

21 July 2023

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

**Proposed acquisition of a majority stake in Grand Hotel Varna AD**

**Received final payment for the sale of ECDC Group**

***Acquisition of a majority stake in Grand Hotel Varna AD***

Black Sea Property PLC, the Bulgarian real estate investment company, is pleased to announce that it has signed an agreement to acquire 98.27% of Grand Hotel Varna AD (the "Acquisition").

Grand Hotel Varna AD wholly owns GHV-Dolphins EAD, a Bulgarian company which holds the title to real estate comprising three hotels and a beach marina resort (together, the "Resort"), situated in a prime location on the Black Sea Coast, with excellent accessibility. The assets being acquired also include a mutual fund portfolio, comprising readily realisable investments.

The primary purpose of the Acquisition is to strengthen Black Sea Property's hospitality investments, adding desirable hotels to its existing investment in Camping South Beach. Periodic disposals from the mutual fund portfolio will be utilised to renovate the Resort, transforming it into an all-year round luxury facility, which aligns with the Company's business strategy and existing assets.

The consideration payable for the Acquisition is EUR 28 million in cash, of which an initial non-refundable deposit of EUR 1.6 million was paid upon signing of the agreement. The property assets being acquired have been independently valued at EUR 19 million, and the mutual fund portfolio is currently valued at EUR 12 million.

To satisfy the balance of the consideration, the Company will need to raise additional funds. Subject to securing the required funding, which the Directors are confident of achieving, the Acquisition is expected to be completed by 30 October 2023. Further information about the funding will be announced in due course.

Simon Hudd, Chairman of Black Sea Property, stated, "We are delighted to have secured this major investment in an iconic resort on the Black Sea Coast. We believe that the hotels of GHV-Dolphins EAD can be effectively renovated and transformed into high-quality luxury developments which will enhance shareholder value."

***Received final payment for the sale of ECDC Group***

Black Sea Property has received the final payment for the sale of the remaining assets of ECDC Group which the Company sold on 30 September 2021 for a cash consideration of EUR4.5 million.

***Audited Final Results for the year ended 31 December 2022***

Black Sea Property is working closely with its auditors to ensure that the financial statements are published as soon as possible.

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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**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).