

Security:	SUKC-R-A
ISIN:	HRSUKCRA0001
LEI:	7478000070X8LWJUBX45
Home member state:	Croatia
Market segment:	Official market

Zagreb, January 10, 2020

Zagreb Stock Exchange
Croatian Financial Services Supervisory Agency
Croatian News Agency
ots@hina.hr
Company WEB site

Notification on changes in the percentage of voting rights

Sunce hoteli d.d., Trpinjska 9, Zagreb, OIB: 06916431329 ("**Issuer**" or the "**Company**") hereby informs that it has received the notification issued by the **Ružica Andabak** on changes in the percentage of voting rights in the Company in accordance with Article 428 of the Capital Market Act.

The change in the percentage of voting rights occurred due to changes in the number of shares into which the share capital of the Issuer was divided into as a result of the increase of the Issuer's share capital by issuance of the new shares issued for the purpose of carrying out of the change in status by way of a merger.

This notice is hereby published in its entirety with this letter.

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SUNCE HOTELI d.d.
Trpinjska 9, Zagreb
PIN: 069164311329

and

CROATIAN FINANCIAL SERVICES SUPERVISORY AGENCY (HANFA)
Franje Račkoga 6
10000 Zagreb

In Zagreb, 7th January 2020

Subject: Notice on changes in the percentage of voting rights in accordance with Article 428 of the Capital Market Act

Dear Sirs,

Pursuant to Article 482 of the Capital Market Act (Official Gazette 65/18) (**CMA**) we hereby notify that Ružica Andabak, Horvatnica 33, Zagreb, OIB: 51080208254 (**Shareholder**) directly dropped below the threshold of 5% of voting rights in the company **SUNCE HOTELI d.d.** with the seat in Zagreb, Trpinjska 9, registered in the court registry of the Commercial Court of Zagreb under Reg. No. (MBS): 08050240, PIN: 06916431329 (**Issuer**).

Below follow the data from Article 486 CMA:

1. Data on the Issuer of shares:

Company Name:	SUNCE HOTELI dioničko društvo za turizam i ugostiteljstvo
Seat and business address:	Zagreb, Trpinjska 9
Name of registry and registration number:	Court Registry of the Commercial Court of Zagreb, Reg. No. (MBS): 08050240
PIN:	06916431329
Responsible persons:	Tonći Boras, Makarska, Mozalinskih Hrvata 38, President of the Management Board Kristijan Gagulić, Zagreb, Mlinovi 161/C, Member of the Management Board

Ivan Potkrajčić, Zagreb, Gospodska 20, Member of the Management Board

2. Information on the Shareholder who reached, exceeded, or dropped under, the threshold prescribed by Article 482 CMA in the Issuer of shares: Ružica Andabak, Horvatnica 33, Zagreb, OIB: 51080208254

3. Information on controlled companies through which the Shareholder holds the actual voting rights

Company Name: SUNCE ULAGANJA d.o.o.

Seat and business address: Trpinjska 9, Zagreb

Name of registry and registration number: Court register of Commercial Court in Zagreb, MBS: 081083056

PIN: 33604047277

Responsible persons: Sanja Gagulić, director

4. Information from Article 482, paragraph 2 of CMA on what caused the reaching of or exceeding of or dropping under the prescribed thresholds of voting rights in the Issuer

The change in the percentage of voting rights of the Shareholder occurred due to changes in the number of shares into which the share capital of the Issuer was divided into as a result of the increase of the Issuer's share capital by issuance of the new shares issued for the purpose of carrying out of the change in status by way of a merger, in the process of which the Issuer as the acquiring company merged with the following companies: a) HOTEL ALAN d.d., Starigrad, Dr. Franje Tuđmana 14, PIN: 74508495120 (**HOTEL ALAN**), b) HOTELI TUČEPI d.d., Tučepi, Dračevica 35, PIN: 25592312404 (**HOTELI TUČEPI**), c) HOTELI ZLATNI RAT d.d., Bol, Bračka cesta 13, PIN: 52164567674 (**HOTELI ZLATNI RAT**) and d) HOTELI BRELA d.d., Brela, Trg Gospe od Karmela 1, PIN: 78097341068 (**HOTELI BRELA**) as acquired companies, which have entered on the day of 6th of May 2019 into the Merger Agreement with the Issuer (**Merger Agreement**). HOTEL ALAN, HOTELI TUČEPI, HOTELI ZLATNI RAT and HOTELI BRELA hereinafter referred together as: **Merged Companies**.

The Issuer at the same time was the majority shareholder of the Merged Companies in which it held the shares in the share capital and in the voting rights in the range from 80.99% to 97.96%. The remaining shares were held by minority shareholders (**Minority Shareholders of the Merged Companies**).

The General Assembly of the Issuer rendered on 28th June 2019 the Resolution on increase of the share capital of the Issuer from the amount of HRK 539,385,000.00 by the amount of HRK 56,073,500.00 to the amount of HRK 595,458,500.00. The share capital of the Issuer was increased by issuance of 560,735 new ordinary registered shares in the Issuer in the nominal amount of HRK 100.00 each, with share ticker SUKC-R-A or another designation assigned to them by the Central Depository and Clearing Company Inc. (CDCC) (**New Shares**).

Considering that, in accordance with the Companies Act, in the process of merger all assets of the Merged Companies were transferred to the Issuer at the moment of registration of the merger with the court registry in which the Issuer is registered, whereby the shareholders of the Merged Companies must receive shares in the Issuer in exchange for the transferred assets of the Merged Companies, it was necessary for the Issuer to increase its share capital by issuance of the New Shares, which were allocated exclusively to the Minority Shareholders of the Merged Companies, since the Issuer is at the same time the acquiring company and the majority shareholder in the Merged Companies, so in accordance with the statutory restriction from Article 520 of the Companies Act, the Issuer in the process of the Merger did not acquire New Shares in exchange for the shares it holds in the Merged Companies or any other rights.

The ratio by which the shares held by the Minority Shareholders of the Merged Companies in the Merged Companies were exchanged for the New Shares is stipulated in the Merger Agreement.

In addition to the above resolution on increase of the share capital by issuance of the New Shares, the General Assembly of the Issuer adopted at the same time the resolution on approval of the Merger Agreement. The General Assemblies of the Merged Companies also adopted resolutions on the approval of the Merger Agreement, specifically the General Assemblies of HOTEL ALAN, HOTELI TUČEPI and HOTELI BRELA on 26th June 2018, and the General Assembly of HOTELI ZLATNI RAT on 27th June 2019.

Based on the above resolutions of the General Assemblies of the Issuer and of the Merged Companies, each company participating in the merger filed an application for registration of the merger with the registration court with which it was registered, in accordance with Article 521 of the Companies Act, while the Issuer in addition filed the application for registration of the increase of the share capital by issuance of the New Shares. Competent Commercial Courts with which the Merged Companies were registered rendered the decisions on the registration of the merger with a notification that the merger shall become valid after it is registered in the court registry with which the Issuer is registered, and the Commercial Court of Zagreb as the registration court in which the Issuer is registered rendered on 31st December 2019 the decision on registration of the merger and the increase of the share capital of the Issuer by issuance of the New Shares.

In accordance with the registration of the increase of the share capital of the Issuer and the registration of the merger with the court registry, CDCC conducted a corporate action of

allocation of the New Shares to the Minority Shareholders of the Merged Companies in accordance with the New Shares exchange ratio stipulated in the Merger Agreement.

Due to the issue and allocation of the New Shares to the Minority Shareholders of the Merged Companies who became the shareholders of the Issuer as described above, a change occurred in the number of shares and in voting rights that the Shareholder holds in the Issuer, so that the Shareholder, starting from 31st December 2019, holds a total of 270.420 ordinary registered shares of the Issuer, each in the nominal amount of HRK 100.00, registered in the system of CDCC in dematerialized form under the share ticker SUKC-R-A with ISIN code HRSUKCRA0001, comprising of 4,54 % of the share capital of the Issuer and giving the right to 270.420 votes in the General Assembly of the Issuer, which represents 4,54% of the total voting rights in the Issuer calculated in accordance with the provision of Article 482, paragraph 4 of the CMA.

5. Information on the document based on which the threshold of voting rights is reached, exceeded or dropped under the threshold prescribed by Article 482 CMA

Document: Decision of the Commercial Court of Zagreb on registration of merger, increase of share capital and change of company name of 31st December 2019

6. Information on the number of acquired or released voting rights on the basis of which the threshold prescribed by Article 482 CMA is exceeded or dropped under

Number of acquired voting rights: 0
Share in the total number of voting rights: 0,47%

Notification: Regarding the fact that the Shareholder didn't participate in the increase of the share capital, the Shareholder holds the same number of shares, but the percentage by which the Shareholder contributes to the share capital has changed accordingly.

7. Information on the total number of voting rights held after exceeding of or dropping under the threshold prescribed by Article 482 of CMA

Total number of voting rights: 270.420
Share in the total number of voting rights: 4,54%

8. The date of reaching of, exceeding of, or dropping under, the threshold

Date of dropping under the threshold: 31st December 2019

9. Review of the number of voting rights pertaining to the Shareholder in cases of Article 483, Article 484 and Article 485 of CMA

Number of voting rights from Article 483 CMA
on the basis of the shares with voting rights: 270.420

Share in the total number of voting rights: 4,54%

The Shareholder has no voting rights that would be based on the rights from Article 484 and Article 485 CMA.

10. Date on which financial instruments will be acquired with the period of performance from Article 484 CMA, the date of maturity or expiry of the financial instrument from Article 484 CMA and the overview according to types of financial instruments from Article 484 CMA

The Shareholder holds no financial instruments from Article 484 CMA.

In accordance with Article 487 CMA, the Shareholder submits this Notice simultaneously to the Croatian Financial Services Supervisory Agency and the Issuer.

Kind regards,

Shareholder:

LUCIDUS d.d.

Attachment:

- 1. Decision of the Commercial Court of Zagreb on registration of merger, increase of share capital and change of company name of 31st December 2019*