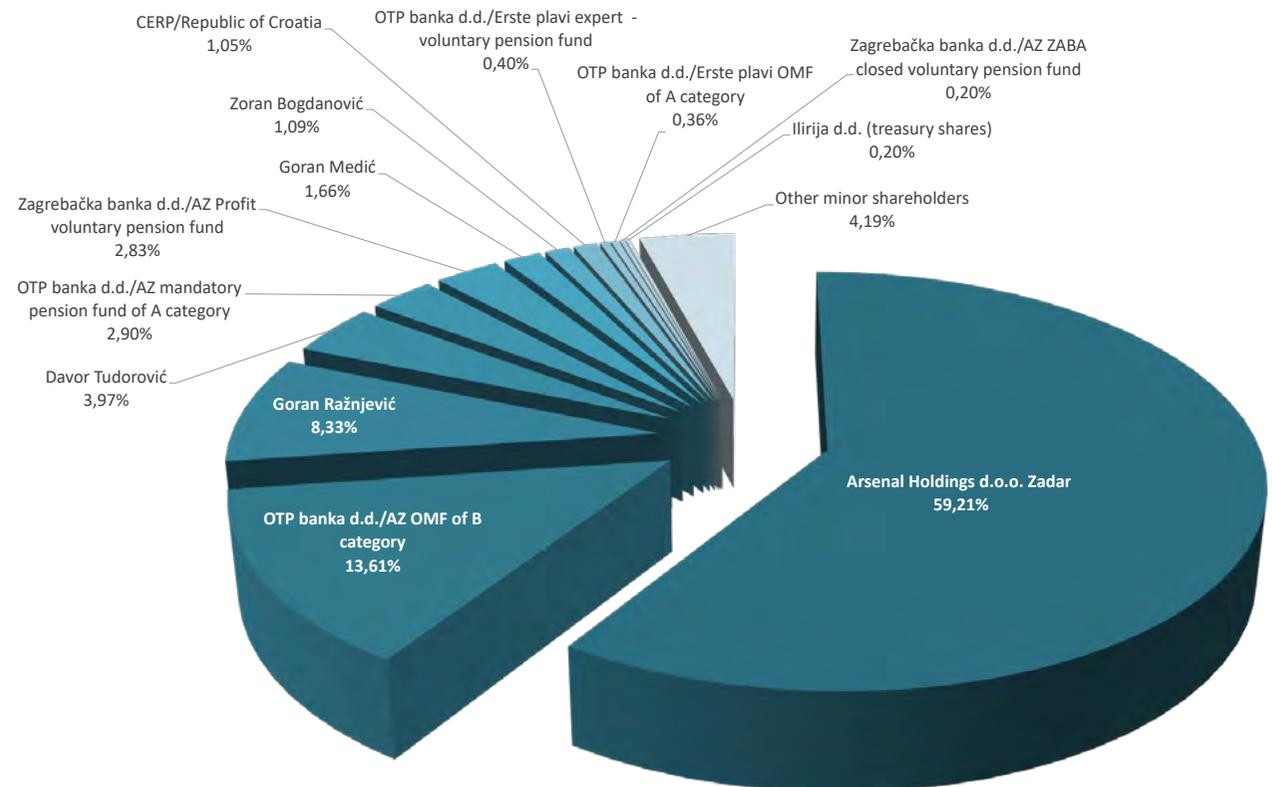
## 1.5 OWNERSHIP STRUCTURE OF THE COMPANY AND TRADING IN THE COMPANY'S SHARES AT THE ZAGREB STOCK EXCHANGE

The share capital of the Company amounts to EUR 30,420,000.00, and it is divided into 2,413,488 no-par-value ordinary shares.

As at 31 December 2025, there were no significant changes in the ownership structure, while an overview of the major shareholders of the Company as at 31 December 2025 is provided below.

Owners - shareholders	Number of shares	Share in %
Arsenal Holdings d.o.o. Zadar	1.429.032	59,21
OTP banka d.d./AZ OMF of B category	328.506	13,61
Goran Ražnjević	201.120	8,33
Davor Tudorović	95.744	3,97
OTP banka d.d./AZ mandatory pension fund of A category	69.898	2,90
Zagrebačka banka d.d./AZ Profit voluntary pension fund	68.200	2,83
Goran Medić	40.000	1,66
Zoran Bogdanović	26.216	1,09
CERP/Republic of Croatia	25.342	1,05
OTP banka d.d./Erste plavi expert - voluntary pension fund	9.726	0,40
OTP banka d.d./Erste plavi OMF of A category	8.631	0,36
Zagrebačka banka d.d./AZ ZABA closed voluntary pension fund	4.904	0,20
Ilirija d.d. (treasury shares)	4.716	0,20
Other minor shareholders	101.453	4,19
<b>TOTAL</b>	<b>2.413.488</b>	<b>100,00</b>

## OWNERSHIP STRUCTURE OF THE COMPANY AS AT 31/12/2025



## TRADING IN COMPANY'S SHARES ON THE CROATIAN CAPITAL MARKET IN 2025

(amounts in EUR)	2025	2024	% of change
Total turnover	192.765,80	490.355,00	-60,69%
Average share price	27,53	27,66	-0,47%
Average turnover per transaction	5.072,78	3.771,96	34,49%
Average daily turnover	8.031,91	6.368,25	26,12%
Last share price	25,80	30,00	-14,00%
Market capitalization*	62.267.990,40	72.404.640,00	-14,00%
Market capitalization**	66.443.324,64	66.757.078,08	-0,47%
Number of shares:	2.413.488	2.413.488	

\*indicated by the methodology of calculation according to the last share price multiplied with number of shares

\*\* indicated by the methodology of calculation according to the average share price multiplied with number of shares

In 2025, the Company's share designated as ILRA was traded in the amount of EUR 192,765.80, a 60.69% decrease compared to 2024, when trading amounted to EUR 490,355.00, while 7,001 shares were traded at an average price of EUR 27.53 per share. At the same time, average turnover per transaction amounts to EUR 5,072.78, with average daily turnover amounting to EUR 8,031.91.

The Company's share price in 2025, considering the first and last price in that year, decreased from EUR 30.00 to EUR 25.80 per share, a decrease of 14.00%. In proportion to the decrease in the last share price, while maintaining the same amount of issued shares, the market capitalisation of the Company decreased to EUR 62,267,990.40. Calculation of market capitalisation expressed as the product of the average share price in 2025 and the number of shares issued, then it amounts to EUR 66,443,324.64, a 0.47% decrease compared to 2024.

The movement of the ILRA share with the shown volume of trading and a comparison with CROBEX and CROBExturist indices movements is shown in the following graph



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## 1.6 COMPANY BUSINESS MODEL

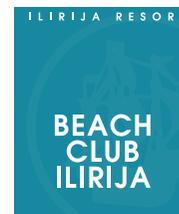
The Company has been present on the domestic and international tourism markets for over six decades and in 2016, with the acquisition of the City Galleria Business and Shopping Centre, it became a company with a wide range of activities, the portfolio of which is composed of 5 sectors:

- **Hotel sector** – 4 hotels, 435 rooms, 910 beds
- **Nautics** – 805 berths, 2,000 persons
- **Camping** – 1,130 pitches, 3,390 persons
- **Destination management company/DMC Ilirija Travel** – through which 310 special events for 44,119 persons were organised in 2025
- **Real-estate segment** – City Galleria Business and Shopping Centre in Zadar, one of the two largest shopping centres in the wider Zadar region

ILIRIJA d.d. is one of few tourism companies in the Republic of Croatia with such a diverse offer that includes all the segments of the Adriatic or Mediterranean tourism offer in its portfolio (hotel, nautical and camping sectors), additionally strengthened by the destination management company Ilirija Travel and the real-estate sector. With regards to such a diverse portfolio, it is worth noting that the Company manages all business processes (management and operations) within the sector or facility.

Diverse tourism and real-estate portfolios are based on the resources of the region and on a continuous investment in the improvement of the existing contents and products as well as the development of new ones, which is also the foundation of the Company's business and development policy. The presence on the market spanning more than six decades as well as knowledge and experience gained, enable the Company to maximize its economic, financial, market and human resources potential. **By developing a complementary and integrated product through the destination management company, the Company strives for achieving one of its strategic goals – year-round business operations of its tourism sectors**, with an emphasis on the hotel and camping sectors, through high-standard extension of the high season to pre-season and post-season and creating added value for both the Company and the destination, or the wider community. Through the destination management company, the Company also contributes to the development and recognizability of the destination by organizing events and by offering contents and programs it organises in its own facilities.

1.7 BRANDS OF THE COMPANY



**BIOGRAD**  
BOAT SHOW

Donat  
BEACH BAR

ARSENAL  
ZADAR

City Galleria

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## 1.8 QUALITY - STANDARDS AND CERTIFICATES

High quality and standards of services, their continuous improvement and enhancement, care for the safety and health of guests and employees, meeting customer needs and expectations, competitiveness and sustainability of products, continuous improvement of operational processes and continuous employee education, environmental protection and preservation of biodiversity are the main directions of the Company and they are achieved through the implementation of domestic and international standards into its operations:

The Company implemented an integrated environmental and quality management system under the ISO 9001:2015 (quality management) and ISO 14001:2015 (environmental management) standards, by which it focuses on the continued improvement of processes connected to the service quality and standards enhancement, the enhancement of operational and management processes, at the same time connected to the environmental management system. By implementing the integrated Environmental and Quality Policy, the Company confirms its main focus on long-term business stability based on responsible and sustainable business operations. During 2025, a recertification audit was performed as part of the quality manage-

ment system ISO 9001:2015, along with the periodic audit of the environmental management system ISO 14001:2015.

Moreover, the international certification company SGS Adriatica d.o.o. conducted its regular audit of the HACCP Codex Alimentarius system, which confirmed that the Company, at the level of all its sectors in the area of food and beverage services, carries out a high degree of control during the process of production and distribution of food products.

The Company uses “green” electricity and holds a Zel-En certificate guaranteeing that the electricity we use comes from renewable sources.

The “Park Soline” campsite is the holder of the international Green Key certificate, attesting to the fulfilment of all criteria for the award of this eco-label in the field of sustainable development and environmental protection.

Following a successful audit in September 2015, the “Park Soline” campsite was awarded the international “Ecocamping” certificate. With our membership in the Ecocamping Network, consisting of more than 240

camps from seven European countries, the Company continues to commit itself to promoting ecology, sustainable development and socially responsible business even further, with particular emphasis on efficient energy management (water, electricity), waste sorting and recycling, preservation of nature and biodiversity, etc.

Marina Kornati is the holder of the Blue Flag, i.e. participates in the international ecological programme for the protection of the sea and coastal environment, whose primary objective is sustainable control and management of the sea and the coastline.

The “Health-Friendly Company” certificate was awarded to Ilirija in 2018 by the Croatian Institute of Public Health. This recognition promotes health in the workplace and work environment, supports employees in adopting healthy lifestyle habits, and demonstrates the company’s commitment to employee well-being.



## 1.9 AWARDS AND ACKNOWLEDGEMENTS

On the occasion of thirty years of operation, the Zadar County Tourist Board awarded special recognition for successful long-standing cooperation to ILIRIJA d.d., the Biograd Boat Show international nautical fair and the diffused hotel “Ražnjevića dvori”, since their activities significantly contribute to the development and quality of the Zadar County’s tourist offer.





HOTEL KORNATIĆ

ARKADY RESTAURANT

CANNON  
Machina

SK-7973

Amantica

Amantica



DEK

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## 2 CORPORATE STRATEGY AND GOVERNANCE

### 2.1 VISION, MISSION AND FUNDAMENTAL VALUES

**Vision** - is to permanently secure position among the 3 leading tourism companies in the region of the North Dalmatia and among the 20 leading tourism companies in the Republic of Croatia in the key segments of the Croatian tourism offer (hotel sector, nautics and camping), be and stay the leader of the tourism and economic development of our region and destinations such as Biograd na Moru, Zadar and Sv. Filip i Jakov thereby developing the whole year's business by offering the complementary and selective forms of tourism offer in the destinations where we conduct business.

According to the foregoing, **the mission** is: increasing the assets and achieving the financial results of the business operations, which will ensure long-term business and financial stability, establish an optimal level of quality and competitiveness in business at the level of the overall Croatian tourist offer, with continuous investment in human resources and ensuring optimal employment level, ensuring and complying with sustainable development principle which is manifested in recognizing and satisfying the needs of tourists, protecting and restoring natural and cultural heritage and preserving the environment, i.e. creating a responsible and sustainable tourism offer.

#### **Fundamental values:**

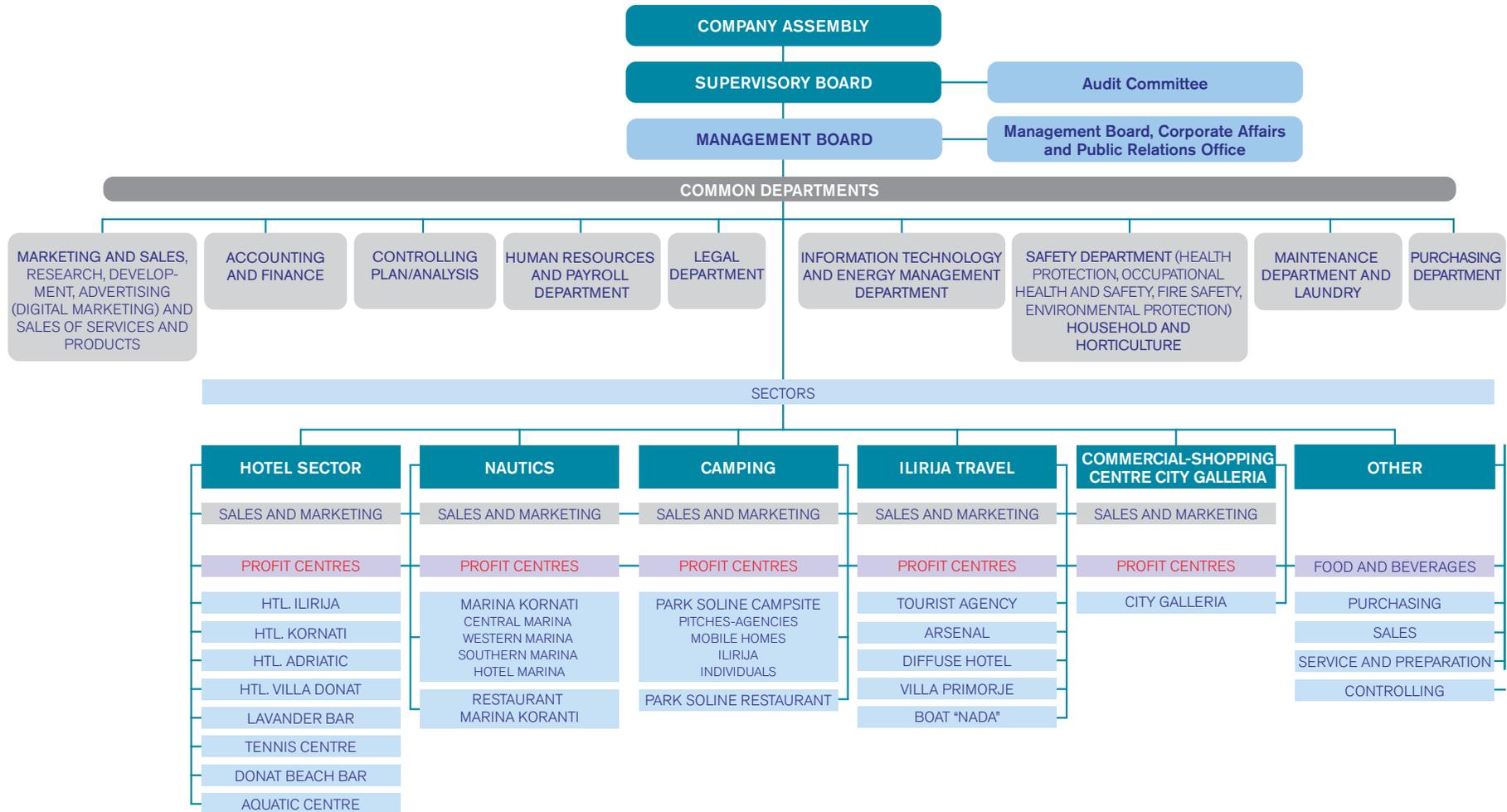
**Respect and integrity** – equality of treatment and attitude towards all our stakeholders constitute the basic values of our Company.

**Quality – top quality product**, professional service and individual approach to clients constitute the basis of the relationship towards our guests, at the heart of the Company's service.

**Sustainability and responsibility** – in business, investment, relationships with our employees, business partners, clients (guests), the local and regional community, with shareholders and in day-to-day business, through the integration of economic, social and environmental aspects into the Company's decision-making processes and corporate strategy as well as by creating added value for all stakeholder groups through the achieved business results. Balancing the said aspects is the basis of the Company's success and sustainable development.

**Transparency** – in business and communication with all stakeholders of the company, while adhering to the principles of timely and true information as a prerequisite for the strengthening of the market position of the company and its further growth.

## 2.2 ORGANIZATIONAL STRUCTURE



## 3 REPORT ON THE APPLICATION OF CORPORATE GOVERNANCE CODE

Ilirija d.d. operates in accordance with principles and practices of good corporate governance, providing a high level of transparency and accountability in relation to all of its stakeholders. In its operations, the Company applies the Corporate Governance Code jointly adopted by Zagreb Stock Exchange and HANFA, which is available on their websites. Each year, the Company completes and publishes the annual questionnaire prescribed by the Code, in which, when applicable and in line with the “act or explain” mechanism, it specifies the reasons for possible deviations from the Code. Pursuant to the regulations, the annual questionnaire is published on the website of Zagreb Stock Exchange ([www.zse.hr](http://www.zse.hr)) and the Company ([www.ilirijabiograd.com](http://www.ilirijabiograd.com)).

The Company also applies the Code of Business Ethics of the Croatian Chamber of Commerce, doing business in accordance with the principles of responsibility, ethics, transparency and respect of good business practices towards all stakeholders in its business process.

The Company has worked-out a system of internal controls at all levels, the aim of which is to ensure operational functioning and security of business processes within the Company, satisfaction with the service quality and standards as well as implementation and application of legal regulations, all of which contributes to timely publication within legally prescribed time limits of financial

reports that provide objective data on the Company’s financial position and business results. The main characteristics of risk exposure and management are covered by the chapter “Risks and Risk Management”.

The Management Board of the Company is composed of one member appointed by the Supervisory Board for a five-year term. With the Decision of the Company Supervisory Board of 10 June 2025, Mr Goran Ražnjević was reappointed as the sole member of the Company’s Management Board for a five-year term, starting from 18 June 2025. The Management Board represents the Company independently and individually and manages the Company’s business activities in accordance with the Company’s Articles of Association and legal regulations.

The Company Supervisory Board has five members, who are appointed for a term of four years. The Supervisory Board is responsible for supervising the management of the Company’s business activities and appointment of the Management Board members; in addition, it decides on all other matters falling within its scope of competence pursuant to the legal regulations and the Company’s Articles of Association. Supervisory Board member Mr Darko Prebežac is an independent member, while the Deputy Chairman of the Supervisory Board, Mr David Anthony Tudorović, among other qualifications, has professional knowledge in the field of accounting and auditing

of financial reports. The composition of the Supervisory Board of the Company is listed in the chapter “Company’s Bodies”. The Supervisory Board has appointed the Audit Committee, which supervises the existence and functioning of internal controls, risk management and financial reporting, as well as independence of external auditors.

The General Assembly is a body of the Company within the framework of which shareholders exercise their shareholder rights and it is composed of all holders (owners) of the Company’s securities. Since there is a time limit related to the exercise of voting rights at the General Assembly, the shareholders are required to apply for participation no later than 6 (six) days prior to the General Assembly meeting pursuant to the law and the Company’s Articles of Association. Pursuant to the Company’s Articles of Association, the shareholders’ voting rights are not limited to a specific percentage or number of votes. Every share grants one voting right at the General Assembly. In the Company, there are no securities with special control rights, nor are there any limitations on voting rights.

As at 31 December 2025, the Company had a total of 248 shareholders, who held a total of 2,413,488 shares. The Company’s significant shareholders are indicated in the chapter “Ownership Structure of the Company and Overview of Trading in Company’s Shares at Zagreb Stock Ex-

change”. An overview of the Company’s ten major shareholders is available on a daily basis on the website of the Central Depository and Clearing Company Inc. (CDCC) [www.skdd.hr](http://www.skdd.hr).

On 23 April 2025, a Regular General Assembly was held, and its decisions were published and are available on the website of the company ([www.ilirijabiograd.com](http://www.ilirijabiograd.com)), the Zagreb Stock Exchange ([www.zse.hr](http://www.zse.hr)), HANFA and the officially appointed mechanism for the central storage of regulated information – SRPI ([www.hanfa.hr](http://www.hanfa.hr)), as well as the Croatian News Agency ([www.hina.hr](http://www.hina.hr)), and they were submitted to the Register of the Commercial Court, namely in accordance with legal regulations. All decisions of the General Assembly are listed in the chapter “Significant Events”.

The Company may acquire own shares based on the Resolution on granting the Company’s Management Board the authority to acquire own shares, adopted at the General Assembly on 26 April 2024. In 2025, the Company acquired 1,722 own shares, designated as ILRA, which constitute 0.07% of the share capital. Furthermore, in the reporting period, the Company disposed of 12,499 own shares, constituting 0.51% of the share capital. Treasury shares were disposed of pursuant to the Share Transfer Agreement, concluded with the Company’s employees, free of charge, as a reward for the achieved business re-

sults 2024 and 2025. Prior to the disposal of shares, the Company held 17,215 own shares, constituting 0.71% of the share capital, while, following the disposal, it had of 4,716 own shares, constituting 0.20% of its share capital.

The Commissioners for Employee Dignity Protection, who are responsible for receiving and handling employee complaints, are Mrs Jasmina Kulaš Stojanov, Head of CEO’s Office, Corporate Communications and Public Relations, and Mr Ante Mikulić, Hotel Operations Manager and Technical Manager of the campsite.

The Company is a signatory of the Croatian Diversity Charter, which forms part of a broader regional project implemented by the Croatian Business Council for Sustainable Development (HR BCSD) on the territory of the Republic of Croatia with the support of the European Commission. The President of the Company’s Management Board is one of the five promoters of the Croatian Diversity Charter in Croatia. The aim of the Croatian Diversity Charter is to promote and encourage diversity, non-discrimination, inclusiveness and equal opportunities in the workplace. In 2020, the Company joined the Alliance for Gender Equality, established jointly by the Council for Sustainable Development (HRBCSD) and the Embassy of the Kingdom of Spain.

The Management Board of the Company is composed of one member (Mr Goran Ražnjević), so there is no under-representation on one gender in the Management Board. The Supervisory Board consists of 5 members, of which all are male. The members of the Supervisory Board were elected by the decision of the General Assembly of 25 October 2024, which was adopted before the amendments to the Companies Act (Official Gazette 136/2024) entered into force, and as existing members of the Supervisory Board, they hold office until its regular expiration. The Company supports the aspect of diversity and of the total number of employees as at 31 December 2025, women make up 55% of all employees. In the Company's senior management consisting of the Management Board, sector managers and heads of corporate services, there are 16 persons, 71% of whom are women. In future appointments, the Company will, in addition to the criteria of expertise, knowledge, abilities, and professional experience, also take into account the criterion of diversity in the management bodies, in accordance with applicable regulations and the circumstances of the Company.

The Company is not required to prepare a sustainability report for 2025, in accordance with applicable regulations; however, the Company's business operations are

based on the fundamental principles of corporate social responsibility and sustainable business practices, which constitute an integral part of its corporate values, and are embedded in the long-term business practice and relations with its stakeholders. Ilirija d.d.'s sustainable business strategy is aimed at creating added value for all stakeholders in its business process by balancing their rights, liabilities and interests. Such sustainable business strategy opens up new opportunities for business development and sustainability through the continuous development of new products and services, economic and social contribution to destination development, philanthropic programmes for the wider community, development of year-round tourism activities, application of responsible management practices, further activities in environmental protection and biodiversity conservation, maintaining the achieved high share of local population in the employee structure as well as a high share of domestic suppliers and local family farms. The sustainable business strategy consists of four main areas: corporate responsibility and sustainability, environment, society and business conduct. Based on the Sustainable Business Strategy, in 2024, the Company defined the following sustainability goals for the period from 2025 to 2030 by areas of corporate sustainability:

- corporate responsibility and sustainability (the goals

are oriented towards long-term viability and sustainability of the Company, financial stability, competitiveness, preservation of long-term business activity, assets and capital): (I) growth in key performance indicators (financial and physical): overnight stays, number of accommodation units sold, occupancy, ADR, revenue, net profit, EBITDA, value of assets and capital, market capitalisation and preservation of a sustainable level of net debt, (II) continuous development of new, and improvement of existing, products and services by making sustainable investments in green transition, renewable energy sources and digital transformation, (III) continued digitalisation of business activities with a focus on sales and marketing and customer relationship management, and (IV) strengthening the Company's competitiveness and maintaining its position among the 20 leading tourism companies in the Republic of Croatia according to key tourism industry indicators.

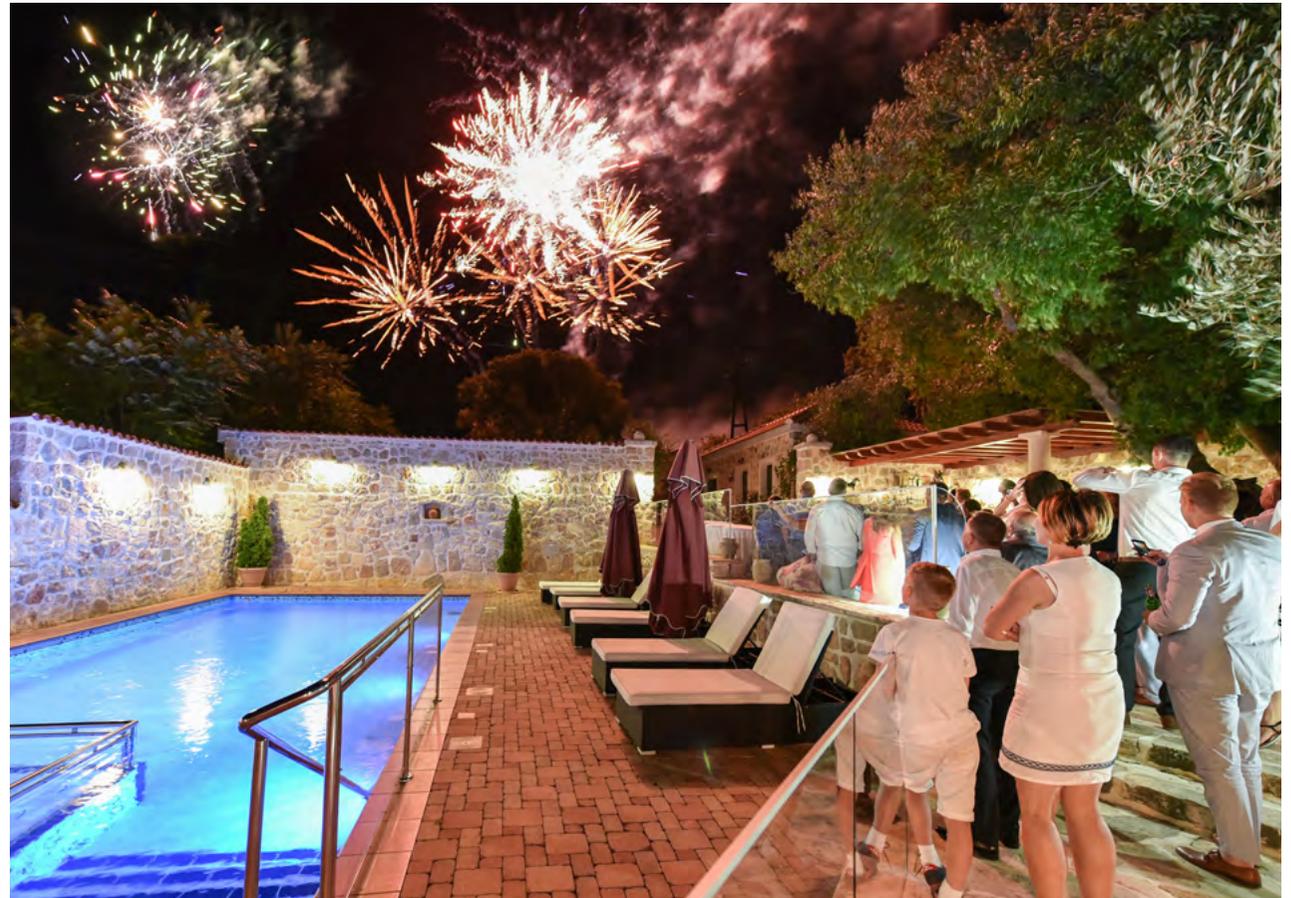
- environmental protection (the goals are oriented towards climate change, pollution reduction and preservation of biodiversity and resources): (I) gradual reduction of greenhouse gas emissions in all business segments, (II) reduction of mixed waste at source and increase in the share of recyclable materials, (III) preservation of biodiversity in the Company's operational areas, including reduction of adverse effects on ecosystems and species,

and (IV) optimisation of water use and reduction of water pollution, including introduction of efficient waste treatment systems.

- society (the goals are oriented towards our employees, adherence to the principles of equality and diversity in the workplace, employee education and their financial position): (I) minimum 70% of the local population in the total structure of employees in the high season, or 85% of the population from the local community (Zadar County) at the end of the reporting period, (II) equal pay for equal work, (III) continuous improvement of the financial position of employees by paying the average salary at the level of the average salary in the Republic of Croatia and other material and non-material benefits for employees, and (IV) training in professional and personal development of employees monitored based on the increase in the number of employees involved, the number of hours of training and defining priority areas of training.
- code of business conduct (the goals are oriented towards organisational and management structure, business conduct policies and suppliers): (I) corporate governance – in accordance with the principles and practices of good corporate governance providing a high level of transparency and accountability in relation to all stakeholders, (II) monitoring and compliance with legal regulations and (III) 90% of turnover with suppliers based in

the Republic of Croatia.

In 2025, the Company achieved most of the set goals.



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## 4 2025 COMPANY MANAGEMENT REPORT

### 4.1 Business expectations in 2026

In 2025, the global tourism industry was dominated by strong growth in travel demand, the discovery of new destinations and the recovery of distant destinations, especially in Asia and the Pacific, which was also reflected in the increased volume of tourist traffic in Europe and its subregions, which grew at slower rates than other tourist regions in the world. Europe, the world's largest destination region, recorded stable growth in international tourist arrivals, including the Mediterranean as its most significant subregion. In 2025, Croatian tourism recorded a slight increase in physical business operation at rates lower than the average for Europe and the Mediterranean, i.e. business operation stabilised after several years of strong demand growth. Following the challenges that Croatian tourism faced in the peak season, the decrease in tourist demand and the perception of Croatia as an expensive destination, which strongly reflected on the competitiveness of the Croatian tourist offer, 2026 is therefore looked on with moderate optimism and additional caution in terms of price competitiveness and recognition of Croatia as a tourist destination that fosters value for money.

Consequently, the company ILIRIJA d.d. expects sustainable growth in tourist demand in 2026 with a special focus on further strengthening demand in the pre-season and post-season, i.e. extending business activities for the entire business year, while in the peak high season (July – August) it plans to achieve key performance indicators at the level of Croatian tourism standards for high-category accommodation facilities. The Company's business expectations for 2026 are based on the fact that there are no limiting circumstances for carrying out year-round business activities across all its sectors and profit centres.

The main determinants of the 2026 Business Plan are aimed at:

- preservation of the Company's long-term economic viability and security
- preservation of the Company's stable financial position
- preservation of the Company's fixed assets and capital
- preservation of the Company's business operations and activities, and
- enhancing the Company's competitiveness, improving and developing products and services.

Also, the Company is aiming to ensure and carry out activities and actions in 2026 that are essential for maintaining the current status and operations, as follows:

- preservation and improvement of the achieved level of

facility development and equipment mainly at the 4-star level to ensure market competitiveness

- development of new products, services and content with the aim of increasing the competitiveness of the Company and further developing its year-round business activities,
- ensuring the optimum number of employees for uninterrupted business activities and the quality of service in high season,
- preservation of the achieved financial position from employee labour corresponding to the average net salary in the Republic of Croatia in order to ensure the competitiveness of the Company on the labour market while facing a labour shortage,
- optimisation of all operating costs, especially labour costs, based on timely planning and personnel management,
- fulfilment of obligations towards Company's creditors, i.e. suppliers, payment of tax liabilities and contributions, as well as regular fulfilment of its liabilities towards the bank in respect of the principal of loans and interest

In addition to the above-mentioned determinants and preconditions, we believe that it is realistic for the Company to achieve its business goals in 2026:

- a) sustainable growth in demand volume evidenced by the growth in terms of key physical and market business performance indicators at the level of all sectors of the Company,
- b) increase in operating revenue at the level of all sectors and profit centres, i.e. at the level of the entire Company,
- c) generating EBITDA, or its share in the revenue, in line with the tourism industry standards; and
- d) growth of other profitability indicators (profit, EBIT).

By achieving the stated business goals, and under the assumption of a year-round business activity in its full scope, i.e. at the level of all sectors and profit centres, as well as providing for the absence of limiting factors, we believe that the Company has ensured long-term economic sustainability and security, a stable financial position, fixed assets and capital, as well as ensured its business activity in 2026.

Furthermore, the Company is aware of the existence of objective and real limiting circumstances and challenges that could, to a certain extent, affect the realisation of the 2026 business expectations, including global geopolitical instability with consequences not only for European but also for the threat to world stability and security, as well as negative implications for the econ-

omy, disturbed macroeconomic climate characterised by continued strong inflationary pressures, as well as a significant lack of labour in almost all economic sectors in the Republic of Croatia and a continuous increase in salary costs. All of the above can significantly affect the realisation of planned business expectations in 2026.

## 4.2 Information on acquisition of own shares

In 2025, the Company acquired 1,722 own shares, designated as ILRA, which constitute 0.07% of the share capital. As at 31 December 2025, the Company owns 4,716 own shares, constituting 0.20% of the share capital.

## 4.3 Subsidiaries

Ilirija d.d. owns 100% of its two subsidiary companies:

ILIRIJA GRAĐENJE d.o.o. with registered office in Biograd na moru, the registered objects of the company being the performance of construction works,

ILIRIJA NAUTIKA d.o.o. with registered office in Biograd na moru, the registered objects of the company being tourism, nautical and hospitality activities (not active).

## 4.4 Financial instruments

Financial instruments reported in the balance sheet include money and bank account balances, receivables, account payables, leases and loans. The specific applied recognition methods are disclosed in individual explanations of accounting policies for each item in the notes to the Company's financial statements.

## 4.5 Risks and risk management

The Company assesses risks at all levels of significance to the Company, i.e. at the macro and micro levels and according to the criterion of likelihood of their occurrence. The Company assesses the risks for each of the business sectors according to the criterion of likelihood of risk occurrence and consequences or impact of each individual risk on the Ilirija d.d. business processes and system as a whole.

The Company's risk management process involves the following essential steps:

- identification of potential risks;
- assessment of the likelihood of occurrence of the Company's risk;
- assigning responsibilities and taking actions in order to

eliminate and/or reduce risks;

- monitoring and reassessment of risks in order to avoid their negative impacts;
- exchange of information on the activities undertaken and the results of actions between the business process managers and the Company's Management Board through the lines of communication established by the stipulated procedures.

The Company recognises the following types of risks in its operations:

- 1) Economic and financial risks
- 2) Regulatory risks:
- 3) Tourism activity risks
- 4) Global risks and risks of the macroeconomic environment

### 1 Economic and financial risks

In terms of credit risk, i.e. the obligation to repay loans used by the Company, taken out with a currency clause, which were dependent on the movement of the Croatian kuna exchange rate against the euro, the introduction of the euro as the official currency eliminates the said risk. Indebtedness of the Company with the commercial bank is for the most part subject to fixed interest rates. Taking

this into consideration, the Company is not exposed to interest rate risk on that basis. For the purpose of reducing credit risk, the Company strives to reduce its overall credit liabilities to an adequate, i.e. optimal level in order for them to be lower than its own sources of funds. In its operations, as one of the foundations of its business and financial security, the Company strives to have as little net debt as possible, thus significantly reducing the existing credit risk. Financial assets that may potentially expose the Company to credit risk are cash and trade receivables. Trade receivables pertaining to certain customers may entail credit risk, depending on the level of turnover realised with certain customers and the general state of liquidity in the country. Trade receivables are reported with reference to real values. The Company actively monitors and manages trade receivables, at the same time taking especially into account the difficult macroeconomic situation and applying measures of collection in instalments; and, if necessary, eventually undertaking measures of enforced collection, including by activating security instruments for the purpose of collection of its claims. An adjustment of the value of trade receivables is indicated when there is objective evidence that the Company will not be able to collect all of its claims in accordance with the agreed terms. Apart from the aforementioned, the Company has no exposure to any other significant credit risk.

Liquidity management implies maintaining a sufficient amount of money in order to settle the Company's liabilities. One of the primary Company goals in a challenging business environment caused by an unfavourable macro-economic environment is to maintain its current liquidity. The Company is, therefore, undertaking activities to diversify its existing and secure new financing sources (if necessary), it is trying to minimise and optimise all of its operating costs, and is willing to and capable of actively cooperating with all significant creditors by settling the liabilities they had at the time when challenging business conditions materialised.

The continuous growth of strong inflationary pressures primarily caused by increases in the prices of primary energy products (oil, gas, electricity), which subsequently spread to consumer goods and services (especially food and beverages), along with the current geopolitical instability essentially generated strong inflation impacts not only on business entities of European Union countries, but also on their society in general. If they remain strong, inflationary pressures could affect purchasing power and new demand generation, and slow down economic activities in the euro area. In the Republic of Croatia, the prices of goods and services for personal consumption, measured by the consumer price index, were on average 3.7% higher in 2025 compared to 2024. As for the energy costs,

mainly electricity as the primary energy source, the Company managed to protect itself from significant increases in electricity prices in time, namely with a multi-year contract, which mitigated the impact of the increase in electricity prices on total operating costs. The very intense increase in food and beverage costs constitutes a strong generator of inflation growth and at the same time accounts for a significant share of the operating expenses and significantly affects the prices of services in the hospitality and tourism industry. Therefore, by actively monitoring food and beverage prices and cooperating with key suppliers, the Company strives to minimise such prices as much as possible, i.e. ensure stability and security of the supply along with the highest possible procurement cost control. On the other hand, through dynamic daily management of accommodation unit prices, it aims to achieve the maximum level of competitiveness possible, as well as intense and systematic demand monitoring, and a quick and strong response to market trends, while at the same time striving for a timely response to potentially negative challenges and impacts such as inflation.

Bookkeeping values of the following items of financial assets and financial liabilities reflect their respective fair values: money, investments, trade payables, other receivables and other liabilities, loans granted to employees, long-term liabilities.

## 2 Regulatory risks:

As one of the major risks in business operations of tourism companies, Ilirija d.d. included, the Company points out unresolved property rights issues concerning tourism land and legal investments in the maritime domain and the related issues of protection of acquired rights based on legitimate investments and of legitimate expectations of companies performing their activities on the maritime domain or tourism land.

The Company is exposed to changes in tax and other regulations within the legal system of the Republic of Croatia. In particular, this applies to the regulations pertaining to the maritime domain and tourism land, in which domain the company has made significant investments crucial for its business, while not all rights guaranteed by the Constitution in the field of acquired rights before, during and after conversion, the protection of legal capital investments, and the legitimate expectations regarding legal investments have been fully realised under Articles 48 and 49 of the Constitution of the Republic of Croatia.

### *Tourism land – unresolved issue*

Pursuant to the Act on Tourism and Other Construction

Land Not Evaluated in the Conversion and Privatisation Process (hereinafter: the Act), adopted in July 2010, the Company submitted to the Republic of Croatia, within the legally prescribed deadline, i.e. in January 2011, an application for a concession on tourism land for the "Park Soline" campsite in Biograd na Moru for a period of 50 years. Due to unclear provisions of the Act, no decision has been rendered during its validity regarding the Company's application. In the meantime, in May 2020 a new act on non-evaluated construction land was adopted, and thus the Act on Tourism and Other Construction Land Not Evaluated in the Conversion and Privatisation process ceased to have effect. The new Act provides for the right of tourism companies to submit an application for leasing construction tourism land for a period of 50 years. In March 2021 the Company submitted the appropriate application for leasing construction land in the campsite for a period of 50 years to the competent authority of the Republic of Croatia, that is, to the Ministry of Physical Planning, Construction and State Assets. Under the provisions of the Act on Non-Evaluated Construction land, a company shall become the owner of buildings, land under buildings and land in the campsite that were evaluated and entered into the value of social capital in the conversion and privatisation process, while the Republic of Croatia shall become the owner of buildings

and land in the campsite that were not evaluated and entered into the value of social capital in the conversion and privatisation process (so called Parts of the campsite owned by the Republic of Croatia). In the meantime, on 1 April 2022 the Company, in accordance with Article 18) of the Act on Non-Evaluated Construction Land, obtained from the Centre for Restructuring and Sales the Certificate of Conformity of the Geodetic Survey Report, which confirms the conformity of the Park Soline Campsite Geodetic Survey Report with the decision of the Croatian Privatisation Fund of 12 July 1996, by which the real property concerned was evaluated in the process of conversion of the socially-owned enterprise "Ilirija" Biograd na Moru.

Furthermore, the legislator also adopted the Ordinance on the Arrangement of Leases on Parts of the Campsites Owned by the Republic of Croatia (OG 16/24) (hereinafter: Ordinance on the Arrangement of Leases) which, as a by-law, has been in force since 9 February 2024, and which determines the methods and conditions of payment of fees for the lease of unvalued parts of the campsite. The Republic of Croatia, i.e. the competent Ministry of Physical Planning, Construction and State Property, issued a letter entitled: collection of lease fee based on the Ordinance on the Arrangement of Leases on Parts of

the Campsites Owned by the Republic of Croatia, Class: 940-01/24-01/492, Reg. No.: 531-11-2-2-24-1 dated 22 April 2024, invited ILIRIJA d.d. to pay the lease fee based on the aforementioned Ordinance, and charged Ilirija d.d. a lease fee for the period starting from the date of entry into force of the Act on Non-Evaluated Construction Land until 31 December 2023 (05/2020 – 12/2023) in the total amount of EUR 538,912.31. The amount determined in this way, in accordance with the Ordinance on the Arrangement of Leases, represents 50% of the lease fee for the "Park Soline" campsite, while the remaining 50% of the lease fee shall be calculated according to the decision from Article 17.1 of the Act on Non-Evaluated Construction Land, i.e. the conclusion of a 50-year lease agreement in accordance with the Act. For the next period starting from 2024, the competent Ministry determined the **annual lease fee for the "Park Soline" campsite in the amount of EUR 171,624.15, payable in 12 equal monthly instalments, and has issued the lease fee invoices to ILIRIJA d.d. ILIRIJA d.d. duly pays the aforementioned annual lease fee, which amount in accordance with the Ordinance on the Arrangement of Leases, represents 50% of the lease fee.**

Also, the Company published on its website and on the website of the Zagreb Stock Exchange the "Study of the

uniqueness and sustainability of the “Park Soline” campsite in Biograd na Moru as an economic and functional-technological unit within the business system of Ilirija d.d.”, which addresses all relevant issues concerning the “Park Soline” campsite in the context of the application submitted by Ilirija d.d., in accordance with the Act on Non-Evaluated Construction Land, for exercising the right to a long-term lease of the “Park Soline” campsite for a period of 50 years. The purpose of the aforementioned Study is to enable all stakeholders, entities and public bodies that are directly or indirectly involved, within their respective spheres of competence, in resolving the issue of campsite land that was not evaluated in the process of conversion and privatisation of socially-owned enterprises, an integral and comprehensive overview of all aspects of the existing “Park Soline” campsite in Biograd, from complex relations regarding property rights, issues of spatial planning and the need to respect the campsite as an integrated business and functional unit of tourist land and buildings. The Company maintains that, in accordance with the Act on Non-Evaluated Construction Land, it meets the requirements stipulated by the Act for exercising the right to lease construction land in the Campsite for a period of 50 years.

#### *Maritime domain*

The Company is a concessionaire of the Kornati nautical tourism port in Biograd na Moru (hereinafter: Marina Kornati) for a period of 32 years, counting from 13 January 1999, and in accordance with Article 22 of the Act on Maritime Domain and Seaports (Official Gazette Nos 153/2003, 100/04, 141/06, 38/09, 123/11 and 56/16, hereinafter referred to as: ZPDML 2003) on 17 October 2017 the Company submitted to the Government of the Republic of Croatia, through the competent Ministry of the Sea, Transport and Infrastructure of the Republic of Croatia, a request for modification and amendment of the Decision on Concession and the Concession Agreement, that is, for extending the term of the concession by a period of 50 years, i.e. until the year 2049 (extension of the concession term if new investments are economically feasible for it), primarily considering the same or similar cases from the recent Croatian practice where, upon an application for the extension of the concession term submitted by other companies engaging in nautical tourism and competing with Ilirija d.d., the concession term for marinas was extended to them by a period of 50 years.

As no meritorious decision was made on the said request, on 11 July 2018, Ilirija d.d. delivered to the Ministry of Maritime Affairs, Transport and Infrastructure a letter informing them of having procured an amendment to the construction permit for the reconstruction of the marina, as part of the new investment included in the application for an extension of the concession licence validity. Moreover, on 6 October 2021, the Company delivered a letter to the Ministry of Maritime Affairs, Transport and Infrastructure and the Ministry of Finance of the Republic of Croatia, so as to initiate the adoption of the decision regarding an extension of the concession licence validity.

In the meantime, on 02 November 2021, the Company received a statement from the Ministry of Finance of the Republic of Croatia, as a body which, along with the competent Ministry of the Sea, Transport and Infrastructure of the Republic of Croatia, is involved in the procedures for extending the terms of concessions, in which they essentially point out that in order to conduct the procedure for extending the concession agreement, the competent Ministry of the Sea, Transport and Infrastructure, while looking at the problems of the nautical tourism system, needs to establish whether the decision on the concession or the agreement related to it may be changed without conducting a new procedure for granting the con-

cession, in order not to violate the principle of market competition with other concessionaires in the Republic of Croatia.

Considering the statement of the competent authorities and the expressed views, in order to successfully complete the procedure for extending the concession licence for Marina Kornati, Ilirija d.d. sent a supplement of the existing request for extension of the concession licence validity for Marina Kornati to the Ministry of the Sea, Transport and Infrastructure on 28 December 2023, in which it essentially offered: a new increased amount of investment in the maritime domain (superstructures and substructures), new increased investments in the green transition, including the decarbonisation and digital transformation in accordance with Regulation (EU) 2020/852 of the European Parliament and Council of 18 June 2020, on establishing a framework for facilitating sustainable investments and amending Regulation (EU) 2019/2088 Official Journal of the European Union, L 198/13, in the total amount of new investments of: EUR 5,705,066.00, for which the Company has mostly obtained valid building permits and which ensure orderly and legal performance of marina activities with regard to existing technical, technological and environmental requirements for operation

in the period until the expiry of the concession. Also, the Company proposed new amounts of concession fees with reference to previous revalued investments in Marina Kornati, which, in the period from 2000 until the end of 2023, amounted in total: EUR 16,013,277.44, all in order to show the actual absolute value of the investments to date. Furthermore, on 15 July 2025, in response to the opinion of the Ministry of Finance dated 29 May 2025, the Company submitted to the competent ministry a revised Economic Feasibility Study for Marina Kornati, including a valuation of the existing concession and an amended request for extending the concession until 2047, and elaborated on the legal basis for the extension in accordance with the Maritime Domain Act, the Concessions Act and Directive 2014/23/EU. Following the submitted regulated request for the extension of the concession period until 2047 and the revised economic feasibility study, the Ministry of Finance of the Republic of Croatia submitted its opinion dated 25 September 2025 with certain recommendations and suggestions that primarily relate to the methodology for calculating individual indicators that are taken into account in the concession award procedure. Acting in accordance with the opinion of the Ministry of Finance, on 12 December 2025 Ilirija d.d. submitted to the Ministry of the Sea, Transport and Infrastructure

a modified and supplemented revised economic feasibility study, which accepted the suggestions of the Ministry of Finance of the Republic of Croatia and the amended request for the extension of the Kornati Marina concession period, now until 2046. No decision has been rendered yet on the mentioned amended request for an extension of the concession licence validity for Marina Kornati dated 12 December 2025.

As regards the Ilirija-Kornati Hotel Port in Biograd na Moru, the Company delivered to the Republic of Croatia (Zadar County) on 19 January 2011 a request with detailed explanations for an extension of the concession licence validity for a period of 20 years, but the competent authority of the regional self-government unit has not reached a decision on this Request by Ilirija d.d. Furthermore and with regard to the above, in February 2015, the Company once again, pursuant to Article 22 of the Maritime Domain and Seaports Act (new investment), submitted a request to the Zadar County regarding an extension of the concession licence validity for the Ilirija-Kornati Hotel Port, for a period of 30 years in total, but a decision has not been made regarding this request by Ilirija d.d. As regards a beach facility with an outdoor swimming pool in Biograd na Moru, the Company submitted to the concession grantor, Zadar County, a request for an extension

of the concession licence validity for a total of 30 years (until 2028) with all the necessary documentation, back on 20 October 2008 (before the expiry of the concession licence validity). The competent authority still has not decided on this request. The company has been paying the concession fee in the agreed amount for all of the aforementioned facilities this whole time.

On 18 June 2025, the Company submitted to the Zadar County a request for obtaining a concession upon request for a period of 5 years, for commercial use of the beach in front of the Ilirija, Kornati and Adriatic hotels, the beach facility and the outdoor swimming pool Ilirija in Biograd na Moru, performed by Ilirija d.d. hotels, with a four-star rating, built outside of the maritime domain, and connected infrastructurally with the beach with facilities, built and developed beach facility and the outdoor swimming pool, and investments were made in the construction, development and infrastructure by Ilirija d.d., i.e. the hotels, in accordance with Article 63, paragraph 1, point 2 of the Maritime Domain and Seaports Act. The competent authority has still not decided on the submitted request.

Also, on 24 June 2022, the Company published on its website and on the website of the Zagreb Stock Exchange

the research paper of Assoc. Prof. Iva Tuhtan Grgić, PhD, from the Faculty of Law in Rijeka “Acquired rights and legitimate expectations of former holders of the right of use of the maritime domain for an indefinite period as well as for a limited period for as long as economic activity is being carried out”, which precisely on the example of Ilirija d.d. addressed the issues of legal capital investments on the maritime domain, conversion of socially-owned enterprises that had part of their assets on the maritime domain, issues of acquired rights and legitimate expectations of former holders of the right of use of the maritime domain, and conversion of the right of use into a time-limited concession. In particular, as it is stated in the aforementioned research paper, the companies that had the permanent right of use of the maritime domain, acquired on the basis of final administrative decisions of municipal assemblies, had indisputably acquired rights and legitimate expectations that they would be able to use these rights in the future under the same conditions under which they were acquired. However, by decisions adopted on the basis of the legislation in force at the time, the aforementioned right of permanent use of the maritime domain was subsequently converted into the right of commercial use of the maritime domain based on a time-limited concession. This violated the interests of companies, shareholders and acquirers of shares in

these companies, by grossly encroaching on the acquired rights and legitimate expectations that they will be able to use the acquired rights within the same scope as when they acquired them, and those same rights are protected by the provisions of the Constitution of the Republic of Croatia (Articles 48(1) and 49(2) and (4)) and Article 1 of Protocol No. 1 to the Convention for the Protection of Human Rights and Fundamental Freedoms.

On 14 July 2023, the Croatian Parliament adopted a new Maritime Domain and Seaports Act, which entered into force on 29 July 2023. It is evident that the new Act has a series of new provisions, and a certain amount of time will need to pass before we are able to fully assess its effect on complex matters in the area of legal investments in the maritime domain before and after the conversion, evaluation and entering in the share capital of former socially owned enterprises, as well as on acquired legal and legitimate expectations of companies who legally perform economic activity on maritime domain.

### 3 Tourism activity risks

In addition to the listed and described potential and possible risks in the Company’s business operations, we believe that it is of the utmost importance to give a sys-

tematic overview of other key obstacles or restrictions with regard to the development of Croatian tourism in general, and thus of tourism companies, Ilirija d.d. being one of them.

With regard to the forgoing, we present an overview of the key obstacles, that is, of the risks and restrictions with regard to development of and investments in Croatian tourism:

(I) the unresolved issue of ownership since the moment of conversion, that is, property-legal, physical planning-urban and economic use and utilization of the construction tourism land in campsites and around hotels,

(II) inadequately resolved or unresolved issue of conversion on the maritime domain, i.e. issues regarding acquired rights, legitimate investments and legitimate expectations in the maritime domain, having in mind, in particular, the contracted permanent right of use of the maritime domain, while companies which took part in the conversion process, as is the case with our Company, carry out economic activity on the maritime domain, contrary to the provisions of Article 49 and Article 50 of the Constitution,

(III) VAT rate on services in tourism and hotel industry

is much higher than in competitive countries, which consequently makes Croatian tourism less competitive, hinders and slows down further investments both in the construction of new accommodation facilities and in improvement of the existing services and standards, affects new employment and salaries in tourism and hospitality,

(IV) insurmountable obstacles regarding existing bureaucracy, administrative barriers, frequent changes of regulations,

(V) complex and time-consuming procedure of issuing spatial plans and issuing building and operating permits,

(VI) inadequate management of the area by regional or local self-government,

(VII) cancellation of previously acquired rights in urban and spatial plans through conversion of use primarily of construction and tourism land for other non-commercial and non-economic purposes,

(VIII) fiscal and parafiscal charges unsuitable to seasonal business activities with frequent changes in fiscal regulations.

(IX) skilled labour shortages were significantly pronounced in 2025 in the Republic of Croatia, namely at the level of most economic activities, and with a special emphasis on hospitality and tourism taking into account the seasonal nature of Croatian tourism, as well as the fact that it is an extremely labour-intensive industry; therefore, skilled labour shortages (with a special emphasis on occupations in high demand) could affect the success of the peak season, and thus ultimately of the entire business year.

Bearing in mind all of the above, the Company has recognized risks pertaining to the said skilled labour shortages, and it undertakes a series of activities to retain working-age, highly qualified and professional employees at all levels for business operations, namely with the aim of retaining full employment, raising the level and quality of services, and achieving smooth operation of business processes through activities aimed at improving the financial position of employees, investing in their education, and further developing human resources by hiring young, highly educated persons from different professions.

#### 4 Global risks and the macroeconomic environment

Considering the global nature of the hospitality and tourism industry, different events and activities at the global level can significantly affect the operations of tourism companies. As such, the said industry is influenced by geopolitical risks with strong implications for security and stability at the global level, the security, political and economic instability of the region, i.e. of the countries in the immediate vicinity of the Republic of Croatia, the global economic crisis, global health threats such as pandemics and epidemics, as well as the climate impact risk.

In today's globalised world, the said risks affect the free movement of people, goods and capital, i.e. national economies and operations of economic entities.

In addition to the aforementioned risks referred to in points 1 – 3, the most significant global risks for the Company's operations are: the health risk, the geopolitical risk, the climate impact risk, macroeconomic environment and information system security.

##### *Health risk*

Since 2020, the world was faced an unpredictable, serious and extremely dynamic risk related to the epidemiological situation, i.e. the COVID-19 illness, which has had an extremely negative impact on business entities in almost all industries, albeit the most severely affected ones are certainly the travel industry, tourism and hospitality, all of which form an integral part of the Company's core business. The COVID-19 risk is also the biggest and most serious risk that the Company has faced so far, to which the Company responded with a number of measures and activities by reorganising its business processes and operations in order to safeguard the health and well-being of guests and employees, maintain financial stability and current liquidity for the duration of the COVID-19 pandemic, preserve assets and capital as well as business operations and activities, and retain full employment. The Company has successfully achieved all of its goals. The Company continues to implement different preventive activities within its business processes and operations in order to reduce and always be able to control health risks, just like it did during the COVID-19 pandemic. However, the Company is also aware of the related limitations and the unpredictability of easily transmissible infectious diseases and the threatening consequences of their spread.

##### *Geopolitical risk*

Due to the war in Ukraine, geopolitical risk with strong implications for European and global security and the macroeconomic environment has been present since February 2022. Therefore, the Company also reports on such risks and their consequences on its operations. The Company does not have any kind of an ownership relationship with entities from Russia and Ukraine. Moreover, it does not have any assets in Russia and/or Ukraine, and it has not made any investments in entities from Russia and Ukraine or entities materially related to entities from Russia and Ukraine. Thus, the Company is neither exposed nor are there any potential consequences in this respect. Moreover, the Company has no exposure to entities from Russia or Ukraine since it does not do business with legal entities from Russia or Ukraine. The Company does business as a company specialised for hospitality and tourism has a business relationship with natural persons from Russia and Ukraine using the Company's services such as accommodation in its facilities (hotel, camping and nautical sectors). The share of guests from Russia and Ukraine in the Company's total turnover is insignificant, and losing it does not represent a risk to the Company. Should the crisis, that is, the war, spread from Ukraine to other Europe-

an countries or lead to destabilisation of the countries in the Balkans, this would surely have a negative effect on Croatian tourism as a whole, and thus also on the Company. Croatian tourism generates most of its turnover from the European outbound market, which could be significantly reduced in case the Russian-Ukrainian crisis, that is, the war, spreads across Ukrainian borders and causes major geopolitical instability in the wider European region. The Company will counteract any potential negative effects of the Russian-Ukrainian crisis by adjusting its business processes and activities to the new circumstances, with the aim of strengthening the resilience of its business system.

#### *Climate impact risk*

The Company bases its business policy on management in line with the principles of sustainable and responsible development, with particular focus on environmental protection, as the environment is the fundamental resource of the tourism industry. Environmental protection represents a significant segment of the Company's integrated management systems and is a part of its strategic decisions and business processes.

The consequences of climate change are becoming increasingly influential when it comes to almost all activities. In the tourism sector and within the Company, they have been recognised as climate impact risks requiring an interdisciplinary approach and management. The Company continuously monitors its impact on the climate, i.e. its greenhouse gas emissions and other environmental impacts, namely in accordance with all applicable legal regulations and prescribed limit values.

The Company has previously recognised its impact on the environment and decided on a systematic approach with a series of activities it carries out. They mainly pertain to the preservation of natural resources (water, air, soil, and coast), biodiversity, energy management, and waste management, which ultimately confirms the Company's focus on sustainable development and growth. The identified risks included the dangers brought on by climate change both at the global level and at the level of the Company's operations. We also noticed that extreme weather conditions can affect tourist demand and cause direct material damage to the Company's assets.

Climate change, which has a significant impact on the tourism industry globally, also poses a potential risk to

the Company in terms of significantly increasing the incidence of extreme weather conditions (storms, hurricanes, etc.), as well as strengthening their intensity and unpredictability, and can cause extraordinary and unpredictable damage and threats for its business. Temperature variability, i.e. dangerous heat waves, reduce the attractiveness of our offer in holiday capacities. This directly affects arrivals and quality of stay. Rising sea levels put the infrastructure in the immediate vicinity of the coast at risk. The same also applies to the marina, arranged beaches, and beach facilities. Unpredictable windstorms or hurricane-force winds can cause direct damage to almost all our capacities. The Company pays maximum attention to overcoming such sudden and extreme climate and weather conditions by ensuring preventive, technical and spatial, as well as functional and organisational elimination of sudden and accidental risks of any nature to the highest degree possible. Other business risks, such as large-scale fires, accidental pollution of the coastal and marine aquarium, which are all beyond the Company's control but may potentially jeopardise the Company's business safety, are the circumstances which the Company attends to insofar as it can actively contribute to lowering their impact on the Company's long-term business viability as much as possible, being aware of the fact that the Company's

impact here is reduced to measures which cannot be of key importance for the elimination of all the risks posed to the Company.

#### *Macroeconomic environment*

The unfavourable macroeconomic environment, i.e. significant economic uncertainties resulting partially from the global pandemic that affected supply chains, and partially from the Russian-Ukrainian war, led to disruptions in the supply of basic energy products in the euro area and resulted in a significant increase in the prices of all energy products (oil, gas, electricity), and ultimately strong inflationary pressures. An uncertain macroeconomic environment can affect the Company's business activities by reducing the demand for its services as it significantly contributes to the deterioration of the business climate in the key outbound markets for Croatian tourism. This could also result in a slowdown in economic activities and a decrease in purchasing power and standards, as well as, ultimately, in a decrease in travel demand, which would definitely affect the achievements of Croatian tourism companies, including our Company. The company is aware of the challenges and risks arising from the unfavourable macroeconomic environment, and it undertakes a number

of activities aimed at preserving its core business objectives (economic viability and security, financial stability, preservation of the Company's fixed assets and capital, and preservation of the Company's business operations and activities), as it did in previous years, namely based on: (I) commercial resilience – based on the Company's ability to quickly and efficiently adapt to the current market circumstances of doing business by adjusting its marketing and sales activities in all Company sectors, (II) operational resilience – based on the ability to adjust operational business processes to the current circumstances whilst maintaining maximum service and amenity quality and minimising possible negative effects, and (III) financial resilience – based on the Company's ability to maintain financial stability of the business system by maintaining liquidity, assets and business activity through the realisation of revenue ensuring the Company's business stability until key global and macroeconomic uncertainty factors end.

#### *Information system security with a particular focus on cybersecurity*

The increase in threats to the information security of business systems on a global level together with the increasing and more complex digitalisation of business

processes make the information systems of companies more exposed to various forms of security threats. As a result, the Company, in order to raise the level of information security and resilience with a particular focus on cybersecurity, maintain the stability and continuity of operations and preserve information and data, actively works to protect the security of the information system by the strengthening and adapting information system security standards and practices, training employees, performing regular system updates, controlling supply chains of digital services and implementing new security technologies.

#### **4.6 Sustainability Report**

The Company is not required to prepare a sustainability report for 2025, given the stipulated postponement of the date of application of the sustainability reporting obligation.

## 5 BUSINESS CAPACITIES OF THE COMPANY AND ADDITIONAL FACILITIES

The portfolio of ILIRIJA d.d. consists of four hotels and a villa, Marina Kornati with the Ilirija-Kornati Hotel Port, the "Park Soline" Camp, destination management company Ilirija Travel with its own capacities (Arsenal in Zadar, the "Nada" event boat, agritourism and Villa Primorje), City Galleria Business and Shopping Centre, Tennis Centre, Beach Club Ilirija and hospitality facilities.





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## 5.1 HOTEL SECTOR

The hotel sector capacities consist of 435 accommodation units (hotel rooms and apartments), with a total of 910 beds located in Biograd na Moru (Ilirija\*\*\*\*, Kornati\*\*\*\*, Adriatic\*\*) and Sv. Filip i Jakov. Filip i Jakov (hotel Villa Donat\*\*\*/\*\*\*\*), mainly classified as four-star hotels.

Hotel accommodation is located in Hotels and Villas Ilirija Resort in Biograd and Sv. Filip i Jakov. The hotels are located on the coast, not far from the town centre and beach that has been awarded the Blue Flag, and are, owing to their ideal location and infrastructure, intended for holiday and congress tourism. In addition to modern and technically equipped conference halls and meeting rooms intended for conferences, seminars, presentations, workshops and meetings, there are numerous supporting amenities such as the Wellness & Beauty Centre Salvia, an outdoor Olympic swimming pool, fitness center, à la carte restaurants and coffee bars.

Within the Ilirija Resort there is a conference centre consisting of 8 halls, with a total capacity for 30 to 250 people, and there is also a luxurious garden with terraces ideal for banquets, receptions and entertainment, as well as outdoor swimming pools, a beach, and as of May 2018, an indoor pool.

## ILIRIJA RESORT – HOTEL & VILLAS

**The Ilirija Hotel** is the largest four-star hotel of the Ilirija Resort, with a capacity of 157 rooms and 326 beds, equipped with a 200-seat restaurant, a terrace with 70 seats and an aperitif bar with 50 seats. It is located by the seashore, right next to the old town centre, and it is surrounded by beautiful nature, the sea and a pine forest, as well as numerous facilities offering various amenities.

The design and atmosphere of the four-star **Kornati Hotel**, with a capacity of 106 rooms and 230 beds, also featuring a restaurant having a capacity for 220 people, a terrace for 50 and a bar for 40 people, is linked to and evokes the images of the most beautiful Croatian national park The Kornati Hotel is unique thanks to its connection with the nautical tourism port, the Ilirija-Kornati Hotel Port, which is located in the very centre of Biograd, and right next to the hotel there is also a beach.

The three-star **Adriatic Hotel** has a capacity of 100 rooms and 210 beds, a restaurant with a capacity of 230 people, a terrace with a capacity of 300 people and a bar with a capacity of 110 people. It is located in

a pine forest, almost on the beach, and right next to it there is the Aquatic Centre, ideal for family fun and for a number attractive summer sea activities.

The **Villa Donat Hotel** is located in the town of Sv. Filip i Jakov, and it consists of a villa with 16 superbly and modernly furnished rooms. It is a four-star hotel, and it has a three-star annexe. Its total capacity includes 72 rooms and 144 beds, a restaurant with 120 seats, a terrace for 50 and an aperitif bar for 20 persons, as well as an outdoor pool. The hotel is located near the main beach and the town centre, and it is reminiscent of the rich history of the area.





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## 5.2 NAUTICAL SECTOR

The Company began developing its nautical sector in 1976 when it concluded a contract on the purchase of 40 ELAN vessels from Slovenia, that is, in 1977 with the construction of the first nautical marina in Croatia (Kornati Hotel Port) with 100 berths and the organisation of the first private charter fleet on the Adriatic with more than 40 vessels for the needs of boaters. Therefore, ILIRIJA d.d. is rightly considered to be a pioneer of nautical tourism on the Adriatic. The Company's current nautical sector consists of Marina Kornati and the Kornati Hotel Port, with a total of 805 berths at sea and on land, which can accommodate up to 2000 boaters in one day, and its number of berths, modern technical equipment, quality of service and cleanliness (blue flag) make Marina Kornati one of the three leading Croatian marinas, visited by over 60,000 boaters a year.

In 2020 the Ministry of Tourism and Sport carried out the procedure of recategorisation of the Marina Kornati Nautical Tourism Port in which it established that Marina Kornati meets the requirements prescribed for the four-anchor category. Subsequently, the Marina Kornati Nautical Tourism Port received the four-anchor (star) category rating.

Marina Kornati has received numerous awards, notably the Special Award as part of "XVI Tourism Flower – Quality for Croatia 2012", organised by the Croatian Chamber of Commerce and Croatian Radiotelevision, for the best marina in the category of marinas with over 450 berths. In 2013, in "XVII Tourism Flower – Quality for Croatia 2013", it received an award in the category of the largest marinas, while in 2014 and 2015, as part of the same project, it ranked second in the "Best Large Marina" category. In 2017, in "XXI Tourism Flower – Quality for Croatia" it ranked third in the category "Large Marina". In 2018, Marina Kornati was granted two acknowledgements: (I) a special acknowledgement from the Jutarnji list Nautical Patrol for the greatest progress achieved in the tourism season 2018 and for outstanding contribution to the development of Croatian nautical tourism and (II) in the "XXII Tourism Flower – Quality for Croatia" it ranked third in the category "Large Marina".

In 2019, it was awarded recognition as part of the "XXIII Tourism Flower – Quality for Croatia" competition, by the Croatian Chamber of Commerce and Croatian Radiotelevision, it ranked 2nd in the category of large marinas. The Jutarnji list Nautical Patrol awarded Marina Kornati a special recognition for its outstanding con-

tribution to the organization and success of the nautical patrol, while in 2021 it recognised the marina for its outstanding contribution to the development of nautical tourism during the COVID-19 pandemic. In 2023, the Company won the Zadar County Tourist Board annual award “For its contribution to nautical tourism and for having been organising the Biograd Boat Show for 25 years”.

Ilirija d.d. is also the organiser of the leading nautical fair in Croatia, “BIOGRAD BOAT SHOW”, which has been continuously held in Marina Kornati for 27 years in a row.





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## 5.3 CAMPING SECTOR

The four-star “Park Soline” campsite is located in Biograd na Moru within the borders of the populated area, but as a separate physical planning-urban and economic entity in the south-east part of the town of Biograd na Moru, right by the main beach in the coastal length of approx. 1.5 km, with a 450-meter beach positioned right in front of the campsite.

The campsite covers an area of 20.00 ha and includes 1,130 accommodation units with a total capacity for up to 3,390 persons. It is situated in an outstanding natural environment of a predominantly high pine forest which provides shade to 90 % of the campsite. By adhering to the principles of sustainability and environmental protection and considering the natural features of the area by using indigenous plant species, the horticultural landscaping of the campsite has been completed to the level of an arboretum, which is a remarkable and rare example in Croatia of creating added value for a tourism camping product.

With its enriched offer of restaurants, a newly built promenade along the entire campsite and a beach leading to the centre of Biograd, the “Park Soline” camp is the right choice for a family holiday. In addition to entertainment activities for children and evening

entertainment, as well as an attractive sports offer guaranteeing active holidays, you can relax on long promenades and recreational trails in a healthy environment, which makes the camp a great choice for all nature lovers.

The “Park Soline” campsite is the largest and the only high-quality four-star campsite in Biograd na Moru, which accounts for 77 % of the total campsite accommodation capacities and sets the highest standards of equipment and landscaping in the destination. Since this campsite is the most valuable part of the camping offer in Biograd na Moru, it directly influences the image of this destination and its positioning on the domestic and foreign tourism market.

The value of investments made in the “Park Soline” campsite from 2000 until the end of business year 2025 amounted to approximately EUR 32.64 million and owing to these investments the number of overnight stays increased from 4,556 in 1996 to 334,242 in 2025. The value of own works for the said period accounts for over 30% of the investments, meaning that the total value of investments in the “Park Soline” campsite for the said period amounted to approximately EUR 42.43 million.



Nada



Ivrija d.d.

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## 5.4 ILIRIJA TRAVEL

**Ilirija Travel** – destination management company: by developing new services and amenities, a high-quality, integrated and complementary tourism product has been created in response to the contemporary tourist demand, and driven by technological, social and market factors and trends of an increasingly demanding market. Among the most important cornerstones when it comes to the offer and implementation of these special programmes and products are business operations conducted in our own additional facilities such as the following:

**Event ship „Nada“** a 36-metre multifunctional yacht with a capacity for 140 persons, with a restaurant, kitchen and bar provides guests with excellent services pertaining to food and beverages during navigation. Congresses, seminars, special events, unique business meetings, gala receptions and banquets, unique weddings, exclusive day and night cruises and incentive events are only some of the exciting amenities that the “Nada” event boat offers, while adapting to the individual requirements of clients.

**Arsenal** is a zero-category monument and multimedia centre located in Zadar, built in the 17th century and revitalized in 2005 as an indoor city square, or as the

centre of public, cultural and entertainment life of the region, where over 100 public and private events are organized every year.

**Diffuse Hotel Ražnjevića dvori AD 1307** a diffuse multi-purpose functional facility located in Polača, in the municipality bearing the same name, in the heart of Ravni kotari and halfway between Biograd na Moru and Benkovac, is the first facility of its category in the Republic of Croatia. This set-up, based on the traditional farm facility, is a great example of an innovative tourism product conceived as a combination of the traditional and the contemporary.

**Villa Primorje**, built in the second half of the 19th century, is a typical traditional Dalmatian stone manor house with an outbuilding. Newly renovated, luxuriously decorated and equipped according to the latest standards for facilities of this type and category, it has its own restaurant offering the opportunity to organize a number of events, a Mediterranean garden with a promenade, while since the 2017 tourist season the offer also includes an outdoor swimming pool. Offers of trips, special offers according to the requirements of clients, sports programs, MICE etc.



*Utrija d.d.*



**PARK SOLINE**  
RESTAURANT

*Camping Park Soline*

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## 5.5 HOSPITALITY

**The Marina Kornati restaurant** located in the Marina Kornati, with a capacity for over 350 persons, which along with the Captain's Club having a capacity for 70 persons can receive up to 420 persons, meets the needs of boaters when it comes to hosting various and numerous events in the Marina Kornati. In addition to restaurant services, the Captain's Club also provides services for numerous presentations of nautical products and serves as an ideal place for organization of smaller conferences and events.

**The restaurant Park Soline** is located in the Park Soline camp\*\*\*\*, right by the sea, about a ten minute walk away from the centre of the town of Biograd na Moru, and its food offer is based on Mediterranean cuisine. This restaurant, with a capacity for 280 persons, offers the possibility of organizing various events – family festivities, banquets and soirées, as well as meetings. Within the restaurant, there is also a Dalmatian tavern with a fireplace, a coffee shop and a wine bar arranged as a wine cellar, which provides you with the opportunity to buy and taste the highest quality red and white wine made from indigenous Croatian grape varieties.

**The Donat beach bar** is located in the building-magazine within the protected cultural and historical unit of the town of Sv. Filip i Jakov, which is also entered in the Register of Cultural Goods of the Republic of Croatia.

Today, it is categorized as a beach bar / cocktail bar with a capacity for 140 persons.

**The Lavender lounge bar** located within the Adriatic Hotel located right by the beach, known for its Mediterranean design, fully adapted for relaxation, with a beautiful view of the Pašman Canal, is a place offering the possibility of organizing numerous events of different nature (MICE, weddings, banquets, cocktail bar, nightclub, etc.).

**The beach facility Beach Club Ilirija**, with an outdoor saltwater swimming pool, a beach/sunbathing area surrounding the outdoor pool, and a catering facility, is located directly in front of the Company's hotel complex in Biograd na Moru, forming with it an indivisible, connected and integrated infrastructural, functional and economic unit. This year's extensive renovation and modernisation of the entire facility, aimed at significantly improving the quality of amenities and services as well as bringing them in line with current trends in the tourism and hospitality industry, made the facility an even more attractive destination to enjoy on the beach. In addition to the new range of catering services, the facility also offers various sports activities (swimming, water polo and other sports facilities), and it can be used as a venue for larger events (with a capacity of up to 1000 guests).



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## 5.6 ADDITIONAL FACILITIES

**Manifestation: Biograd Boat Show** - the largest international autumn nautical fair in the Republic of Croatia and the largest nautical fair held on water in South East Europe. It brings together all key representatives of the nautical industry and tourism. The nautical fair was first organised in 1999 as spring Open Days, mainly intended for companies that operate in the marina, as the first such event in Northern Dalmatia.

Given its status as the cradle of nautical tourism, the aim was to organise a first-rate nautical event in Biograd na Moru at which all sectors of nautical and charter activities would be presented, whereby the Open Days grew into Biograd Boat Show. Since 2004, the event has been organised as an autumn nautical fair, which contributed to the improvement of the nautical offer and the extension of the tourist season. The Biograd Boat Show was admitted to the International Federation of Boat Show Organisers (IFBSO) at the 50th session of the Federation held in Istanbul, Turkiye, in June 2014, and in 2015 it became its gold member.

The fairs of former members of the Federation were mainly organised in major world centres, and the fact that the Biograd Boat Show is organised in a town of only 5,000 residents makes this success even greater

and represents a great acknowledgement not only to the Company as the organiser, but also to Croatian nautical industry and tourism. Today the leading international autumn nautical fair has established itself as the biggest Croatian nautical event and in the last three years it has grown into a nautical industry (activity) congress in the Republic of Croatia.

Thanks to the partnership with all relevant entities, the Biograd Boat Show has united “5 fairs in one”, i.e. the Biograd Boat Show (an exhibition fair), Biograd B2B (a business fair), Days of Croatian Nautics by the Croatian Chamber of Economy (a congress fair), Croatia Charter Expo (a leading charter fair) and Croatia Luxury and Adventure Travel Show (a luxury and exclusive tourism fair), thus bringing together all key segments of nautical industry and tourism in one place, continuously contributing to their further development and recognition.

In 2025, the fair (which marked its twenty-seventh anniversary) was attended by over 400 registered exhibitors, with 500 vessels at sea and on land and more than 50 premier vessels presented on an expanded exhibition area at sea and on land, while over 150 registered charter companies, agencies and brokers actively par-

ticipated in the charter fair with over 500 accredited participants from more than 40 countries.

### Sports facilities:

Located in the pine forest Soline near the old town centre, the **Ilirija Tennis Centre** covers a surface area of 48,000 m<sup>2</sup> and consists of 20 tennis courts and multi-purpose courts (14 ground and 6 artificial grass courts) with night lighting, a restaurant facility, locker rooms and associated facilities.





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## 5.7 CITY GALLERIA BUSINESS AND SHOPPING CENTRE

City Galleria Business and Shopping Centre is located in a heavily residential area in the immediate centre of Zadar. It is one of the two largest shopping centres in town and the wider Zadar region, completed and opened to the public in October 2008, with a total gross surface area of more than 28,500 m<sup>2</sup> spread over a total of six floors (two garage and four retail floors). The gross surface area of the centre consists of the associated underground garage with a total surface area of 10,863.50 m<sup>2</sup>, 9,445.32 m<sup>2</sup> of net rentable area, as well as ancillary rooms and corridors. As at 31 December 2025, the occupancy of the centre amounted to 99.76% of total capacities.

The centre features the following facilities: an underground car garage with more than 400 parking spaces on two floors, an outdoor and indoor market, a supermarket, speciality shops, clothing and sports stores, service amenities, cafes, office spaces and 6 multiplex cinema halls.

The unique features of the City Galleria Business and Shopping Centre were recognised on the international level during the 2010 International Property Award, the world's most prestigious competition in the real estate business, on which occasion the City Galleria

Business and Shopping Centre Zadar received the prestigious five-star award in the Best Retail Development category.

The unique features of the City Galleria Business and Shopping Centre, which distinguish it from the rest of the market offer can be summarised in a few examples, such as: a very attractive location within the city's pedestrian zone that provides great visibility and easy accessibility of the building, situation of the main marketplace with accompanying eating facilities in the Centre and the first and only multiplex cinema in the city of Zadar.

## 6 KEY OPERATING PERFORMANCE INDICATORS OF THE COMPANY

This business year was characterised by slow growth in tourist demand at the national level, primarily in the high season (July – August), which, along with significant growth in competitive markets in the Mediterranean at the annual level, resulted in the stabilisation of tourist traffic in the reporting period. In such market circumstances of Croatian tourism, the Company recorded growth in key financial and market indicators of operations across all sectors, with strong growth in key physical indicators in the hotel, camping and DMC Ilirija Travel sectors. This resulted in the best business results to date at the level of all sectors in terms of revenue, generating revenue growth and adequate growth in profitability indicators at the Company level.

The hotel sector recorded strong growth in business activities in the pre-season and continued growth in the high season, which resulted in 44,488 arrivals and 138,805 overnight stays in the reporting period, an increase of 4% in arrivals and 10% in overnight stays compared to the previous year. The growth in physical indicators, accompanied by the growth in capacity occupancy and the number of days sold, also generated an increase in revenue at a rate of 8.25%, i.e. revenue amounted to EUR 10,592,713.85 at the level of the entire hotel sector, including the revenue generated by selected profit centres, which in 2024

amounted to EUR 9,785,390.07. The growth of key business indicators, both physical and financial, also resulted in an increase in revenue per room sold, which at the level of the hotel sector amounted to EUR 167.95 in 2025 compared EUR 160.26 in the previous year, representing an increase of 4.80%. Furthermore, in the hotel sector, 145 days of occupancy were realised with an occupancy rate of 39.72%, which continued the trend of increasing capacity occupancy compared to the previous year, when 140 days of occupancy with an occupancy rate of 38.35% were recorded.

In 2025, the accommodation segment of the camping sector, i.e. the “Park Soline” campsite, recorded growth in key physical and financial performance indicators, which made the campsite achieve its best operating results to date. It recorded 54,271 arrivals and 334,242 overnight stays, which grew at the rate of 8.86% and 4.12%, respectively, compared to the previous year, when 49,854 arrivals and 321,016 overnight stays were recorded. The occupancy rate of accommodation units based on availability days was 57.97%, with 115 days of occupancy. The growth in key physical performance indicators resulted in revenue generated in the amount of EUR 7,890,255.24, an 11.67% increase compared to EUR 7,065,459.98 in revenue in 2024. In the reporting period, the campsite recorded its

highest revenue to date, generated by revenue growth in key market segments, except for agency revenue. Also, the growth in revenue resulted in an increase in the average price of campsite unit, which for the reporting period amounted to EUR 60.94 and grew at a rate of 13.08%, while the accommodation revenue per campsite unit on the basis of days of availability amounted to EUR 35.27 and increased by 11.47%.

In the reporting period, the nautical sector, i.e. Marina Kornati, continued to grow its business and recorded growth in financial performance indicators, having the best business year to date. In the reporting period, Marina Kornati generated operating revenue in the amount of EUR 7,936,621, a 6% increase compared to 2024, when revenue amounted to EUR 7,462,351, which resulted in the highest revenue in the vessel accommodation segment. Operating revenue growth, despite the slight decrease in physical indicators, is the result of stable operations in Marina Kornati's key segments, primarily in vessels at contracted berth, which generates 74.7% of the marina's revenue, but also in other operating items, except for other services. Vessels at contracted berth, of which 744 were contracted in the reporting period, i.e. 1% less compared to the previous year, generated revenue in the amount of EUR 5,928,059, an 8% increase compared to the revenue from

the previous year when they amounted to EUR 5,485,984 and in absolute terms contributed the most to the growth of the marina's revenue. The daily berth segment recorded 2,442 vessel arrivals and 7,142 overnight stays, generating daily berth revenue in the amount of EUR 436,314, an increase of 11%, while at the same time the increase in revenue was also recorded in the business cooperation segment, amounting to EUR 468,692, a 7% increase. Furthermore, 4,082 port service operations carried out, a 2% increase in the number of operations, generated revenue in the amount of EUR 536,617, i.e. a 6% increase.

Ilirija Travel, a destination management company, with 310 special programmes and events realised for a total of 44,119 people, achieved growth in both key physical indicators, i.e. a 5.08% increase in the number of events and a 9.14% increase in the number of participants. The increase in key physical indicators results from a strong increase in demand, resulting in the realised revenue of EUR 2,015,701.28, partly generated by other Company profit centres, with a growth rate of 10.26% compared to the previous year. DMC Ilirija Travel recorded continuous growth in business activities throughout the entire business year, although most of it was achieved in the pre-season and post-season, whereby the Company uses the destination management company to develop year-round

business activity in its other tourism sectors.

The real-estate sector, i.e. City Galleria Business and Shopping Centre, continued to grow business activities in the reporting period, recording continuous growth in key market and financial indicators. Operating revenue amounted to EUR 2,285,461.83, representing an increase of 5.85% as compared to EUR 2,159,072.06 realised in 2024. The increase in operating revenue is the result of revenue growth across all of its key operating items (lease, revenue from common costs, garage, revenue from common areas, advertising revenue) which grew at rates ranging from 1% to 32%. Furthermore, the average rent per m<sup>2</sup> of commercial premises amounted to EUR 142.97, a 4% increase compared to EUR 138.00 in 2024, while the average monthly rent per m<sup>2</sup> of commercial premises (AMR) amounted to EUR 11.91, a 4% increase compared to EUR 11.50 in the previous business year.

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## 6.1 HOTEL SECTOR

The business year 2025 was marked by continued demand for increased hotel capacities, which resulted in an increase in physical and financial business results in the entire hotel sector. During the reporting period, 44,488 arrivals and 138,805 overnight stays were recorded, compared to 42,573 arrivals and 126,130 overnight stays in the same period of 2024, with a recorded 4% increase in arrivals and a 10% increase in overnight stays. Following last year's double-digit growth in arrivals, this year's growth in guest arrivals is more moderate, while overnight stays grew at a higher rate than in the previous year. In such circumstances, the achieved growth of physical operating results had a significant impact on the increase in financial performance, and Ilirija's hotels generated a total revenue in the amount of EUR 10,108,277.17, an 8.33% increase compared to EUR 9,330,780.94 generated in 2024, while the total revenue of the hotel sector, including the revenue generated in selected profit centres of the hotel sector, amounted to EUR 10,592,713.85 and increased by 8.25% compared to EUR 9,785,390.07 of revenue generated in 2024.

Comparing data on total revenue per room sold in the hotel sector, growth was recorded in 2025 compared to 2024. At the level of the entire hotel sector, total

revenue per room sold increased from EUR 160.26 in 2024 to EUR 167.95 in 2025, indicating a positive business trend.

In hotels, an increase in revenue per room sold was also recorded. The value increased from EUR 152.81 at the end of 2024 to EUR 160.27 as at 31/12/2025, indicating improved hotel business efficiency and higher guest spending.

The boarding part of the hotel offer saw a similar growth trend. Total boarding revenue per room sold increased from EUR 134.44 in 2024 to EUR 140.56 in 2025. Although the absolute amounts were lower compared to hotels in total, the continuity of growth confirmed the stability of this segment.

In the structure of overnight stays in 2025, domestic guests remained a predominant group within the guest structure (I) Croatia, which accounts for 31.9%, (II) the Austrian market with a share of 9.3% and a growth of 16%, (III) the Bosnia and Herzegovina market with a share of 8.5%, (IV) Slovenia with a share of 8% in overnight stays. and (V) the German market with a share of 5.8%. As regards other markets, a significant share was held by the markets of Slovakia, South Korea and

Poland, while growth was recorded in the markets of Spain, Belgium, China and Ukraine, while the Dutch, Italian, Swedish, Czech and Hungarian markets maintained their share or recorded a slight decline.

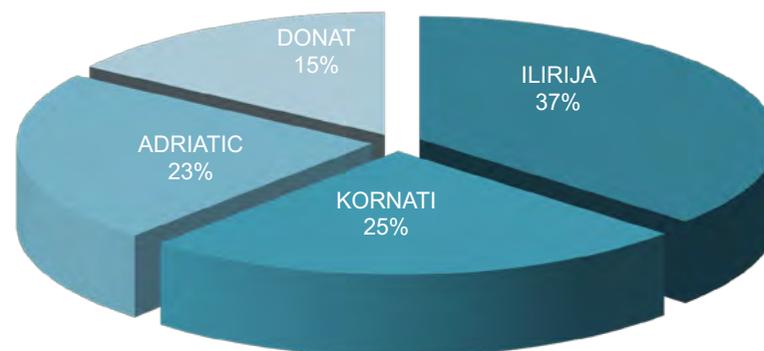
The occupancy and facility utilisation days have improved considerably in 2025 compared to the same period of the previous business year. In proportion to the days the facilities are open and their capacities, we have recorded a more evenly distributed occupancy of individual hotels. This increased the average occupancy rate of all hotels from 38.35 to 39.72%, while in terms of days of availability it increased from 57% to 62%, while the days of availability at the level of the entire hotel sector increased from 140 days in 2024 to 145 days in 2025. The average number of days is 3.12 days compared to 2.96 for the same period last year, and the average occupancy rate of all four hotels was 38%, while a record occupancy rate of 90.63% was achieved in one of the hotels in August and 86.36% in July.



## Hotel sector capacities

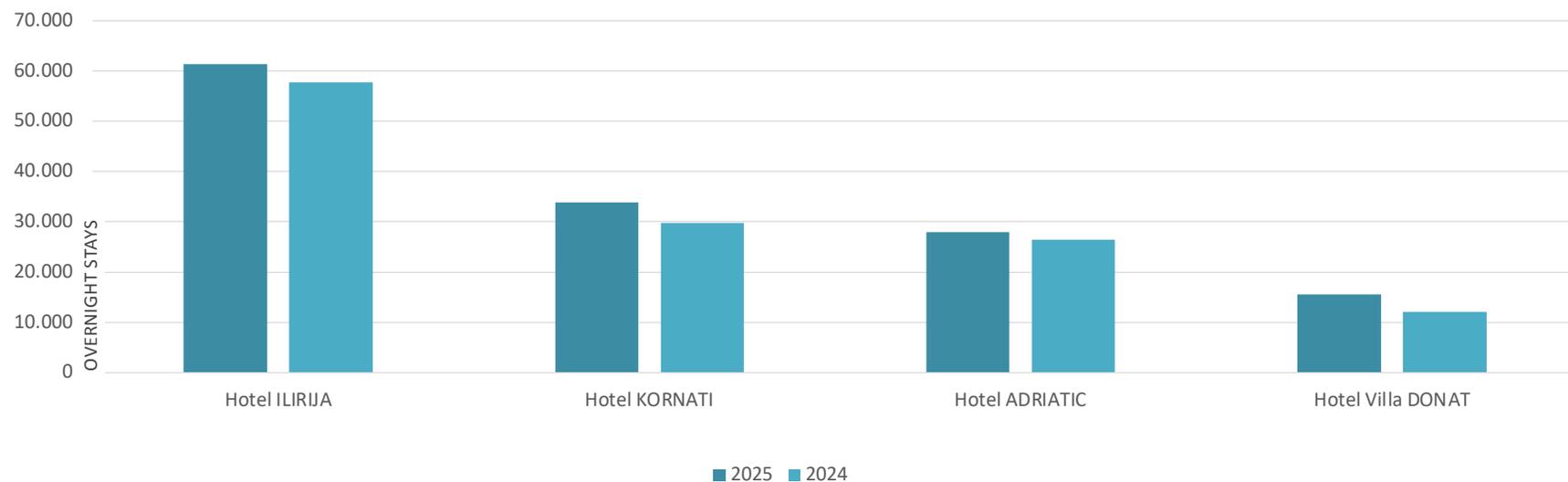
ILIRIJA D.D.	NUMBER OF ROOMS			NUMBER OF BEDS		
	2025	2024	Index 2025/2024	2025	2024	Index 2025/2024
ILIRIJA	157	157	1,00	326	326	1,00
KORNATI	106	106	1,00	230	230	1,00
ADRIATIC	100	100	1,00	210	210	1,00
DONAT	72	72	1,00	144	144	1,00
TOTAL	435	435	1,00	910	910	1,00

% Share of individual hotel (number of beds)

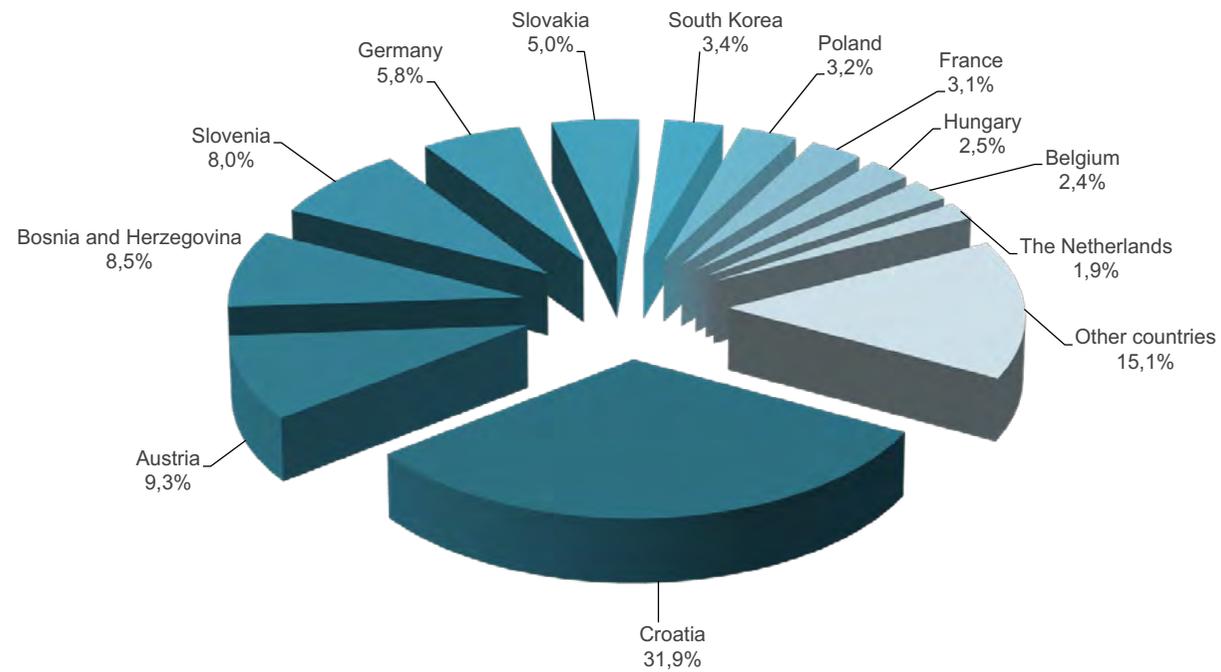


## Overview and comparison of realised arrivals and overnight stays in 2025 with 2024

HOTEL SECTOR							
PROFIT CENTER	ARRIVALS			INDEX	OVERNIGHTS		INDEX
	2025	2024	2025/2024		2025	2024	
Hotel ILIRIJA	21.366	22.290	96	61.354	57.728	106	
Hotel KORNATI	12.338	11.012	112	33.818	29.809	113	
Hotel ADRIATIC	7.281	6.412	114	28.005	26.518	106	
Hotel Villa DONAT	3.503	2.859	123	15.628	12.075	129	
<b>TOTAL</b>	<b>44.488</b>	<b>42.573</b>	<b>104</b>	<b>138.805</b>	<b>126.130</b>	<b>110</b>	



Graph of realised overnight stays in 2025



## Capacity occupancy in 2025 and a comparison with 2024

## Percentage share

MONTH	ILIRIJA						KORNATI						ADRIATIC						DONAT						GRAND TOTAL					
	Room total	2025	%	Room total	2024	%	Room total	2025	%	Room total	2024	%	Room total	2025	%	Room total	2024	%	Room total	2025	%	Room total	2024	%	Room total	2025	%	Room total	2024	%
JANUARY (I)	4.867	573	11,77%	4.867	537	11,03%	3.286	105	3,20%	3.286	61	1,86%	3.100	47	1,52%	3.100	86	2,77%	2.232	0	0,00%	2.232	0	0,00%	13.485	725	5,38%	13.485	684	5,07%
FEBRUARY (II)	4.396	849	19,31%	4.553	491	10,78%	2.968	0	0,00%	3.074	0	0,00%	2.800	0	0,00%	2.900	0	0,00%	2.016	0	0,00%	2.088	0	0,00%	12.180	849	6,97%	12.615	491	3,89%
MARCH (III)	4.867	1.072	22,03%	4.867	2.011	41,32%	3.286	0	0,00%	3.286	67	2,04%	3.100	0	0,00%	3.100	0	0,00%	2.232	0	0,00%	2.232	0	0,00%	13.485	1.072	7,95%	13.485	2.078	15,41%
APRIL (IV)	4.710	2.915	61,89%	4.710	2.396	50,87%	3.180	1.000	31,45%	3.180	488	15,35%	3.000	99	3,30%	3.000	53	1,77%	2.160	0	0,00%	2.160	0	0,00%	13.050	4.014	30,76%	13.050	2.937	22,51%
MAY (V)	4.867	3.348	68,79%	4.867	3.294	67,68%	3.286	2.205	67,10%	3.286	1.823	55,48%	3.100	1.562	50,39%	3.100	2.103	67,84%	2.232	128	5,73%	2.232	28	1,25%	13.485	7.243	53,71%	13.485	7.248	53,75%
JUNE (VI)	4.710	3.029	64,31%	4.710	2.828	60,04%	3.180	2.061	64,81%	3.180	1.872	58,87%	3.000	2.133	71,10%	3.000	1.770	59,00%	2.160	1.184	54,81%	2.160	1.052	48,70%	13.050	8.407	64,42%	13.050	7.522	57,64%
JULY (VII)	4.867	4.203	86,36%	4.867	4.178	85,84%	3.286	2.644	80,46%	3.286	2.633	80,13%	3.100	2.643	85,26%	3.100	2.508	80,90%	2.232	1.786	80,02%	2.232	1.538	68,91%	13.485	11.276	83,62%	13.485	10.857	80,51%
AUGUST (VIII)	4.867	4.346	89,30%	4.867	4.408	90,57%	3.286	2.978	90,63%	3.286	2.959	90,05%	3.100	2.761	89,06%	3.100	2.704	87,23%	2.232	1.938	86,83%	2.232	1.776	79,57%	13.485	12.023	89,16%	13.485	11.847	87,85%
SEPTEMBER (IX)	4.710	3.763	79,89%	4.710	3.744	79,49%	3.180	2.601	81,79%	3.180	2.636	82,89%	3.000	1.999	66,63%	3.000	2.245	74,83%	2.160	1.206	55,83%	2.160	1.107	51,25%	13.050	9.569	73,33%	13.050	9.732	74,57%
OCTOBER (X)	4.867	2.653	54,51%	4.867	2.919	59,98%	3.286	1.776	54,05%	3.286	1.662	50,58%	3.100	818	26,39%	3.100	836	26,97%	2.232	64	2,87%	2.232	109	4,88%	13.485	5.311	39,38%	13.485	5.526	40,98%
NOVEMBER (XI)	4.710	1.140	24,20%	4.710	788	16,73%	3.180	336	10,57%	3.180	0	0,00%	3.000	63	2,10%	3.000	0	0,00%	2.160	0	0,00%	2.160	0	0,00%	13.050	1.539	11,79%	13.050	788	6,04%
DECEMBER (XII)	4.867	723	14,86%	4.867	845	17,36%	3.286	213	6,48%	3.286	318	9,68%	3.100	107	3,45%	3.100	188	6,06%	2.232	0	0,00%	2.232	0	0,00%	13.485	1.043	7,73%	13.485	1.351	10,02%
TOTAL	57.305	28.614	49,93%	57.462	28.439	49,49%	38.690	15.919	41,14%	38.796	14.519	37,42%	36.500	12.232	33,51%	36.600	12.493	34,13%	26.280	6.306	24,00%	26.352	5.610	21,29%	158.775	63.071	39,72%	159.210	61.061	38,35%

## Capacity occupancy in 2025 and a comparison with 2024

## Occupancy days

MONTH	ILIRIJA						KORNATI						ADRIATIC						DONAT						GRAND TOTAL					
	Room total	2025	Days in 2025	Room total	2024	Days in 2024	Room total	2025	Days in 2025	Room total	2024	Days in 2024	Room total	2025	Days in 2025	Room total	2024	Days in 2024	Room total	2025	Days in 2025	Room total	2024	Days in 2024	Room total	2025	Days in 2025	Room total	2024	Days in 2024
JANUARY (I)	4.867	573	4	4.867	537	3	3.286	105	1	3.286	61	1	3.100	47	0	3.100	86	1	2.232	0	0	2.232	0	0	13.485	725	2	13.485	684	2
FEBRUARY (II)	4.396	849	5	4.553	491	3	2.968	0	0	3.074	0	0	2.800	0	0	2.900	0	0	2.016	0	0	2.088	0	0	12.180	849	2	12.615	491	1
MARCH (III)	4.867	1.072	7	4.867	2.011	13	3.286	0	0	3.286	67	1	3.100	0	0	3.100	0	0	2.232	0	0	2.232	0	0	13.485	1.072	2	13.485	2.078	5
APRIL (IV)	4.710	2.915	19	4.710	2.396	15	3.180	1.000	9	3.180	488	5	3.000	99	1	3.000	53	1	2.160	0	0	2.160	0	0	13.050	4.014	9	13.050	2.937	7
MAY (V)	4.867	3.348	21	4.867	3.294	21	3.286	2.205	21	3.286	1.823	17	3.100	1.562	16	3.100	2.103	21	2.232	128	2	2.232	28	0	13.485	7.243	17	13.485	7.248	17
JUNE (VI)	4.710	3.029	19	4.710	2.828	18	3.180	2.061	19	3.180	1.872	18	3.000	2.133	21	3.000	1.770	18	2.160	1.184	16	2.160	1.052	15	13.050	8.407	19	13.050	7.522	17
JULY (VII)	4.867	4.203	27	4.867	4.178	27	3.286	2.644	25	3.286	2.633	25	3.100	2.643	26	3.100	2.508	25	2.232	1.786	25	2.232	1.538	21	13.485	11.276	26	13.485	10.857	25
AUGUST (VIII)	4.867	4.346	28	4.867	4.408	28	3.286	2.978	28	3.286	2.959	28	3.100	2.761	28	3.100	2.704	27	2.232	1.938	27	2.232	1.776	25	13.485	12.023	28	13.485	11.847	27
SEPTEMBER (IX)	4.710	3.763	24	4.710	3.744	24	3.180	2.601	25	3.180	2.636	25	3.000	1.999	20	3.000	2.245	22	2.160	1.206	17	2.160	1.107	15	13.050	9.569	22	13.050	9.732	22
OCTOBER (X)	4.867	2.653	17	4.867	2.919	19	3.286	1.776	17	3.286	1.662	16	3.100	818	8	3.100	836	8	2.232	64	1	2.232	109	2	13.485	5.311	12	13.485	5.526	13
NOVEMBER (XI)	4.710	1.140	7	4.710	788	5	3.180	336	3	3.180	0	0	3.000	63	1	3.000	0	0	2.160	0	0	2.160	0	0	13.050	1.539	4	13.050	788	2
DECEMBER (XII)	4.867	723	5	4.867	845	5	3.286	213	2	3.286	318	3	3.100	107	1	3.100	188	2	2.232	0	0	2.232	0	0	13.485	1.043	2	13.485	1.351	3
TOTAL	57.305	28.614	182	57.462	28.439	181	38.690	15.919	150	38.796	14.519	137	36.500	12.232	122	36.600	12.493	125	26.280	6.306	88	26.352	5.610	78	158.775	63.071	145	159.210	61.061	140

## Monthly comparison of revenue/overnight stays of the Ilirija Resort Hotel in 2025 and a comparison with 2024

MONTH	HOTELS - GRAND TOTAL					
	GENERATED REVENUE			REVENUE FROM PROVIDED BOARDING SERVICES		
	2025	2024	INDEX 2025/2024	2025	2024	INDEX 2025/2024
JANUARY	227.648,78	195.686,11	116,33	211.472,15	177.338,24	119,25
FEBRUARY	111.935,65	66.184,13	169,13	85.931,53	45.678,37	188,12
MARCH	148.469,47	229.354,81	64,73	114.138,25	193.197,99	59,08
APRIL	432.449,16	296.697,98	145,75	380.561,18	258.022,48	147,49
MAY	808.308,38	771.779,80	104,73	727.255,46	677.964,93	107,27
JUNE	1.313.920,74	1.082.532,31	121,37	1.103.703,29	891.898,60	123,75
JULY	2.100.284,65	1.979.311,74	106,11	1.901.940,37	1.751.551,53	108,59
AUGUST	2.570.061,22	2.539.823,85	101,19	2.354.469,88	2.326.645,39	101,20
SEPTEMBER	1.479.821,59	1.352.818,40	109,39	1.265.894,22	1.220.818,74	103,69
OCTOBER	605.922,08	628.665,89	96,38	530.222,99	543.126,45	97,62
NOVEMBER	185.056,72	94.244,01	196,36	127.200,33	89.348,87	142,36
DECEMBER	124.398,73	93.681,91	132,79	62.748,99	33.485,99	187,39
TOTAL	10.108.277,17	9.330.780,94	108,33	8.865.539	8.209.078	108,00
31/12/	10.108.277,17	9.330.780,94	108,33	8.865.539	8.209.078	108,00

Total revenue per sold room in hotels 31/12/2025 160,27 €

Total revenue per sold room in hotels 31/12/2024 152,81 €

Total revenue per room sold for the boarding services, hotels 31/12/2025 140,56 €

Total revenue per room sold for the boarding services, hotels 31/12/2025 134,44 €

Total revenue per room sold, hotel industry - 2025: 167,95 €

Total revenue per room sold, hotel industry - 2024: 160,26 €

MONTH	HOTELS - GRAND TOTAL																	
	OVERNIGHTS			ROOMS			AVERAGE OVERNIGHT RATE IN EURO			Average revenue from boarding services per night			Total average revenue per room sold (NetRevPAR)			Average revenue from boarding services per room sold (ADR incl. Board)		
	2025	2024	INDEX 2025/2024	2025	2024	INDEX 2025/2024	2025	2024	INDEX 2025/2024	2025	2024	INDEX 2025/2024	2025	2024	INDEX 2025/2024	2025	2024	INDEX 2025/2024
JANUARY	1.222	1.117	109,40	725	684	105,99	186,29	175,19	106,34	173,05	158,76	109,00	314,00	286,09	109,75	291,69	259,27	112,50
FEBRUARY	1.649	903	182,61	849	491	172,91	67,88	73,29	92,62	52,11	50,59	103,02	131,84	134,79	97,81	101,21	93,03	108,80
MARCH	1.916	3.929	48,77	1.072	2.078	51,59	77,49	58,37	132,74	59,57	49,17	121,15	138,50	110,37	125,48	106,47	92,97	114,52
APRIL	7.469	5.266	141,83	4.014	2.937	136,67	57,90	56,34	102,76	50,95	49,00	103,99	107,74	101,02	106,65	94,81	87,85	107,92
MAY	12.960	12.424	104,31	7.243	7.248	99,93	62,37	62,12	100,40	56,12	54,57	102,83	111,60	106,48	104,81	100,41	93,54	107,34
JUNE	18.096	15.299	118,28	8.407	7.522	111,77	72,61	70,76	102,61	60,99	58,30	104,62	156,29	143,92	108,60	131,28	118,57	110,72
JULY	31.774	27.160	116,99	11.276	10.857	103,86	66,10	72,88	90,70	59,86	64,49	92,82	186,26	182,31	102,17	168,67	161,33	104,55
AUGUST	32.504	29.601	109,81	12.023	11.847	101,49	79,07	85,80	92,15	72,44	78,60	92,16	213,76	214,39	99,71	195,83	196,39	99,71
SEPTEMBER	17.867	17.325	103,13	9.569	9.732	98,33	82,82	78,08	106,07	70,85	70,47	100,55	154,65	139,01	111,25	132,29	125,44	105,46
OCTOBER	9.052	9.218	98,20	5.311	5.526	96,11	66,94	68,20	98,15	58,58	58,92	99,41	114,09	113,77	100,28	99,83	98,29	101,58
NOVEMBER	2.497	1.560	160,06	1.539	788	195,30	74,11	60,41	122,68	50,94	57,27	88,94	120,24	119,60	100,54	82,65	113,39	72,89
DECEMBER	1.799	2.328	77,28	1.043	1.351	77,20	69,15	40,24	171,84	34,88	14,38	242,49	119,27	69,34	172,00	60,16	24,79	242,73
TOTAL	138.805	126.130	110,05	63.071	61.061	103,29	72,82	73,98	98,44	63,87	65,08	98,14	160,27	152,81	104,88	140,56	134,44	104,56
31/12	138.805	126.130	110,05	63.071	61.061	103,29	72,82	73,98	98,44	63,87	65,08	98,14	160,27	152,81	104,88	140,56	134,44	104,56

Beach club Ilirija	2025	2024	
31/12		373.079,14	INDEX 2025/2024
31/12	390.299,66	373.079,14	104,62

Tennis center	2025	2024	
31/12		81.529,99	INDEX 2025/2024
31/12	94.137,02	81.529,99	115,46

### Hotels - grand total

TOTAL	2025	2024	
31/12		9.785.390,07	INDEX 2025/2024
31/12	10.592.713,85	9.785.390,07	108,25

**Note:** In 2025, a change occurred in the methodology for hotel revenue statements. In accordance with the aforementioned methodology, and for the purpose of data comparability, the hotel revenue statements for 2024 were also adjusted. The aforementioned change consequently also affects the revenue statement of the hotel sector.

## REVENUE BY ACTIVITIES

Revenue from hotel services amounted to EUR 10,108,277.17, an 8.33% increase compared to EUR 9,330,780.94 in revenue generated in 2024.

Other revenue including the revenue generated from selected profit centres, amounted to EUR 484,436.68 recording a 6% increase compared to the EUR 454,609.13 generated in 2024.

In total, revenue of the hotel sector amounted to EUR 10,592,713.85, recording an 8.25% increase compared to EUR 9,785,390.07 in revenue generated in 2024.



## SUMMARY OF KEY MARKET INDICATORS OF THE HOTEL SECTOR

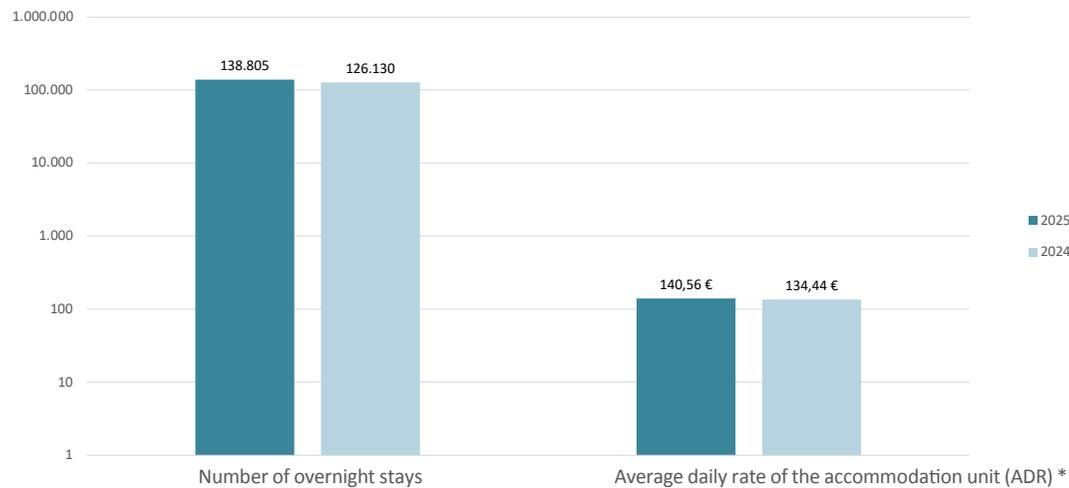
In 2025, the hotel sector generated EUR 10,592,713.85 in revenue, an 8.25% increase compared to the EUR 9,785,390.07 revenue generated in 2024, which is the result of the growth in physical performance indicators (overnight stays and arrivals), the number of accommodation units sold, followed by the growth in capacity occupancy and

occupancy days, and the growth in the key market indicators of performance.

Furthermore, during the reporting period the average daily rate per accommodation unit (boarding ADR) amounted to EUR 140.56, compared to EUR 134.44 realised in 2024, recording a 4.56% increase.

At the same time, the revenue per accommodation unit (RevPAR) on the basis of days of availability amounted to EUR 82.29, representing a 6.04% increase compared to EUR 77.60 generated in 2024.

Overnight stays and the average daily rate per accommodation unit (ADR) in Ilirija d.d. hotels in 2025 and 2024



\* ADR – the average price per accommodation unit is calculated based on board services revenue (revenue from accommodation and food and drink under board services).

## KEY MARKET INDICATORS OF THE ILIRIJA D.D. HOTEL SECTOR

	2025	2024	2025/2024
<b>HOTELS IN BIOGRAD</b>			
<b>Accommodation capacities:</b>			
Number of hotels	3	3	0,00%
Number of accommodation units	363	363	0,00%
Number of beds	766	766	0,00%
<b>Physical turnover</b>			
Number of overnight stays	123.177	114.055	8,00%
Number of accommodation units sold	56.765	55.451	2,37%
The occupancy of accommodation units based on a total number of days in a period (%)	42,84%	41,74%	2,65%
Occupancy rate of the accommodation units on an open days basis (%)	57,75%	57,38%	0,64%
<b>Financial results (in EUR):</b>			
Average daily rate of the accommodation unit (ADR) *	141,71 €	135,61 €	4,50%
Revenue per accommodation unit (RevPAR) on a total number of days basis in period **	60,71 €	56,60 €	7,27%
Revenue per accommodation unit (RevPAR) on an open days basis **	81,83 €	77,81 €	5,17%
<b>HOTEL IN SV. FILIP I JAKOV</b>			
<b>Accommodation capacities:</b>			
Number of hotels	1	1	0,00%
Number of accommodation units	72	72	0,00%
Number of beds	144	144	0,00%
<b>Physical turnover</b>			
Number of overnight stays	15.628	12.075	29,42%
Number of accommodation units sold	6.306	5.610	12,41%
The occupancy of accommodation units based on a total number of days in a period (%)	24,00%	21,29%	12,71%
Occupancy rate of the accommodation units on an open days basis (%)	66,86%	61,35%	8,97%
<b>Financial results (in EUR):</b>			
Average daily rate of the accommodation unit (ADR) *	130,26 €	122,90 €	5,99%
Revenue per accommodation unit (RevPAR) on a total number of days basis in period **	31,26 €	26,16 €	19,46%
Revenue per accommodation unit (RevPAR) on an open days basis **	87,09 €	75,40 €	15,50%
<b>HOTELS - TOTAL ILIRIJA d.d.</b>			
<b>Accommodation capacities:</b>			
Number of hotels	4	4	0,00%
Number of accommodation units	435	435	0,00%
Number of beds	910	910	0,00%
<b>Physical turnover</b>			
Number of overnight stays	138.805	126.130	10,05%
Number of accommodation units sold	63.071	61.061	3,29%
The occupancy of accommodation units based on a total number of days in a period (%)	39,72%	38,35%	3,57%
Occupancy rate of the accommodation units on an open days basis (%)	58,54%	57,72%	1,42%
<b>Financial results (in EUR):</b>			
Average daily rate of the accommodation unit (ADR) *	140,56 €	134,44 €	4,56%
Revenue per accommodation unit (RevPAR) on a total number of days basis in period **	55,84 €	51,56 €	8,29%
Revenue per accommodation unit (RevPAR) on an open days basis **	82,29 €	77,60 €	6,04%

## Notes:

Hotels in Biograd include the hotels Ilirija, Adriatic and Kornati, while the hotel in Sv. Filip Jakov is the hotel Villa Donat. \*

\* ADR – Average daily rate of the accommodation unit is calculated on the basis of the revenue from board services (revenue from the accommodation and food and beverages of the board services).

\*\* RevPAR – Revenue from the board services per accommodation unit includes the revenue from the board services (revenue from the accommodation and food and beverages of the board services) divided by the number of the available accommodation units in a given period (365 days; number of open days).

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## 6.2 NAUTICAL SECTOR – MARINA KORNATI

In 2025, Marina Kornati achieved successful operating results marked by the highest level of revenue and financial performance in its business to date. Total revenue for the reporting period amounted to EUR 7,936,621, recording a 6% increase compared to EUR 7,462,351 in revenue generated in 2024.

The best financial operating results achieved to date are the result of the implementation of an optimised model of vessel scheduling organisation, efficient use of available waters and improved operational business processes. These measures have enabled the preservation of the stability of existing business activities and further development thereof, with special focus on key physical operating indicators, primarily the contracted berth segment.

Business activities of Marina Kornati in 2025 included the following segments:

1. Contractual berths
  - Individual contracted berth
  - Contractual berth – charter vessels
2. Transit berth – vessel arrival
3. Transit berth – vessel overnight stays
4. Port service – crane operations

In the contracted berth segment, the most significant physical performance indicator, a total of 744 berth use agreements were concluded, of which during the reporting period, of which 390 for individual vessels, and 354 for charter vessels. This resulted in a small decrease compared to the previous year, when 754 vessels were registered on the contracted berth. The contracted berth structure comprised 52% individual and 48% charter vessels.

Furthermore, in the reporting period, 2,442 arrivals of transit vessels were recorded in the reporting period, which is 13% less than 2,816 arrivals of transit vessels recorded in the previous business year. Also, transit vessels had 7,142 overnight stays, i.e. slightly less than 7,179 overnight stays in 2024. The decrease in the number of arrivals and overnight stays is a consequence of the increased capacity to accommodate vessels in the surrounding destinations, as well as favourable weather conditions that affected the longer stay of vessels at sea. The port services segment recorded a moderate growth, with a total of 4,082 performed service operations, representing a 2% increase compared to the 4,000 operations performed in 2024.

In 2025, all operating revenue items recorded growth, except for other services. The contracted berth segment, which is the key segment of Marina Kornati's business, had the largest share in total revenue, generating revenue in the amount of EUR 5,928,059, i.e. an 8% increase compared to 2024, when contracted berth revenue amounted to EUR 5,485,984. Also, the vessel accommodation segment generated daily berth revenue in the amount of EUR 436,314, recording an 11% increase compared to EUR 393,575 in daily berth revenue generated in 2024.

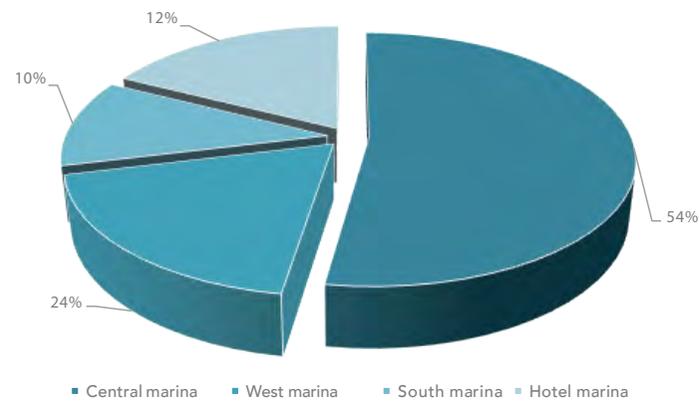
The port services segment generated revenue in the amount of EUR 536,617, recording a 6% increase compared to EUR 505,960 in the previous year. In 2025, business cooperation revenue reached EUR 468,692, representing an increase of approximately 7% compared to EUR 436,776 in 2024. The nautical fairs and events item recorded EUR 1,035,012 in revenue, i.e. a 1% increase compared to EUR 1,025,776 in 2024.



## Marina Kornati capacities

	Length of piers / m	Number of berths	Dry berth	Total number of berths
Central marina	923	365	70	435
West marina	262	190	0	190
South marina	180	80	0	80
Hotel marina	450	100	0	100
<b>TOTAL</b>	<b>1.815</b>	<b>735</b>	<b>70</b>	<b>805</b>

### % Share of individual marina (number of berths)



## Cumulative overview of physical turnover of Marina Kornati in 2025 and a comparison with 2024

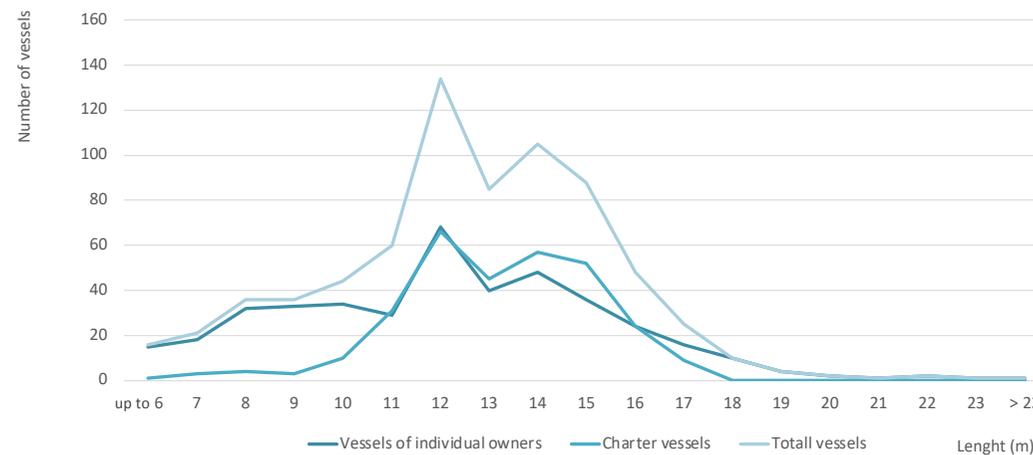
		2025 by month											
Name of position	Measurement unit	1	2	3	4	5	6	7	8	9	10	11	12
Contract-based berth-individual	Contracted vessel	111	241	275	320	355	369	376	377	382	384	387	390
Contract-based berth-charter	Contracted vessel	3	6	14	337	348	352	354	354	354	354	354	354
<b>TOTAL Contract-based berth</b>	<b>Contracted vessel</b>	<b>114</b>	<b>247</b>	<b>289</b>	<b>659</b>	<b>703</b>	<b>721</b>	<b>730</b>	<b>731</b>	<b>736</b>	<b>738</b>	<b>741</b>	<b>744</b>
Transit berth-sailing in port	Sailing in port	2	10	32	109	356	728	1.338	1.973	2.327	2.431	2.439	2.442
Transit berth-overnight stay of vessels	Boat/day	42	55	225	733	1.427	2.302	3.954	5.508	6.300	6.767	6.965	7.142
Transit berth-overnight stay of vessel crew	Overnight stay of a person												
Port service	Operation	94	328	637	1.039	1.504	2.037	2.517	3.025	3.427	3.629	3.934	4.082

		2024 by month											
Name of position	Measurement unit	1	2	3	4	5	6	7	8	9	10	11	12
Contract-based berth-individual	Contracted vessel	85	232	270	328	363	379	384	385	385	387	391	393
Contract-based berth-charter	Contracted vessel	0	3	26	330	348	358	358	360	360	360	361	361
<b>TOTAL Contract-based berth</b>	<b>Contracted vessel</b>	<b>85</b>	<b>235</b>	<b>296</b>	<b>658</b>	<b>711</b>	<b>737</b>	<b>742</b>	<b>745</b>	<b>745</b>	<b>747</b>	<b>752</b>	<b>754</b>
Transit berth-sailing in port	Sailing in port	3	13	31	201	451	875	1.456	2.123	2.614	2.802	2.811	2.816
Transit berth-overnight stay of vessels	Boat/day	67	215	468	1.075	1.768	2.641	3.934	5.510	6.461	6.930	7.066	7.179
Transit berth-overnight stay of vessel crew	Overnight stay of a person												
Port service	Operation	163	413	722	1.090	1.537	1.995	2.554	3.124	3.402	3.577	3.871	4.000

### Vessels at contractual berth in 2025 and a comparison with 2024

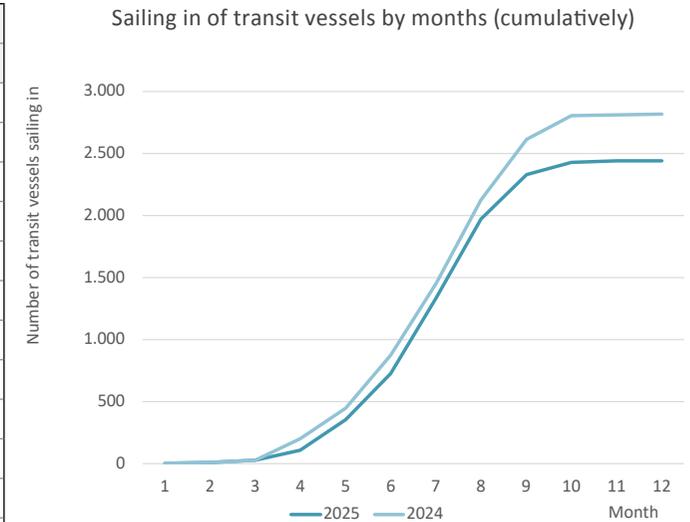
Purpose	Type of berth	Position of berth	01/01-31/12	% Total	01/01-31/12	% Total	Index
			2025	Vessels	2024	Vessels	
Vessel of individual owners	Annual berth in the sea	Central aquatorium	269	36	263	35	102
		South aquatorium	33	4	32	4	103
		Western aquatorium	2	0	2	0	100
	Annual berth on the land	Hotel port	28	4	35	5	80
		Marina land	2	0	4	1	50
	Seasonal berth in the sea	Marina aquatorium	13	2	18	2	72
		Hotel port	43	6	39	5	110
Total individual vessels:			390	52	393	52	99
Charter vessels	Annual berth in the sea	Central aquatorium	129	18	134	18	96
		South aquatorium	1	0	0	0	#DIV/0!
		Western aquatorium	223	30	225	30	99
		Hotel port	1	0	2	0	50
	Total charter vessels:			354	48	361	48
Total vessels			744	100	754	100	99

### Vessels at contractual berth in 2025



### Transit berth – vessel arrival in 2025 and a comparison with 2024

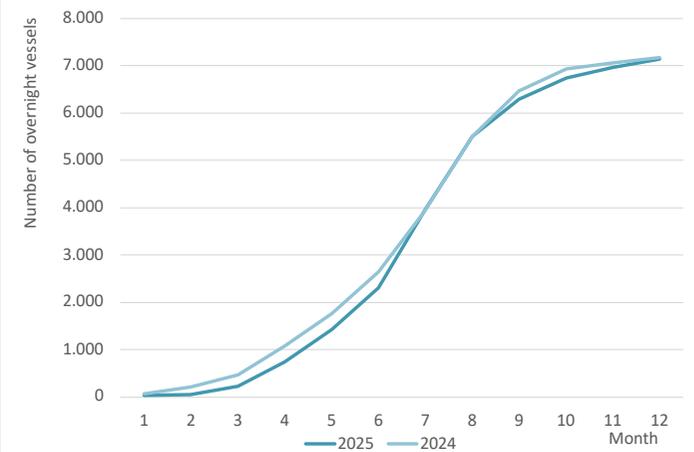
2025	Individually monthly			Cumulatively monthly		
	2025	2024	INDEX	2025	2024	INDEX
Month	2025/2024			2025/2024		
1	2	3	67	2	3	67
2	8	10	80	10	13	77
3	22	18	122	32	31	103
4	77	170	45	109	201	54
5	247	250	99	356	451	79
6	372	424	88	728	875	83
7	610	581	105	1.338	1.456	92
8	635	667	95	1.973	2.123	93
9	354	491	72	2.327	2.614	89
10	104	188	55	2.431	2.802	87
11	8	9	89	2.439	2.811	87
12	3	5	60	2.442	2.816	87
<b>Total</b>	<b>2025</b>	<b>2.442</b>				
<b>Total</b>	<b>2024</b>	<b>2.816</b>				
<b>Index</b>	<b>2025/2024</b>	<b>87</b>				



### Transit berth – vessel overnight stays in 2025 and a comparison with 2024

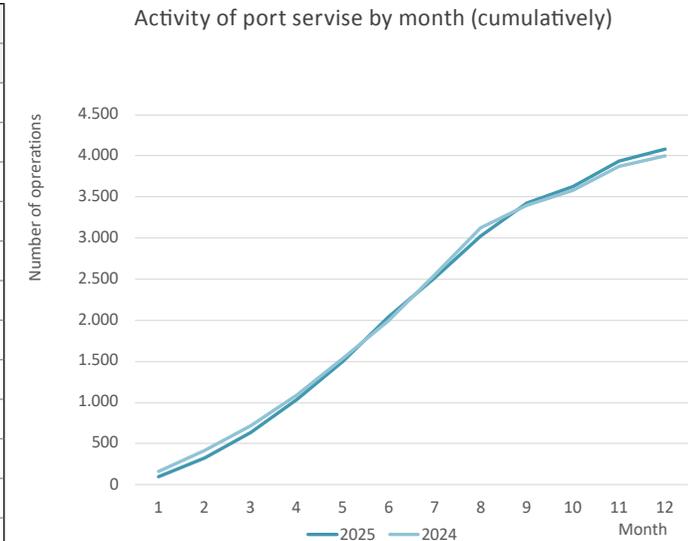
2025	Individually monthly			Cumulatively monthly		
	2025	2024	INDEX	2025	2024	INDEX
Month	2025/2024			2025/2024		
1	42	67	63	42	67	63
2	13	148	9	55	215	26
3	170	253	67	225	468	48
4	508	607	84	733	1.075	68
5	694	693	100	1.427	1.768	81
6	875	873	100	2.302	2.641	87
7	1.652	1.293	128	3.954	3.934	101
8	1.554	1.576	99	5.508	5.510	100
9	792	951	83	6.300	6.461	98
10	437	469	469	6.737	6.930	97
11	228	136	168	6.965	7.066	99
12	177	113	157	7.142	7.179	99
<b>Total</b>	<b>2025</b>	<b>7.142</b>				
<b>Total</b>	<b>2024</b>	<b>7.179</b>				
<b>Index</b>	<b>2025/2024</b>	<b>99</b>				

Overnight stay of transit vessel by month (cumulatively)



### Port service activities in 2025 and a comparison with 2024

2025	Individually monthly			Cumulatively monthly		
	2025	2024	INDEX	2025	2024	INDEX
Month	2025/2024			2025/2024		
1	94	163	58	94	163	58
2	234	250	94	328	413	79
3	309	309	100	637	722	88
4	402	368	109	1.039	1.090	95
5	465	447	104	1.504	1.537	98
6	533	458	116	2.037	1.995	102
7	480	559	86	2.517	2.554	99
8	508	570	89	3.025	3.124	97
9	402	278	145	3.427	3.402	101
10	202	175	115	3.629	3.577	101
11	305	294	104	3.934	3.871	102
12	148	129	115	4.082	4.000	102
<b>Total</b>	<b>2025</b>	<b>4.082</b>				
<b>Total</b>	<b>2024</b>	<b>4.000</b>				
<b>Index</b>	<b>2025/2024</b>	<b>102</b>				



## Revenue generated by the Marina Kornati in 2025 individually by months and comparison with 2024

REVENUES OF MARINA KORNATI 2025 SEPARATE BY MONTHS (in EUR)																
Revenue positions		Months 2025												2025	2024	INDEX
		1	2	3	4	5	6	7	8	9	10	11	12	CUMULAT.	TOTAL	2025./2024.
I	Daily berths	2.029	2.009	13.699	43.265	46.971	52.873	94.928	93.776	54.408	22.869	5.502	3.985	436.314	393.575	111
II	Contracted berth with accessories	815.130	955.387	181.998	1.878.578	157.212	95.745	1.738.703	30.070	29.837	15.547	16.654	13.198	5.928.059	5.485.984	108
III	Port service	14.200	37.882	46.786	70.942	74.873	65.615	46.567	38.731	33.776	24.517	52.705	30.023	536.617	505.960	106
IV	Vehicle parking	248	592	2.063	20.214	42.054	79.891	78.472	91.240	90.092	30.578	469	158	436.071	434.155	100
V	Other services	10.009	9.917	4.085	35.518	2.647	6.256	23.536	5.331	16.257	15.489	1.253	574	130.868	205.901	63
VI	Business cooperation				236.681	750		230.668		593				468.692	436.776	107
VII	Boat fair and events						4.470	40.858	101.656	352.709	535.917	-598		1.035.012	1.025.776	101
<b>TOTAL :</b>		<b>841.616</b>	<b>1.005.787</b>	<b>248.631</b>	<b>2.285.198</b>	<b>324.507</b>	<b>304.850</b>	<b>2.253.732</b>	<b>360.804</b>	<b>577.672</b>	<b>643.913</b>	<b>75.985</b>	<b>47.938</b>	<b>8.971.633</b>	<b>8.488.127</b>	<b>106</b>

REVENUES OF MARINA KORNATI 2024 SEPARATE BY MONTHS (in EUR)														
Revenue positions		Months 2024												2024
		1	2	3	4	5	6	7	8	9	10	11	12	Cummulat.
I	Daily berths	2.078	7.392	10.294	30.969	43.039	49.772	72.963	85.124	49.715	34.914	3.887	3.428	393.575
II	Contracted berth with accessories	544.623	1.053.373	245.530	1.693.381	166.318	111.208	1.588.876	35.285	7.610	5.924	19.776	14.080	5.485.984
III	Port service	26.207	46.000	50.852	64.240	58.770	53.019	52.960	42.167	23.219	20.618	39.733	28.175	505.960
IV	Vehicle parking	206	576	3.747	14.586	47.021	64.087	86.765	91.995	87.353	35.933	1.538	348	434.155
V	Other services	1.895	7.471	117.291	18.351	2.157	4.286	20.312	15.511	4.705	3.820	1.465	8.637	205.901
VI	Business cooperation				218.336	1.652		216.788						436.776
VII	Boat fair and events							61.144	89.941	225.974	663.137		-14.420	1.025.776
<b>TOTAL :</b>		<b>575.009</b>	<b>1.114.812</b>	<b>427.714</b>	<b>2.039.863</b>	<b>318.957</b>	<b>282.372</b>	<b>2.099.808</b>	<b>360.023</b>	<b>398.576</b>	<b>764.346</b>	<b>66.399</b>	<b>40.248</b>	<b>8.488.127</b>

## Revenue generated by Marina Kornati in 2025 cumulatively by months and a comparison with 2024

REVENUES OF MARINA KORNATI 2025 CUMULATIVE BY MONTHS (in EUR)														
Revenue positions		Months 2025											% of total revenues	
		1	2	3	4	5	6	7	8	9	10	11		12
I	Daily berths	2.029	4.038	17.737	61.002	107.973	160.846	255.774	349.550	403.958	426.827	432.329	436.314	5
II	Contracted berth with accessories	815.130	1.770.517	1.952.515	3.831.093	3.988.305	4.084.050	5.822.753	5.852.823	5.882.660	5.898.207	5.914.861	5.928.059	72
III	Port service	14.200	52.082	98.868	169.810	244.683	310.298	356.865	395.596	429.372	453.889	506.594	536.617	5
IV	Vehicle parking	248	840	2.903	23.117	65.171	145.062	223.534	314.774	404.866	435.444	435.913	436.071	5
V	Other services	10.009	19.926	24.011	59.529	62.176	68.432	91.968	97.299	113.556	129.041	130.294	130.868	1
VI	Business cooperation				236.681	237.431	237.431	468.099	468.099	468.692	468.692	468.692	468.692	6
VII	Boat fair and events						4.470	45.328	146.984	499.693	1.035.610	1.035.012	1.035.012	6
TOTAL :		841.616	1.847.403	2.096.034	4.381.232	4.705.739	5.010.589	7.264.321	7.625.125	8.202.797	8.847.710	8.923.695	8.971.633	100

REVENUES OF MARINA KORNATI 2024 CUMULATIVE BY MONTHS (in EUR)														
Revenue positions		Months 2024											% of total revenues	
		1	2	3	4	5	6	7	8	9	10	11		12
I	Daily berths	2.078	9.470	19.764	50.733	93.772	143.544	216.507	301.631	351.346	386.260	390.147	393.575	5
II	Contracted berth with accessories	544.623	1.597.996	1.843.526	3.536.907	3.703.225	3.814.433	5.403.309	5.438.594	5.446.204	5.452.128	5.471.904	5.485.984	72
III	Port service	26.207	72.207	123.059	187.299	246.069	299.088	352.048	394.215	417.434	438.052	477.785	505.960	5
IV	Vehicle parking	206	782	4.529	19.115	66.136	130.223	216.988	308.983	396.336	432.269	433.807	434.155	5
V	Other services	1.895	9.366	126.657	145.008	147.165	151.451	171.763	187.274	191.979	195.799	197.264	205.901	2
VI	Business cooperation				218.336	219.988	219.988	436.776	436.776	436.776	436.776	436.776	436.776	6
VII	Boat fair and events							61.144	151.085	377.059	1.040.196	1.040.196	102.576	5
TOTAL :		575.009	1.689.821	2.117.535	4.157.398	4.476.355	4.758.727	6.858.535	7.218.558	7.617.134	8.381.480	8.447.879	8.488.127	100

## SUMMARY OF KEY MARKET INDICATORS OF MARINA KORNATI PERFORMANCE

In the reporting period, Marina Kornati, the most significant profit centre of the nautical sector, achieved the best financial operating results to date. Compared to previous business years, all market segments recorded a positive trend in terms of financial performance, despite the fact that the marina's capacities are structurally limited.

With regard to fixed capacities, the total revenue growth was generated by the growth in revenue in all key operating revenue items and it amounted to EUR 7,936,621.00, representing a 6.36% increase compared to EUR 7,462,351.00 generated in 2024. The most significant part of Marina Kornati's revenue was generated in the contracted berth segment, which accounts for 74.7% of its total revenue. In 2025, contracted berth revenue amounted to EUR 5,928,059.00, recording an 8.06% increase compared to 2024 when revenue amounted to EUR 5,485,984.00. The average revenue per contracted berth amounted to EUR 7,967.82, representing a 9.51% increase compared to the previous year when the average revenue per contracted berth amounted to EUR 7,275.84.

In 2025, transit berth revenue amounted to EUR 436,314.00, indicating a 10.86% increase compared to

2024. At the same time, the average revenue generated per transit vessel overnight stay amounted to EUR 61.09, representing an 11.43% increase compared to the previous year, when the average revenue per overnight stay amounted to EUR 54.82.

In 2025, the servicing segment generated revenue in the amount of EUR 536,617.00, recording a 6.06% increase compared to the previous year. The average revenue per performed service operation in 2025 amounted to EUR 131.46, indicating a 3.93% increase compared to 2024, when the average revenue per performed service operation amounted to EUR 126.49.

Parking revenue amounted to EUR 436,071.00, and were at the same level as the previous year. The average revenue per parking space in 2025 amounted to EUR 872.14, while in 2024 it amounted to EUR 868.31. Business cooperation revenue recorded a growth of 7.31%, with the amount of EUR 468,692.00 generated in the reporting period compared to EUR 436,776.00 generated in 2024. The average revenue per individual business cooperation amounted to EUR 9,565.14 compared to EUR 8,913.80 in 2024.



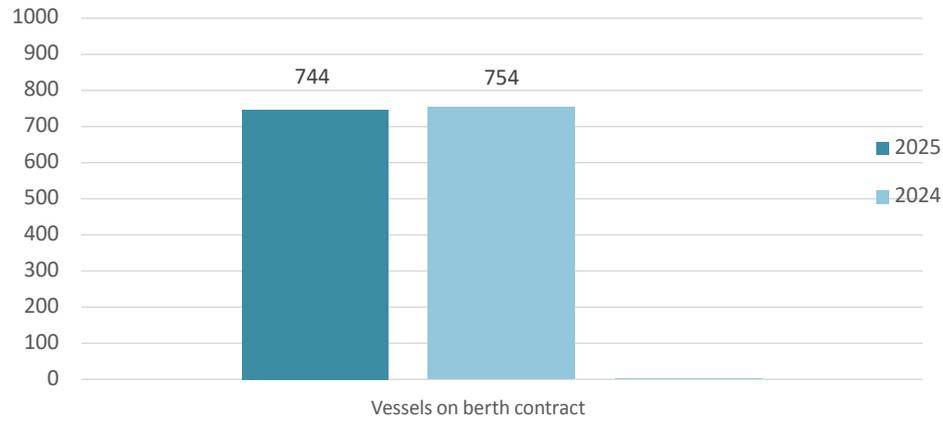
## KEY MARKET INDICATORS OF MARINA KORNATI

	2025	2024	2025/2024
<b>Capacity (number of berths): *</b>			
Central marina	435	435	0,00%
Western marina	190	190	0,00%
Southern marina	80	80	0,00%
Hotel marina	100	100	0,00%
Total number of berths	805	805	0,00%
<b>Physical turnover:</b>			
Vessel on berth contract	744	754	-1,33%
Number of overnight stays (vessels having tranzit berth )	7.142	7.179	-0,52%
Number of service operations executed	4.082	4.000	2,05%
Number of parking places	500	500	0,00%
Number of business cooperation agreements	49	49	0,00%
<b>Financial results</b>			
<b>Total operating revenue of the marina (in EUR):</b>	<b>7.936.621,00 €</b>	<b>7.462.351,00 €</b>	<b>6,36%</b>
<b>Berth contract:</b>			
Revenue from berth contracts	5.928.059,00 €	5.485.984,00 €	8,06%
Aver. revenue per berth contract	7.967,82 €	7.275,84 €	9,51%
Share in the total operating revenue of the marina	74,7%	73,5%	1,60%
<b>Transit berth:</b>			
Revenue from the transit berth	436.314,00 €	393.575,00 €	10,86%
Aver. revenue per overnight stay (transit berth)	61,09 €	54,82 €	11,43%
Share in the total operating revenue of the marina	5,5%	5,3%	4,23%
<b>Servicing:</b>			
Revenue from servicing	536.617,00 €	505.960,00 €	6,06%
Aver. revenue per serv. operation	131,46 €	126,49 €	3,93%
Share in the total operating revenue of the marina	6,8%	6,8%	-0,28%
<b>Parking:</b>			
Revenue from parking	436.071,00 €	434.155,00 €	0,44%
Aver. revenue per parking space	872,14 €	868,31 €	0,44%
Share in the total operating revenue of the marina	5,5%	5,8%	-5,56%
<b>Business cooperation:</b>			
Revenue from business cooperation	468.692,00 €	436.776,00 €	7,31%
Aver. revenue from business cooperation	9.565,14 €	8.913,80 €	7,31%
Share in the total operating revenue of the marina	5,9%	5,9%	0,89%

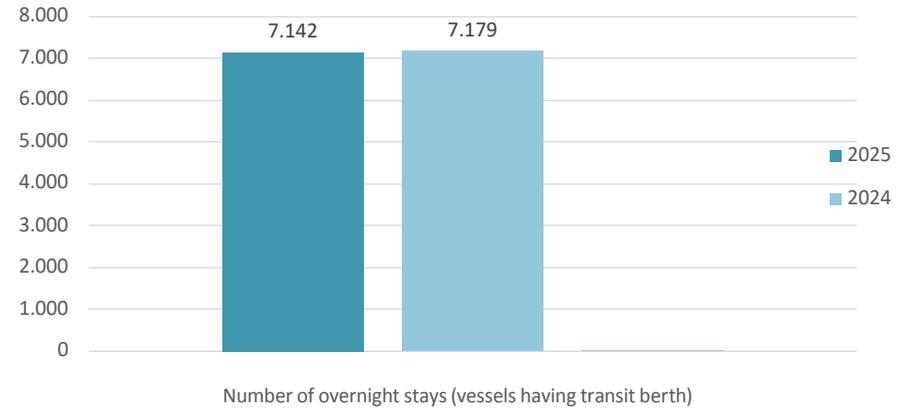
Notes:

\* Number of berths refers to physically available number of berths in the marina.

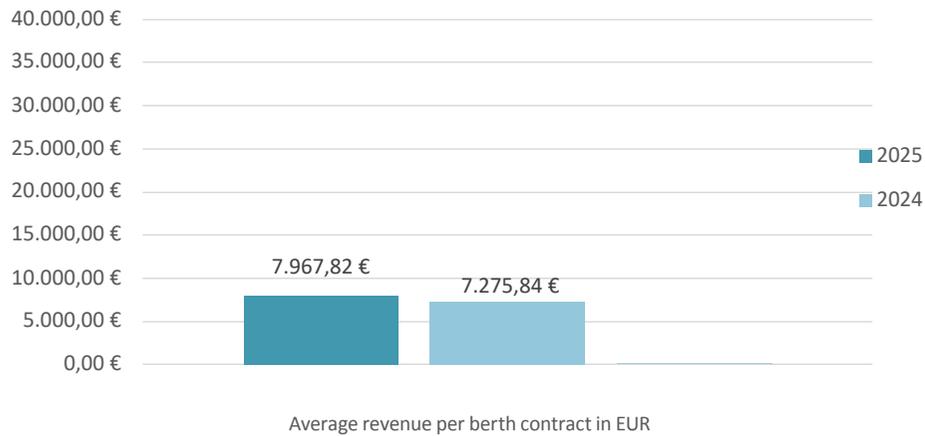
Number of contractual berth vessels at the Marina Kornati in 2025 and 2024



Number of transit vessel overnight stays at the Marina Kornati in 2025 and 2024



Average revenue generated per contractual berth at Marina Kornati in 2025 and 2024



Average revenue generated per transit vessel overnight stay at Marina Kornati in 2025 and 2024





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## 6.3 CAMPING SECTOR – “PARK SOLINE” CAMPSITE

In 2025, there were 54,271 arrivals in the camping sector (i.e. in the “Park Soline” campsite), constituting an 8.86% increase relative to the same period of the previous year, as well as an increase of 4.12%, i.e. EUR 334,242 relative to 2024.

Two segments of campsite operations (individual guests and mobile homes) recorded an increase in arrivals and overnight stays. The market segment of individual guests recorded an 11.69% increase in overnight stays and a 9.77% increase in arrivals, which resulted in 6.12 days of stay by individual guests in the reporting period. The mobile home market segment realised an increase of 21.80% in arrivals and of 10.80% in overnight stays as compared to the previous year. Most of the increase was generated in June due to the Slovenian and the Croatian market, and during the peak season. The market segment of lump sum guests recorded a 1.83% increase in arrivals, while overnight stays were at the 2024 level. The allotment segment recorded 98.19% of the number of arrivals and 92.68% of the overnight stays from 2024 due to the reduced number of site leases, which resulted in a decrease in the indices of overnight stays and arrivals of agency guests. The camping sector, i.e. the “Park Soline” campsite, recorded an increase in operating revenue, where

generated revenue amounted to EUR 7,890,255.24, representing a 12% increase compared to the same period of the previous year, when it amounted to EUR 7,065,458.98. In the reporting period, mobile home revenue and individual pitch revenue increased by 15% and 8%, respectively, which is the result of a larger number of units sold and dynamic daily price management. Lump sum pitch revenue increased by 13% compared to the previous year, while agency revenue was at 98% of the amount generated in the previous business year.

In the structure of realised overnight stays, among the five leading outbound markets is (I) the Slovenian market with a 23.6% share of overnight stays, (II) the Czech market with a 16.9% share, (III) the Croatian market with a 15.6% share, (IV) the German market with a 11.0% share, and (V) the Polish market with a 6.3% share. In the business segment of mobile homes, the largest increase was recorded by guests from the Bosnia and Herzegovina market, followed by guests from the Slovak and Croatian markets. In the business segment of camping units, the biggest increase was recorded for guests from the Polish market, the Croatian market and the Slovenian market. At the same time, when it comes to market segments, lump sum

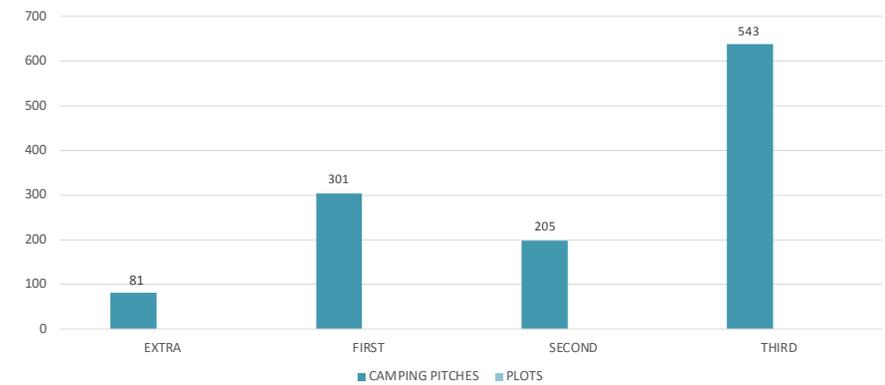
payments and guests in mobile homes prevail in the structure of overnight stays, with a share of 37% and 31% in overnight stays respectively.

The increase in the physical performance indicators, and consequently the increase in the 2025 revenue, were the result of investments in the quality of facilities and services in the campsite, followed by increased marketing activities and strategically planned investments in key sales channels.



### Capacities of the "Park Soline" campsite

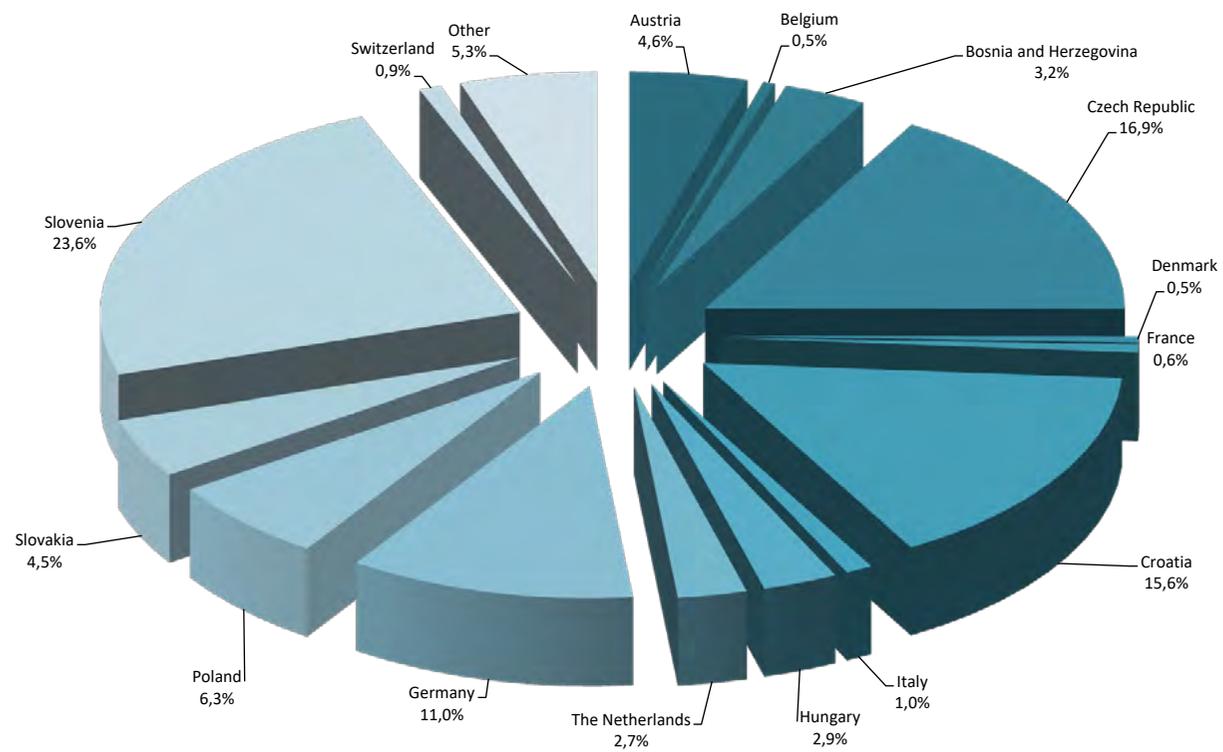
		2022	2023	2024	2025
I	EXTRA ZONE				
	CAMPING PITCHES	81	81	81	81
	CAMPING PLOTS	0	0	0	0
	TOTAL	81	81	81	81
II	FIRST ZONE				
	CAMPING PITCHES	303	301	301	301
	CAMPING PLOTS	0	0	0	0
	TOTAL	303	301	301	301
III	SECOND ZONE				
	CAMPING PITCHES	208	205	205	205
	CAMPING PLOTS	0	0	0	0
	TOTAL	208	208	205	205
IV	THIRD ZONE				
	CAMPING PITCHES	616	543	543	543
	CAMPING PLOTS	0	0	0	0
	TOTAL	616	616	543	543
Σ	GRANDTOTAL				
	CAMPING PITCHES	1208	1130	1130	1130
	CAMPING PLOTS	0	0	0	0
	GRANDTOTAL	1208	1130	1130	1130



### Arrivals and overnight stays by outbound market and average days of stay in 2025 and a comparison with 2024

Country	2025		2024		INDEX 2025/2024		AVERAGE STAY (DAYS)	
	Arrivals	Overnight stays	Arrivals	Overnight stays	Arrivals	Overnight stays	2025	2024
Austria	2.735	15.193	2.279	13.696	120,01	110,93	5,56	6,01
Belgium	251	1.530	198	1.488	126,77	102,82	6,10	7,52
Bosnia and Herzegovina	2.257	10.695	1.471	7.224	153,43	148,05	4,74	4,91
Czech Republic	8.210	56.347	8.131	59.453	100,97	94,78	6,86	7,31
Denmark	215	1.540	298	2.345	72,15	65,67	7,16	7,87
France	445	2.078	386	2.121	115,28	97,97	4,67	5,49
Croatia	9.883	52.263	8.466	45.538	116,74	114,77	5,29	5,38
Italy	662	3.432	648	3.956	102,16	86,75	5,18	6,10
Hungary	1.760	9.617	1.629	9.121	108,04	105,44	5,46	5,60
Netherlands	1.168	8.893	1.867	14.466	62,56	61,48	7,61	7,75
Germany	4.985	36.831	4.728	35.414	105,44	104,00	7,39	7,49
Poland	3.199	21.155	2.927	20.265	109,29	104,39	6,61	6,92
Slovakia	2.405	15.158	1.889	12.285	127,32	123,39	6,30	6,50
Slovenia	12.500	78.952	12.502	80.221	99,98	98,42	6,32	6,42
Switzerland	454	2.864	306	1.501	148,37	190,81	6,31	4,91
Other	3.142	17.694	2.129	11.922	147,58	148,41	5,63	5,60
<b>TOTAL</b>	<b>54.271</b>	<b>334.242</b>	<b>49.854</b>	<b>321.016</b>	<b>108,86</b>	<b>104,12</b>	<b>6,16</b>	<b>6,44</b>

## Overnight stays by outbound market in 2025



### Arrivals, overnight stays and plot numbers by market segment in 2025 and a comparison with 2024

MARKET SEGMENT	2025			2024			INDEX 2025/2024			AVERAGE DAYS OF STAY	
	Arrivals	Overnight stays	Pitch	Arrivals	Overnight stays	Pitch	Arrivals	Overnight stays	Pitch	2025	2024
Allotment	6.113	43.388	99	6.226	46.813	123	98,19	92,68	80,49	7,10	7,52
Lump sum	19.522	123.252	315	19.172	123.397	318	101,83	99,88	99,06	6,31	6,44
Individuals	10.509	64.286	446	9.574	57.557	419	109,77	111,69	106,44	6,12	6,01
Mobile homes	18.127	103.316	270	14.882	93.249	270	121,80	110,80	100,00	5,70	6,27
<b>TOTAL</b>	<b>54.271</b>	<b>334.242</b>	<b>1.130</b>	<b>49.854</b>	<b>321.016</b>	<b>1.130</b>	<b>108,86</b>	<b>104,12</b>	<b>100,00</b>	<b>6,16</b>	<b>6,44</b>

## Overview of overnight stays by outbound market and by market segment in 2025 and a comparison with 2024

	MOBILE HOMES			AGENCIES			LUMP SUM			INDIVIDUALS			TOTAL		
	2024	2025	Index	2024	2025	Index	2024	2025	Index	2024	2025	Index	2024	2025	Index
Austria	4.987	5.863	117,57	90	302	335,56	4.403	4.391	99,73	4.216	4.637	109,99	13.696	15.193	110,93
Belgium	315	595	188,89	12	40	333,33	132	119	90,15	1.029	776	75,41	1.488	1.530	102,82
Bosnia and Herzegovina	1.605	3.443	214,52	113	317	280,53	5.145	6.286	122,18	361	649	179,78	7.224	10.695	148,05
The Czech Republic	10.137	8.621	85,04	35.289	33.855	95,94	10.452	10.111	96,74	3.207	3.760	117,24	59.085	56.347	95,37
Denmark	1.314	849	64,61	428	9	2,10	343	19	5,54	628	663	105,57	2.713	1.540	56,76
France	559	694	124,15	76	173	227,63	377	193	51,19	1.109	1.018	91,79	2.121	2.078	97,97
Croatia	12.081	15.630	129,38	914	960	105,03	28.293	30.359	107,30	4.250	5.314	125,04	45.538	52.263	114,77
Italy	1.774	1.589	89,57	137	186	135,77	256	266	103,91	1.789	1.391	77,75	3.956	3.432	86,75
Hungary	4.150	4.859	117,08	356	447	125,56	2.833	2.564	90,50	1.782	1.747	98,04	9.121	9.617	105,44
Netherlands	5.686	2.909	51,16	2.754	207	7,52	684	587	85,82	5.342	5.190	97,15	14.466	8.893	61,48
Germany	13.077	12.268	93,81	303	560	184,82	7.068	7.868	111,32	14.966	16.135	107,81	35.414	36.831	104,00
Poland	5.929	6.437	108,57	454	957	210,79	10.240	8.879	86,71	3.642	4.882	134,05	20.265	21.155	104,39
Slovakia	2.397	3.764	157,03	325	446	137,23	8.404	9.591	114,12	1.159	1.357	117,08	12.285	15.158	123,39
Slovenia	24.008	25.086	104,49	4.821	4.414	91,56	39.739	36.293	91,33	11.653	13.159	112,92	80.221	78.952	98,42
Switzerland	526	1.118	212,55	43	53	123,26	503	559	111,13	429	1.133	264,10	1.501	2.863	190,74
Others	4.704	9.591	203,89	698	462	66,19	4.525	5.167	114,19	1.995	2.475	124,06	11.922	17.695	148,42
<b>TOTAL</b>	<b>93.249</b>	<b>103.316</b>	<b>110,80</b>	<b>46.813</b>	<b>43.388</b>	<b>92,68</b>	<b>123.397</b>	<b>123.252</b>	<b>99,88</b>	<b>57.557</b>	<b>64.286</b>	<b>111,69</b>	<b>321.016</b>	<b>334.242</b>	<b>104,12</b>

## Cumulative overview of daily and monthly occupancy of campsite accommodation units in 2025 and comparison with 2024

MONTH	APRIL				MAY				JUNE			
SEGMENT	MAXIMUM POSSIBLE PITCHES DAYS	PITCH DAYS	OCCUPANCY IN %	DAYS OF OCCUPANCY	MAXIMUM POSSIBLE PITCHES DAYS	PITCH DAYS	OCCUPANCY IN %	DAYS OF OCCUPANCY	MAXIMUM POSSIBLE PITCHES DAYS	PITCH DAYS	OCCUPANCY IN %	DAYS OF OCCUPANCY
MOBILE HOMES ILIRIJA	8.040	172	2,14%	0,64	8.308	751	9,04%	2,80	8.040	4.393	54,64%	16,39
AGENCIES	2.970	2.970	100,00%	30,00	3.069	3.069	100,00%	31,00	2.970	2.970	100,00%	30,00
LUMP SUM	9.450	9.450	100,00%	30,00	9.765	9.765	100,00%	31,00	9.450	9.450	100,00%	30,00
INDIVIDUALS PITCHES STANDARD MARE, COMFORT AND STANDARD III ZONE	10.380	465	4,48%	1,34	10.726	915	8,53%	2,64	10.380	2.474	23,83%	7,15
INDIVIDUALS CAMPING STANDARD IV ZONE	3.000	26	0,87%	0,26	3.100	71	2,29%	0,71	3.000	134	4,47%	1,34
INDIVIDUALS TOTAL	13.380	491	3,67%	1,10	13.826	986	7,13%	2,21	13.380	2.608	19,49%	5,85
TOTAL	33.840	13.083	38,66%	11,60	34.968	14.571	41,67%	12,92	33.840	19.421	57,39%	17,22

MONTH	JULY				AUGUST				SEPTEMBER			
SEGMENT	MAXIMUM POSSIBLE PITCHES DAYS	PITCH DAYS	OCCUPANCY IN %	DAYS OF OCCUPANCY	MAXIMUM POSSIBLE PITCHES DAYS	PITCH DAYS	OCCUPANCY IN %	DAYS OF OCCUPANCY	MAXIMUM POSSIBLE PITCHES DAYS	PITCH DAYS	OCCUPANCY IN %	DAYS OF OCCUPANCY
MOBILE HOMES ILIRIJA	8.308	7.819	94,11%	29,18	8.308	8.000	96,29%	29,85	8.040	4.315	53,67%	16,10
AGENCIES	3.069	3.069	100,00%	31,00	3.069	3.069	100,00%	31,00	2.970	2.970	100,00%	30,00
LUMP SUM	9.765	9.765	100,00%	31,00	9.765	9.765	100,00%	31,00	9.450	9.450	100,00%	30,00
INDIVIDUALS PITCHES STANDARD MARE, COMFORT AND STANDARD III ZONE	10.726	6.017	56,10%	17,39	10.726	6.898	64,31%	19,94	10.380	2.628	25,32%	7,60
INDIVIDUALS CAMPING STANDARD IV ZONE	3.100	850	27,42%	8,50	3.100	1.240	40,00%	12,40	3.000	94	3,13%	0,94
INDIVIDUALS TOTAL	13.826	6.867	49,67%	15,40	13.826	8.138	58,86%	18,25	13.380	2.722	20,34%	6,10
TOTAL	34.968	27.520	78,70%	24,40	34.968	28.972	82,85%	25,68	33.840	19.457	57,50%	17,25

## Cumulative overview of daily and monthly occupancy of campsite accommodation units in 2025 and comparison with 2024 - continued

MONTH	OCTOBER				TOTAL 2025					TOTAL 2024				
	SEGMENT	MAXIMUM POSSIBLE PITCHES DAYS	PITCH DAYS	OCCUPANCY IN %	DAYS OF OCCUPANCY	NUMBER OF ACCOMMODATING UNITS	MAXIMUM POSSIBLE PITCHES DAYS	PITCH DAYS	OCCUPANCY IN %	DAYS OF OCCUPANCY	NUMBER OF ACCOMMODATING UNITS	MAXIMUM POSSIBLE PITCHES DAYS	PITCH DAYS	OCCUPANCY IN %
MOBILE HOMES ILIRIJA	4.020	67	1,67%	0,25	270	53.064	25.517	48,09%	95,21	270	53.064	23.521	44,33%	87,76
AGENCIES	1.485	1.485	100,00%	15,00	99	19.602	19.602	100,00%	198,00	123	24.354	24.354	100,00%	198,00
LUMP SUM	4.725	4.725	100,00%	15,00	315	62.370	62.370	100,00%	198,00	318	62.964	62.964	100,00%	198,00
INDIVIDUALS PITCHES STANDARD MARE, COMFORT AND STANDARD III ZONE	5.190	180	3,47%	0,52	346	68.508	19.577	28,58%	56,58	346	68.508	18.183	26,54%	52,55
INDIVIDUALS CAMPING STANDARD IV ZONE	1.500	1	0,07%	0,01	100	19.800	2.416	12,20%	24,16	73	14.454	2.096	14,50%	28,71
INDIVIDUALS TOTAL	6.690	181	2,71%	0,41	446	88.308	21.993	24,90%	49,31	419	82.962	20.279	24,44%	48,40
TOTAL	16.920	6.458	38,17%	5,73	1130	223.344	129.482	57,97%	114,79	1130	223.344	131.118	58,71%	116,24

MONTH	INDEX 2025/2024				
	SEGMENT	NUMBER OF ACCOMMODATING UNITS	MAXIMUM POSSIBLE PITCHES DAYS	PITCH DAYS	OCCUPANCY IN %
MOBILE HOMES ILIRIJA	100	100	108	108,49%	108,49
AGENCIES	80,48780488	80	80	100,00%	100,00
LUMP SUM	99,05660377	99	99	100,00%	100,00
INDIVIDUALS PITCHES STANDARD MARE, COMFORT AND STANDARD III ZONE	100	100	108	107,67%	107,67
INDIVIDUALS CAMPING STANDARD IV ZONE	136,9863014	137	115	84,15%	84,15
INDIVIDUALS TOTAL	106,4439141	106	108	101,89%	101,89
TOTAL	100	100	99	98,75%	98,75

## Campsite revenue in 2025 and a comparison with 2024

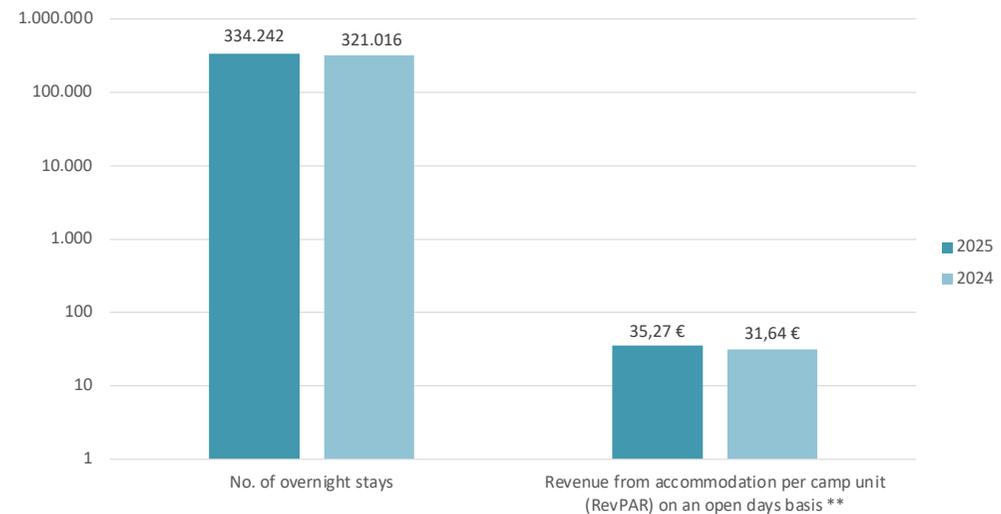
SEGMENT		2024					2025			INDEX	
		GENERATED IN 2024			GENERATED PRIOR 31/12/2024		GENERATED PRIOR 31/12/2025			2025/2024	
		NO.OF PITCHES	OVERNIGHT STAYS	REVENUES	REALIZED OVERNIGHT STAYS	REVENUES	NO.OF PITCHES	OVERNIGHT STAYS	REVENUES	OVERNIGHT STAYS	REVENUES
1	MOBILE HOMES ILIRIJA	270	93.249	3.407.481,06 €	93.249	3.407.481,06 €	270	103.316	3.911.223,61 €	111	115
2	AGENCIES	123	46.813	490.884,95 €	46.813	490.884,95 €	99	43.388	473.292,04 €	93	96
3	INDIVIDUALS	419	57.557	1.067.841,62 €	57.557	1.067.841,62 €	446	64.286	1.154.161,92 €	112	108
4	LUMP SUM	318	123.397	1.749.843,38 €	123.397	1.749.843,38 €	315	123.252	1.975.992,23 €	100	113
5	OTHER SERVICES	-	-	349.407,97 €		349.407,97 €	0		375.585,44 €	#DIV/0!	107
TOTAL:		1130	321.016	7.065.458,98 €	321.016	7.065.458,98 €	1130	334.242	7.890.255,24 €	104	112

## Summary of key market indicators of the “Park Soline” campsite

The growth in the physical performance indicators achieved by the “Park Soline” campsite also generated an increase in the financial performance indicators. Compared to the previous business year, the number of arrivals and overnight stays increased by 8.86% and 4.12%, respectively, while in the financial part an 11.67% increase in revenue was recorded, i.e. revenue in the amount of EUR 7,890,255.24 was generated by the increase in revenue in the campsite’s the key market segments (mobile homes, lump sum, individual guests, other services) with the exception of fixed leases.

The occupancy of camping units based on days of availability decreased by 1.43% compared to 2024, but at the same time the average daily rate (ADR) amounted to EUR 60.94, a 13.08% increase compared to EUR 53.89 in 2024. Furthermore, accommodation revenue per camping unit based on days of availability (RevPAR) amounted to EUR 35.27, an increase by 11.47% compared to EUR 31.64 in the previous year.

Number of overnight stays and revenue from accommodation per camp unit in the campsite "Park Soline" in 2025 and 2024



Note:

\*\* RevPAR – Revenue from accommodation per camp unit is the revenue from accommodation divided by a number of available camp units in a given period.

## Key market indicators of the “Park Soline” campsite

	2025	2024	2025/2024
<b>Accommodation capacities:</b>			
Number of camping units	1.130	1.130	0,00%
Number of guests	3.390	3.390	0,00%
<b>Physical turnover:</b>			
No. of overnight stays	334.242	321.016	4,12%
No. of sold camp units	129.482	131.118	-1,25%
Annual occupancy rate of the camp units (%)	31,39%	31,79%	-1,25%
Occupancy rate of the units on an open days basis (%)	57,97%	58,71%	-1,43%
Financial results:			
<b>TOTAL OPERATING REVENUE</b>	<b>7.890.255,24 €</b>	<b>7.065.458,98 €</b>	<b>11,67%</b>
<b>Fixed lease:</b>			
Revenue - fixed lease	473.292,04 €	490.884,95 €	-3,58%
Average revenue per accommodation unit	4.780,73 €	3.990,93 €	19,79%
Share in the total operating campsite revenue	6,0%	6,9%	-13,66%
Number of units	99	123	-19,51%
<b>Lump sum:</b>			
Revenue - Lump sum	1.975.872,23 €	1.749.843,38 €	12,92%
Average revenue per accommodation unit	6.272,61 €	5.502,65 €	13,99%
Share in the total operating campsite revenue	25,0%	24,8%	1,11%
Number of units	315	318	-0,94%
<b>Individuals:</b>			
Revenue - Individuals	1.154.161,92 €	1.067.841,62 €	8,08%
Average revenue per accommodation unit	2.587,81 €	2.548,55 €	1,54%
Share in the total operating campsite revenue	14,6%	15,1%	-3,21%
Number of units	446	419	6,44%
<b>Mobile homes:</b>			
Revenue - Mobile homes	3.906.524,46 €	3.407.481,06 €	14,65%
Average revenue per mobile homes	14.468,61 €	12.620,30 €	14,65%
Share in the total operating campsite revenue	49,5%	48,2%	2,66%
Number of mobile homes	270	270	0,00%
<b>Extra services:</b>			
Revenue-extra services	377.059,42 €	349.407,97 €	7,91%
Average revenue per accommodation unit	333,68 €	309,21 €	7,91%
Share in the total operating campsite revenue	4,8%	4,9%	-3,37%
Total number of units	1130	1130	0,00%
Average daily rate of the camp unit (ADR)*	60,94 €	53,89 €	13,08%
Revenue from accommodation per camp unit (RevPAR) on a basis of 365 days **	19,13 €	17,13 €	11,67%
Revenue from accommodation per camp unit (RevPAR) on an open days basis **	35,27 €	31,64 €	11,47%

## Notes:

\* ADR - Average daily rate of a camp unit is calculated on the basis of the revenue from accommodation in the campsite and the number of camp units sold.

\*\* RevPAR - Revenue from accommodation per camp unit is the revenue from accommodation divided by a number of available camp units in a given period (365 days; number of open days).

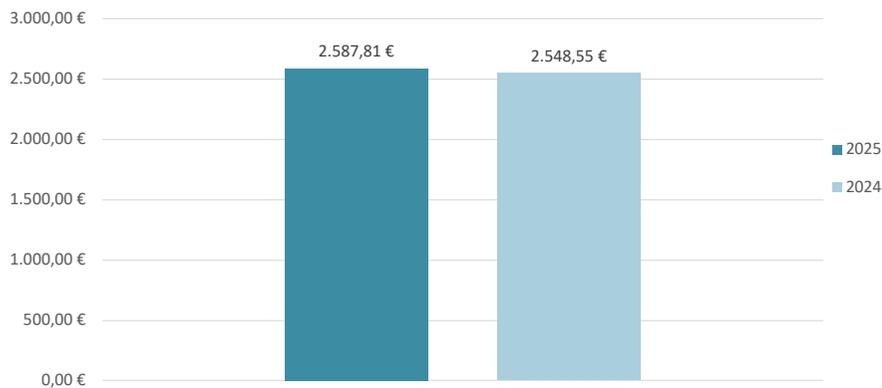
Average generated revenue per fixed lease pitch in the "Park Soline" campsite in 2025 and 2024



Average generated revenue per lump sum pitch at the "Park Soline" campsite in 2025 and 2024



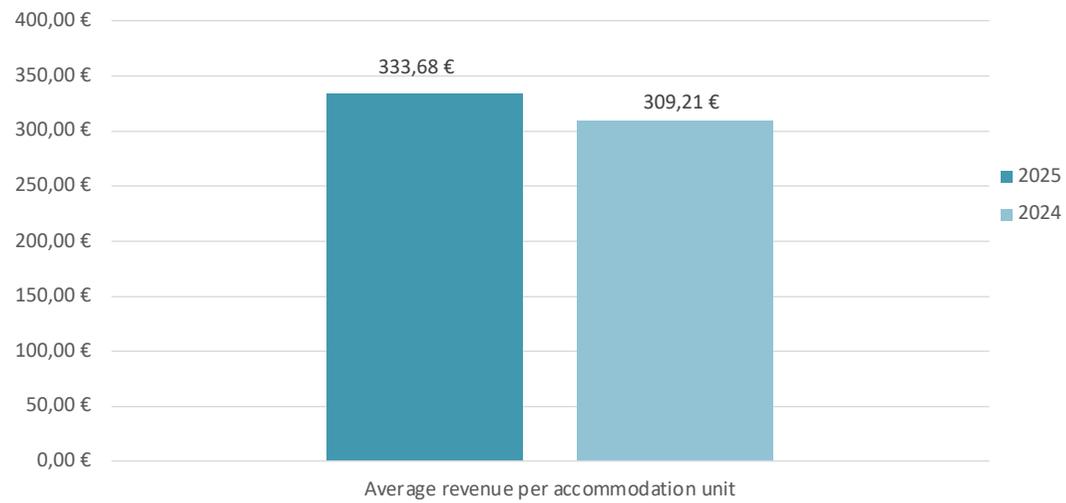
Average generated revenue per pitch – individuals at the "Park Soline" campsite in 2025 and 2024



Average generated revenue per mobile home at the "Park Soline" campsite in 2025 and 2024



Average generated revenue from extra services per pitch at the  
"Park Soline" campsite in 2025 and 2024



## 6.4 CITY GALLERIA BUSINESS AND SHOPPING CENTRE

City Galleria Business and Shopping Centre is located in a heavily residential area in the immediate centre of Zadar, just a ten-minute walk from the old town. Due to the good location of the building and the fact it is surrounded by some of the main city roads, the City Galleria Business and Shopping Centre is exceptionally easy to spot and access by a large number of local residents and foreign visitors.

The business results achieved in 2025 show a stable and continuous growth of key market indicators in that period. Business revenue of the City Galleria Centre generated through lease of commercial premises, common costs, use of common parts of the centre, lease of advertising space, garage revenue and lease of Phase 1 commercial premises amounted to EUR 2,272,986.04. Other operating revenue relating to insurance claims amounted to EUR 12,475.79 in the reporting period, bringing the total generated revenue to EUR 2,285,461.83. Total revenue generated in 2024 amounted to HRK 2,159,072.06, which represents growth of 5.85% realised in 2025.

In the category of revenue from the lease of commercial premises in the observed period in comparison to 2024, an increase of 3.6% was recorded, while

revenue from common costs recorded an increase of 0.82%. The category of revenue from the use of common areas of the Centre increased by 9.5% compared to the results achieved in the previous year. Revenue from the lease of advertising space increased by 0.96% compared to the previous year, while the category of parking revenue recorded an increase of 32.36%. Operating revenue from the lease of business premises in the neighbouring Phase 1 of the Centre recorded a slight decrease of 1.03% in 2025 compared to the 2024.

In 2025, the number of vehicles visiting the public underground garage of the centre amounted to 739,713, while in 2024 it amounted to 734,990. The said result constituted a 0.64% increase in the reporting period. In addition to the significant increase in revenue followed by an increase in the number of visitors, there was also an increase in the length of parking time in the garage of the City Galleria Centre.

## Business revenue of the business and shopping centre City Galleria in Zadar in 2025 and a comparison with 2024

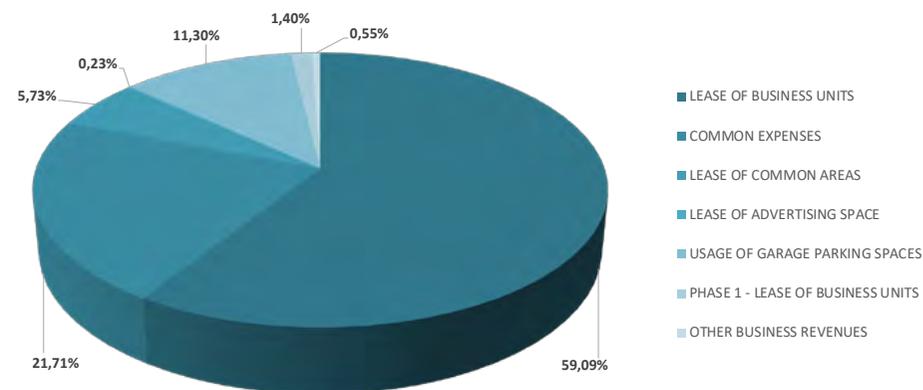
DESIGNATION	DESCRIPTION	NUMBER OF ACTIVE CONTRACTS	SURFACE AREA m <sup>2</sup>	REVENUES IN 2025	%	REVENUES IN 2024	%	INDEX 2025/2024
1	LEASE OF BUSINESS UNITS	36	9.445,32	1.350.386,40 €	59,09%	1.303.430,75 €	60,37%	104
2	COMMON EXPENSES	34	6.648,73	496.171,24 €	21,71%	492.140,74 €	22,79%	101
3	LEASE OF COMMON AREAS	27	1.515,50	130.877,50 €	5,73%	119.518,39 €	5,54%	110
4	LEASE OF ADVERTISING SPACE	8	130,98	5.365,80 €	0,23%	5.314,85 €	0,25%	101
5	USAGE OF GARAGE PARKING SPACES	410***	10.863,50	258.285,91 €	11,30%	195.137,62 €	9,04%	132
6	PHASE 1- LEASE OF BUSINESS UNITS	6	289,96	31.899,19 €	1,40%	32.230,81 €	1,49%	99
REVENUE:				2.272.986,04 €	99,45%	2.147.773,16 €	99,48%	106
7	OTHER BUSINESS REVENUES			12.475,79 €	0,55%	€ 11.298,90	0,52%	110
TOTAL REVENUE:				2.285.461,83 €	100,00%	2.159.072,06 €	100,00%	106

\* Total net leasable surface area

\*\* Total net leasable area for calculation of common expenses

\*\*\* Number of parking spaces in the garage

### OVERVIEW OF REVENUE IN 2025



## SUMMARY OF KEY MARKET RESULTS OF THE CITY GALLERIA BUSINESS AND SHOPPING CENTRE

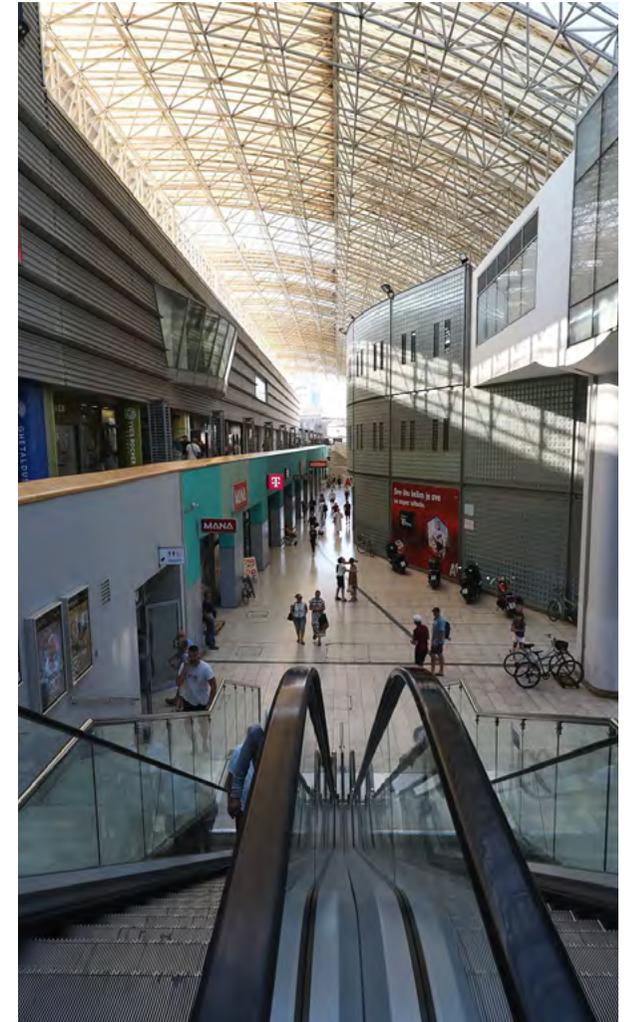
In 2025, the City Galleria Business and Shopping Centre recorded its best financial results since its establishment, with revenue increase and a high occupancy rate of almost 100%. Despite the challenging macroeconomic environment, the Centre maintained business stability and profitability, with the key performance drivers being the growth of rents, efficient premises management and an increase in revenue from garage services.

The total rentable area of the facility is 9,445.32 m<sup>2</sup>. By purchasing the commercial premises in the neighbouring Phase 1 of the Zadar Shopping Centre facility, the Company secured an additional 289.96 m<sup>2</sup>, which increased the total rentable area of all commercial spaces owned by ILIRIJA d.d. to 9,735.28 m<sup>2</sup>. As at 31 December 2025, the Centre had 36 active lease agreements, resulting in an occupancy rate of 99.76% of all capacities.

Most of the revenue of the City Galleria Business and Shopping Centre comes from commercial leasing. The average lease per square metre of active commercial premises during the period observed was EUR 11.91/

m<sup>2</sup> per month, a 4% increase compared to the previous business year. Other revenue was based on calculating common costs (calculated for the area of 6,648.73 m<sup>2</sup>), leasing and commercial use of common areas of the Business and Shopping Centre (1,515.50 m<sup>2</sup> in total), collection of single parking fees and leasing of parking spaces in the underground garage of the Centre (total area of 10,863.50 m<sup>2</sup>), leasing of business premises in Phase 1 of the facility (total area of 289.96 m<sup>2</sup>), and, in the smallest share, leasing advertising space on the façade of the Centre (total area of 130.98 m<sup>2</sup>). Total revenue generated in 2025 increased by 5.85% relative to the previous business year.

The segment of managing the public underground garage, which has 410 parking spaces, recorded a turnover of 739,713 vehicles, an increase in the number of visitors of 0.64% compared to the previous year. The garage revenue from single parking fees; monthly, weekly, and daily tickets; annual subscriptions and leased parking spaces in 2025 amounted to EUR 258,285.91, and an average garage revenue per parking space amounted to EUR 629.97, representing an increase of 32% compared to 2024.



## Key market indicators of the real-estate sector – City Galleria

	2025	2024	2025/2024
<b>Commercial capacities:</b>			
Premises - floor area (m <sup>2</sup> )	9.445,32	9.445,32	0%
Shared costs - floor area (m <sup>2</sup> )	6.648,73	6.648,73	0%
Common areas - floor area (m <sup>2</sup> )	1.515,50	1.506,50	1%
Advertising space - floor area (m <sup>2</sup> )	130,98	130,98	0%
Garage - floor area (m <sup>2</sup> )	10.863,50	10.863,50	0%
<b>Commercial turnover:</b>			
Premises - number of active contracts	36	36	0%
Shared costs - number of active contracts	34	34	0%
Common areas - number of active contracts	27	24	13%
Advertising space - number of active contracts	8	8	0%
Garage - number of parking spaces	410	410	0%
Garage - turnover of vehicles	739.713	734.990	1%
<b>Financial results:</b>			
Average monthly rent earned per m <sup>2</sup> of premises (AMR)*	11,91 €	11,50 €	4%
Average rent earned per m <sup>2</sup> of premises for the period	142,97 €	138,00 €	4%
Average revenue from the garage per parking space for the period**	629,97 €	475,95 €	32%

## Notes:

\* AMR - Average Monthly Rent – The average monthly price achieved for m<sup>2</sup> of the premises is calculated based on the revenue from the rent of premises and net available floor area of active premises.

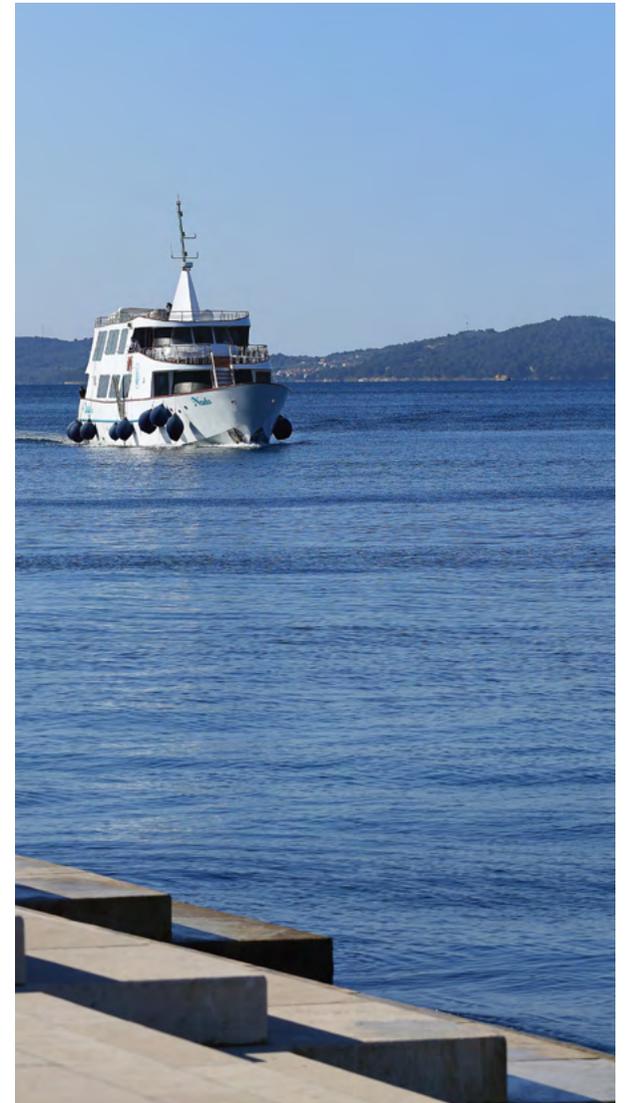
\*\* The revenue from the garage per parking space is the total revenue from the garage divided by a number of available parking spaces in a given period.

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## 6.5 ILIRIJA TRAVEL

Ilirija Travel, as a destination management company, continued its growth in 2025. By developing new services and amenities, via the agency used by the Company to create an integrated and complementary tourism product and offer additional services, with a special focus on business activities in the pre-season and post-season, the Company aims to develop year-round business activities. Strengthened sales and increased arrivals of organised groups led to a higher number of events, participants, and revenue. As a result, total revenue, also generated by other profit centres of the Company, amounted to EUR 2,015,701.28, a 10.26% increase compared to EUR 1,828,124.91 in revenue from the previous year.

After last year's 295 events with 40,424 participants, this year, 310 events were attended by 44,119 people, which resulted in a 5.08% increase in the number of events and a 9.14% increase in the number of participants. Through specialised programmes and events such as concerts, incentives, events, conferences, congresses, weddings, excursions, regattas, and others, the company achieved a robust growth in both physical and financial results, with pronounced increase in demand for excursion programmes compared to the previous year.



## Business events realised in 2025 and a comparison with 2024

	Number of events			Number of participants			Total revenue		
	2025	2024	INDEX 2025/2024	2025	2024	INDEX 2025/2024	2025	2024	INDEX 2025/2024
<b>TOTAL</b>	<b>310</b>	<b>295</b>	<b>105,08</b>	<b>44.119</b>	<b>40.424</b>	<b>109,14</b>	<b>2.015.701,28 €</b>	<b>1.828.124,91 €</b>	<b>110,26</b>



## 7 FINANCIAL RESULTS OF THE COMPANY

### 7.1 FINANCIAL-OPERATING RESULTS OF THE COMPANY BY SECTORS:

#### 7.1.1 HOTEL SECTOR

	2025	2024	2025/2024
<b>HOTEL SECTOR - BIOGRAD</b>			
Operating revenues	9.715.615,24 €	9.031.555,55 €	7,57%
Revenues from board services	8.044.149,71 €	7.519.631,36 €	6,98%
TRevPAR *	26.764,78 €	24.880,32 €	7,57%
Operating costs **	7.482.924,78 €	6.854.139,73 €	9,17%
Gross operating profit (GOP) ***	2.232.690,46 €	2.177.415,82 €	2,54%
GOP per accommodation unit	6.150,66 €	5.998,39 €	2,54%
GOP margin****	23,0%	24,1%	-4,68%
Capital investments	1.814.181,33 €	235.973,89 €	668,81%
<b>HOTEL SECTOR - SV. FILIP I JAKOV</b>			
Operating revenues	877.098,61 €	753.834,52 €	16,35%
Revenues from board services	821.388,93 €	689.446,22 €	19,14%
TRevPAR *	12.181,93 €	10.469,92 €	16,35%
Operating costs **	777.337,17 €	620.922,64 €	25,19%
Gross operating profit (GOP) ***	99.761,44 €	132.911,88 €	-24,94%
GOP per accommodation unit	1.385,58 €	1.846,00 €	-24,94%
GOP margin****	11,4%	17,6%	-35,49%
Capital investments	538.476,23 €	99.113,55 €	443,29%
<b>HOTEL SECTOR - TOTAL ILIRIJA d.d.</b>			
Operating revenues	10.592.713,85 €	9.785.390,07 €	8,25%
Revenues from board services	8.865.538,64 €	8.209.077,58 €	8,00%
TRevPAR *	24.351,07 €	22.495,15 €	8,25%
Operating costs **	8.260.261,95 €	7.475.062,37 €	10,50%
Gross operating profit (GOP) ***	2.332.451,90 €	2.310.327,70 €	0,96%
GOP per accommodation unit	5.361,96 €	5.311,10 €	0,96%
GOP margin****	22,0%	23,6%	-6,74%
Capital investments	2.352.657,56 €	335.087,44 €	602,10%

In 2025, the hotel sector generated a revenue of EUR 10,592,713.85, which represents an 8.12% increase compared to the revenue generated in the amount of EUR 9,797,346.04 in 2024. At the same time, operating costs for the entire hotel sector amounted to EUR 8,260,261.95, a 10.32% increase compared to the previous year. Despite the increase in operating costs, gross operating profit (GOP) at the hotel sector level amounted to EUR 2,332,451.90, a 0.82% increase, i.e. GOP was at the 2024 level. As a result, GOP per accommodation unit, amounting to EUR 5,361.96, grew proportionally to the growth rate of gross operating profit (GOP), i.e. it is 0.82% higher, while the GOP margin at the hotel sector level was 22% compared to the 23.6% margin achieved in the previous business year.

Notes:

The hotel sector in Biograd includes: Ilirija, Adriatic and Kornati hotels; Lavender bar and pool, and the sports and entertainment facility, while the hotel sector in Sv. Filip i Jakov is the Villa Donat hotel.

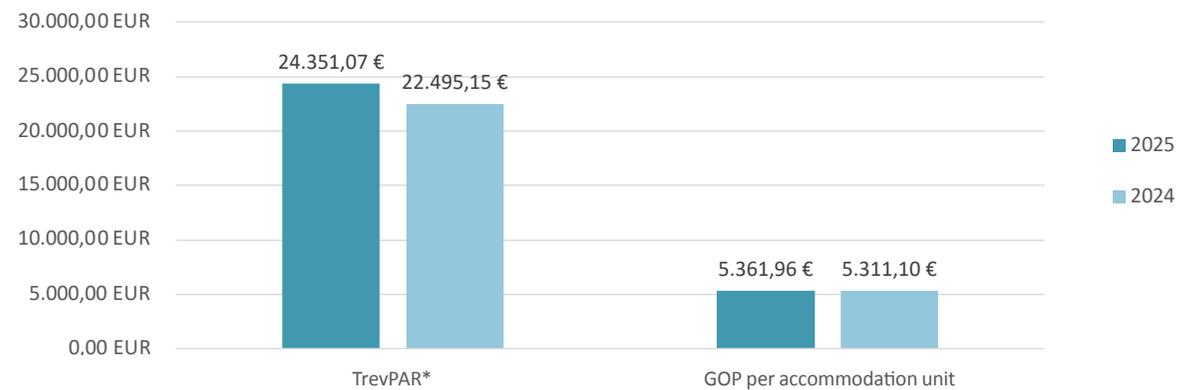
\* TRRevPAR (total annual revenue per accommodation unit) means the total operating revenue of the hotel sector divided by the number of physical accommodation units.

\*\* The operating costs include the costs of raw materials and materials, costs of services, gross salaries and other operating costs, but they do not include depreciation, financial expenses and extraordinary expenses.

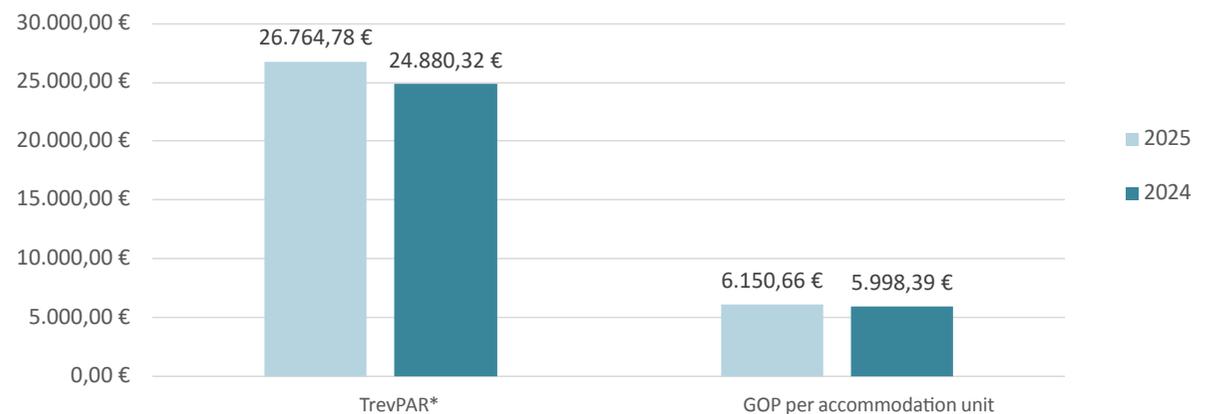
\*\*\* GOP indicates gross operating profit from camping / the campsite / the restaurant before the allocation of common service costs, and it is calculated as follows: operating revenue - operating expenses (before allocation, excluding depreciation and fixed costs).

\*\*\* The GOP margin is calculated by relating the GOP amount before the allocation of common service costs and operating revenue.

Total revenues per accommodation unit (TrevPAR) and GOP per accommodation unit in the hotel sector of Ilirija d.d. in 2025 and 2024



Total revenues per accommodation unit (TrevPAR) and GOP per accommodation unit the hotels in Biograd na Moru during the period in 2025 and 2024



**FINANCIAL OPERATIONS**  
**REPORTING SYSTEM ACCORDING TO THE USALI STANDARDS 01/01/2025 – 31/12/2025**  
**HOTEL SECTOR** (after allocation – reallocation of the common revenue  
and common costs)

(EUR)

Items	Annual cumulative achievements in 2023	Annual cumulative achievements in 2024	Annual cumulative achievements in 2025	Index 2025/2024
TOTAL NET REVENUE (operating)	9.007.720,39	9.785.145,62	10.566.031,49	107,98
Total direct costs	1.210.502,57	1.351.552,13	1.592.332,42	117,82
Total salary and labor costs	2.832.515,68	3.210.713,56	3.769.279,26	117,40
Total other department costs	561.966,42	536.714,47	568.438,91	105,91
<b>TOTAL CONTRIBUTION</b>	<b>4.402.735,72</b>	<b>4.686.165,46</b>	<b>4.635.980,90</b>	<b>98,93</b>
Total costs to GOP	7.558.424,18	8.092.833,13	9.094.957,87	112,38
GOP	1.449.296,21	1.692.312,48	1.471.073,62	86,93
<b>Grandtotal net revenues</b>	<b>9.105.909,38</b>	<b>9.907.036,82</b>	<b>10.704.321,43</b>	<b>108,05</b>
<b>Grandtotal costs</b>	<b>9.091.926,78</b>	<b>9.841.697,82</b>	<b>10.907.758,31</b>	<b>110,83</b>
<b>PROFIT BEFORE TAXATION</b>	<b>13.982,59</b>	<b>65.339,01</b>	<b>-203.436,89</b>	<b>-311,36</b>
Corporate income tax	2.716,84	12.642,84	0,00	0,00
NET PROFIT	11.265,75	52.696,17	-203.436,89	-386,06
<b>EBITDA</b>	<b>1.147.187,38</b>	<b>1.236.253,97</b>	<b>1.019.677,46</b>	<b>82,48</b>
<b>EBIT</b>	<b>89.874,99</b>	<b>136.217,24</b>	<b>-126.181,87</b>	<b>-92,63</b>

## 7.1 FINANCIAL-OPERATING RESULTS OF THE COMPANY BY SECTORS

### 7.1.2 NAUTICAL SECTOR

Marina Kornati, the restaurant “Marina Kornati” and the Nautical Fair represent the profit centres of the Company’s nautical sector, which in 2025 generated revenue in the following amounts:

- Marina Kornati – EUR 7,936,621
- “Marina Kornati” restaurant – EUR 742,895
- Nautical fair – EUR 1,035,012

In 2025, the nautical sector realised operating revenue in the amount of EUR 9,714,528.00, a 6.55% increase compared to 2024, when revenue amounted to EUR 9,117,404. The increase in the revenue generated by the nautical sector is the result of an increase in revenue in all three of its profit centres, of which the most significant contribution is from the revenue realised Marina Kornati.

In 2025, Marina Kornati realised a revenue in the amount of EUR 7,936,621, with a growth rate of 6.36% achieved compared to the same period of 2024, when it amounted to EUR 7,462,351.00, representing the highest revenue generated thus far. The revenue generated by Marina Kornati accounts for 81.7% of the total business revenue of the nautical sector. The most significant increase in Marina Kornati’s revenue is due to an increase in the revenue from contractual berths, which equalled EUR 5,928,059 in the reporting period, representing an 8.06% increase in comparison to the same period of 2024. The increase in operating revenue also resulted in an

increase in revenue per berth, which for the reporting period amounted to EUR 9,859, a 6.36% increase. Furthermore, the GOP per berth amounted to EUR 6,388, a 4.90% increase compared to EUR 6,090 in 2024.

The “Marina Kornati” restaurant profit centre recorded revenue growth of 18.06%, i.e. revenue was generated in the amount of EUR 742,895 compared to EUR 629,277 generated in 2024. The Nautical Fair recorded revenue growth of 1.00%, i.e. revenue was generated in the amount of EUR 1,035,012 compared to EUR 1,025,776 generated in 2024.

The strong growth in operating revenue at the level of nautical sector’s profit centres was accompanied by a proportional growth in operating revenue per berth, amounting to EUR 12,068 at the level of the entire nautical sector, i.e. a 6.55% increase compared to the EUR 11,326 revenue generated in 2024. Furthermore, the substantial increase in revenue resulted in an increase in the gross operating profit, which amounted to EUR 5,291,092 for the entire nautical sector, i.e. it represented a 3.67% increase compared to the previous year, when it amounted to EUR 5,103,611. The gross operating profit growth was also accompanied by a growth in GOP per berth by 3.67%, i.e. it amounted to EUR 6,573 in the reporting period, while in 2024 it amounted to EUR 6,340. The 2025 gross operating margin at the level of the entire nautical sector amounted to 54%.

## KEY FINANCIAL INDICATORS FOR THE NAUTICAL SECTOR

	2025	2024	2025/2024
<b>NAUTICS TOTAL</b>			
Operating revenues	9.714.528 €	9.117.404 €	6,55%
Operating revenues per berth	12.068 €	11.326 €	6,55%
Operating costs*	4.423.436 €	4.013.793 €	10,21%
GOP **	5.291.092 €	5.103.611 €	3,67%
GOP per berth	6.573 €	6.340 €	3,67%
GOP margin ***	54%	56%	-2,70%
Capital investments	162.834 €	115.745 €	40,68%
<b>MARINA KORNATI</b>			
Operating revenues	7.936.621 €	7.462.351 €	6,36%
Operating revenues per berth	9.859 €	9.270 €	6,36%
Operating costs*	2.794.184 €	2.560.237 €	9,14%
GOP **	5.142.437 €	4.902.114 €	4,90%
GOP per berth	6.388 €	6.090 €	4,90%
GOP margin ***	65%	66%	-1,37%
<b>RESTAURANT OF MARINA KORNATI</b>			
Operating revenues	742.895 €	629.277 €	18,06%
Operating costs*	792.456 €	642.265 €	23,38%
GOP **	-49.561 €	-12.988 €	281,58%
GOP margin ***	-7%	-2%	223,22%
<b>BOAT SHOW</b>			
Operating revenues	1.035.012 €	1.025.776 €	1,00%
Operating costs*	836.644 €	810.838 €	3,18%
GOP **	198.368 €	214.938 €	-7,71%
GOP margin ***	19%	21%	-8,53%

## Notes:

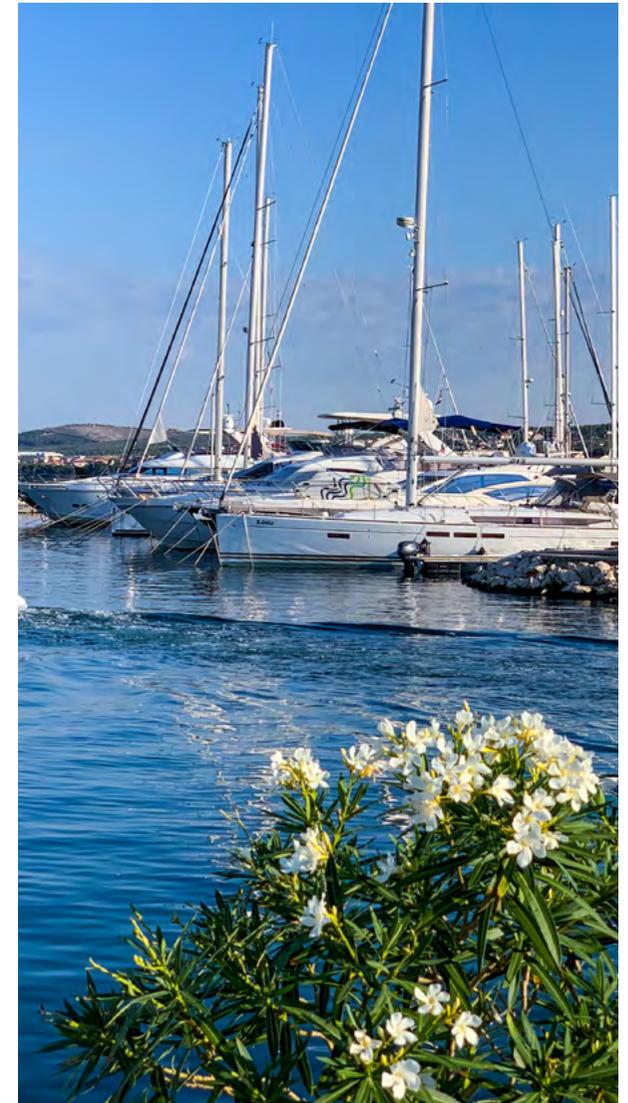
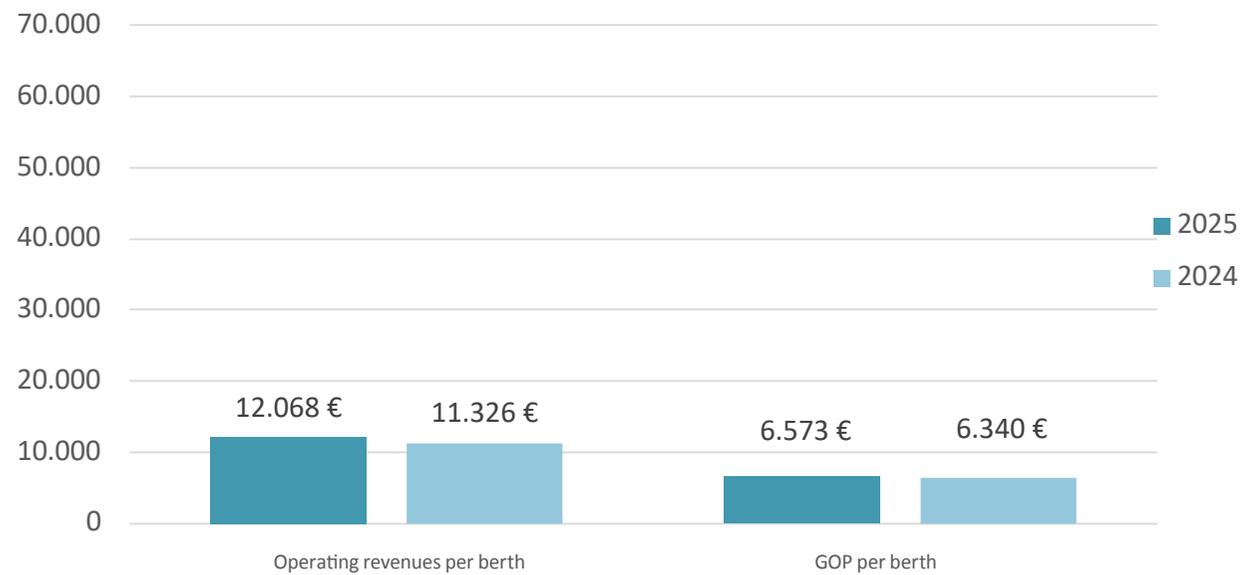
The nautical sector of Ilirija d.d. is comprised of three business units Marina Kornati, the nautical fair and restaurant.

\* The operating costs include the costs of raw materials and materials, costs of services, gross salaries and other operating costs, but they do not include depreciation, financial expenses and extraordinary expenses.

\*\* GOP (Gross Operating Profit) indicates gross operating profit from the nautical sector before the allocation of common service costs, and it is calculated as follows: operating revenue - operating expenses (before allocation, excluding depreciation and fixed costs).

\*\*\* The GOP margin is calculated by relating the GOP amount before the allocation of common service costs and operating revenue.

### Total operating revenue and gross operating profit (GOP) per berth of the nautical sector of Ilirija d.d. in 2025 and 2024



**FINANCIAL OPERATIONS**  
**REPORTING SYSTEM ACCORDING TO THE USALI STANDARDS 01/01/2025 – 31/12/2025**  
**NAUTICAL SECTOR (after allocation – reallocation of the common revenue and common costs)**

(EUR)

Items	Annual cumulative achievements in 2023	Annual cumulative achievements in 2024	Annual cumulative achievements in 2025	Index 2025/2024
TOTAL NET REVENUE (operating)	8.377.640,76	8.999.935,40	9.692.142,59	107,69
Total direct costs	176.666,57	167.812,96	206.824,99	123,25
Total salary and labor costs	1.002.733,31	1.060.752,72	1.250.231,33	117,86
Total other department costs	327.230,44	391.586,76	356.323,40	90,99
<b>TOTAL CONTRIBUTION</b>	<b>6.871.010,44</b>	<b>7.379.782,96</b>	<b>7.878.762,87</b>	<b>106,76</b>
Total costs to GOP	4.083.278,81	4.359.549,29	4.936.176,00	113,23
GOP	4.294.361,95	4.640.386,11	4.755.966,59	102,49
<b>Grandtotal net revenues</b>	<b>8.469.913,84</b>	<b>9.230.751,61</b>	<b>9.829.856,17</b>	<b>106,49</b>
<b>Grandtotal costs</b>	<b>5.279.583,53</b>	<b>5.716.689,39</b>	<b>6.372.976,01</b>	<b>111,48</b>
<b>PROFIT BEFORE TAXATION</b>	<b>3.190.330,31</b>	<b>3.514.062,22</b>	<b>3.456.880,17</b>	<b>98,37</b>
Corporate income tax	619.885,29	679.956,87	667.803,09	98,21
NET PROFIT	2.570.445,02	2.834.105,35	2.789.077,08	98,41
<b>EBITDA</b>	<b>3.677.294,06</b>	<b>3.990.422,41</b>	<b>3.934.844,14</b>	<b>98,61</b>
<b>EBIT</b>	<b>3.273.090,10</b>	<b>3.588.849,58</b>	<b>3.533.530,69</b>	<b>98,46</b>

## 7.1 FINANCIAL-OPERATING RESULTS OF THE COMPANY BY SECTORS

### 7.1.3 CAMPING SECTOR

#### Notes:

Camping includes accommodation and a restaurant in the "Park Soline" campsite.

\* TRevPAR – total revenue per camp unit means the total business camping (i.e. camp) revenue divided by the number of physical camp units.

\*\* The operating costs include the costs of raw materials and materials, costs of services, gross salaries and other operating costs, but they do not include depreciation, financial expenses and extraordinary expenses.

\*\*\* GOP (Gross Operating Profit) indicates gross operating profit from camping / the campsite / the restaurant before the allocation of common service costs, and it is calculated as follows: operating revenue - operating expenses (before allocation, excluding depreciation and fixed costs).

\*\*\*\* The GOP margin is calculated by relating GOP from camping / the campsite / the restaurant before the allocation of common service costs and operating revenue.

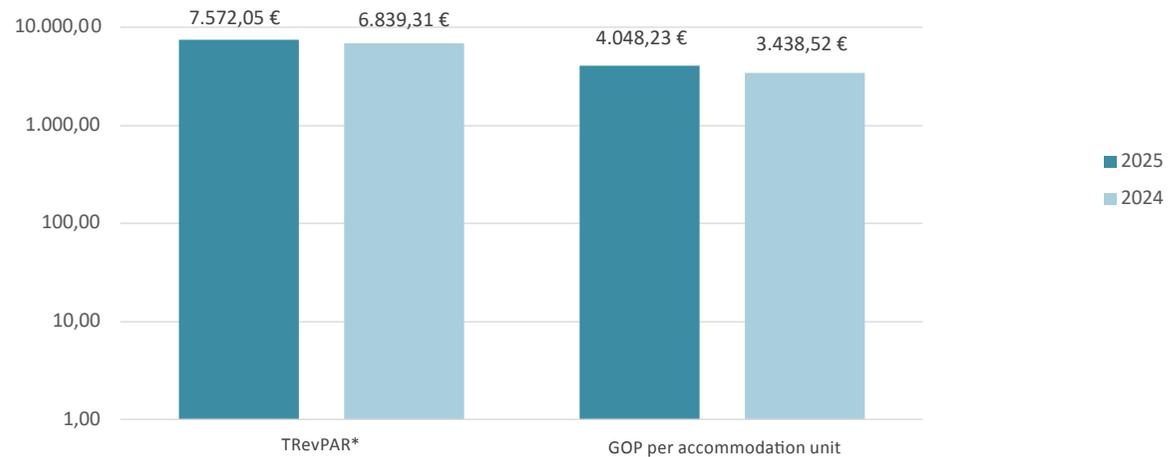
	2025	2024	2025/2024
<b>CAMPING TOTAL</b>			
Operating revenue	8.556.418,26 €	7.728.417,08 €	10,71%
TRevPAR *	7.572,05 €	6.839,31 €	10,71%
Operating costs**	3.981.920,40 €	3.842.885,35 €	3,62%
GOP ***	4.574.497,86 €	3.885.531,73 €	17,73%
GOP per accommodation unit	4.048,23 €	3.438,52 €	17,73%
GOP margin ****	53,46%	50,28%	6,34%
Capital investments	341.399,43 €	630.530,09 €	-45,86%
<b>CAMPSITE "PARK SOLINE"</b>			
Operating revenue	7.890.255,24 €	7.065.459,98 €	11,67%
TRevPAR *	6.982,53 €	6.252,62 €	11,67%
Operating costs**	3.119.240,63 €	3.084.830,81 €	1,12%
GOP ***	4.771.014,61 €	3.980.629,17 €	19,86%
GOP per accommodation unit	4.222,14 €	3.522,68 €	19,86%
GOP margin ****	60,5%	56,3%	7,33%
<b>RESTAURANT "PARK SOLINE"</b>			
Operating revenue	666.163,02 €	662.957,10 €	0,48%
Operating costs**	862.679,77 €	758.054,54 €	13,80%
GOP ***	-196.516,75 €	-95.097,44 €	106,65%
GOP margin ****	-22,8%	-12,5%	81,59%

In 2025, the Company's camping sector generated operating revenue in the amount of EUR 8,556,418.26, a 10.71% increase compared to the previous business year, when the revenue amounted to EUR 7,728,417.08. Revenue of the camping sector was realised in the following profit centres:

- "Park Soline" campsite – EUR 7,890,255.24
- "Park Soline" restaurant – EUR 666,163.02

The camping sector's revenue growth was mostly generated by the increased revenue of the "Park Soline" campsite, which amounted to EUR 7,890,255.24, an 11.67% increase compared to the EUR 7,065,459.98 revenue generated in 2024. For the most part, revenue growth was generated by a 15% increase in revenue from own mobile homes, a 13% increase in revenue from lump sum guests and an 8% increase in revenue from individual pitches. The operating costs recorded a minimal growth of 1.12%, i.e. they amounted to EUR 3,119,240.63. Thanks to efficient cost management and strong revenue growth, the "Park Soline" campsite recorded a strong growth in gross operating profit (GOP), a 19.86% increase, i.e. it amounted to EUR 4,771,014.61, so the GOP per accommodation unit, which amounted to EUR 4,222.14, grew accordingly, while the GOP margin for the "Park Soline" campsite was 60.5% compared to 56.3% in 2024.

### TRevPAR and GOP of the camping per camp unit in 2025 and 2024



\* TRevPAR (total annual revenue per accommodation unit) means the total operating revenue of the camping sector divided by the number of physical campsite units.

GOP indicates gross operating profit from camping before the allocation of common service costs, and it is calculated as follows: operating revenue - operating expenses (before allocation, excluding depreciation and fixed costs).

Operating costs at the camping sector level increased by 3.62% compared to 2024 as a result of a 5.67% increase in non-production services, an 8.43% increase in advertising and promotion costs and a 9.67% increase in salary costs. Despite the increase in operating costs, the camping sector recorded gross operating profit (GOP) of EUR 4,574,497.86, a 17.73% increase compared to 2024. Furthermore, the gross operating margin for the entire camping sector it amounted to

53.46%, while it amounted to 50.28% in 2024.

In 2025, capital investments in the amount of EUR 341,399.43 were made into improving competitiveness and the quality of services. It is particularly important to point out that the improvement in the overall quality of accommodation was also recognised by the German ADAC, which awarded 4 \*\*\*\* stars to the "Park Soline" campsite in 2022, 2023 and 2025.

**FINANCIAL OPERATIONS**  
**REPORTING SYSTEM ACCORDING TO THE USALI STANDARDS 01/01/2025 – 31/12/2025**  
**CAMPING SECTOR (after allocation – reallocation of the common revenue**  
**and common costs)**

(EUR)

Items	Annual cumulative achievements in 2023	Annual cumulative achievements in 2024	Annual cumulative achievements in 2025	Index 2025/2024
TOTAL NET REVENUE (operating)	7.485.682,18	7.727.322,04	8.555.956,06	110,72
Total direct costs	192.915,87	163.979,29	163.393,64	99,64
Total salary and labor costs	747.517,09	772.697,05	850.239,03	110,04
Total other department costs	333.601,77	249.067,45	236.295,40	94,87
<b>TOTAL CONTRIBUTION</b>	<b>6.211.647,45</b>	<b>6.541.578,25</b>	<b>7.306.027,99</b>	<b>111,69</b>
Total costs to GOP	4.181.385,22	4.317.858,08	4.795.494,19	111,06
GOP	3.304.296,96	3.409.563,96	3.760.461,87	110,29
<b>Grandtotal net revenues</b>	<b>7.572.470,28</b>	<b>7.841.763,22</b>	<b>8.671.746,09</b>	<b>110,58</b>
<b>Grandtotal costs</b>	<b>6.146.010,47</b>	<b>6.447.709,89</b>	<b>6.780.977,63</b>	<b>105,17</b>
<b>PROFIT BEFORE TAXATION</b>	<b>1.426.459,81</b>	<b>1.394.053,33</b>	<b>1.890.768,47</b>	<b>135,63</b>
Corporate income tax	277.162,98	269.743,70	365.260,28	135,41
NET PROFIT	1.149.296,83	1.124.309,63	1.525.508,19	135,68
<b>EBITDA</b>	<b>2.916.302,18</b>	<b>2.772.342,68</b>	<b>3.218.249,96</b>	<b>116,08</b>
<b>EBIT</b>	<b>1.628.894,46</b>	<b>1.595.766,29</b>	<b>2.051.941,14</b>	<b>128,59</b>

## 7.1 FINANCIAL-OPERATING RESULTS OF THE COMPANY BY SECTORS

### 7.1.4 CITY GALLERIA BUSINESS AND SHOPPING CENTRE

	2025	2024	2025/2024
Operating revenues	2.285.461,83 €	2.159.072,06 €	5,85%
Operating costs*	1.148.476,98 €	1.079.220,20 €	6,42%
GOP **	1.136.984,85 €	1.079.851,86 €	5,29%
GOP margin ***	49,75%	50,01%	-0,53%
Capital investments	46.021,30 €	83.264,40 €	-44,73%

City Galleria Business and Shopping Centre realised total operating revenue in the amount of EUR 2,285,461.33, of which revenue from core activities – lease of commercial premises, common costs, use of common areas, lease of advertising space, revenue from the garage and premises in Phase 1 – amounted to EUR 2,272,986.04, while other operating revenue accounted for the remaining EUR 12,475.79. Compared to the previous year, this is a 5.85% increase.

Operating costs of the City Galleria Business and Shopping Centre, which do not include depreciation, finan-

cial expenses and extraordinary costs, amounted to EUR 1,148,476.98, a 6.42% increase compared to EUR 1,079,220.20 in 2024. The main causes of the increase in costs were identified in the segments of labour costs and increased operating expenses.

The gross operating profit for the reporting period equalled EUR 1,136,984.85 before the allocation of common service costs, which represents a 49.75% gross margin.

#### Notes:

\* The operating costs include the costs of raw materials and materials, costs of services, gross salaries and other operating costs, but they do not include depreciation, financial expenses and extraordinary expenses.

\*\* GOP (Gross Operating Profit) indicates gross operating profit from the real estate sector before the allocation of common service costs, and it is calculated as follows: operating revenue - operating expenses (before allocation, excluding depreciation and fixed costs).

\*\*\* The GOP margin is calculated by relating the GOP from the real estate sector before the allocation of common service costs and operating revenue.

**FINANCIAL OPERATIONS**  
**REPORTING SYSTEM ACCORDING TO THE USALI STANDARDS 01/01/2025 – 31/12/2025**  
**CITY GALLERIA (After allocation - reallocation of the common revenue and common costs)**

(EUR)

Items	Annual cumulative achievements in 2023	Annual cumulative achievements in 2024	Annual cumulative achievements in 2025	Index 2025/2024
TOTAL NET REVENUE (operating)	608.515,12	616.973,98	632.414,54	102,50
Total direct costs	0,00	0,00	0,00	#DIV/0!
Total salary and labor costs	389.602,28	424.351,22	462.731,63	109,04
Total other department costs	55.210,94	48.158,40	53.055,28	110,17
<b>TOTAL CONTRIBUTION</b>	<b>163.701,90</b>	<b>144.464,36</b>	<b>116.627,63</b>	<b>80,73</b>
Total costs to GOP	1.183.189,18	1.229.877,25	1.355.150,33	110,19
GOP	-574.674,06	-612.903,27	-722.735,79	117,92
<b>Grandtotal net revenues</b>	<b>2.078.447,55</b>	<b>2.188.322,94</b>	<b>2.315.223,85</b>	<b>105,80</b>
<b>Grandtotal costs</b>	<b>1.703.748,71</b>	<b>1.786.939,40</b>	<b>1.912.863,63</b>	<b>107,05</b>
<b>PROFIT BEFORE TAXATION</b>	<b>374.698,84</b>	<b>401.383,90</b>	<b>402.360,22</b>	<b>100,24</b>
Corporate income tax	72.804,47	77.666,17	77.728,29	100,08
NET PROFIT	301.894,37	323.717,73	324.631,93	100,28
<b>EBITDA</b>	<b>771.876,73</b>	<b>792.577,27</b>	<b>786.985,39</b>	<b>99,29</b>
<b>EBIT</b>	<b>496.564,96</b>	<b>511.692,32</b>	<b>502.707,81</b>	<b>98,24</b>

## 7.1.5 FINANCIAL OPERATING RESULTS AT COMPANY LEVEL

**OPERATING REVENUE AND EXPENSES**  
Share of individual operating revenue and expenditures in total generated operating revenue  
**OPERATING PROFIT ACHIEVED (profit from operating activities)**

(EUR)

DESCRIPTION	12/2023	12/2024	12/2025	Index 2025/2024	Share (%) in the total operating revenue		
					12/2023	12/2024	12/2025
<b>OPERATING REVENUE</b>							
Revenue on the domestic market	22.502.324,33	25.758.697,40	26.860.556,02	104	80,23	84,87	81,82
Revenue on the foreign market	5.345.938,25	4.263.724,09	5.709.055,26	134	19,06	14,05	17,39
Revenue from grants, donations, compensations, premiums	60.614,23	61.423,77	39.182,40	64	0,22	0,20	0,12
Revenue from use of own products	4.454,86	10.642,61	18.193,56	171	0,02	0,04	0,06
Revenue from leases	0,00	0,00	0,00	#DIV/0!	0,00	0,00	0,00
Exchange office–ticket sales commission fee	324,66	158,32	148,12	94	0,00	0,00	0,00
Other operating revenue	134.152,34	256.885,64	203.125,55	79	0,48	0,85	0,62
<b>TOTAL OPERATING REVENUE</b>	<b>28.047.808,67</b>	<b>30.351.531,83</b>	<b>32.830.260,91</b>	<b>108</b>	<b>100,00</b>	<b>100,00</b>	<b>100,00</b>
<b>OPERATING EXPENSES</b>							
Raw materials and materials consumed	2.674.513,42	2.797.769,11	3.152.095,96	113	9,54	9,22	9,60
Energy and fuel costs	1.134.308,41	1.088.252,41	1.113.324,56	102	4,04	3,59	3,39
Costs of small inventory write-downs	237.527,38	260.279,23	271.376,39	104	0,85	0,86	0,83
<b>COSTS OF RAW MATERIALS, MATERIALS AND ENERGY</b>	<b>4.046.349,21</b>	<b>4.146.300,75</b>	<b>4.536.796,91</b>	<b>109</b>	<b>14,43</b>	<b>13,66</b>	<b>13,82</b>
Transportation, telephone and mail services	255.161,09	328.432,12	249.124,02	76	0,91	1,08	0,76
Maintenance services	999.725,37	1.230.387,16	1.058.543,26	86	3,56	4,05	3,22
Costs of fairs	21.608,39	18.161,33	28.498,55	157	0,08	0,06	0,09
Lease costs	936.327,23	1.246.646,62	1.057.844,77	85	3,34	4,11	3,22
Advertising and promotion costs	684.547,61	737.025,80	791.510,38	107	2,44	2,43	2,41
Costs of public announcement systems and lighting	0,00	0,00	0,00	#DIV/0!	0,00	0,00	0,00
Utilities and other services	1.124.101,10	1.131.190,03	1.129.839,26	100	4,01	3,73	3,44
Reservations	0,00	0,00	0,00		0,00	0,00	0,00
<b>OUTSOURCING COSTS</b>	<b>4.021.470,79</b>	<b>4.691.843,06</b>	<b>4.315.360,24</b>	<b>92</b>	<b>14,34</b>	<b>15,46</b>	<b>13,14</b>
Reimbursement of employees' expenses	1.194.049,97	1.264.275,95	1.189.152,42	94	4,26	4,17	3,62
Nonproduction services	1.632.354,16	1.825.345,06	2.149.839,85	118	5,82	6,01	6,55
Entertainment expenses	165.967,57	261.290,90	224.797,13	86	0,59	0,86	0,68
Insurance premiums	146.573,01	165.232,14	178.435,82	108	0,52	0,54	0,54
Other expenses	604.140,42	306.201,66	655.402,20	214	2,15	1,01	2,00
Taxes not dependent on income	157.142,41	155.930,50	179.440,73	115	0,56	0,51	0,55
Contributions to associations	304.797,17	326.637,63	342.759,58	105	1,09	1,08	1,04
Banking services	67.946,34	77.049,20	85.663,48	111	0,24	0,25	0,26
Costs of other employee rights	29.394,87	27.573,36	25.060,00	91	0,10	0,09	0,08
Other costs	227.537,98	553.754,77	561.955,65	101	0,81	1,82	1,71
<b>OTHER COSTS TOTAL</b>	<b>4.529.903,90</b>	<b>4.963.291,17</b>	<b>5.592.506,86</b>	<b>113</b>	<b>16,15</b>	<b>16,35</b>	<b>17,03</b>
Gross salaries	6.772.009,32	7.519.161,80	8.932.469,44	119	24,14	24,77	27,21
Contributions for gross salaries	1.121.190,29	1.244.722,93	1.477.755,13	119	4,00	4,10	4,50
<b>TOTAL COST OF SALARIES</b>	<b>7.893.199,61</b>	<b>8.763.884,73</b>	<b>10.410.224,57</b>	<b>119</b>	<b>28,14</b>	<b>28,87</b>	<b>31,71</b>
<b>TOTAL COSTS</b>	<b>20.490.923,51</b>	<b>22.565.319,71</b>	<b>24.854.888,58</b>	<b>110</b>	<b>73,06</b>	<b>74,35</b>	<b>75,71</b>
<b>OPERATING PROFIT</b>	<b>7.556.885,16</b>	<b>7.786.212,12</b>	<b>7.975.372,33</b>				

## 7 FINANCIAL RESULTS OF THE COMPANY

### 7.2 FINANCIAL RESULTS OF THE COMPANY

#### 7.2.1 FINANCIAL RESULTS OF THE COMPANY

#### Overview of the financial operating results for 2025 and comparison with the period 2019 - 2024

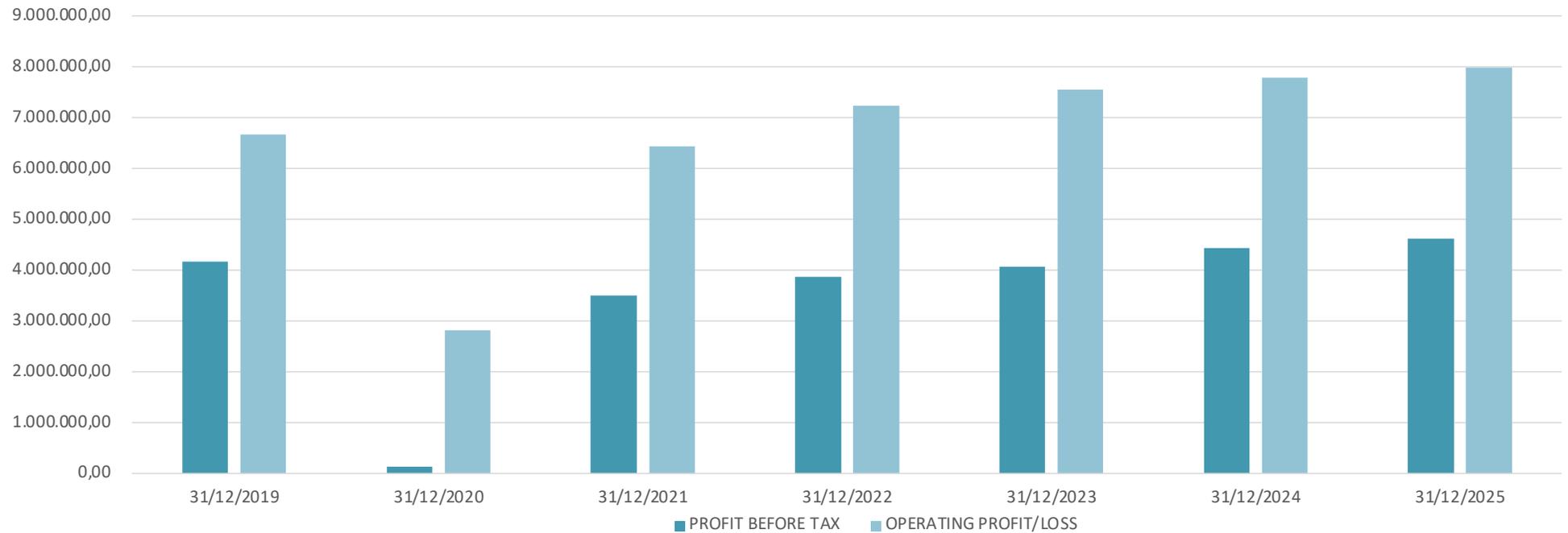
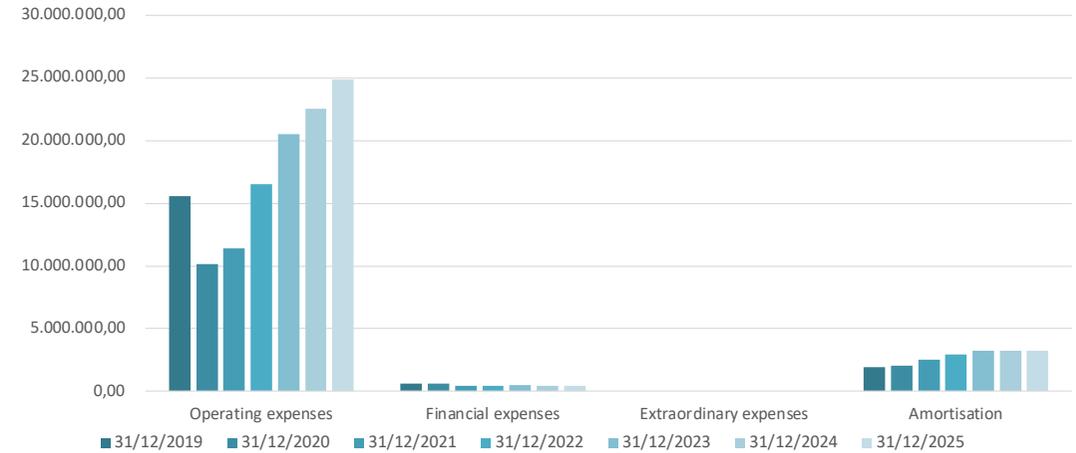
(EUR)

DESCRIPTION	31/12/2019	31/12/2020	31/12/2021	31/12/2022	31/12/2023	31/12/2024	31/12/2025	Index 2025/2024
Operating revenues	22.259.196,94	12.959.129,14	17.847.335,99	23.731.340,15	28.047.808,67	30.351.531,83	32.830.260,91	108,17
Financial revenues	11.366,05	12.901,37	47.829,98	47.144,05	238.931,40	334.460,74	328.626,97	98,26
Extraordinary revenues	0,00	0,00	0,00	0,00	0,00	0,00	0,00	#DIV/0!
<b>TOTAL REVENUES</b>	<b>22.270.562,99</b>	<b>12.972.030,50</b>	<b>17.895.165,96</b>	<b>23.778.484,20</b>	<b>28.286.740,07</b>	<b>30.685.992,57</b>	<b>33.158.887,88</b>	<b>108,06</b>
Operating expenses	15.593.244,76	10.145.711,43	11.419.647,19	16.500.561,53	20.490.923,51	22.565.319,71	24.854.888,58	110,15
Financial expenses	610.114,35	610.441,01	446.235,49	454.825,48	486.113,85	462.220,70	418.561,75	90,55
Extraordinary expenses	0,00	0,00	0,00	0,00	0,00	0,00	0,00	#DIV/0!
Amortisation	1.908.478,86	2.080.251,35	2.530.778,27	2.963.899,80	3.239.285,13	3.224.408,20	3.271.084,56	101,45
<b>TOTAL EXPENSES</b>	<b>18.111.837,97</b>	<b>12.836.403,78</b>	<b>14.396.660,95</b>	<b>19.919.286,81</b>	<b>24.216.322,49</b>	<b>26.251.948,61</b>	<b>28.544.534,89</b>	<b>108,73</b>
<b>PROFIT BEFORE TAX</b>	<b>4.158.725,02</b>	<b>135.626,72</b>	<b>3.498.505,01</b>	<b>3.859.197,39</b>	<b>4.070.417,58</b>	<b>4.434.043,96</b>	<b>4.614.352,99</b>	<b>104,07</b>
<b>NET PROFIT</b>	<b>4.158.725,02</b>	<b>135.626,72</b>	<b>2.942.793,29</b>	<b>3.117.753,76</b>	<b>3.279.530,22</b>	<b>3.576.074,33</b>	<b>3.722.948,30</b>	<b>104,11</b>
<b>OPERATING PROFIT/LOSS</b>	<b>6.665.952,18</b>	<b>2.813.417,71</b>	<b>6.427.688,79</b>	<b>7.230.778,62</b>	<b>7.556.885,16</b>	<b>7.786.212,12</b>	<b>7.975.372,33</b>	<b>102,43</b>
<b>EBITDA</b>	<b>6.677.318,23</b>	<b>2.826.319,08</b>	<b>6.475.518,77</b>	<b>7.277.922,67</b>	<b>7.795.816,56</b>	<b>8.120.672,86</b>	<b>8.303.999,30</b>	<b>102,26</b>

REVENUES 2019 - 2025



EXPENSES 2019 - 2025



## 1

The total revenue amounted to EUR 33,158,887.88, increasing by EUR 2,472,895.31, or 8.06% compared to EUR 30,685,992.57 in 2024, as a result of an increase in operating revenue.

Operating revenue in the amount of EUR 32,830,260.91 grew by 8.17% , or EUR 2,478,729.08 compared to 2024, when it amounted to EUR 30,351,531.83, as a result of growth across all sectors of the Company, especially the tourism sectors due to an increase in tourist demand.

Revenue from sales amounted to EUR 32,569,611.28, representing an increase of 8.48%, i.e. EUR 2,547,189.79 compared to 2024, when it amounted to EUR 30,022,421.49, due to a 4.28% increase in the domestic market and 33.90% increase in the foreign market. Revenue from sales represented 99.21% of operating revenue and 98.22% of total revenue.

## 2

Total expenses amounted to EUR 28,544,534.89 compared to the same period of the previous year, when they amounted to EUR 26,251,948.61. They increased by 8.73%, i.e. EUR 2,292,586,28 due a 10.15% increase in operating expenses and a 1.45% increase in depreciation.

Operating expenses amounted to EUR 24,854,888.58 and increased by 10.15% or by EUR 2,289,568.87 compared to 2024, when they amounted to EUR 22,565,319.71; this growth was generated by an increase in the cost of gross salaries by 18.79%, other costs by 12.68% and costs of raw materials, materials and energy by 9.42% due to an increase in the volume of business activities across all sectors of the Company and a general increase in the prices of goods and services.

## 3

Operating profit, i.e. profit generated by the Company's business operations, amounted to EUR 7,975,372.33, representing an increase of 2.43%, or EUR 189,160.21 compared to the previous year when it amounted to EUR 7,786,212.12.

Profit before tax amounted to EUR 4,614,352.99 and was 4.07% or EUR 180,309.03 higher compared to 2024, when it amounted to EUR 4,434,043.96.

Net profit in the reporting period amounted to EUR 3,722,948.30, and it increased by 4.11%, i.e. EUR 146,873.97, compared to 2024, when it amounted to EUR 3,576,074.33.

EBITDA, i.e. earnings before depreciation, interest and taxes, was generated in the amount of EUR 8,303,999.30, and

showed a 2.26% or EUR 183,326.44 increase compared to 2024, when it amounted to EUR 8,120,672.86.

EBIT, i.e. earnings before financing expenses was realised in the amount of EUR 5,032,914.74, recording an increase of 2.79 % , or EUR 136,650.08 compared to 2024, when it amounted to EUR 4,896,264.66.

In 2025, the Company continued to achieve continuous growth in key performance indicators, i.e. physical and financial indicators and financial position indicators. It generated the highest total and operating revenue to date, both at the Company level and across all sectors. With the growth in total revenue at a rate of 8.06% and operating revenue at a rate of 8.17%, total expenses also grew at a rate slightly higher than the revenue growth rate, i.e. by 8.73%, which enabled the Company to achieve operating profitability. The Company's profitability grew across all its key indicators (operating profit, profit before tax, net profit, EBITDA and EBIT), most of which, except for net profit, were achieved at the highest annual level to date. In the reporting period, an adequate level of operating profitability was achieved, especially taking into account the business environment and the circumstances of the business year with continued strong inflation, labour shortage on the Croatian labour market, and geopolitical and macroeconomic instability.

## REVENUE BY ACTIVITIES:

**Hotel sector revenue** amounted to EUR 10,592,713.85, which, compared to 2024, when they amounted to EUR 9,797,346.04, represents an increase of 8.12%, and is the result of continuous growth in tourist traffic throughout the business year, especially the significant growth in the pre-season and post-season and stable growth in demand in the high season, which, in addition to physical indicators, also meant an increase in occupancy and days of occupancy, and consequently generated a strong growth in revenue.

**Nautical sector revenue** amounted to EUR 9,714,528.34, a 6.55% increase at sector level compared to EUR 9,117,404.47 in 2024, due the growth of business activities in all three of its profit centres, of which, in absolute terms, the growth in revenue of the entire nautical sector was generated by the growth in revenues of Marina Kornati by 6.36%, followed by the "Marina Kornati" restaurant by 18.06% and the nautical fair by 0.90%.

**Camping revenue** amounted to EUR 8,556,418.26, constituting an increase of 10.71% compared to 2024, when it amounted to EUR 7,728,416.08, and was generated for the most part by a strong growth of revenue in the accommodation segment of the "Park Soline" campsite by 11.67% and hospitality, i.e. the "Park Soline" restaurant by 0.48%.

**Revenue from the real estate sector**, i.e. the City Galleria Business and Shopping Centre, amounted to EUR 2,285,461.83, a 5.85% increase compared to EUR 2,159,072.06 in 2024, due to the growth in revenue from all key operating items, including revenue from: lease of commercial premises, garage, use of common areas, advertising space and common costs.

**Revenue from other sectors**, i.e. DMC Ilirija Travel and other profit centres of the Company, amounted to EUR 1,681,138.63, an 8.51% increase compared to 2024, when they amounted to EUR 1,549,293,18 due to the growth in key physical indicators (number of events and number of rooms) and the year-round business activities of the destination management company.

**GRAND TOTAL:** Operating revenue per activity amounted to EUR 32,830,260.91, representing an increase of 8.17% compared to 2024, when it amounted to EUR 30,351,531.83.

**Financial statements of the Company**  
as at 31/12/2025 and a comparison with the period from 2019 to 2024

REVENUES	2019	2020	2021	2022	2023	2024	INDEX 2024/2023	2025	INDEX 2025/2024	INDEX 2025/2019
Revenue on the domestic market	16.698.613,17	10.480.685,84	14.405.343,69	19.132.960,71	22.562.938,56	25.820.121,17	114	26.899.738,42	104	161
Revenues on foreign market	5.265.553,03	1.498.399,36	2.699.398,25	4.477.288,33	5.345.938,25	4.263.724,09	80	5.709.055,26	134	108
Other operating revenues	295.030,74	980.043,94	742.594,05	121.091,11	138.931,86	267.686,57	193	221.467,23	83	75
<b>OPERATING REVENUES</b>	<b>22.259.196,94</b>	<b>12.959.129,14</b>	<b>17.847.335,99</b>	<b>23.731.340,15</b>	<b>28.047.808,67</b>	<b>30.351.531,83</b>	<b>108</b>	<b>32.830.260,91</b>	<b>108</b>	<b>147</b>
FINANCIAL REVENUES	11.366,05	12.901,37	47.829,98	47.144,05	238.931,40	334.460,74	140	328.626,97	98	2.891
EXTRAORDINARY REVENUES	0,00	0,00	0,00	0,00	0,00	0,00	#DIV/0!	0,00	#DIV/0!	#DIV/0!
<b>TOTAL REVENUES</b>	<b>22.270.562,99</b>	<b>12.972.030,50</b>	<b>17.895.165,96</b>	<b>23.778.484,20</b>	<b>28.286.740,07</b>	<b>30.685.992,57</b>	<b>108</b>	<b>33.158.887,88</b>	<b>108</b>	<b>149</b>
EXPENSES										
Raw material and material costs	3.232.619,57	1.472.737,48	2.272.794,39	3.650.771,30	4.046.349,21	4.146.300,75	102	4.536.796,91	109	140
Costs of services	2.874.002,90	2.158.335,52	2.453.538,75	3.307.643,93	4.021.470,79	4.691.843,06	117	4.315.360,24	92	150
Gross pays	5.622.472,88	4.041.577,94	4.506.151,93	6.318.533,25	7.893.199,61	8.763.884,73	111	10.410.224,57	119	185
Other expenses	3.864.149,41	2.473.060,48	2.187.162,13	3.223.613,05	4.529.903,90	4.963.291,17	110	5.592.506,86	113	145
<b>TOTAL EXPENSES</b>	<b>15.593.244,76</b>	<b>10.145.711,43</b>	<b>11.419.647,19</b>	<b>16.500.561,53</b>	<b>20.490.923,51</b>	<b>22.565.319,71</b>	<b>110</b>	<b>24.854.888,58</b>	<b>110</b>	<b>159</b>
AMORTISATION	1.908.478,86	2.080.251,35	2.530.778,27	2.963.899,80	3.239.285,13	3.224.408,20	100	3.271.084,56	101	171
FINANCIAL EXPENSES	610.114,35	610.441,01	446.235,49	454.825,48	486.113,85	462.220,70	95	418.561,75	91	69
EXTRAORDINARY EXPENSES	0,00	0,00	0,00	0,00	0,00	0,00	#DIV/0!	0,00	#DIV/0!	#DIV/0!
<b>TOTAL EXPENSES</b>	<b>18.111.837,97</b>	<b>12.836.403,78</b>	<b>14.396.660,95</b>	<b>19.919.286,81</b>	<b>24.216.322,49</b>	<b>26.251.948,61</b>	<b>108</b>	<b>28.544.534,89</b>	<b>109</b>	<b>158</b>
<b>PROFIT BEFORE TAX</b>	<b>4.158.725,02</b>	<b>135.626,72</b>	<b>3.498.505,01</b>	<b>3.859.197,39</b>	<b>4.070.417,58</b>	<b>4.434.043,96</b>	<b>109</b>	<b>4.614.352,99</b>	<b>104</b>	<b>111</b>
<b>NET PROFIT</b>	<b>4.158.725,02</b>	<b>135.626,72</b>	<b>2.942.793,29</b>	<b>3.117.753,76</b>	<b>3.279.530,22</b>	<b>3.576.074,33</b>	<b>109</b>	<b>3.722.948,30</b>	<b>104</b>	<b>90</b>
<b>OPERATING PROFIT/LOSS</b>	<b>6.665.952,18</b>	<b>2.813.417,71</b>	<b>6.427.688,79</b>	<b>7.230.778,62</b>	<b>7.556.885,16</b>	<b>7.786.212,12</b>	<b>103</b>	<b>7.975.372,33</b>	<b>102</b>	<b>120</b>
<b>EBITDA</b>	<b>6.677.318,23</b>	<b>2.826.319,08</b>	<b>6.475.518,77</b>	<b>7.277.922,67</b>	<b>7.795.816,56</b>	<b>8.120.672,86</b>	<b>104</b>	<b>8.303.999,30</b>	<b>102</b>	<b>124</b>

**FINANCIAL OPERATIONS**  
**REPORTING SYSTEM ACCORDING TO USALI STANDARDS**  
**01/01/2025-31/12/2025**  
**ILIRIJA D.D. TOTAL** (after the allocation of common revenues and common costs)

(EUR)

Items	Annual cumulative achievements in 2023	Annual cumulative achievements in 2024	Annual cumulative achievements in 2025	Index 2025/2024
TOTAL NET REVENUE (operating)	26.534.593,86	28.636.566,95	31.068.052,27	108,49
Total direct costs	1.747.002,66	1.937.593,21	2.267.026,90	117,00
Total salary and labor costs	5.340.398,02	5.834.050,88	6.783.636,12	116,28
Total other department costs	1.637.228,53	1.761.682,39	1.861.763,81	105,68
<b>TOTAL CONTRIBUTION</b>	<b>17.809.964,65</b>	<b>19.013.240,47</b>	<b>20.155.625,44</b>	<b>106,01</b>
Total costs to GOP	18.343.804,34	19.699.226,13	22.107.745,58	112,23
GOP	8.190.789,52	8.937.340,82	8.960.306,69	100,26
<b>Grandtotal net revenues</b>	<b>28.286.740,07</b>	<b>30.685.992,57</b>	<b>33.158.887,88</b>	<b>108,06</b>
<b>Grandtotal costs</b>	<b>24.216.322,49</b>	<b>26.251.948,61</b>	<b>28.544.534,89</b>	<b>108,73</b>
<b>PROFIT BEFORE TAXATION</b>	<b>4.070.417,58</b>	<b>4.434.043,96</b>	<b>4.614.352,99</b>	<b>104,07</b>
Corporate income tax	790.887,36	857.969,63	891.404,69	103,90
NET PROFIT	3.279.530,22	3.576.074,33	3.722.948,30	104,11
<b>EBITDA</b>	<b>7.795.816,56</b>	<b>8.120.672,86</b>	<b>8.303.999,30</b>	<b>102,26</b>
<b>EBIT</b>	<b>4.556.531,43</b>	<b>4.896.264,66</b>	<b>5.032.914,74</b>	<b>102,79</b>

STATEMENT OF PROFIT OR LOSS			
for the period 01/01/2025 to 31/12/2025			
in EUR			
Submitter: ILIRIJA d.d.			
Item	ADP code	Same period of the previous year	Current period
1	2	3	4
<b>I OPERATING INCOME (ADP 002 to 006)</b>	<b>001</b>	<b>30.351.531,85</b>	<b>32.830.260,91</b>
1 Income from sales with undertakings within the group	002	2.040,01	2.040,28
2 Income from sales (outside group)	003	30.020.381,48	32.567.571,00
3 Income from the use of own products, goods and services	004	10.642,61	18.193,56
4 Other operating income with undertakings within the group	005	0,00	0,00
5 Other operating income (outside the group)	006	318.467,75	242.456,07
<b>II OPERATING EXPENSES (ADP 08+009+013+017+018+019+022+029)</b>	<b>007</b>	<b>25.789.727,91</b>	<b>28.125.973,14</b>
1 Changes in inventories of work in progress and finished goods	008	0,00	0,00
<b>2 Material costs (ADP 010 to 012)</b>	<b>009</b>	<b>8.838.143,81</b>	<b>8.852.157,15</b>
a) Costs of raw materials and consumables	010	4.146.300,75	4.536.796,91
b) Costs of goods sold	011	0,00	0,00
c) Other external costs	012	4.691.843,06	4.315.360,24
<b>3 Staff costs (ADP 014 to 016)</b>	<b>013</b>	<b>8.763.884,73</b>	<b>10.410.224,57</b>
a) Net salaries and wages	014	5.286.722,97	6.231.101,62
b) Tax and contributions from salary costs	015	2.232.438,83	2.701.367,82
c) Contributions on salaries	016	1.244.722,93	1.477.755,13
4 Depreciation	017	3.224.408,20	3.271.084,56
5 Other costs	018	4.657.089,17	4.937.105,12
<b>6 Value adjustments (ADP 020+021)</b>	<b>019</b>	<b>0,00</b>	<b>0,00</b>
a) fixed assets other than financial assets	020	0,00	0,00
b) current assets other than financial assets	021	0,00	0,00
<b>7 Provisions (ADP 023 to 028)</b>	<b>022</b>	<b>0,00</b>	<b>0,00</b>
a) Provisions for pensions, termination benefits and similar obligations	023	0,00	0,00
b) Provisions for tax liabilities	024	0,00	0,00
c) Provisions for ongoing legal cases	025	0,00	0,00
d) Provisions for renewal of natural resources	026	0,00	0,00
e) Provisions for warranty obligations	027	0,00	0,00
f) Other provisions	028	0,00	0,00
8 Other operating expenses	029	306.202,00	655.401,74
<b>III FINANCIAL INCOME (ADP 031 to 040)</b>	<b>030</b>	<b>334.460,72</b>	<b>328.626,97</b>
1 Income from investments in holdings (shares) of undertakings within the group	031	0,00	0,00
2 Income from investments in holdings (shares) of companies linked by virtue of participating interests	032	0,00	0,00
3 Income from other long-term financial investment and loans granted to undertakings within the group	033	0,00	0,00
4 Other interest income from operations with undertakings within the group	034	0,00	0,00
5 Exchange rate differences and other financial income from operations with undertakings within the group	035	0,00	0,00
6 Income from other long-term financial investments and loans	036	0,00	0,00
7 Other interest income	037	334.460,72	328.626,97
8 Exchange rate differences and other financial income	038	0,00	0,00
9 Unrealised gains (income) from financial assets	039	0,00	0,00
10 Other financial income	040	0,00	0,00
<b>IV FINANCIAL EXPENSES (ADP 042 to 048)</b>	<b>041</b>	<b>462.220,70</b>	<b>418.561,75</b>
1 Interest expenses and similar expenses with undertakings within the group	042	0,00	0,00
2 Exchange rate differences and other expenses from operations with undertakings within the group	043	0,00	0,00
3 Interest expenses and similar expenses	044	448.923,03	413.850,44

4 Exchange rate differences and other expenses	045	6.437,40	4.711,31
5 Unrealised losses (expenses) from financial assets	046	0,00	0,00
6 Value adjustments of financial assets (net)	047	0,00	0,00
7 Other financial expenses	048	6.860,27	0,00
V SHARE IN PROFIT FROM UNDERTAKINGS LINKED BY VIRTUE OF PARTICIPATING INTERESTS	049	0,00	0,00
VI SHARE IN PROFIT FROM JOINT VENTURES	050	0,00	0,00
VII SHARE IN LOSS OF COMPANIES LINKED BY VIRTUE OF PARTICIPATING INTEREST	051	0,00	0,00
VIII SHARE IN LOSS OF JOINT VENTURES	052	0,00	0,00
<b>IX TOTAL INCOME (ADP 001+030+049 +050)</b>	<b>053</b>	<b>30.685.992,57</b>	<b>33.158.887,88</b>
<b>X TOTAL EXPENDITURE (ADP 007+041+051 + 052)</b>	<b>054</b>	<b>26.251.948,61</b>	<b>28.544.534,89</b>
<b>XI PRE-TAX PROFIT OR LOSS (ADP 053-054)</b>	<b>055</b>	<b>4.434.043,96</b>	<b>4.614.352,99</b>
1 Pre-tax profit (ADP 053-054)	056	4.434.043,96	4.614.352,99
2 Pre-tax loss (ADP 054-053)	057	0,00	0,00
XII INCOME TAX	058	857.969,63	891.404,69
<b>XIII PROFIT OR LOSS FOR THE PERIOD (ADP 055-059)</b>	<b>059</b>	<b>3.576.074,33</b>	<b>3.722.948,30</b>
1 Profit for the period (ADP 055-059)	060	3.576.074,33	3.722.948,30
2 Loss for the period (ADP 059-055)	061	0,00	0,00
DISCONTINUED OPERATIONS (to be filled in by undertakings subject to IFRS only with discontinued operations)			
<b>XIV PRE-TAX PROFIT OR LOSS OF DISCONTINUED OPERATIONS (ADP 063-064)</b>	<b>062</b>	<b>0</b>	<b>0</b>
1 Pre-tax profit from discontinued operations	063	0	0
2 Pre-tax loss on discontinued operations	064	0	0
XV INCOME TAX OF DISCONTINUED OPERATIONS	065	0	0
1 Discontinued operations profit for the period (ADP 062-065)	066	0	0
2 Discontinued operations loss for the period (ADP 065-062)	067	0	0
TOTAL OPERATIONS (to be filled in only by undertakings subject to IFRS with discontinued operations)			
<b>XVI PRE-TAX PROFIT OR LOSS (ADP 055-+062)</b>	<b>068</b>	<b>0</b>	<b>0</b>
1 Pre-tax profit (ADP 068)	069	0	0
2 Pre-tax loss (ADP 068)	070	0	0
XVII INCOME TAX (ADP 058+065)	071	0	0
<b>XVIII PROFIT OR LOSS FOR THE PERIOD (ADP 068-071)</b>	<b>072</b>	<b>0</b>	<b>0</b>
1 Profit for the period (ADP 068-071)	073	0	0
2 Loss for the period (ADP 071-068)	074	0	0
APPENDIX to the P&L (to be filled in by undertakings that draw up consolidated annual financial statements)			
<b>XIX PROFIT OR LOSS FOR THE PERIOD (ADP 076+077)</b>	<b>075</b>	<b>0</b>	<b>0</b>
1 Attributable to owners of the parent	076	0	0
2 Attributable to minority (non-controlling) interest	077	0	0
STATEMENT OF OTHER COMPREHENSIVE INCOME (to be filled in by undertakings subject to IFRS)			
<b>I PROFIT OR LOSS FOR THE PERIOD</b>	<b>078</b>	<b>0,00</b>	<b>0,00</b>
<b>II OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAX (ADP 80+ 87)</b>	<b>079</b>	<b>0,00</b>	<b>0,00</b>
<b>III Items that will not be reclassified to profit or loss (ADP 081 to 085)</b>	<b>080</b>	<b>0,00</b>	<b>0,00</b>
1 Changes in revaluation reserves of fixed tangible and intangible assets	081	0,00	0,00
2 Gains or losses from subsequent measurement of equity instruments at fair value through other comprehensive income	082	0,00	0,00
3 Fair value changes of financial liabilities at fair value through statement of profit or loss, attributable to changes in their credit risk	083	0,00	0,00
4 Actuarial gains/losses on the defined benefit obligation	084	0,00	0,00
5 Other items that will not be reclassified	085	0,00	0,00
6 Income tax relating to items that will not be reclassified	086	0,00	0,00
<b>IV Items that may be reclassified to profit or loss (ADP 088 to 095)</b>	<b>087</b>	<b>0,00</b>	<b>0,00</b>
1 Exchange rate differences from translation of foreign operations	088	0,00	0,00
2 Gains or losses from subsequent measurement of debt securities at fair value through other comprehensive income	089	0,00	0,00

3 Profit or loss arising from effective cash flow hedging	090	0,00	0,00
4 Profit or loss arising from effective hedge of a net investment in a foreign operation	091	0,00	0,00
5 Share in other comprehensive income/loss of companies linked by virtue of participating interests	092	0,00	0,00
6 Changes in fair value of the time value of option	093		
7 Changes in fair value of forward elements of forward contracts	094	0,00	0,00
8 Other items that may be reclassified to profit or loss	095	0,00	0,00
9 Income tax relating to items that may be reclassified to profit or loss	096	0,00	0,00
<b>V NET OTHER COMPREHENSIVE INCOME OR LOSS (ADP 080+087- 086 - 096)</b>	<b>097</b>	<b>0,00</b>	<b>0,00</b>
<b>VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 078+097)</b>	<b>098</b>	<b>0,00</b>	<b>0,00</b>
APPENDIX to the Statement on comprehensive income (to be filled in by undertakings that draw up consolidated statements)			
<b>VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 100+101)</b>	<b>099</b>	<b>0</b>	<b>0</b>
1 Attributable to owners of the parent	100	0	0
2 Attributable to minority (non-controlling) interest	101	0	0

## 7.2 FINANCIAL RESULTS OF THE COMPANY

### 7.2.2 FINANCIAL POSITION OF THE COMPANY

BALANCE SHEET			
Balance as at 31/12/2025			in EUR
Submitter: ILIRIJA d.d. BIOGRAD NA MORU			
Item	ADP code	Last day of the preceding business year	At the reporting date of the current period
1	2	3	4
<b>A) RECEIVABLES FOR SUBSCRIBED CAPITAL UNPAID</b>	<b>001</b>	<b>0,00</b>	<b>0,00</b>
<b>B) FIXED ASSETS (ADP 003+010+020+031+036)</b>	<b>002</b>	<b>56.802.314,73</b>	<b>57.236.920,83</b>
<b>I INTANGIBLE ASSETS (ADP 004 to 009)</b>	<b>003</b>	<b>59.413,35</b>	<b>121.502,66</b>
1 Research and development	004	0,00	0,00
2 Concessions, patents, licences, trademarks, software and other rights	005	0,00	0,00
3 Goodwill	006	0,00	0,00
4 Advances for the purchase of intangible assets	007	0,00	0,00
5 Intangible assets in preparation	008	0,00	0,00
6 Other intangible assets	009	59.413,35	121.502,66
<b>II TANGIBLE ASSETS (ADP 011 to 019)</b>	<b>010</b>	<b>56.737.983,95</b>	<b>57.110.500,74</b>
1 Land	011	5.894.094,96	6.278.078,96
2 Buildings	012	32.280.003,34	32.809.604,04
3 Plant and equipment	013	8.358.260,95	7.895.665,94
4 Tools, working inventory and transportation assets	014	0,00	0,00
5 Biological assets	015	0,00	0,00
6 Advances for the purchase of tangible assets	016	0,00	0,00
7 Tangible assets in preparation	017	389.533,48	545.712,72
8 Other tangible assets	018	0,00	0,00
9 Investment property	019	9.816.091,22	9.581.439,08
<b>III FIXED FINANCIAL ASSETS (ADP 021 to 030)</b>	<b>020</b>	<b>4.917,43</b>	<b>4.917,43</b>
1 Investments in holdings (shares) of undertakings within the group	021	4.917,43	4.917,43
2 Investments in other securities of undertakings within the group	022	0,00	0,00
3 Loans, deposits, etc. to undertakings within the group	023	0,00	0,00
4. Investments in holdings (shares) of companies linked by virtue of participating interests	024	0,00	0,00
5 Investment in other securities of companies linked by virtue of participating interests	025	0,00	0,00
6 Loans, deposits etc. given to companies linked by virtue of participating interests	026	0,00	0,00
7 Investments in securities	027	0,00	0,00
8 Loans, deposits, etc. given	028	0,00	0,00
9 Other investments accounted for using the equity method	029	0,00	0,00
10 Other fixed financial assets	030	0,00	0,00
<b>IV RECEIVABLES (ADP 032 to 035)</b>	<b>031</b>	<b>0,00</b>	<b>0,00</b>
1 Receivables from undertakings within the group	032	0,00	0,00
2 Receivables from companies linked by virtue of participating interests	033	0,00	0,00
3 Customer receivables	034	0,00	0,00
4 Other receivables	035	0,00	0,00
<b>V DEFERRED TAX ASSETS</b>	<b>036</b>	<b>0,00</b>	<b>0,00</b>
<b>C) CURRENT ASSETS (ADP 038+046+053+063)</b>	<b>037</b>	<b>14.215.009,10</b>	<b>14.756.378,53</b>

<b>I INVENTORIES (ADP 039 to 045)</b>	<b>038</b>	<b>276.161,88</b>	<b>254.250,18</b>
1 Raw materials and consumables	039	276.161,88	254.250,18
2 Work in progress	040	0,00	0,00
3 Finished goods	041	0,00	0,00
4 Merchandise	042	0,00	0,00
5 Advances for inventories	043	0,00	0,00
6 Fixed assets held for sale	044	0,00	0,00
7 Biological assets	045	0,00	0,00
<b>II RECEIVABLES (ADP 047 to 052)</b>	<b>046</b>	<b>910.595,56</b>	<b>928.889,24</b>
1 Receivables from undertakings within the group	047	0,00	0,00
2 Receivables from companies linked by virtue of participating interests	048	0,00	0,00
3 Customer receivables	049	649.010,60	678.241,37
4 Receivables from employees and members of the undertaking	050	16.458,36	39.155,67
5 Receivables from government and other institutions	051	24.823,76	34.444,11
6 Other receivables	052	220.302,84	177.048,09
<b>III CURRENT FINANCIAL ASSETS (ADP 054 to 062)</b>	<b>053</b>	<b>13.000.000,00</b>	<b>13.500.000,00</b>
1 Investments in holdings (shares) of undertakings within the group	054	0,00	0,00
2 Investments in other securities of undertakings within the group	055	0,00	0,00
3 Loans, deposits, etc. to undertakings within the group	056	0,00	0,00
4 Investments in holdings (shares) of companies linked by virtue of participating interests	057	0,00	0,00
5 Investment in other securities of companies linked by virtue of participating interests	058	0,00	0,00
6 Loans, deposits etc. to companies linked by virtue of participating interests	059	0,00	0,00
7 Investments in securities	060	0,00	0,00
8 Loans, deposits, etc. given	061	13.000.000,00	13.500.000,00
9 Other financial assets	062	0,00	0,00
<b>IV CASH AT BANK AND IN HAND</b>	<b>063</b>	<b>28.251,66</b>	<b>73.239,11</b>
<b>D ) PREPAID EXPENSES AND ACCRUED INCOME</b>	<b>064</b>	<b>538.912,31</b>	<b>538.495,31</b>
<b>E ) TOTAL ASSETS (ADP 001+002+037+064)</b>	<b>065</b>	<b>71.556.236,14</b>	<b>72.531.794,67</b>
<b>OFF-BALANCE SHEET ITEMS</b>	<b>066</b>	<b>0,00</b>	<b>0,00</b>
<b>LIABILITIES</b>			
<b>A) CAPITAL AND RESERVES (ADP 068 to 070+076+077+081+084+087)</b>	<b>067</b>	<b>54.693.348,46</b>	<b>56.805.699,56</b>
<b>I INITIAL (SUBSCRIBED) CAPITAL</b>	<b>068</b>	<b>30.420.000,00</b>	<b>30.420.000,00</b>
<b>II CAPITAL RESERVES</b>	<b>069</b>	<b>389.194,89</b>	<b>389.194,89</b>
<b>III RESERVES FROM PROFIT (ADP 071+072-073+074+075)</b>	<b>070</b>	<b>4.664.642,16</b>	<b>4.187.093,36</b>
1 Legal reserves	071	3.195.697,87	3.195.697,87
2 Reserves for treasury shares	072	925.836,64	138.145,04
3 Treasury shares and holdings (deductible item)	073	-448.287,84	-138.145,04
4 Statutory reserves	074	0,00	0,00
5 Other reserves	075	991.395,49	991.395,49
<b>IV REVALUATION RESERVES</b>	<b>076</b>	<b>0,00</b>	<b>0,00</b>
<b>V FAIR VALUE RESERVES (ADP 078 to 080)</b>	<b>077</b>	<b>0,00</b>	<b>0,00</b>
1 Financial assets at fair value through other comprehensive income (i.e. available for sale)	078	0,00	0,00
2 Cash flow hedge - effective portion	079	0,00	0,00
3 Hedge of a net investment in a foreign operation - effective portion	080	0,00	0,00
4 Other fair value reserves	081	0,00	0,00
5 Exchange differences arising from the translation of foreign operations (consolidation)	082	0,00	0,00
6 Exchange rate differences from translation into the presentation currency	83	0,00	0,00
<b>VI RETAINED PROFIT OR LOSS BROUGHT FORWARD (ADP 084-085)</b>	<b>084</b>	<b>15.643.437,08</b>	<b>18.086.463,01</b>

1 Retained profit	085	15.643.437,08	18.086.463,01
2 Loss brought forward	086	0,00	0,00
<b>VII PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 087-088)</b>	<b>087</b>	<b>3.576.074,33</b>	<b>3.722.948,30</b>
1 Profit for the business year	088	3.576.074,33	3.722.948,30
2 Loss for the business year	089	0,00	0,00
VIII MINORITY (NON-CONTROLLING) INTEREST	090	0,00	0,00
<b>B) PROVISIONS (ADP 091 to 096)</b>	<b>091</b>	<b>154.107,16</b>	<b>154.107,16</b>
1 Provisions for pensions, termination benefits and similar obligations	092	0,00	0,00
2 Provisions for tax liabilities	093	0,00	0,00
3 Provisions for ongoing legal cases	094	154.107,16	154.107,16
4 Provisions for renewal of natural resources	095	0,00	0,00
5 Provisions for warranty obligations	096	0,00	0,00
6 Other provisions	097	0,00	0,00
<b>C) LONG-TERM LIABILITIES (ADP 098 to 108)</b>	<b>098</b>	<b>10.156.775,58</b>	<b>8.351.955,91</b>
1 Liabilities towards undertakings within the group	099	0,00	0,00
2 Liabilities for loans, deposits, etc. to companies within the group	100	0,00	0,00
3 Liabilities towards companies linked by virtue of participating interest	101	0,00	0,00
4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interest	102	0,00	0,00
5 Liabilities for loans, deposits etc.	103	0,00	0,00
6 Liabilities towards banks and other financial institutions	104	10.156.775,58	8.351.955,91
7 Liabilities for advance payments	105	0,00	0,00
8 Liabilities towards suppliers	106	0,00	0,00
9 Liabilities for securities	107	0,00	0,00
10 Other long-term liabilities	108	0,00	0,00
11 Deferred tax liability	109	0,00	0,00
<b>D) SHORT-TERM LIABILITIES (ADP 110 to 123)</b>	<b>110</b>	<b>6.161.373,97</b>	<b>6.898.280,98</b>
1 Liabilities towards undertakings within the group	111	38.216,89	10.197,00
2 Liabilities for loans, deposits, etc. to companies within the group	112	0,00	0,00
3 Liabilities towards companies linked by virtue of participating interest	113	0,00	0,00
4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interest	114	0,00	0,00
5 Liabilities for loans, deposits etc.	115	0,00	0,00
6 Liabilities towards banks and other financial institutions	116	3.421.118,41	3.792.264,25
7 Liabilities for advance payments	117	57.250,96	46.937,74
8 Liabilities towards suppliers	118	1.600.491,27	1.829.657,25
9 Liabilities for securities	119	0,00	0,00
10 Liabilities towards employees	120	379.461,02	451.797,88
11 Taxes, contributions and similar liabilities	121	653.103,25	720.140,53
12 Liabilities arising from the share in the result	122	11.732,17	31.842,33
13 Liabilities arising from fixed assets held for sale	123	0,00	0,00
14 Other short-term liabilities	124	0,00	15.444,00
<b>E) ACCRUALS AND DEFERRED INCOME</b>	<b>125</b>	<b>390.630,97</b>	<b>321.751,06</b>
<b>F) TOTAL – LIABILITIES (ADP 067+090+097+109+124)</b>	<b>126</b>	<b>71.556.236,14</b>	<b>72.531.794,67</b>
<b>G) OFF-BALANCE SHEET ITEMS</b>	<b>127</b>	<b>0,00</b>	<b>0,00</b>

## 7.2.2 FINANCIAL POSITION OF THE COMPANY

### KEY FINANCIAL INDICATORS OF THE ASSETS, CAPITAL, LIABILITY INDICATORS AND OPERATING RESULTS OF THE COMPANY AS AT 31/12/2025

Since the table providing an overview of the Company's key indicators covers the years from 2024 to 2015 (eleven years), the realised described indicators are also listed in absolute amounts and growth rates.

#### 1 VALUE OF ASSETS

The value of the Company's assets as at 31/12/2025 amounted to EUR 72,531,794.67, an increase by EUR 975,558.53, or by 1.36%, compared to 2024, when it amounted to EUR 71,556,236.14, mostly on account of the increase in current assets followed by a slight increase in non-current assets.

The value of Company assets, compared to the same period of 2015, when it amounted to EUR 42,081,069.34, increased by EUR 30,450,725.33, or 72.36%.

#### 2 TOTAL LIABILITIES

Total liabilities amounted to EUR 15,726,095.11, showing a decrease of EUR 1,136,792.57, or 6.74% compared to 2024, when they amounted to EUR 16,862,887.68,

as a result of a decrease in long-term liabilities related to the settlement of long-term loan liabilities and long-term financial leasing.

Total liabilities of the Company as at 31 December 2025 were EUR 2,890,935.51, or 22.52% higher compared to total liabilities of the Company as at 31 December 2015, when they amounted to EUR 12,835,159.60.

#### 3 CAPITAL AND RESERVES

As at 31 December 2025, capital and reserves amounted to EUR 56,805,699.56, representing a EUR 2,112,351.10, or 3.86% increase compared to 2024, when they amounted to EUR 54,693,348.46. This increase is due to the generated net operating profit, profit from previous years and statutory reserves.

Comparing capital and reserves of the Company as at 31 December 2025, they increased by EUR 27,559,789.83, or 94.23% compared to 2015 when they amounted to EUR 29,245,909.73.

#### 4 NET DEBT

For the first time in its operations on an annual basis, i.e. as at 31/12/2025, the Company has no net debt, while in the same period in 2024, the net debt amounted to EUR 539,116.87, a significant decrease in net debt, especially compared to 2015, when the Company's net debt amounted to EUR 8,397,336.65.

## 5 NET FINANCIAL ASSETS

For the first time ever, on an annual basis, i.e. for 2025, the Company recorded net financial assets in the amount of EUR 1,436,118.40.

## 6 TOTAL REVENUE

Company's total revenue amounted to EUR 33,158,887.88, increasing by EUR 2,472,895.31, or 8.06% compared to EUR 30,685,992.57 in 2024, as a result of an increase in revenue at the level of all Company sectors.

Total revenue, compared to the same period of 2015 when it amounted to EUR 17,007,961.86, increased by EUR 16,150,926.02, or 94.96%.

## 7 OPERATING PROFIT

Operating profit of the Company was generated in the amount of EUR 7,975,372.33, which is a EUR 189,160.21 increase, or a 2.43% increase compared to 2024, when it amounted to EUR 7,786,212.12, as a result of growth in business activities across all sectors.

Comparing the operating profit generated in 2025 and the one from 2015, when it amounted to EUR 4,948,296.21, a 61.17%, or EUR 3,027,076.12 increase can be seen.

## 8 EBITDA

EBITDA was realised in the amount of EUR 8,303,999.30, increasing by 2.26%, or EUR 183,326.44 compared to EUR 8,120,672.86 in 2024.

EBITDA realised before tax in the reporting period increased by EUR 3,291,429.51, or 65.66% compared to 2015, when it amounted to EUR 5,012,569.79.

## 9 PROFIT BEFORE TAX

The Company's profit before tax in the reporting period amounted to EUR 4,614,352.99, increasing by EUR 180,309.03, or 4.07% compared to the previous business year, when it amounted to EUR 4,434,043.96.

Profit before tax realised in 2025, compared to the profit realised in 2015 that amounted to EUR 3,385,830.45, increased by EUR 1,228,522.54, or 36.28%.

## 10 NET PROFIT

Net operating profit was recorded in the amount of EUR 3,722,948.30 and increased by EUR 146,873.97, or 4.11 % compared the net profit realised in 2024, when it amounted to EUR 3,576,074.33.

Net profit realised in 2025, compared to the profit realised in 2015, when it amounted to EUR 2,857,969.41, increased by EUR 864,978.89, or 30.27%.

## 11 DIVIDEND

A dividend in the amount of EUR 1,920,740.00 was paid to shareholders, an increase of EUR 234,828.50 or 13.93% compared to that paid in 2024, when it amounted to EUR 1.685.911,50.

The Company allocated 286.87%, or EUR 1,424,251.85, more for dividend distribution in 2025 compared to the dividend paid to shareholders in 2015, when it amounted to EUR 496,488.15.

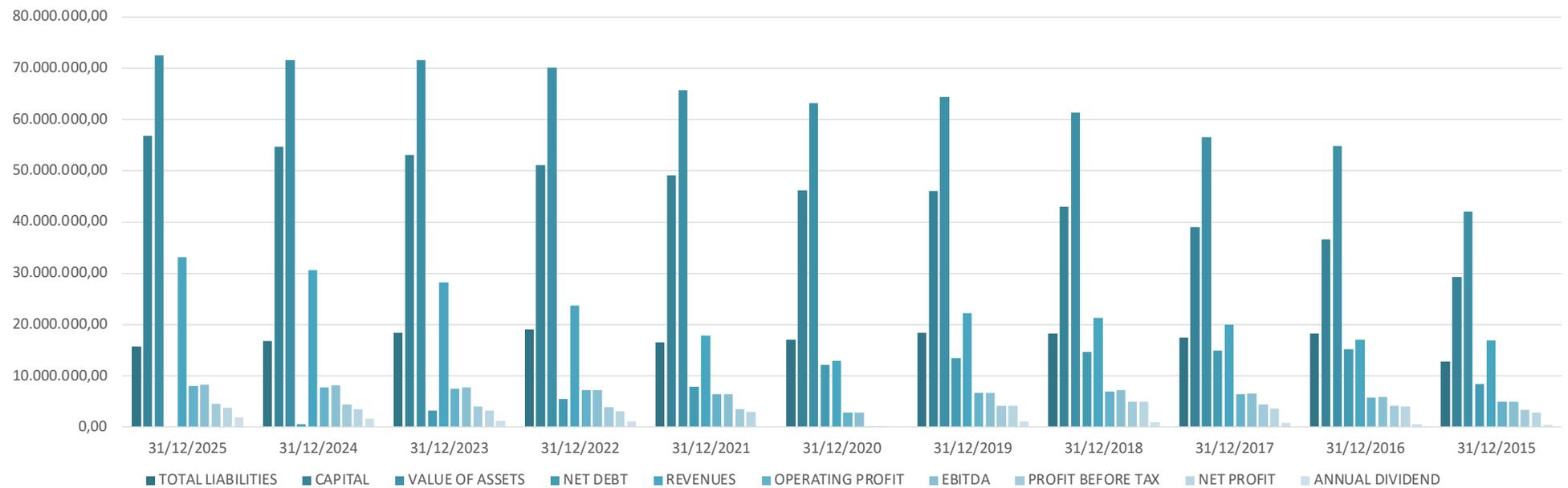
In the period from 2015 until 31/12/2025, the shareholders were paid a total of EUR 10,073,829.31 for dividends.

## CUMULATIVE COMPARATIVE OVERVIEW

of asset, capital, liability indicators and operating results of the Company as at 31/12/2025  
and for the period from 2015 to 2024

YEAR	TOTAL LIABILITIES	CAPITAL	VALUE OF ASSETS	NET DEBT	NET FINANCIAL ASSETS	REVENUES	OPERATING PROFIT	EBITDA	PROFIT BEFORE TAX	NET PROFIT	ANNUAL DIVIDEND
1	2	3	4	5	6	7	8	9	10	11	12
31/12/2025	15.726.095,11	56.805.699,56	72.531.794,67	0,00	1.436.118,40	33.158.887,88	7.975.372,33	8.303.999,30	4.614.352,99	3.722.948,30	1.920.740,00
31/12/2024	16.862.887,68	54.693.348,46	71.556.236,14	539.116,87	0,00	30.685.992,57	7.786.212,12	8.120.672,86	4.434.043,96	3.576.074,33	1.685.911,50
31/12/2023	18.445.923,49	53.114.266,63	71.560.190,12	3.195.369,06	0,00	28.286.740,07	7.556.885,16	7.795.816,56	4.070.417,58	3.279.530,22	1.323.708,10
31/12/2022	19.048.576,06	51.066.316,12	70.114.892,18	5.575.375,89	0,00	23.778.484,20	7.230.778,62	7.277.922,67	3.859.197,39	3.117.753,76	1.117.498,51
31/12/2021	16.544.966,56	49.139.955,35	65.684.921,91	7.934.616,50	0,00	17.895.165,96	6.427.688,79	6.475.518,77	3.498.505,01	2.942.793,29	0,00
31/12/2020	17.067.825,35	46.197.162,06	63.264.987,41	12.150.023,98	0,00	12.972.030,50	2.813.417,71	2.826.319,08	135.626,72	135.626,72	0,00
31/12/2019	18.381.407,73	46.026.063,36	64.407.471,09	13.447.107,96	0,00	22.270.562,99	6.665.952,18	6.677.318,23	4.158.725,02	4.158.725,02	1.117.255,56
31/12/2018	18.317.937,20	43.052.015,80	61.369.953,01	14.714.843,61	0,00	21.374.859,65	6.988.849,85	7.195.733,52	4.915.411,40	4.915.411,40	958.423,25
31/12/2017	17.498.318,16	39.049.198,30	56.547.516,46	14.887.261,26	0,00	19.971.687,23	6.455.124,95	6.582.689,11	4.497.416,49	3.683.772,56	798.532,09
31/12/2016	18.249.686,18	36.589.542,50	54.839.228,69	15.164.970,71	0,00	17.123.764,99	5.786.616,54	5.976.127,08	4.146.366,29	4.071.411,04	655.272,15
31/12/2015	12.835.159,60	29.245.909,73	42.081.069,34	8.397.336,65	0,00	17.007.961,86	4.948.296,21	5.012.569,79	3.385.830,45	2.857.969,41	496.488,15

A graph of basic operating results, as well as asset, capital and liability indicators of the Company as at 31/12/2025, and for the period 2015-2024



## Key financial performance indicators in 2025 and a comparison with 2024

Indicator	2024.	2025.	Index 2025./2024.	
<b>Financial stability, liquidity and indebtedness</b>				
Self-financing rate	76,43%	78,32%	1,025	Share of equity capital in total fund sources (i.e. in total liabilities & stockholders' equity).
The degree of indebtedness	23,57%	21,68%	0,920	Share of debt in total fund sources (i.e. in total liabilities & stockholders' equity).
Financial stability coefficient	0,88	0,88	1,003	Fixed assets to long-term sources ratio (shareholders' capital and reserves increased by long-term liabilities).
Accelerated liquidity coefficient	2,16	2,04	0,945	Ratio of current assets reduced by the stocks and short-term liabilities.
Current liquidity coefficient	2,20	2,07	0,943	Current assets to short-term liabilities ratio.
<b>Activity indicators</b>				
Ratio of total assets turnover	0,43	0,46	1,066	Total revenue to total assets ratio shows how many times in a year the disposable assets are used to generate total revenues.
Short-term assets turnover ratio	2,08	2,17	1,042	Total revenue to current assets ratio shows how many times a year the disposable current assets are used to generate total revenues.
<b>Business performance indicators</b>				
Cost effectiveness	1,17	1,16	0,994	Total revenue and total expenses ratio.
Profitability	11,65%	11,23%	0,963	Net profit/loss and total revenue ratio.
Return on assets	5,00%	5,13%	1,027	Annual rate of return on invested assets indicates the profit/loss and total asset ratio.
Share of EBITDA in total revenue	26,46%	25,04%	0,946	Earnings before interests, taxes, depreciation and amortization to total revenue ratio.
Share of EBIT in total revenue	15,96%	15,18%	0,951	Earnings before interests and taxes to total revenue ratio.

Composition and indicators of resources and sources of financing in the balance sheet as at 31/12/2025  
and the presence of operating revenue in the sources of financing as at 31/12/2025

Indicator	Year 2024	Year 2025	Index 2025/2024
Share of fixed assets in the assets	79,38	78,91	99,41
Share of current assets in the assets	20,62	21,09	102,27
Share of capital in reserves and in liabilities	76,43	78,32	102,47
Share of long-term commitments in the liabilities	14,19	11,51	81,12
Share of short-term commitments in the liabilities	9,37	10,17	108,48
Share of operating revenue in equity and reserves	55,49	57,79	104,14
Share of operating revenue in long-term commitments	298,83	393,08	131,54
Share of operating revenue in total commitments	179,99	208,76	115,99
Share of operating revenue in liabilities	42,42	45,26	106,71

### Long-term credit liabilities of the Company as at 31/12/2025

	31/12/2025	31/12/2024	Index 2025/2024
<b>I LONG - TERM LIABILITIES (1+2+3+4)</b>	<b>6.933.404,03 EUR</b>	<b>8.341.107,79 EUR</b>	<b>83,12</b>
1 Long term loan of ERSTE & STEIERMAERKISCHE BANK d.d.	2.996.403,58 EUR	3.495.804,14 EUR	85,71
Agreement: 511766121 (5.743.106,66 EUR)			
2 Long term loan of ERSTE & STEIERMAERKISCHE BANK d.d. From HBOR-a	839.747,51 EUR	951.713,87 EUR	88,24
Agreement:5114305381 (1.483.554,08 EUR)			
3 Long term loan of ERSTE & STEIERMAERKISCHE BANK d.d.	2.500.000,35 EUR	2.900.000,31 EUR	86,21
Agreement: 5117663485 (4.733.333,46 EUR)			
4 Long term loan of ERSTE & STEIERMAERKISCHE BANK d.d.	597.252,59 EUR	993.589,47 EUR	60,11
Agreement: 5118899818 ( 2.000.000,00 EUR)			
<b>II LOAN TERMS (1 + 2 +3+4)</b>			
1 For the loan under number 1 loan will be repaid in 46 equal quarter installments by the amount of 124.850,14 EUR commencing as of 01/07/2021 to 01/10/2032 Interest: fixed by 2,60%			
2 For the loan under number 2 repayment will be made in 53 quarter installments. The first installment falls due 30/06/2021, and the last 30/06/2034 in equal installments by the amount of 27.991,59 EUR. Interest: variable 3%			
3 For the loan under number 3 repayment will be made in 142 monthly installments. The first installment falls due 01/06/2021, and the last on 01/03/2033 in equal installments by the amount of 33.333,33 EUR. Interest: fixed by 2,60%			
4 For the loan under number 5 repayment will be made in 20 quarter installments. The first installment falls due 31/07/2023, and the last on 30/04/2028 in equal installments by the amount 100.000,00 EUR. Interest: fixed by 2,25%			
Financial long-term leasing	1.418.551,88 EUR	1.815.667,79 EUR	78,13
<b>TOTAL LONG-TERM LIABILITIELS</b>	<b>8.351.955,91 EUR</b>	<b>10.156.775,58 EUR</b>	<b>82,23</b>

## OPERATING AND OTHER COSTS

Operating costs for 2025 amounted to EUR 24,854,888.58, representing an increase of 10.15% compared to the previous business year, when they amounted to EUR 22,565,319.71. The increase in operating costs was largely generated by the increased salary costs, due to the increased volume of business activities and the improvement in the financial position of employees, which increased by 18.79%, increase in the cost of raw materials, materials and energy by 9.42% and other costs by 12.68%.

## FINANCIAL EXPENSES

Financial expenses in 2025 amounted to EUR 418,561.75, constituting a decrease of EUR 43,658.95, or 9.45% compared to 2024.

## LIQUIDITY

In the reporting period, the Company fully and properly maintained current liquidity and settled its liabilities towards the suppliers, the bank, the state, the employees, etc. in a timely manner and within the deadlines. The Company secured a sufficient amount of liquid assets to settle its liabilities, having in mind the complex business circumstances due to a disrupted macroeconomic environment and strong inflation pressures.

In November 2024, the Company concluded a Short-Term Limit Agreement with the commercial bank Erste&Steiermärkische Bank d.d. for the amount of EUR 3,500,000.00, which will secure a short-term credit limit for the remainder of 2024 and the first ten months of 2025 for the purpose of maintaining current liquidity. Furthermore, in December 2025, the Company concluded a new one-year short-term limit credit agreement with the commercial bank Erste&Steiermärkische Bank d.d. for the purpose of ensuring current liquidity.

## EARNINGS PER SHARE

Earnings per share for the reporting period amounted to EUR 1.55.

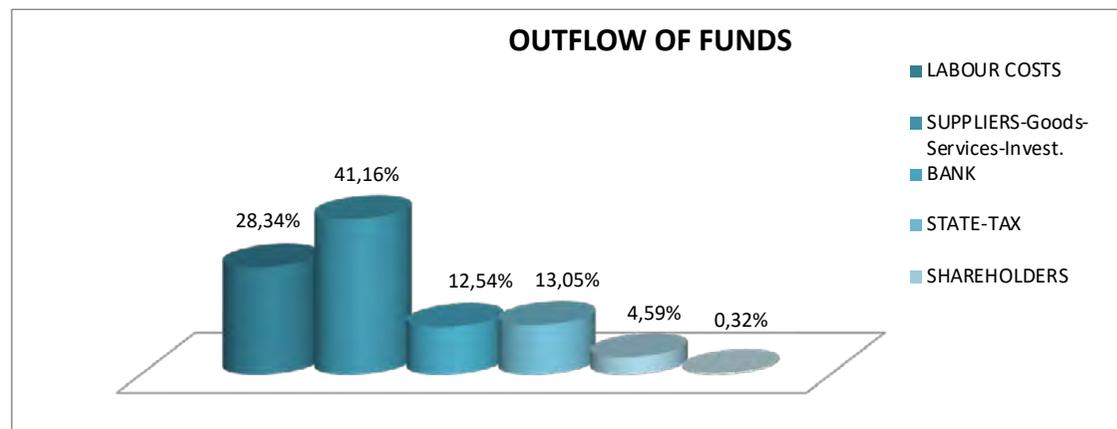
## COLLECTION OF FUTURE REVENUE

With regard to the active collection of trade receivables, the Company will seek to collect them in the most appropriate manner and within the most appropriate deadlines, taking into account the aggravated circumstances of collection and implementation of the measures of payment in instalments where possible, and also undertaking compulsory collection measures if needed.

## 7.2 FINANCIAL RESULTS OF THE COMPANY

### 7.2.3 COMPANY CASH FLOW

Cash flow for the period 01/01-31/12/2025



INFLOW OF FUNDS (EUR)	12/2024	12/2025	Structure
OPERATING ACTIVITIES	36.160.461,25	39.095.258,75	93,09%
BANK	1.400.000,00	2.750.000,00	6,55%
OTHER	511.706,38	149.771,51	0,36%
<b>TOTAL</b>	<b>38.072.167,63</b>	<b>41.995.030,26</b>	<b>100,00%</b>

OUTFLOW OF FUNDS (EUR)	12/2024	12/2025	Structure
LABOUR COSTS	10.505.024,28	11.838.809,07	28,34%
SUPPLIERS-Goods-Services-Invest.	15.958.837,08	17.193.144,58	41,16%
BANK	5.152.875,67	5.237.152,33	12,54%
STATE-TAX	4.933.943,24	5.451.799,28	13,05%
SHAREHOLDERS	1.684.805,99	1.917.027,81	4,59%
OTHER	99.124,06	135.430,42	0,32%
<b>TOTAL</b>	<b>38.334.610,32</b>	<b>41.773.363,49</b>	<b>100,00%</b>

## 8 ADDITIONAL INFORMATION

### 8.1 SIGNIFICANT EVENTS

At its session held on 26 February 2025, the Company Management Board adopted the Q4 2024 financial statements (unaudited, unconsolidated), the Annual Report and the 2024 Annual Financial Statements (audited, unconsolidated). Moreover, at the session of the Supervisory Board held on the same day, the Company's Annual Report, 2024 Annual Financial Statements (audited, unconsolidated) were adopted and draft decisions were established, which were sent to the General Assembly for adoption.

In the reporting period, the Company held 1722 own shares, constituting 0.07% of the share capital.

Furthermore, in the reporting period, the Company disposed of 12,499 own shares, constituting 0.51% of the share capital. Own shares were disposed of under the Share Transfer Agreement, concluded with the Company's employees in compliance with the decision of the Management Board on the allocation of own shares to the Company's employees free of charge, as a reward for the achieved business results in 2024 and 2025. Prior to the disposal of shares, the Company held 17,215 own shares, constituting 0.71% of the share capital, while, following the disposal, it had a total of 4,716 own shares, constituting 0.20% of its share capital.

The General Assembly, held on 23 April 2025, took note of

the Company's Annual Report for 2024 together with the Audit Report for 2024, Report of the Supervisory Board on the Performed Supervision of the Company's Operations for 2024, and the Management Board' Report on the Acquisition of Own Shares in 2024. The General Assembly adopted the Decision on the Approval of the 2024 Report on the Remuneration of Management Board and Supervisory Board Members, the Decision on Granting Discharge to the Company's Management Board for the financial year 2024, Decision on Granting Discharge to the Members of the Supervisory Board for the financial year 2024, and the Decision on the Appointment of the authorised auditing company "UHY RUDAN d.o.o.", Ilica 213, Zagreb, PIN (OIB): 717995390000 as the Company's Auditor for 2025 and 2026.

Also, the Decision on the Use of Company Profit for the 2024 Financial Year was adopted at the General Assembly, according to which the achieved net profit in the 2024 financial year (after tax) in the amount of EUR 3,576,074.33, is distributed as follows:

- EUR 1,655,334.33 into the retained profit, and
- EUR 1,920,740.00 for dividend distribution.

The dividend per share amounts to EUR 0.80.

At the meeting held on 15 May 2025, the Supervisory Board took note of the information about the written observations of ILIRIJA d.d. and the revised Economic Feasibility Study for Marina Kornati, in response to the opinion of the Ministry of Finance of the Republic of Croatia on the Proposal for a decision amending the Decision on a Concession on Maritime Domain for the Purpose of Commercial Use of a Special Purpose Port – Kornati Nautical Tourism Port.

Moreover, at its meeting held on 10 June 2025, the Supervisory Board adopted the decision to reappoint Mr Goran Ražnjević as the only member of the Management Board of ILIRIJA d.d. for a 5-year term, namely from 18 June 2025 to 18 June 2030.

Furthermore, at the meeting held on 31 July 2025, the Supervisory Board took note of the published unaudited financial statements of the Company for the first six months of 2025 and information on the status of sales of tourist capacities.

At its meeting held on 18 December 2025, the Supervisory Board discussed, among other things, the Company's Business Plan and Budget for 2026 and the Investment Plan by Profit Centres for 2026.



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## 8.2 LEGAL MATTERS

- The Ilirija Tennis Centre real property in Biograd na Moru, under the cadastral plot no. 3232, in the Cadastral Municipality of Biograd na Moru, surface area of 48705 m<sup>2</sup> was allocated in 1988 by the Municipal Assembly of Biograd na Moru to the predecessor of the Company for the purpose of building a complex of tennis courts. By 1990, Ilirija had built 20 tennis courts with changing rooms and a restaurant facility, auxiliary roads, parking spaces and complete infrastructure on the property, and the land was subsequently evaluated and entered in the share capital of the Company within the national conversion process. Pursuant to the lawful conversion of the Company and the Act on Ownership and Other Real Rights, the Company had been registered as the sole owner and legal holder of said property until 2006, when, in the process of transforming the land registry for the Cadastral Municipality of Biograd na Moru in 2006, the entry in the land registry was changed for unknown reasons and 1/2 of the co-ownership share of Ilirija d.d. was removed, and the Town of Biograd na Moru was entered as the co-owner of the share in question for the first time. 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 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 review 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 real property at issue. In the repeated court proceedings, the Commercial Court in Zadar issued a first instance ruling on 24 May 2023 in favour of Ilirija d.d., which stipulated the Company as the owner of the Tenis centar Ilirija in its entirety. Against the said first instance ruling, the Town of Biograd na Moru filed an appeal, which was rejected by the ruling of the High Commercial Court of the Republic of Croatia as unfounded. Thereby, Ilirija d.d. was once again legally established as the land registry owner of the entire real property Ilirija Tennis Centre. On 30 November 2023, The Town of Biograd na Moru also filed a motion to the Supreme Court of the Republic of Croatia for permission to review this legal matter, which was refused by a decision of the Supreme Court of the Republic of Croatia dated 17 January 2024. Under the said decision of the Supreme Court of the

Republic of Croatia, the claimant (the Town of Biograd na Moru) exhausted all the legal remedies for challenging the ownership rights of Ilirija d.d., and the Company successfully established the lawful acquisition of the ownership rights of Ilirija Tennis Centre real property in Biograd na Moru, covering an area of 48,705 m<sup>2</sup>.

- By the Decision of the Constitutional Court of the Republic of Croatia No. U-III-4392/16 of 5 July 2017, the Constitutional Complaint of the Company was adopted, and the ruling of the Supreme Court of the Republic of Croatia was set aside. The ruling set aside rejected the review initiated by Ilirija d.d. in the case pertaining to the compensation of damages against the Town of Biograd na Moru, for the purpose of conversion of the real property "Primorje" from a construction area into the so-called "area with landscape features", and the case was referred back to the Supreme Court of the Republic of Croatia. In the repeated proceedings, the Supreme Court of the Republic of Croatia in its ruling number: Rev-x 688/2017 of 27 April 2022 rejected the review initiated by Ilirija d.d. as unfounded. The Company filed a constitutional complaint to the Constitutional Court of the Republic of Croatia against the aforementioned ruling of the Supreme Court of the Republic of Croatia within the legal deadline, which complaint was

rejected by a new decision of the Constitutional Court of the Republic of Croatia number: U-III-4709/22, dated 26 June 2025.

- The ruling of the County Court in Zadar No. 6 Gž-751/16-2 of 13 June 2017 reversed the sentence of the Municipal Court in Zadar, Permanent Service in Biograd na Moru, of January 2016, and rejected the claim of the town of Biograd na Moru as unfounded. By said claim, the town of Biograd na Moru requested that the Forest Land Lease Agreement concluded between Ilirija d.d. and Hrvatske šume d.o.o. Zagreb, Forest Administration, Split Branch, be declared null and void. Thus, the dispute was finally disposed of in favour of Ilirija d.d., and given the fact that the land in question is tourist land not assessed in the process of conversion and privatization, Ilirija d.d. has already, within the legal deadline, submitted a request to the Government of the Republic of Croatia through the Ministry of Tourism of the Republic of Croatia, for a concession on the co-owned part of the Republic of Croatia, for the use of the "Park Soline" campsite for 50 years. In the meantime, in May 2020, the new Act on Non-Evaluated Construction Land came into force, thus repealing the Act on Tourism and Other Construction Land Not Evaluated in the Conversion and Privatisation Process.

The new Act on Non-Evaluated Construction Land provides that buildings and land in a campsite which are estimated in the value of the capital, are owned by the company, whereas the campsite land not estimated in the value of the capital is owned by the Republic of Croatia. On 5 March 2021, Ilirija d.d. submitted, within the legal deadline, an application for a decision to the competent Croatian Ministry of Physical Planning, Construction and State Assets, under Article 17 of the Act on Non-Evaluated Construction Land, that is, for the determination/identification of the scope, evaluated and unevaluated parts and owners of the Park Soline campsite in Biograd na Moru and consequently for the conclusion of a lease agreement between the Republic of Croatia and Ilirija d.d. for a period of 50 years. The procedure is pending.

In the meantime, on 1 April 2022 the Company, in accordance with Article 18 of the Act on Non-Evaluated Construction Land, obtained from the Centre for Restructuring and Sales the Certificate of Conformity of the Geodetic Survey Report, which confirms the conformity of the "Park Soline Campsite Geodetic Survey Report with the decision of the Croatian Privatisation Fund of 12 July 1996, by which the real property concerned was evaluated in the process of conversion

of the socially-owned enterprise “Ilirija” Biograd na Moru. Furthermore, in April 2023, based on the ruling of the Commercial Court in Zadar, adopted in the procedure of correcting the registration of ownership rights, which was confirmed by the ruling of the High Commercial Court of the Republic of Croatia, the Republic of Croatia was registered in its entirety as the owner of the land plot with a surface area of 41 537 m<sup>2</sup> which is located within the Park Soline campsite. Namely, until that time, the Town of Biograd na Moru was registered as the land registry owner of the said land plot within the campsite.

- The predecessor of the Company was allotted the maritime domain for permanent use by the Municipal Assembly of Biograd na Moru for the purpose of constructing a sport port or marina (1976) and an outdoor swimming pool with a beach facility (1986) in Biograd na Moru. In accordance with the valid building and operating permits, the Company built the Ilirija-Kornati hotel port (1977–1979) and an outdoor swimming pool with beach facilities (1988), and these investments were evaluated and entered in the value of the capital of Ilirija d.d. during the conversion process. The aforementioned permanent right to use the maritime domain was replaced in 1998 with a limited period con-

cession, and in accordance with the Decisions of the Zadar County on the award of the concession on the maritime domain, the Maritime Domain Concession Agreement was concluded for the purpose of commercial use of the special purpose port - nautical tourism port for a period of 12 years (until 2011) as well as the Maritime Domain Concession Agreement for the purpose of commercial use of the outdoor swimming pool for a period of 10 years (until 2008). Prior to the expiry of the concession for the nautical tourism port – the Ilirija-Kornati hotel port and the outdoor swimming pool with a beach facility, Ilirija d.d. submitted the applications for the extension of the term of the concession by 20 years, i.e. to a total of 30 years. The competent authority has not decided on these applications to this day. Until the decision on the applications for the extension of the term of concession Ilirija d.d. has been regularly paying the fee for the use of maritime domain to the budget of the Republic of Croatia.

- During the conversion process, the property Dražice – Mini Golf was evaluated and entered in the value of the capital of the Company for the part with a surface area of 9,752 m<sup>2</sup>, the part which Ilirija d.d. has been using uninterruptedly for the purposes of a parking lot and an entertainment and animation centre, and ac-

cordingly holds in its possession, while for the rest of the land of approximately 46,000 m<sup>2</sup> an application for a concession has been submitted. The dispute between Ilirija d.d. and the Town of Biograd na Moru before the Commercial Court in Zadar regarding the right of ownership is pending. The Republic of Croatia has joined the proceedings. No first-instance ruling has been rendered in this case.

- In the land registry renewal procedure for the Cadastral Municipality of Biograd na Moru, Ilirija d.d. was registered as the owner of the entire real property with an area of 1416 m<sup>2</sup>, which essentially represents the land around the hotels Ilirija and Adriatic in Biograd na Moru, considering that these land plots were evaluated and entered in the share capital of Ilirija d.d. in the process of conversion and privatisation of the Company. The Municipal Court in Zadar, in a proper procedure, rejected the objections of the Town of Biograd na Moru regarding the registration of the ownership rights of Ilirija d.d. After the objections of the Town of Biograd na Moru to the registration of ownership rights on real property, which essentially represents the land around the hotels Ilirija and Adriatic, were rejected as unfounded, the Town of Biograd na Moru filed a lawsuit against Ilirija d.d. before the Commercial Court in

Zadar for the purpose of correction and registration, asking to be established as the owner of the said real estate with a total area of 1,416 m<sup>2</sup>. The first-instance ruling of the Commercial Court in Zadar rejected the claim of the Town of Biograd na Moru, and the said ruling was upheld by the ruling of the High Commercial Court of the Republic of Croatia of 16 May 2022. Against the ruling of the High Commercial Court of the Republic of Croatia, the Town of Biograd na Moru filed a motion for permission to review, which was rejected by the Supreme Court of the Republic of Croatia as inadmissible. Therefore, the ownership rights of Ilirija d.d. over the property in question as a whole remained unchanged.

- As for the disputes in which the Company participates, both actively or passively, we estimate that such disputes cannot significantly disrupt the Company's business, nor can they cause significant financial expenses for the Company or have a significant effect on the Company's current and future financial results.



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## 8.3 INVESTMENTS IN 2025

Investments in reporting period of 2025 amounted to EUR 3,717,405.16, and referred mostly to the hotel, camping and catering sector with the aim of raising the standards and quality of accommodation facilities and completely renovating the beach catering facility in Biograd na Moru and its market repositioning as well as shifting the concept into a modern beach club.

In the hotel sector, significant investments were made in the expansion of external elevators, i.e. the panoramic elevator on the north-east side of the Ilirija\*\*\*\* hotel, and the external elevator on the north side of the Adriatic\*\*\* hotel. This ensured better communication within both hotels, and, through the use of modern architectural solutions, achieved a more presentable look of the hotels. At the Adriatic hotel, the hotel lobby and reception have been renovated and the elevator expanded, with the aim of raising the level and quality of the its standards. Moreover, in the hotel sector, investments were made in further digitalisation by introducing an IP telephony system that enables the implementation of technologically advanced solutions in the field of business telecommunications and better Wi-Fi network coverage at the hotel.

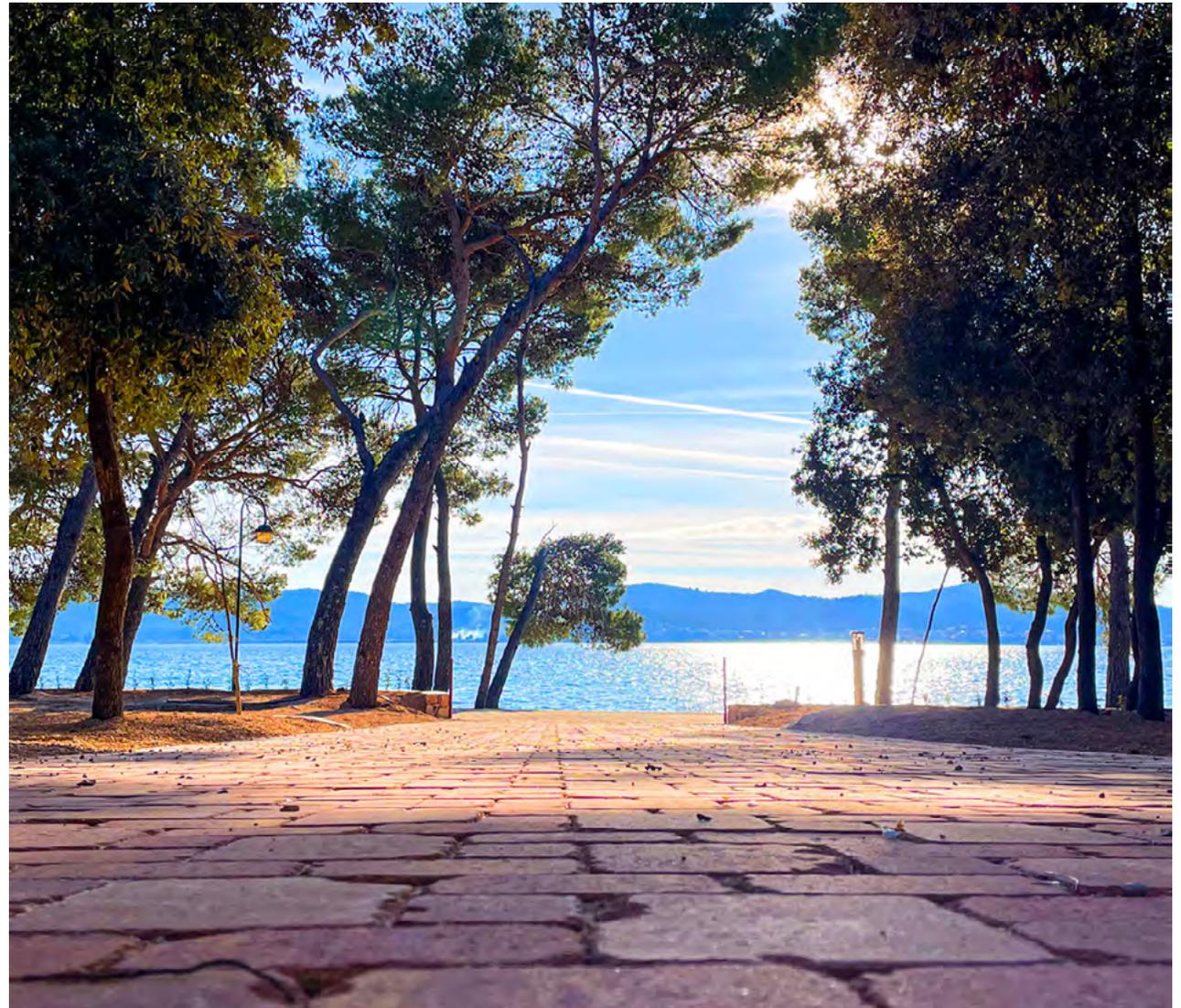
With regard to the beach facility in Biograd na Moru, investments are focused on the renovation and modernization of the entire facility, including the outdoor pool and the surrounding beach area, in order to create a modern beach bar with dining and relaxation areas, a recognizable design, the ability to effectively adapt to weather conditions, and flexibility in equipment placement. The investment also covered the modernisation of the kitchen and purchase of new equipment with the aim of raising the level of the catering facility from a bistro to a restaurant with an associated furnished terrace. Furthermore, the area of the pool and the rubble mound was developed as a beach area, the sanitary facilities were reconstructed and the entire area was developed in terms of horticultural landscaping.

With its investments, the Company ended the first phase of the reconstruction of the beach facility in Sv. Filip i Jakov into a high-standard catering facility. In the first phase of the reconstruction of the building, a historical building under the protection of the Conservation Department in Zadar, works were performed to structurally

strengthen the building and reconstruct the entire roof, install the façade and exterior joinery.

In the camping sector, investments were made into further infrastructural development of the campsite, i.e. the development of internal roads at the campsite, the modernisation of the children's playground with new facilities, and further horticultural development of the campsite.

The Company also purchased land with a surface area of 3,728 m<sup>2</sup> in Biograd na Moru, within the area of the industrial zone, with the intention to build a modern central laundry room, that is, relocate it from the area of Hotel Adriatic, and then build a storage and distribution and service centre, as well as new storage spaces which are currently dispersed across several facilities within the hotel resort.



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## 8.4 NON-OPERATING ASSETS

An additional impact on the value of Company shares comes from non-performing assets, which are owned by the Company, but they are neither used for core activities of the Company, nor do they provide economic benefits to the Company. The most important non-performing assets owned by the Company are unused land plots (9 acres in total) at highly attractive locations:

**Land plot, Sv. Filip i Jakov:** The Company owns a building site of approximately 2.5 acres in Sv. Filip i Jakov, of which only a smaller portion is used (Villa Donat), while approximately 20,000 m<sup>2</sup> of the site is unused. According to the preliminary design, the Company plans to build 8 detached villas with apartments at the unused portion of the land plot, and expand the existing accommodation and service facilities. The Municipality of Sv. Filip i Jakov adopted a Detailed Plan for the Development of a Mixed Hospitality and Tourism Zone (T1-hotel).

**Land plot, Villa Primorje:** The Company owns approximately 2.5 acres of land near the Villa Primorje Hotel, of which only a smaller portion is used (approximately 10% of the total surface area). Apart from the existing physical plan, there is a possibility of building a settlement of traditional Dalmatian villas at the unused por-

tion of the plot. The unused part of the plot is in direct contact with a building site.

**Land plot, Polača:** The Company owns a building site of approximately 2.5 acres in Polača, located along the state road, which connects Biograd with the local motorway (regional importance). The site is equipped with basic communal infrastructure and Ilirija d.d. plans to use it to build a dry marina, which would be functionally connected with the existing nautical capacities owned by Ilirija d.d.

**Land plot, Sv. Filip i Jakov:** In December 2021, the Company bought a land plot with a surface area of 9,600 m<sup>2</sup> in Sv. Filip i Jakov in the crafts and services zone, within the area of the newly planned industrial zone, with the intention of building a central warehouse, distribution and service facility for the needs of the Company, which would include laundry service, central warehouse of assets, equipment and inventory, central warehouse of food and beverages, technical service workshops, storage of machines, dry berth, ancillary mobile storages, office space for the needs of the storage and distribution facility, as well as traffic and parking areas.

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## 8.5 EMPLOYMENT, LABOUR COSTS AND SALARIES

In the reporting period, the Company carried out a number of activities for the purpose of smooth operation of business processes, especially in the high season, which was reflected in an active employment policy (employment of qualified and professional employees, timely employment of seasonal employees, hiring employees from abroad, maintaining a high rate of returning seasonal employees), continuous improvement of the financial position of employees and other income from work, with the aim of ensuring an optimal structure of personnel who will be key in the operation of the business process and the development of new services and amenities, and will be a prerequisite for the further development of year-round business activities.

Since the Croatian labour market has been facing a deficit of qualified labour for several years, especially in the tourism and catering industries, labour-intensive industries with a high participation of labour in the provision of services, but of a seasonal nature, which also significantly affects the cost of labour. The increase in the Company's labour costs in 2025 was partly a consequence of: an increase in business activities in the pre-season and post-season, which significantly contributed to the earlier employment of employees and their longer employment retention, the timely hiring of employees for the high season in order to ensure the smooth operation of the business process and the maintenance of high quality and service standards across all levels of business, significant last-minute sales, which was reflected in the efficiency in planning the necessary personnel, and the Company's continuous policy of improving the financial position of employees. In 2025, the cost of salaries increased by 19% compared to the previous year, which was largely due to the increased number of employees and increased average net salary per employee, which was 14% higher compared to 2024. The cost of salaries for 2025 grew at a rate significantly higher than the growth in revenue as a result of the aforementioned business circumstances, and the Company's decision to base the average net salary per employee on the level of the average net salary and the median salary in the Republic of Croatia, which is significantly higher than in the Company's industry, namely in the industry of accommodation services and food preparation and service at the national level. Furthermore, labour costs in the accommodation and catering industry in the Republic of Croatia are rapidly reaching the EU Mediterranean competition average and consequently the European Union average, which has been reflected in the Company's significantly increased labour costs and other labour-related costs.

The increase of net salaries and other material rights arising from employment indicates a continuity in the Company's HR management policy for the purpose of maintaining an optimum level of employment ensuring successful management of business processes and their smooth running at the operational level, warranting the continued development of products and services as well as the preservation of the established quality of service.

## 8.6 OCCUPATIONAL HEALTH AND SAFETY

The Safety and Protection Service within the Company is divided into

- I Health Control,
- II Occupational Health and Safety,
- III Fire protection, and
- IV Environmental Protection

The main objectives are providing maximum safety for its guests and employees, ensuring the conditions for providing high-quality services and complying with the principles of sustainability as the foundation for long-term stable development and growth of the Company. Accordingly, in terms of safety and security, the Company bases the system on:

- a) monitoring all applicable legal regulations and ordinances and alignment with them,
- b) development and implementation of own policies, including the Environmental and Quality Policy,
- c) development of annual plans and activities for each of these areas,
- d) implementation of domestic and international standards, and
- e) continuous key stakeholder trainings.

### I Health Control

Health and safety of guests and employees is one of the most important factors in the Company's business processes, where through optimal working conditions, regular education and appropriate equipment, it is possible to implement the standards of health protection and hygiene of accommodation facilities.

Activities and tasks of Health Control in the segment of operational processes in 2025:

#### 1 Activities in the field of health and sanitary safety

The Company implemented high health standards, as well as standards in the field of hygiene and sanitary conditions in order to provide a safe stay for guests and a safe working environment at the level of all sectors, profit centres and their departments. Sanitary and health safety and food safety, the organisation of sanitary and health safety at facilities is primarily reflected in the control of water quality, temperature and hygienic and sanitary supervision of kitchens.

The hygiene and sanitation segment covered the facility's equipment and functionality, lighting and ventilation, maintenance of accessories and equipment,

cleaning and disinfection, removal of waste materials and care for employees' personal hygiene. The health control also covered compliance with all health and sanitary regulations.

Sanitary and health safety as an extremely sensitive part of the business process where the responsibility of all employees is expected, as well as the responsible behaviour of guests during their stay at the facilities. Regular controls and inspections by competent authorities contribute to the prevention and quality of the hotel's sanitary safety.

In 2025, the Sanitary Inspection of the State Inspectorate carried out supervisory control in kitchens and pools.

## **2 The health safety of foodstuffs and items of general use**

In 2025, an authorised external company carried out the monitoring of the implementation of the HACCP system in hospitality facilities. Compliance with the HACCP system was confirmed in compliance with the Codex Alimentarius standard as a control/monitoring system of critical control points in foodstuff handling procedures.

Regular inspections of hospitality facilities (restaurants, bars and kitchens) were performed, and all processes were audited, analysing potential hazards, identification of control points and critical control points in operation, employee hygiene inspection, implementation of DDD measures, water safety inspections and continuous education of employees.

## **3 Hygiene of accommodation and sanitary facilities**

The control of the cleanliness of accommodation facilities is carried out in accordance with the stipulated standard on a weekly and monthly basis within each individual facility and sanitary facilities. This was entered in the records as part of quality management. Housekeepers and maids were trained and a course on instructions for working with the new device and cleaning products was held.

## **4 The health safety of the pool water**

Together with the Zadar Institute of Public Health, the health safety of the pool water of all pools was analysed according to plan. Pool water indicators were internally controlled every day, and a record was kept of swimming pool maintenance and hygiene inspections, san-

itation and disinfection procedures were implemented and internal and external trainings of employees working at the pools were held.

## **5 Wellness hygiene**

To maintain wellness hygiene, wellness room cleaning and hygiene control activities were carried out. The levels of ionising radiation in tanning rooms were checked in accordance with regulations.

## **6 Implementation and control of the application of national and international standards in the field of health control (HACCP and ISO 9001:2015 quality management system and the "Company – Friend of Health" certificate) and employee training**

In the health and safety management system, we monitor and comply with all applicable legal requirements and policies. For all employees of the Food and Beverages Department as well as other departments subject to mandatory sanitary inspections, the inspections are performed by the Public Health Institute.

Internal training is provided by the Head of Health Control and the Head of Occupational Safety and Fire

Protection, in cooperation with external authorised companies and the Institute of Public Health. At the Institute of Public Health, 28 employees attended the Hygiene Minimum course. Internal trainings on the HACCP system were held in the same manner for the employees of the Food and Beverages Department.

The company holds the “Health-Friendly Company” certificate, a project launched by the Croatian Institute of Public Health with the aim of promoting health in the workplace and working environment, adopting healthy lifestyle habits and showing concern for the health of employees, promoting physical activity, the protection of the health of employees in the workplace, a smoking ban, a prohibition of alcohol consumption, landscaping and the protection of consumer and client health.

During 2025, from March to December, as part of, the “Company – Friend of Health” project, numerous educational workshops and lectures were held with the aim of promoting healthy lifestyle habits and disease prevention. The workshops were organised in cooperation with the Zadar Institute of Public Health on the topic of healthy nutrition, health parameter measurements were conducted for employees, and lectures on the

prevention of colon cancer were organised. The Company also actively participated in the Before Time programme, aimed at preventing HPV infections in Zadar County. The programme also included additional lectures and interactive workshops on breast cancer prevention, which once again highlighted the importance of timely health education and care.

## II Environmental protection

The Company bases its business policy on management in line with the principles of sustainable and responsible development, with focus on the environment, as the environment is the fundamental resource of the tourism industry. In 2025, the Company worked on the continuous improvement of the environmental management system, sanitary, economic and working conditions with the aim of protecting and preserving the environment, as well as preventing its pollution, i.e. minimising it, rational management of all natural resources and reducing the negative effects of the Company's operations on the natural assets and cultural heritage. Environmental protection activities and tasks in the segment of operational processes in 2025:

### 1 Waste management

Waste management in the Company's facilities included the following activities: prevention of possible pollution due to the generation and improper handling of hazardous and non-hazardous waste, keeping related records, i.e. recording and monitoring the generation and flow of waste as well as an annual report of the quantities of waste generated at the locations for the competent authorities, the control of proper sorting of waste on the spot and employee trainings, labelling, control of the condition of appropriate containers for hazardous and non-hazardous waste, procurement of new improved press containers, working with authorised waste disposal companies, monitoring and adapting business processes to legal regulations in the field of sustainable waste management and continuous revision of legal obligations related to this field and the Company as a waste generator through its business processes.

### 2 Wastewaters

The destination for all sanitary wastewater produced at the Company's facilities is the public drainage system, and it is previously treated in separators and the col-

lector. The water produced at the boat washing station in Marina Kornati passes through a physical-chemical purifier before it is discharged, and the prescribed indicators of the discharged water are checked periodically in accordance with the water law permit through an authorised laboratory. At the beginning of 2021, a new water rights permit was obtained for Marina Kornati with an indefinite duration. Moreover, the issue of collection, treatment and discharge of waste waters in the "Park Soline" campsite is addressed by connecting all of the buildings within the camp via a gravity or pressure sewer to the city sewer. In 2021, the Company obtained a new water rights permit for using water from a well in the "Park Soline" campsite for irrigation. Through this, the Company placed great focus on reducing the use of drinking water for the irrigation of horticultural areas of the camp by fully using its own water source.

### 3 Air

Emissions of polluting gases (carbon dioxide, carbon monoxide, nitrogen and sulphur oxides) from stationary sources, i.e. boiler rooms, are measured every two years by an authorised company. The results of the measurements carried out on the combustion plants in 2025 are

in accordance with the permitted levels under the Regulation on limit values of pollutant emissions into the air from stationary sources (Official Gazette 42/2021). Also, the quantities of used cooling gases (freons), fuel consumption in boiler rooms, cleaning and certification of air conditioning and ventilation systems are regularly checked. In cooperation with the Technical Service, the control of the operation of boiler rooms is carried out and technological improvements are considered for the purpose of reducing emissions of polluting gases into the atmosphere, as well as monitoring and adapting to new legislation.

### 4 Use of hazardous chemicals

Hazardous chemicals are used in the Company when maintaining the health safety of the pool water, for purifying technological wastewater in Marina Kornati as well as in household departments, kitchens and wellness. Chemicals i.e. cleaning and disinfection agents are also used. Therefore, at the operational level, activities were carried out with the aim of reducing the amount of chemicals used, training employees on handling hazardous chemicals and checking their consumption.

### III Occupational Health and Safety

All activities with regard to Occupational Health and Safety have been performed in compliance with legislation governing occupational health and safety and the Ilirija d.d. Plan of Measures for Occupational Health and Safety, with a continuous monitoring of new regulations, their implementation and relevant employee training.

The following occupational health and safety activities have been performed in 2025:

Employee education, informing and counselling, record-keeping, documenting and notifying, non-smoker protection and prohibition of alcohol consumption and consumption of other addictive substances, all in accordance with relevant legislation.

Keeping records of employees who suffered an injury or illness in the workplace. During the entire reporting period, a total of two minor work-related injuries occurred.

- Monitoring, implementation and control of measures and recommendations from the competent Civil Protection Authority in view of occupational health

and safety. The Ilirija d.d. Occupational Safety and Fire Protection Manager is also a member of the Biograd na Moru Civil Protection Authority.

- Testing of instruments of work and working environment by a licensed company, testing of all machines and devices used for work with an increased risk of occupational hazards, electrical, lightning protection and gas installations and the working environment, referring employees to periodically and daily inspect the serviceability of instruments of work.

- In order to ensure health supervision suitable to hazards, harm and strain during work, for the preservation of employee health, the Company provided the employees at positions with special working conditions with occupational healthcare services in accordance with relevant legislation at the licensed medical institution competent for occupational medicine. During 2025, 42 periodic examinations were performed for employees at workplaces with special working conditions, in addition to additional annual sanitary examinations of employees at the Institute of Public Health.

Employee training activities for safe work practices in accordance with the training programme based on a previously prepared risk assessment, which includes all occupational hazards, harms and efforts determined by the risk assessment and ways to eliminate them. Dur-

ing 2025, 44 employees completed safe work training as well as minimum fire protection training, of which 17 were foreign employees who successfully completed the training according to the adapted programme.

Implementation of occupational health and safety measures in order to improve working conditions, prevent occupational injuries and illnesses, other work-related illnesses and the protection of the working environment, which include the following technical and organisational measures: testing of machines and devices used for work with increased occupational hazards, electrical installations, lightning protection – lightning rods, microclimate and lighting in accordance with regulations governing respective areas, fire extinguisher inspections, fire hydrant network inspections, inspections of fire alarm and extinguishing systems, as well as firefighting equipment in fire hydrant cabinets; control of instructions for safe work practices and hazard signage, and implementation of internal supervision of compliance with occupational health and safety rules.

- Practice evacuation and rescue drills when implementing fire protection and employee rescue measures, which must be carried out biannually in accordance with relevant legislation. During 2025, an evacuation and fire protection exercise was held in hotel sector, and are planned for the year 2026 new exercises in co-

operation with external authorized companies in the nautical and camping sector.

- Activities of the Occupational Health and Safety Committee, which, for the purpose of improving occupational health and safety in 2025, planned and supervised the implementation of occupational health and safety rules, organised the performance of occupational health and safety tasks, informed and trained employees on occupational health and safety, implemented the prevention of occupational risks and their effects on employee health and safety.

- Every year, the Company performs testing of electrical installations in buildings intended for work, and employers are required to test them at least once every four years. The aforementioned tests are performed by an authorised company.

- All mandatory tests of work equipment (machines and devices, facilities and means of transfer and transportation of loads) were carried out and compliance with the stipulated Occupational Health and Safety Act with regard to work equipment was established.

In 2025, in the field of occupational health and safety, two inspections were carried out with regard to the implementation of occupational health and safety measures, establishing the regularity of the implementation.

#### IV Fire protection

In order to protect people's lives and property from fire, the Company takes measures and actions for eliminating causes of fire, prevention of occurrence and spreading of fire, fire detection and extinguishing, identifying causes of fire, as well as providing assistance with eliminating fire damage.

The following fire safety activities have been performed in 2025:

The Company actively engaged in the implementation of the Activity Programme for the Implementation of Special Fire Protection Measures in so far as it complies with the guidelines issued by the County Chief Fire Officer and the Biograd Public Fire Brigade.

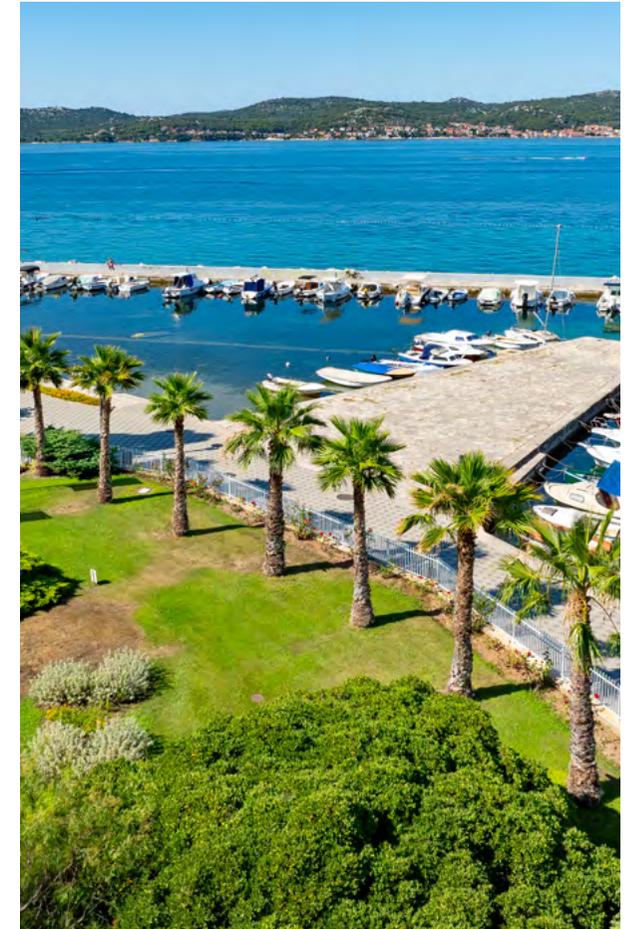
The Fire Protection Department requested from the Biograd na Moru water distributor to update the information on the public fire hydrant network (fire hydrant position and serviceability).

Procurement of required fire protection equipment and a sufficient number of fire extinguishers. The Company has installed 391 fire extinguishers in all facilities.

Additional safety and protection were provided by purchasing a fireboat with special equipment and a foam fire extinguisher and a crew that completed a fire-fighting intervention course. Nineteen employees completed a volunteer fire fighter training. In 2024, a practical fire safety drill was held in Marina Kornati, where a fire simulation demonstrated the possible hazards, that is, the measures and procedures that need to be taken in extraordinary circumstances. The next drill is planned for 2026, given that drills are conducted every two years.

Daily supervision of the implementation of fire protection measures by the Department Manager and/or employees at each facility. Periodic supervision of the implementation of fire protection measures by immediate managers and the Occupational Safety and Fire Protection Manager.

In 2025, in the field of fire protection, one inspection was carried out with regard to the implemented measures, establishing the regularity of the implementation.



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## 8.7 OTHER

### Business monitoring and reporting on a daily, weekly and monthly basis

At the level of all sectors and the Company as a whole, a supervision, control and monitoring system for all business segments was established, namely for monitoring on a daily, weekly and monthly basis in accordance with the applicable Croatian and world reporting standards for the tourism industry. This enabled timely and quality monitoring of achieved operating and planned results, as well as the development of quality forecasts and business plans throughout the business year, which created the foundations for a more efficient and rational management of the entire business process, as well as improved and accelerated the overall reporting process at all levels, and especially in the operational part of the Company's business.

On a daily basis, the Company records and enters accounting and bookkeeping documentation in a timely manner, within 24 to 48 hours of its receipt at the latest. This ensures up-to-date and accurate daily reporting at the level of the Company and its sectors, which includes: a daily balance sheet at the Company level, trade receivables and trade payables, short-term liabilities, a income statement at the level of the Company and profit centres, reports on daily financial and physical turnover for all profit centres, sectors and at the Company level, reports on daily operating revenue and cumulative operating revenue for the period by profit centres and sectors, i.e. at the Company level and a series of operational daily reports. This method of reporting enables detailed planning and monitoring of the achievement of financial performance indicators and the Budget, both at the level of an individual profit centre and at the same time at the level of sectors and the Company as a whole. In addition to daily reports, the Company prepares various weekly and complete monthly financial and accounting statements, including the income statement for all sectors and profit centres of the Company, as well as the Company's balance sheet on the last day of the current month, and the cash flow for the current month, i.e. cumulatively from the beginning of the year to the end of the reporting period, which are elaborated in more detail and analytically structured, which enables efficient business management.

Also, in addition to accounting and financial statements on a daily, weekly and monthly basis, reports are prepared on the status of sales of accommodation capacities (hotel sector and camping), the status of sales of berths (nautical

sector) and the status of DMC Ilirija Travel sales (accommodation and special events) with all key physical , market and financial data by profit centres (accommodation facilities) and at the level of the sector itself. In addition to its own reporting system, for many years the Company has also been implementing the USALI reporting system, an international reporting system for the tourism industry, as well as a system for daily management of prices, and consequently also of the accommodation units revenue in the hotel and camping sector.

### Mergers and acquisitions

There were no mergers and acquisitions.

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## 8.8 NOTES

The Company has all the permits required for the performance of its activities, such as the decisions on categorisation and on the meeting of the minimum technical work requirements, as well as water rights permits, etc.

Goran Ražnjević,  
President of the Management Board

**ILIRIJA** dioničko društvo  
za ugostiteljstvo i turizam  
Biograd na Moru



# **ILIRIJA d.d., Biograd na Moru**

2025 Annual Financial Statements, including the Independent  
Auditor's Report

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**STATEMENT ON THE ACCOUNTABILITY OF THE MANAGEMENT BOARD**

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**STATEMENT ON THE ACCOUNTABILITY OF THE MANAGEMENT BOARD**

The Management Board is responsible for the preparation of financial statements that provide a true and fair overview of the Company's financial position, business results and cash flow in accordance with applicable accounting policies, as well as for maintaining adequate accounting records to enable such financial statements to be prepared at all times. The Management Board has overall responsibility to take steps that would reasonably enable it to preserve the Company's assets as well as to detect and prevent fraud or other irregularities.

The Management Board is responsible for selecting appropriate accounting policies that comply with the applicable accounting standards, which it then should apply consistently, making reasonable and prudent judgements and estimates and preparing financial statements in accordance with the going concern principle unless the Company's going concern is questionable.

The Management Board is responsible for compiling and publishing the Company's annual financial statements.

The Management Board is responsible for submitting the annual financial statements to the Supervisory Board, after which the Supervisory Board approves them for submission to the Annual General Meeting for acceptance.

The Management Board approved the issuance of the financial statements on 26 February 2026 for the purpose of their submission to the Supervisory Board, as is confirmed by the signature.

ILIRIJA d.d.  
Tina Ujevića 7  
Biograd na Moru

Signed on behalf of the Company's Management Board



---

Goran Ražnjević, member of the Management Board

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## INDEPENDENT AUDITOR'S REPORT

### TO THE SHAREHOLDERS OF THE COMPANY ILIRIJA d.d.

#### Report on the Audit of the Annual Financial Statements

##### Opinion

We have audited the financial statements of ILIRIJA d.d. (the Company), which comprise the statement of financial position as at 31 December 2025, the statement of comprehensive income, the statement of cash flows and the statement of changes in equity for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December, 2025 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS).

##### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' (IESBA) Code of Ethics for Professional Accountants (IESBA Code), as applicable to audits of financial statements of public-interest entities, as well as in accordance with the ethical requirements that are relevant to our audit of the financial statements of public-interest entities in Republic of Croatia and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

##### Audit | Tax | Consulting

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Key audit matter	Our procedures during the audit
<i>Investment in land not owned by the Company</i>	
<p>The Company partly performs registered tourist activity on the land that is not included in the Company's share capital in the process of transformation and privatization and on the part of the land that is a maritime domain.</p> <p>The use conditions for the land that was not included in the Company's share capital in the process of transformation and privatization have, so far, been defined by the Act on Tourist and Other Construction Land not appraised in the transformation and privatization process (OG 92/10) on the basis of which the Company submitted an application for a concession for a period of 50 years. On 2 May 2020, the new Act on Unappraised Land (OG 50/2020) entered into force. In accordance with the provisions of the Act on Unappraised Land, the Company submitted a request to the Ministry of Physical Planning and State Assets to issue a decision under Article 17 of the Act for concluding a lease agreement for 50 years for Camp Park Soline in Biograd na Moru. On February 9, 2024, the Regulation on the Arrangement of Lease for Parts of the Camp Owned by the Republic of Croatia (OG 16/2024) was published and came into force on February 17, 2024. This Regulation prescribes the initial unit rental prices for parts of the campsite owned by the Republic of Croatia, as well as other criteria for determining and calculating the rent.</p> <p>As of the date of issuing the financial reports for 2025, the lease agreement for the Camp has not been concluded.</p> <p>Pursuant to the Transformation of Socially Owned Enterprises Act, all structures built on maritime</p>	<p>Our audit procedures related to investing in land not owned by the Company included, inter alia:</p> <ul style="list-style-type: none"> <li>➤ Understanding of the Company's accounting policies related to the measurement of the subject assets;</li> <li>➤ Assessment of the reasonableness of the key assumptions for valuing investments on the subject assets;</li> <li>➤ Review of input data for the purpose of testing the completeness and accuracy of recording the increase in investment in the subject assets;</li> <li>➤ Monitoring the status of the Request for a decision referred to in Article 17 of the Act on Unappraised Land (OG 50/2020) and for concluding a 50-year lease agreement for Camp Park Soline in Biograd na Moru, dated 5 March 2021;</li> <li>➤ Review of the Company's report on significant legal issues and assessment and status of legal disputes received from external attorneys;</li> <li>➤ Analysis of the impact of the Regulation on the arrangement of leases on parts of the camp owned by the Republic of Croatia (NN 16/24), adopted on February 9, 2024. year, to the Company's financial statements</li> </ul> <p>Assessment the adequacy of related disclosures in annual financial statements and compliance with IFRS.</p>

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<p>domain have been evaluated and included in the share capital of the Company, while land as a public good has not been evaluated and has not been included in the share capital of the Company.</p> <p>The most important maritime domain used by the Company is Marina Kornati. The concession lasts until year 2031.</p> <p>In 2017, the Company submitted to the Ministry of the Sea, Transport and Infrastructure of the Republic of Croatia, a request for extension of the Concession Agreement for a total period of 50 (fifty) years.</p> <p>As of the date of issuing the financial reports for 2025, the request for the extension of the concession has not been decided yet.</p> <p>All investments in the mentioned lands are recorded by the Company as its own assets.</p> <p>Due to the above and significant future effects on the financial statements, the investment in land not owned by the Company was identified as a key audit matter.</p> <p>For further information see note 7 (Property, plant and equipment).</p>	
--	--

### Other information

Management is responsible for other information. Other information comprises the Annual Report, but does not include financial statements and our auditor's report on thereon. Our opinion on financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

With respect to the Management Report and Corporate Governance Report, we also performed procedures required by the Accounting Act. Those procedures include considering whether the Management Report is prepared in accordance with the requirements of Article 24 of the Accounting Act and whether the Corporate Governance Report includes the information specified in Article 25 of the Accounting Act.

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Based on the procedures undertaken, to the extent we are able to assess it, we report that:

1. the information given in the enclosed Management Report and Corporate Governance Report is consistent, in all material respects, with the enclosed financial statements;
2. the enclosed Management Report is prepared in accordance with requirements of Article 24 of the Accounting Act;
3. the enclosed Corporate Governance Report is prepared in accordance with requirements of Article 25 of the Accounting Act.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit of financial statements, we are also required to report if we have identified material misstatements in the Other information. We have nothing to report in this respect.

#### **Responsibilities of Management and Those Charged with Governance for the Annual Financial Statements**

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Annual Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters.

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We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

1. We were appointed by the General Assembly at 23 April, 2025 based on the proposition of the Supervisory Board to perform the audit of the financial statements for the year 2025.
2. At the date of this report, we have been continuously appointed for performing statutory audits of the Company, from the audit of the financial statements for the year 2021, to the audit of the financial statements for the year 2025, that is for five years in total.
3. In our audit of the financial statements of the Company for the year 2025 we determined the materiality for the financial statements as a whole in the amount of EUR 319.015, that represents approximately 4% of *EBITDA*. The primary users of the financial statements are the Company's shareholders. Given that the shareholders' main focus is on further investment activities aimed at generating profit and dividend payments in the long term, we consider the chosen basis for determining materiality to be appropriate.
4. Our audit opinion is consistent with the Additional Report to the Audit Committee of the Company prepared in accordance with Article 11 of the Regulation (EU) No 537/2014.
5. In the period from the beginning date of the audited financial statements of the Company for the year 2025 to the date of this report, we have not provided the prohibited non-audit services to the Company nor to the companies under its control and/or its parent company within EU and we have not provided the services of design and implementation of internal control procedures or risk management related to the preparation and/or control of financial information or the design and implementation of technological systems for financial information in the business year, before the before mentioned period, and we have maintained independence in relation to the Company during our audit.

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***Report based on Delegated Regulation (EU) 2018/815 on supplementing Directive 2004/109/EZ of European parliament and Council related to regulatory technical standard for specification of single electronic reporting format of reporting***

Independent report on the compliance of financial statements (further: financial statements) prepared pursuant to Article 462 (5) of the Capital Market Act (Official Gazette 65/18, 17/20, 83/21 and 151/22) applying the requirements of the Delegated Regulation (EU) 2018/815 on establishing of single electronic reporting format for issuers (the ESEF Regulation).

We have conducted a reasonable assurance engagement on whether the financial statements, as contained in the attached electronic file 74780000VOGH8Q3K5K76-2025-12-31-1-en are prepared, for the purposes of public disclosure pursuant to Article 462, paragraph 5 of the Capital Market Act, in all material respects in accordance with the requirements of the ESEF Regulation.

**Responsibilities of the Management and those charged with governance**

Management is responsible for the preparation of the financial statements in accordance with ESEF Regulation.

Furthermore, Management is responsible for maintaining an internal control system that reasonably ensures the preparation of financial statements without material non-compliances with ESEF Regulation requirements, whether due to fraud or error.

The Management is also responsible for:

- **the public disclosure of financial statements included in the annual report in XHTML format and**
- **selecting and using XBLR codes in accordance with ESEF regulation.**

Those charged with governance are responsible for overseeing the preparation of the financial statements in ESEF format as part of the financial reporting process.

**Auditor's responsibilities**

Our responsibility is to express a conclusion, based on the audit evidence gathered, as to whether the financial statements are free from material non-compliances with the requirements of the ESEF Regulation. We conducted our reasonable assurance engagement in accordance with International Standard for Assurance Engagements ISAE 3000 (revised) - *Assurance engagements other than audits or reviews of historical financial information*.

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### Work performed

The nature, timing and extent of the procedures selected depend on the auditor's judgment. Reasonable assurance is a high degree of assurance, however it does not guarantee that the scope of procedures will identify all significant (material) noncompliance with ESEF regulation.

In respect of the subject matter, we have performed the following procedures:

- we read the requirements of the ESEF Regulation,
- we have gained an understanding of the Company's internal controls relevant to the application of the requirements of the ESEF Regulation,
- we have identified and assessed the risks of material non-compliance with the ESEF Regulation due to fraud or error; and
- based on this, devise and implement procedures to respond to the assessed risks and to obtain reasonable assurance for the purpose of expressing our conclusion.

The aim of our procedures was to assess whether:

- the financial statements, which are included in the annual report, are prepared in the relevant XHTML format,
- the information contained in the financial statements required by the ESEF Regulation is marked and all markings meet the following requirements:
  - the XBRL markup language was used,
  - the basic taxonomy elements listed in the ESEF Regulation with the closest accounting significance have been used, unless an additional taxonomy element has been created in accordance with Annex IV. ESEF Regulation,
  - the labelled elements comply with the common labelling rules under the ESEF Regulation.

We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our conclusion.

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## Conclusion

Based on the procedures performed and evidence gathered, the financial statements presented in ESEF format for the year ended on 31 December 2025, contained in the aforementioned attached electronic file and prepared pursuant to Article 462 paragraph 5 of the Capital Market Act prepared for public disclosure, are prepared in all material respects in line with the requirements of Articles 3, 4 and 6 of the ESEF Regulation.

Further to this conclusion as well as opinion contained in this independent auditor's report related to accompanying financial statements and annual report for the year ended 31 December 2025, we do not express any opinion on the information contained in these presentations or on any other information contained in the aforementioned file.

The engagement partner in charge of the audit resulting in this independent auditor's report is Sandra Mikić.

In Zagreb, 26 February 2026

### ***UHY RUDAN d.o.o. for tax consulting and audit***

Ilica 213

10 000 Zagreb

Republic of Croatia

Mr.sc. Dragan Rudan

Director

**UHY RUDAN d.o.o.**  
za porezno savjetovanje i reviziju  
ZAGREB, Ilica 213

Sandra Mikić

Certified Auditor

### **Audit | Tax | Consulting**

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Statement of the financial position of the Company **ILIRIJA d.d.**

As at 31/12/2025

*(All amounts are provided in Euro)*

	Note	31/12/2025	31/12/2024
<b>ASSETS</b>			
<b>Non-current assets</b>			
Intangible assets	6	121,503	59,416
Property, plant and equipment	7	47,529,062	46,921,891
Investment property	8	9,581,439	9,816,091
Investments in subsidiaries	9	4,917	4,917
<b>Total non-current assets</b>		<b>57,236,921</b>	<b>56,802,315</b>
<b>Current assets</b>			
Inventories	10	254,250	276,162
Receivables and prepayments	11	1,467,385	1,449,508
Current financial assets	12	13,500,000	13,000,000
Cash	13	73,239	28,251
<b>Total current assets</b>		<b>15,294,874</b>	<b>14,753,921</b>
<b>TOTAL ASSETS</b>		<b>72,531,795</b>	<b>71,556,236</b>
<b>PRINCIPAL AND LIABILITIES</b>			
<b>Equity and reserves</b>			
Share capital	14	30,420,000	30,420,000
Own shares	14	(138,145)	(448,288)
Capital reserves		389,195	389,195
Reserves	15	4,325,238	5,112,930
Retained profit		21,809,411	19,219,511
<b>Total shareholders' equity</b>		<b>56,805,699</b>	<b>54,693,348</b>
<b>Non-current liabilities</b>			
Borrowings	16	8,351,956	10,156,776
Reservations	17	154,108	154,107
<b>Total non-current liabilities</b>		<b>8,506,064</b>	<b>10,310,883</b>
<b>Short-term liabilities</b>			
Borrowings	16	3,792,264	3,421,118
Trade and other payables	18	3,427,768	3,130,887
<b>Total current liabilities</b>		<b>7,220,032</b>	<b>6,552,005</b>
<b>Total liabilities</b>		<b>15,726,096</b>	<b>16,862,888</b>
<b>TOTAL PRINCIPAL AND LIABILITIES</b>		<b>72,531,795</b>	<b>71,556,236</b>

The following notes are an integral part of these financial statements

Report on the Comprehensive Income of the Company **ILIRIJA d.d.**

As at 31/12/2025

*(All amounts are provided in Euro)*

	Note	31/12/2025	31/12/2024
Revenues from sales	19	32,569,611	30,022,422
Other operating revenues	20	260,650	329,110
<b>Operating revenue</b>		<b>32,830,261</b>	<b>30,351,532</b>
Costs of raw materials, materials and energy	21	(4,536,797)	(4,146,301)
Costs of services	22	(4,315,360)	(4,691,843)
Staff costs	23	(12,736,351)	(10,783,819)
Depreciation of intangible assets	6	(50,738)	(51,886)
Depreciation of property, plant and equipment	7	(2,966,938)	(2,919,626)
Depreciation of investment property	8	(253,408)	(252,896)
Other operating costs	24	(3,266,381)	(2,943,357)
<b>Operating expenses</b>		<b>(28,125,973)</b>	<b>(25,789,728)</b>
<b>Operating profit</b>		<b>4,704,288</b>	<b>4,561,804</b>
Net financial expenses	25	(89,935)	(127,760)
<b>Profit before tax</b>		<b>4,614,353</b>	<b>4,434,044</b>
Corporate income tax	26	(891,405)	(857,970)
<b>Net profit for the current year</b>		<b>3,722,948</b>	<b>3,576,074</b>
Other comprehensive income		0	0
<b>Total comprehensive income for the period</b>		<b>3,722,948</b>	<b>3,576,074</b>
Earnings per share – basic (in EUR)	27	1.55	1.49

The following notes are an integral part of these financial statements

Report on the Cash Flow of the Company **ILIRIJA d.d.**

As at 31/12/2025

*(All amounts are provided in Euro)*

	<b>31/12/2025</b>	<b>31/12/2024</b>
<b>Business activities</b>		
Cash inflow (outflow) generated from operations (note 28)	7,292,315	6,763,138
<b>Investment activities</b>		
Acquisition of intangible non-current assets	(112,825)	0
Procurement of property, plant and equipment	(3,585,824)	(1,593,128)
Procurement of investment property	(18,756)	0
(Increase)/decrease in current financial investments	(131,125)	(665,539)
<b>Net cash outflow used for investment activities</b>	<b>(3,848,530)</b>	<b>(2,258,667)</b>
<b>Financial activities</b>		
Purchase of own shares	(44,384)	(311,081)
Dividend distribution	(1,920,740)	(1,684,806)
Cash receipts from loans	5,701,051	1,400,000
Cash outflows for loans	(7,134,724)	(3,905,750)
<b>Net cash outflow from financial activities</b>	<b>(3,398,797)</b>	<b>(4,501,637)</b>
<b>Net increase/decrease in cash</b>	<b>44,988</b>	<b>2,834</b>
<b>Changes in cash</b>		
At beginning of the year	28,251	25,417
At the end of the year (note 13)	<b>73,239</b>	<b>28,251</b>
<b>Increase/decrease in cash</b>	<b>44,988</b>	<b>2,834</b>

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The following notes are an integral part of these financial statements

Statements of Changes in Equity of the Company **ILIRIJA d.d.**

As at 31/12/2025

*(All amounts are provided in Euro)*

	Share capital	Own shares	Capital reserves	Reserves	Retained profit	Total equity
Balance as at 01 January 2024	30,420,000	(137,207)	389,195	5,112,930	17,329,349	53,114,267
Distribution of own shares	0	0	0	0	0	0
Purchase of own shares	0	(311,081)	0	0	0	(311,081)
Transfer to reserves	0	0	0	0	0	0
Dividend distribution	0	0	0	0	(1,685,912)	(1,685,912)
Net comprehensive income for the period	0	0	0	0	3,576,074	3,576,074
Share capital adjustment, euro	0	0	0	0	0	0
<b>Balance as at 31 December 2024</b>	<b>30,420,000</b>	<b>(448,288)</b>	<b>389,195</b>	<b>5,112,930</b>	<b>19,219,511</b>	<b>54,693,348</b>
<b>As at 1 January 2025</b>	<b>30,420,000</b>	<b>(448,288)</b>	<b>389,195</b>	<b>5,112,930</b>	<b>19,219,511</b>	<b>54,693,348</b>
Distribution of own shares	0	354,527	0	(354,527)	354,527	354,527
Purchase of own shares	0	(44,384)	0	0	0	(44,384)
Transfer to reserves	0	0	0	(433,165)	433,165	0
Dividend distribution	0	0	0	0	(1,920,740)	(1,920,740)
Net comprehensive income for the period, euro	0	0	0	0	3,722,948	3,722,948
Share capital adjustment, euro	0	0	0	0	0	0
<b>As at 31 December 2025</b>	<b>30,420,000</b>	<b>(138,145)</b>	<b>389,195</b>	<b>4,325,238</b>	<b>21,809,411</b>	<b>56,805,699</b>

The following notes are an integral part of these financial statements

Notes to the financial statements (continued)

As at 31/12/2025

*(All amounts are provided in EUR)*

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## NOTE 1 – GENERAL INFORMATION

"Ilirija" d.d., Biograd na Moru (Company), OIB: 05951496767 performs its business activities in the Republic of Croatia. The objects of the Company are hospitality and tourism, trade and maritime affairs. The Company is registered with the Commercial Court in Zadar with a share capital of EUR 30,420,000.00. The Company's headquarters are located in Biograd na Moru, Tina Ujevića 7, Croatia. The Company is a member of Arsenal Holdings d.o.o. Group, Zadar.

As at 31 December 2025, the Company's shares are listed on the Official Market of the Zagreb Stock Exchange. The ownership structure of the Company is presented in Note 14.

The President of the Management Board is Mr Goran Ražnjević.

The members of the Supervisory Board are: Mr Goran Medić (Chairman), Mr David Anthony Tudorović (Deputy Chairman), Mr Davor Tudorović, Mr Darko Prebežac and Mr Siniša Petrović (members). The members of the Audit Committee are: Mr David Anthony Tudorović (Chairman), Mr Goran Medić and Mr Darko Prebežac.

## NOTE 2 – BASIS FOR THE PRODUCTION OF FINANCIAL STATEMENTS

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

### (a) Declaration of compliance

The financial statements are prepared in accordance with the International Financial Reporting Standards as adopted by the European Union, under the historical cost convention.

In addition to the annual financial statements, the Company also prepares the Management Report.

The said financial statements were approved by the Management Board on 26 February 2026.

### (b) Basis for creation

The financial statements have been created on a going concern basis, implying the continuity of normal business activities, the realisation of assets, and the settlement of liabilities in the normal course of operations.

### (c) Presentation basis

These financial statements have been prepared under the historical cost convention, except for certain financial instruments that are carried at fair value.

### Functional currency and presentation currency

The financial statements are presented in the Croatian currency, namely in euro (EUR), the Company's functional currency since 1 January 2023, when the euro was introduced as the official national currency in accordance with the Act on the Introduction of the Euro as the Official Currency in the Republic of Croatia.

Notes to the financial statements (continued)

As at 31/12/2025

*(All amounts are provided in EUR)*

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## **NOTE 2 – BASIS FOR THE PRODUCTION OF FINANCIAL STATEMENTS (CONTINUED)**

### **(d) Non-consolidated financial statements**

The financial statements of the Company are prepared on a non-consolidated basis.

The Company is the sole (100%) owner of two companies (see Note 9) which are not consolidated in the financial statements of the Company because they have not started with their activities.

The Company does not prepare consolidated financial statements, since the consolidated financial statements are prepared and published by the ultimate parent company. The company ARSENAL HOLDINGS d.o.o. za upravljanje i ulaganje, Zadar, Perivoj Gospe od zdravlja 1, prepares consolidated financial statements in which the Company is included, which are published at <https://rgfi.fina.hr/JavnaObjava>.

### **(e) Segment reporting**

A business segment is reported in accordance with internal reporting to the executive decision-maker. The executive decision-maker, who is responsible for allocating resources and assessing performance of the business segments, is the Company's Management Board.

## **NOTE 3 – NEW STANDARDS AND INTERPRETATIONS**

At the date of issuance of these financial statements, the following standards, amendments and interpretations issued by the International Accounting Standards Board are not yet effective.

### **The first application of new and amendments to existing standards effective for the current reporting period**

In the current reporting period, the following amendments to existing standards as well as new interpretations published by the International Accounting Standards Board (IASB) and adopted by the European Union shall apply:

- **amendments to IAS 21 “Effects of Changes in Foreign Exchange Rates”: Lack of Exchangeability, adopted in the European Union on 12 November 2024 (effective for annual periods beginning on or after 1 January 2025).**

The Company has consistently applied its accounting policies to all periods presented in its financial statements. The adoption of the said amendments to existing standards has not resulted in material changes to the financial statements.

### **Amendments to existing standards published by the IASB and adopted in the European Union, but not yet effective**

The following amendments to existing standards published by the IASB and adopted by the European Union had been adopted but not effective on the date when the financial statements were authorised for issue:

Notes to the financial statements (continued)

As at 31/12/2025

*(All amounts are provided in EUR)*

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- **amendments to IFRS 9 “Financial Instruments” and to IFRS 7 “Financial Instruments: Disclosures”:** amendments to the Classification and Measurement of Financial Instruments, adopted in the European Union on 27 May 2025, (effective for annual periods beginning on or after 1 January 2026),
  - **amendments to IFRS 9 “Financial Instruments” and to IFRS 7 “Financial Instruments: Disclosures”:** Contracts Referencing Nature-dependent Electricity, adopted in the European Union on 30 June 2025, (effective for annual periods beginning on or after 1 January 2026),
  - **Annual Improvements to IFRS - Issue 11,** adopted in the European Union on 9 July 2025 (effective for annual periods beginning on or after 1 January 2026).

The Company has decided not to apply these amendments to existing standards before they become effective. The Company anticipates that the application of amendments to existing standards will not have a significant impact on the Company’s financial statements in the initial application period.

**New standards and amendments to existing standards published by the IASB, not yet adopted in the European Union**

IFRSs currently adopted in the European Union do not differ significantly from the regulations issued by the IASB, except for the following standards and amendments to existing standards, whose adoption has not yet been decided upon by the European Union on the day of issuance of these financial statements (the effective dates listed below refer to IFRSs issued by the IASB):

- **IFRS 18 “Presentation and Disclosure in Financial Statements”:** the standard repeals IFRS 1: Presentation of Financial Statements and introduces significant changes to the manner of presenting financial performance, with a special emphasis on the profit and loss account. IFRS 18 aims to improve the comparability and transparency of financial statements between companies (effective for annual periods beginning on or after 1 January 2027).
- **IFRS 19 “Subsidiaries without Public Accountability: Disclosures”:** the standard enables subsidiaries that do not have public accountability to apply IFRS standards with a reduced financial reporting burden. The aim is to reduce the financial reporting burden for such subsidiaries, while ensuring that the financial statements provide useful information to users (effective for annual periods beginning on or after 1 January 2027),
- **amendments to IAS 21 “Effects of Changes in Foreign Exchange Rates”:** Translation to a hyperinflationary presentation currency (effective for annual periods beginning on or after 1 January 2027).

The Company is currently evaluating the impact of new standards and amendments to existing standards on its financial statements. The Company expects that the adoption of the aforementioned new accounting standards and amendments to existing standards will not significantly affect their financial statements in their first application period.

Notes to the financial statements (continued)

As at 31/12/2025

*(All amounts are provided in EUR)*

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## **NOTE 4 – SIGNIFICANT ACCOUNTING POLICIES**

### **(a) Foreign currencies**

Transactions in foreign currencies are converted into the functional currency on the basis of the exchange rate of the date of the transaction. The results and financial position of the Company are presented in the financial statements, namely in euro (EUR), the Company's functional currency and the presentation currency for the financial statements.

### **(b) Use of estimates and judgements**

The preparation of financial statements requires the Management Board to make judgements, estimates and assumptions which affect the application of accounting policies and the reported amounts pertaining to assets, liabilities, revenue and costs. Actual results may differ from these estimates.

The estimates are continually evaluated and based on experience and other factors, including the expected future events considered to be acceptable under current circumstances. The Company creates estimates and assumptions about the future. The effect of estimate adjustments is recognized in the period in which the estimate is adjusted, as well as in future periods if the adjustment affects those along with the current period.

In creating judgements, the Management Board applied the individual criteria for recognizing sales revenue, particularly whether the Company has transferred significant risks and rewards of ownership to the customer. The Management Board is convinced that significant risks and rewards of ownership have been transferred, and that it is appropriate to recognize revenue in the current year.

### **(c) Revenue recognition**

Revenue consists of the fair value of the consideration received or receivable for the services sold during the Company's regular operations. Revenue is reported as an amount net of value added tax and discounts. The Company recognizes revenue when the amount of revenue can be measured reliably, when the Company will have future economic benefits, and when specific criteria for all of the Company's activities are met.

#### **(a) Service revenue**

Revenue earned from the sale of services is recorded at the date of invoicing, which is after the point of delivery.

#### **(b) Rental revenue**

Revenue from rental services is recognized in the period when the services are provided, namely using the straight-line basis during the period of the contract with the lessors.

### **(d) Costs of sale**

Cost of sale (goods sold) includes all purchase cost and cost of rendering services incurred in relation to the invoiced service or goods.

Notes to the financial statements (continued)

As at 31/12/2025

(All amounts are provided in EUR)

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#### **NOTE 4 – SIGNIFICANT ACCOUNTING POLICIES (continued)**

##### **(e) Selling, general and administrative expenses**

Selling, general and administrative expenses comprise all expenses of joint and general departments.

##### **(f) Repairs and maintenance**

The maintenance costs are charged to expenses in the period in which they are incurred.

Increasing the capacity or quality of a service or product, that is, increasing or enhancing the scope and content of a product or service through repairs and maintenance leads to an increased service standard or longer useful life of a property, plant or equipment, whereby the repairs and maintenance are recorded as an increase in the value of the property, plant or equipment.

The remaining repair costs which do not fall under the above-mentioned or are not incurred for the mentioned purpose but are in nature intended for maintaining the property, plant or equipment, are charged to expenses in the period in which they are incurred.

Classifying the repair costs by character and purpose is carried out by the Company's competent services managing the said business processes, including the Company's accounting and finance department.

Investments related to the reconstruction and adaptation aimed at changing the capacity or purpose of a property, plant and equipment are recorded as an increase in the value of the property, plant and equipment.

##### **(g) Corporate income tax**

The Company is subject to taxation according to the laws and regulations of the Republic of Croatia. Corporate income tax is assessed on the tax basis, which is determined as the difference between income and expenses, increased and decreased by items provided by tax regulations.

##### **(h) Property, plant and equipment**

Property, plant and equipment have been recorded at the estimated purchase cost, i.e. purchase cost less accumulated depreciation. Purchase cost includes all costs directly attributable to bringing the asset to its working condition for its intended use. Items and equipment are registered as non-current assets if their estimated life is greater than one year.

Tangible assets that are retired or otherwise disposed of are eliminated from the balance sheet together with the corresponding value adjustments (if any). Gains and losses on such disposals or retirements are included in the income statement for the year. Depreciation is charged to the income statement on a straight-line basis so as to depreciate the cost or value of buildings and equipment over their estimated useful lives, as follows:

	2025	2024
Buildings	40 years	40 years
Equipment for tourism and hotel industry	10-40 years	10-40 years
Other equipment	7-20 years	7-20 years

Notes to the financial statements (continued)

As at 31/12/2025

*(All amounts are provided in EUR)*

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#### **NOTE 4 – SIGNIFICANT ACCOUNTING POLICIES (continued)**

The estimated useful life, residual value and the depreciation method are reviewed at the end of each financial year, and the effects of any changes in estimates are calculated prospectively.

The useful life shall be reviewed periodically to determine whether there are any circumstances that would change the estimate relative to the previous one. Any changes in the estimate shall be recognised in future periods by changing the depreciation costs over the remaining useful life that has changed.

The land is included in the estimated amounts and is not depreciated since it is considered to have an indefinite useful life. Depreciation of assets in course of construction commences when they are put in use.

##### **(i) Investment property**

Investment property comprises buildings with the accompanying land that are held for long-term rental yields or capital appreciation or both. They are considered non-current assets and are measured at the cost of acquiring less depreciation. The cost includes purchase cost and all costs directly attributable to purchase.

Depreciation is charged to the income statement on a straight-line basis so as to depreciate the cost or valuation of investment property over its estimated useful life of 40 years.

Land is not depreciated since it is considered to have an indefinite useful life.

##### **(j) Investments**

The Company is a wholly-owned subsidiary of another entity (the ultimate parent). At the same time, the Company has control over two subsidiaries.

In accordance with IFRS 10 – Consolidated Financial Statements, paragraph 4(a), a parent need not present consolidated financial statements if it is a wholly-owned or partially-owned subsidiary, provided that all other owners, including those without voting rights, have been informed that consolidated financial statements will not be prepared and have not objected to this.

A list of subsidiaries owned by the Company is presented in Note 9.

##### **(h) Inventories**

The inventories are stated at the lower of cost and net realisable value. The cost of inventories includes all purchase costs incurred in bringing the inventories to their present location and the current state. When inventories are sold, the carrying value of these inventories is recognized as an expense in the period in which the related revenue is recognized. The amount of any write-off of inventories to net realisable value and all losses of inventories are recognized as an expense in the period of the write-off, i.e. the occurrence of deficit. The amount of any reversal of any write-off of inventories as a result of an increase in net realisable value is recognized as a decrease in the amount of inventories recognized as an expense in the period in which they occur. The cost is calculated on the average cost price basis. Small inventories are 100% expensed when put in use.

Notes to the financial statements (continued)

As at 31/12/2025

*(All amounts are provided in EUR)*

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#### **NOTE 4 – SIGNIFICANT ACCOUNTING POLICIES (continued)**

##### **(l) Receivables and prepayments**

Receivables represent the right to collect determined amounts from customers or other debtors with regard to the Company's business. Receivables are reported in the total amount less the value adjustment or in amounts that are expected to be collected. An adjustment of the value of trade receivables is performed when there is objective evidence that the Company will not be able to collect all of its claims in accordance with the agreed terms.

At each reporting date, the Company estimates whether the credit risk for financial instruments has increased significantly since initial recognition. In estimates, the Company uses changes in default risk that occur during the expected life of the financial instrument instead of changing the amount of expected credit losses. In order to create an estimate, it compares the default risk for a financial instrument at the reporting date with the one at the date of initial recognition, taking into account reasonable and acceptable figures. Trade receivables include all receivables from sale of goods and provision of services, as well as prepayments, dues from state institutions and other short term receivables.

##### **(lj) Cash**

For the purposes of cash flow statements, cash consists of cash in hand and balances with banks.

##### **(m) Own shares**

Own shares of the Company held at the balance sheet date are treated as a deduction from the Company's equity. The gains and losses on sales of own shares are charged to the capital reserves.

##### **(n) Financial instruments**

Financial instruments reported in the balance sheet include money and bank account balances, receivables, account payables and borrowings. The specific applied recognition methods are disclosed in individual explanations of accounting policies for each item.

##### **(nj) Borrowings**

Borrowings are initially recognized at nominal value decreased by transaction costs, which equals the fair value. In future periods, borrowings are carried at amortized cost; any difference between the proceeds (minus transaction costs) and the surrender value is recognized in the statement of comprehensive income over the period of the borrowing, using the effective interest method.

Borrowings shall be classified as current liabilities unless the Company has an unconditional right to postpone the settlement of the liability by at least 12 months after the reporting date.

Notes to the financial statements (continued)

As at 31/12/2025

*(All amounts are provided in EUR)*

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#### **NOTE 4 – SIGNIFICANT ACCOUNTING POLICIES (continued)**

##### **(o) Trade payables**

Trade payables are amounts related to purchased goods and services in the normal course of operations. A liability shall be presented as a current liability if payment is expected within one year, or as a long-term liability if it is not. Trade payables are initially recognized at fair value, and in future periods they are carried at amortized cost, namely using the effective interest method.

#### **NOTE 5 – KEY ACCOUNTING ESTIMATES AND JUDGMENTS**

The Company creates estimates and assumptions about the future. By definition, the resulting accounting estimates are rarely equal to the actual result. Estimates and assumptions that have a significant risk of causing a material adjustments of the net book value of assets and liabilities within the next financial year are described below.

##### Corporate income tax

The company is subject to corporate tax in the Republic of Croatia. Tax returns are subject to approval by the Tax Administration, which has the right to carry out subsequent inspections of the taxpayers' accounts over the following three years, as well as to request changes on that basis.

##### Property, plant and equipment life

Determining the useful life of assets is based on the historical experience with similar assets, as well as on projected changes in the economic environment, and factors related to the industry in which the Company operates. The adequacy of the estimated useful life is reviewed either annually or whenever there is an indication of significant changes in assumptions. We believe this to be an important accounting estimate given the significant proportion of assets amortized in total assets. Thus, the impact of significant changes in these assumptions could have a material impact on the Company's financial position and operating results.

##### Impairment of financial assets

At each reporting date, the Company estimates whether the credit risk for financial instruments has increased significantly since initial recognition. In estimates, the Company uses changes in default risk that occur during the expected life of the financial instrument instead of changing the amount of expected credit losses. In order to create an estimate, it compares the default risk for a financial instrument at the reporting date with the one at the date of initial recognition, taking into account reasonable and acceptable figures.

Notes to the financial statements (continued)

As at 31/12/2025

(All amounts are provided in EUR)

## NOTE 6 – INTANGIBLE ASSETS

<i>(In EUR, without cents)</i>	Investments in borrowed assets – buildings	Total
<b>Year ended 31 December 2024</b>		
Opening net book amount	31,919	31,919
Additions	79,383	79,383
Depreciation charge	(51,886)	(51,886)
Closing net book amount	59,416	59,416
<b>Balance as at 31 December 2024</b>		
Cost	417,890	417,890
Accumulated value adjustments	(358,474)	(358,474)
Net book value	<b>59,416</b>	<b>59,416</b>
<b>Year ended 31 December 2025</b>		
Opening net book amount	59,416	59,416
Additions	112,825	112,825
Depreciation charge	(50,738)	(50,738)
Closing net book amount	121,503	121,503
<b>Balance as at 31 December 2025</b>		
Cost	530,715	530,715
Accumulated value adjustments	(409,212)	(409,212)
Net book value	<b>121,503</b>	<b>121,503</b>

The investments were made in the catering facility "Arsenal", in which the Company carries out its activities under the Business Cooperation Agreement concluded with the Parent Company, Arsenal Holdings d.o.o., Zadar.

Notes to the financial statements (continued)

As at 31/12/2025

(All amounts are provided in EUR)

## NOTE 7 – PROPERTY, PLANT AND EQUIPMENT

<i>(In EUR, without cents)</i>	Land	Investments in facilities	Equipment	buildings under constructio n	Total
<b>Year ended 31 December 2024</b>					
At beginning of the year	5,894,095	33,339,733	8,981,620	248,330	48,463,778
Additions	0	87,876	784,990	366,204	1,239,070
Transfer from assets under construction	0	188,302	187,899	(225,000)	151,201
Reductions – sale, disposal	0	0	(12,532)	0	(12,532)
Depreciation charge	0	(1,335,910)	(1,583,716)	0	(2,919,626)
Closing net book amount	5,894,095	32,280,001	8,358,261	389,534	46,921,891
<b>Balance as at 31 December 2024</b>					
Cost	5,894,095	48,513,894	19,475,835	389,534	74,273,358
Accumulated value adjustments	0	(16,233,893)	(11,117,574)	0	(27,351,467)
Net book value	5,894,095	32,280,001	8,358,261	389,534	46,921,891
<b>Year ended 31 December 2025</b>					
At beginning of the year	5,894,095	32,280,001	8,358,261	389,534	46,921,891
Additions	383,984	179,210	829,278	2,000,657	3,393,129
Transfer from assets under construction		1,695,625	341,548	(1,844,478)	192,695
Reductions - disposal			(11,715)		(11,715)
Depreciation charge		(1,345,232)	(1,621,706)		(2,966,938)
Closing net book amount	6,278,079	32,809,604	7,895,666	545,713	47,529,062
<b>Balance as at 31 December 2025</b>					
Cost	6,278,079	50,388,729	20,442,251	545,713	77,654,772
Accumulated value adjustments		(17,579,125)	(12,546,585)		(30,125,710)
Net book value	6,278,079	32,809,604	7,895,666	545,713	47,529,062

In the process of the Company conversion, the estimated value of the Company's capital includes the estimated value of the property for which the property rights have not been resolved. The shares of equal value are mainly reserved by the Croatian Privatization Fund (Agency for State Property Management / CERP). For a part of the shares provision was cancelled, so the number of reserved shares remaining is 24,984 (see Note 14).

The buildings of Marina Kornati, Kornati hotel port and swimming pool are located at the maritime domain, and have been evaluated and entered in the Company's share capital in the conversion process. Their usage is regulated by the approved concessions. Under the Concession Agreement of the Kornati maritime domain-port of nautical tourism, the use is, for the moment, regulated for a period of 32 years, or until 2031.

In accordance with the Act on Maritime Domain and Seaports, on 17 October 2017, the Company submitted to the Government of the Republic of Croatia, through the competent

Notes to the financial statements (continued)

As at 31/12/2025

(All amounts are provided in EUR)

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## NOTE 7 – PROPERTY, PLANT AND EQUIPMENT (continued)

Ministry of the Sea, Transport and Infrastructure of the Republic of Croatia, a request with regard to the Kornati Marina in Biograd na Moru for modification and amendment to the Decision on Concession and the Concession Agreement, that is for extending the term of the concession by a period of 50 years, i.e. until the year 2049. In order to successfully complete the procedure for extending the concession licence for Marina Kornati, Ilirija d.d. sent a supplement of the existing request for extension of the concession licence validity for Marina Kornati to the Ministry of the Sea, Transport and Infrastructure of the Republic of Croatia on 28 December 2023, in which it essentially offered: a new increased amount of investment in the maritime domain, new increased investments in the green transition, including the decarbonization and digital transformation in accordance with Regulation (EU) 2020/852 of the European Parliament and Council of 18 June 2020, on establishing a framework for facilitating sustainable investments and amending Regulation (EU) 2019/2088 EU OJ, L 198/13, suggested new amounts of concession fees with reference to the previously revalued investments in Marina Kornati with the end of 2023, in order to express the real, absolute value of investments so far, and also explained the legal matters that are important for making a positive decision, all in accordance with transitional and final provisions of the new Maritime Domain and Seaports Act (Official Gazette No.: 83/2023, hereinafter: ZPDML23), which entered into force on 29 July 2023, so that the procedures for granting and modifying concessions that were started according to the provisions of ZPDML03 have to be completed in accordance with the provisions of that Act. Furthermore, on 15 July 2025, in response to the opinion of the Ministry of Finance dated 29 May 2025, the Company submitted to the competent ministry a revised Economic Feasibility Study for Marina Kornati, including a valuation of the existing concession and an amended request for extending the concession until 2047, and elaborated on the legal basis for the extension in accordance with the Maritime Domain Act, the Concessions Act and Directive 2014/23/EU. Following the submitted regulated request for the extension of the concession period until 2047 and the revised economic feasibility study, the Ministry of Finance of the Republic of Croatia submitted its opinion dated 25 September 2025 with certain recommendations and suggestions that primarily relate to the methodology for calculating individual indicators that are taken into account in the concession award procedure. Acting in accordance with the opinion of the Ministry of Finance, on 12 December 2025 Ilirija d.d. submitted to the Ministry of the Sea, Transport and Infrastructure a modified and supplemented revised economic feasibility study, which accepted the suggestions of the Ministry of Finance of the Republic of Croatia and the amended request for the extension of the Kornati Marina concession period, now until 2046. No decision has been rendered yet on the mentioned amended request for an extension of the concession licence validity for Marina Kornati dated 12 December 2025.

In February 2015, an application was submitted to the County of Zadar for an extension of the concession term for the Ilirija-Kornati hotel port to 30 years, whereas an application for an extension of the concession term was also previously submitted for the open swimming pool in Biograd na Moru. The aforementioned requests had not been decided upon by the end of the reporting period, and the Company pays the concession fee without delays.

On 18 June 2025, the Company submitted to the Zadar County a request for obtaining a concession upon request for a period of 5 years, for commercial use of the beach in front of the Ilirija, Kornati and Adriatic hotels, the beach facility and the outdoor swimming pool Ilirija in Biograd na Moru, performed by Ilirija d.d. hotels, with a four-star rating, built outside of the maritime domain, and connected infrastructurally with the beach with facilities, built and developed beach facility and the outdoor swimming pool, and investments were made in the construction, development and infrastructure by Ilirija d.d., i.e. the hotels, in accordance with Article 63, paragraph 1, point 2 of the Maritime Domain and Seaports Act. The aforementioned request has not yet been decided, and the Company pays the concession fee without delays.

As at 31 December 2025 the total investment in the "Park Soline" campsite, as reported at cost, was in the amount of EUR 20,155,109.25. Of the mentioned total investment amount, EUR 7,705.36 was invested in land, EUR 12,099,105.76 in infrastructure and the construction and reconstruction of seven

## Notes to the financial statements (continued)

As at 31/12/2025

*(All amounts are provided in EUR)*

modernly equipped and furnished sanitary facilities and investment in the construction of buildings housing the campsite management offices, the sales and marketing department of the campsite and reception, whereas EUR 8,048,298.13 was invested in equipment, mostly the holiday mobile homes. As at 31 December 2025 a total amount of EUR 321,007.34 was invested in the "Park Soline" campsite restaurant, of which EUR 193,599.54 in the building and EUR 127,407.80 in equipment. The auto camp is spread over 200,800 m<sup>2</sup> of land, which the Company, on the basis of the Decision of the former Assembly of the Municipality of Biograd na Moru and the Contract on granting permanent use of building land, concluded with the Assembly of the Municipality of Biograd na Moru, received for permanent use for the performance of registered tourism activities. Given the above-mentioned permanent right of use, the Company has in accordance with acquired rights from the transformation and privatization process and legitimate expectations, made capital investments on the tourism land which is not estimated in the process of transformation.

The above-mentioned land, except a land plot of 779 m<sup>2</sup> and the land on which the building have been constructed, is not included in the estimated value of the Croatian Privatization Fund and is not included in the Company's share capital in the process of conversion and privatization. This confirms one of the most important outstanding issues of the procedure of conversion and privatization of enterprises in our country, and that is arranging the real owner of the construction land, which in the conversion and privatization procedure has not been estimated in the value of the capital of legal entities.

Pursuant to the Act on Tourism and Other Land Not Evaluated in the Conversion and Privatisation Process (hereinafter: the Act on Tourism Land) has submitted to the Republic of Croatia a timely request for a concession on tourism land not evaluated in the conversion and privatization process for a period of 50 years (longest permitted period), based on a properly conducted conversion process and the rights from the conversion process over Soline campsite consequently belong to the Company. As a result of the ambiguity in the provisions of the Act on Tourism Land and related regulations, according to the information available to the Company, no concession contract for tourism land plots in campsites has been concluded in the Republic of Croatia since its adoption (2010). Due to unclear provisions of the Act, no decision has been rendered during its validity regarding the Company's application.

According to the above-mentioned legal basis, Park Soline campsite has been issued a decision on a four-star classification.

In May 2020, a new act on non-evaluated construction land was adopted, and thus the Act on Tourism Land ceased to have effect. The new Act provides for the right of tourism companies to submit an application for leasing construction tourism land for a period of 50 years. In March 2021 the Company submitted the appropriate application for leasing construction land in the campsite for a period of 50 years to the competent authority of the Republic of Croatia, that is, to the Ministry of Physical Planning, Construction and State Assets. Under the provisions of the Act on Non-Evaluated Construction land, a company shall become the owner of buildings, land under buildings and land in the campsite that were evaluated and entered into the value of social capital in the conversion and privatisation process, while the Republic of Croatia shall become the owner of buildings and land in the campsite that were not evaluated and entered into the value of social capital in the conversion and privatisation process (so called Parts of the campsite owned by the Republic of Croatia). In the meantime, on 1 April 2022 the Company, in accordance with Article 18 of the Act on Non-Evaluated Construction Land, obtained from the Centre for Restructuring and Sales the Certificate of Conformity of the Geodetic Survey Report, which confirms the conformity of the Park Soline Campsite Geodetic Survey Report with the decision of the Croatian Privatisation Fund of 12 July 1996, by which the real property concerned was evaluated in the process of conversion of the socially-owned enterprise "Ilirija" Biograd na Moru.

On 9 February 2024, the Ordinance on the Arrangement of Leases on Parts of the Campsites Owned by the Republic of Croatia was published (Official Gazette, No 16/2024, hereinafter: the Ordinance), which entered into force on 17 February 2024. The aforementioned Ordinance prescribes the initial amounts of the unit rental fee for the parts of the campsites owned by the Republic of Croatia, as well as other criteria for determining and calculating the rental fee.

## Notes to the financial statements (continued)

As at 31/12/2025

*(All amounts are provided in EUR)*

The Republic of Croatia, i.e. the competent Ministry of Physical Planning, Construction and State Property, issued a letter entitled: collection of lease fee based on the Ordinance on the Arrangement of Leases on Parts of the Campsites Owned by the Republic of Croatia, Class: 940-01/24-01/492, Reg. No.: 531-11-2-2-24-1 dated 22 April 2024, invited ILIRIJA d.d. to pay the lease fee based on the aforementioned Ordinance, and charged Ilirija d.d. a lease fee for the period starting from the date of entry into force of the Act on Non-Evaluated Construction Land until 31 December 2023 (05/2020 – 12/2023) in the total amount of EUR 538,912.31. The amount determined in this way, in accordance with the Ordinance on the Arrangement of Leases, represents 50% of the lease fee for the “Park Soline” campsite, while the remaining 50% of the lease fee shall be calculated according to the decision from Article 17.1 of the Act on Non-Evaluated Construction Land, i.e. the conclusion of a 50-year lease agreement in accordance with the Act. For the next period starting from 2024, the competent Ministry determined the annual lease fee for the “Park Soline” campsite in the amount of EUR 171,624.15, payable in 12 equal monthly instalments, and has issued the lease fee invoices to ILIRIJA d.d. ILIRIJA d.d. has duly paid the aforementioned annual lease fee, which amount in accordance with the Ordinance on the Arrangement of Leases, represents 50% of the lease fee.

The Company estimated that the amount of lease fee calculated at the unit price per square meter of land will exceed 4% of the turnover in the previous year, and accordingly the amount of lease fee will represent a variable fee. In accordance with the provisions of IFRS 16, variable lease fee payments that are based solely on the revenue of the camp do not represent fixed payments and the Company has not included them in the calculation of IFRS 16 for classification and measurement purposes.

In the meantime the Company has also regulated performing its registered tourism activity on the stated land by lease agreements concluded with Hrvatske šume and the Town of Biograd na Moru. The land lease agreement concluded by and between the company Hrvatske šume d.o.o. and Ilirija d.d. on 20 August 2004 for a period of 20 years expired on 20 August 2024, as did the land lease agreement between the Town of Biograd na Moru and Ilirija d.d. concluded on 16 December 1999 for a period of 25 years, which expired on 16 December 2024. Given the fact that the aforementioned land lease agreements have expired, as well as the fact that since the entry into force of the Act (May 2020) the lease for the land comprising the Ilirija campsite has been paid to the competent Ministry on the basis of the submitted lease invoices, Ilirija d.d. has sent letters notifying Hrvatske šume d.o.o. and the Town of Biograd na Moru that they have fully fulfilled all their obligations towards them under the Lease Agreement which has ceased to be valid and will continue to pay the lease fee to the competent Ministry and the Republic of Croatia.

Over a part of the Company’s buildings (Hotel Adriatic, Hotel Ilirija and Tennis Centre) with purchase value of EUR 18,739,545.04 and its land of a purchase value of EUR 3,304,968.86 are subjects to lien in favour of the commercial bank for approved loans (see Note 16).

In 2025, the commercial bank also performed the regular assessment of the value of Adriatic, Ilirija and Kornati hotels as guarantee for the loans. The estimated value of the hotels Adriatica, Ilirija and Kornati is EUR 24,950,000.00.

In 2025, the commercial bank also performed the regular assessment of the value of the “City Galleria” Business and Shopping Centre owned by the Company as guarantee for the loans for the acquisition of “City Galleria”. The value is estimated at EUR 16,500,000.00.

The value of the said buildings, property and land, recorded in company accounts as the cost of acquisition decreased by the accumulated depreciation, amounts to EUR 20,645,877.21, namely EUR 20,804,122.79 less than the market value estimated by the commercial bank.

The commercial bank estimated a total value of the buildings and land subject to lien in favour of the bank for approved loans (Hotel Adriatic, Hotel Ilirija, Hotel Kornati and City Galleria) in the amount of EUR 41,450,000.00, whereas the total value of the Company’s medium and long-term loans amounted to EUR 8,342,939.35 as at 31 December 2025, representing a loan share of 20.13% of the Company’s total assets evaluated by the commercial bank serving as lien in favour of the bank for approved loans.

Notes to the financial statements (continued)

As at 31/12/2025

(All amounts are provided in EUR)

## NOTE 8 – INVESTMENT PROPERTY

<i>(In EUR, without cents)</i>	Land	Buildings facilities	Total
<b>Year ended 31 December 2024</b>			
Opening net book amount	1,678,744	8,308,917	9,987,661
Additions	0	81,326	81,326
Depreciation charge	0	(252,896)	(252,896)
Closing net book amount	1,678,744	8,137,347	9,816,091
<b>Balance as at 31 December 2024</b>			
Cost	1,678,744	9,775,809	11,454,553
Accumulated value adjustments	0	(1,638,462)	(1,638,462)
Net book value	1,678,744	8,137,347	9,816,091
<b>Year ended 31 December 2025</b>			
Opening net book amount	1,678,744	8,137,347	9,816,091
Additions		18,756	18,756
Depreciation charge		(253,408)	(253,408)
Closing net book amount	1,678,744	7,902,695	9,581,439
<b>Balance as at 31 December 2025</b>			
Cost	1,678,744	9,794,565	11,473,309
Accumulated value adjustments		(1,891,870)	(1,891,870)
Net book value	1,678,744	7,902,695	9,581,439

Investment property includes the land and the building of the “City Galleria” Business and Shopping Centre in Zadar. All buildings together with the associated land are subject to lien as collateral for repayment of a loan (see note 7).

During the year, the Company had rental income from investment property in the amount of EUR 2,285,461.83 (2024: EUR 2,159,072.06), while operating expenses related to investment property amounted to EUR 1,503,036.17. (2024: EUR 1,442,955.58).

Notes to the financial statements (continued)

As at 31/12/2025

(All amounts are provided in EUR)

## NOTE 9 – INVESTMENTS IN SUBSIDIARIES

(In EUR, without cents)	2025	2024
Ilirija Građenje d.o.o., Biograd n/m	2,405	2,405
Ilirija Nautika d.o.o., Biograd n/m	2,512	2,512
	<b>4,917</b>	<b>4,917</b>

Investments and the respective ownership are as follows:

Company name	Type of activity	Seat	Share percentage	
			2025	2024
<b>Subsidiaries</b>				
Ilirija Građenje d.o.o., Biograd n/m	construction, property	Croatia	100.00%	100.00%
Ilirija Nautika d.o.o., Biograd n/m	marinas	Croatia	100.00%	100.00%

## NOTE 10 – INVENTORIES

(In EUR, without cents)	2025	2024
Raw material and materials	241,494	263,973
Small inventory and spare parts	12,756	12,189
	<b>254,250</b>	<b>276,162</b>

## NOTE 11 - RECEIVABLES AND ADVANCES

(In EUR, without cents)	2025	2024
Domestic trade receivables	597,087	614,344
Domestic trade receivables - related parties, A. H.	213	0
Foreign trade receivables	80,942	34,667
Suspect and contested trade receivables	388,392	382,232
Advance receivables	58,640	89,277
Loans to co-owners – related parties	23,881	2,290
VAT receivables	20,584	6,106
Receivables due from employees, loans	15,275	10,293
Prepaid lease fee	538,912	538,912
Interest receivables	92,465	121,008
Other receivables	39,386	32,611
	1,855,777	1,831,740
Trade receivables value adjustment	(388,392)	(382,232)
	<b>1,467,385</b>	<b>1,449,508</b>

Notes to the financial statements (continued)

As at 31/12/2025

(All amounts are provided in EUR)

## NOTE 12 - SHORT-TERM FINANCIAL ASSETS

<i>(In EUR, without cents)</i>	2025	2024
Time deposits with banks	13,500,000	13,000,000
	<b>13,500,000</b>	<b>13,000,000</b>

## NOTE 13 – CASH

<i>(In EUR, without cents)</i>	2025	2024
Gyro accounts	55,473	5,828
Foreign currency accounts	0	0
Cash in hand	17,766	22,423
	<b>73,239</b>	<b>28,251</b>

## NOTE 14 – SHARE CAPITAL AND OWN SHARES

<i>(In EUR, without cents)</i>	Ordinary shares	Reserved shares	Total	Own shares	Share capital less the own shares
Balance as at 31 December 2024	30,105,098	314,902	30,420,000	(448,288)	29,971,712
Balance as at 31 December 2025	30,105,098	314,902	30,420,000	(138,145)	30,281,855

As at 31 December 2025, the share capital of the Company amounted to EUR 30,420,000.00, and it is divided into 2,413,488 no-par-value ordinary shares.

In 2025, the Company acquired 1,485 own shares, at the cost of acquisition of EUR 44,384.00. As at 31 December 2025, the balance of own shares amounted to 4,716 shares (2024: 15,493) at investment cost of EUR 138,145.04 (2024: EUR 448,287.84). In 2025, for the benefit of its employees, free of charge, the Company released a total of 12,499 own shares constituting 0.52% of the share capital, for their contribution to the realisation of the Company's operating results in 2024 and 2025.

In the process of Company conversion, by the decision of the Croatian Privatization Fund, shares have been reserved due to the unresolved property rights on certain properties. On 31 December 2025, there were 24,984 reserved shares, or 1.0352% (2024: 1.0352%).

Notes to the financial statements (continued)

As at 31/12/2025

(All amounts are provided in EUR)

#### NOTE 14 – SHARE CAPITAL AND OWN SHARES (continued)

The capital ownership structure of Ilirija d.d., Biograd is as follows (in %):

	31 December 2025	31 December 2024
Arsenal Holdings d.o.o., Zadar	59.21	59.21
Ilirija d.d., Biograd na moru (own shares)	0.20	0.64
AZ mandatory pension fund	16.51	16.51
AZ voluntary pension fund	3.03	3.03
Centre for restructuring and sale (CERP)	1.05	1.05
Other shareholders	20.00	19.56
	<b>100.00</b>	<b>100.00</b>

#### NOTE 15 – RESERVES

(In EUR, without cents)	2025	2024
Legal reserves	3,195,698	3,195,698
Reserves for own shares	138,145	925,837
Other reserves	991,395	991,395
	<b>4,325,238</b>	<b>5,112,930</b>

Legal reserves are formed from the realised profit up to 5% of the Company's share capital, in accordance with the Companies Act. Legal reserves are not distributable.

Notes to the financial statements (continued)

As at 31/12/2025

(All amounts are provided in EUR)

## NOTE 16 – BORROWINGS

<i>(In EUR, without cents)</i>	Approved principal	Interest rate	2025	2024
<b>Short-term</b>				
Erste&Steiermärkische Bank d.d., Rijeka	EUR 500,000	3.90%	374,724	363,924
Erste&Steiermärkische Bank d.d., Rijeka	EUR 1,500,000	3.80%	1,303,998	801,472
			1,678,722	1,165,396
Plus: current due amounts of long-term borrowings and leasing			2,113,542	2,255,722
<b>Total short-term portion</b>			<b>3,792,264</b>	<b>3,421,118</b>
<b>Mid-term and long-term</b>				
Erste&Steiermärkische Bank d.d., Rijeka	EUR 1,680,000.00	3.00%	959,220	1,072,045
Erste&Steiermärkische Bank d.d., Rijeka	EUR 7,491,008.67	2.60 %	3,519,032	4,021,751
Erste&Steiermärkische Bank d.d., Rijeka	EUR 6,000,000.00	2.60 %	2,906,697	3,307,389
Erste&Steiermärkische Bank d.d., Rijeka	EUR 2,000,000.00	2.25%	1,001,331	1,401,789
S - Leasing d.o.o., Zagreb	EUR 4,217,988.00		2,079,218	2,609,524
			10,465,498	12,412,498
Minus: current due amounts of long-term borrowings and leasing			(2,113,542)	(2,255,722)
<b>Total mid-term and long-term debt</b>			<b>8,351,956</b>	<b>10,156,776</b>
<b>Total borrowings</b>			<b>12,144,220</b>	<b>13,577,894</b>

### Short-term borrowings

Short-term loan liabilities relate to two loans from Erste&Steiermärkische bank d.d.:

framework revolving loan under the transaction account of Erste&Steiermärkische bank d.d from 15 October 2025, up to EUR 500,000.00 with a fixed interest rate of 3.90%.

revolving loan approved on 15 October 2025, in the amount of EUR 1,500,000.00, for financing working capital, at a fixed interest rate of 3.80% p.a. The repayment date is 22 November 2026.

### Mid-term and long-term borrowings

Mid-term and long-term loan liabilities relate to four loans from Erste&Steiermärkische bank d.d.:

Notes to the financial statements (continued)

As at 31/12/2025

(All amounts are provided in EUR)

## NOTE 16 – BORROWINGS (CONTINUED)

- loan approved on 26 February 2016, in the amount of EUR 1,680,000.00, as an investment loan from the loan support program for the tourism sector in cooperation with the Croatian Bank for Reconstruction and Development, for the reconstruction of the Kornati marina in Biograd na Moru. The loan is to be repaid in 60 quarterly instalments in the amount of EUR 27,991.59, the last instalment being due on 30 June 2034. The loan balance as at 31 December 2025 amounted to EUR 951,713.87.

loan approved on 25 May 2016, in the amount of EUR 7,491,008.67, to refinance the existing long-term loan. The loan is to be repaid in 60 quarterly instalments in the amount of EUR 124,850.14, the last instalment being due on 01 October 2032. The loan balance as at 31 December 2025 amounted to EUR 3,495,804.14.

- loan approved on 29 November 2016, in the amount of EUR 6,000,000.00, for the purchase of the City Galleria Business and Shopping Centre building in Zadar. The loan is to be repaid in 180 quarterly instalments in the amount of EUR 33,333.33, the last instalment being due on 1 March 2033. The loan balance as at 31 December 2025 amounted to EUR 2,900,000.31.

Loan repayment is secured with financial instruments, and by registering a lien - mortgage on property of the Company (the building of the “City Galleria” Business and Shopping Centre with the associated land) in favour of the commercial bank (see Note 7).

- loan approved on 19 May 2021, in the amount of EUR 2,000,000.00, was utilised in full on 17 March 2022. The first loan instalment becomes due on 31 July 2023. The loan is to be repaid in 20 equal quarterly instalments in the amount of EUR 100,000.00, the last instalment being due on 30 April 2028. The loan balance as at 31 December 2025 amounted to EUR 995,421.03.

The liability to S-leasing d.o.o., Zagreb relates to the liabilities under 57 financial leasing contracts to purchase equipment, which are to be repaid in equal monthly annuities. The interest rates on all contracts are fixed, of which 34 contracts have an interest rate of 3.15%, and 3 contracts have an interest rate of 2.90%, 11 contracts have an interest rate of 5.75%, 2 contracts have an interest rate of 5.93%, 1 contract has an interest rate of 5.57%, 1 contract has an interest rate of 5.51%, 1 contract has an interest rate of 5.24%, 3 contracts have an interest rate of 5.75%, and 1 contract has an interest rate of 5.65%. Liabilities under these financial leasing contracts are due from 2023 to 2030.

The repayment schedule for long-term borrowings for the next five years is as follows:

(In EUR, without cents)

2026	2,082,816
2027	1,947,799
2028	1,611,827
2029	1,325,728
2030	1,053,268
after 2031	2,444,060
	<b>10,465,498</b>

Notes to the financial statements (continued)

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(All amounts are provided in EUR)

#### NOTE 17 – PROVISIONS

<i>(In EUR, without cents)</i>	2025	2024
Provisions per initiated legal proceedings	154,108	154,107
	<b>154,108</b>	<b>154,107</b>

#### NOTE 18 - TRADE AND OTHER PAYABLES

<i>(In EUR, without cents)</i>	2025	2024
Trade payables	1,829,657	1,600,491
Trade payables - Group, Arsenal Holdings, TCZ	10,197	38,217
Payables under received advances	46,938	57,251
Residence tax	129,925	65,465
Fee for the use of maritime domain	25,581	26,907
Advances from individual guests	98,783	91,054
Advances from agencies	222,968	299,578
Dividend payables	15,444	11,732
Employee payables	451,798	379,461
Liabilities to the government	364,345	261,368
Corporate income tax receivables	191,395	210,457
Other payables	40,737	88,906
	<b>3,427,768</b>	<b>3,130,887</b>

Notes to the financial statements (continued)

As at 31/12/2025

*(All amounts are provided in EUR)*

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## **NOTE 19 – SEGMENT REPORTING**

For the primary reporting format the business segments are determined based on risks and rates of return of the Company, which is primarily influenced by the differences in services which they offer to the market. Secondary information are reports according to geographical segments. Business segments are organized and managed separately according to the nature of the services provided, with each segment representing a strategic business unit that offers different services to different markets. They are recorded based on the information that is internally prepared for the Management Board, which is also the chief operating decision-maker.

The portfolio of the Company consists of the Adriatic, Ilirija and Kornati hotels and Villa Donat, Marina Kornati with the Ilirija-Kornati Hotel Port, the “Park Soline” campsite, destination management company Ilirija Travel with its own capacities (Arsenal in Zadar, the “Nada” event boat, agritourism and Villa Primorje), City Galleria Business and Shopping Centre, Tennis Centre, Aquatic Centre and hospitality facilities.

The Company’s management activities are divided into the hotel segment (sector), the nautical segment, the camping segment, Ilirija travel and the City Galleria.

The hotel business segment includes the operations of the Adriatic Ilirija and Kornati hotels and Villa Donat, Lavander Bar, Aquatic Centre, Tennis Centre and Biffe Beach.

The nautical business segment includes the operations of the Kornati Marina, the Ilirija-Kornati Hotel Port, the Marina Kornati restaurant and the “Biograd Boat Show” nautical fair.

The camping business segment includes the operations of the “Park Soline” campsite and the “Park Soline” restaurant.

The Ilirija travel business segment includes the operations of the Tourist Agency, the “Nada” event boat, agritourism, Villa Primorje and Arsenal.

The City Galleria business segment includes rental services in the business and shopping centre.

### **Business segments**

The following tables present revenue and profit and certain assets and liabilities of the Company per business segments, i.e. sectors:

## Notes to the financial statements (continued)

As at 31/12/2025

*(All amounts are provided in EUR)*

<i>Year ended 31 December 2025 (In EUR, without cents)</i>	<b>Hotel sector</b>	<b>Nautical sector</b>	<b>Camping sector</b>	<b>Ilirija Travel</b>	<b>City Galleria</b>	<b>Total</b>
Revenue	10,452,618	9,688,034	8,535,475	1,620,498	2,270,946	32,567,571
Revenue from leases – the Group, Arsenal Holdings					2,040	2,040
Total revenue	10,452,618	9,688,034	8,535,475	1,620,498	2,272,986	32,569,611
Result						
Segment result	(466,631)	3,237,927	2,240,447	(929,083)	621,628	4,704,288
Net financial expenses	25,833	28,824	(64,698)	(3,136)	(76,758)	(89,935)
Profit before tax	(440,798)	3,266,751	2,175,749	(932,219)	544,870	4,614,353
(i) Cost of corporate income tax	(85,154)	631,074	420,313	(180,087)	105,259	891,405
Net profit for the year	(355,644)	2,635,677	1,755,436	(752,132)	439,611	3,722,948
<i>For the year ended on 31/12/2025 (in EUR, without cents) As at 31/12/2025</i>	<b>Hotel sector</b>	<b>Nautical sector</b>	<b>Camping sector</b>	<b>Ilirija Travel</b>	<b>City Galleria</b>	<b>Total</b>
<b>Assets and liabilities</b>						
Segment assets	25,660,566	14,312,063	15,751,938	4,853,340	10,734,551	71,312,458
Non-allocated assets						1,219,337
<b>Total assets</b>						<b>72,531,795</b>
Segment liabilities	1,232,334	2,024,100	2,456,636	74,395	3,199,849	8,987,314
Non-allocated liabilities						6,547,386
Corporate income tax receivables						191,395
<b>Total liabilities</b>						<b>15,726,095</b>
Other segment details						
<b>Capital investments:</b>						
Non-allocated						171,913
Land	388,984					388,984
Property, plant and equipment	2,352,658	162,834	341,399	70,927		2,927,818
Intangible assets				182,669		182,669
Investment property					46,021	46,021
Depreciation of property, plant and equipment	1,108,564	358,783	1,123,778	222,588		2,813,713
Non-allocated depreciation						133,332
Total property, plant and equipment depreciation						2,947,045
Depreciation of intangible assets				50,738		50,738
Depreciation of investment property					273,302	273,302

## Notes to the financial statements (continued)

As at 31/12/2025

(All amounts are provided in EUR)

**NOTE 19 – SEGMENT REPORTING (continued)**

<i>Year ended 31 December 2024 (In EUR, without cents)</i>	<b>Hotel sector</b>	<b>Nautical sector</b>	<b>Camping sector</b>	<b>Ilirija Travel</b>	<b>City Galleria</b>	<b>Total</b>
Revenue	9,681,498	8,995,995	7,690,958	1,506,198	2,145,733	30,020,382
Revenue from leases – the Group, Arsenal Holdings					2,040	2,040
<b>Total revenue</b>	<b>9,681,498</b>	<b>8,995,995</b>	<b>7,690,958</b>	<b>1,506,198</b>	<b>2,147,773</b>	<b>30,022,422</b>
<b>Result</b>						
Segment result	(166,149)	3,323,544	1,734,517	(936,261)	606,153	4,561,804
Net financial expenses	34,780	33,152	(104,414)	(4,534)	(86,744)	(127,760)
Profit before tax	(131,369)	3,356,696	1,630,103	(940,795)	519,409	4,434,044
(i) Cost of corporate income tax	(25,419)	649,507	315,418	(182,040)	100,504	857,970
<b>Net profit for the year</b>	<b>(105,950)</b>	<b>2,707,189</b>	<b>1,314,685</b>	<b>(758,755)</b>	<b>418,905</b>	<b>3,576,074</b>
<i>For the year ended on 31/12/2024 (in EUR, without cents) As at 31/12/2024</i>	<b>Hotel sector</b>	<b>Nautical sector</b>	<b>Camping sector</b>	<b>Ilirija Travel</b>	<b>City Galleria</b>	<b>Total</b>
<b>Assets and liabilities</b>						
Segment assets	23,834,110	14,488,634	16,300,338	4,848,568	10,938,735	70,410,385
Non-allocated assets						1,145,851
<b>Total assets</b>						<b>71,556,236</b>
Segment liabilities	1,014,673	2,033,863	3,001,471	106,771	3,568,598	9,725,376
Non-allocated liabilities						6,927,055
Corporate income tax receivables						210,457
<b>Total liabilities</b>						<b>16,862,888</b>
<b>Other segment details</b>						
<b>Capital investments:</b>						
Land - unallocated						150,026
Property, plant and equipment	335,087	115,745	630,529	87,748		1,169,109
Intangible assets				190,728		190,728
Investment property					83,264	83,264
Depreciation of property, plant and equipment	1,069,001	365,869	1,140,873	213,451		2,789,194
Non-allocated depreciation						111,657
<b>Total property, plant and equipment depreciation</b>						<b>2,900,851</b>
Depreciation of intangible assets				51,886		51,886
Depreciation of investment property					271,671	271,671

Notes to the financial statements (continued)

As at 31/12/2025

(All amounts are provided in EUR)

The total assets of the Company and capital investments in assets are in the Republic of Croatia.

### Revenue – per geographical area

Sales revenue may also differ according to the geographical affiliation of customers.

<i>(In EUR, without cents)</i>	2025	2024
Domestic sales revenue	26,858,516	25,756,658
Domestic sales revenue - Group, Arsenal Holdings	2,040	2,040
Revenue from sales abroad	5,709,055	4,263,724
	<b>32,569,611</b>	<b>30,022,422</b>

Domestic sales revenue also include foreign trade receivables in domestic agency arrangements.

### NOTE 20 - OTHER OPERATING REVENUE

<i>(In EUR, without cents)</i>	2025	2024
Revenue from discounts	115,194	92,714
Revenue from previous years	23,256	96,186
Insurance damages collected	49,747	29,615
Revenue from joint financing	39,182	61,424
Other revenue	33,271	49,171
	<b>260,650</b>	<b>329,110</b>

### NOTE 21 - COST OF RAW MATERIAL, MATERIALS AND ENERGY

<i>(In EUR, without cents)</i>	2025	2024
Raw materials and materials consumed	3,152,096	2,797,769
Energy	1,113,325	1,088,253
Small inventory	271,376	260,279
	<b>4,536,797</b>	<b>4,146,301</b>

Notes to the financial statements (continued)

As at 31/12/2025

(All amounts are provided in EUR)

## NOTE 22 - COST OF SERVICES

<i>(In EUR, without cents)</i>	2025	2024
Transport, telephone, postal fees	249,124	328,432
Repairs and maintenance	1,004,383	1,184,737
Cost of fairs	28,498	18,161
Leases	776,734	965,536
Rents - Group, Arsenal Holdings, TC	242,087	242,087
Rents - related party, natural person	39,024	39,024
Promotion costs	790,957	736,547
Promotion costs - Group, Arsenal Holdings	553	479
Municipal utility services	735,004	753,442
Utility and water fees	375,586	363,312
Other services	73,410	60,086
	<b>4,315,360</b>	<b>4,691,843</b>

## NOTE 23 - STAFF COSTS

<i>(In EUR, without cents)</i>	2025	2024
Net salaries	6,231,102	5,286,723
Taxes and contributions from/on salaries	4,179,123	3,477,162
Key management rewards	241,641	285,657
Taxes and contributions from/on key management award	197,630	161,464
Allocation of its shares to employees	398,011	0
Other regulatory disbursements	1,488,844	1,572,813
	<b>12,736,351</b>	<b>10,783,819</b>

At the end of the year the number of staff employed by the Company was 300 (2024: 306). This is the number of employees based on actual working hours (whole number) at the end of the tax period.

Gross salaries and compensation of key management in 2025 amounted to EUR 538,808.20 (2024: EUR 481,111.83).

Notes to the financial statements (continued)

As at 31/12/2025

(All amounts are provided in EUR)

## NOTE 24 - OTHER OPERATING EXPENSES

<i>(In EUR, without cents)</i>	2025	2024
Agency fees	440,344	401,461
Intellectual services (lawyer, notary and other)	19,808	31,054
Entertainment programme organisation	474,865	332,882
Commissions and fees	879,781	744,600
Security services	298,033	285,464
Entertainment expenses	224,797	261,291
Insurance premiums	178,436	165,232
Memberships, taxes and contributions	121,084	115,717
Bank and payment transaction charges	63,515	56,497
Concessions	243,957	231,607
Donations, sponsorships	87,261	68,632
Deficits	25,612	25,187
Subsequently identified expenses from previous years	40,602	45,794
Write-off of uncollected trade receivables for which legal proceedings or forced collection are initiated	18,213	52,102
Other	150,073	125,837
	<b>3,266,381</b>	<b>2,943,357</b>

The fee for the audit of the Company's financial statements for the year ended 31 December 2025 was EUR 24,000. Other audit services in the amount of EUR 4,160 relate to the audit of the Report on the Remuneration of the Management Board and Supervisory Board of the Company, the Auditor's Report on the Report on the Company's Relations with Related Parties and Related Persons.

## NOTE 25 - NET FINANCIAL EXPENSES

<i>(In EUR, without cents)</i>	2025	2024
<b>Financial revenue</b>		
Foreign exchange gains	0	0
Interest income	328,627	334,461
Total financial revenue	328,627	334,461
<b>Financial expenses</b>		
Foreign exchange losses	0	0
Interest expenses	(412,082)	(455,361)
Other financial expenses	(6,480)	(6,860)
Total financial expenses	(418,562)	(462,221)
<b>Net financial expenses</b>	<b>(89,935)</b>	<b>(127,760)</b>

Notes to the financial statements (continued)

As at 31/12/2025

(All amounts are provided in EUR)

## NOTE 26 - CORPORATE INCOME TAX

Corporate income tax is calculated in accordance with Croatian legislation. Tax rate on taxable income is 18% (2024: 18%). As at 31 December 2025, the corporate income tax liability amounted to EUR 891,404.69 (2024: EUR 857,969.63).

Adjustment of the Company's effective tax expense per income statement with statement of comprehensive income and taxation at the statutory rate is detailed in the table below:

<i>(In EUR, without cents)</i>	31 December 2025	31 December 2024
<b>Profit before tax</b>	<b>4,614,353</b>	<b>4,434,044</b>
Tax calculated at a rate of 18%	830,584	798,128
Tax effect of net expenses non-deductible for tax purposes	60,821	59,842
Tax effect of net income not subject to tax		
<b>Tax liability</b>	<b>891,405</b>	<b>857,970</b>
Benefit under the Investment Promotion Act	0	0
<b>Final tax liability</b>	<b>891,405</b>	<b>857,970</b>

## NOTE 27 - EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profit attributable to shareholders by the weighted average number of ordinary shares outstanding during the year, excluding the average number of ordinary shares purchased by the Company and held as own shares (Note 14).

	2025	2024
Net profit attributable to shareholders <i>(in EUR)</i>	3,722,948	3,576,074
Weighted average number of issued ordinary shares	2,408,772	2,398,282
Basic earnings per share <i>(in EUR)</i>	1.55	1.49

Notes to the financial statements (continued)

As at 31/12/2025

(All amounts are provided in EUR)

## NOTE 28 - CASH GENERATED FROM OPERATIONS

Adjustment of profit with cash generated from operations as follows:

<i>(In EUR, without cents)</i>	2025	2024
<b>Profit for the current year</b>	<b>4,614,353</b>	<b>4,434,044</b>
<i>Adjustment for:</i>		
Depreciation of intangible assets (Note 6)	50,738	51,886
Property, plant and equipment depreciation (Note 7)	2,966,938	2,919,626
Depreciation of investment property (Note 8)	253,408	252,896
Sold and disposed intangible assets (Note 7)	(12,532)	(25,187)
Distribution of own shares (Note 14)	(354,527)	0
Corporate income tax paid	(910,467)	(866,728)
Other adjustments	278,854	78,662
<i>Changes in working capital:</i>		
- trade receivables	29,231	(118,660)
- other receivables	(11,354)	59,822
- inventories	21,912	(72,664)
- trade payables	239,363	(113,437)
- liabilities to the government	102,591	136,823
- employee payables	72,337	26,055
- other payables	(48,530)	0
<b>Cash inflow generated from operations</b>	<b>7,292,315</b>	<b>6,763,138</b>

## NOTE 29 - RELATED PARTY TRANSACTIONS

The Company majority owner is Arsenal Holdings d.o.o., Zadar, which owns 59.21% share in the Company. Transactions with related parties, in addition to the aforementioned, include transactions with Trgovinski centar Zadar d.o.o., which is a member of the "Arsenal Holdings" group and which is owned by the same owner as well as the co-owners of the Company - natural persons and the Management Board and key management. Related party transactions, in the normal course of its operations, include purchase and sale of goods under market conditions, as well as services, loans and gross salaries of key management and supervisory board compensation.

Year-end balances resulting from related party transactions that are included in the balance sheet are as follows:

<i>(In EUR, without cents)</i>	2025	2024
Domestic trade receivables (Note 11)	213	0
Other receivables from co-owners (Note 11)	23,881	2,290
Trade payables (Note 18)	10,197	38,217

Notes to the financial statements (continued)

As at 31/12/2025

(All amounts are provided in EUR)

During the year the Company had the following related party transactions which are reflected in the income statement:

<i>(In EUR, without cents)</i>	2025	2024
Service revenue (Note 19)	2,040	2,040
Rents (Note 22)	281,111	281,111
Promotion (Note 22)	553	479
Gross salaries of key management (Note 23)	538,808	481,112
Service contract (net)	66,897	56,649
Supervisory Board	93,456	160,573

### NOTE 30 – RISK MANAGEMENT

During its regular business operations, the Company is exposed to interest rate, currency, and credit risks. The policy for managing risks connected to short-term and long-term financing of clients, managing funds and debts and liabilities can be summarised as follows:

#### ***Interest rate risk***

Interest rate risk refers to risk of changes in the value of future cash flows of a financial instrument due to changes in market interest rates.

The Company's exposure to risk of changes on the interest rate market is primarily linked to received loans and granted deposits and loans.

Due to the fact that the Company uses the borrowings with both fixed and, to a lesser extent, variable interest rate, it is subject to minimal risk of variable interest rates.

#### ***Credit risk***

Financial assets that may potentially expose the Company to credit risk are cash and trade receivables. Trade receivables pertaining to certain customers may entail credit risk, depending on the level of turnover realised with certain customers and the general state of liquidity in the country. Trade receivables are reported with reference to real values. An adjustment of the value of trade receivables is indicated when there is objective evidence that the Company will not be able to collect all of its claims in accordance with the agreed terms. Apart from the aforementioned, the Company has no exposure to any other significant credit risk.

#### ***Liquidity risk***

The Management Board is responsible for liquidity risk management, as it sets out an appropriate framework for managing the liquidity risk, in order to manage short-term, mid-term, and long-term financing and liquidity requirements.

With regard to the liquidity risk, the Company's policy is to maintain adequate funds or to have funds at its disposal from loans for future liabilities.

## Notes to the financial statements (continued)

As at 31/12/2025

*(All amounts are provided in EUR)*

The Company uses the following basic models for measuring the liquidity risk and based on the results it implements measures for liquidity risk management:

- Budgetary projections
- Cash flow projections
- Fund source analysis
- Maturity mismatch analysis of the statement of financial position.

Prudent liquidity management implies maintaining a sufficient amount of money in order to settle the Company's liabilities. The Finance Department monitors the level of liquidity on a regular basis. The Company has been carrying out activities to optimise all of its operating costs and minimise them to essential and indispensable costs, and actively cooperates with all significant creditors to settle current liabilities.

*Tabular analysis of the liquidity risk*

The following tables show the maturity of the Company's liabilities presented in the statement of financial position at the end of the period.

<i>(In EUR, without cents)</i>	<b>Weighted average effective interest rate rate %</b>	<b>Up to 1 month</b>	<b>From 1 to 3 mos</b>	<b>From 3 mos to 3 yr</b>	<b>Over 1 yr</b>	<b>Total</b>
<b>2024</b>						
Interest-free	-	1,695,959	0	0	0	1,695,959
Interest	3.09%	285,093	570,186	2,565,839	10,156,776	13,577,894
		<b>1,981,052</b>	<b>570,186</b>	<b>2,565,839</b>	<b>10,156,776</b>	<b>15,273,853</b>
<b>2025</b>						
Interest-free	-	1,886,792	0	0	0	1,886,792
Interest	3.85%	316,022	632,044	2,844,198	8,351,956	12,144,220
		<b>2,202,814</b>	<b>632,044</b>	<b>2,844,198</b>	<b>8,351,956</b>	<b>14,031,012</b>

The tables are based on undiscounted cash outflows per financial liability as at their maturity date. The tables show cash flows per principal.

## Notes to the financial statements (continued)

As at 31/12/2025

*(All amounts are provided in EUR)*

The following tables show the maturity of the Company's financial assets presented in the statement of financial position at the end of the period, confirming the non-existence of the liquidity risk.

<i>(In EUR, without cents)</i>	<b>Weighted average effective interest rate rate</b> %	<b>Up to 1 month</b>	<b>From 1 to 3 mos</b>	<b>From 3 mos to 1 yr</b>	<b>From 1 to 5 yrs</b>	<b>Total</b>
<b>2024</b>						
Receivables and cash balances	-	1,477,760	0	0	0	1,477,760
Deposits and loans	2.75%	0	0	13,000,000	0	13,000,000
		<b>1,477,760</b>	<b>0</b>	<b>13,000,000</b>	<b>0</b>	<b>14,477,760</b>
<b>2025</b>						
Receivables and cash balances	-	1,540,624	0	0	0	1,540,624
Deposits and loans	2.00%	0	0	13,500,000	0	13,500,000
		<b>1,540,624</b>	<b>0</b>	<b>13,500,000</b>	<b>0</b>	<b>15,040,624</b>

The illiquidity risk, which is considered a financing risk, refers to a risk of difficulties that the Company will face when collecting funds for the timely settlement of liabilities linked to financial instruments. The Company's approach to managing liquidity is to ensure, as much as possible, its liquidity at any given moment in order to be able to timely meet its obligations, both in regular and extraordinary circumstances, without causing unacceptable losses or risking damage to the Company's reputation. The liquidity risk arises from everyday activities. Currently, the Company is not at risk of illiquidity, and current assets exceed current liabilities several times over.

**Currency risk**

Currency risk is the risk of changes in the fair value or future cash flows of financial instruments due to changes in foreign currency exchange rates.

The introduction of the euro as the official currency in the Republic of Croatia significantly affects the Company's exposure to currency and price risks.

The Company is not significantly exposed to currency risk since it conducts most of its business activities in the domestic market and its revenue and expenses, as well as financial assets and liabilities, are denominated in the domestic currency.

Accordingly, changes in foreign exchange rates do not have a significant impact on the financial position and operating results of the Company.

**Regulatory risk**

The Company is exposed to changes in tax and other regulations within the legal system of the Republic of Croatia. In particular, this applies to the regulations pertaining to the maritime domain and tourist land, in which domain the Company has made significant long-term investments crucial for its business, while not all rights guaranteed by the Constitution from the field of protection of capital investments (referred to in Art. 48 and 49 of the Constitution of the Republic of Croatia), of which the Company informs the regulatory and investment public multiple times in its regular annual and quarterly business and financial reports.

Notes to the financial statements (continued)

As at 31/12/2025

*(All amounts are provided in EUR)*

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### **NOTE 31 – CONTINGENT LIABILITIES**

The Company is a party to several legal proceedings, but the Management Board does not expect losses that would significantly impact property, ownership status and operations of the Company.

Upon order of the Company, a bank guarantee was issued in favour of Hrvatske šume d.o.o., Zagreb, for the amount of EUR 66,361 with a validity period until 15 July 2024, as well as a bank guarantee in favour of the Ministry of Sea, Transport and Infrastructure of the Republic of Croatia, in the amount of EUR 59,917 with a validity period until 9 April 2030.

### **NOTE 32 – EVENTS FOLLOWING THE REPORTING PERIOD**

After 31 December 2025, until the date of approving the financial statements by the Management Board, no events occurred that would have a significant impact on the financial statements of the Company.

### **NOTE 33 - FINANCIAL STATEMENTS AUTHORIZATION**

The Company Management Board adopted the financial statements and authorised their issuing on 26 February 2026.

Signed on behalf of the Company's Management Board



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Goran Ražnjević, member of the  
Management Board

## Addition "Standard Annual Financial Statements"

As at 31/12/2025

(All amounts are provided in EUR)

Based on the Ordinance on the Structure and Content of Annual Financial Statements of 20 October 2016 (OG 107/2025), the following tables show financial in accordance with the mentioned Ordinance (income statement, including the statement of comprehensive income, statement of financial position (balance sheet))

### Balance sheet of ILIRIJA d.d.

Submitter: Ilirija d.d.; PIN: 05951496767				
Item	ADP code	No Notes	Previous year (net)	Current year (net)
1	2	3	4	5
<b>ASSETS</b>				
<b>A) RECEIVABLES FOR SUBSCRIBED CAPITAL UNPAID</b>	<b>001</b>		0,00	0,00
<b>B) FIXED ASSETS (ADP 003+010+020+031+036)</b>	<b>002</b>		56.802.314,73	57.236.920,83
<b>I INTANGIBLE ASSETS (ADP 004 to 009)</b>	<b>003</b>	<b>6</b>	59.413,35	121.502,66
1 Research and development	004		0,00	0,00
2 Concessions, patents, licences, trademarks, software and other rights	005		0,00	0,00
3 Goodwill	006		0,00	0,00
4 Advances for the purchase of intangible assets	007		0,00	0,00
5 Intangible assets in preparation	008		0,00	0,00
6 Other intangible assets	009		59.413,35	121.502,66
<b>II TANGIBLE ASSETS (ADP 011 to 019)</b>	<b>010</b>		56.737.983,95	57.110.500,74
1 Land	011	<b>7</b>	5.894.094,96	6.278.078,96
2 Buildings	012	<b>7</b>	32.280.003,34	32.809.604,04
3 Plant and equipment	013	<b>7</b>	8.358.260,95	7.895.665,94
4 Tools, working inventory and transportation assets	014		0,00	0,00
5 Biological assets	015		0,00	0,00
6 Advances for the purchase of tangible assets	016	<b>7</b>	0,00	0,00
7 Tangible assets in preparation	017	<b>7</b>	389.533,48	545.712,72
8 Other tangible assets	018		0,00	0,00
9 Investment property	019	<b>8</b>	9.816.091,22	9.581.439,08
<b>III FIXED FINANCIAL ASSETS (ADP 021 to 030)</b>	<b>020</b>		4.917,43	4.917,43
1 Investments in holdings (shares) of undertakings within the group	021	<b>9</b>	4.917,43	4.917,43
2 Investments in other securities of undertakings within the group	022		0,00	0,00
3 Loans, deposits, etc. to undertakings within the group	023		0,00	0,00
4 Investments in holdings (shares) of companies linked by virtue of participating interests	024		0,00	0,00
5 Investment in other securities of companies linked by virtue of participating interests	025		0,00	0,00
6 Loans, deposits etc. given to companies linked by virtue of participating interests	026		0,00	0,00
7 Investments in securities	027		0,00	0,00
8 Loans, deposits, etc. given	028		0,00	0,00
9 Other investments accounted for using the equity method	029		0,00	0,00
10 Other fixed financial assets	030		0,00	0,00
<b>IV RECEIVABLES (ADP 032 to 035)</b>	<b>031</b>		0,00	0,00
1 Receivables from undertakings within the group	032		0,00	0,00
2 Receivables from companies linked by virtue of participating interests	033		0,00	0,00
3 Trade receivables	034		0,00	0,00
4 Other receivables	035		0,00	0,00

## Addition "Standard Annual Financial Statements"

As at 31/12/2025

(All amounts are provided in EUR)

**Balance sheet of ILIRIJA d.d. (continued)**

As at 31 December 2025

Submitter: Ilirija d.d.; PIN: 05951496767				
Item	ADP code	No Notes	Previous year (net)	Current year (net)
1	2	3	4	5
<b>V DEFERRED TAX ASSETS</b>	<b>036</b>		0,00	0,00
<b>C) CURRENT ASSETS (ADP 038+046+053+063)</b>	<b>037</b>		<b>14.215.009,10</b>	<b>14.756.378,53</b>
<b>I INVENTORIES (ADP 039 to 045)</b>	<b>038</b>	<b>10</b>	<b>276.161,88</b>	<b>254.250,18</b>
1 Raw material and materials	039		276.161,88	254.250,18
2 Production under construction	040		0,00	0,00
3 Finished goods	041		0,00	0,00
4 Merchandise	042		0,00	0,00
5 Advances for inventories	043		0,00	0,00
6 Fixed assets held for sale	044		0,00	0,00
7 Biological assets	045		0,00	0,00
<b>II RECEIVABLES (ADP 047 to 052)</b>	<b>046</b>	<b>11</b>	<b>910.595,97</b>	<b>928.889,24</b>
1 Receivables from undertakings within the group	047		0,00	0,00
2 Receivables from companies linked by virtue of participating interests	048		0,00	0,00
3 Trade receivables	049		649.010,60	678.241,37
4 Receivables from employees and members of the undertaking	050		16.458,61	39.155,67
5 Receivables from government and other institutions	051		24.823,76	34.444,11
6 Other receivables	052		220.303,00	177.048,09
<b>III CURRENT FINANCIAL ASSETS (ADP 054 to 062)</b>	<b>053</b>	<b>12</b>	<b>13.000.000,00</b>	<b>13.500.000,00</b>
1 Investments in holdings (shares) of undertakings within the group	054		0,00	0,00
2 Investments in other securities of undertakings within the group	055		0,00	0,00
3 Loans, deposits, etc. to undertakings within the group	056		0,00	0,00
4 Investments in holdings (shares) of companies linked by virtue of participating interests	057		0,00	0,00
5 Investment in other securities of companies linked by virtue of participating interests	058		0,00	0,00
6 Loans, deposits etc. given to companies linked by virtue of participating interests	059		0,00	0,00
7 Investments in securities	060		0,00	0,00
8 Loans, deposits, etc. given	061		13.000.000,00	13.500.000,00
9 Other financial assets	062		0,00	0,00
<b>IV CASH AT BANK AND IN HAND</b>	<b>063</b>	<b>13</b>	<b>28.251,25</b>	<b>73.239,11</b>
<b>D ) PREPAID EXPENSES AND ACCRUED INCOME</b>	<b>064</b>	<b>11</b>	<b>538.912,31</b>	<b>538.495,31</b>
<b>E) TOTAL ASSETS (ADP 001+002+037+064)</b>	<b>065</b>		<b>71.556.236,14</b>	<b>72.531.794,67</b>
<b>F) OFF-BALANCE SHEET ITEMS</b>	<b>066</b>		<b>0,00</b>	<b>0,00</b>

## Addition "Standard Annual Financial Statements"

As at 31/12/2025

(All amounts are provided in EUR)

**Balance sheet of ILIRIJA d.d. (continued)**

As at 31 December 2025

Submitter: Ilirija d.d.; PIN: 05951496767				
Item	ADP code	No Notes	Previous year (net)	Current year (net)
1	2	3	4	5
<b>LIABILITIES</b>				
<b>A) CAPITAL AND RESERVES (ADP 068 to 070+076+077+083+086+089)</b>	<b>067</b>	<b>14</b>	54.693.348,46	56.805.699,56
<b>I INITIAL (SUBSCRIBED) CAPITAL</b>	<b>068</b>		30.420.000,00	30.420.000,00
<b>II CAPITAL RESERVES</b>	<b>069</b>		389.194,89	389.194,89
<b>III RESERVES FROM PROFIT (ADP 071+072-073+074+075)</b>	<b>070</b>		4.664.642,16	4.187.093,36
1 Legal reserves	<b>071</b>		3.195.697,87	3.195.697,87
2 Reserves for own shares	<b>072</b>		925.836,64	138.145,04
3 Treasury shares and holdings (deductible item)	<b>073</b>		-448.287,84	-138.145,04
4 Statutory reserves	<b>074</b>		0,00	0,00
5 Other reserves	<b>075</b>		991.395,49	991.395,49
<b>IV REVALUATION RESERVES</b>	<b>076</b>		0,00	0,00
<b>V FAIR VALUE RESERVES AND OTHER (ADP 078 to 082)</b>	<b>077</b>		0,00	0,00
1 Financial assets at fair value through other comprehensive income (i.e. available for sale)	<b>078</b>		0,00	0,00
2 Cash flow hedge – effective portion	<b>079</b>		0,00	0,00
3 Hedge of a net investment in a foreign operation – effective portion	<b>080</b>		0,00	0,00
4 Other fair value reserves	<b>081</b>		0,00	0,00
5 Exchange differences arising from the translation of foreign operations (consolidation)	<b>082</b>		0,00	0,00
6 Exchange rate differences from translation into the presentation currency	<b>083</b>		0,00	0,00
<b>VI RETAINED PROFIT OR LOSS BROUGHT FORWARD (ADP 084-085)</b>	<b>084</b>		15.643.437,08	18.086.463,01
1 Retained profit	<b>085</b>		15.643.437,08	18.086.463,01
2 Loss brought forward	<b>086</b>		0,00	0,00
<b>VII PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 087-088)</b>	<b>087</b>		3.576.074,33	3.722.948,30
1 Profit for the business year	<b>088</b>		3.576.074,33	3.722.948,30
2 Loss for the business year	<b>089</b>		0,00	0,00
<b>VIII MINORITY (NON-CONTROLLING) INTEREST</b>	<b>090</b>		0,00	0,00
<b>B) PROVISIONS (ADP 091 to 096)</b>	<b>091</b>	<b>17</b>	154.107,16	154.107,16
1 Provisions for pensions, termination benefits and similar obligations	<b>092</b>		0,00	0,00
2 Provisions for tax liabilities	<b>093</b>		0,00	0,00
3 Provisions for ongoing legal cases	<b>094</b>		154.107,16	154.107,16
4 Provisions for renewal of natural resources	<b>095</b>		0,00	0,00
5 Provisions for warranty obligations	<b>096</b>		0,00	0,00
6 Other provisions	<b>097</b>		0,00	0,00

## Addition "Standard Annual Financial Statements"

As at 31/12/2025

(All amounts are provided in EUR)

**Balance sheet of ILIRIJA d.d. (continued)**

As at 31 December 2025

Submitter: Ilirija d.d.; PIN: 05951496767				
Item	ADP code	No Notes	Previous year (net)	Current year (net)
1	2	3	4	5
<b>C) LONG-TERM LIABILITIES (ADP 098 to 108)</b>	<b>098</b>		<b>10.156.775,58</b>	<b>8.351.955,91</b>
1 Liabilities to undertakings within the group	099		0,00	0,00
2 Liabilities for loans, deposits, etc. of undertakings within the group	100		0,00	0,00
3 Liabilities to companies linked by virtue of participating interests	101		0,00	0,00
4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests	102		0,00	0,00
5 Liabilities for loans, deposits, etc.	103		0,00	0,00
6 Liabilities to banks and other financial institutions	104	16	10.156.775,58	8.351.955,91
7 Payables under advances	105		0,00	0,00
8 Trade payables	106		0,00	0,00
9 Liabilities for securities	107		0,00	0,00
10 Other non-current liabilities	108		0,00	0,00
11 Deferred tax liability	109		0,00	0,00
<b>D) SHORT-TERM LIABILITIES (ADP 110 to 123)</b>	<b>110</b>		<b>6.161.373,97</b>	<b>6.898.280,98</b>
1 Liabilities to undertakings within the group	111		38.216,89	10.197,00
2 Liabilities for loans, deposits, etc. of undertakings within the group	112		0,00	0,00
3 Liabilities to companies linked by virtue of participating interests	113		0,00	0,00
4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests	114		0,00	0,00
5 Liabilities for loans, deposits, etc.	115		0,00	0,00
6 Liabilities to banks and other financial institutions	116	16	3.421.118,41	3.792.264,25
7 Payables under advances	117	18	57.250,96	46.937,74
8 Trade payables	118	18	1.600.491,27	1.829.657,25
9 Liabilities for securities	119		0,00	0,00
10 Employee payables	120	18	379.461,02	451.797,88
11 Taxes, contributions and similar liabilities	121	18	653.103,25	720.140,53
12 Liabilities arising from the share in the result	122	18	11.732,17	31.842,33
13 Liabilities arising from fixed assets held for sale	123		0,00	0,00
14 Other current liabilities	124		0,00	15.444,00
<b>E) ACCRUALS AND DEFERRED INCOME</b>	<b>125</b>	<b>18</b>	<b>390.630,97</b>	<b>321.751,06</b>
<b>F) TOTAL – LIABILITIES (ADP 067+090+097+109+124)</b>	<b>126</b>		<b>71.556.236,14</b>	<b>72.531.794,67</b>
<b>G) OFF-BALANCE SHEET ITEMS</b>	<b>127</b>		<b>0,00</b>	<b>0,00</b>

## Addition "Standard Annual Financial Statements"

As at 31/12/2025

(All amounts are provided in EUR)

**Statement of profit or loss of ILIRIJA d.d.**

for the period from 01/01/2025 to 31/12/2025

Submitter: Ilirija d.d.; PIN: 05951496767				
Item	ADP code	No Notes	Previous year (net)	Current year (net)
1	2	3	4	5
<b>I OPERATING INCOME (ADP 002 to 006)</b>	<b>001</b>		<b>30.351.531,85</b>	<b>32.830.260,91</b>
1 Income from sales with undertakings within the group	002	19	2.040,01	2.040,28
2 Income from sales	003	19	30.020.381,48	32.567.571,00
3 Income from the use of own products, goods and services	004	20	10.642,61	18.193,56
4 Other operating income with undertakings within the group	005		0,00	0,00
5 Other operating income (outside the group)	006	20	318.467,75	242.456,07
<b>II OPERATING EXPENSES (ADP 08+009+013+017+018+019+022+029)</b>	<b>007</b>		<b>25.789.727,91</b>	<b>28.125.973,14</b>
1 Changes in inventories of work in progress and finished goods	008		0,00	0,00
2 Material costs (ADP 010 to 011)	009		8.838.143,81	8.852.157,15
a) Costs of raw materials and consumables	010	21	4.146.300,75	4.536.796,91
b) Costs of goods sold	011		0,00	0,00
c) Other external costs	012	22	4.691.843,06	4.315.360,24
3 Staff costs (ADP 014 to 016)	013	23	8.763.884,73	10.410.224,57
a) Net salaries and wages	014		5.286.722,97	6.231.101,62
b) Tax and contributions from salary costs	015		2.232.438,83	2.701.367,82
c) Contributions on salaries	016		1.244.722,93	1.477.755,13
4 Depreciation	017	6,7	3.224.408,20	3.271.084,56
5 Other costs	018	24	4.657.089,17	4.937.105,12
6 Value adjustments (ADP 020+021)	019		0,00	0,00
a) fixed assets other than financial assets	020		0,00	0,00
b) current assets other than financial assets	021		0,00	0,00
7 Provisions (ADP 023 to 028)	022		0,00	0,00
a) Provisions for pensions, termination benefits and similar obligations	023		0,00	0,00
b) Provisions for tax liabilities	024		0,00	0,00
c) Provisions for ongoing legal cases	025		0,00	0,00
d) Provisions for renewal of natural resources	026		0,00	0,00
e) Provisions for warranty obligations	027		0,00	0,00
f) Other provisions	028		0,00	0,00
8 Other operating expenses	029	24	306.202,00	655.401,74

## Addition "Standard Annual Financial Statements"

As at 31/12/2025

(All amounts are provided in EUR)

**Statement of profit or loss of ILIRIJA d.d. (continued)**

for the period from 01/01/2025 to 31/12/2025

Submitter: Ilirija d.d.; PIN: 05951496767				
Item	ADP code	No Notes	Prethodna godina (neto)	Tekuća godina (neto)
1	2	3	4	5
<b>III FINANCIAL INCOME (ADP 031 to 040)</b>	<b>030</b>	<b>25</b>	<b>334.460,72</b>	<b>328.626,97</b>
1 Income from investments in holdings (shares) of undertakings within the group	031		0,00	0,00
2 Income from investments in holdings (shares) of companies linked by virtue of participating interests	032		0,00	0,00
3 Income from other long-term financial investment and loans granted to undertakings within the group	033		0,00	0,00
4 Other interest income from operations with undertakings within the group	034		0,00	0,00
5 Exchange rate differences and other financial income from operations with undertakings within the group	035		0,00	0,00
6 Income from other long-term financial investments and loans	036		0,00	0,00
7 Other interest income	037		334.460,72	328.626,97
8 Exchange rate differences and other financial income	038		0,00	0,00
9 Unrealised gains (income) from financial assets	039		0,00	0,00
10 Other financial income	040		0,00	0,00
<b>IV FINANCIAL EXPENSES (ADP 042 to 048)</b>	<b>041</b>	<b>25</b>	<b>462.220,70</b>	<b>418.561,75</b>
1 Interest expenses and similar expenses with undertakings within the group	042		0,00	0,00
2 Exchange rate differences and other expenses from operations with undertakings within the group	043		0,00	0,00
3 Interest expenses and similar expenses	044		448.923,03	413.850,44
4 Exchange rate differences and other expenses	045		6.437,40	4.711,31
5 Unrealised losses (expenses) from financial assets	046		0,00	0,00
6 Value adjustments of financial assets (net)	047		0,00	0,00
7 Other financial expenses	048		6.860,27	0,00
<b>V SHARE IN PROFIT FROM UNDERTAKINGS LINKED BY VIRTUE OF PARTICIPATING INTERESTS</b>	<b>049</b>		0,00	0,00
<b>VI SHARE IN PROFIT FROM JOINT VENTURES</b>	<b>050</b>		0,00	0,00
<b>VII SHARE IN LOSS OF COMPANIES LINKED BY VIRTUE OF PARTICIPATING INTEREST</b>	<b>051</b>		0,00	0,00
<b>VIII SHARE IN LOSS OF JOINT VENTURES</b>	<b>052</b>		0,00	0,00
<b>IX TOTAL INCOME (ADP 001+030+049 +050)</b>	<b>053</b>		<b>30.685.992,57</b>	<b>33.158.887,88</b>
<b>X TOTAL EXPENDITURE (ADP 007+041+051 + 052)</b>	<b>054</b>		<b>26.251.948,61</b>	<b>28.544.534,89</b>
<b>XI PRE-TAX PROFIT OR LOSS (ADP 053-054)</b>	<b>055</b>		<b>4.434.043,96</b>	<b>4.614.352,99</b>
1 Pre-tax profit (ADP 053-054)	056		4.434.043,96	4.614.352,99
2 Pre-tax loss (ADP 054-053)	057		0,00	0,00
<b>XII INCOME TAX</b>	<b>058</b>	<b>26</b>	857.969,63	891.404,69
<b>XIII PROFIT OR LOSS FOR THE PERIOD (ADP 055-059)</b>	<b>059</b>		<b>3.576.074,33</b>	<b>3.722.948,30</b>
1 Profit for the period (ADP 055-059)	060		3.576.074,33	3.722.948,30
2 Loss for the period (ADP 059-055)	061		0,00	0,00

## 9.8 2025 ANNUAL FINANCIAL STATEMENTS

## Annex 1

## ISSUER'S GENERAL DATA

Reporting period:	01/01/2025	to	31/12/2025
Year:	2025		
Annual financial statements			
Registration number (MB):	03311953	Issuer's home Member State code:	CROATIA
Entity's registration number (MBS):	060032302		
Personal identification number (OIB):	05951496767	LEI:	74780000VOGH8Q3K5K76
Institution code:	1271		
Name of the issuer:	ILIRIJA d.d. BIOGRAD NA MORU		
Postcode and town:	23210	BIOGRAD NA MORU	
Street and house number:	TINA UJEVIĆA 7		
E-mail address:	ilirija@zd.t-com.hr		
Web address:	www.ilirijabiograd.com		
Number of employees (end of the reporting period):"	300		
Consolidated report:	KN	(KN-not consolidated/KD-consolidated)	
Audited:	RD	(RN-not audited/RD-audited)	
Names of subsidiaries (according to IFRS):		Registered office:	MB:
Bookkeeping firm:		(Yes/No)	
			(name of the bookkeeping firm)
Contact person:	ZORKA STRPIĆ		
	(only name and surname of the contact person)		
Telephone:	023/383178		
E-mail address:	zorkas@ilirijabiograd.com		
Audit firm:	UHY RUDAN d.o.o. ZAGREB		
	(name of the audit firm)		
Certified auditor:			
	(name and surname)		

BALANCE SHEET			
Balance as at 31/12/2025			in EUR
Submitter:ILIRIJA d.d. BIOGRAD NA MORU			
Item	ADP code	Last day of the preceding business year	At the reporting date of the current period
1	2	3	4
<b>A) RECEIVABLES FOR SUBSCRIBED CAPITAL UNPAID</b>	<b>001</b>	<b>0,00</b>	<b>0,00</b>
<b>B) FIXED ASSETS (ADP 003+010+020+031+036)</b>	<b>002</b>	<b>56.802.314,73</b>	<b>57.236.920,83</b>
<b>I INTANGIBLE ASSETS (ADP 004 to 009)</b>	<b>003</b>	<b>59.413,35</b>	<b>121.502,66</b>
1 Research and development	004	0,00	0,00
2 Concessions, patents, licences, trademarks, software and other rights	005	0,00	0,00
3 Goodwill	006	0,00	0,00
4 Advances for the purchase of intangible assets	007	0,00	0,00
5 Intangible assets in preparation	008	0,00	0,00
6 Other intangible assets	009	59.413,35	121.502,66
<b>II TANGIBLE ASSETS (ADP 011 to 019)</b>	<b>010</b>	<b>56.737.983,95</b>	<b>57.110.500,74</b>
1 Land	011	5.894.094,96	6.278.078,96
2 Buildings	012	32.280.003,34	32.809.604,04
3 Plant and equipment	013	8.358.260,95	7.895.665,94
4 Tools, working inventory and transportation assets	014	0,00	0,00
5 Biological assets	015	0,00	0,00
6 Advances for the purchase of tangible assets	016	0,00	0,00
7 Tangible assets in preparation	017	389.533,48	545.712,72
8 Other tangible assets	018	0,00	0,00
9 Investment property	019	9.816.091,22	9.581.439,08
<b>III FIXED FINANCIAL ASSETS (ADP 021 to 030)</b>	<b>020</b>	<b>4.917,43</b>	<b>4.917,43</b>
1 Investments in holdings (shares) of undertakings within the group	021	4.917,43	4.917,43
2 Investments in other securities of undertakings within the group	022	0,00	0,00
3 Loans, deposits, etc. to undertakings within the group	023	0,00	0,00
4. Investments in holdings (shares) of companies linked by virtue of participating interests	024	0,00	0,00
5 Investment in other securities of companies linked by virtue of participating interests	025	0,00	0,00
6 Loans, deposits etc. given to companies linked by virtue of participating interests	026	0,00	0,00
7 Investments in securities	027	0,00	0,00
8 Loans, deposits, etc. given	028	0,00	0,00
9 Other investments accounted for using the equity method	029	0,00	0,00
10 Other fixed financial assets	030	0,00	0,00
<b>IV RECEIVABLES (ADP 032 to 035)</b>	<b>031</b>	<b>0,00</b>	<b>0,00</b>
1 Receivables from undertakings within the group	032	0,00	0,00
2 Receivables from companies linked by virtue of participating interests	033	0,00	0,00
3 Customer receivables	034	0,00	0,00
4 Other receivables	035	0,00	0,00
<b>V DEFERRED TAX ASSETS</b>	<b>036</b>	<b>0,00</b>	<b>0,00</b>
<b>C) CURRENT ASSETS (ADP 038+046+053+063)</b>	<b>037</b>	<b>14.215.009,10</b>	<b>14.756.378,53</b>
<b>I INVENTORIES (ADP 039 to 045)</b>	<b>038</b>	<b>276.161,88</b>	<b>254.250,18</b>
1 Raw materials and consumables	039	276.161,88	254.250,18

2 Work in progress	040	0,00	0,00
3 Finished goods	041	0,00	0,00
4 Merchandise	042	0,00	0,00
5 Advances for inventories	043	0,00	0,00
6 Fixed assets held for sale	044	0,00	0,00
7 Biological assets	045	0,00	0,00
<b>II RECEIVABLES (ADP 047 to 052)</b>	<b>046</b>	<b>910.595,56</b>	<b>928.889,24</b>
1 Receivables from undertakings within the group	047	0,00	0,00
2 Receivables from companies linked by virtue of participating interests	048	0,00	0,00
3 Customer receivables	049	649.010,60	678.241,37
4 Receivables from employees and members of the undertaking	050	16.458,36	39.155,67
5 Receivables from government and other institutions	051	24.823,76	34.444,11
6 Other receivables	052	220.302,84	177.048,09
<b>III CURRENT FINANCIAL ASSETS (ADP 054 to 062)</b>	<b>053</b>	<b>13.000.000,00</b>	<b>13.500.000,00</b>
1 Investments in holdings (shares) of undertakings within the group	054	0,00	0,00
2 Investments in other securities of undertakings within the group	055	0,00	0,00
3 Loans, deposits, etc. to undertakings within the group	056	0,00	0,00
4 Investments in holdings (shares) of companies linked by virtue of participating interests	057	0,00	0,00
5 Investment in other securities of companies linked by virtue of participating interests	058	0,00	0,00
6 Loans, deposits etc. to companies linked by virtue of participating interests	059	0,00	0,00
7 Investments in securities	060	0,00	0,00
8 Loans, deposits, etc. given	061	13.000.000,00	13.500.000,00
9 Other financial assets	062	0,00	0,00
<b>IV CASH AT BANK AND IN HAND</b>	<b>063</b>	<b>28.251,66</b>	<b>73.239,11</b>
<b>D ) PREPAID EXPENSES AND ACCRUED INCOME</b>	<b>064</b>	<b>538.912,31</b>	<b>538.495,31</b>
<b>E ) TOTAL ASSETS (ADP 001+002+037+064)</b>	<b>065</b>	<b>71.556.236,14</b>	<b>72.531.794,67</b>
<b>OFF-BALANCE SHEET ITEMS</b>	<b>066</b>	<b>0,00</b>	<b>0,00</b>
<b>LIABILITIES</b>			
<b>A) CAPITAL AND RESERVES (ADP 068 to 070+076+077+081+084+087)</b>	<b>067</b>	<b>54.693.348,46</b>	<b>56.805.699,56</b>
I INITIAL (SUBSCRIBED) CAPITAL	068	30.420.000,00	30.420.000,00
II CAPITAL RESERVES	069	389.194,89	389.194,89
<b>III RESERVES FROM PROFIT (ADP 071+072-073+074+075)</b>	<b>070</b>	<b>4.664.642,16</b>	<b>4.187.093,36</b>
1 Legal reserves	071	3.195.697,87	3.195.697,87
2 Reserves for treasury shares	072	925.836,64	138.145,04
3 Treasury shares and holdings (deductible item)	073	-448.287,84	-138.145,04
4 Statutory reserves	074	0,00	0,00
5 Other reserves	075	991.395,49	991.395,49
IV REVALUATION RESERVES	076	0,00	0,00
<b>V FAIR VALUE RESERVES (ADP 078 to 080)</b>	<b>077</b>	<b>0,00</b>	<b>0,00</b>
1 Financial assets at fair value through other comprehensive income (i.e. available for sale)	078	0,00	0,00
2 Cash flow hedge - effective portion	079	0,00	0,00
3 Hedge of a net investment in a foreign operation - effective portion	080	0,00	0,00
4 Other fair value reserves	081	0,00	0,00
5 Exchange differences arising from the translation of foreign operations (consolidation)	082	0,00	0,00
6 Exchange rate differences from translation into the presentation currency	83	0,00	0,00

<b>VI RETAINED PROFIT OR LOSS BROUGHT FORWARD (ADP 084-085)</b>	<b>084</b>	<b>15.643.437,08</b>	<b>18.086.463,01</b>
1 Retained profit	085	15.643.437,08	18.086.463,01
2 Loss brought forward	086	0,00	0,00
<b>VII PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 087-088)</b>	<b>087</b>	<b>3.576.074,33</b>	<b>3.722.948,30</b>
1 Profit for the business year	088	3.576.074,33	3.722.948,30
2 Loss for the business year	089	0,00	0,00
<b>VIII MINORITY (NON-CONTROLLING) INTEREST</b>	<b>090</b>	<b>0,00</b>	<b>0,00</b>
<b>B) PROVISIONS (ADP 091 to 096)</b>	<b>091</b>	<b>154.107,16</b>	<b>154.107,16</b>
1 Provisions for pensions, termination benefits and similar obligations	092	0,00	0,00
2 Provisions for tax liabilities	093	0,00	0,00
3 Provisions for ongoing legal cases	094	154.107,16	154.107,16
4 Provisions for renewal of natural resources	095	0,00	0,00
5 Provisions for warranty obligations	096	0,00	0,00
6 Other provisions	097	0,00	0,00
<b>C) LONG-TERM LIABILITIES (ADP 098 to 108)</b>	<b>098</b>	<b>10.156.775,58</b>	<b>8.351.955,91</b>
1 Liabilities towards undertakings within the group	099	0,00	0,00
2 Liabilities for loans, deposits, etc. to companies within the group	100	0,00	0,00
3 Liabilities towards companies linked by virtue of participating interest	101	0,00	0,00
4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interest	102	0,00	0,00
5 Liabilities for loans, deposits etc.	103	0,00	0,00
6 Liabilities towards banks and other financial institutions	104	10.156.775,58	8.351.955,91
7 Liabilities for advance payments	105	0,00	0,00
8 Liabilities towards suppliers	106	0,00	0,00
9 Liabilities for securities	107	0,00	0,00
10 Other long-term liabilities	108	0,00	0,00
11 Deferred tax liability	109	0,00	0,00
<b>D) SHORT-TERM LIABILITIES (ADP 110 to 123)</b>	<b>110</b>	<b>6.161.373,97</b>	<b>6.898.280,98</b>
1 Liabilities towards undertakings within the group	111	38.216,89	10.197,00
2 Liabilities for loans, deposits, etc. to companies within the group	112	0,00	0,00
3 Liabilities towards companies linked by virtue of participating interest	113	0,00	0,00
4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interest	114	0,00	0,00
5 Liabilities for loans, deposits etc.	115	0,00	0,00
6 Liabilities towards banks and other financial institutions	116	3.421.118,41	3.792.264,25
7 Liabilities for advance payments	117	57.250,96	46.937,74
8 Liabilities towards suppliers	118	1.600.491,27	1.829.657,25
9 Liabilities for securities	119	0,00	0,00
10 Liabilities towards employees	120	379.461,02	451.797,88
11 Taxes, contributions and similar liabilities	121	653.103,25	720.140,53
12 Liabilities arising from the share in the result	122	11.732,17	31.842,33
13 Liabilities arising from fixed assets held for sale	123	0,00	0,00
14 Other short-term liabilities	124	0,00	15.444,00
<b>E) ACCRUALS AND DEFERRED INCOME</b>	<b>125</b>	<b>390.630,97</b>	<b>321.751,06</b>
<b>F) TOTAL – LIABILITIES (ADP 067+090+097+109+124)</b>	<b>126</b>	<b>71.556.236,14</b>	<b>72.531.794,67</b>
<b>G) OFF-BALANCE SHEET ITEMS</b>	<b>127</b>	<b>0,00</b>	<b>0,00</b>

STATEMENT OF PROFIT OR LOSS			
for the period 01/01/2025 to 31/12/2025			
			in EUR
Submitter: ILIRIJA d.d.			
Item	ADP code	Same period of the previous year	Current period
1	2	3	4
<b>I OPERATING INCOME (ADP 002 to 006)</b>	<b>001</b>	<b>30.351.531,85</b>	<b>32.830.260,91</b>
1 Income from sales with undertakings within the group	002	2.040,01	2.040,28
2 Income from sales (outside group)	003	30.020.381,48	32.567.571,00
3 Income from the use of own products, goods and services	004	10.642,61	18.193,56
4 Other operating income with undertakings within the group	005	0,00	0,00
5 Other operating income (outside the group)	006	318.467,75	242.456,07
<b>II OPERATING EXPENSES (ADP 08+009+013+017+018+019+022+029)</b>	<b>007</b>	<b>25.789.727,91</b>	<b>28.125.973,14</b>
1 Changes in inventories of work in progress and finished goods	008	0,00	0,00
<b>2 Material costs (ADP 010 to 012)</b>	<b>009</b>	<b>8.838.143,81</b>	<b>8.852.157,15</b>
a) Costs of raw materials and consumables	010	4.146.300,75	4.536.796,91
b) Costs of goods sold	011	0,00	0,00
c) Other external costs	012	4.691.843,06	4.315.360,24
<b>3 Staff costs (ADP 014 to 016)</b>	<b>013</b>	<b>8.763.884,73</b>	<b>10.410.224,57</b>
a) Net salaries and wages	014	5.286.722,97	6.231.101,62
b) Tax and contributions from salary costs	015	2.232.438,83	2.701.367,82
c) Contributions on salaries	016	1.244.722,93	1.477.755,13
4 Depreciation	017	3.224.408,20	3.271.084,56
5 Other costs	018	4.657.089,17	4.937.105,12
<b>6 Value adjustments (ADP 020+021)</b>	<b>019</b>	<b>0,00</b>	<b>0,00</b>
a) fixed assets other than financial assets	020	0,00	0,00
b) current assets other than financial assets	021	0,00	0,00
<b>7 Provisions (ADP 023 to 028)</b>	<b>022</b>	<b>0,00</b>	<b>0,00</b>
a) Provisions for pensions, termination benefits and similar obligations	023	0,00	0,00
b) Provisions for tax liabilities	024	0,00	0,00
c) Provisions for ongoing legal cases	025	0,00	0,00
d) Provisions for renewal of natural resources	026	0,00	0,00
e) Provisions for warranty obligations	027	0,00	0,00
f) Other provisions	028	0,00	0,00
8 Other operating expenses	029	306.202,00	655.401,74
<b>III FINANCIAL INCOME (ADP 031 to 040)</b>	<b>030</b>	<b>334.460,72</b>	<b>328.626,97</b>
1 Income from investments in holdings (shares) of undertakings within the group	031	0,00	0,00
2 Income from investments in holdings (shares) of companies linked by virtue of participating interests	032	0,00	0,00
3 Income from other long-term financial investment and loans granted to undertakings within the group	033	0,00	0,00
4 Other interest income from operations with undertakings within the group	034	0,00	0,00
5 Exchange rate differences and other financial income from operations with undertakings within the group	035	0,00	0,00
6 Income from other long-term financial investments and loans	036	0,00	0,00
7 Other interest income	037	334.460,72	328.626,97
8 Exchange rate differences and other financial income	038	0,00	0,00
9 Unrealised gains (income) from financial assets	039	0,00	0,00
10 Other financial income	040	0,00	0,00
<b>IV FINANCIAL EXPENSES (ADP 042 to 048)</b>	<b>041</b>	<b>462.220,70</b>	<b>418.561,75</b>
1 Interest expenses and similar expenses with undertakings within the group	042	0,00	0,00
2 Exchange rate differences and other expenses from operations with undertakings within the group	043	0,00	0,00
3 Interest expenses and similar expenses	044	448.923,03	413.850,44
4 Exchange rate differences and other expenses	045	6.437,40	4.711,31
5 Unrealised losses (expenses) from financial assets	046	0,00	0,00
6 Value adjustments of financial assets (net)	047	0,00	0,00

7 Other financial expenses	048	6.860,27	0,00
V SHARE IN PROFIT FROM UNDERTAKINGS LINKED BY VIRTUE OF PARTICIPATING INTERESTS	049	0,00	0,00
VI SHARE IN PROFIT FROM JOINT VENTURES	050	0,00	0,00
VII SHARE IN LOSS OF COMPANIES LINKED BY VIRTUE OF PARTICIPATING INTEREST	051	0,00	0,00
VIII SHARE IN LOSS OF JOINT VENTURES	052	0,00	0,00
<b>IX TOTAL INCOME (ADP 001+030+049 +050)</b>	<b>053</b>	<b>30.685.992,57</b>	<b>33.158.887,88</b>
<b>X TOTAL EXPENDITURE (ADP 007+041+051 + 052)</b>	<b>054</b>	<b>26.251.948,61</b>	<b>28.544.534,89</b>
<b>XI PRE-TAX PROFIT OR LOSS (ADP 053-054)</b>	<b>055</b>	<b>4.434.043,96</b>	<b>4.614.352,99</b>
1 Pre-tax profit (ADP 053-054)	056	4.434.043,96	4.614.352,99
2 Pre-tax loss (ADP 054-053)	057	0,00	0,00
<b>XII INCOME TAX</b>	<b>058</b>	<b>857.969,63</b>	<b>891.404,69</b>
<b>XIII PROFIT OR LOSS FOR THE PERIOD (ADP 055-059)</b>	<b>059</b>	<b>3.576.074,33</b>	<b>3.722.948,30</b>
1 Profit for the period (ADP 055-059)	060	3.576.074,33	3.722.948,30
2 Loss for the period (ADP 059-055)	061	0,00	0,00
<b>DISCONTINUED OPERATIONS (to be filled in by undertakings subject to IFRS only with discontinued operations)</b>			
<b>XIV PRE-TAX PROFIT OR LOSS OF DISCONTINUED OPERATIONS (ADP 063-064)</b>	<b>062</b>	<b>0</b>	<b>0</b>
1 Pre-tax profit from discontinued operations	063	0	0
2 Pre-tax loss on discontinued operations	064	0	0
<b>XV INCOME TAX OF DISCONTINUED OPERATIONS</b>	<b>065</b>	<b>0</b>	<b>0</b>
1 Discontinued operations profit for the period (ADP 062-065)	066	0	0
2 Discontinued operations loss for the period (ADP 065-062)	067	0	0
<b>TOTAL OPERATIONS (to be filled in only by undertakings subject to IFRS with discontinued operations)</b>			
<b>XVI PRE-TAX PROFIT OR LOSS (ADP 055-+062)</b>	<b>068</b>	<b>0</b>	<b>0</b>
1 Pre-tax profit (ADP 068)	069	0	0
2 Pre-tax loss (ADP 068)	070	0	0
<b>XVII INCOME TAX (ADP 058+065)</b>	<b>071</b>	<b>0</b>	<b>0</b>
<b>XVIII PROFIT OR LOSS FOR THE PERIOD (ADP 068-071)</b>	<b>072</b>	<b>0</b>	<b>0</b>
1 Profit for the period (ADP 068-071)	073	0	0
2 Loss for the period (ADP 071-068)	074	0	0
<b>APPENDIX to the P&amp;L (to be filled in by undertakings that draw up consolidated annual financial statements)</b>			
<b>XIX PROFIT OR LOSS FOR THE PERIOD (ADP 076+077)</b>	<b>075</b>	<b>0</b>	<b>0</b>
1 Attributable to owners of the parent	076	0	0
2 Attributable to minority (non-controlling) interest	077	0	0
<b>STATEMENT OF OTHER COMPREHENSIVE INCOME (to be filled in by undertakings subject to IFRS)</b>			
<b>I PROFIT OR LOSS FOR THE PERIOD</b>	<b>078</b>	<b>0,00</b>	<b>0,00</b>
<b>II OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAX (ADP 80+ 87)</b>	<b>079</b>	<b>0,00</b>	<b>0,00</b>
<b>III Items that will not be reclassified to profit or loss (ADP 081 to 085)</b>	<b>080</b>	<b>0,00</b>	<b>0,00</b>
1 Changes in revaluation reserves of fixed tangible and intangible assets	081	0,00	0,00
2 Gains or losses from subsequent measurement of equity instruments at fair value through other comprehensive income	082	0,00	0,00
3 Fair value changes of financial liabilities at fair value through statement of profit or loss, attributable to changes in their credit risk	083	0,00	0,00
4 Actuarial gains/losses on the defined benefit obligation	084	0,00	0,00
5 Other items that will not be reclassified	085	0,00	0,00
6 Income tax relating to items that will not be reclassified	086	0,00	0,00
<b>IV Items that may be reclassified to profit or loss (ADP 088 to 095)</b>	<b>087</b>	<b>0,00</b>	<b>0,00</b>
1 Exchange rate differences from translation of foreign operations	088	0,00	0,00
2 Gains or losses from subsequent measurement of debt securities at fair value through other comprehensive income	089	0,00	0,00
3 Profit or loss arising from effective cash flow hedging	090	0,00	0,00
4 Profit or loss arising from effective hedge of a net investment in a foreign operation	091	0,00	0,00
5 Share in other comprehensive income/loss of companies linked by virtue of participating interests	092	0,00	0,00

6 Changes in fair value of the time value of option	093		
7 Changes in fair value of forward elements of forward contracts	094	0,00	0,00
8 Other items that may be reclassified to profit or loss	095	0,00	0,00
9 Income tax relating to items that may be reclassified to profit or loss	096	0,00	0,00
<b>V NET OTHER COMPREHENSIVE INCOME OR LOSS (ADP 080+087- 086 - 096)</b>	<b>097</b>	<b>0,00</b>	<b>0,00</b>
<b>VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 078+097)</b>	<b>098</b>	<b>0,00</b>	<b>0,00</b>
APPENDIX to the Statement on comprehensive income (to be filled in by undertakings that draw up consolidated statements)			
<b>VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 100+101)</b>	<b>099</b>	<b>0</b>	<b>0</b>
1 Attributable to owners of the parent	100	0	0
2 Attributable to minority (non-controlling) interest	101	0	0

STATEMENT OF CASH FLOWS - indirect method			
for the period 01/01/2025 to 31/12/2025			in EUR
Submitter: ILIRIJA d.d. BIOGRAD NA MORU			
Item	ADP code	Same period of the previous year	Current period
1	2	3	4
<b>Cash flow from operating activities</b>			
1 Pre-tax profit	001	4.434.044,00	4.614.353,00
<b>2 Adjustments (ADP 003 to 010):</b>	<b>002</b>	<b>3.733.242,00</b>	<b>3.602.283,00</b>
a) Depreciation	003	3.224.408,00	3.271.085,00
b) Gains and losses from sale and value adjustment of fixed tangible and intangible assets	004	-25.187,00	0,00
c) Gains and losses from sale and unrealised gains and losses and value adjustment of financial assets	005	0,00	0,00
d) Interest and dividend income	006	-334.461,00	-328.627,00
e) Interest expenses	007	455.360,00	418.562,00
f) Provisions	008	0,00	0,00
g) Exchange rate differences (unrealised)	009	0,00	0,00
h) Other adjustments for non-cash transactions and unrealised gains and losses	010	413.122,00	241.263,00
<b>I Cash flow increase or decrease before changes in working capital (ADP 001+002)</b>	<b>011</b>	<b>8.167.286,00</b>	<b>8.216.636,00</b>
<b>3 Changes in the working capital (ADP 013 to 016)</b>	<b>012</b>	<b>-82.061,00</b>	<b>345.333,00</b>
a) Increase or decrease in short-term liabilities	013	49.440,00	350.770,00
b) Increase or decrease in short-term receivables	014	-58.837,00	-27.349,00
c) Increase or decrease in inventories	015	-72.664,00	21.912,00
d) Other increase or decrease in working capital	016	0,00	0,00
<b>II Cash from operations (ADP 011+012)</b>	<b>017</b>	<b>8.085.225,00</b>	<b>8.561.969,00</b>
4 Interest paid	018	-455.360,00	-403.570,00
5 Income tax paid	019	-866.728,00	-910.467,00
<b>A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 017 to 019)</b>	<b>020</b>	<b>6.763.137,00</b>	<b>7.247.932,00</b>
<b>Cash flow from investment activities</b>			
1 Cash receipts from sales of fixed tangible and intangible assets	021	0,00	0,00
2 Cash receipts from sales of financial instruments	022	0,00	0,00
3 Interest received	023	334.461,00	357.161,00
4 Dividends received	024	0,00	0,00
5 Cash receipts from repayment of loans and deposits	025	0,00	0,00
6 Other cash receipts from investment activities	026	0,00	11.714,00
<b>III Total cash receipts from investment activities (ADP 021 to 026)</b>	<b>027</b>	<b>334.461,00</b>	<b>368.875,00</b>
1 Cash payments for the purchase of fixed tangible and intangible assets	028	-1.593.128,00	-3.717.405,00
2 Cash payments for the acquisition of financial instruments	029	0,00	0,00
3 Cash payments for loans and deposits for the period	030	-1.000.000,00	-500.000,00
4 Acquisition of a subsidiary, net of cash acquired	031	0,00	0,00
5 Other cash payments from investment activities	032	0,00	0,00
<b>IV Total cash payments from investment activities (ADP 028 to 032)</b>	<b>033</b>	<b>-2.593.128,00</b>	<b>-4.217.405,00</b>
<b>B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 027 +033)</b>	<b>034</b>	<b>-2.258.667,00</b>	<b>-3.848.530,00</b>
<b>Cash flow from financing activities</b>			
1 Cash receipts from the increase in initial (subscribed) capital	035	0,00	0,00
2 Cash receipts from the issue of equity financial instruments and debt financial instruments	036	0,00	0,00
3 Cash receipts from credit principals, loans and other borrowings	037	1.400.000,00	3.383.438,00

4 Other cash receipts from financing activities	038	0,00	0,00
<b>V Total cash receipts from financing activities (ADP 035 to 038)</b>	<b>039</b>	<b>1.400.000,00</b>	<b>3.383.438,00</b>
1 Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments	040	-2.882.645,00	-3.660.021,00
2 Cash payments for dividends	041	-1.684.806,00	-1.920.740,00
3 Cash payments for finance lease	042	-1.023.104,00	-1.157.091,00
4 Cash payments for the redemption of treasury shares and decrease in initial (subscribed) capital	043	-311.081,00	0,00
5 Other cash payments from financing activities	044	0,00	0,00
<b>VI Total cash payments from financing activities (ADP 040 to 044)</b>	<b>045</b>	<b>-5.901.636,00</b>	<b>-6.737.852,00</b>
<b>C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 039 +045)</b>	<b>046</b>	<b>-4.501.636,00</b>	<b>-3.354.414,00</b>
1 Unrealised exchange rate differences in respect of cash and cash equivalents	047	0,00	0,00
<b>D) NET INCREASE OR DECREASE IN CASH FLOWS (ADP 020+034+046+047)</b>	<b>048</b>	<b>2.834,00</b>	<b>44.988,00</b>
E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	049	25.417,00	28.251,00
<b>F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (ADP 048+049)</b>	<b>050</b>	<b>28.251,00</b>	<b>73.239,00</b>

STATEMENT OF CASH FLOWS - Direct method			
for the period 01/01/2025 to 31/12/2025			
Submitter: ILIRIJA d.d. BIOGRAD NA MORU			
Item	ADP code	Same period of the previous year	Current period
1	2	3	4
<b>Cash flow from operating activities</b>			
1 Cash receipts from customers	001	0,00	0,00
2 Cash receipts from royalties, fees, commissions and other revenue	002	0,00	0,00
3 Cash receipts from insurance premiums	003	0,00	0,00
4 Cash receipts from tax refund	004	0,00	0,00
5 Other cash receipts from operating activities	005	0,00	0,00
<b>I Total cash receipts from operating activities (ADP 001 to 005)</b>	<b>006</b>	<b>0,00</b>	<b>0,00</b>
1 Cash payments to suppliers	007	0,00	0,00
2 Cash payments to employees	008	0,00	0,00
3 Cash payments for insurance premiums	009	0,00	0,00
4 Interest paid	010	0,00	0,00
5 Income tax paid	011	0,00	0,00
6 Other cash payments from operating activities	012	0,00	0,00
<b>II Total cash payments from operating activities (ADP 007 to 012)</b>	<b>013</b>	<b>0,00</b>	<b>0,00</b>
<b>A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 006 + 013)</b>	<b>014</b>	<b>0,00</b>	<b>0,00</b>
<b>Cash flow from investment activities</b>			
1 Cash receipts from sales of fixed tangible and intangible assets	015	0,00	0,00
2 Cash receipts from sales of financial instruments	016	0,00	0,00
3 Interest received	017	0,00	0,00
4 Dividends received	018	0,00	0,00
5 Cash receipts from the repayment of loans and deposits	019	0,00	0,00
6 Other cash receipts from investment activities	020	0,00	0,00
<b>III Total cash receipts from investment activities (ADP 015 to 020)</b>	<b>021</b>	<b>0,00</b>	<b>0,00</b>
1 Cash payments for the purchase of fixed tangible and intangible assets	022	0,00	0,00
2 Cash payments for the acquisition of financial instruments	023	0,00	0,00
3 Cash payments for loans and deposits	024	0,00	0,00
4 Acquisition of a subsidiary, net of cash acquired	025	0,00	0,00
5 Other cash payments from investment activities	026	0,00	0,00
<b>IV Total cash payments from investment activities (ADP 022 to 026)</b>	<b>027</b>	<b>0,00</b>	<b>0,00</b>
<b>B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 021 + 027)</b>	<b>028</b>	<b>0,00</b>	<b>0,00</b>
<b>Cash flow from financing activities</b>			
1 Cash receipts from the increase in initial (subscribed) capital	029	0,00	0,00
2 Cash receipts the from issue of equity financial instruments and debt financial instruments	030	0,00	0,00
3 Cash receipts from credit principals, loans and other borrowings	031	0,00	0,00
4 Other cash receipts from financing activities	032	0,00	0,00
<b>V Total cash receipts from financing activities (ADP 029 to 032)</b>	<b>033</b>	<b>0,00</b>	<b>0,00</b>
1 Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments	034	0,00	0,00
2 Cash payments for dividends	035	0,00	0,00
3 Cash payments for finance lease	036	0,00	0,00
4 Cash payments for the redemption of own shares and decrease in initial (subscribed) capital	037	0,00	0,00
5 Other cash payments from financing activities	038	0,00	0,00
<b>VI Total cash payments from financing activities (ADP 034 to 038)</b>	<b>039</b>	<b>0,00</b>	<b>0,00</b>
<b>C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 033+039)</b>	<b>040</b>	<b>0,00</b>	<b>0,00</b>
1 Unrealised exchange rate differences in respect of cash and cash equivalents	041	0,00	0,00
<b>D) NET INCREASE OR DECREASE IN CASH FLOW (ADP 014 + 028 + 040 + 041)</b>	<b>042</b>	<b>0,00</b>	<b>0,00</b>
<b>E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<b>043</b>	<b>0,00</b>	<b>0,00</b>
<b>F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (ADP 042+043)</b>	<b>044</b>	<b>0,00</b>	<b>0,00</b>

## STATEMENT OF CHANGES IN EQUITY

for the period from 01/01/2025 to 31/12/2025

in EUR

Item	ADP code	Attributable to owners of the parent																		Minority (non-controlling) interest	Total capital and reserves
		Initial (subscribed) capital	Capital reserves	Legal reserves	Reserves for treasury shares	Treasury shares and holdings (deductible item)	Statutory reserves	Other reserves	Revaluation reserves	Financial assets at fair value through other comprehensive income (available for sale)	Cash flow hedge - effective portion	Hedge of a net investment in a foreign operation - effective portion	Other fair value reserves	Exchange rate differences from translation of foreign operations	Exchange rate differences from translation into the presentation currency	Retained profit / loss brought forward	Profit/loss for the business year	Total attributable to owners of the parent			
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19 (3 to 6 - 7 + 8 to 18)	20	21 (19+20)	
Previous period																					
1 Balance on the first day of the previous business year	01	30.420.000,00	389.194,89	3.195.697,87	925.836,64	137.206,84	0,00	991.395,49	0,00	0,00	0,00	0,00	0,00	0,00	0,00	17.329.348,41	0,00	53.114.266,46	0,00	53.114.266,46	
2 Changes in accounting policies	02	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	
3 Correction of errors	03	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	
4 Balance on the first day of the previous business year (restated) (ADP 01 to 03)	04	30.420.000,00	389.194,89	3.195.697,87	925.836,64	137.206,84	0,00	991.395,49	0,00	0,00	0,00	0,00	0,00	0,00	0,00	17.329.348,41	0,00	53.114.266,46	0,00	53.114.266,46	
5 Profit/loss of the period	05	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	3.576.074,00	3.576.074,00	0,00	3.576.074,00	
6 Exchange rate differences from translation of foreign operations	06	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	
7 Changes in revaluation reserves of fixed tangible and intangible assets	07	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	
8 Profit or loss arising from subsequent measurement of financial assets at fair value through other comprehensive income (available for sale)	08	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	
9 Profit or loss arising from effective cash flow hedge	09	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	
10 Profit or loss arising from effective hedge of a net investment in a foreign operation	10	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	
11 Share in other comprehensive income/loss of companies linked by virtue of participating interests	11	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	
12 Actuarial gains/losses on the defined benefit obligation	12	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	
13 Other changes in equity unrelated to owners	13	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	
14 Tax on transactions recognised directly in equity	14	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	
15 Decrease in initial (subscribed) capital (other than that arising from the pre-bankruptcy settlement procedure and arising from the reinvestment of profit)	15	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	
16 Decrease in initial (subscribed) capital arising from the pre-bankruptcy settlement procedure	16	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	
17 Decrease in initial (subscribed) capital arising from the reinvestment of profit	17	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	
18 Redemption of treasury shares/holdings	18	0,00	0,00	0,00	0,00	311.081,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	-311.081,00	
19 Payments from members/shareholders	19	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	
20 Payment of share in profit/dividend	20	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	-1.685.911,00	0,00	-1.685.911,00	0,00	-1.685.911,00	
21 Other distributions and payments to members/shareholders	21	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	1.593.619,00	0,00	1.593.619,00	0,00	1.593.619,00	
22 Transfer to reserves according to the annual schedule	22	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	-1.593.619,00	0,00	-1.593.619,00	0,00	-1.593.619,00	
23 Increase in reserves arising from the pre-bankruptcy settlement procedure	23	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	
24 Balance on the last day of the previous business year reporting period (ADP 04 to 23)	24	30.420.000,00	389.194,89	3.195.697,87	925.836,64	448.287,84	0,00	991.395,49	0,00	0,00	0,00	0,00	0,00	0,00	0,00	15.643.437,41	3.576.074,00	54.693.348,46	0,00	54.693.348,46	

APPENDIX TO THE STATEMENT OF CHANGES IN EQUITY (to be filled in by undertakings that draw up financial statements in accordance with the IFRS)																					
I OTHER COMPREHENSIVE INCOME OF THE PREVIOUS PERIOD, NET OF TAX (ADP 06 to 14)	25	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	
II COMPREHENSIVE INCOME OR LOSS FOR THE PREVIOUS PERIOD (ADP 05+25)	26	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	3.576.074,00	3.576.074,00	0,00	3.576.074,00	
III TRANSACTIONS WITH OWNERS IN THE PREVIOUS PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 15 to 23)	27	0,00	0,00	0,00	0,00	311.081,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	-1.685.911,00	0,00	-1.996.992,00	0,00	-1.996.992,00
Current period																					
1 Balance on the first day of the current business year	28	30.420.000,00	389.194,89	3.195.697,87	925.836,64	448.287,84	0,00	991.395,49	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	19.219.511,51	0,00	54.693.348,56	0,00	54.693.348,56
2 Changes in accounting policies	29	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
3 Correction of errors	30	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
4 Balance on the first day of the current business year (restated) (ADP 28 to 30)	31	30.420.000,00	389.194,89	3.195.697,87	925.836,64	448.287,84	0,00	991.395,49	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	19.219.511,51	0,00	54.693.348,56	0,00	54.693.348,56
5 Profit/loss of the period	32	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	3.722.948,00	3.722.948,00	0,00	3.722.948,00
6 Exchange rate differences from translation of foreign operations	33	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
7 Changes in revaluation reserves of fixed tangible and intangible assets	34	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
8 Profit or loss arising from subsequent measurement of financial assets at fair value through other comprehensive income (available for sale)	35	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
9 Profit or loss arising from effective cash flow hedge	36	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
10 Profit or loss arising from effective hedge of a net investment in a foreign operation	37	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
11 Share in other comprehensive income/loss of companies linked by virtue of participating interests	38	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
12 Actuarial gains/losses on the defined benefit obligation	39	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
13 Other changes in equity unrelated to owners	40	0,00	0,00	0,00	-787.692,00	-310.143,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	787.692,00	0,00	310.143,00	0,00	310.143,00
14 Tax on transactions recognised directly in equity	41	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
15 Decrease in initial (subscribed) capital (other than that arising from the pre-bankruptcy settlement procedure and arising from the reinvestment of profit)	42	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
16 Decrease in initial (subscribed) capital arising from the pre-bankruptcy settlement procedure	43	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
17 Decrease in initial (subscribed) capital arising from the reinvestment of profit	44	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
18 Redemption of treasury shares/holdings	45	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
19 Payments from members/shareholders	46	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
20 Payment of share in profit/dividend	47	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	-1.920.740,00	0,00	-1.920.740,00	0,00	-1.920.740,00
21 Other distributions and payments to members/shareholders	48	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	1.655.334,00	0,00	1.655.334,00	0,00	1.655.334,00
22 Carryforward per annual plan	49	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	-1.655.334,00	0,00	-1.655.334,00	0,00	-1.655.334,00
23 Increase in reserves arising from the pre-bankruptcy settlement procedure	50	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
24 Balance on the last day of the current business year reporting period (ADP 31 to 50)	51	30.420.000,00	389.194,89	3.195.697,87	138.144,64	138.144,84	0,00	991.395,49	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	18.086.463,51	3.722.948,00	56.805.699,56	0,00	56.805.699,56
APPENDIX TO THE STATEMENT OF CHANGES IN EQUITY (to be filled in by undertakings that draw up financial statements in accordance with the IFRS)																					
I OTHER COMPREHENSIVE INCOME FOR THE CURRENT PERIOD, NET OF TAX (ADP 33 to 41)	52	0,00	0,00	0,00	-787.692,00	-310.143,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	787.692,00	0,00	310.143,00	0,00	310.143,00
II COMPREHENSIVE INCOME OR LOSS FOR THE CURRENT PERIOD (ADP 32+52)	53	0,00	0,00	0,00	-787.692,00	-310.143,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	787.692,00	3.722.948,00	4.033.091,00	0,00	4.033.091,00
III TRANSACTIONS WITH OWNERS IN THE CURRENT PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 42 to 50)	54	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	-1.920.740,00	0,00	-1.920.740,00	0,00	-1.920.740,00

## 9.9 STATEMENTS BY THE COMPANY REPRESENTATION

ILIRIJA d.d.

BIOGRAD NA MORU

Biograd na Moru, 12/02/2026

### Statement made by the persons responsible for the preparation of the financial statements for the period from 01/01/2025–31/12/2025

According to Article 403-410 of the Capital Market Act, we declare that:

Financial statements of Ilirija d.d., Biograd na Moru, Tina Ujevića 7, Tax No. OIB: 05951496767, for the period January - December of 2025 have been prepared in accordance with International Financial Reporting Standards and Croatian Accounting Act.

The financial statements give a true and fair view of the financial position of the Company as at 31/12/2025, operating results and cash flows of the Company in accordance with International Financial Reporting Standards.

The Management's Report gives a true overview of operating results and position of the Company as at 31/12/2025.

Financial statements for the period from 01/1/2025 - 31/12/2025 are audited.

Accounting Manager:

Zorka Strpić



Management Board:

Goran Ražnjević



**ILIRIJA** dioničko društvo  
za ugostiteljstvo i turizam  
Biograd na Moru

## 9.10 DECISION ON CREATING THE ANNUAL FINANCIAL STATEMENTS



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### MANAGEMENT BOARD

Number: 07/2026

In Biograd na Moru, 26 February 2026.

Pursuant to Articles 250a, 300a and 300b of the Companies Act ("Official Gazette" No 152/11 - consolidated text, 111/12, 68/13, 110/15, 40/19 34/22, 114/22, 18/23, 130/23 and 136/24), Articles 462 and 463 of the Capital Market Act, the Management Board of ILIRIJA d.d. Biograd na Moru, Tina Ujevića 7, Biograd na Moru, PIN: 05951496767 (hereinafter: the Company) on 26 February 2026 adopted the following

#### DECISION ON CREATING THE ANNUAL FINANCIAL STATEMENTS AND DECISION ON PROPOSED PROFIT ALLOCATION

- I. The Company's Management Board hereby creates the Annual Financial Statements of the Company for 2025 (non-consolidated) consisting of the following:
  - Statement of Financial Position (balance sheet);
  - Income Statement;
  - Statement of Comprehensive Income;
  - Cash Flow Statement;
  - Statement of Changes in Equity; and
  - Notes to the Financial Statements.
- II. The 2025 Annual Financial Statements of the Company were reviewed by the selected audit company UHY Rudan d.o.o., Ilica 213, Zagreb (hereinafter: the Auditor) and the Auditor's Report forms an integral part of the 2025 Annual Financial Statements of the Company.
- III. The Company's Management Board hereby creates the 2025 Annual Statement of the Company (non-consolidated) consisting of the following:
  1. 2025 Annual Financial Statements of the Company (non-consolidated);
  2. Statement on the Application of Corporate Governance Code
  3. Management Report / Management Board Annual Report on the Company's Status
  4. Statements by the Company Representation;
  5. Company's auditor report for 2025.
- IV. The Company Management Board hereby defines the Decision on Proposed Profit Allocation for 2025 in the total amount of: EUR 3.722.948,30 so the profit shall be allocated as follows:
  - EUR 1.699.579,82 into the retained profit;
  - EUR 2.023.368,48 for dividend distribution;



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- V. This Decision, along with the 2025 Annual Financial Statement of the Company (non-consolidated), shall be referred to the Supervisory Board of the Company for consideration, i.e. approval.
- VI. The Company Management Board shall convene the General Assembly of the Company following the approval of the 2025 Annual Financial Statements of the Company and adoption of related corresponding decisions by its Supervisory Board.

ILIRIJA d.d.  
Management Board: Goran Ražnjević

## 9.11 DECISION ON APPROVING THE ANNUAL FINANCIAL STATEMENTS



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### SUPERVISORY BOARD

Number: 8/2026

In Biograd na Moru, 26 February 2026

Pursuant to Articles 300c and 300d of the Companies Act ("Official Gazette" No 152/11 — consolidated text, 111A2, 68/13, 110/15, 40/19, 34/22,114/22,18/23, 130/23 and 136/24) and the Management Board Decision No 07/2026, of 26 February 2026, the Supervisory Board of ILIRIJA d.d. at its session held on 26 February 2026, adopted the following:

### DECISION ON APPROVING THE ANNUAL FINANCIAL STATEMENTS AND DECISION ON PROPOSED PROFIT ALLOCATION

- I. The Company Supervisory Board hereby approves the 2025 Annual Statement of the Company (non-consolidated) consisting of the following:
  1. 2025 Annual Financial Statements of the Company (non-consolidated); that is, of the statement of financial position (balance sheet), income statement, statement of comprehensive income, cash flow statement, statement of changes in equity and notes to the financial statements.
  2. Statement on the Application of Corporate Governance Code
  3. Management Report / Management Board Annual Report on the Company's Status
  4. Statements by the Company Representation
  5. Company's auditor report for 2025
- II. Following the approval by the 2025 Annual Statement of the Company (unconsolidated) it is considered that the Annual Financial Statements of the Company for 2025 were created by the Company Management Board and the Company Supervisory Board.
- III. The Company Supervisory Board agrees with the proposal of the Company Management Board that the General Assembly of the Company adopt the decision on the allocation of the profit generated in 2025 in the total amount of: EUR 3.722.948,30 as follows:
  - EUR 1.699.579,82 into the retained profit;
  - EUR 2.023.368,48 for dividend distribution;

President of the Supervisor's Board  
Goran Medić

ILIRIJA d.d. za ugostiteljstvo i turizam, Tina Ujevića 7, Biograd n/M, Trgovački sud u Zadru, MBS: 060032302, Matični broj: 3311953.,  
OIB: 05951496767; račun: ERSTE & STEIERMARKISCHE BANK d.d. – RIJEKA IBAN: HR5824020061100097324.  
Temeljni kapital: 30.420.000,00 eura, uplaćen u cjelosti. Broj izdanih dionica: 2.413.488, bez nominalnog iznosa  
Uprava: G. Ražnjević, Predsjednik Nadzornog odbora: G.Medić

## 9.12 SUPERVISORY BOARD'S REPORT ON PERFORMED SUPERVISION OF CONDUCTING THE COMPANY'S BUSINESS FOR THE YEAR 2024



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www.ilirijabiograd.com

### SUPERVISORY BOARD

Number: 06/2026-2

According to Article 263, paragraph 3, Article 300.c and Article 499 of the Companies' Act (Official Gazette no. 111/1993, 34/1999, 121/1999, 52/2000, 118/2003, 107/2007, 146/2008, 137/2009, 111/2012, 125/2011, 68/2013, 110/2015, 40/2019, 34/22, 114/22, 18/23, 130/23 and 136/24 – hereinafter referred to as: the Companies' Act), the Supervisory Board of the company Ilirija d.d. for hospitality and tourism, Tina Ujevića 7, Biograd na Moru (hereinafter referred to as: the Company), has adopted the following

### SUPERVISORY BOARD'S REPORT ON PERFORMED SUPERVISION OF CONDUCTING THE COMPANY'S BUSINESS FOR THE YEAR 2025

- I. The Supervisory Board of the Company was constituted on 22nd December, 1995 and has five (5) members elected for a term of 4 (four) years. The Members of the Supervisory Board as of 31st December, 2025 were: Goran Medić (President), David Anthony Tudorović (Deputy President), Davor Tudorović, Siniša Petrović and Darko Prebežac.
  
- II. During the year 2025, 6 (six) meetings of the Supervisory Board were held. All members of the Supervisory Board participated in the meetings of the Supervisory Board. During 2025, the Supervisory Board regularly received written reports on the business operations and other reports, including Management Board's Decisions, reviewed by the Supervisory Board in accordance with regulations, the Articles of Association and the Company's bylaws. The Supervisory Board also discussed the business plans and reports on the Company's business operations, as well as information about the current business operations and the position of the Company.

At the meeting held on 26<sup>th</sup> February, 2025, the Supervisory Board approved, among other things, the Annual Report and the Annual Financial Statements of the Company for the year 2024 (audited, unconsolidated), adopted the Report on remuneration received by the members of the Supervisory Board and Management Board for the year 2024, the Report on Transactions with Related Companies for the year 2024, determined the draft decision on granting approval to the Management Board for the acquisition of treasury shares, made the decision on approval of the current Remuneration Policy for the members of the Management Board, and made other decisions related to the Annual General Shareholders' Assembly of the Company.

At the meeting held on 25<sup>th</sup> April, 2025, the Supervisory Board approved, among other things, the Corporate Governance Code for the year 2024 (Compliance Questionnaire for Issuers of Shares, Governance Practices Questionnaire)

At the meeting held on 15<sup>th</sup> May, 2025, the Supervisory Board took note of the information concerning the written statement of Ilirija d.d. and the updated economic feasibility study for Marina Kornati, as well as the opinion of the Ministry of Finance of the Republic of Croatia on



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the proposed decision to amend and supplement the Decision on the concession of maritime domain for the economic use of the special-purpose port – the nautical tourism port Kornati.

At the meeting held on 10<sup>th</sup> June 2025, the Supervisory Board adopted a decision on the appointment of the Management Board, reappointing Mr. Goran Ražnjević as the sole member of the Management Board of Ilirija d.d. for a new five-year term commencing on 18 June 2025.

At the meeting held on 31<sup>st</sup> July 2025, the Supervisory Board, among other matters, took note of the published unaudited financial statements of the Company for the first six months of 2025, as well as the information on the status of sales of the Company's tourism capacities.

At the meeting held on 18 December 2025, the Supervisory Board, reviewed the Company's business plan and budget for 2026, the investment plan by profit centers for 2026, and adopted the indicative schedule of Supervisory Board meetings for 2026.

- III. The Supervisory Board of the Company established the Audit Committee, which performed tasks within its jurisdiction in accordance with legal regulations and the Rules of Procedure of the Audit Committee. In 2025, the Audit Committee operated in a composition of 3 (three) members, namely: David Anthony Tudorović (President), Goran Medić (Deputy) and Darko Prebežac (Member). In 2025, two meetings of the Audit Committee was held, with all members in attendance at both meetings. The Supervisory Board received the report by the Audit Committee regarding the drafting and preparation of the Annual Report for the year 2024, and provided the Audit Committee's recommendation for the selection of the Company's auditor for the year 2025 and 2026. During the reporting period, the Audit Committee reviewed the adequacy of the approval procedures for related-party transactions, as well as the timeliness and completeness of disclosures. It determined that the procedures were clearly defined and effective, ensuring actions in the best interest of the Company. In 2025, no irregularities or significant risks were identified that would indicate that related-party transactions were not conducted in accordance with market conditions or the applicable regulatory framework. The Audit Committee assesses that the procedures for related-party transactions are effective and appropriate to the size and complexity of the Company. Furthermore, during the reporting period and within the scope of its authority, the Audit Committee also reviewed the effectiveness of the Company's risk management and internal control systems. The oversight was carried out on the basis of regular reports from the Management Board, findings of the internal and external auditors, and information on identified risks and the measures taken to mitigate them. Based on the oversight performed, the Audit Committee assesses that the risk management and internal control systems are appropriate and effective. The Audit Committee also carried out all other activities in accordance with relevant legal regulations and internal bylaws of the Company, and provided appropriate support to the Supervisory Board with its proposals and recommendations.
- IV. The Supervisory Board did, with its decisions and conclusions adopted at the meetings, influence the business policy of the Company, the Management Board of the Company to conduct business operations duly, diligently and in the interest of the Company. The Management Board of the Company cooperated very intensively with the Supervisory Board and successfully managed the Company. In accordance with its powers and authority, the



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Supervisory Board carried out the supervision and examined the Company's business records and documents, thus gaining a comprehensive overview of the overall business operations of the Company. It was presented key figures on the assets, financial position and business performance, i.e. turnover, result, the company's assets, equity, the company's solvency and indebtedness. In addition to the presented comprehensive reports and with the supervision of conducting the Company's business operations performed during the year, we have gained confidence that this Company complies with the laws of the Republic of Croatia, the company's bylaws and the decisions of the General Assembly. The financial statements for the fiscal year 2025 have been prepared in accordance with the balances in the company's business records and reveal the proper balances of the company's assets, the company's equity and operating results.

- V. The Supervisory Board reviewed the Company's Annual Report for the year 2025 which consists of: Annual Financial Statements of the Company for 2025 - Statement of financial position (balance sheet), Profit and loss account, Statement of comprehensive income, Statement of cash flows, Statement of changes in equity, Notes to the financial statements and Statement on the application of the Corporate governance Code, Management Representation Letter //Management Board's Report on the position of the Company, Auditor's report of the Company for 2025 and Statements by the persons in charge. The Supervisory Board has no objections to the Annual Report of Ilirija d.d. for the year 2025 and to the Company Auditor's Report for the year 2025. Pursuant to the foregoing, the Supervisory Board gives its consent to the Annual Report of the Company for the year 2025 and the Annual Report of the Company for the year 2025 is thus deemed to be determined by the Management Board and the Supervisory Board.
- VI. The Supervisory Board examined the report prepared by the Management Board on relations with related companies and report on transactions with related parties for the year 2025 and an independent auditor's report expressing reasonable assurance on the reports for the year 2025 prepared by the company UHY Rudan d.o.o. The Supervisory Board has no objection to the statement made by the Management Board stating that the Company, considering the circumstances known at the time when the legal transactions mentioned in the reports were being undertaken, received appropriate consideration and that these transactions caused no harm to the Company and that no objections are raised to the results of the audit of the report on the relations with related companies and on transactions with related parties stated in the independent auditor's report and therefore, in accordance with Article 499 of the Companies' Act, the Supervisory Board adopts the Company auditor's statement from the said report in a way as follows:
- a.) The allegations made in the report on the relations with related companies and report on transactions with related parties for 2025 are correct in all significant respects;
- b.) In the legal transactions stated in the Report on the relations with related companies and report on transactions with related parties for 2025, considering the circumstances known at the time when the transactions were being undertaken, the value of the Company's consideration was not, in all significant respects, inappropriately high.



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- VII. The Supervisory Board has independently assessed its effectiveness and composition, as well as the effectiveness and composition of its committees and the individual performance of its members. External assessors were not engaged in this process; instead, the evaluation was led by the President of the Supervisory Board, conducted internally through discussions and consultations with the other members of the Supervisory Board. The Supervisory Board concludes that it has effectively supervised the running of the Company's affairs, successfully cooperated with the Management Board, persons in charge, and the Company's expert units, that contributed to the efficient functioning of the Supervisory Board and the performance of its tasks within its scope of jurisdiction in a way that they prepared all materials that the Management Board submitted to the Supervisory Board on a timely manner and at a high quality level. Furthermore, the Supervisory Board concludes that all members of the Supervisory Board utilize their experience, knowledge and education to the greatest extent to ensure that the Supervisory Board performs its function as effectively as possible, thereby contributing to the business operations and protection of the Company's interests. Given the above, the Supervisory Board believes there is no need for changes in its size and composition, nor has any need for improvements in the functioning and preparation of the board meetings been identified. The Supervisory Board has taken note of the Conclusion of the Management dated 13<sup>th</sup> February, 2026, regarding the effectiveness of the Management Board in 2025.
- VIII. Within the scope of its statutory and articles-based powers, the Supervisory Board oversaw the effectiveness of the Company's risk management and internal control systems during the reporting period. The oversight was carried out through regular reports of the Management Board on key business, financial, and operational risks, the measures undertaken for their management, and the functioning of the internal control system. With the support of the Audit Committee, the Supervisory Board reviewed the findings of the internal and external auditors, assessed the adequacy of the established control mechanisms, and monitored the implementation of recommendations for system improvements. Based on the activities performed, the Supervisory Board assessed that the risk management and internal control systems are appropriate to the size, complexity, and nature of the Company's operations and that they effectively contribute to the achievement of business objectives and the protection of the Company's assets.
- IX. The Supervisory Board of the Company accepted the proposal made by the Management Board to the General Shareholders' Assembly at its meeting held on 26th February 2026 that the net profit generated in 2025 (after tax) in the amount of **EUR 3.722.948,30** should be allocated to the retained earnings in the way as follows: **EUR 1.699.579,82** for dividend payment: **EUR 2.023.368,48**.
- X. The Supervisory Board has finally assessed the effectiveness of the cooperation between the Supervisory Board and the Management Board and concludes that their mutual cooperation is good, that the Management Board provides adequate and appropriate support to the members of the Supervisory Board in fulfilling their duties in a way that the Management Board timely delivers all information, reports, proposals and other materials related to the Company's



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business operations, in accordance with applicable legal regulations and the internal bylaws of the Company. As a result, the Supervisory Board assesses the work of the Management Board and the Company's performance in 2025 as successful. In accordance with Article 5.3 of the Remuneration Policy for the members of the Management Board, the Supervisory Board determines that the business objectives and results for 2025, as defined by the adopted business plan of the Company, have been fully accomplished. The Supervisory Board emphasizes the good cooperation of the Supervisory Board with the Management Board of the Company, which successfully managed the company during the past period.

In Biograd na Moru, 26th February 2026

President of the Supervisory Board  
Goran Medić



ILIRIJA D.D.

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