7 November 2023

**BLACK SEA PROPERTY PLC**

("Black Sea Property", “BSP” or the "Company")

**Completion of the Acquisition of Grand Hotel Varna**

**EUR 21.1 million fundraise**

**Acquisition of a majority stake in Littoral Invest EAD**

**Highlights:**

* Completion of the acquisition of Grand Hotel Varna, including three hotels and a beach marina resort on the Black Sea coast.
* EUR 21.1 million fundraising, with EUR 10.8 million raised through a placing of new ordinary shares (the “Placing”) at a price of EUR 0.016 per share (the “Placing Price”) and through the issuance of EUR 10.8 million of unsecured loan notes (“Loan Notes”);
* Placing Price equivalent to the Company’s last stated NAV per share;
* Acquisition of a majority stake in Littoral Invest EAD, which holds a portfolio of assets, also in Varna.
* Total of EUR 33.1 million raised from new and existing investors since July 2023.

**Completion of Acquisition and Fundraise**

Black Sea Property PLC, the Bulgarian real estate investment company, is pleased to announce that it has completed the acquisition of a 98.27% interest in Grand Hotel Varna, originally announced in July 2023. In addition, the Company announces that it has raised an additional EUR 21.1 million through the issue of EUR 10.8 million of Loan Notes and a placing of 645,000,000 new ordinary shares of nil par value in the Company (“Ordinary Shares”; the “Placing Shares”) at the Placing Price, raising EUR 10.32 million. The Placing Price is based on the Company’s NAV as at 30 June 2023.

The Loan Notes have been issued on the same terms as the Loan Notes issued in August 2023 and September 2023 (the “Initial Loan Notes”) The holders of the Initial Loan Notes have agreed to extend the repayment dates on those notes to 30 June 2024 and to waive their rights to either convert the Initial Loan Notes, or to seek their repayment, on completion of the Placing.

**Acquisition of a majority stake in Littoral Invest EAD**

Black Sea Property is also pleased to announce an investment of EUR 4.5 million in Littoral Invest EAD (“Littoral Invest”), following which the Company is interested in 99.4% of Littoral Invest’s enlarged share capital.

Littoral Invest is the sole owner of Lazuren Bryag 91 EOOD, which owns a number of prime assets in Varna, including beachfront properties and cultural monuments. The property assests of Littoral Invest have been independently valued at EUR 6.071 million. Littoral Invest has total liabilities amounting to EUR 5.170 million.

The funds invested in Littoral Invest were utilised to acquire a 16.23% stake in Grand Hotel Varna AD alongside Black Sea Property.

The total consideration paid for Grand Hotel Varna was EUR 28.05 million. Black Sea Property and Littoral Invest now jointly own 98.27% of Grand Hotel Varna AD. The Company has raised a total of EUR 33.1 million in connection with the acquisition of Grand Hotel Varna since July 2023.

Simon Hudd, Chairman of Black Sea Property, stated, “We are delighted to have acquired these high quality assets in Varna, which significantly expands BSP’s presence on the Black Sea Coast. We are also proud to have received such strong fundraising support from new and existing investors."

**Application for Admission, Total Voting Rights and Holding in Company**

Application will be made for the 645,000,000 Placing Shares to be admitted to trading on the Aquis Stock Exchange Growth Market (“Admission”). Admission is expected to become effective on or around 10 November 2023.

On Admission, the Company will have 2,458,323,603 ordinary shares in issue, each share carrying the right to one vote.

This figure of 2,458,323,603 Ordinary Shares may be used by shareholders as the denominator for calculations by which they will determine if they are required to notify their interest in the Company, or a change to their interest in the Company, under the Financial Conduct Authority’s Disclosure Guidance and Transparency Rules.

On Admission, Elea Capital Holding JSC will be interested in 645,000,000 Ordinary Shares, representing 26.24% of the Company’s issued share capital as enlarged by the Placing.

The Directors of the issuer accept responsibility for the contents of this announcement.

For further information, please visit [www.blackseapropertyplc.com](http://www.blackseapropertyplc.com) or contact the following:

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| **BLACK SEA PROPERTY PLC**Simon Hudd -  Chairman  | +44(0) 774 702 0600 |
| **PETERHOUSE CAPITAL LIMITED**Aquis Corporate AdviserHeena Karani and Duncan Vasey | +44 (0) 207 469 0930 |

**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).