

## Publications and press releases

Press release 17 June 2019 – 12/2019

# FIN-FSA ordered supplementary amounts of conditional fine imposed on Danko Koncar payable

On 14 June 2019, the FIN-FSA has ordered Danko Koncar to pay the accrued supplementary amounts of the conditional fine, totalling 110,000,000 euro. The supplementary amounts of the conditional fine were ordered payable since Koncar has failed to publish a bid for shares in Afarak Group Plc or to present a valid reason for non-compliance with the obligation. The base amount of the conditional fine, 40,000,000 euro, was ordered payable on 9 July 2018.

On 21 February 2018, the FIN-FSA obliged Koncar to launch a takeover bid for Afarak shares and imposed a running conditional fine to enforce the obligations stated in the decision. The deadline imposed on Koncar to publish a bid lapsed after a month from the service of the decision, that is, on 16 June 2018. The first supplementary amount accrued on 16 July 2018, which means that a total of 11 supplementary amounts have accrued by the date when the supplementary amounts of the conditional fine were ordered payable on 14 June 2019. The obligations and the running conditional fines imposed on Koncar also remain in force after the supplementary amounts of the conditional fine have been ordered payable.

On 1 March 2019, the Helsinki Administrative Court rejected Koncar's appeals concerning the decisions made by the FIN-FSA in 2018 on imposing the conditional fine and on ordering it payable. The decisions of the Administrative Court are not legally binding, since Koncar has applied for a permission to appeal from the Supreme Administrative Court.

The importance of public interest, urgency of fulfilling the main obligation and severity of Koncar's misconduct factored in the FIN-FSA's decision to order the supplementary amounts of the conditional fine payable already before the decision imposing the conditional fine has become legally valid. Koncar's failure to comply with the provisions on the obligation to launch a bid has served to undermine confidence in the securities markets.

The present decision to order the supplementary amounts of the conditional fine payable is not legally valid, either. Koncar has the right to appeal the decision to the Helsinki Administrative Court within 30 days of the date of service of the decision. Information on the legal validity of the decision is available at the FIN-FSA website.

## **Further information**

Sari Helminen, Head of Division. Requests for interviews are coordinated by FIN-FSA Communications, tel. +358 9 183 5030  
(weekdays 9:00–16:00)

## **Appendix**

FIN-FSA decision (pdf)