

30 August 2023

BLACK SEA PROPERTY PLC
("Black Sea Property" or the "Company")

Issue of Loan Notes to raise €7,563,000

Further to the announcement made on 21 July 2023, Black Sea Property PLC, the Bulgarian real estate investment company, is pleased to announce that it has raised €7,563,000 through the issue of unsecured loan notes (the "Loan Notes") to certain existing shareholders.

The proceeds of the issue of the Loan Notes have been used to pay a further tranche of the consideration for the Acquisition, as defined in the 21 July 2023 announcement. The balance of the consideration, amounting to €18,837,000, is due by the end of October 2023.

Terms of the Loan Notes

The Loan Notes are repayable on 31 December 2023 (the "Repayment Date") and interest will roll up and be repaid on the maturity of the Loan Notes. The interest payable on the Loan Notes is 3 months' Euro Interbank Offered Rate plus 2.5% per annum.

In the event that, prior to the Repayment Date, Black Sea Property undertakes an equity fundraise, then the holders of the Loan Notes have the right to either (i) convert their Loan Notes, together with all accrued interest, into ordinary shares in the Company (at a price per share to be determined by reference to the VWAP for the ordinary shares for the five immediately preceding days); or (ii) ask for repayment of the Loan Notes, provided the Company has sufficient funds to repay the Loan Notes at that time.

Related party transaction

Mamferay Holdings ("Mamferay"), which is interested in 24.81% of the Company's issued share capital, has subscribed for €2,775,000 of the Loan Notes. The subscription by Mamferay is therefore a related party transaction for the purposes of the AQSE Growth Market Access Rulebook.

The directors of the Company (excluding Ventsislava Altanova and Miroslav Georgiev, who are Directors of Phoenix Global, Mamferay's parent company), having exercised reasonable care, skill and diligence, consider that the issue of the Loan Notes to Mamferay is fair and reasonable as far as the shareholders of BSP are concerned.

For further information, please visit www.blackseapropertyplc.com or contact the following:

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Market Abuse Regulation (MAR) Disclosure

This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation EU 596/2014 as it forms part of retained EU law (as defined in the European Union (Withdrawal) Act 2018).