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

Zagreb, December 31, 2019

Zagreb Stock Exchange
Croatian Financial Services Supervisory Agency
Croatian News Agency
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Company WEB site

Commercial Court Decision on Merger registration and change of Company Name

Pursuant to the Zagreb Stock Exchange Rules, Sunce koncern d.d., Trpinjska 9, Zagreb („**Sunce koncern d.d.**”, the “**Company**” or the “**Acquiring Company**”), hereby announces that on 31 December 2019, pursuant to the Merger Agreement concluded on 06 May 2019 and the decisions of the regular General Assembly of the Company dated August 29, 2019 (“**General Assembly**”), it received the decision of the Commercial Court of Zagreb, whereby the **merger of the companies Hotel Alan d.d., Hoteli Tučepi d.d., Hoteli Zlatni rat d.d. and Hoteli Brela d.d. (“Acquired Companies”)** to Sunce koncern d.d. has been registered with the Court Register as of December 31, 2019.

At the same time, the increase in the share capital of the Company by issuing new ordinary shares for implementation of the Merger, amendment of the company name and amendments to the provisions of the Company’s Articles of Association in the part related to the Company’s share capital and company name have also been registered with the Court Register.

The Company is renamed to **SUNCE HOTELI dioničko društvo za turizam i ugostiteljstvo**. The abbreviated company name is **SUNCE HOTELI d.d.**

The Acquiring Company’s share capital is increased by the amount of HRK 56,073,500.00 by issuing 560,735 new ordinary shares (“**New Shares**”), so that the Acquiring Company’s subscribed share capital amounts to HRK 595,458,500.00 and is divided into 5,954,585 shares.

In accordance with the decisions of the General Assembly, the New Shares will be transferred to minority shareholders of the Acquired Companies in exchange for the shares they held in the Acquired Companies according to the share exchange ratio and rules set out in the related Merger Agreement.

If a number of New Shares in the Company should remain unallocated to the Acquired Companies’ shareholders, those shares shall be allocated to the Company’s treasury shares.

The Company will take all necessary actions to implement the merger corporate action and increase of the Company’s share capital in the CDCC system as soon as possible, as well as the listing of New Shares on the Official Market of the Zagreb Stock Exchange.

As of the Merger registration date, Sunce koncern d.d. as the Acquiring Company will assume all assets as well as the rights and obligations of the Acquired Companies and becomes their universal legal successor.

SUNCE KONCERN d.d.

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