

Disclosure of information on supervisory measure imposed on qualifying holder of 16 March 2022

Information on person responsible for breach	
Business name and registered office of legal person	FIN-NEP d.o.o., Barjanska cesta 50, 1000 Ljubljana
Information on breach	
Description of circumstances and conduct entailing breach of ZBan-3 or Regulation (EU) No 575/2013	On the deadline date set by the order to dispose of shares, and also on the date of issue of the decision, FIN-NEP d.o.o. (hereinafter: FIN-NEP) was the holder of 11,500 LONR shares, equivalent to 6.85% of the savings bank's capital and voting rights, which it held in its own name and for the account of Kylin Prime Group AG.
Nature of identified breaches	As an ineligible holder FIN-NEP failed to dispose of its shares by the deadline of 23 December 2019 set by the order to dispose of shares, thereby maintaining its unlawful status as an ineligible holder of a qualifying holding (i.e. without the relevant authorisation).
Operational part of the decision by which the relevant proceedings are completed	
<p>1. In a supervisory procedure Banka Slovenije established that:</p> <ul style="list-style-type: none"> - as at 15 March 2022 Kylin Prime Group AG, of Alpenstrasse 13, 6300 Zug, Switzerland, registration number: CHE-305.651.502 (hereinafter: Kylin), FIN-NEP inženiring d.o.o., of Barjanska cesta 50, 1000 Ljubljana, Slovenia, registration number: 2363666000 (hereinafter: FIN-NEP) and Capstone Global Solutions Limited, of Room D, 10/F, Tower A, Billion Centre, 1 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong (hereinafter: Capstone), were joint holders of 78,820 LONR shares, equivalent to a 46.96% holding in the savings bank's capital and voting rights, as follows: <ul style="list-style-type: none"> o Kylin was the holder of 56,320 LONR shares, equivalent to a 33.56% holding in the savings bank's capital and voting rights, o FIN-NEP was the holder of 11,500 LONR shares in its own name and for the account of Kylin, equivalent to a 6.85% holding in the savings bank's capital and voting rights, o Capstone was the holder of 11,000 LONR shares in its own name and for the account of Kylin, equivalent to a 6.55% holding in the savings bank's capital and voting rights; - FIN-NEP had not obtained an authorisation for a qualifying holding, and is therefore an ineligible holder in accordance with Article 80 of the ZBan-3; - FIN-NEP and seven other entities were issued with the <i>Order to dispose of shares</i> number 0.05.0.7-12/2019-42 referenced PBH-24.50-004/19-01 of 29 May 2019 (hereinafter: the order) and the <i>Decision on an objection</i> number 0.05.0.7-12/2019-86 referenced PBH-24.50-004/19-02 of 5 August 2019 (hereinafter: the decision on an objection), in accordance with which it was established that FIN-NEP was holding LONR shares in its own name and for the account of Kylin and in accordance with which FIN-NEP was required within a period of four months ending 23 December 2019 to dispose of its (ordinary) shares in Hranilnica Lon d.d., Kranj, of Žanova ulica 3, Kranj, registration number: 5624908000 (hereinafter: the savings bank), with the ISIN code SI0021110323 and the ticker symbol LONR (hereinafter: LONR shares), such that the total share of voting rights and total holding of shares would be reduced below 10% of the share capital; - FIN-NEP failed to dispose of the LONR shares by the deadline of 23 December 2019 set by the 	

order, for which reason FIN-NEP was issued with the *Decision prohibiting the exercise of all rights attached to shares* number 0.05.0.7-13/2020-89 referenced PBH-24.50-004/19-007 of 22 July 2020, by virtue of which Banka Slovenije prohibited it from exercising all rights attached to LONR shares;

- FIN-NEP together with Kylin and Capstone was issued with the *Order to dispose of shares* number 0.05.0.7-2/2021-27 referenced PBH-24.50-001/21-001 of 17 March 2021 (hereinafter: the second order), in accordance with which Capstone was required within a period of four months of the service of the order to dispose of its LONR shares such that the total share of voting rights and total holding of LONR shares would be reduced below 10% of the share capital.

2. As an ineligible holder FIN-NEP failed to dispose of its LONR shares by the deadline set by the order, for which reason Banka Slovenije ordered it pursuant to the first paragraph of Article 299 of the ZBan-3 to make periodic cash payments in the amount of EUR 300 for every day from the service of the decision on periodic cash payment until the disposal of the shares in accordance with the order, up to a maximum periodic cash payment of EUR 3,000,000.
3. FIN-NEP was required to make the first daily cash payments on 10 May 2022, and then its payments for the previous month by the tenth of each month. The cash sums are paid into Banka Slovenije account number 0100 0000 0100 090, reference SI05 311200010.
4. In accordance with Article 310 of the ZBan-3, the following information in connection with this supervisory measure shall be published on the Banka Slovenije website after these proceedings have been completed:
 1. information on the person responsible for the breach:
 - the business name and registered office of the legal person, or
 - the name of the natural person;
 2. information on the breach:
 - a description of the circumstances and conduct constituting the breach,
 - the nature of the identified breaches;
 3. the operational part of the decision by which the relevant proceedings are completed; and
 4. information as to whether judicial review proceedings have been initiated against the decision in accordance with the ZBan-3.

Information as to whether judicial review proceedings have been initiated against the decision in accordance with the ZBan-3

FIN-NEP has not initiated judicial review proceedings against the decision on periodic cash payment.