

Disclosure of information on measure imposed (17 April 2018)

| Information on person responsible for breach | |
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| Business name and registered office of legal person | Alea Iacta, igre na srečo in gostinstvo, d.o.o., Šmartinska cesta 152, 1000 Ljubljana, Astraea Investicije dva, gostinstvo, igre na srečo, trgovina, promet, najem, poslovanje z nepremičninami, d.o.o., Šmartinska cesta 152, 1000 Ljubljana, and Reit investicije d.o.o., Šmartinska cesta 152, 1000 Ljubljana, (hereinafter: the undertakings). |
| Information on breach | |
| Description of circumstances and conduct entailing breach of ZBan-2 or Regulation (EU) No 575/2013 | The undertakings are acting in concert, for which reason they are deemed to have concluded a qualifying shareholders' agreement in accordance with the second and the third paragraph of Article 60 of the ZBan-2. The undertakings together held a qualifying holding in the amount of 14.73% in the savings bank as at 17 April 2018. Before acquiring the qualifying holding the undertakings failed to obtain an authorisation to acquire a qualifying holding in the savings bank in accordance with the first paragraph of Article 60 of the ZBan-2, for which reason as holders of shares in the savings bank in contravention of the ZBan-2 they are deemed ineligible holders, and in accordance with the first and second paragraphs of Article 73 of the ZBan-2 they may not exercise voting rights attached to the shares in excess of a total holding of 10%. |
| Nature of identified breaches | Ownership of a qualifying holding in a savings bank without obtaining an authorisation for the holding. |
| Operational part of the decision by which the relevant proceedings are completed | |
| <p>1. As at 17 April 2018 Alea Iacta, igre na srečo in gostinstvo, d.o.o. of Šmartinska cesta 152, 1000 Ljubljana, registration number 3374793000 (Alea Iacta d.o.o.), whose owner¹ and statutory representative is ■, Astraea Investicije dva, gostinstvo, igre na srečo, trgovina, promet, najem, poslovanje z nepremičninami, d.o.o., of Šmartinska cesta 152, 1000 Ljubljana, registration number 2351714000 (Astraea Investicije dva d.o.o.), whose owner² and statutory representative is ■, and Reit investicije d.o.o. of Šmartinska cesta 152, 1000 Ljubljana, registration number 212242000 (Reit d.o.o.), whose owner³ and statutory representative is ■, were holders of ordinary shares in Hranilnica Lon d.d., of Žanova ulica 3, 4000 Kranj, registration number 5624908000 (hereinafter: the savings bank), with the ticker symbol LONR, as follows:</p> <ul style="list-style-type: none"> – Alea Iacta d.o.o.: 7,560 shares, which represents a holding of 9.97% in the savings bank's capital, – Astraea Investicije dva d.o.o.: 764 shares, which represents a holding of 1.01% in the savings bank's capital, – Reit d.o.o.: 2,847 shares, which represents a holding of 3.75% in the savings bank's capital. <p>The aforementioned undertakings together held 11,171 shares in the savings bank, or 14.73% of the savings bank's capital, as at 17 April 2018.</p> | |

¹ The 100% owner of Alea Iacta d. o. o. is Priori d.o.o. , and the 100% owner of Priori d.o.o. is Oklev d.o.o. , whose 100% owner and statutory representative is ■.

² The 100% owner of Astraea Investicije dva d.o.o. is Astraea Investicije tri d.o.o. , whose owner and statutory representative is ■.

³ Reit d. o. o. is 98.2% owned by 3-D Logistika d.o.o., whose owner and statutory representative is ■.

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2. Alea Iacta d.o.o., Astraea Investicije dva d.o.o. and Reit d.o.o., because of the following:
- their owners are related as follows: ■ is the father of ■ (close family member), and ■ is the son of the cousin of ■,
 - they use the same sources of financing: Reit d.o.o. provided funds in the amount of EUR 336,000 on 6 January 2017 to Alea Iacta d.o.o. for financing the purchase of shares in the savings bank, and cash in the amount of EUR 50,000 on 23 October 2017 to ■ for financing the purchase of shares in the savings bank on behalf of Alea Iacta d.o.o.,
 - ■ authorised ■ to act as proxy for Astraea Investicije dva d. o. o. at the savings bank's 32nd general meeting of 14 December 2017,
 - the undertakings voted in concert on all agenda items at the 32. general meeting of 14 December 2017,
 - until 4 July 2016 ■ was the statutory representative of 3-D Logistika, which is the majority owner of Reit d.o.o., and since 4 July 2016 ■ has been its statutory representative,
 - the owner and statutory representative of 3-D Logistics is ■, 3-D Logistics is the owner of Adriatic Invest, holdings and investments d.o.o., Šmartinska cesta 152, 1000 Ljubljana, registration number 3291367000, with statutory representative ■,
 - on 27 November 2017 Alea Iacta d.o.o. reduced its holding by 350 shares, while Reit d.o.o. increased its holding by the same number of shares (350) on the same day,
 - ■ is statutory representative of the undertaking Zabavna znanost, laserske igre in druge dejavnosti za sprostitev, d.o.o., Šmartinska 152, Ljubljana, registration number 2118769000, owner of the undertaking Zabavna znanost, d. o. o. is SOUTH EUROPE CAPITAL INC., AKARA BLDG., 24 DE CASTRO STREET WICKHAMS CAY I, ROAD TOWN, TORTOLA, Virgin Islands owned by ■;
 - the undertaking Zabavna znanost, d.o.o., with ■ as the statutory representative since 2 October 2017 is the owner of the undertaking Kolosej Celje, družba za prikazovanje filmov d.o.o., Opekarniška cesta 9, 3000 Celje, registration number 1872257000, represented by ■;

are acting in concert in accordance with the second and third paragraphs of Article 60 of the ZBan-2 in conjunction with Article 2 of the Regulation on the application of the Joint Guidelines on the prudential assessment of acquisition and increases of qualifying holdings in the financial sector and Point 4, Chapter 1 of Title II of the Joint Guidelines on the prudential assessment of acquisitions and increases of qualifying holdings in the financial sector, issued by the European Banking Authority on 20 December 2016, for which reason they are deemed to have concluded a qualifying shareholders' agreement.

3. The undertakings referred to in point 1 of this order, which together held a qualifying holding in the amount of 14.73% in the savings bank as at 17 April 2018, failed to obtain an authorisation to acquire a qualifying holding in the savings bank before acquiring the qualifying holding in accordance with the Article 60 of the ZBan-2, for which reason as holders of shares in the savings bank in contravention of the ZBan-2 they are deemed ineligible holders, and in accordance with the first and second paragraphs of Article 73 of the ZBan-2 they may not, by law, exercise voting rights attached to the shares in excess of a total holding of 10%.
4. Because the undertakings, as ineligible holders, failed to submit, within one month from the date they started to act in concert or from the date on which they entered into a shareholders' agreement, that is, the acquisition of the shares of the savings bank or, not later than 14 December 2017, a request for the granting of an authorisation to acquire a qualifying holding in the savings bank, Bank of Slovenija in accordance with the first paragraph of Article 267 of the ZBan-2 is issuing them with an order to dispose of the shares that they hold in contravention of the ZBan-2.

The undertakings referred to in point 1 of this order shall dispose of the shares that they hold together in excess of 10% of the savings bank's capital (a qualifying holding) within three months of receiving this order, and shall submit a report on the disposal of the shares encompassing the following to the Bank of Slovenia by the aforementioned deadline:

- evidence of the disposal; and
- information on the acquirer or acquirers of the shares.

5. In accordance with Article 277 of the ZBan-2, the following information in connection with this supervisory measure shall be published on the Bank of Slovenia website after these proceedings have been completed:

- information on the persons responsible for the breach:
 - the business name and registered office of the legal person;
- information on the breach:
 - a description of the circumstances and conduct entailing a breach of the ZBan-2 or Regulation (EU) No 575/2013,
 - the nature of the identified breaches;
- the operational part of the decision by which the relevant proceedings are completed; and
- information as to whether judicial protection proceedings have been initiated against the decision in accordance with the ZBan-2.

A measure was imposed on Alea Iacta d.o.o., Astraea Investicije dva d.o.o. and Reit d.o.o. in the form of the Order on the disposal of shares referenced PBH-24.50-009/18-001 of 17 April 2018. All three undertakings lodged an objection by the appropriate deadline. The Bank of Slovenia issued the Decision to refuse the objection referenced PBH-24.50-009/18-002 on 19 June 2018.

Information as to whether judicial protection proceedings have been initiated against the decision in accordance with the ZBan-2.

A lawsuit in an administrative dispute was lodged against the decision to refuse the objection.