

PROSPECTUS



Black Sea Property AS

(A Norwegian private limited liability company incorporated under the laws of Norway)

Rights Issue of minimum 107,382,966 and maximum 150,000,000 Offer Shares towards Eligible Shareholders

Subscription Period: 19 September 2024 at 09:00 hours to 3 October 2024 at 16.30 hours

This prospectus (the "**Prospectus**") has been prepared by Black Sea Property AS ("**Black Sea Property**", "**BSP**" or the "**Company**") solely for use in connection with the partially underwritten offering of up to 150,000,000 new shares, each with a par value of NOK 0.05, (the "**Offer Shares**") to the Company's shareholders as of 16 September 2024 (as registered in the VPS on 18 September 2024, the "**Record Date**") (the "**Rights Issue**"), less; shareholders domiciled in a jurisdiction where such offering would be unlawful, or for jurisdictions other than Norway, would require any filing, registration or similar action (other than the publication of a prospectus in Norway) (the "**Existing Shareholders**"). The Offer Shares will be offered at a price per Offer Share of NOK 0.12 (the "**Subscription Price**"), and the Rights Issue will thus raise gross proceeds to the Company of up to NOK 18,000,000.

The Rights Issue is partially underwritten by a consortium of existing shareholders (jointly, the "**Underwriters**"), who will secure subscription of Offer Shares for NOK 12,885,956. The Underwriters have provided the Company with certain shareholder loans and shall convert such shareholder loans and accrued interest thereunder (the "**Shareholder Loans**") to fulfil their underwriting obligations in the Rights Issue.

Each Existing Shareholder will be granted, subject to applicable law, subscription rights that may be used to subscribe for Offer Shares (the "**Subscription Rights**") for each existing Share registered as held by such Eligible Shareholder on the Record Date. For the purposes of determining entitlement to Subscription Rights, the Company will look solely to its register of shareholders as of the expiry of the Record Date. Provided that the delivery of traded Shares is made with ordinary T+2 settlement in the VPS, Shares that are acquired on or before 16 September 2024 (the "**Cut-Off Date**") will give the right to receive Subscription Rights, whereas Shares that are acquired from and including 17 September 2024 will not give the right to receive Subscription Rights.

Each Existing Shareholder will be granted 1.4837 Subscription Rights for every one (1) Share registered as held by such Existing Shareholder as of the Record Date, rounded down to the nearest whole Subscription Right. The Subscription Rights will be registered on each Existing Shareholder's VPS account. Each Subscription Right will give the right to subscribe for, and be allocated, one (1) Offer Share in the Rights Issue. Oversubscription with Subscription Rights will be permitted, however, there can be no assurance that Offer Shares will be allocated for such subscriptions. The Underwriters will have a preferential right to subscribe for and be allocated Offer Shares that have not been subscribed for based on allocated and acquired Subscription Rights. Other than subscriptions from the Underwriters (as defined below), subscription without Subscription Rights is not permitted.

Subscription Rights that are not exercised before the end of the Subscription Period (i.e. before 3 October 2024 at 16.30 hours (CEST)) will have no value and will lapse without compensation to the holder. Following expiry of the Subscription Period, any Offer Shares that have not been subscribed for and allocated in the Rights Issue will be subscribed and paid for at the Subscription Price by the Underwriters, subject to the terms and conditions of the Underwriting Agreement entered into between the Company and the Underwriters dated 28 May 2024.

The Subscription Rights and the Offer Shares are being offered only in those jurisdictions in which, and only to those persons whom, offers and sales of the Offer Shares (pursuant to the exercise of the Subscription Rights) may be lawfully made.

The due date for the payment of the Offer Shares is expected to be on or about 8 October 2024. Delivery of Offer Shares is expected to take place on or about 31 October 2024, through the facilities of the VPS. Trading in the Offer Shares on Euronext Growth Oslo is expected to commence on or about 1 November 2024.

This Prospectus has, in compliance with the Norwegian Securities Trading Act section 7-8, been registered with the Norwegian Register of Business Enterprises for notoriety purposes, but has not been reviewed or approved by any public authority or stock exchange.

Investing in the Company involves material risks and uncertainties. See Section 3.9 "Risk factors related to the Company and its business" and Section 4.18 "Risks related to the Offer Shares and the Shares".

The date of this Prospectus is 16 September 2024

IMPORTANT INFORMATION

Please refer to Section 9 "Definitions and Glossary of Terms" for definitions of terms used throughout this Prospectus, which also apply to the preceding page.

This Prospectus and its appendices have been prepared by Black Sea Property in order to provide information about the Company, the Rights Issue and the Offer Shares (as defined below). This Prospectus, and the sequence of information in this Prospectus, has been prepared in accordance with the Securities Trading Regulation section 7-3, cf. the Securities Trading Act section 7-5. The Prospectus has been published in an English version only.

The Company is solely responsible for the Prospectus and its contents. To the best knowledge of the Company, the information contained in this Prospectus is in all material respects in accordance with the facts as of the date hereof, and contains no material omissions likely to affect its import. This Prospectus includes information obtained from third parties. Such information has been accurately reproduced and, as far as the Company is aware and able to ascertain from the information published by that third party, no facts have been omitted that would render the reproduced information to be inaccurate or misleading. This Prospectus does not intend to provide a complete description of the Company or the Group, but merely represents a summary of certain parts of its business and economic status. No representation or warranty (express or implied) is made as to, and no reliance should be placed on, any information, including projections, estimates, targets and opinions, contained herein, and no liability whatsoever is accepted as to any errors, omissions or misstatements contained herein, and, accordingly, neither the Company, their advisors, any of their parent or subsidiary undertakings or any such person's officers or employees accepts any liability whatsoever arising directly or indirectly from the use of this Prospectus. By receiving this Prospectus, you acknowledge that you will conduct your own analysis and be solely responsible for forming your own view of the potential future performance of the Company's business.

An investment in the Company involves inherent risk, and several factors could cause the actual results, financial performance and results of the Company to be materially different from any future results, performance or achievements that may be expressed or implied by statements and information in this Prospectus, including, among others, risks or uncertainties associated with the Company's business, segments, development, growth management, financing, market acceptance and relations with customers, and, more generally, general economic and business conditions, changes in domestic and foreign laws and regulations, taxes, changes in competition and pricing environments, fluctuations in market development, limited liquidity in the shares, as well as other company specific risk factors. Please refer to Section 3.9 "Risk factors related to the Company and its business" and Section 4.18 "Risks related to the Offer Shares and the Shares" for a description of certain risk factors. These and other risks could lead to actual results or achievements varying materially from those described in this Prospectus. Potential investors should not base their decision to invest on the Prospectus solely but should independently study and consider relevant information. The value of the Offer Shares may be reduced as a result of these or other risk factors, and investors may lose part or all of their investments. An investment in the Company should only be made by investors able to sustain a total loss of their investment.

This Prospectus contains certain forward-looking statements relating to the business, financial performance and results of the Company, the industry in which it operates and/ or the market in general. Forward-looking statements include all statements that are not historical facts, and may be identified by words such as "anticipate", "believe", "estimate", "expect", "seek to", "may", "plan", "project", "should", "will" or "may" or the negatives of these terms or similar expressions. The forward-looking statements contained in this Prospectus, including assumptions, opinions and views of the Company or cited from third party sources are solely opinions and forecasts which are subject to risks, uncertainties and other factors that may cause actual events to differ materially from any anticipated development. None of the Company or their advisors or representatives or any of their parent or subsidiary undertakings or any such person's officers or employees provides any assurance that the assumptions underlying such forward-looking statements are free from errors nor does any of them accept any responsibility for the future accuracy of the opinions expressed in this Prospectus or the actual occurrence of the forecasted developments.

This Prospectus has not been reviewed by any public authority or stock exchange. No action to register or file the Prospectus has been made outside of Norway. The distribution of this Prospectus and the offering, subscription, purchase or sale of securities issued by the Company in certain jurisdictions is restricted by law, including (but not limited to) USA, Canada, Japan and Australia. Persons into whose possession this Prospectus may come, are required to inform themselves about and to comply with all applicable laws and regulations in force in any jurisdiction in or from which it invests or receives or possesses this presentation and must obtain any consent, approval or permission required under the laws and regulation in force in such jurisdiction. The Prospectus is not directed at or meant for the use by persons localized in, or belonging to, any jurisdiction where such distribution or use may conflict with applicable laws, regulations and restrictions. The Prospectus may not be distributed into, or published in, any such jurisdictions. In particular, the Prospectus or any part thereof (including copies) shall not be transmitted to or distributed in the US, Japan, Canada or Australia.

The content of this Prospectus is not to be construed as legal, business, financial or tax advice. Each prospective investor should consult its own legal advisor, business advisor, financial advisor or tax advisor as to legal, business, financial and tax advice.

Any dispute regarding the Prospectus shall be governed by Norwegian law and Norwegian courts alone shall have jurisdiction in matters relevant hereto.

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Appendix 1: Articles of association

Appendix 2: Subscription Form

Appendix 3: Financial statements for the year ended 31 December 2023

Appendix 4: Financial statements for the year ended 31 December 2022

1 STATEMENT OF RESPONSIBILITY

This Prospectus has been prepared by Black Sea Property AS (registration number 914 892 902) in connection with the Subsequent Offering.

The board of directors of the Company (the "**Board**") confirms that, after having taken all reasonable care to ensure that such is the case, the information contained in the Prospectus is, to the best of their knowledge, in accordance with the facts and contains no omission likely to affect its import.

Oslo, 16 September 2024

The Board of Black Sea Property AS

Egil Redse Melkevik
Chairman

Dag Espen Arnesen
Director

Hans Fredrik Gulseth
Director

Kåre Rødningen
Director

2 INFORMATION ABOUT THE ISSUER

2.1 Name and corporate information

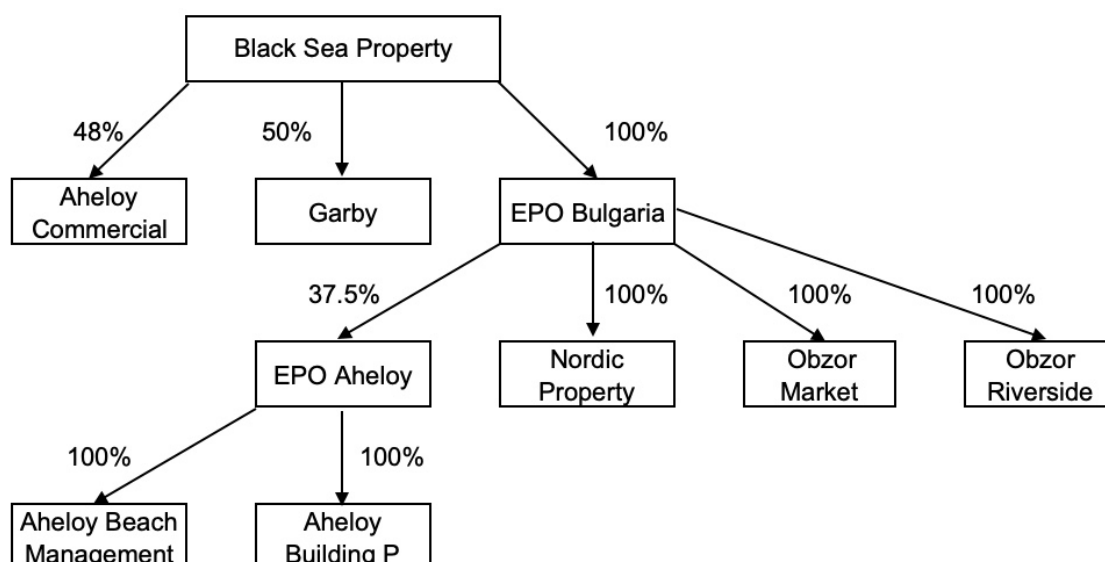
The name of the Company is Black Sea Property AS.

The registered business address of the Company is Engebrets vei 3, 0275 Oslo, Norway and the postal address of the Company is Postboks 211, Skøyen, N-0213, Oslo, Norway.

The LEI¹ code of the Company is 213800HELCJXXWXSP608.

The Company's Shares are listed at Euronext Growth Oslo, a multilateral trading facility, operated by Oslo Børs ASA, with ticker "BSP".

The figure below illustrates the corporate structure of the Group as of the date of this Prospectus:



The companies "Aheloy Commercial" and "Garby" are inactive companies, which were used to acquire the resort assets in "EPO Aheloy" through transfers of receivables.

"Aheloy Beach Management" and "Aheloy Building P" are inactive companies with no activity. The intention for such companies was to structure all owner participation.

The "EPO Bulgaria" ownership of 37.5% will be reverted back to 75%, subject to the full repayment of the "Penchev Consult" loan. For more information refer to section 3.8.1 "Material borrowings".

The companies "Nordic Property", "Obzor Market" and "Obzor Riverside" are inactive companies, holding property assets that were acquired as a result of the merger with Bulgaria Eiendom Invest AS completed in September 2021.

¹ Legal Entity Identifier

2.2 Board of Directors and Management

2.2.1 General

The Articles of Association provide that the Board of Directors shall consist of between 1 and 7 board members.

The names and positions and current term of office of the board members at the date of this Prospectus are set out in the table below as well as the shareholdings of the Board members as of the date of this Prospectus (excluding outstanding warrants granted to the directors)

Name	Position	Served since	Term expires	Shares
Egil Melkevik	Chairman	2015	2025	1,725,031 ²
Kåre Rødningen	Director	2015	2025	1,775,214 ³
Hans Fredrik Gulseth	Director	2015	2025	6,553,207 ⁴
Dag Espen Arnesen	Director	2021	2025	1,181,000 ⁵

2.2.2 Brief biographies of the Board of Directors

Egil Melkevik

Mr. Melkevik has served as a member of the Board in BSP since November 2015 and as part-time CEO of the Company since March 2019. He has more than 30 years experience as owner and employee of several Norwegian businesses, including having the responsibility of leadership and compliance in various financial institutions.. Mr. Melkevik has a Master of Science in economics and Business Administration from the University of Agder in 1993.

Kåre Rødningen

Mr. Rødningen has served as a member of the Board in BSP since November 2015. He has been self-employed since 2001, and has wide experience from residential development and financial investments.

Hans Fredrik Gulseth

Mr. Gulseth has served as a member of the Board in BSP since June 2015. He has substantial experience from managing, developing and investing in the real estate markets. He has previously been director at Storebrand Eiendom and project leader at Nils-Nilsen, Berntsen og Boe AS and Ragnar Evensen AS. Since 2012 he has been self-employed in Christinedal AS. Mr. Gulseth has a Master of Science in Civil Engineering from the Norwegian University of Science and Technology.

Dag Espen Arnesen

Mr. Arnesen has served as a member of the Board in BSP since September 2021. Mr. Arnesen is a partner at North Bridge AS, a real estate focused capital management firm. He holds a Master in

² Held through MTB Invest AS, a company controlled by Egil Melkevik.

³ Held through Rødningen Invest AS, a company wholly owned by Kåre Rødningen.

⁴ Held personally and through Christinedal AS, a company wholly owned by Hans Fredrik Gulseth

⁵ Held through DEA Holding AS, a company wholly owned by Dag Espen Arnesen.

Business and Economics from the Norwegian School of Economics and Business and has more than 40 years of experience from investment activities, corporate finance and property management.

2.2.3 Chief Executive Officer and other employees

The Company currently has one employee, namely Egil Melkevik in the position as CEO. The position is a part-time position, equivalent to 25% of a full-time position.

Please refer to Section 2.2.2 "Brief biographies of the Board of Directors" for further information on Egil Melkevik.

Effective 1 September 2024, the Company has engaged North Bridge Management AS as corporate manager (Norwegian: *forretningsfører*) in order to support the CEO and to strengthen the operational capabilities of the Group. As of the date of this Prospectus North Bridge Management owns 900,000 shares in the Company and is also expected to subscribe for Offer Shares through its participation as an Underwriter. The Board member Dag Espen Arnesen is a partner in North Bridge Management AS.

In addition, the Company's wholly owned subsidiary EPO Bulgaria employs one person, namely George Angelov, who is responsible for overseeing the construction and the operation of the Resort as well as corporate management of the Bulgarian subsidiaries. Apart from this, the Group does not currently have any employees.

2.2.4 Disclosure regarding convictions, sanctions, bankruptcy etc.

During the last five years preceding the date of this Prospectus, none of the Board members and the members of the Company's management, has or had, as applicable:

- Any convictions in relation to indictable offences or convictions in relation to fraudulent offences;
- Received any official public incrimination and/or sanctions by any statutory or regulatory authorities (including designated professional bodies) or was disqualified by a court from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company; or
- Been declared bankrupt or been associated with any bankruptcy, receivership or liquidation in his or her capacity as a founder, director or senior manager of a company.

3 ADDITIONAL INFORMATION ON THE ISSUER

3.1 Legal form and applicable law

Black Sea Property AS is a Norwegian limited liability company organized under the Norwegian Private Limited Liability Companies Act (the "**NPLCA**"). The Company is subject to the laws applicable in the jurisdictions in which it operates, mainly Norway and Bulgaria.

3.2 Date of incorporation

The Company was incorporated on 19 January 2015 and registered in the Norwegian Register of Business Enterprises on 30 January 2015 with registration number 914 892 902.

3.3 The purpose of the Company

The Company's business purpose is to own, manage and invest in real property, as well as related business, as regulated in the Company's articles of association § 3. Black Sea Property is a holding company.

The Company's current main investment is in the Sunrise River Beach Resort project.

3.4 Description of the Shares and rights to Shares

3.4.1 Share capital and share capital development

As of the date of this Prospectus, the Company's share capital is NOK 5,054,964.70, divided into 101,099,294 Shares, each with a nominal value of NOK 0.05. All the Shares have been created under the Norwegian Private Limited Companies Act and are validly issued and fully paid. The Shares are registered electronically in the VPS under ISIN NO 0010755101. The Company's VPS Registrar is Nordea Bank Abp, Filial i Norge.

The Company has one class of Shares. The Company owns no treasury Shares at the date of this Prospectus. None of the Company's subsidiaries owns, directly or indirectly, Shares in the Company.

The Company's Shares are freely transferable, and the Company's articles of association stipulate that the transfer of Shares does not trigger pre-emptive rights of other shareholders and that transfer of Shares is not subject to the consent of the Board of Directors.

The Company's Shares are listed at Euronext Growth Oslo, a multilateral trading facility, operated by Oslo Børs ASA, with ticker "BSP".

The table below summarizes the share capital development from 2015 to the date of this Prospectus.

Date of registration	Type of change	Change in issued share capital (NOK)	Par value per share (NOK)	Subscription price (NOK)	No. issued shares after change	Total issued share capital after change (NOK)
30 January 2015	Incorporation	N/A	1	1	30,000	30,000
16 December 2015	Private placements	245,985	1	138,6444	275,985	275,985
18 December 2015	Share split	N/A	0.01	N/A	27,598,500	N/A
1 February 2016	Rights Issue	24,015	0.01	1,386444	30,000,000	300,000
19 April 2017	Rights Issue	315,185.83	0.01	0.70	61,518,583	615,185.83
29 May 2018	Private Placement	287,500	0.01	0.40	90,268,583	902,685.83
7 July 2018	Repair Issue	50,000	0.01	0.40	95,268,583	952,685.83
25 January 2019	Private Placement	432,250	0.01	0.20	138,493,583	1,384,935.83
22 February 2019	Repair Issue	197,500	0.01	0.20	158,243,583	1,582,435.83
26 July 2019	Debt conversion and private placement ⁵	712,699.17	0.01	0.20	229,513,500	2,295,135.00
26 July 2019	Reverse share split	N/A	0.25	N/A	9,180,540	2,295,135.00
12 February 2020	Debt conversion	1,317,133.75	0.25	2.00	14,449,075	3,612,268.75
24 March 2020	Subsequent offering	548,518.25	0.25	2.00	16,643,148	4,160,787.00
29 May 2021	Debt conversion	2,631,427.50	0.25	3.38	27,168,858	6,792,214.50
6 September 2021	Private placement	1,083,333.50	0.25	3.00	31,502,192	7,875,548.00
11 September 2021	Merger and subsequent offering	3,181,308.25	0.25	3.00	38,890,632	9,722,658.00
26 April 2023	Private placement	5,105,000	0.25	0.40	64,401,046	16,100,261.50
30 May 2023	Subsequent offering	2,652,815	0.25	0.40	10,611,260	18,753,076.50
14 November 2023	Private placement	5,822,237	0.25	0.25	98,301,254	24,573,313.50
10 January 2024	Subsequent offering	699,510	0.25	0.25	101,099,294	25,274,823.50
12 September 2024	Share capital decrease	20,219,858.80	0.05	N/A	101,099,294	5,054,964.70

3.4.2 Financial instruments

The members of the Board of Directors have previously been granted warrants (Norwegian: *frittstående tegningsrettigheter*) as compensation for their work as Board members. As of the date of this Prospectus, the Board members hold warrants as set out below:

Grant of warrants at the annual general meeting in 2023				
Name	Number of warrants	Strike price	Grant date	Expiry date
Egil Redse Melkevik	1,619,000	0.40	29 June 2023	29 June 2028
Hans Fredrik Gulseth	1,619,000	0.40	29 June 2023	29 June 2028
Kåre Rødningen	1,369,000	0.40	29 June 2023	29 June 2028
Dag Espen Arnesen	643,000	0.40	29 June 2023	29 June 2028

⁵ The private placement was made towards Hans Gulseth in order to enable a share split, and consisted of 5 shares, each with a par value of NOK 0.01.

Grant of warrants at the annual general meeting in 2024				
Name	Number of warrants	Strike price	Grant date	Expiry date
Egil Redse Melkevik	2,000,000	0.12	24 June 2024	24 June 2029
Hans Fredrik Gulseth	2,000,000	0.12	24 June 2024	24 June 2029
Kåre Rødningen	2,000,000	0.12	24 June 2024	24 June 2029
Dag Espen Arnesen	2,000,000	0.12	24 June 2024	24 June 2029

Each of the warrants give the holder the right to require issuance of one (1) new Share in the Company. None of the warrants mentioned in the table above have been exercised as of the date of this Prospectus.

Other than as set out above, neither the Company nor any of its subsidiaries has, as of the date of this Prospectus, issued any options, warrants, convertible loans or other instruments that would entitle a holder of any such instrument to subscribe for any shares in the Company or its subsidiaries. Further, none of the companies in the Group has issued any convertible loans or subordinated debt or transferrable securities.

3.5 The business of Black Sea Property

Black Sea Property is a real estate company with partial ownership to a real estate project on the Black Sea coast named Sunrise River Beach Resort. The Resort is substantially finished and will upon completion consist of 946 apartments, significant commercial areas as well as a wide range of outdoor facilities. The Company effectively owns 37.5% of the project, following transfer of 50 % ownership 50% of the Company's shares in Group company EPO Aheloy OOD (the development and owning company for the Resort) as security⁶ under a loan agreement with Penchev Consult (as further described under Section 3.8.1 "Material borrowings").

Following the completion of the merger between BSP and BEI in September 2021, with BSP as the continuing company, the subsidiaries Nordic Property EOOD, Obzor Market EOOD and Obzor Riverside EOOD were acquired. Accumulatively they hold ownership over 5 plots located in Byala and Obzor regions with a total size of almost 55,000 sq. meters. The 2018 market valuation of the plots was estimated to be of EUR 1.8 million, however due to planning and the nature zoning restrictions, the value of some of the plots is considered diminished. BSP is looking to dispose of these property assets. The current book value of the 5 plots in the BSP consolidated balance sheet is approx. NOK 6 million.

3.5.1 The Resort

The Sunrise River Beach Resort (previously the Aheloy Beach Resort and the Sunrise Gardens Resort) (the "**Resort**" or "**Sunrise River Beach Resort**") is a gated hotel and apartment complex located 20 km away from Burgas, 5 km away from Pomorie and just 7 km from the ancient town of Nessebar and the resorts Sunny beach and St. Vlas. Aheloy River neighbors the complex providing a natural barrier between the complex and the main road between Bourgas and Nessebar. The project is also ideally located just minutes from Bourgas International Airport. A new high speed road connection (Bourgas

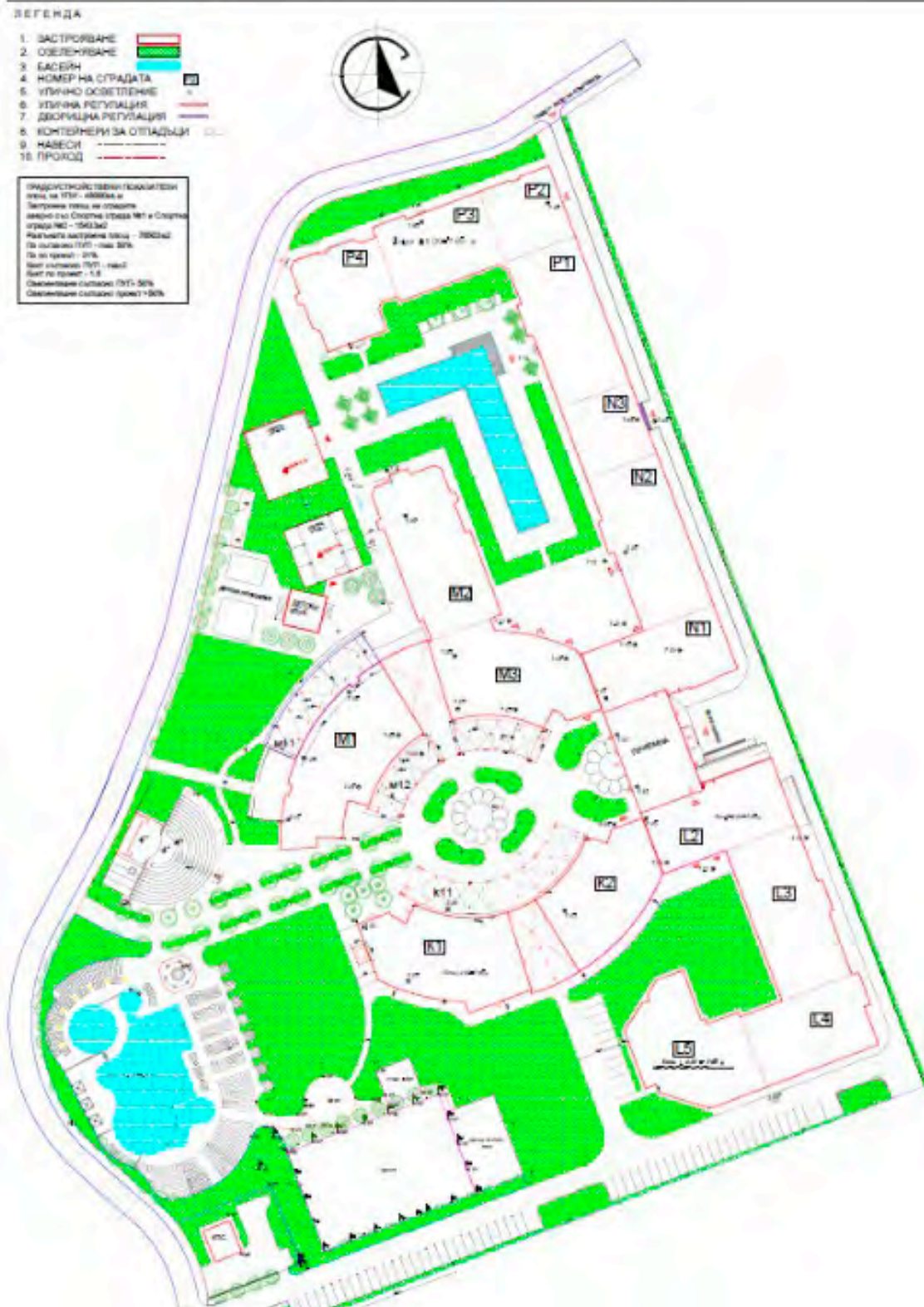
⁶ Subject to compliance with the terms of the loan agreement, the shares in EPO Aheloy will be transferred back to the Company following re-payment of the debts owed to Penchev Consult.

– Sunny Beach) opened summer 2018. The beach line is situated just in front of the complex and is shared with the residents and visitors of the town of Aheloy.

The company EPO Aheloy OOD is the development company for the Resort. The Company has an effective 37.5% ownership stake in EPO Aheloy OOD. The Company's local Bulgarian Partner, Mr. Boyan Bonev, holds a 12.5% ownership stake (through Trem Holding AD, previously named Sunset Resort Holding AD) in EPO Aheloy. Mr. Boyan Bonev has significant experience in hotel management through running the Sunset Resort in Pomorie. Penchev Consult EOOD ("**Penchev Consult**") currently owns the remaining 50% of EPO Aheloy since December 2022, when EPO Bulgaria EOOD and then Sunset Resort Holding transferred over to Penchev Consult respectively 50% of their holdings in EPO Aheloy against a payment of EUR 100'000 for the shares as security under a loan agreement with Penchev Consult. Additionally, Penchev Consult has committed to provide a loan to EPO Aheloy in the amount of up to EUR 10 million, as further described in Section 3.8.1 "Material borrowings".

Please find below a plot situation overview of the Resort:

Current development plans



For further information on the current status of construction of the Resort, please refer to Section 3.6.2 "Plans for completion and operation of Sunrise River".

Key figures of the Sunrise River Beach Resort include:

The total built-up area of the Resort is about 75,000 square meter.

The total number of apartments when completed will be 946, whereof 50 apartments in the P Building are owned by the Company's local Bulgarian partner Boyan Bonev (rented and operated by EPO Aheloy) and 109 apartments are owned by various private investors;

Status	Building	Total number of units	TBA	Average unit size	Units owned by EPO	Units owned by others	TBA owned by EPO
Completed	Building N	175	13,237	75.64	175		13,237
Completed	Building M	183	12,834	70.13	183		12,834
Completed	Building P	244	16,553	67.84	85	159	5,766
Rough construction	Building L	272	18,308	67.31	272		18,308
Rough construction	Building K	72	6,300	63.00	72		4,536
Total		946	67,232		787		54,681

The expected number of tourists will be about 4,000 per week in a fully operational Resort in addition to over 350 staff accommodated at the Resort. During the recent operating season Summer 2024, the Resort had an average number of guests per day of over 1,100 and a daily peak number of guests of approx. 2,100 guests.

Sunrise River Beach Resort is a gated residence resort. There are no shopping and amusement centers in the vicinity, which will contribute to spending within the Resort by visiting tourists.

3.5.2 History of the Sunrise River Beach Resort

Sunrise River Beach Resort is one of the largest holiday resorts in Bulgaria and is planned to comprise, when completed, 946 apartments. The construction of the Sunrise River Beach Resort was first started in 2007 and stopped in 2010 when the developer (Aheloy Residence OOD) ran into financial difficulties, due to a number of cancellations of apartment sales, failure to collect final payments from buyers and inability to obtain financing due to the general decline in the credit markets. Aheloy Residence OOD has been declared bankrupt and the bankruptcy estate has still not been settled.

In September 2007, the Norwegian company Aheloy Beach Commercial AS ("**ABC**") purchased 62% of the shares in Aheloy Commercial AD ("**Aheloy Commercial**").

In the summer of 2010, the project stopped completely, and no further construction works took place.

After running into financial difficulties, the original developer (Aheloy Residence OOD) negotiated an agreement with its main creditors but failed to conclude such agreement. The main creditors therefore obtained official executive orders of default registered against the developer's assets.

Following the halt of construction in the summer of 2010 and the original developer's failure to enter into an agreement with its creditors, the Norwegian investment Company EPO Invest KS ("**EPO**") set up the joint venture company EPO Aheloy OOD ("**EPO Aheloy**") together with a local Bulgarian partner. EPO Aheloy acquired a major financial claim with first priority mortgage security on the former developer's assets from UniCredit Bulbank. Afterwards, a bankruptcy motion against the former developer was initiated and as a result Aheloy Residence OOD was declared insolvent in January 2015.

The building works at the Resort were resumed in September 2016. In short, the performed construction and installation works to date has been concentrated on the completion and equipping for operation of buildings M & N, constructing commercial and restaurant spaces, a new swimming pool, amphitheater, new reception/sports hall, boxing hall, pumping station, road access, utility connections, landscaping, sports fields, roads, pathways, plaza, outside sitting covers, reshaping of K building, façade of building L, preservation and repairs of building P.

The Resort had its first operating season in the summer of 2022, and operated as a family and kids' camp. For the current 2024 season, the Resort operated the buildings P, N & M, which have the joint capacity to accommodate over 2,100 guests and 250 staff, in addition to commercial areas (including 3 restaurants, 2 pool bars, general store, etc.) As of the date of this Prospectus, all infrastructure and facilities at the Resort are completed and operational (mainly indoor multifunctional sports hall, outside covered sports hall, boxing hall, amphitheater, sport and volleyball fields, 2 swimming pools, etc.)

3.5.3 Current status of Sunrise River Beach Resort

As of the date of this Prospectus, the construction status of the Sunrise River Beach Resort is following the outlined completion schedule. All 358 apartment units in buildings M and N are fully completed and equipped. Additionally, 184 apartment units in building P are completed and fitted with furniture and appliances installation in place (all these units are operated and managed by EPO Aheloy and include a number of externally owned apartment committed to long term rental obligations and apartments in the process of ownership purchase transfer).

Management of the Resort is being carried out by a separate management company. Pursuant to the agreement with the management company, the management company is entitled to receive a fee of 1% of the gross income for each season in addition to cost coverage in the ordinary course of business. Any profits from the season are divided between EPO Aheloy and the management company in accordance with pre-defined principles in the management agreement. The operational and license risk is allocated to the Sunrise River management company.

Landscape and vertical layout works and irrigation system works were carried out as planned. Pumping station, the onsite rain, sewage and fresh water supply, electrical transformers and power delivery are operational. Construction of amphitheater, new swimming pool, site access road and pathways concrete works were also completed. Humus and top-level soil placed, with irrigation system installation. The finishing of the Main Plaza transformed the overall Resort appearance.

The 4 sport hall facilities are complete and functioning, in addition to the open air sport fields. The commercial areas (restaurants, kitchens and shops) in all parts in building M and N are complete, and expansion of the kitchen and restaurant space in its part in building K is now ready to accommodate the expected over 2'300 guests and staff. The Resort's outside areas including the restaurant outside seating space with cover at the main plaza are done, works on expanding the outside sitting space on the back side are planned for completion.

The works of the common areas in building P are completed (repaired roof, drainage lines, terraces, central hot water piping, fire notification cabling, fire suppression, interior doors, repaired walls and new interior paint, etc.). This building is owned by EPO Aheloy together with other third-party owners, where EPO Aheloy is operates 184 units in P building.

The construction and expansion of the two swimming pools, together with surrounding spaces is

finished.

Constructing of the new sport hall adjacent to building P is executed, with a height of 9 meters and floor space of approximately 22 by 20 meters.

"K" building has been reduced to approximately 1/3 of the initially planned number of apartments. Its outside appearance has been transformed by completing demolition works, the concrete fundament works and windows, the outside walls brick works and putting roofing. The ground floor of K building's restaurant and kitchen space is operational.

As to the outside appearance of the connected "L" building with façade, windows, roofing and terraces tiling and drainage is stands almost 100% completed. In the basement areas of L space was allocated and luggage rooms were constructed.

Beach access is available through a staircase from the Resort.

The Water and Sewage pipeline connection to the village is in place. Also, following the signed agreement with EVN power distribution company, electrical power has been delivered to the Resort since September 2021 and additional power load was made available in May 2023.

EPO Aheloy has successfully acquired over 57,000 square meters of real estate property in the various buildings of the Sunrise River Beach Resort. The table below lists the number of units already acquired by EPO Aheloy, and the total number of units planned to be developed⁷.

⁷ The numbers stated for currently owned units exclude the premises designated for housekeeping and other uses.

Accommodation units (Studios and apartments)

	Studios	1-bdr units	2-bdr units	Total
Building N - phase 1				
Number of units	21	66	88	175
Distribution of units	12%	38%	50%	
Areas in sq.m	960	4 643	7 634	13 237
Average size in sq.m	46	70	87	76
Building M - phase 1				
Number of units	15	101	67	183
Distribution of units	8%	55%	37%	
Areas in sq.m	742	6 077	6 015	12 834
Average size in sq.m	49	60	90	70
Building P - phase 1				
Number of units	41	79	124	244
Distribution of units	17%	32%	51%	
Areas in sq.m	1 797	4 398	10 358	16 553
Average size in sq.m	44	56	84	68
Building L - phase 2				
Number of units	55	95	122	272
Distribution of units	20%	35%	45%	
Areas in sq.m	2 548	5 096	9 341	16 985
Average size in sq.m	46	54	77	62
Building K - phase 2				
Number of units	28	44	0	72
Distribution of units	39%	61%	0%	
Areas in sq.m	1 210	2 480	0	3 690
Average size in sq.m	43	56	0	51
TOTAL				
Number of units	160	385	401	946
Distribution of units	17%	41%	42%	
Areas in sq.m	7 257	22 694	33 348	63 299
Average size in sq.m	45	59	83	67

Shared areas

Areas per building and phases in sq.m	Phase 1	Phase 2	Storages	Total
Building N - phase 1				
Shop on the ground floor	187			187
Lobby bar	140			140
Offices	189			189
Storages on level -1			1 129	1 129
Total for N	516		1 129	1 645
Building M - phase 1				
Restaurant 1 - ground floor	1013			1 013
Restaurant 2 - ground floor	910			910
Kitchen on level -1	813			813
Storages on level -1			1 984	1 984
Total for M	2 736		1 984	4 720
Reception building - phase 1				
Lobby and reception area	537			537
Storage and delivery area	517			517
Total for R	1 054			1 054
Building P - phase 1				
Storages on level -1			987	987
Building L - phase 2				
WC on ground floor		106		106
Offices and baggage room		137		137
Shop on the ground floor		181		181
Disco on level -1		410		410
Gaming room on level -1		305		305
Storages on level -1			2 492	2 492
Total for L		1 139	2 492	3 631
Building K - phase 2				
Restaurant on ground floor		1 678		1 678
Kitchen on level -1		680		680
Storages on level -1			902	902
Total K		2 358	902	3 260
TOTAL	4 306	3 497	7 494	15 297

Phase 1 - P, N, M				
Number of units	77	246	279	602
Distribution of units	13%	41%	46%	
Areas in sq.m	3 499	15 118	24 007	42 624
Average size in sq.m	45	61	86	71

Phase 2 - K, L				
Number of units	83	139	122	344
Distribution of units	24%	40%	35%	
Areas in sq.m	3 758	7 576	9 341	20 675
Average size in sq.m	45	55	77	60

Total owned by EPOA				
Number of units	136	342	309	787
Distribution of units	17%	43%	39%	
Areas in sq.m	6 148	20 208	25 567	51 923
Average size in sq.m	45	59	83	66

P Building Ownership Split

	Studios	1-bdr units	2-bdr units	Total
Building P EPO Aheloy				
Number of units	17	36	32	85
Distribution of units	20%	42%	38%	
Areas in sq.m	688	1 912	2 577	5 177
Average size in sq.m	40	53	81	61

Building P Dara Properties				
Number of units	8	7	35	50
Distribution of units	16%	14%	70%	
Areas in sq.m	377	439	2 939	3 755
Average size in sq.m	47	63	84	75

Building P Other Owners				
Number of units	16	36	57	109
Distribution of units	15%	33%	52%	
Areas in sq.m	732	2 047	4 842	7 621
Average size in sq.m	46	57	85	70

3.6 The history of the Company and planned investments

3.6.1 History

Below is a brief overview of the Group's history:

Date	Important event
January 2015	Incorporation of the Company
August 2015	The Company entered into transaction agreements with EPO Invest KS and Aheloy Beach Commercial in order to acquire the shares, receivables and other assets from those companies. This was done to unite the efforts of the two Norwegian initiatives (EPO and ABC) in the Sunrise River Beach Resort (previously the Aheloy Beach Resort) and to exploit the assets and knowledge of EPO and ABC, to save and protect the investments already made in the Sunrise River Beach Resort, invest in the actual values of the project; and to reorganize the ownership to a more straightforward and open structure.
September 2015	Private Placements towards the owners of EPO and ABC, raising approximately NOK 34.1 million in gross proceeds.
January 2016	The Shares in the Company were listed at the Merkur Market, a multilateral trading facility operated by Oslo Børs ASA.
September 2016	The building works at Sunrise River Beach Resort were resumed, with San Marko Group as contractor.
February – March 2017	– Raises NOK 22.5 million in rights issue.
March 2017	Completion of the construction of Building N of the Resort.
October 2017	Completion of the construction of Building M of the Resort.
December 2017	Raises NOK 12.4 million through a convertible loan.
January 2018	An agreement with tour operator Thomas Cook regarding the Resort for the summer season of 2018 is entered into with the management company of the Resort. The consummation of the agreement is subject to, <i>inter alia</i> , opening of the Resort.
January 2018	Approval of technical plans for sewage and fresh water supply connections.
May 2018	Private placement towards the Company's 40 largest shareholders, raising NOK 11.5 million in gross proceeds.
May 2018	Repair issue towards shareholders that were not invited to participate in the private placement in May 2018, raising NOK 2 million in gross proceeds.
January 2019	Private Placement towards 15 of the Company's shareholders, raising NOK 8.645 million in gross proceeds.
February 2019	Enters into a definitive loan agreement for a new construction loan of EUR 3 million.
June 2019	The convertible loan raised in December 2017, including incurred interest, is converted in its entirety to new Shares in the Company.
August 2019	Egil Melkevik is appointed as CEO of the Company, in a part-time position.
December 2019	Raises a convertible loan of NOK 10.4 million
February 2020	The convertible loan of NOK 10.4 million and incurred interest was converted into 5,268,535 new Shares of the Company.
February 2020	Completion of a subsequent offering towards eligible shareholders, which raised approximately NOK 4.4 million in gross proceeds.
May 2021	Conversion of more than EUR 3.5 million of a seller credit of EUR 4 million owed to the former owners of EPO and ABC, into 10,525,710 new Shares in the Company.

May 2021	Successful placing of a private placement of new shares, raising gross proceeds of approximately NOK 13 million.
September 2021	Completion of a merger with Bulgaria Eiendom Invest AS, with the Company as the surviving entity.
September 2021	Completion of a subsequent offering of new shares, raising gross proceeds of approximately NOK 1.46 million.
May 2022	Former Board member and largest shareholder Erik Sture Larre passes away.
July 2022	First opening of the Resort for guests, operating as a family and kids club concept.
December 2022	EPO Aheloy enters into a loan agreement with Penchev Consult.
March 2023	Successful placing of a private placement, raising gross proceeds of approximately NOK 8.17 million.
April 2024	Completion of a subsequent offering of new shares, raising gross proceeds of approximately NOK 4.25 million.
May 2023	Enters into a long-term loan agreement with First Investment Bank for a EUR 10 million credit line.
September 2023	Conclusion of the 2023 summer season at the Resort, with approximately 600,000 paid bed-nights and an indicated EBITDA of approximately EUR 330,000.
October 2023	Successful placing of a private placement, raising gross proceeds of approximately NOK 5.82 million.
November 2023	Completion of a subsequent offering of new shares, raising gross proceeds of approximately NOK 0.7 million.
May 2024	Secures NOK 12.35 in shareholder loans, and announces that it intends to carry out the Rights Issue.

3.6.2 Plans for completion and operation of Sunrise River Beach Resort

The near-term business model is to continue to operate the Resort with income generated from kids camps / family accommodation services based on existing capacity of 2,100 guests and approximately 250 staff (in the buildings P, N and M with a total of 545 units). The facilities that were operational in 2024 were:

- 600 sq. meters events and indoor sports hall
- Swimming pool with water surface of 900 sq. meters and capacity 400 people
- Second Swimming pool, Olympic 50 meters in length, combined with leisure areas.
- Amphitheater
- Outdoor soccer field (artificial surface)
- Beach volleyball field
- Outdoor fitness area of 100 square meters
- Boxing / Fight sports hall
- Second sports hall adjacent to P building, 9 meters in height and 400 sq. meters.
- Camping fire pit
- River kayaking
- Site perimeter running track
- Indoor and outdoor restaurants in M building
- Indoor and outdoor restaurants in K building
- Medical emergency office
- Market shop
- Pool bars
- Sweets shop and coffee bar in building N to service the pool between buildings P, N and M
- Outside and show cooking area / snack bar
- General shop
- Outdoor parking
- Reception

- Education and event rooms
- Handicap access
- Landscape and irrigation system
- Parking spaces and road to pumping station

The investment budget for the planned 2025 season of operation of the Resort is approximately EUR 1.5 million, with main features as set out below (subject to evaluation and changes):

- Fire suppression system in parts of N & P buildings
- Improve backside façade of K building
- Landscaping improvements and pathways perimeter lights
- Kids club finishings touches
- Purchase of externally owned apartments in the P building (approx. EUR 0.65 will be earmarked for this purpose)
- Various activities to obtain outstanding approvals for various facilities at the Resort and to optimize the management and operations at the Resort

In addition to the investment budget set out above, the Group has a financing need of approximately USD 0.5 million to cover already incurred costs through the 2024 season. The Group is anticipating funding the up to EUR 2.0 million through an increase of the credit facility provided by Penchev Consult. Please see Section 3.8.1 "Material borrowings" for a description of the credit facility provided by Penchev Consult.

As noted above, EPO Aheloy implemented various quality increasing measures to the Resort in order to strengthen the quality and appearance of the Resort compared to original plans. The background for these measures is a material decline in the tourism market on the Bulgarian Black Sea coast, where the accommodation offered significantly exceed the demand. An important reason for the decline is that hotels in Turkey, Egypt and Greece have been offering lower prices, and many tourists therefore have preferred destinations in Turkey, Egypt and Greece over Bulgaria.

Subsequently, the apartment units in buildings K & L will be completed at the last stage of construction.

Tremex is a construction company controlled by the BSP's Bulgarian partner Mr. Boyan Bonev. Its involvement with the project is from its very beginning, whereas in the Autumn of 2018 Tremex was appointed as main contractor responsible for other contractors and/or subcontractors appointment in the process of construction. Tremex is also responsible for obtaining planning permissions, permits of use, security, works closely with the building control, etc. From March 2023, an investment control over Tremex's activities has been performed by consultancy company BHP International.

Other than as set out above, the Company has no planned investments for the next 12 months.

3.7 Related party transactions

Other than as set out below, the Company has not been part of any related transactions in the period for the last two years until the date of this Prospectus.

3.7.1 Intragroup transactions

During the period for the last two years and until the date of this Prospectus, there has been several intragroup transactions.

In particular, the Company has received a fixed fee of EUR 2,500 each month for consultancy services to EPO Aheloy during the abovementioned period.

In addition, there are intragroup balances between the various Group companies. For further information, please refer to Notes 7 and 8 in the Annual Financial Statement for 2023.

The Annual Financial Statement have been enclosed to this Prospectus as Appendix 3.

3.8 Material agreements

EPO Aheloy has entered into loan agreements with First Investment Bank and a loan agreement with Penchev Consult, both of which are considered material for the Company. The material borrowings of the Company are described in Section 3.8.1 "Material borrowings" below. Apart from this, neither the Company nor the Group has entered into any material agreements.

3.8.1 Material borrowings

Please find below an overview of the main terms of the Group's material borrowings.

EUR 9 million loan facility from First Investment Bank to EPO Aheloy

EPO Aheloy has taken up a EUR 9 million loan facility from First Investment Bank, divided into 2 tranches (tranche 1 and tranche 2), on the main terms described below.

Total loan balance after repayments during Q3 and October 2024 will be EUR 8,280.000.

Debtor:	EPO Aheloy
Creditor:	First Investment Bank (FIB)
Principal amount:	Tranche 1: EUR 6.5 million initial amount. Outstanding EUR 5.9 million after repayments in 2023 and 2024
Secured FiBank Fund Investment (additional to the principal):	EUR 650,000
Available principal amount for utilization:	EUR 0.00 (with EUR 300,000 blocked in case of liquidity default)
Purpose of loan:	For CIW purposes and to refinance the loan towards UniCredit Bulbank AD initially obtained to purchase the receivables towards Aheloy Residence EOOD (the original development company for the Resort, which went into bankruptcy).
Repayment profile:	EUR 210,000 in principal repaid in 2023. EUR 390,000 in annual principal payments, paid in period August - October 2024. EUR 453,000 in annual principal payments from 2025, payable with 1/3 in August, September and October each year (assumed from operating cash flow)

Interest rate:	Upon the signing of annex for Tranche 2 that took place on January 8, 2024 the interest rate is 5.0 % (BIR 3.49% + 1.51%) with the addition of 0.5% annual service fee (reduced from previous 1%).
Interest payments:	The interest is charged monthly with all interest payments being made punctually. Total paid interest in H1 2014 amounted to EUR 159,871.
Final Maturity Date:	October 2037
Securities	This loan is secured by both mortgages and pledges, as set out below: <u>Mortgages:</u> (i) First rank contractual mortgage over all real estates ownership of EPO Aheloy in the Resort. <u>Pledges:</u> (i) First rank pledge over the enterprise of EPO Aheloy; (ii) Pledge over all current and future receivables of EPO Aheloy, Sunrise Management Company.

Debtor:	EPO Aheloy
Creditor:	First Investment Bank (FIB)
Principal amount:	Tranche 2: EUR 2.5 million initial amount. Outstanding EUR 2.38 million after repayment in October 2024
Secured FiBank Fund Investment (additional to the principal):	EUR 1.2 million
Available amount for utilization:	EUR 0.00
Purpose of loan:	For CIW purposes
Repayment profile:	EUR 120,000 in annual principal payments, paid during period August – October 2024. EUR 150,000 in annual principal payments in 2025, EUR 180,000 in 2026 and EUR 186,000 from 2027 onwards, payable with 1/3 in August, September and October each year (assumed from operating cash flow)
Interest rate:	Upon the signing of annex for a second tranche that took place on January 8, 2024 the interest rate is 5% (BIR 3,49% + 1,51%) with the addition of 0.5% annual service fee.
Interest payments:	The interest is charged monthly with all interest payments being made punctually. Total paid interest for 1H 2024 amounted to EUR 63,542.
Final Maturity Date:	October 2037
Securities	This loan is secured by both mortgages and pledges, as set out below: <u>Mortgages:</u> (iii) First rank contractual mortgage over all real estates ownership of EPO Aheloy in the Resort.

	<p><u>Pledges:</u></p> <p>(iv) First rank pledge over the enterprise of EPO Aheloy;</p> <p>(v) Pledge over all current and future receivables of EPO Aheloy, Sunrise Management Company.</p>
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EUR 5.2 million bridge loan

EPO Aheloy in December 2022 entered into an agreement for a bridge loan of up to EUR 10 million. Current utilized amount under the loan facility is EUR 5.2 million.

The main terms of the tranche are set out below:

Debtor:	EPO Aheloy
Creditor:	Penchev Consult EOOD
Principal amount:	Initially up to EUR 10 million – certain conditions apply for further drawdowns under the facility
Outstanding principal amount:	EUR 5.2 million of the loan have been utilized, excluding accrued interest.
Remaining amount for utilization:	Discussions are in progress with the Creditor for further funding of up to EUR 2.0 million, to be utilized to repay outstanding payments to contractor Tremex for works completed for the 2024 summer season, and investments as described in Section 3.6.2 "Plans for completion and operation of Sunrise River Beach Resort".
Purpose of loan:	CIW at Sunrise River Beach Resort
Repayment profile:	1 (one) installment, payable by 31 October, 2026, in the amount of approx. EUR 7.9 million accounting for compounded interest on the current loan of EUR 5.2 million.
Interest rate:	16% annually on the utilized amount until October 31, 2024, and 18% annually thereafter.
Interest repayment:	Only partial payments of accrued interest are provisioned, where EUR 200,000 is payable due in November 2024, and another EUR 250,000 is payable due in November 2025.
Final Maturity Date:	October 31, 2026
Securities	This loan is secured with the transfer of 50% ownership of EPO Aheloy shares over to Penchev Consult EOOD. Ownership is to be reverted with the full repayment of the loan and accumulated interest.

Loans to EPO Aheloy from its shareholders

EPO Aheloy has historically been financed through provision of loans by its shareholders, EPO Bulgaria and Sunset Resort Holding which have been converted to equity. As of the date of this Prospectus, EPO Aheloy has no shareholder loans other than the EUR 6.5m loan provided by Penchev Consult described above.

3.9 Risk factors related to the Company and its business

Note that the list of risk factors below is not exhaustive and only represents a summary of certain risk factors that the Board believes to be most significant for potential investors. Other risk factors not mentioned in this document may also adversely affect the Company's business and the value of the Shares. Potential investors are urged to independently evaluate the risks involved in investing in the Company and to consult with their own advisors, in addition to acquaint themselves with the risk factors, other information in this Prospectus and other relevant information. In particular, the Company's performance may be affected by changes in legal, regulatory and tax requirements in any of the jurisdictions in which the Company operates or intends to operate as well as overall global financial conditions.

3.9.1 Risks related to the Company's business and the industry in which it operates

Business culture and legislation

The Group's main operations are in Bulgaria, where the legislation and business culture is different from Norwegian standards. The Group therefore faces risk of delays or hindrances of its operations due to these differences.

Risk of non-completion

There can be no guarantee that the Group will be able to complete the Sunrise River Beach Resort beyond its current status as the Group may experience *inter alia* insufficient funding, changes in regulatory regime and non-performance of third parties which may hinder or delay the completion of the Sunrise River Beach Resort.

Regulatory regime, planning, zoning and permits

The profitability of the Company will in part depend upon the continuation of a favorable regulatory climate without retrospective changes with respect to its investments. The failure to obtain or continue to comply with all necessary approvals, licenses or permits, including renewals thereof or modifications thereto, may adversely affect the Company's performance, as could delays obtaining such consents due to objections from third parties.

Management risks

In order to execute the Company's business plan, the Group's operations are expected to grow significantly. This growth may place a significant strain on the personnel, management systems and resources involved in the Group's business. If the Group does not manage growth effectively, its business, results, operations and financial conditions would be materially adversely affected. The Group may be unable to hire, train, retain, motivate and manage necessary personnel or to identify, manage and exploit existing and potential strategic relationships and market opportunities.

Key personnel

Any potential loss of key personnel could have a material adverse effect on the Group's business, results of operations and financial condition. The Company's future success also depends on the ability to attract, retain and motivate highly skilled employees to work in its various operation companies.

The Company is dependent on third parties

There can be no assurance that all third parties to which the Company is related will perform their contractual obligations. The non-performance of their obligations by such third parties may have a material adverse effect on the Company.

In particular, the Group is dependent on third parties to complete the constructions of its property assets, to manage the operations of the Resort and to secure and manage rental of the commercial areas.

The use of such third parties also exposes the Group to risks of fraud and other illegal activities. The Company cannot exclude the possibility that the third parties that it engages will attempt fraudulent activities or succeed in such fraudulent activities. The risk of fraud and other illegal activities implies that the Group may be subject to loss of revenue and profits and may also delay or hinder the Company's operations.

Decrease in property values

The Company is subject to the general risks incidental to the ownership of real estate, including changes in the supply of or demand for competing properties in the Aheloy area and comparable areas on the Bulgarian coast, changes in interest rates and availability of mortgage funds, changes in property tax rates, stamp tax, planning laws and environmental factors. The marketability and value of any property therefore depends on many factors beyond the control of the Company, including that investments in hotel properties are relatively illiquid, and there can be no assurance that there will be either a ready market for any of the properties or that those properties may be sold at a profit or that the Company is able to obtain a positive cash flow.

Legal title

Individual section numbers for each commercial unit, so called Cadastral numbers (Norwegian: "*matrikelnummer*") have been issued for all property units, save for the property units located in building K of the Sunrise River Beach Resort. Cadastral numbers for the K units may be issued when the K building has completed rough construction.

Due to inconsistencies in the local property registers, until official certificates can be obtained for each individual unit owned by the Group companies evidencing the rightful ownership of each unit across all official registers, there is a risk that potential intrusive charges on the units may be filed from other third parties. If any intrusive charges occur, the Company will implement relevant legal procedures seeking to clear any unmerited charge.

The Group operates Sunrise River Beach Resort as a hotel, and the Group will be subject to certain risks common to the hotel industry, some of which are beyond its control

The Group is currently operating the Sunrise River Beach Resort as a hotel. The Group's operations and the results of operations will, if and when the Resort is operated as a hotel, be subject to a number of factors that could adversely affect the Group's business as described below:

- A downturn in international market conditions or the national, regional and/or local political, economic and market conditions in Bulgaria and on the Black Sea coast, may diminish the demand for leisure travel in Bulgaria;
- Increased competition and periodic local oversupply of guest accommodation in Bulgaria and the Black Sea coast;

- Changes in travel pattern or in the structure of the travel industry, including any increase in, or the imposition of new taxes on, air travel;
- Increases in operating expenses as a result of inflation, increased personnel costs and healthcare related costs, higher utility costs (including energy) costs, increased taxes and insurance costs, as well as unanticipated costs as a result of acts of nature and their consequences and other factors that may not be capable of being offset by increased room rates; and
- Changes in governmental laws and regulations, including those relating to employment, the preparation and sale of food and beverages, and the related costs of compliance.

The impact of any of these factors (or a combination of them) may adversely affect room rates and occupancy levels in the Sunrise River Beach Resort if and when it is operated as a hotel, or otherwise cause a reduction in the Group's revenues or financial condition.

3.9.2 Financial risks

No guarantee as to future performance

There can be no assurance that the Group will be able to achieve its targets and goals and thereby not be able to achieve the returns on its investments, as described in this Prospectus.

Fluctuations in operating results

The Group's operating results may fluctuate significantly due to a variety of factors that could affect the Group's revenues or expenses in any particular financial period. It is possible that results of operations may be below the expectations of the Group. Factors that may affect the Group's operating results include:

- (i) timing and delivery delays;
- (ii) local bureaucracy;
- (iii) the ability to employ personnel of suitable capability;
- (iv) further environmental protectionism;
- (v) high rates of inflation in construction costs;
- (vi) transportation difficulties;
- (vii) fluctuation or fall in overall or local housing market occupancy;
- (viii) fluctuation or fall in overall or local housing market average prices; and
- (ix) fluctuation or fall in overall or local rental yields and transaction prices for commercial property in Bulgaria.

The future financial performance of the Group and the Group's ability to deliver the estimated profitability cannot be guaranteed. The Group's profitability may also be volatile and subject to variations relative to estimates.

The Group may not be able to insure against all risks on commercially viable terms, and there will always be a risk that certain events may occur which are only partly covered by insurance or not covered by insurance at all.

Exchange rate risk

The Group will operate in Bulgaria, which could generate revenue, expenses and liabilities in currencies other than EUR or NOK. As a result, the Company will be subject to the effects of exchange rate fluctuations with respect to any of these currencies. The Company's reporting currency is the NOK, and the Offer Shares will be issued in NOK. The assets of the Group will be predominantly invested in Bulgaria. Accordingly, the value of such assets and the unrealized appreciation or depreciation of investments may be affected favorably or unfavorably by fluctuations in the EUR/BGN, EUR/NOK or the NOK/BGN exchange rate, and therefore the Company will necessarily be subject to foreign exchange risk. The Company does not have any present intention to hedge these risks.

Future capital needs and additional financing

The Group has limited financial resources and may require additional financing in order to complete construction works on the Sunrise River Beach Resort project, to fund the full implementation of its intended business, to respond to competitive pressures or to make and/ or complete acquisitions and/ or repay loans, honor its obligations or meet its liabilities. Any required additional financing may not be available on terms favorable to the Group, or at all. If adequate funds are not available on acceptable terms, the Group may be unable to:

- (i) fund its expansion;
- (ii) complete investments and/ or acquisitions;
- (iii) successfully promote itself;
- (iv) develop or enhance its services;
- (v) respond to competitive pressures; or
- (vi) take advantage of acquisition opportunities.

A lack of access to external capital or material changes in the terms and conditions relating to the same could limit the Company's future dividend capacity and have an impact on the Company's financing costs. The absence of additional suitable funding may result in the Company having to delay, reduce or abandon all or part of its intended business.

Borrowings

The Group has, and may in the future, borrowed money and may also invest in projects which are funded in part through borrowings. The Group may not be able to support or obtain the benefit of borrowing, in which case the Company's performance may be adversely affected. The Group's investments may be secured on its assets and the Group's interests in its investments may rank behind secured creditors who are funding the projects. A failure to fulfil obligations under any financing documents would permit lenders to demand early repayment of the loan and realize their security.

3.9.3 Political, regulatory and market risks

Risks associated with international operations

The Group's current operation will be predominantly in Bulgaria.

The Group is exposed to general business cycles and may be hurt by a reduction in the general willingness to invest in the property sector. The Group is exposed to specific development of the real estate sector, especially with respect to local and global development of property values, as well as the general level of tourism spending in the area where the Group's assets are located and

corresponding rental price levels for commercial areas on tourism resorts. Property values are volatile and a decline in the value of the Group's assets will thereby reduce the value of the Shares.

The Group owns property in Bulgaria and is as such exposed to international business risks such as cultural differences and political events that could change the business climate, tax regimes and other regulations in a way that has a negative impact on the value of the Company's operations.

Engaging in business internationally is subject to a number of risks, including:

- (i) linguistic, legal and cultural differences;
- (ii) unexpected changes in regulatory requirements;
- (iii) difficulties and costs of staffing and managing international operations;
- (iv) differing technology standards;
- (v) potentially adverse tax consequences; and
- (vi) uncertain protection of property rights.

The Company has no or limited control over many of these matters and any of them may adversely affect its business, financial condition and results of operations.

Land and property ownership rights and valuations

Bulgaria and other emerging markets have different laws and regulations (as well as tax provisions) relating to land and property ownership by foreign companies. Whilst the Company will use its reasonable endeavors to operate property owning structures that comply with such laws regulations as well as with a view to mitigating the tax effect of local tax regulations, there can be no guarantee that in the future these countries will not adopt laws and regulations which may adversely impact the Company's ability to own, possess and/ or operate land and property.

Accordingly, in such circumstances, the returns to the Company may be materially and adversely affected.

Property and property related assets are inherently difficult to value due to the individual nature of each property. As a result, valuations may be subject to substantial uncertainty. There can be no assurance that the estimates resulting from the valuation process will reflect the actual sales price even where such sales occur after the valuation date. The performance of the Company would be adversely affected by a downturn in the property market in terms of capital value.

Political and regulatory environment

The Group's performance depends heavily on political stability and the regulatory environment in Bulgaria. If the political and/ or regulatory climate alters or stability deteriorates, this could have a material impact on the Group's plans and projected results and the war in Ukraine is an example of a circumstance that may adversely affect the Bulgarian tourism market in general and imply a decrease in the attractiveness of the Resort as a holiday destination. Increases in inflation and interest rates may also reduce the willingness and ability of potential guests of the Resort to prioritize spending on vacation. These factors may adversely affect the Group's revenues and profitability.

The institution and enforcement of regulations relating to taxation, land use and zoning restrictions, planning regulations, environmental protection and safety and other matters could have the effect of increasing the expenses, and lowering the income or rate of return, as well as adversely affecting the

value, of any investment affected thereby. Due to the previous political scheme of Bulgaria, there is a theoretical risk that previous owners of real property (pre Second World War owners) may have a restitution claim.

The Group may also become subject to disputes with third parties that could result in a loss of revenue and/ or claims from such third parties.

4 THE RIGHTS ISSUE AND THE OFFER SHARES

4.1 Reasons for and overview of the Rights Issue and use of proceeds

On 28 May 2024, the Company announced its intent to carry out a partially underwritten rights issue of new shares, (the "**Offer Shares**") with gross proceeds of up to NOK 18,000,000 (the "**Rights Issue**"). The Rights Issue consists of a partially unwritten offer by the Company to issue a minimum of 107,382,966 new Offer Shares, and a maximum of 150,000,000 new Offer Shares, each at a subscription price of NOK 0.12.

In May 2024, the Company agreed with the Underwriters that they should provide the Company with Shareholder Loans in an amount of NOK 12,350,000 (the Shareholder Loans). The Shareholder Loans carries an interest of 16% p.a. At the same time, it was agreed with the Underwriters that the Underwriters shall guarantee for subscription of Offer Shares for an amount corresponding to the principal amount and accrued interest under the Shareholder Loans. Consequently, the Underwriters will guarantee subscription of Offer Shares for an amount of NOK 12,885,956. As compensation for providing the guarantee, the Underwriters will be entitled to a guarantee fee of 10% of their underwriting obligation to be settled by issuance of new shares. The Rights Issue was approved by an extraordinary general meeting of the Company held 16 September 2024.

The Company has resolved to carry out the Rights Issue as it requires additional capital to fund EPO Aheloy's operations in Bulgaria, as well as for working capital and general purposes for the Company.

The Rights Issue is directed towards the Company's shareholders as of 16 September 2024 (as registered in the VPS on 18 September 2024, (the Record Date), less shareholders domiciled in a jurisdiction where such offering would be unlawful, or for jurisdictions other than Norway, would require any filing, registration or similar action (other than the publication of a prospectus in Norway) (the Existing Shareholders).

Existing Shareholders will be granted Subscription Rights in the Rights Issue that, subject to applicable law, provide preferential rights to subscribe for, and be allocated, Offer Shares at the Subscription Price. Each Existing Shareholder will be granted 1.4837 Subscription Rights for every one (1) Existing Share registered as held by such Existing Shareholder as of the Record Date. The aggregate number of Subscription Rights granted to an Existing Shareholder will be rounded down to the nearest whole Subscription Right. Each Subscription Right will, subject to applicable securities law, give the right to subscribe for, and be allocated, one (1) Offer Share. Over-subscription with Subscription Rights will be allowed, but the Underwriters will, on a pro rata basis have a preferential right to subscribe for and be allocated Offer Shares that have not been subscribed for based on allocated subscription rights as set out in the allocation principles described in Section 4.11.4 "Allocation of Offer Shares" below. Other than subscriptions from the Underwriters, subscription without subscription rights will not be permitted.

Any announcements regarding the Rights Issue will be made as stock exchange notices published at www.newsweb.no, under the Company's ticker BSP.

No action will be taken to permit a public offering of the Offer Shares or the Subscription Rights in any jurisdiction outside of Norway. Neither the Subscription Rights or the Offer Shares have been, or will be, registered under the U.S. Securities Trading Act or with any securities regulatory authority of any

state or other jurisdiction in the United States, and are solely being offered and sold outside the United States in "offshore transactions" as defined in, and in compliance with, Regulation S.

The Company will use Nordea Bank Abp, Filial i Norge, as settlement agent (the "**Settlement Agent**") for the Rights Issue.

4.2 Conditions for completion of the Rights Issue

The completion of the Rights Issue is subject to the following conditions: (i) that the minimum number of Offer Shares is subscribed (i.e. 107,382,966 Offer Shares), and (ii) that the minimum subscription amount is fully paid-up. The subscription of the minimum number of Offer Shares has been fully underwritten by the Underwriters.

If the Rights Issue is withdrawn or not carried out due to non-fulfilment of the above-mentioned conditions, all subscriptions for Offer Shares will be disregarded and any payments for Offer Shares will be returned to the subscribers without interest or any other compensation.

4.3 The Offer Shares

The Rights Issue entails an issuance of up to 150,000,000 Offer Shares, directed towards Existing Shareholders. The Offer Shares are ordinary Shares in the Company with a nominal value of NOK 0.05 each and will be issued electronically under the ordinary ISIN of the Company's Shares (ISIN NO 001 0755101) in registered form in accordance with the NPLCA. The Offer Shares will be admitted to listing on Euronext Growth Oslo as soon as the Offer Shares have been issued in the VPS (expected on or about 1 November 2024).

The Offer Shares will carry full shareholders' rights as soon as the Offer Shares have been issued, i.e. immediately after registration of the share capital increase in the Norwegian Register of Business Enterprises (expected on or about 31 October 2024). The Offer Shares will rank *pari passu* in all respects with the Company's other outstanding Shares within their respective share class, including the right to dividends, after the Offer Shares are issued and registered. Please refer to Section 4.4 "Rights pertaining to the Shares, including the Offer Shares" for an overview of rights pertaining to the Offer Shares.

Depending on the amount of Offer Shares issued in the Rights Issue, the Company's share capital will increase with minimum NOK 5,369,148.30 and maximum NOK 7,500,000. Following completion of the Rights Issue, the Company's share capital will be minimum NOK 10,424,113.00 and maximum NOK 12,554,964.70, divided by minimum 208,482,260 Shares and maximum 251,099,294 Shares, all with a par value of NOK 0.05.

4.4 Rights pertaining to the Shares, including the Offer Shares

The Company has one class of shares in issue, and in accordance with the Norwegian Private Limited Companies Act, all shares in that class provide equal rights in the Company. Each of the Shares carries one vote. The rights attaching to the Shares are described in Section 4.4.1 "The Articles of Association" and Section 4.4.2 "Certain aspects of Norwegian corporate law".

4.4.1 The Articles of Association

The Company's Articles of Association are set out in Appendix 1 to this Prospectus. Below is a summary of provisions of the Articles of Association as of 29 August 2024, valid at the date of this Prospectus.

Objective of the Company

Pursuant to section 3 of the Articles of Association, the objective of the Company is to own, manage and invest in real property, including related business.

Registered office

Pursuant to section 2 of the Articles of Association, the Company's registered office is in the municipality of Oslo, Norway.

Share capital and par value

Pursuant to article 4 of the Articles of Association, the Company's share capital is NOK 5,054,964.70 divided into 101,099,294 Shares, each with a nominal value of NOK 0.05. The Shares shall be registered with a central securities depository.

Board of Directors

Pursuant to article 8 of the Articles of Association, the Board of Directors shall consist of between 1 and 7 members, as decided by the general meeting.

The signatory rights of the Company are held by the Chairman of the Board and one Board member jointly. The Board may grant powers of procuration.

No restrictions on transfer of Shares

The Articles of Association do not provide for any restrictions on the transfer of Shares, or a right of first refusal for the Company, nor does any such restrictions follow by applicable Norwegian law. Share transfers are not subject to approval by the Board of Directors.

General meetings

Documents relating to matters to be dealt with by the Company's general meeting, including documents which by law shall be included in or attached to the notice of the general meeting, do not need to be sent to the shareholders if such documents have been made available on the Company's website. A shareholder may nevertheless request that documents which relate to matters to be dealt with at the general meeting are sent to him/her.

The annual general meeting shall deal with and decide the following matters:

- Approval of the annual accounts and the annual report, including distribution of dividend.
- Other matters, which according to the law or the Articles of Association fall within the responsibility of the general meeting.

Shareholders may attend a general meeting through electronic means, unless the Board finds that there are justifiable reasons for denying attendance through electronic means. If shareholders participate in a general meeting through electronic means, the Board shall ensure that attendance and voting can be controlled in a prudent manner.

4.4.2 Certain aspects of Norwegian corporate law

General meetings

Through the general meeting, shareholders exercise supreme authority in a Norwegian company. In accordance with Norwegian law, the annual general meeting of shareholders is required to be held each year on or prior to 30 June. Norwegian law requires that written notice of general meetings setting forth the time of, the venue for and the agenda of the meeting be sent to all shareholders with a known address no later than 14 days before a general meeting of a Norwegian private limited company market shall be held, unless the articles of association stipulate a longer deadline, which is not currently the case for the Company.

A shareholder may vote at the general meeting either in person or by proxy appointed at their own discretion. In accordance with the requirements of the Norwegian Securities Trading Act, the Company will include a proxy form with notices of general meetings. All of the Company's shareholders who are registered in the register of shareholders maintained with the VPS as of the date falling five business days before the general meeting (the record date) are entitled to participate at general meetings, without any requirement of pre-registration.

Further, beneficial owners of Shares that are registered in the name of a nominee are entitled to participate in a general meeting if they have notified the Company of this in advance and provided that such advance notification is received by the Company at the latest two business days prior to the date of the general meeting.

Apart from the annual general meeting, extraordinary general meetings of shareholders may be held if the Board of Directors considers it necessary. An extraordinary general meeting of shareholders must also be convened if, in order to discuss a specified matter, the auditor or shareholders representing at least 10% of the share capital demands this in writing. The requirements for notice and admission to the annual general meeting also apply to extraordinary general meetings.

Voting rights – amendments to the Articles of Association

Each of the Company's Shares carries one vote. In general, decisions that shareholders are entitled to make under Norwegian law or the Articles of Association may be made by a simple majority of the votes cast. In the case of elections or appointments, the person(s) who receive(s) the greatest number of votes cast are elected. However, as required under Norwegian law, certain decisions, including resolutions to waive preferential rights to subscribe in connection with any share issue in the Company, to approve a merger or demerger of the Company, to amend the Articles of Association, to authorize an increase or reduction in the share capital, to authorize an issuance of convertible loans or warrants by the Company or to authorize the Board of Directors to purchase Shares and hold them as treasury shares or to dissolve the Company, must receive the approval of at least two-thirds of the aggregate number of votes cast as well as at least two-thirds of the share capital represented at a general meeting. Norwegian law further requires that certain decisions, which have the effect of substantially altering the rights and preferences of any shares or class of shares, receive the approval by the holders of such shares or class of shares as well as the majority required for amending the articles of association.

Decisions that (i) would reduce the rights of some or all of the Company's shareholders in respect of dividend payments or other rights to assets or (ii) restrict the transferability of the Shares, require that at least 90% of the share capital represented at the general meeting in question vote in favour of the resolution, as well as the majority required for amending the articles of association.

In general, only a shareholder registered in the VPS is entitled to vote for such Shares. Beneficial owners of the Shares that are registered in the name of a nominee are generally not entitled to vote under Norwegian law, nor is any person who is designated in the VPS register as the holder of such Shares as nominees.

There are no quorum requirements that apply to the general meetings.

Additional issuances and preferential rights

If the Company issues any new Shares, including bonus share issues, the Company's articles of association must be amended, which requires the same vote as other amendments to the articles of association. In addition, under Norwegian law, the Company's shareholders have a preferential right to subscribe for new Shares issued by the Company. Preferential rights may be derogated from by resolution in a general meeting passed by the same vote required to amend the articles of association. A derogation of the shareholders' preferential rights in respect of bonus issues requires the approval of all outstanding Shares.

The general meeting may, by the same vote as is required for amending the articles of association, authorize the board of directors to issue new Shares, and to derogate from the preferential rights of shareholders in connection with such issuances. Such authorization may be effective for a maximum of two years, and the nominal value of the Shares to be issued may not exceed 50% of the registered par share capital when the authorization is registered with the Norwegian Register of Business Enterprises.

Under Norwegian law, the Company may increase its share capital by a bonus share issue, subject to approval by the Company's shareholders, by transfer from the Company's distributable equity or from the Company's share premium reserve and thus the share capital increase does not require any payment of a subscription price by the shareholders. Any bonus issues may be affected either by issuing new shares to the Company's existing shareholders or by increasing the nominal value of the Company's outstanding Shares.

Minority rights

Norwegian law sets forth a number of protections for minority shareholders of the Company, including, but not limited to, those described in this paragraph and the description of general meetings as set out above. Any of the Company's shareholders may petition Norwegian courts to have a decision of the board of directors or the Company's shareholders made at the general meeting declared invalid on the grounds that it unreasonably favors certain shareholders or third parties to the detriment of other shareholders or the Company itself. The Company's shareholders may also petition the courts to dissolve the Company as a result of such decisions to the extent particularly strong reasons are considered by the court to make necessary dissolution of the Company.

Minority shareholders holding 10% or more of the Company's share capital have a right to demand in writing that the Company's board of directors convene an extraordinary general meeting to discuss or resolve specific matters. In addition, any of the Company's shareholders may in writing demand that the Company place an item on the agenda for any general meeting as long as the Company is notified in time for such item to be included in the notice of the meeting. If the notice has been issued when such a written demand is presented, a renewed notice must be issued if the deadline for issuing notice of the general meeting has not expired.

Rights of redemption and repurchase of Shares

The share capital of the Company may be reduced by reducing the nominal value of the Shares or by cancelling Shares. Such a decision requires the approval of at least two-thirds of the aggregate number of votes cast and at least two-thirds of the share capital represented at a general meeting. Redemption of individual Shares requires the consent of the holders of the Shares to be redeemed.

The Company may purchase its own Shares provided that the board of directors has been granted an authorization to do so by a general meeting with the approval of at least two-thirds of the aggregate number of votes cast and at least two-thirds of the share capital represented at the meeting. The aggregate nominal value of treasury shares so acquired, and held by the Company must not lead to the share capital with deduction of the aggregate nominal of the holding of own shares is less than the minimum allowed share capital of NOK 30,000, and treasury shares may only be acquired if the Company's distributable equity, according to the latest adopted balance sheet, exceeds the consideration to be paid for the shares. The authorization by the general meeting of the Company's shareholders cannot be granted for a period exceeding two years.

Shareholder vote on certain reorganizations

A decision of the Company's shareholders to merge with another company or to demerge requires a resolution by the general meeting passed by at least two-thirds of the aggregate votes cast and at least two-thirds of the share capital represented at the general meeting. A merger plan, or demerger plan signed by the board of directors along with certain other required documentation, would have to be sent to all the Company's shareholders, or if the articles of association stipulate that, made available to the shareholders on the Company's website, at least one month prior to the general meeting to pass upon the matter.

Liability of board members

Board members owe a fiduciary duty to the Company and its shareholders. Such fiduciary duty requires that the board members act in the best interests of the Company when exercising their functions and exercise a general duty of loyalty and care towards the Company. Their principal task is to safeguard the interests of the Company.

Board members may each be held liable for any damage they negligently or willfully cause the Company. Norwegian law permits the general meeting to discharge any such person from liability, but such discharge is not binding on the Company if substantially correct and complete information was not provided at the general meeting passing upon the matter. If a resolution to discharge the Company's board members from liability or not to pursue claims against such a person has been passed by a general meeting with a smaller majority than that required to amend the articles of association, shareholders representing more than 10% of the share capital or, if there are more than 100 shareholders, more than 10% of the shareholders may pursue the claim on the Company's behalf and in its name. The cost of any such action is not the Company's responsibility but can be recovered from any proceeds the Company receives as a result of the action. If the decision to discharge any of the Company's board members from liability or not to pursue claims against the Company's board members is made by such a majority as is necessary to amend the articles of association, the minority shareholders of the Company cannot pursue such claim in the Company's name.

Indemnification of board members

Neither Norwegian law nor the articles of association contains any provision concerning indemnification by the Company of the board of directors. The Company is permitted to purchase

insurance for the board members against certain liabilities that they may incur in their capacity as such.

Distribution of assets on liquidation

Under Norwegian law, the Company may be wound-up by a resolution of the Company's shareholders at the general meeting passed by at least two-thirds of the aggregate votes cast and at least two-thirds of the share capital represented at the meeting. In the event of liquidation, the Shares rank equally in the event of a return on capital.

4.5 ISIN of the Offer Shares

The Offer Shares will be issued electronically under the ordinary ISIN of the Company's Shares (ISIN NO 0010755101) in registered form in accordance with the NPLCA.

4.6 Subscription Price

The Subscription Price of the Offer Shares is NOK0.12 per Offer Share.

4.7 Gross and net proceeds of the Rights Issue

The gross proceeds to the Company in the Rights Issue will depend on the number of subscribed Offer Shares, however limited up to NOK 18,000,000. The minimum amount of the Rights Issue, being NOK 12,885,965, is underwritten by the Underwriters as further described in Section 4.17 "The Underwriting" below. The net proceeds will correspond to the gross proceeds less a deduction of the fees and expenses related to the Rights Issue, which are estimated to amount to approximately NOK 100,000.

4.8 Fees and expenses

The Company will bear the fees and expenses related to the Rights Issue, which are estimated to amount to approximately NOK 100,000. No expenses or taxes will be charged by the Company to the subscribers in the Rights Issue.

4.9 Shareholders that are eligible to participate in the Rights Issue

The Rights Issue is directed towards the Company's shareholders as of 16 September 2024 (as registered in the VPS on 18 September 2024, (the Record Date). The abovementioned shareholders will have a preferential right to subscribe for the Offer Shares pro rata their existing shareholding in the Company.

The Offer Shares cannot be subscribed for by investors in jurisdictions where such offering in the opinion of the Company would be unlawful or would (in jurisdictions other than Norway) require approval of a prospectus, registration or similar action, or investors located in the United States.

4.10 Resolution regarding the Rights Issue

At an extraordinary general meeting in the Company held on 16 September 2024, the following resolution regarding the Rights Issue was passed:

- (i) *The share capital is increased with minimum NOK 5,369,148.30, and maximum NOK 7,500,000 by the issuance of minimum 107,382,966, new shares and maximum 150,000,000 new shares, each with a nominal value of NOK 0.05 each.*
- (ii) *Shareholders in the Company as per the end of 16 September 2024, as registered with the Company's shareholders register in the VPS following ordinary T+2 settlement on 18 September 2024 (the "**Record Date**"), shall have preferential rights to subscribe for the new shares pro rata to their existing holdings of shares, as further described below. Such shareholders shall receive subscription rights proportionate to the number of shares in the Company that may be issued in the rights issue and registered as held by such shareholder as of the Record Date in the VPS, rounded down to the nearest whole subscription right, cf. section 10-4 (1) of the Norwegian Private Limited Liability Companies Act. Each subscription right will give right to subscribe and be allocated 1 new share in the share capital increase.*

Over-subscription with subscription rights is allowed and shares will be allocated based on such subscription as set out in (v) below. Other than subscriptions from the underwriters stated below, subscription without subscription rights will not be permitted.

- (iii) *A prospectus shall be registered with the Norwegian Register of Business enterprises and published in connection with the share capital increase (the "**Prospectus**").*
- (iv) *The new shares cannot be subscribed for by investors in jurisdictions where such offering in the opinion of the Company would be unlawful or would (in jurisdictions other than Norway) require approval of a prospectus, registration or similar action, or investors located in the United States.*
- (v) *Allocation of new shares shall be made by the Company's board. The following allocation criteria shall apply:*
 - (a) *shares will be allocated in accordance with granted subscription rights to subscribers who have validly exercised subscription rights during the subscription period;*
 - (b) *any unallocated shares following the allocation under (a) above shall be allocated on a pro-rata basis to underwriters who have subscribed for shares in the subscription period, however limited upwards to each such underwriters' respective underwriting obligation. The existing shareholders' subsidiary preferential right to subscribe shares that are not subscribed pursuant to exercise of subscription rights pursuant to section 10-4 (3) of the Norwegian Private Limited Liability Companies Act is, thus, waived, cf. section 10-5 of the Norwegian Private Limited Liability Companies Act;*
 - (c) *any unallocated shares following the allocation under (b) above shall be allocated to subscribers who have over-subscribed on pro rata basis based on the number of subscription rights exercised by each subscriber;*
 - (d) *any unallocated shares following the allocation under (c) above shall be allocated to underwriters who have subscribed for new shares in excess of their respective underwriting obligation on a pro rata basis; and*
 - (e) *any unallocated shares following the allocation under (d) above shall be allocated to the underwriters who have not fulfilled their underwriting obligation through subscription for shares in the subscription period, pro rata to their respective underwriting obligation.*
- (vi) *The subscription price in the rights issue shall be NOK 0.12 per share.*
- (vii) *The subscription period shall commence at 09.00 (CEST) on 19 September 2024 and end at 16.30 (CEST) on 3 October 2024, provided however, that the subscription period, if the Prospectus is not published in time or must be postponed or prolonged as required by law, shall be adjusted*

accordingly. Any shares not subscribed for at the expiry of the subscription period and, thus, allocated to the underwriters cf. item (xiii) below, shall be subscribed for by the underwriters within 1 business days after expiry of the subscription period.

- (viii) Subscription is made by signing and returning the subscription form that will be included in the Prospectus. Shares that are subscribed by the underwriters pursuant to their underwriting obligations (cf. item (xiii) below) shall be subscribed on a separate subscription form within the expiry of 1 business day after the expiry of the subscription period for the rights issue.
- (ix) The due date for payment of the share contribution is 8 October 2024, or 3 business days after the expiry of the subscription period if the subscription period is postponed or prolonged according to sub-item (vii) above. When subscribing for shares, subscribers domiciled in Norway must grant Nordea Issuer Services a specific power of attorney to debit a stated bank account in Norway for an amount equal to the subscription price for the allotted number of shares. Upon allotment, Nordea Issuer Services will debit the subscriber's account for the allotted amount. The debit will take place on or around the due date of payment. Payment of the subscription amount by subscribers without a Norwegian bank account shall be made to a separate bank account. The subscribers in the rights issue, as indicated in an appendix to the minutes, may settle their share deposits by set-off of receivables they hold towards the Company. The Company may dispose over the share deposits prior to registration of the share capital increase with the Norwegian Register of Business Enterprises, cf. Section 10-13 (2) of the Norwegian Private Limited Liability Companies Act.
- (x) The new shares will give full shareholder rights in the Company, including the right to dividends, from the time the share capital increase is registered with the Norwegian Register of Business Enterprises.
- (xi) Section 4 of the Company's Articles of Association shall be amended to reflect the new share capital and number of shares following the share capital increase.
- (xii) The Company's estimated expenses in connection with the share capital increase are NOK 100,000, assuming subscription of all shares in the share capital increase excluding and excluding the underwriting commission stated in item (xiii) below.
- (xiii) An underwriting consortium consisting of existing shareholders and new investors has through a separate agreement with the Company underwritten the share capital increase with an aggregate amount of NOK 12,885,956. As consideration for the underwriting, each of the underwriters will receive an underwriting commission from the Company equal to 10% of its underwritten amount. The underwriting commission shall be settled by delivery of new shares in the Company at the same subscription price as in the rights issue, where the underwriters' claim for underwriting commission will be documented by issuance of a promissory note that shall be used for set-off against the Company's claim for share deposit. Such share capital increase shall be resolved by the board pursuant to an existing board authorization. The underwriters' underwriting commitment is made on a pro rata basis, based on their respective underwritten amount and is subject to certain customary conditions for such commitments pursuant to a separate underwriting agreement.

4.11 Subscription Period and subscription procedure

4.11.1 Timetable for the Rights Issue

The subscription period runs from and including 19 September 2024 09.00 CEST to and including 3 October 2024 at 16.30 CEST (the "**Subscription Period**").

The timeline for the Rights Issue is indicated in the table below:

Activity	Timeline
Last day of trading in the Company's Shares inclusive of the right to participate in the Rights Issue.....	16 September 2024
First day of trading in the Company's shares exclusive of the right to participate in the Rights Issue.....	17 September 2024
Record Date.....	18 September 2024
EGM to resolve the Rights Issue.....	16 September 2024
Subscription Period commences	19 September 2024
Subscription Period ends.....	3 October 2024
Allocation of subscribed shares in the Rights Issue.....	4 October 2024
Payment Due Date for shares allocated in the Rights Issue.....	8 October 2024
Registration of the share capital increase in the Norwegian Register of Business Enterprises.....	On or about 31 October 2024*
Delivery of shares to subscribers in the Rights Issue	On or about 1 November 2024*
Listing of the shares issued in the Rights Issue on Euronext Growth Oslo.....	On or about 1 November 2024*

** Delays may occur based on late receipt of subscription payments, dependency on third parties and time spent by the Norwegian Register of Business Enterprises to process the registration of the share capital increase.*

4.11.2 Subscription Rights

The Rights Issue is directed towards the Company's shareholders as of 16 September 2024 (as registered in the VPS on 18 September 2024)). The abovementioned shareholders will have a preferential right to subscribe for the Offer Shares pro rata to their existing shareholding in the Company. Existing Shareholders will be granted Subscription Rights in the Rights Issue that, subject to applicable law, provide preferential rights to subscribe for, and be allocated, New Shares at the Subscription Price. Each Existing Shareholder will be granted 1.4837 Subscription Rights for every one (1) Existing Share registered as held by such Existing Shareholder as of the Record Date. The aggregate number of Subscription Rights granted to an Existing Shareholder will be rounded down to the nearest whole Subscription Right. Each Subscription Right will, subject to applicable securities law, give the right to subscribe for, and be allocated, one (1) Offer Share. Over-subscription with Subscription Rights will be allowed, but the Underwriters will, on a pro rata basis have a preferential right to subscribe for and be allocated Offer Shares that have not been subscribed for based on allocated subscription rights as set out in the allocation principles in the Board's proposed share capital increase resolution below. Other than subscriptions from the Underwriters, subscription without subscription rights will not be permitted.

The Underwriters' abovementioned preferential right to subscription of Offer Shares entails a deviation of existing shareholders subsidiary preferential right to subscribe for new shares that are not subscribed pursuant to exercise of subscription rights pursuant to section 10-4 (3) the Norwegian Private Limited Liability Act. The Board considers that there are reasonable grounds for such deviation taking into consideration the purpose of the Rights Issue and the importance of securing sufficient subscription of Offer Shares in the Rights Issue.

The Subscription Rights will be registered in the VPS with ISIN NO0013338434 and will be distributed to each Existing Shareholder's VPS account at the start of the Subscription Period. The Subscription Rights will be distributed free of charge to the Eligible Shareholders.

The Subscription Rights may be used to subscribe for Offer Shares in the Rights Issue before the expiry of the Subscription Period on 3 October 2024 at 16:30 (CEST).

The Subscription Rights will not be admitted to trading on any organized marketplace.

4.11.3 Subscription and payment procedure

Subscribers who are residents of Norway with a Norwegian personal identification number are encouraged to subscribe for Offer Shares through the VPS online subscription system by logging in to each investors' VPS account and thereby accessing the VPS online subscription system.

Subscription of Offer Shares may be made electronically through the VPS online subscription system or by correctly completing the Subscription Form enclosed hereto as Appendix 2 and submitting to the Settlement Agent at the addresses indicated below prior to the end of the Subscription Period (3 October 2024 at 16.30 CEST):

Nordea Bank Abp, Filial i Norge

Issuer Services Nordea

P.O. Box 1166 Sentrum

0107 Oslo

Norway

E-mail: nis@nordea.com

Neither the Company nor the Settlement Agent may be held responsible for postal delays, unavailable fax lines, internet lines or servers or other logistical or technical problems that may result in subscriptions not being received in time or at all by the Company. It is not sufficient for the subscription form to be postmarked within the expiry of the Subscription Period. Subscription forms received after the end of the Subscription Period and/ or incomplete or incorrect subscription forms and any subscription that may be unlawful may be disregarded at the sole discretion of the Company and/ or the Settlement Agent without notice to the subscriber.

There is no minimum subscription amount for which subscriptions in the Subsequent Offering must be made.

Subscriptions are irrevocable and binding upon receipt and cannot be withdrawn, cancelled or modified by the subscriber after having been received by the Settlement Agent or registered in the VPS.

When subscribing for Offer Shares through the VPS online subscription system or correctly completing the subscription form enclosed hereto as Appendix 2 and submitting to the Settlement Agent, each subscriber grant the Settlement Agent a non-recurring authority to debit a specified bank account in Norway for the subscription amount corresponding to the amount payable for the Offer Shares allocated.

The payment is expected to be debited on 8 October 2024 (the "**Payment Due Date**"). Payment for the allocated Offer Shares must be available on the specific bank account on the business day prior to the Payment Due Date, i.e. 7 October 2024. The Company and the Settlement Agent reserve the right to make up to three debit attempts within seven working days after the Payment Due Date if there are insufficient funds in the account on the first debiting date. The Company and the Settlement Agent further reserve the right to consider the payment overdue if there are not sufficient funds to cover full payment for the Offer Shares allocated on the account when an attempt to debit account has been made by the Settlement on or after the Payment Due Date, or if it for other reasons is not possible to debit the bank account.

Subscribers who are not domiciled in Norway must ensure that payment for the Offer Shares allocated to them is made with cleared funds on or before 10:00 hours (CEST) on 8 October 2024 and must contact the Settlement Agent in this respect. Details and instructions can in any case be obtained by contacting the Settlement Agent on telephone no. +47 24 01 34 62.

For late payment, interest will accrue at a rate according to the Norwegian Act on Interest on Overdue Payments of 17 December 1976 no. 100, which is currently 12.5%.

4.11.4 Allocation of Offer Shares

Allocation of the Offer Shares will take place on or about 4 October 2024 in accordance with the following criteria:

- (i) First, Offer Shares will be allocated in accordance with granted and acquired Subscription Rights to subscribers who have validly exercised Subscription Rights during the Subscription Period;
- (ii) Second, any unallocated Offer Shares following the allocation under (i) above shall be allocated on a pro-rata basis to Underwriters who have subscribed for Offer Shares, however limited upwards to each such Underwriter's respective Underwriting Obligation for the aggregate Underwriting Obligation of NOK 12,885,965. The Existing Shareholders' subsidiary preferential right to subscribe for Offer Shares that are not subscribed pursuant to exercise of Subscription Rights pursuant to Section 10-4 (3) of the Norwegian Private Limited Liability Companies Act is, thus, waived, cf. Section 10-5 of the Norwegian Public Limited Liability Companies Act;
- (iii) Third, any unallocated Offer Shares following the allocation under (ii) above shall be allocated to subscribers who have over-subscribed on a pro-rata basis on the number of Subscription Rights exercised by each subscriber;
- (iv) Fourth, any unallocated Offer Shares following the allocation under (iii) above shall be allocated to Underwriters who have subscribed for Offer Shares in excess of their respective Underwriting Obligation on a pro-rata basis; and
- (v) Finally, any unallocated Offer Shares following the allocation under (iv) above shall be allocated to the Underwriters who have not fulfilled their underwriting obligation through subscription for Offer Shares in the Subscription Period, pro rata to their respective Underwriting Obligations as further described in Section 4.17 "The Underwriting".

The Underwriters will not be granted Subscription Rights due to technical limitations in the VPS when settling share deposits with contributions-in kind, but will be allocated Offer Shares on second priority pursuant to the above.

No fractional Offer Shares will be allocated. The Company reserves the right to round off, reject or reduce any subscription for Offer Shares not validly made or covered by Subscription Rights and will, in case of over-subscription only allocate Offer Shares to the extent that Offer Shares are available to cover such over-subscriptions.

Any Offer Shares that are unsubscribed by the end of the Subscription Period will be subscribed by the Underwriters in accordance with their Underwriting Obligations.

The result of the Rights Issue is expected to be published on or about 4 October 2024 in the form of a stock exchange notification from the Company through the Company's site on NewsWeb and on the Company's webpage (www.blackseaproperty.no). Notifications of allocated Offer Shares and corresponding subscription amount to be paid by each subscriber are expected through the VPS or by allocation notices from the Company and/ or the Settlement Agent on or about 4 October 2024. Subscribers having access to investor services through their VPS account manager will be able to check the number of Offer Shares allocated to them on 7 October 2024. Subscribers who do not have access to investor services through their VPS account manager may contact the Settlement Agent from 12:00 (CEST) on 4 October 2024 to obtain information about the number of Offer Shares allocated to them.

4.12 Delivery and listing of the Offer Shares

Subject to timely payment of the entire subscription amount in the Rights Issue, the share capital increase will be registered with the Norwegian Register of Business Enterprises ("**NRBE**") on or about 31 October 2024 and that the delivery of the Offer Shares will be delivered to the VPS accounts of the subscribers to whom they are allocated on or about 1 November 2024. The final deadline for registration of the share capital increase pertaining to the Rights Issue in the NRBE, and hence the subsequent delivery of the Offer Shares, is, pursuant to the Norwegian Public Limited Liability Companies Act, three months from the expiry of the subscription period (i.e. 3 January 2025).

All subscribers for Offer Shares must have a valid VPS account to receive the Offer Shares.

Trading in the Offer Shares on Euronext Growth Oslo is expected to commence on or about 1 November 2024. The Offer Shares may not be transferred or traded before they are fully paid and the share capital increase pertaining to the Rights Issue has been Registered with the NRBE and the Offer Shares have been issued in the VPS.

All of the Offer Shares will be subject to admission to trading on Oslo Stock Exchange. The Shares will not be sought or admitted to trading on any other regulated market.

4.13 Settlement Agent

The Company will use Nordea Bank Abp, Filial i Norge, as settlement agent (the "**Settlement Agent**") for the Rights Issue.

The postal address of the Settlement Agent is P.O. Box 1166 Sentrum, 0107 Oslo, Norway. The e-mail address of the Settlement Agent is nis@nordea.com. The telephone number of the Settlement Agent is +47 24 01 34 62.

4.14 Mandatory Anti-Money Laundering Procedure

The Rights Issue is subject to applicable anti-money laundering legislation, including the Norwegian Money Laundering Act of 1 June 2018, no. 23 and the Norwegian Money Laundering Regulations of 14 September 2018, no. 1324 (collectively, the "**Anti-Money Laundering Legislation**").

Subscribers who are not registered as existing customers of the Settlement Agent must verify their identity to the Settlement Agent in accordance with the requirements of the Anti-Money Laundering Legislation, unless an exemption is available. Subscribers who have not completed the required verification of identity prior to the expiry of the Subscription Period will not be allocated Offer Shares.

Furthermore, participation in the Rights Issue is conditional upon the subscriber holding a VPS account. The VPS account number must be stated in the Subscription Form. VPS accounts can be established with authorized VPS registrars, who can be Norwegian banks, authorized securities brokers in Norway and Norwegian branches of credit institutions established within the EEA. However, non-Norwegian investors may use a nominee VPS account registered in the name of a nominee. The nominee must be authorized by the NFSA. Establishment of a VPS account requires verification of the identification to the VPS registrar in accordance with the Anti-Money Laundering Legislation.

4.15 Payment Due Date for the Offer Shares

The Payment Due Date for the Offer Shares is 8 October 2024. For a description of the payment procedure, please refer to Section 4.11.3 "Subscription and payment procedure".

4.16 Publication of information relating to the Rights Issue

The Company will use the Oslo Stock Exchange's information system, available at www.newsweb.no, to publish information regarding the Rights Issue.

4.17 The Underwriting

Pursuant to the Underwriting Agreement dated 28 May 2024, the Underwriters have undertaken, severally and not jointly, and otherwise on the terms and conditions set out in the Underwriting Agreement, to partially underwrite the Rights Issue, i.e., with an aggregate amount of NOK 12,885,956 (the "**Underwriting Obligation**").

Pursuant to the Underwriting Agreement, each Underwriter shall receive an underwriting commission equal to 10% of their respective underwriting obligation, which shall be settled in new Shares in the Company to be issued at the Subscription Price. The issuance of new Shares (if any) to settle the underwriting commission is intended to be resolved by the Board of Directors pursuant to an authorization to increase the share capital granted in the annual general meeting held on 24 June 2024.

Allocation of unsubscribed Offer Shares among the Underwriters shall be made according to the following principles:

- (i) Any unsubscribed Offer Shares shall be allocated to each Underwriter based on the pro rata relationship between the Underwriters' Underwriting Obligations, taking into account any adjustments pursuant to paragraph (ii) below.

- (ii) To the extent an Underwriter has validly subscribed for, been allocated and paid for Offer Shares in the Rights Issue, the relevant Underwriter shall be considered immediately released for a portion of its Underwriting Obligation equal to the size of the subscription by the relevant Underwriter.

The obligations of the Underwriters pursuant to the Underwriting Agreements were subject to satisfaction of certain conditions, including: (i) approval by an extraordinary general meeting of the Company of the share capital increase relating to the Rights Issue, and (ii) registration of the Prospectus in the NRBE and publication of the same.

Upon the publication of this Prospectus, all of the above conditions have been satisfied.

The table below shows the subscription amount each Underwriter has undertaken to underwrite:

Name	Address	Underwritten amount under Underwriting Obligation (NOK)	% of total Underwriting Obligation	Shares to be received as Underwriting commission
E. Larre Holding AS	Gabels gate 41, 0262 Oslo, Norway	313,000	2,429	260,833
Janine AS	Stillaugs vei 22, 3145 Tjøme, Norway	3,651,880	28,340	3,043,233
Auris AS	C. Sundts gate 55, 5004 Bergen, Norway	3,130,256	24,292	2,608,546
Christinedal AS	c/o Hans Gulseth, Camilla Colletts vei 8, 0258 Oslo, Norway	2,086,752	16,194	1,738,960
North Bridge Management AS	Engebrets vei 3, 0275 Oslo, Norway	2,399,752	18,623	1,999,793
DEA Holding AS	Odden 12D, 1397 Nesøya, Norway	234,782	1,822	195,651
MTB Invest AS	Breidablikkvegen 5, 4250 Kopervik, Norway	365,188	2,834	304,323
Rødningen Invest AS	Tyrihvellveien 37, 1639 Gamle Fredrikstad, Norway	182,594	1,417	152,161
Total Management AS	Ødegårdslia 15, 1684 Vesterøy, Norway	521,752	4,049	434,793
Total		12,885,956	100.00	10,738,297

4.18 Risks related to the Offer Shares and the Shares

Note that the list of risk factors below is not exhaustive and only represents a summary of certain risk factors that the Board believes to be most significant for potential investors. Other risk factors not mentioned in this document may also adversely affect the Company's business and the value of the Shares. Potential investors are urged to independently evaluate the risks involved in investing in the Company and to consult with their own advisors, in addition to acquaint themselves with the risk factors, other information in this Prospectus and other relevant information. In particular, the Company's performance may be affected by changes in legal, regulatory and tax requirements in any

of the jurisdictions in which the Company operates or intends to operate as well as overall global financial conditions.

Volatility of the share price

Investors should be aware that the value of the Shares may fluctuate and may not always reflect the underlying asset value of the Company. Investors may therefore not be able to recover any or all of their original investment. In addition, the price at which investors may dispose of their Shares may be influenced by a number of factors, some of which may pertain to the Company, and others of which are extraneous.

Potential share capital dilution

The Company may require additional capital in the future to finance its business activities and growth plans. The issuance of new Shares in order to raise such additional capital may have a dilutive effect on the ownership interests of the shareholders of the Company at that time.

Subscription Rights issued in the Rights Issue will be of no value if not used

Subscription Rights issued to Existing Shareholders in the Rights Issue, which are not used to subscribe for the Offer Shares before expiry of the Subscription Period, will have no value and will lapse without compensation at the end of the Subscription Period. Hence, Existing Shareholders who do not use the Subscription Rights to subscribe for Offer Shares before the expiry of the Subscription Period will not be entitled to be allocated any Offer Shares.

4.19 Governing law and jurisdiction

This Prospectus, and the terms and conditions of the Rights Issue, including issuance of the Offer Shares, are governed by Norwegian law. The Company has been incorporated under the NPLCA and all matters relating to the Offer Shares (and the Shares) will primarily be regulated by this act. Any dispute arising out of, or in connection with, this Prospectus or the Rights Issue shall be subject to the exclusive jurisdiction of the courts of Norway, with Oslo as legal venue.

5 FINANCIAL INFORMATION

The Group prepares its consolidated financial statements in accordance with Norwegian Generally Accepted Accounting Principles ("**NGAAP**"). In this Prospectus, selected financial information from the Group's audited consolidated financial statements for the years ended 31 December 2023 and 31 December 2022 is presented, and is also attached to this Prospectus as [Appendix 3](#) and [4](#).

The Group's audited consolidated financial statements for the year ended 31 December 2023 is referred to as the "**2023 Annual Financial Statements**". The Group's audited consolidated financial statements for the year ended 31 December 2022 is referred to as the "**2022 Annual Financial Statements**". The 2023 Annual Financial Statements and the 2022 Annual Financial Statements are jointly referred to as the "**Financial Statements**".

The Financial Statements have been audited by Revisjonsfirmaet Flattum & Co AS, as set forth in their report thereon included herein.

The Company presents the Financial Statements in NOK (presentation currency).

5.1 Summary of accounting policies and principles

For information regarding accounting policies, please refer to note 1 of the Annual Financial Statements for the year ended 31 December 2023, attached as [Appendix 3](#) to this Prospectus.

5.2 Selected statement of consolidated income data

The table below sets out selected consolidated data of income from the Financial Statements for the years ended 31 December 2023 and 2022.

<i>NOK 1,000</i>	31 December 2023	31 December 2022
Operational revenue		
Sales revenue	4,134	517
Operational costs		
Salary costs	600	299
Depreciation	3,539	424
Other operational costs	4,275	4,788
Operating result	(4,279)	(4,994)
Finance income and finance costs		
Interest income from Group companies	-	-
Other finance income	4,761	8,240
Interest cost to Group companies	-	-
Other finance costs	17,772	3,348
Net financial items	(13,012)	4,892
Ordinary result before taxes	(17,291)	(101)
Tax cost on ordinary result	-	1,315

NOK 1,000	31 December 2023	31 December 2022
Result for the period	(17,291)	(1,416)

5.3 Selected statement of consolidated financial position

The table below sets out selected data of consolidated financial position from the Financial Statements for the years ended 31 December 2023 and 2022.

NOK 1,000	31 December 2023	31 December 2022
ASSETS		
Non-current assets		
<i>Intangible fixed assets</i>		
<i>Intellectual property rights</i>	132	161
<i>Fixed assets</i>		
Land plots, buildings and other real estate	299,123	239,206
Machinery and plant	2,224	2,226
Movable property	3,124	2,266
Total fixed assets	304,471	243,697
<i>Financial assets</i>		
Investments in Group companies	-	-
Loans to Group companies	-	-
Other receivables	7,724	392
Total financial assets	7,724	392
Total non-current assets	312,327	244,251
Current assets		
<i>Receivables</i>		
Trade receivables	471	129
Other receivables	2,765	482
Total receivables	3,236	611
Cash and cash equivalents	2,422	1,179
Total current assets	5,658	1,790
TOTAL ASSETS	317,986	246,041
EQUITY		
<i>Paid-in equity</i>		
Share capital	24,575	9,723
Share premium	239,974	234,383
Other paid-in equity	-	-

<i>NOK 1,000</i>	31 December 2023	31 December 2022
Total paid-in equity	264,549	244,106
<i>Retained earnings</i>		
Other equity	(159,449)	(152,018)
Total retained earnings	(159,449)	(152,018)
Minority interests	43,344	40,175
TOTAL EQUITY	148,445	132,263
LIABILITIES		
<i>Accruals</i>		
Accruals for deferred taxes	-	1,356
<i>Non-current liabilities</i>		
Convertible loans	-	1,982
Debt to financial institutions	73,561	-
Other long-term debt	77,280	5,172
Total non-current liabilities	150,841	7,154
<i>Current debt</i>		
Debt to financial institutions	4,384	64,907
Trade payables	541	286
Public charges owed	27	9
Other short-term debt	13,748	40,067
Total current debt	18,700	105,268
TOTAL LIABILITIES	169,541	113,778
TOTAL EQUITY AND LIABILITIES	317,986	246,041

5.4 Selected statement of consolidated cash flow

The table below sets out selected data of cash flow from the from the Financial Statements for the years ended 31 December 2023 and 2022.

<i>NOK 1,000</i>	Year ended 31 December 2023	Year ended 31 December 2022
Cash flow from operating activities		
Ordinary results before taxes	(17,291)	(101)
Ordinary depreciations	3,539	424
Change in trade receivables	(757)	(103)
Change in trade payables	270	(34)
Changes in other accruals	(2,548)	682
Change in currency on non-current receivables and payables	905	(7,853)

<i>NOK 1,000</i>	Year ended 31 December 2023	Year ended 31 December 2022
Net cash flow from operating activities	(15,884)	(6,986)
Cash flow from investment activities		
Payments upon purchase of fixed assets	(1,849)	(2,813)
Expenditure on real estate project	(45,411)	(29,486)
Investments in debt instruments	(7,306)	-
Net cash flow from investment activities	(54,567)	(32,299)
Cash flow from financing activities		
Change in long-term debt	(1,982)	1,982
Change in receivables towards subsidiaries	-	-
Change in other payables	-	28
Change in loans from minority shareholders	(28,713)	17,611
Loans from Penchev Consult EOOD	71,784	-
Share issues in the Company	20,443	-
Share capital increases in subsidiaries (minority interests)	-	9,632
Net cash flow from financing activities	71,694	30,700
Net change in liquidity for the period	1,243	(8,585)
Cash and cash equivalents at the start of the period	1,179	9,764
Cash and cash equivalents at the end of the period	2,422	1,179

5.5 Significant changes since 31 December 2023

In May 2024, the Underwriting Agreement was entered into between the Company and the Underwriters, pursuant to which the Underwriters provided the Shareholder Loans in the aggregate principal amount of NOK 12,350,000.

The Shareholder Loan hold an interest rate of 16% pro anno. The amounts outstanding (including accrued interest) under the Shareholder Loans will be used to settle the Underwriting Obligations.

Other than as described above, there have been no events of significant importance to the Company after the last balance sheet date on 31 December 2023.

6 SELECTED OTHER INFORMATION ABOUT THE COMPANY AND THE RESORT

6.1 Transactions with EPO and ABC – outstanding seller credit

Please find below further information Conversion of seller credits.

In August 2015, the Company completed two transactions whereby it purchased shares, receivables and other assets from the Norwegian companies EPO and ABC. The purchase price under these transactions were settled through the grant of a seller credit.

In May 2021, the Company received acceptance to convert EUR 3,531,409.54 (corresponding to NOK 35,577,185.37 at such time) in principal amounts under the seller credits granted in connection with the EPO and ABC transactions into new Shares in the Company at a subscription price of NOK 3.38 per new Share. A total of 10,525,710 new shares were issued to the holders of the seller credits.

The remaining seller credit of approximately EUR 0.5 million remains outstanding, does not carry any interest and shall be repaid by Black Sea Property in a number of instalments as soon as Black Sea Property has a satisfactory financial status, as further regulated in the transaction agreements.

6.2 Options to acquire apartments at the Resort

In January 2017, the Company offered investors to purchase options to acquire apartments at the Resort. The options were offered on the following main terms:

- Each option gives a right to buy an apartment at the Sunrise River Beach Resort at a price of EUR 450 per square meter.
- The option price is EUR 7,500 (deductible from purchase price for apartment if the option is exercised).
- The options can be exercised for a period of 13 months following completion of Building M, N and P at the Sunrise River Beach Resort (including all necessary governmental permits being obtained).

Three options were subscribed and are currently outstanding as of the date of this Prospectus.

6.3 Legal matters

There are currently no ongoing legal disputes concerning the Company, the Group or the Resort.

6.4 Shareholder structure

The table below shows the Company's 20 largest shareholders as recorded in the shareholders' register of the Company with the VPS as of 12 September 2024 (prior to distribution of any Offer Shares, including the Shares to be issued as underwriting commission to the Underwriters).

#	Shareholder name	No. of Shares	% of total Shares
1	E. Larre Holding AS	10,621,341	10.51
2	Janine AS	9,727,830	9.62
3	Auris AS	7,426,229	7.35

4	Christinedal AS	6,553,207	6.48
5	Total Management AS	4,963,635	4.91
6	Semeco AS	3,546,145	3.51
7	Vk Invest AS	3,239,422	3.20
8	Muller, Erik Arvid	3,090,356	3.06
9	Efo Egedomsinvest AS	2,812,880	2.78
10	A-J Eiendom AS	2,541,659	2.51
11	Tryti Holding AS	2,046,530	2.02
12	K. Bugge AS	1,808,050	1.79
13	Rødningen Invest AS	1,775,214	1.76
14	Ringsrud AS	1,743,675	1.72
15	Mtb Invest AS	1,725,031	1.71
16	Molvær, Dag Johan	1,480,721	1.46
17	Espemo Invest AS	1,461,140	1.45
18	Othello AS	1,454,800	1.44
19	Sundby Holding AS	1,444,472	1.43
20	Stenheim, Terje	1,428,534	1.41
Top 20 holders of Shares		70,890,871	70.12
Other		30,208,423	29.88
Total		101,099,294	100.00

All Shares have equal voting rights, with each Share holding one vote. Hence all major shareholders have the same voting rights relative to the number of Shares held.

The Company is not aware of any shareholders who through ownership or other arrangements control the Company. The Company is not aware of any arrangements, including in the Articles of Association, which at a later date may result in a change of control of the Company.

6.5 Authorizations

The Board of Directors holds the following authorizations as of the date of this Prospectus:

Date granted	Purpose	Possible increase of issued share capital (NOK)	Amount utilized (NOK)	Valid until
24 June 2024	Issuance of consideration shares to Underwriters	NOK 900,000	0	Annual General Meeting in 2025, however not later than 30 June 2025
24 June 2024	General purposes	NOK 1,010,993	0	Annual General Meeting in 2025, however not later than 30 June 2025

Further, the Board of Directors is authorized to purchase own Shares with an aggregate par value of up to NOK 1,010,993. Upon use of the authorization, the Company may pay a minimum of NOK 0.05 and maximum NOK 5.00 per Share. The authorization is valid until the annual general meeting in 2025, however not later than 30 June 2025.

7 MARKET OVERVIEW

7.1 Macroeconomic overview of the Bulgarian economy and Burgas Region

Bulgaria had a population of 6,447,710 at the end of 2022 according to the National Statistical Institute. Occupying territory of 110,912 square kilometers in Southeast Europe, it ranked 12th in the European Union and 16th in Europe.

The country is located at the eastern border of the EU and on five major European transport corridors. It is on the road and rail connections between Europe and the Middle East. It borders Turkey to the Southeast, Greece to the South, Serbia, and North Macedonia to the west. The Danube River separates it from Romania to the North. Its eastern border is the Black Sea.

Bulgaria has applied for membership in the Eurozone and has entered Exchange-Rate Mechanism (ERM 2) on the 10th of July 2020.

The fourth largest city in Bulgaria with just under 200,000 inhabitants, Burgas is a major gateway to the Southern Black Sea, serving as both a regional and municipal center. It is the main economic and transportation hub in the area, thanks to factors such as the largest oil refinery in Bulgaria, the second busiest international airport in terms of passenger traffic, and the leading seaport for processed goods. With two functioning higher education institutions – the state-owned Prof. Asen Zlatarov and the private Burgas Free University, as well as a branch of Sofia University St. Kliment Ohridski, the city is an educational center for the region with over 650,000 residents, including the neighboring regions of Sliven and Yambol.

The demographic challenges typical for Bulgaria - rapid population decline and aging – are somewhat mitigated by internal migration to the municipality and specifically to the city of Burgas. The average cumulative decline is between 0.8% and 0.9% annually for the city and municipality, respectively, compared to 1.2% for the country in the decade leading up to the end of 2022. Nevertheless, the region remains subject to negative demographic trends.

Demographic change



Source: National Statistical Institute

The local economy has experienced periods of rapid growth and decline over the past five years, for which data is available, resulting in slower growth compared to the national level, and the gross domestic product per capita decreasing from 80% of the national level in 2018-2019 to 75% in 2022.

Services are the leading economic sector in the region – partly due to the smaller industrial sector and partly due to the significant role of tourism in the local economy. The most developed summer tourism resort – Sunny Beach is approximately 35 km to the north of Burgas. The sandy Black Sea beaches, scenic nature, and well-preserved historic sites of Nesebar and Sozopol attract tourists in large numbers. Burgas is also home of the largest oil refinery on the Balkan Peninsula with several industrial ports south from the city. Due to its industrial tradition, as well as the availability of trade port, the manufacturing sector historically accounts for slightly higher share of the gross value added, at around 28% against 27% national average.

Regional GDP and structure of the local economy



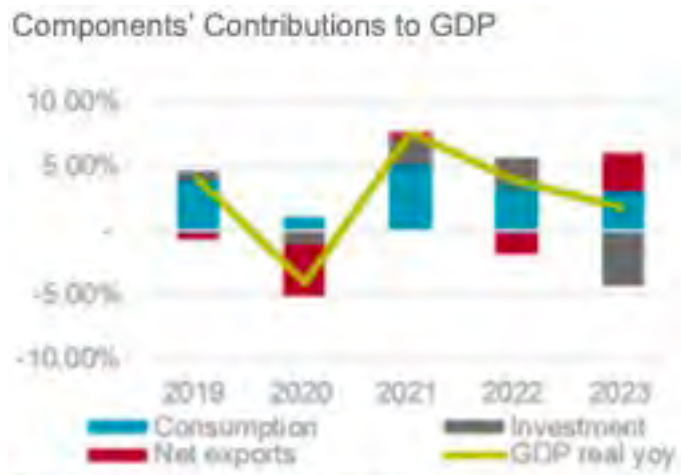
Gross Domestic Product

Owing to a marked loosening of anti-epidemic measures, economic growth in 2021 picked up the pace compared to the previous year and achieved a rate of 7.7%. Such a spectacular GDP increase was last recorded in the years before Bulgaria's accession to the EU. All drivers of the economy - domestic consumption, investment, and exports - have contributed positively. From a sector perspective, improved activity was achieved in virtually all areas except construction, where a significant amount of financing for infrastructure projects was delayed. Overall, towards the end of the year, the strong performance, the looming end of the COVID pandemic and the new government that had just taken office gave grounds for optimism.

The next year did not start well for the world. At the end of February, eight years after it annexed the Crimean Peninsula by force, the Russian Federation launched a new, even larger-scale military aggression against Ukraine. This event led to severe economic and political consequences on a global level: almost unprecedented economic sanctions on the aggressor; unprecedented fluctuations in energy prices; a realignment of energy policy and industry across the European continent; a significant rise in consumer and producer prices worldwide; shortages of various raw materials and supplies.

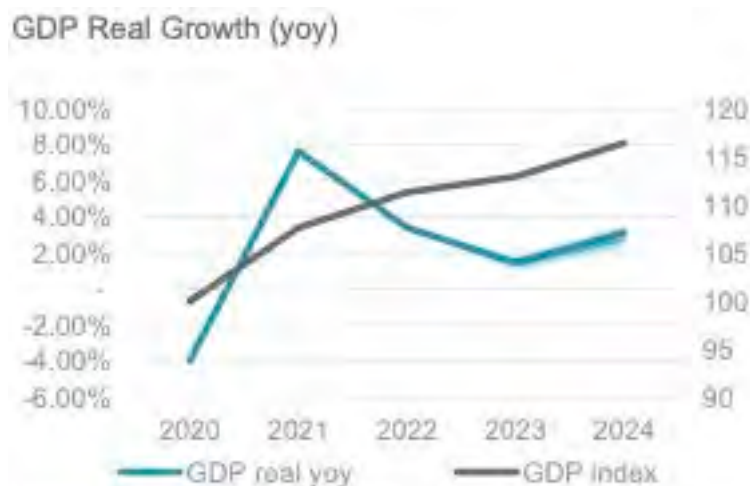
All these events had a negative impact on Bulgaria. To react to the sanctions imposed by the EU, the Russian Federation started to suspend natural gas supplies to its European customers and the country was among the first affected. This necessitated emergency supplies of liquefied natural gas and led to a significant spike in the price of electricity, which later spilled over into consumer goods and

commodity prices. Additionally, the fragile coalition government collapsed, and the political crisis deepened.



Source: National Statistical Institute

Despite the negative developments in 2022, Bulgaria's economy performed relatively well with the severe challenges. The rate of GDP growth was 3.9% which was above the EU average. The external trade activity was strong, fueled by the increased inflation. Both the exports and imports expanded notably but the trade balance surplus narrowed. In 2022, the level of investments increased significantly as well as domestic consumption.



Source: National Statistical Institute

In 2023, despite economic challenges and a threat for recession in the European economy, Bulgaria experienced a GDP growth of 1.8%. This growth was primarily driven by increases in external trade balance and private consumption. Although economic sentiment was generally pessimistic throughout the year, Bulgaria's performance was relatively strong, significantly surpassing the potential recession. Additionally, Bulgaria outpaced the GDP growth of most other EU countries during this period.

Looking ahead to the next few years, expectations for the country's economy can be described as moderately optimistic. GDP growth of 2.5% is forecast for 2024, followed by 3.4% and 3.0% in 2025 and 2026. The main threats for the economy are the prolong war in Ukraine and other local conflicts through the world, price instability and recession in the main trading partners.

One of the reasons for analysts' more optimistic expectations for this year is the continuation of income policy. The state budget provided funds for salary increases in education, health, security, and several public institutions as well as in pensions. These actions will have a positive effect on domestic consumption. The expectations are also for an increase in investments, both private and public due to utilization of European funds. The trade balance is expected to shrink and even become negative.

Consumer Prices

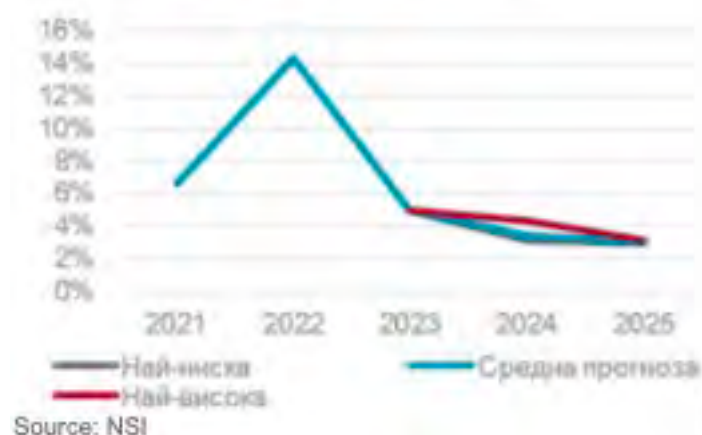
In the second half of 2021, inflation accelerated significantly due to the economic recovery and subsequent increase of international prices of raw materials and oil as well as the disrupted international supply chains and the rate of increase in food prices. The year-end change in the harmonized Index of Consumer Prices recorded an increase of 6.6% in 2021.

The trend intensified in 2022 and inflation reached levels not seen in decades across the globe. The war in Ukraine has further increased the prices commodities, with the most worrying increases in food and energy prices. The year-end change in the harmonized Index of Consumer Prices reached 14.3%. This has forced central banks, including the European Central Bank, to raise interest rates and reduce their asset purchase programs.

In 2023, inflation in Bulgaria gradually decreased due to increases in interest rates, decrease in the energy prices and a slowdown in economic activity. The year-end change in the Harmonized Index of Consumer Prices was 5.00%, marking a notable improvement compared to the previous year but still significantly above the target rate of 2%. The persistently high inflation in Bulgaria remains the only technical barrier preventing the country from adopting the Euro currency.

Forecasts for inflation in 2024 and next year are for a decrease of the inflationary pressure despite the tremendous increase in the personal income of the population. It is expected that the international energy prices will not increase as well as the prices of agricultural products. The increase of salaries is the main pro-inflationary factor.

Harmonized Index of Consumer Prices



7.2 The Bulgarian tourism market

In 2023, international travel registered in Bulgaria returned to the pre-pandemic height of 12.6 million. Much of the growth still came from transit, shopping, or family visits, with vacation travel recovering

as much as 90% of its 2019 peak, and commercial coming last at 75%. As a result, the 10-year compound annual growth rates came in positive at 0.8% for vacation and 2.5% for commercial travel. They were below the long-term trend between the pre-GFC 2008 and 2018, indicating the lingering effects of pandemics and war in Ukraine.

International Visitors by Purpose
(Million and 10-year Compound Growth)

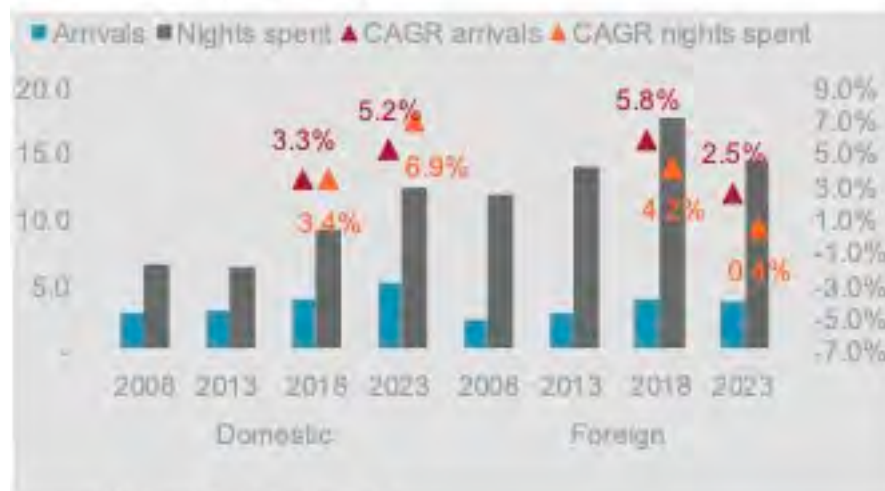


Source: National Statistical Institute

Bulgaria is a traditional summer destination for the countries from the former Eastern Bloc, including the more advanced economies of the Czech Republic, Poland, Hungary and Slovakia or neighboring Romania, Serbia, and North Macedonia. The geographic proximity and historic ties position it strongly on the market of the former Soviet Republics, including Russia, Ukraine, and Moldova, although suspensions of flights and ongoing sanctions for the former have largely reduced demand recently. Germany, the UK, and the Nordics are key Northern and Western-European feeder markets. In addition, the pandemic period aside, recent years saw strong growth in Israeli tourists drawn by skiing, mild climate and not least the availability and price of the growing gambling sector.

Despite the level of internationalization of the industry Bulgarians account for the bulk of demand and represent the biggest national group. As a result of continued economic growth and rising purchasing power combined with weaker international demand during and post-pandemic domestic demand has outgrown international substantially most recently. The chart below compares the annual domestic and foreign arrivals and night stays at all types of registered lodging facilities for two ten-year periods. It indicates that international demand was yet to recover, as of 2023 having lost almost all the increase in travel between 2013 and 2019.

Bulgarian and Foreign Demand (million and 10-yr CAGRs)



Source: National Statistical Institute

The national statistics hide substantial regional differences. For example, in normal years more than two thirds of the accommodated guests in coastal regions were foreigners, accounting for a total of 80% of the guest nights. For national beach resorts these numbers were even higher at 85% on average for guests and nine in ten nights spent.

Main Inbound Markets

Although Bulgarians make up the largest national group for the tourism sector domestic demand is more evenly distributed across regions compared to that of foreign origin. International travel concentrates on beach and ski resorts as well as in the capital city. On the Coast it is paramount, typically accounting for between 70% and 95% of total guest nights.

The top inbound markets are key to understanding the dynamics in hotel performance. For major hotel owners locally, the German, UK and Nordic markets are most important for securing revenues and occupancies. Domestic and regional demand (mainly from Romania) dominates direct and the online or traditional travel agency channels.

Five inbound markets generated more than a million guest nights in 2018 and 2019. These were Germany, Romania, Poland, the UK, and Russia. The countries ranked in that order in both years except for UK and Poland changing places in 2019.

Only Romania retained over a million guest nights in 2020 and 2021 as COVID flight restrictions bit. In 2022, again five countries generated more than a million guest nights with Romania coming on top followed by Poland, Germany and the UK, and Ukraine replacing Russia. With Romania and Ukraine (though not only for vacation reasons) growing over 2019 guest nights in total were just shy of 300 thousand below their historic record.

Domestic demand, which had already recovered in 2019, posted new historic highs in both 2022 and 2023. It added a total of 2.6 million night stays, offsetting the 3.2 million of foreigners lost since 2018.

The below chart shows the recovery (or lack thereof) patterns for the domestic (BGR) and key export markets for Bulgarian lodging facilities. The columns exhibit the number of guest nights in millions

between 2018 and 2023. The 2018 it marked the peak for certain significant sources such as Germany (DEU) and Poland (POL). The lengths of the arrows indicate the shifts in demand from the peak year, whether 2018 or 2019, alongside the change in percentage.

Change in Guest Nights by Key Markets (2022 to peak)



Source: National Statistical Office

It can be concluded that a surge in domestic travel supported Bulgarian hotels between 2021 and 2023. Romania (ROU) and Ukraine (UKR) posted impressive growth rates relative to the pre-pandemic peaks. Although their strong increase of 1.3 million guest nights could not make up for the 2.2 million guest nights lost from Germany alone, local, and regional travel rebounded as individual guests demonstrated strong desire for travel. Additionally, Poland had recovered to almost 95% of the pre-COVID peak in 2018. While Germany and the UK lagged, the trend is quite clear: German guest nights increased in the low double digits in 2023 compared to the previous year and the UK traveler has returned, having been virtually absent in 2020-21.

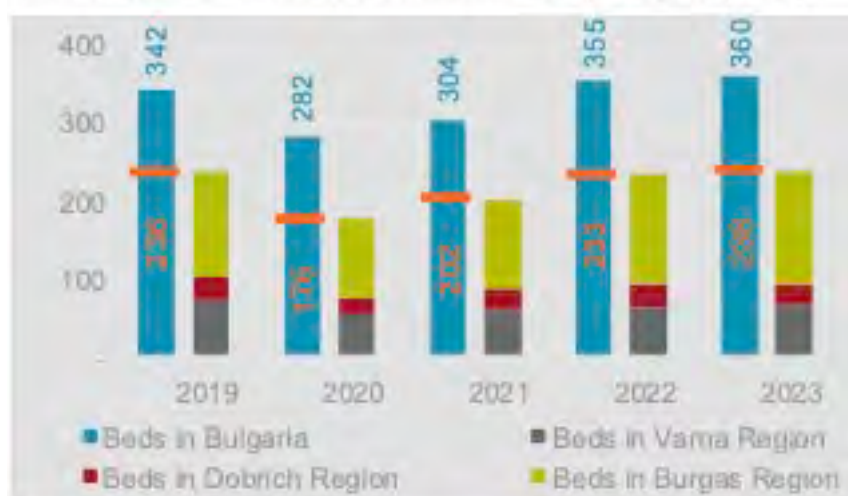
The recovery so far has been patchy at best, with all other markets still at about 70% of the peak level. The absence of Russians alone meant more than a million guest nights lost. The fact that a lot of the Ukrainian room nights could be either refugee stays or generally migration after February 2022 indicated a relatively low level of sales in historic terms.

Whereas the Russian market seems lost in the medium term, absent new war escalation, the sector will increasingly rely on the gradual return of the Western-European tourist and continued interest from Central and Eastern-European travelers. The economic slowdown in the Eurozone, Germany and Central Europe, recent inflation eating into disposable income and savings, but still historically high levels of employment will create favorable conditions for moderately-priced destinations such as Bulgaria. A shallow recession without a substantial increase in unemployment means Europeans will have the ability to travel but will be motivated to ration their choices.

Lodging

Bulgaria's registered beds which operated for at least a month in 2023 reached almost 360,000, an increase of some 58,000 over ten years, representing compound annual growth rate of 1.8% over the same period. The peak in the increase was between 2014 and 2017, after which growth tapered off, before supply collapsed due to COVID-19. Since then, supply rebounded to new historic records in 2022 and 2023.

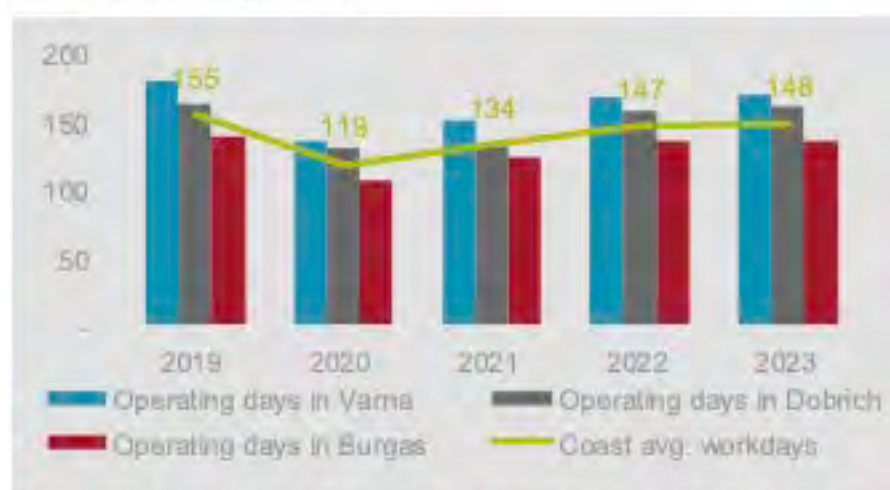
Beds in Accommodation Establishments by Region (000s)



Source: National Statistical Institute

Lodging facilities along the Bulgarian Coast are almost exclusively seasonal, operating between early May and early October. Since supply is concentrated in leisure destinations, the length of the season is dependent on sales to tour operators. Outside the main resort centers, small hotels start closing from early September as the school year approaches. This results in just less than five operating months on average, with some variations depending on the profile of the destination. For example, some hotels in Albena or Golden Sands resorts in the North have operated year-round, capturing convent, group demand and family celebrations. The larger size of the City of Varna presumably affords more weight to year-round commercial hotels resulting in the longest average season. Yet Varna’s recovery to the 2019 levels has been the slowest, albeit by a negligible margin.

Average Workdays / Bed



Source: CW Forton estimates, based on data from National Statistical Institute

Overall, hotel supply has recovered since the pandemic, which reflects stronger fundamentals, continued interest in and availability of capital for hotel real estate development. Some owners used the years of low demand to undertake property improvements. There is a lot of product on the market which is already outdated, and repositioning or even redevelopment are on the agenda for the least competitive properties.

Developers are increasingly looking beyond traditional destinations in response to a lack of opportunities, hotel owners holding out with high asking prices, and a changing nature of demand towards more personalized experiences and a desire to escape from the tourist crowds.

Altogether, the prospects are for a gradual increase in supply together with continuing product differentiation. Alternative products, such as camping grounds, are in short supply, and alongside providing a less labor-intensive operation, are expected to become a distinctive feature of the market as guests seek different experiences and destinations.

Hotel Market Performance

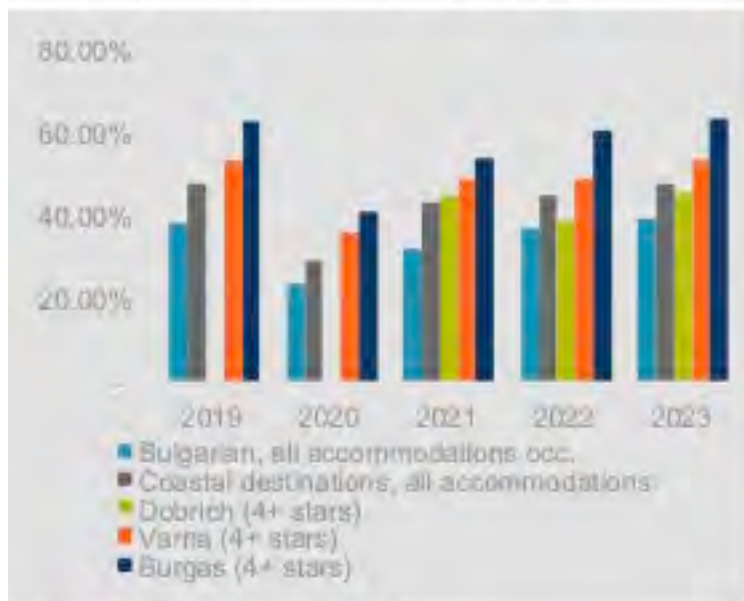
Operational statistics for accommodation establishments are provided only by the National Statistical Institute from the Accommodation Establishments Survey, undertaken monthly. Data may include errors or omissions as operators report inconsistently or do not report at all in some periods. Furthermore, standard industry definitions for room rates and occupancy are not widely adopted. Owners include non-room sales in room revenue reports such as food and beverage, beach or spa services provided for a package price to a tour operator or retail customer. This means that data for average room rates would not conform with international standards such as the definition given in the Uniform System of Accounts for the lodging industry.

We believe that with the above caveat hotels from higher categories (per local standards) would provide the best indication of market performance. With some exceptions such as alternative accommodations, the lower categories consist of older, often non-competitive properties, in need of renovation, without professional management and hence less likely to report correctly and more likely to underperform. Additionally, the higher categories concentrate the bulk of demand and income which makes them representative of market trends.

Accommodations such as the subject or other alternatives like new camping grounds, apartment complexes and villas, offer larger, family units and their pricing is more in line with the upper scales, if food and beverage is stripped off, than with category which would be 1 or 2 stars.

Overall occupancies on the Coast led the way almost touching the 2019 number at 47.9% (48.1% pre-COVID), but on the back of 7 days shorter operational season on average. Black Sea four-and five-star hotels roared ahead at 58% (53.5% in 2019), with just spa destinations matching them, but on a year-round operation. Of the three counties making up the coast, Burgas outperformed at 63.5%, both it and Varna coming on top of the 2019 results by a small margin.

Occupancy Rates, Selected Markets and Accommodation Categories

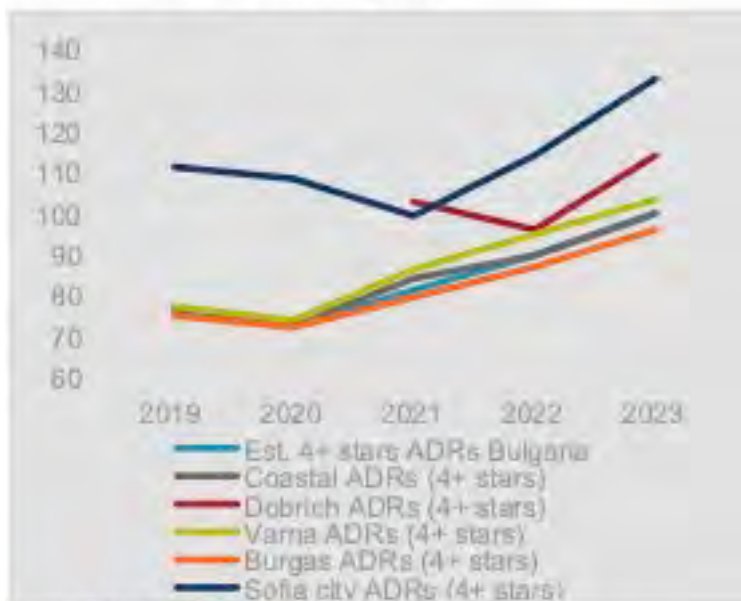


Source: National Statistical Institute

Despite still lagging demand, the tourism sector saw a robust recovery of room rates which were at record heights across segments and markets in 2023. For most destinations, rates were already ahead of 2019 levels in 2021. Sofia City experienced a one-year delay, possibly due to the late return of the commercial guests. This means that rate recovery occurred before demand recovery, a reflection of the fact that the recession was not caused by economic factors.

There were several separate drivers contributing to growth. Obviously, inflation was a key reason in 2022 and 2023 as the higher operating costs born by operators created supply-side pressures. But for coastal locations in particular the pricing strength, especially in 2021-2022 may have also been the result of shifting demand and distribution channels. The retail domestic and regional guests probably had a greater share, and these were more likely to book at higher rates compared to tour operators. Furthermore, seasons were shorter, concentrating in peak periods, and the absence or low levels of shoulder season demand took some of the lower value sales out of the mix, yet again, elevating the average price per night. Still, the resilience in pricing was on full display last year, with average rates increasing almost 11% on the coast to around EUR 100.

Estimated Room Rates in Euros



Source: National Statistical Institute

7.3 The Bulgarian holiday homes real estate market

Over the last two years, the supply and demand for holiday homes has followed the growth of the overall property market in Bulgaria. Many clients (Bulgarians and foreigners) are looking to buy their own home in a preferred beach or mountain resort or to invest their savings in a property that has the potential to be used as a second home or for rental.

After price rises of around 30% per annum in 2022 and 2023, we are seeing some easing in 2024. According to the Registry Agency, there has been a drop in transactions in the seaside and mountain resorts of around 10-15% in the first quarter of the year. However, as the summer season approaches its end, the market in this segment pick is easing. The growth in demand provides excellent conditions for the sale of such properties.

The most in demand at the moment are studios and one-bedroom apartments. The reason is that they are more easy to sell and more affordable as a final purchase price. There is also interest in two-bedroom apartments for own use by people who prefer greater comfort for longer stays.

Apartments, especially in buildings with low or no maintenance fees, are favored and when attractively priced they manage sell within a few days or weeks. Overpriced properties stay on the market longer and deals are often done after price negotiations.

Buyers prefer resale properties that are furnished and ready to use. New construction in the resort property segment is more difficult to sell, especially unfinished or turnkey only condition, as it is an extra effort for the new owners to renovate and furnish from a distance. Usually, such properties come with completion option and furnishing packages from the investor.

The data based on real transactions show that currently in most resorts the apartments are sold at average prices around 800 euro per sq. meter. Exceptions are locations such as Sveti Vlas, Pomorie, Sozopol and south of Burgas in general, where deals are concluded at levels of 1,200-1,400 euro per sq. meter.

Although there is some slowdown in price growth, the development of the holiday property market continues. Prompted by the effects of Covid-19 a few years ago, this development is now a sustainable trend thanks to transformations in habits and attitudes regarding work and leisure. People who have acquired a property at the seaside spend time there from the Easter holidays until late autumn, when there are still suitable conditions for leisure and time in the open air.

Most of the deals in the established beach resorts involve Bulgarian buyers, who are equally attracted to the low prices. Among the most common problems associated with buying in Bulgaria is establishing clear ownership and owner rights to utility connections. A strong driver of the housing market in Bulgaria is mortgage lending, where interest rates remain among the lowest in the EU. The limited supply of properties for sale is also boosting prices on the market and creating the ideal environment for home sellers.

8 NORWEGIAN TAXATION

*This Section describes certain tax rules in Norway applicable to shareholders who are resident in Norway for tax purposes ("**Norwegian Shareholders**") and to shareholders who are not resident in Norway for tax purposes ("**Foreign Shareholders**"). The statements herein regarding taxation are based on the laws in force in Norway as of the date of this Prospectus and are subject to any changes in law occurring after such date. Such changes could be made on a retrospective basis. The following summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of the Shares. Investors are advised to consult their own tax advisors concerning the overall tax consequences of their ownership of Shares. The statements only apply to shareholders who are beneficial owners of Shares. Please note that for the purpose of the summary below, references to Norwegian Shareholders or Foreign Shareholders refers to the tax residency rather than the nationality of the shareholder.*

8.1 Norwegian Shareholders

8.1.1 Taxation of dividends

Norwegian Personal Shareholders

Dividends from the Company received by shareholders who are individuals resident in Norway for tax purposes ("**Norwegian Personal Shareholders**") are currently taxable as ordinary income in Norway for such shareholders at an effective tax rate of 37.84% to the extent the dividend exceeds a tax-free allowance (i.e. dividends received, less the tax free allowance, shall be multiplied by 1.72 which is then taxable at a flat rate of 22%, increasing the effective tax rate on dividends to 37.84%.

The allowance is calculated on a share-by-share basis. The tax-free allowance for each share is equal to the cost price of the share multiplied by a risk-free interest rate (Norwegian: "*skjermingsrente*") based on the effective rate after tax of interest on treasury bills (Norwegian: "*statskasserveksler*") with 3 months maturity plus 0.5 percentage points. The allowance is calculated for each calendar year and is allocated solely to Norwegian Personal Shareholders holding shares at the expiration of the relevant calendar year.

Norwegian Personal Shareholders who transfer shares will thus not be entitled to deduct any calculated allowance related to the year of transfer. Any part of the calculated allowance one year exceeding the dividend distributed on the share ("excess allowance") may be carried forward and set off against future dividends received on, or gains upon realization, of the same share, and will be added to the basis for the allowance calculation. Allowance cannot result in a deductible loss.

Norwegian Personal Shareholders may hold their shares through a share savings account (Norwegian: "*aksjesparekonto*"). Dividends received on shares held through a share saving account will not be taxed with immediate effect. Instead, withdrawal of funds from the share savings account exceeding the paid in deposit will be regarded as taxable income, regardless of whether the funds are derived from gains or dividends related to the shares held in the account. Such income will be taxed with an effective rate of 37.84%, cf. above. The rules for tax free allowance also apply to share savings account as such and not to the individual share. Please refer to Section Taxation of capital gains on realization of Shares "Taxation of capital gains on realization of Shares" under *Norwegian Personal Shareholders* for further information in respect of Norwegian share savings accounts.

Norwegian Corporate Shareholders

Dividends distributed from the Company to shareholders who are limited liability companies (and certain similar entities) resident in Norway for tax purposes ("**Norwegian Corporate Shareholders**") are effectively taxed at a rate of 0.66% (3% of dividend income from such shares is included in the calculation of ordinary income for Norwegian Corporate Shareholders and ordinary income is currently subject to tax at a flat rate of 22%). For Norwegian Corporate Shareholders that are considered to be "Financial Institutions" (banks, holding companies, etc.), the tax rate for ordinary income is 25%, resulting in an effective tax rate for dividends of 0.75%.

Non-Norwegian Personal Shareholders

Dividends distributed to shareholders who are individuals not resident in Norway for tax purposes ("**Non-Norwegian Personal Shareholders**") are as a general rule subject to Norwegian withholding tax at a rate of 25%. The withholding tax rate of 25% is normally reduced through tax treaties between Norway and the country in which the shareholder is resident. It is the Non-Norwegian Personal Shareholder which is responsible for the registration of residency. The withholding obligation lies with the company distributing the dividend and the Company assumes this obligation.

All Non-Norwegian Personal Shareholders must document their entitlement to a reduced withholding tax rate by obtaining a certificate of residence issued by the tax authorities in the shareholder's country of residence, confirming that the shareholder is resident in that state. The documentation must be provided to either the nominee or the account operator (i.e. the one who sets up and administrates the VPS account) together with a confirmation that the Non-Norwegian Personal Shareholder is the beneficial owner of the dividend.

Non-Norwegian Personal Shareholders resident within the EEA for tax purposes may apply individually to Norwegian tax authorities for a refund of an amount corresponding to the calculated tax-free allowance on each individual share (please see under "*Norwegian Personal Shareholders*" above). However, the deduction for the tax-free allowance does not apply in the event that the withholding tax rate, pursuant to an applicable tax treaty, leads to a lower taxation on the dividends than the withholding tax rate of 25% less the tax-free allowance.

If a Non-Norwegian Personal Shareholder is carrying on business activities in Norway and the shares are effectively connected with such activities, the shareholder will be subject to the same taxation of dividends as a Norwegian Personal Shareholder, as described under "*Norwegian Personal Shareholders*" above.

Non-Norwegian Personal Shareholders who have suffered a higher withholding tax than set out in an applicable tax treaty may apply to the Norwegian tax authorities for a refund of the excess withholding tax deducted.

Non-Norwegian Personal Shareholders should consult their own advisers regarding the availability of treaty benefits in respect of dividend payments, including the possibility of effectively claiming a refund of withholding tax.

Non-Norwegian Personal Shareholders resident in the EEA for tax purposes may hold their shares through a Norwegian share savings account. Dividends received on, and gains derived upon the realisation of, shares held through a share saving account by a Non-Norwegian Personal Shareholder resident in the EEA will not be taxed with immediate effect. Instead, withdrawal of funds from the share savings account exceeding the Non-Norwegian Personal Shareholder's paid in deposit, will be

subject to a withholding tax at a rate of 25% (unless reduced pursuant to an applicable tax treaty). Capital gains realised upon realisation of shares held through the share saving account will be regarded as paid in deposits, which may be withdrawn without taxation. Losses will correspondingly be deducted from the paid in deposit, reducing the amount which can be withdrawn without withholding tax.

The obligation to deduct and report withholding tax on shares held through a share savings account, cf. above, lies with the account operator.

Non-Norwegian Corporate Shareholders

Dividends distributed to shareholders who are limited liability companies (and certain other entities) not resident in Norway for tax purposes ("**Non-Norwegian Corporate Shareholders**") are as a general rule subject to withholding tax at a rate of 25%. The withholding tax rate of 25% is normally reduced through tax treaties between Norway and the country in which the shareholder is resident.

Dividends distributed to Non-Norwegian Corporate Shareholders resident within the EEA for tax purposes are exempt from Norwegian withholding tax provided that the shareholder is the beneficial owner of the shares and that the shareholder is genuinely established and performs genuine economic business activities within the relevant EEA jurisdiction.

If a Non-Norwegian Corporate Shareholder is carrying on business activities in Norway and the shares are effectively connected with such activities, the shareholder will be subject to the same taxation of dividends as a Norwegian Corporate Shareholder, as described above under "*Norwegian Corporate Shareholders*".

Non-Norwegian Corporate Shareholders who have suffered a higher withholding tax than set out in an applicable tax treaty may apply to the Norwegian tax authorities for a refund of the excess withholding tax deducted. The same will apply to Non-Norwegian Corporate Shareholders who have suffered withholding tax although qualifying for the Norwegian participation exemption.

All Non-Norwegian Corporate Shareholders must document their entitlement to a reduced withholding tax rate by either; (i) presenting an approved withholding tax refund application, or (ii) present an approval from the Norwegian tax authorities confirming that the recipient is entitled to a reduced withholding tax rate. In addition, a certificate of residence issued by the tax authorities in the shareholder's country of residence, confirming that the shareholder is resident in that state, must be obtained. Such documentation must be provided to either the nominee or the account operator (i.e. the one who sets up and administrates the VPS account) together with a confirmation that the Non-Norwegian Corporate Shareholder is the beneficial owner of the dividend.

Nominee registered shares will be subject to withholding tax at a rate of 25% unless the nominee has obtained approval from the Norwegian Tax Directorate for the dividend to be subject to a lower withholding tax rate. To obtain such approval, the nominee is required to file a summary to the tax authorities including all beneficial owners that are subject to withholding tax at a reduced rate.

The withholding obligation in respect of dividends distributed to Non-Norwegian Corporate Shareholders and on nominee registered shares lies with the company distributing the dividends and the Company assumes this obligation.

Non-Norwegian Corporate Shareholders should consult their own advisers regarding the availability of treaty benefits in respect of dividend payments, including the possibility of effectively claiming a refund of withholding tax.

8.1.2 Taxation of capital gains on realization of Shares

Norwegian Personal Shareholders

Sale, redemption or other disposal of shares is considered a realization for Norwegian tax purposes. A capital gain or loss generated by a Norwegian Personal Shareholder through a disposal of shares is taxable or tax deductible in Norway. Such capital gain or loss is included in or deducted from the Norwegian Personal Shareholder's ordinary income in the year of disposal, with an effective tax rate of 37.84% (i.e. capital gains (less the tax free allowance) and losses shall be multiplied by 1.72 which is then taxable at a flat rate of 22%, increasing the effective tax rate on gains/losses to 37.84%).

The gain is subject to tax and the loss is tax deductible irrespective of the duration of the ownership and the number of shares disposed of.

The taxable gain/deductible loss is calculated per share as the difference between the consideration for the share and the Norwegian Personal Shareholder's cost price of the share, including costs incurred in relation to the acquisition or realization of the share. From this capital gain, Norwegian Personal Shareholders are entitled to deduct a calculated allowance provided that such allowance has not already been used to reduce taxable dividend income. Please refer to Section 8.1.1 "Taxation of dividends", under "Norwegian Personal Shareholders", above for a description of the calculation of the allowance. The allowance may only be deducted in order to reduce a taxable gain and cannot increase or produce a deductible loss. Any unused allowance exceeding the capital gain upon the realization of a share will be annulled.

If the Norwegian Personal Shareholder owns shares acquired at different points in time, the shares that were acquired first will be regarded as the first to be disposed of, on a first-in first-out basis.

Special rules apply for Norwegian Personal Shareholders that cease to be tax-resident in Norway.

Norwegian Personal Shareholders may hold shares through a Norwegian share savings account (Norwegian: "*aksjesparekonto*"). Gains derived upon the realisation of shares held through a share saving account will be exempt from immediate Norwegian taxation and losses will not be tax deductible. Instead, withdrawal of funds from the share savings account exceeding the Norwegian Personal Shareholder's paid in deposit, will be regarded as taxable income, subject to tax at an effective tax rate of 37.84%. Losses are first deductible upon closing of the share savings account. Norwegian Personal Shareholders will be entitled to a calculated tax-free allowance provided that such allowance has not already been used to reduce taxable dividend income, cf. Section 8.1.1 "" under "*Norwegian Personal Shareholders*" above. The tax-free allowance is calculated based on the lowest paid in deposit in the account during the income year, plus any unused tax-free allowance from previous years. The tax-free allowance can only be deducted in order to reduce taxable income, and cannot increase or produce a deductible loss. Any excess allowance may be carried forward and set off against future withdrawals from the account or future dividends received on shares held through the account.

Norwegian Corporate Shareholders

Norwegian Corporate Shareholders are exempt from tax on capital gains derived from the realization of shares qualifying for the participation exemption, including shares in the Company. Losses upon the realization and costs incurred in connection with the purchase and realization of such shares are not deductible for tax purposes.

Special rules apply for Norwegian Corporate Shareholders that cease to be tax-resident in Norway.

Non-Norwegian Personal Shareholders

Gains from the sale or other disposal of shares by a Non-Norwegian Personal Shareholder will not be subject to taxation in Norway unless the Non-Norwegian Personal Shareholder holds the shares in connection with business activities carried out or managed from Norway.

Please refer to Section 8.1.1 "Taxation of dividends" under "*Non-Norwegian Personal Shareholders*" above for a description of the availability of a Norwegian share savings account.

Non-Norwegian Corporate Shareholders

Capital gains derived by the sale or other realization of shares by Non-Norwegian Corporate Shareholders are not subject to taxation in Norway.

8.1.3 Net Wealth Tax

Norwegian Personal Shareholders

The value of the Shares held by a Norwegian Personal Shareholder at the end of each income year will be included in the computation of his/her taxable net wealth for municipal and state net wealth tax purposes. The marginal rate of net wealth tax is currently 1% for net worth above a minimum threshold of NOK 1,700,000, and 1.1% for net worth above a minimum threshold of NOK 20,000,000.

The value for assessment purposes for shares traded on Euronext Growth Oslo is per 2024 equal to 80% of their net wealth tax rate on 1 January in the income year. The value for assessment purposes for subscription rights to shares is, however, not subject to a valuation discount.

Norwegian Corporate Shareholders

Norwegian Corporate Shareholders are not subject to net wealth tax.

Non-Norwegian Personal Shareholders and Non-Norwegian Corporate Shareholders

Shareholders not resident in Norway for tax purposes are not subject to Norwegian net wealth tax. Non-Norwegian Personal Shareholders can, however, be taxable if the shareholding is effectively connected to the conduct of trade or business in Norway.

8.1.4 VAT and Transfer Taxes

No VAT, stamp or similar duties are currently imposed in Norway on the transfer or issuance of shares.

8.1.5 Inheritance tax

A transfer of shares through inheritance or as a gift does currently not give rise to inheritance or gift tax in Norway.

9 DEFINITIONS AND GLOSSARY OF TERMS

Term	Definition
ABC	The Norwegian company Aheloy Beach Commercial AS
Aheloy Commercial	Aheloy Commercial AD, a Bulgarian limited liability company with registration number 147224223 and registered address 219 Kniaz Boris I Str., Pomorie 8200, district of Burgas, Bulgaria.
Anti-Money Laundering Legislation	The Norwegian Money Laundering Act No. 23 of 1 June 2018 and the Norwegian Money Laundering Regulation No. 1324 of 14 September 2018.
2022 Annual Financial Statements	The Company's audited consolidated financial statements for the year ended 31 December 2022.
2023 Annual Financial Statements	The Company's audited consolidated financial statements for the year ended 31 December 2023.
Black Sea Property or BSP	Black Sea Property AS, registration number 914 892 902 and registered address Engebrets vei 3, 0275 Oslo, Norway.
Board or Board of Directors	The board of directors of the Company.
Company	Black Sea Property AS, registration number 914 892 902 and registered address Engebrets vei 3, 0275 Oslo, Norway.
Cut-Off Date	16 September 2024. Shares acquired on or before 16 September will give the right to receive Subscription Rights.
EPO	the Norwegian investment Company EPO Invest KS.
EPO Aheloy	EPO Aheloy OOD, a Bulgarian limited liability company with registration number 201627285 and registered address 219 Knyaz Boris I Bld., No. 219; Pomorie 8200, Bulgaria.
EPO Bulgaria	EPO Bulgaria EOOD, a Bulgarian limited liability company with registration number 201302781 and registered address 24 Georg Washington Str., fl.3, office 6, Sofia 1202, Bulgaria.
Existing Shareholders	Shareholders in the Company as of 16 September 2024 (as registered in the VPS on 18 September 2024, the Record Date), who are not resident in a jurisdiction where such offering would be unlawful, or for jurisdictions other than Norway, would require any filing, registration or similar action.
Financial Statements	The 2023 Annual Financial Statements and 2022 Annual Financial Statements jointly.
Foreign Shareholders	Shareholders of the Company who are not resident in Norway for tax purposes.
Garby	Garby AD, a Bulgarian joint stock company with registration number EIK 202674327 and registered address 5, Han Pagan Str., Sofia 1680, Bulgaria.
Group	Means Black Sea Property and the main companies where it is a shareholder jointly. The main companies referred to are EPO Bulgaria EOOD, EPO Aheloy OOD, Aheloy Beach Management, Aheloy Building P, Garby AD and Aheloy Commercial AD.
NGAAP	Norwegian Generally Accepted Accounting Principles
NPLCA	The Norwegian Private Limited Liability Companies Act (<i>Nw: aksjeloven</i>) of 13 June 1997 no. 44.

Non-Norwegian Corporate Shareholders	Shareholders who are limited liability companies (and certain other entities) not resident in Norway for tax purposes.
Non-Norwegian Personal Shareholders	Shareholders who are individuals not resident in Norway for tax purposes.
Norwegian Corporate Shareholders	Shareholders of the Company who are limited liability companies and similar entities, and who are resident in Norway for tax purposes.
Norwegian Personal Shareholders	Shareholders of the Company who are resident in Norway for tax purposes, and who are not Norwegian Corporate Shareholders.
Norwegian Shareholders	Shareholders of the Company who are resident in Norway for tax purposes.
NRBE.....	The Norwegian Register of Business Enterprises.
Record Date.....	16 September 2024
Rights Issue.....	The partially underwritten rights issue of minimum 107,382,966 and maximum 150,000,000 Offer Shares, each at the Subscription Price of NOK 0.12.
Resort.....	Sunrise River Beach Resort (previously called Aheloy Beach Resort).
Offer Shares.....	The up to 150,000,000 new Shares offered in the Rights Issue.
Payment Due Date	8 October 2024
Penchev Consult ...	Penchev Consult EOOD
Prospectus.....	This prospectus dated 16 September 2024, and its appendices.
Securities Trading Act	The Norwegian Securities Trading Act of 29 June 2006 no. 75 (<i>Norwegian: verdipapirhandelloven</i>).
Shareholder Loans	The loans provided by certain shareholders, and accrued interest thereunder, that will be set off to settle the Underwriting Obligations.
Shares.....	"Shares" means the shares in the capital of Black Sea Property, each having a nominal value of NOK 0.05, and "Share" means any one of them.
Securities Trading Regulation	The regulation of 29 June 2006 no. 876 to the Securities Trading Act (<i>Norwegian: verdipapirforskriften</i>).
Settlement Agent .	Nordea Bank Abp, Filial i Norge.
Subscription Form	Means the form used to subscribe for Offer Shares, enclosed to this Prospectus as Appendix 2 .
Subscription Rights	Right(s) granted to each Existing Shareholder, which gives a preferential right to subscribe for and be allocated Offer Shares in the Rights Issue.
Subscription Period	The period commencing on 19 September 2024 at 09.00 hours (CEST) and ending on 3 October 2024 at 16.30 hours (CEST).
Subscription Price	The Offer Shares will be offered at a price per Offer Share of NOK 0.12
Sunrise River Beach Resort.....	The Sunrise River Beach Resort (previously called Aheloy Beach Resort).
Underwriting Agreement.....	The underwriting and loan agreement entered into between the Company and the Underwriters dated 28 May 2024.
Underwriters	An underwriting syndicate consisting of certain existing shareholders that will partially underwrite the Rights Issue.
Underwriting Obligation.....	The Underwriters' obligation to partially underwrite the Rights Issue.

Appendix 1: Articles of association

**VEDTEKTER
FOR
BLACK SEA PROPERTY AS
(Org.nr. 914 892 902)**

- § 1 Foretaksnavn**
Selskapets foretaksnavn er Black Sea Property AS. Selskapet er et aksjeselskap.
- § 2 Forretningskontor**
Selskapets forretningskontor er i Oslo kommune.
- § 3 Virksomhet**
Selskapets virksomhet er å eie, forvalte og investere i fast eiendom, samt annen virksomhet som står i naturlig tilknytning til dette.
- § 4 Aksjekapital**
Selskapets aksjekapital utgjør NOK 5 054 964,70 fordelt på 101 099 294 aksjer, hver pålydende NOK 0,05.
- § 5 Overdragelse av aksjer**
Ved overdragelse av aksjer har de øvrige aksjeeierne ingen forkjøpsrett.
- § 6 Styresamtykke**
Erverv av aksjer i selskapet er ikke betinget av samtykke fra selskapet.
- § 7 Elektronisk kommunikasjon**
Selskapet kan benytte e-post når det skal gi meldinger, varsler, informasjon, dokumenter, underretninger og liknende etter aksjeloven til en aksjeeier.
- § 8 Styret – firmategning**
Selskapets styre består av 1 til 7 styremedlemmer etter generalforsamlingens nærmere beslutning.

Selskapets firma tegnes av styrets formann og ett styremedlem i fellesskap. Styret kan meddele prokura.
- § 9 Ordinær generalforsamling**
Den ordinære generalforsamling skal behandle:
1. Godkjenning av årsregnskapet og årsberetningen, herunder utdeling av utbytte.
2. Andre saker etter loven eller vedtektene som hører under generalforsamlingen.
- § 10 Aksjeeierregistrering**
Selskapet registrerer aksjeeierne i Verdipapirsentralen.
- § 11 Dokumenter lagt ut på selskapets internettside**
Dokumenter som gjelder saker som skal behandles på generalforsamlingen og som er gjort tilgjengelig for aksjeeierne på selskapets internettside, vil ikke bli tilsendt aksjeeierne.
- § 12 Forholdet til aksjeloven**
For øvrig henvises til den til enhver tid gjeldende aksjelovgivning.

Appendix 2: Subscription Form

**BLACK SEA
PROPERTY AS
RIGHTS ISSUE**

SUBSCRIPTION FORM
Securities number: ISIN NO 001 0755101

General information: The terms and conditions of the rights issue (the "**Rights Issue**") of up to 150,000,000 new shares, each with a nominal value of NOK 0.05 (the "**Offer Shares**"), in Black Sea Property AS (the "**Company**") are set out in the prospectus dated 16 September 2024 (the "**Prospectus**"). Terms defined in the Prospectus shall have the same meaning in this subscription form (the "**Subscription Form**"). The notice of, and minutes from, the extraordinary general meeting (with appendices) held on 16 September 2024, where the general meeting resolved to increase the Company's share capital in connection with the Rights Issue, the Company's articles of association and the annual accounts and annual reports for the last two financial years are available at the Company's registered office address at Engebrets vei 3, 0275 Oslo, Norway and its website. A copy of the general meeting's resolution to increase the share capital in connection with the Rights Issue is set out in [Appendix 1](#) to this Subscription Form. All announcements referred to in this Subscription Form will be made through the Oslo Stock Exchange' information system (NewsWeb) under the Company's ticker "BSP".

Subscription procedures: The subscription period will commence at 09:00 hours (CEST) on 19 September 2024 and expire at 16:30 hours (CEST) on 3 October 2024 (the "**Subscription Period**"). Correctly completed Subscription Forms must be received by Nordea Bank Abp, filial i Norge (the "**Settlement Agent**") at the following address or e-mail address, or in the case of online subscriptions be registered, no later than 16:30 hours (CEST) on 3 October 2024:

Nordea Bank Abp, Filial i Norge
Issuer Services Nordea
P.O. Box 1166 Sentrum, 0107 Oslo, Norway
E-mail: nis@nordea.com

The subscriber is responsible for the correctness of the information included in this Subscription Form. Subscription Forms received after the end of the Subscription Period and/or incomplete or incorrect Subscription Forms and any subscription that may be unlawful may be disregarded at the sole discretion of the Company and/or the Settlement Agent without notice to the subscriber. **Subscribers who are residents of Norway with a Norwegian national identity number are encouraged to subscribe for Offer Shares through the VPS online subscription system.** Subscriptions made through the VPS online subscription system must be duly registered before the expiry of the Subscription Period. None of the Company or the Settlement Agent may be held responsible for postal delays, unavailable internet lines or servers or other logistical or technical problems that may result in subscriptions not being received in time or at all by the Settlement Agent. Subscriptions are binding and irrevocable, and cannot be withdrawn, cancelled or modified by the subscriber after having been received by the Settlement Agent, or in the case of subscriptions through the VPS online subscription system, upon registration of the subscription. By signing and submitting a Subscription Form, or by registration of a subscription in the VPS online subscription system, the subscriber confirms and warrants to have read the Prospectus and that it is eligible to subscribe for Offer Shares under the terms set forth therein.

Subscription Price: The subscription price in the Rights Issue is NOK 0.12 per Offer Share (the "**Subscription Price**").

Subscription Rights: The shareholders of the Company as of 16 September 2024 (as registered in the VPS on 18 September 2024, the "**Record Date**"), less; shareholders domiciled in a jurisdiction where such offering would be unlawful, or for jurisdictions other than Norway, would require any filing, registration or similar action (other than the publication of a prospectus in Norway) (the "**Existing Shareholders**") will be granted subscription rights (the "**Subscription Rights**") that, subject to applicable law, give a right to subscribe for and be allocated Offer Shares in the Rights Issue at the Subscription Price. The Subscription Rights will be registered on each Existing Shareholder's VPS account prior to commencement of the Subscription Period. Each Existing Shareholder will be granted 1.4837 Subscription Rights for every one (1) existing Share registered as held by such Existing Shareholder on the Record Date, rounded down to the nearest whole Subscription Right. The Underwriters will not be granted Subscription Rights due to technical limitations in the VPS when settling share deposits with contributions-in kind, but will be allocated Offer Shares on second priority pursuant to the allocation principles for the Rights Issue. Each Subscription Right will, subject to applicable securities laws, give the right to subscribe for, and be allocated, one (1) Offer Share in the Rights Issue. Over-subscription with Subscription Rights will be allowed, but the Underwriters will, on a pro rata basis have a preferential right to subscribe for and be allocated Offer Shares that have not been subscribed for based on allocated subscription rights as set out in the allocation principles described in the Prospectus Section 4.11.4 "Allocation of Offer Shares". Other than subscriptions from the Underwriters, subscription without Subscription Rights will not be permitted. **Subscription Rights that are not used to subscribe for Offer Shares before the expiry of the Subscription Period will have no value and will lapse without compensation to the holder.**

Allocation of Offer Shares: The Offer Shares will be allocated to the subscribers based on the allocation criteria set out in the Prospectus. No fractional Offer Shares will be allocated. The Company reserves the right to round off, reject or reduce any subscription for Offer Shares not validly made or covered by Subscription Rights and will, in case of over-subscription only allocate Offer Shares to the extent that Offer Shares are available to cover such over-subscriptions. Other than subscriptions from Underwriters, subscription without Subscription Rights is prohibited. Allocation of fewer Offer Shares than subscribed for by a subscriber will not impact on the subscriber's obligation to pay for the number of Offer Shares allocated. Notifications of allocated Offer Shares and the corresponding subscription amount to be paid by each subscriber are expected to be distributed on or about 4 October 2024.

Payment: The payment for Offer Shares allocated to a subscriber falls due on 8 October 2024 (the "**Payment Date**"). Payment for the allocated Offer Shares must be available on the specific bank account on the business day prior to the Payment Due Date, 7 October 2024. Subscribers who have a Norwegian bank account must, and will by signing the Subscription Form, provide the Settlement Agent with a one-time irrevocable authorisation to debit a specified bank account with a Norwegian bank for the amount payable for the Offer Shares which are allocated to the subscriber. The specified bank account is expected to be debited on or after the Payment Date. The Settlement Agent is only authorised to debit such account once, but reserves the right to make up to three debit attempts, and the authorisation will be valid for up to seven working days after the Payment Date. The subscriber furthermore authorises the Settlement Agent to obtain confirmation from the subscriber's bank that the subscriber has the right to dispose over the specified account and that there are sufficient funds in the account to cover the payment. If there are insufficient funds in a subscriber's bank account or if for other reasons is impossible to debit such bank account when a debit attempt is made pursuant to the authorisation from the subscriber, the subscriber's obligation to pay for the Offer Shares will be deemed overdue. Subscribers who do not have a Norwegian bank account must ensure that payment with cleared funds for the Offer Shares allocated to them is made on or before 10:00 hours CEST on the Payment Date. Prior to any such payment being made, the subscriber must contact the Settlement Agent on telephone number +47 24 01 19 55 for further details and instructions. Should any subscriber have insufficient funds on his or her account, should payment be delayed for any reason, if it is not possible to debit the account or if payments for any other reasons are not made when due, overdue interest will accrue, and other terms will apply as set out under the heading "Overdue payments" set out on page 2 of this Subscription Form.

PLEASE SEE PAGE 2 OF THIS SUBSCRIPTION FORM FOR OTHER PROVISIONS THAT ALSO APPLY TO THE SUBSCRIPTION OF OFFER SHARES DETAILS OF THE SUBSCRIPTION

Subscriber's VPS account:	Subscriber's LEI code (20 digits):	Number of Subscription Rights:	Number of Offer Shares subscribed (incl. over-subscription):	(For broker: Consecutive no.):
SUBSCRIPTION RIGHTS' SECURITIES NUMBER: ISIN NO 001 2883208			Subscription Price per Offer Share: X NOK 0.12	Subscription amount to be paid: = NOK _____

IRREVOCABLE AUTHORISATION TO DEBIT ACCOUNT (MUST BE COMPLETED BY SUBSCRIBERS WITH A NORWEGIAN BANK ACCOUNT)

Norwegian bank account to be debited for the payment for Offer Shares allocated (number of Offer Shares allocated x NOK 0.12).										
	(Norwegian bank account no.)									

In accordance with the terms and conditions set out in the Prospectus and this Subscription Form, I/we hereby irrevocably subscribe for the number of Offer Shares specified above and grant the Settlement Agent authorisation to debit (by direct debiting or manually as described above) the specified bank account for the payment of the Offer Shares allocated to me/us. By signing this Subscription Form, subscribers subject to direct debiting accept the terms and conditions for "Terms and Conditions for Payment by Direct Debiting - Securities Trading" set out on page 2 of this Subscription Form. Underwriters who sign and execute this Subscription Form, hereby irrevocably declare set-off of our receivables towards the Company in an amount corresponding to the aggregate share deposit for Offer Shares allocated to such Underwriter.

Place and date

Must be dated in the Subscription Period

Binding signature.

The subscriber must have legal capacity. When signed on behalf of a company or pursuant to an authorisation, documentation in the form of a company certificate or power of attorney should be attached.

INFORMATION ON THE SUBSCRIBER

First name:	
Surname / company:	
Street address:	
Post code / district / country:	
Personal ID number / company registration number:	
Legal Entity Identifier ("LEI") / National Client Identifier ("NCI"):	
Nationality:	
E-mail address:	
Daytime telephone number:	

ADDITIONAL GUIDELINES FOR THE SUBSCRIBER

Selling and Transfer Restrictions: The making or acceptance of the Rights Issue to or by persons who have registered addresses outside Norway, or who are resident in, or citizens of, countries outside Norway, may be affected by the terms of the Rights Issue and the laws of the relevant jurisdiction. Those persons should consult with their professional advisers as to whether they are eligible to exercise Subscription Rights to subscribe for Offer Shares, or require any governmental or other consents or need to observe any other formalities to enable them to exercise Subscription Rights or purchase Offer Shares. It is the responsibility of any person outside Norway wishing to exercise Subscription Rights and/or subscribe for Offer Shares under the Rights Issue to satisfy himself/herself/itself as to the full observance of the terms and conditions of the Rights Issue and the laws of any relevant jurisdiction in connection therewith, including obtaining any governmental or other consent which may be required, the compliance with other necessary formalities and the payment of any issue, transfer or other taxes due in such territories. The Subscription Rights and/or the Offer Shares, as applicable, have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or with any securities regulatory authority of any state or other jurisdiction in the United States and may not be offered, sold, pledged or otherwise transferred in or into the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with any applicable state securities laws. There will be no public offer of the Subscription Rights and the Offer Shares in the United States. The Subscription Rights or Offer Shares may not be offered, sold, exercised, pledged, resold, granted, allocated, taken up, transferred or delivered, directly or indirectly, in or into, the United States, Canada, Japan, Australia, Hong Kong or any other jurisdiction in which it would not be permissible to offer the Subscription Rights or the Offer Shares. This Subscription Form does not constitute an offer to sell or a solicitation of an offer to buy Offer Shares in any jurisdiction in which such offer or solicitation is unlawful or would, other than Norway, require any prospectus filing, registration or similar action. A notification of exercise of Subscription Rights and subscription of Offer Shares in contravention of the above restrictions may be deemed to be invalid.

Execution Only: The Settlement Agent will treat the Subscription Form as an execution-only instruction. The Settlement Agent is not required to determine whether an investment in the Offer Shares is appropriate or not for the subscriber. Hence, the subscriber will not benefit from the protection of the relevant conduct of business rules in accordance with the Norwegian Securities Trading Act.

Information Exchange: The subscriber acknowledges that, under the Norwegian Securities Trading Act and the Norwegian Financial Undertakings Act and foreign legislation applicable to the Settlement Agent, there is a duty of secrecy between the different units of the Settlement Agent, as well as between the Settlement Agent and other entities in the Settlement Agent's group. This may entail that other employees of the Settlement Agent or the Settlement Agent's group may have information that may be relevant to the subscriber, but which the Settlement Agent will not have access to in its capacity as Settlement Agent for the Rights Issue.

VPS Account and Mandatory Anti-Money Laundering Procedures: The Rights Issue is subject to the Norwegian Money Laundering Act No. 23 of 1 June 2018 and the Norwegian Money Laundering Regulations No. 1324 of 14 September 2018 (collectively, the "Anti-Money Laundering Legislation"). Subscribers who are not registered as existing customers with the Settlement Agent must verify their identity to the Settlement Agent in accordance with the requirements of the Anti-Money Laundering Legislation, unless an exemption is available. Subscribers who have designated an existing Norwegian bank account and an existing VPS account on the Subscription Form are exempted, unless verification of identity is requested by the Settlement Agent. The verification of identity must be completed prior to the end of the Subscription Period. Subscribers that have not completed the required verification of identity may not be allocated Offer Shares. Further, in participating in the Rights Issue, each subscriber must have a VPS account. The VPS account number must be stated on the Subscription Form. VPS accounts can be established with authorised VPS registrars, which can be Norwegian banks, authorised securities brokers in Norway and Norwegian branches of credit institutions established within the European Economic Area (the "EEA"). Non-Norwegian investors may, however, use nominee VPS accounts registered in the name of a nominee. The nominee must be authorised by the Financial Supervisory Authority of Norway. Establishment of a VPS account requires verification of identity to the VPS registrar in accordance with the Anti-Money Laundering Legislation.

Personal data: The subscriber confirms that it has been provided information regarding the Settlement Agent's processing of personal data, and that it is informed that the Settlement Agent will process the applicant's personal data in order to manage and carry out the Rights Issue and the application from the applicant, and to comply with statutory requirements.

The data controllers who are responsible for the processing of personal data is the Settlement Agent. The processing of personal data is necessary in order to fulfil the application and to meet legal obligations. The Norwegian Securities Trading Act and the Anti-Money Laundering Legislation require that the Settlement Agent processes and stores information about clients and trades, and control and document activities. The applicant's data will be processed confidentially, but if it is necessary in relation to the purposes, the personal data may be shared between the Settlement Agent, the company(ies) participating in the offering, with companies within the Settlement Agent's group, the VPS, stock exchanges and/or public authorities. The personal data will be processed as long as necessary for the purposes and will subsequently be deleted unless there is a statutory duty to keep it.

If the Settlement Agent transfer personal data to countries outside the EEA, that have not been approved by the EU Commission, the Settlement Agent will make sure the transfer takes place in accordance with the legal mechanisms protecting the personal data, for example the EU Standard Contractual Clauses.

As a data subject, the applicants have several legal rights. This includes inter alia the right to access its personal data, and a right to request that incorrect information is corrected. In certain instances, the applicants will have the right to impose restrictions on the processing or demand that the information is deleted. The applicants may also complain to a supervisory authority if they find that the Settlement Agent's processing is in breach of the law. Supplementary information on processing of personal data and the applicants' rights can be found at the Settlement Agent's websites.

Terms and Conditions for Payment by Direct Debiting - Securities Trading: Payment by direct debiting is a service the banks in Norway provide in cooperation. In the relationship between the payer and the payer's bank the following standard terms and conditions will apply:

- The service "Payment by direct debiting – securities trading" is supplemented by the account agreement between the payer and the payer's bank, in particular Section C of the account agreement, General terms and conditions for deposit and payment instructions.
- Costs related to the use of "Payment by direct debiting – securities trading" appear from the bank's prevailing price list, account information and/or information given by other appropriate manner. The bank will charge the indicated account for costs incurred.
- The authorisation for direct debiting is signed by the payer and delivered to the beneficiary. The beneficiary will deliver the instructions to its bank who in turn will charge the payer's bank account.
- In case of withdrawal of the authorisation for direct debiting the payer shall address this issue with the beneficiary. Pursuant to the Norwegian Financial Contracts Act, the payer's bank shall assist if the payer withdraws a payment instruction that has not been completed. Such withdrawal may be regarded as a breach of the agreement between the payer and the beneficiary.
- The payer cannot authorise payment of a higher amount than the funds available on the payer's account at the time of payment. The payer's bank will normally perform a verification of available funds prior to the account being charged. If the account has been charged with an amount higher than the funds available, the difference shall immediately be covered by the payer.
- The payer's account will be charged on the indicated date of payment. If the date of payment has not been indicated in the authorisation for direct debiting, the account will be charged as soon as possible after the beneficiary has delivered the instructions to its bank. The charge will not, however, take place after the authorisation has expired as indicated above. Payment will normally be credited to the beneficiary's account between one and three working days after the indicated date of payment/delivery.
- If the payer's account is wrongfully charged after direct debiting, the payer's right to repayment of the charged amount will be governed by the account agreement and the Norwegian Financial Contracts Act.

Overdue Payment: Overdue payments will be charged with interest at the applicable rate from time to time under the Norwegian Act on Interest on Overdue Payment of 17 December 1976 No. 100, currently 12.5% per annum as of the date of this Prospectus. If a subscriber fails to comply with the terms of payment or should payments not be made when due, the subscriber will remain liable for payment of the Offer Shares allocated to it and the Offer Shares allocated to such Applicant will not be delivered to the Applicant. In such case the Company and the Settlement Agent reserve the right to, at any time and at the risk and cost of the subscriber, re-allot, cancel or reduce the application and the allocation of the allocated Offer Shares, or, if payment has not been received by the third day after the Settlement Date, without further notice sell, assume ownership to or otherwise dispose of the allocated Offer Shares in accordance with applicable law. If Offer Shares are sold on behalf of the Applicant, such sale will be for the Applicant's account and risk and the Applicant will be liable for any loss, costs, charges and expenses suffered or incurred by the Company and/or the Settlement Agent as a result of, or in connection with, such sales. The Company and/or the Settlement Agent may enforce payment for any amounts outstanding in accordance with applicable law.

National Client Identifier and Legal Entity Identifier: In order to participate in the Rights Issue, subscribers will need a global identification code. Physical persons will need a so-called National Client Identifier ("NCI") and legal entities will need a so-called Legal Entity Identifier ("LEI").

NCI code for physical persons: Physical persons will need a NCI code to participate in a financial market transaction, i.e. a global identification code for physical persons. For physical persons with only a Norwegian citizenship, the NCI code is the 11 digit personal ID (Nw.: *personnummer*). If the person in question has multiple citizenships or another citizenship than Norwegian, another relevant NCI code can be used. Investors are encouraged to contact their bank for further information.

LEI code for legal entities: Legal entities will need a LEI code to participate in a financial market transaction. A LEI code must be obtained from an authorized LEI issuer, and obtaining the code can take some time. Subscribers should obtain a LEI code in time for the subscription. For more information visit www.gleif.org.

Vedlegg 1 – Generalforsamlingens vedtak og annen informasjon

Generalforsamlingen i Black Sea Property AS fattet den 16. september 2024 følgende vedtak om kapitalforhøvelse:

- Aksjekapitalen forhøyes med minimum NOK 5 369 148,30 og maksimum NOK 7 500 000 ved utstedelse*

Appendix 1 – Resolution of the general meeting and certain other information

On 16 September 2024, the general meeting of Black Sea Property AS passed the following resolution to increase the share capital:

- The share capital is increased with minimum NOK 5,369,148.30, and maximum NOK 7,500,000 by the*

- av minimum 107 382 966 nye aksjer, og maksimum 150 000 000 nye aksjer, hver pålydende NOK 0,05.
- (ii) Selskapets aksjonærer ved utløpet av 16. september 2024, som er registrert i Selskapets aksjeeierregister i VPS etter vanlig T+2 oppgjør den 18. september 2024 ("**Registreringsdatoen**"), skal ha fortrinnsrett til tegning av de nye aksjene i samme forhold som de fra før eier aksjer i Selskapet og som nærmere angitt nedenfor. Disse aksjonærene skal motta tegningsretter forholdsmessig basert på antall aksjer som kan utstedes i emisjonen og det antall aksjer i Selskapet som aksjonæren er registrert som eier av per Registreringsdatoen i VPS, avrundet ned til nærmeste hele tegningsrett, jf. aksjeloven § 10-4 (1). Hver tegningsrett vil gi rett til å tegne og bli tildelt 1 ny aksje i kapitalforhøyelsen.
- Overtegning med tegningsretter er tillatt og aksjer vil bli allokert basert på slik tegning som angitt nedenfor i (v). Utenom tegning av garantistene angitt nedenfor, vil tegning uten tegningsretter ikke tillates.
- (iii) Et prospekt skal registreres i Foretaksregisteret og publiseres i forbindelse med kapitalforhøyelsen ("**Prospektet**").
- (iv) De nye aksjene kan ikke tegnes av investorer i jurisdiksjoner hvor et slikt tilbud etter Selskapets vurdering ikke er tillatt eller vil (i jurisdiksjoner utover Norge) kreve godkjenning av prospekt, registrering eller en lignende handling, eller av investorer i USA.
- (v) Tildeling av nye aksjer besluttet av styret. Følgende tildelingskriterier skal gjelde:
- aksjer tildeles i samsvar med tildelte tegningsretter til tegnere som gyldig har utøvd sine tegningsretter i løpet av tegningsperioden;
 - eventuelle ikke-allokerte aksjer etter tildelingen under (a) ovenfor skal tildeles pro-rata til garantister som har tegnet seg for aksjer i tegningsperioden, dog begrenset oppad til hver garantists respektive garantiforpliktelse. Eksisterende aksjonærs subsidiære fortrinnsrett til å tegne aksjer som ikke er tegnet i henhold til utøvelse av tegningsretter etter aksjeloven § 10-4 (3) fravikes følgelig jf. aksjeloven § 10-5;
 - eventuelle ikke-allokerte aksjer etter tildelingen under (b) ovenfor skal tildeles tegnere som har overtegnet på pro-rata basis basert på antall tegningsretter som utøves av hver tegner;
 - eventuelle ikke-allokerte aksjer etter tildelingen under (c) ovenfor skal tildeles garantister som har tegnet seg for nye aksjer utover deres respektive garantiforpliktelse på pro-rata basis; og
 - eventuelle ikke-allokerte aksjer etter tildelingen under (d) ovenfor, skal tildeles garantister som ikke har oppfylt sin tegningsforpliktelse gjennom tegning av aksjer i tegningsperioden, forholdsmessig etter deres respektive garantiforpliktelse.
- (vi) Tegningskursen i fortrinnsrettsemisjonen skal være NOK 0,12 per aksje.
- (vii) Tegningsperioden skal begynne kl. 09.00 (CEST) den 19. september 2024 og avsluttes kl. 16.30 (CEST) den 3. oktober 2024, likevel slik at tegningsperioden, dersom Prospektet ikke er publisert i tide eller tegningsperioden må utsettes eller forlenges på grunn av lovmessige krav, skal justeres tilsvarende. Aksjer som ikke er tegnet ved tegningsperiodens utløp og således eventuelt tildeles garantistene jf. punkt (xiii) under, skal tegnes av garantistene innen 1 virkedag etter tegningsperiodens utløp.
- (viii) Tegning foretas ved å undertegne og returnere tegningsblanketten som vil inkluderes i Prospektet. Aksjer som tegnes av garantister i henhold til deres garantiansvar (jf. punkt (xiii) nedenfor) skal tegnes på separat tegningsblankett innen utløpet av 1 virkedag etter avslutning av tegningsperioden for fortrinnsrettsemisjonen.
- (ix) Frist for betaling av aksjeinnskudd er 8. oktober 2024, eller 3 virkedager etter tegningsperiodens utløp dersom tegningsperioden forskyves i henhold til underpunkt (vii) ovenfor. Ved tegning av aksjer må den enkelte tegner hjemmehørende i Norge ved påføring på tegningsblanketten gi Nordea Issuer Services engangsfullmakt til å belaste en oppgitt bankkonto i Norge for det tegningsbeløp som tilsvarende det tildelte antall aksjer. Ved tildeling vil Nordea Issuer Services belaste tegnerens konto for det tildelte beløp. Belastning vil skje på eller omkring fristen for betaling. Tegnere som ikke har norsk bankkonto, skal innbetale tegningsbeløpet til særskilt emisjonskonto. Garantistene i fortrinnsrettsemisjonen, slik angitt i vedlegg til protokollen, skal kunne gjøre opp sine aksjeinnskudd
- issuance of minimum 107,382,966, new shares and maximum 150,000,000 new shares, each with a nominal value of NOK 0.05 each.
- (ii) Shareholders in the Company as per the end of 16 September 2024, as registered with the Company's shareholders register in the VPS following ordinary T+2 settlement on 18 September 2024 (the "**Record Date**"), shall have preferential rights to subscribe for the new shares pro-rata to their existing holdings of shares, as further described below. Such shareholders shall receive subscription rights proportionate to the number of shares in the Company that may be issued in the rights issue and registered as held by such shareholder as of the Record Date in the VPS, rounded down to the nearest whole subscription right, cf. section 10-4 (1) of the Norwegian Private Limited Liability Companies Act. Each subscription right will give right to subscribe and be allocated 1 new share in the share capital increase.
- Over-subscription with subscription rights is allowed and shares will be allocated based on such subscription as set out in (v) below. Other than subscriptions from the underwriters stated below, subscription without subscription rights will not be permitted.
- (iii) A prospectus shall be registered with the Norwegian Register of Business enterprises and published in connection with the share capital increase (the "**Prospectus**").
- (iv) The new shares cannot be subscribed for by investors in jurisdictions where such offering in the opinion of the Company would be unlawful or would (in jurisdictions other than Norway) require approval of a prospectus, registration or similar action, or investors located in the United States.
- (v) Allocation of new shares shall be made by the Company's board. The following allocation criteria shall apply:
- shares will be allocated in accordance with granted subscription rights to subscribers who have validly exercised subscription rights during the subscription period;
 - any unallocated shares following the allocation under (a) above shall be allocated on a pro-rata basis to underwriters who have subscribed for shares in the subscription period, however limited upwards to each such underwriters' respective underwriting obligation. The existing shareholders' subsidiary preferential right to subscribe shares that are not subscribed pursuant to exercise of subscription rights pursuant to section 10-4 (3) of the Norwegian Private Limited Liability Companies Act is, thus, waived, cf. section 10-5 of the Norwegian Private Limited Liability Companies Act;
 - any unallocated shares following the allocation under (b) above shall be allocated to subscribers who have over-subscribed on pro-rata basis based on the number of subscription rights exercised by each subscriber;
 - any unallocated shares following the allocation under (c) above shall be allocated to underwriters who have subscribed for new shares in excess of their respective underwriting obligation on a pro-rata basis; and
 - any unallocated shares following the allocation under (d) above shall be allocated to the underwriters who have not fulfilled their underwriting obligation through subscription for shares in the subscription period, pro-rata to their respective underwriting obligation.
- (vi) The subscription price in the rights issue shall be NOK 0.12 per share.
- (vii) The subscription period shall commence at 09.00 (CEST) on 19 September 2024 and end at 16.30 (CEST) on 3 October 2024, provided however, that the subscription period, if the Prospectus is not published in time or must be postponed or prolonged as required by law, shall be adjusted accordingly. Any shares not subscribed for at the expiry of the subscription period and, thus, allocated to the underwriters cf. item (xiii) below, shall be subscribed for by the underwriters within 1 business days after expiry of the subscription period.
- (viii) Subscription is made by signing and returning the subscription form that will be included in the Prospectus. Shares that are subscribed by the underwriters pursuant to their underwriting obligations (cf. item (xiii) below) shall be subscribed on a separate subscription form within the expiry of 1 business day after the expiry of the subscription period for the rights issue.
- (ix) The due date for payment of the share contribution is

- ved motregning av fordringer de har mot Selskapet. Selskapet kan disponere over aksjeinnskuddene før registrering av kapitalforhøyelsen i Foretaksregisteret, jf. aksjeloven § 10-13 (2).
- (x) De nye aksjene gir fulle aksjonærrettigheter i Selskapet, inkludert rett til utbytte, fra tidspunktet for registrering av kapitalforhøyelsen i Foretaksregisteret.
- (xi) Selskapets vedtekter § 4 skal endres til å reflektere ny aksjekapital og nytt antall aksjer etter kapitalforhøyelsen.
- (xii) Selskapets anslåtte utgifter i forbindelse med kapitalforhøyelsen er NOK 100,000, forutsatt at samtlige aksjer i kapitalforhøyelsen tegnes og ekskludert garantiprovisjon oppgitt i punkt (xiii) nedenfor.
- (xiii) Et garantikonsortium bestående av eksisterende aksjonærer og nye investorer har gjennom separat avtale med Selskapet garantert tegning av kapitalforhøyelsen ved tegning av aksjer med et totalt tegningsbeløp på NOK 12 885 956. Som vederlag for garantien vil hver av garantistene motta en garantiprovisjon fra Selskapet tilsvarende 10% av sitt garanterte beløp. Garantiprovisjonen skal gjøres opp ved levering av nye aksjer i Selskapet til en tegningskurs lik tegningskursen i fortrinnsrettsemisjonen der garantistenes krav på garantiprovisjonen vil dokumenteres ved utstedelse av et gjeldsbrev som skal benyttes til motregning mot Selskapets krav på aksjeinnskudd. Slik kapitalforhøyelse skal vedtas av styret iht eksisterende emisjonsfullmakt. Garantistenes forpliktelse under garantien er proratarisk basert på deres respektive garanterte beløp og er underlagt visse alminnelige betingelser for slike forpliktelser iht. en egen garantiavtale.

Selskapets årsregnskap og årsberetning for de siste to årene, vedtektene, samt protokoll fra generalforsamlingen med vedlegg, er tilgjengelig på Selskapets forretningskontor.

- 8 October 2024, or 3 business days after the expiry of the subscription period if the subscription period is postponed or prolonged according to sub-item (vii) above. When subscribing for shares, subscribers domiciled in Norway must grant Nordea Issuer Services a specific power of attorney to debit a stated bank account in Norway for an amount equal to the subscription price for the allotted number of shares. Upon allotment, Nordea Issuer Services will debit the subscriber's account for the allotted amount. The debit will take place on or around the due date of payment. Payment of the subscription amount by subscribers without a Norwegian bank account shall be made to a separate bank account. The subscribers in the rights issue, as indicated in an appendix to the minutes, may settle their share deposits by set-off of receivables they hold towards the Company. The Company may dispose over the share deposits prior to registration of the share capital increase with the Norwegian Register of Business Enterprises, cf. Section 10-13 (2) of the Norwegian Private Limited Liability Companies Act.
- (x) The new shares will give full shareholder rights in the Company, including the right to dividends, from the time the share capital increase is registered with the Norwegian Register of Business Enterprises.
- (xi) Section 4 of the Company's Articles of Association shall be amended to reflect the new share capital and number of shares following the share capital increase.
- (xii) The Company's estimated expenses in connection with the share capital increase are NOK 100,000, assuming subscription of all shares in the share capital increase excluding and excluding the underwriting commission stated in item (xiii) below.
- (xiii) An underwriting consortium consisting of existing shareholders and new investors has through a separate agreement with the Company underwritten the share capital increase with an aggregate amount of NOK 12,885,956. As consideration for the underwriting, each of the underwriters will receive an underwriting commission from the Company equal to 10% of its underwritten amount. The underwriting commission shall be settled by delivery of new shares in the Company at the same subscription price as in the rights issue, where the underwriters' claim for underwriting commission will be documented by issuance of a promissory note that shall be used for set-off against the Company's claim for share deposit. Such share capital increase shall be resolved by the board pursuant to an existing board authorization. The underwriters' underwriting commitment is made on a pro rata basis, based on their respective underwritten amount and is subject to certain customary conditions for such commitments pursuant to a separate underwriting agreement.

The Company's annual accounts for the last two years, the articles of association and the minutes from the general meeting (including appendices) are available at the Company's business office.

Appendix 3: Financial statements for the year ended 31 December 2023



ÅRSRAPPORT FOR 2023



BLACK SEA PROPERTY AS



ÅRSBERETNING

ÅRSREGNSKAP OG KONSERNREGNSKAP

- RESULTATREGNSKAP
- BALANSE
- KONTANTSTRØMOPPSTILLING
- NOTER

REVISJONSBERETNING

Årsberetning 2023

Black Sea Property AS

Adresse: Sagveien 23 A, 0459 OSLO

Org.nr: 914 892 902 MVA

Virksomhetens art

Black Sea Property AS ble stiftet den 19. januar 2015. Morselskapets hovedoppgave er å investere i fast eiendom, herunder gjennom andre selskaper. Datterselskapene driver eiendomsutvikling. Black Sea Property AS har sitt forretningssted i Oslo. Datterselskapene har forretningssted og deres aktiviteter skjer i Bulgaria.

Redegjørelse for foretakets utsikter

Styret vurderer konsernets utvikling som tilfredsstillende og viderefører eksisterende satsing innen dagens rammer og virksomhet, med fokus på videre utvikling og drift av konsernets hoved aktiva Sunrise River Beach Resort.

Finansiell risiko

Mesteparten av konsernets virksomhet foregår i Bulgaria, hvor kostnadene i all hovedsak er i bulgarske leva og i Euro. Konsernets aktivitet vil være påvirket av valutaendring mellom bulgarske leva, Euro og norske kroner.

Utvikling i resultat og stilling

Styret mener at det fremlagte årsregnskapet for morselskapet og tilhørende konsernregnskap gir et rettvise bilde over utviklingen og resultatet av foretakets og konsernets virksomhet og stilling. Styret kjenner ikke til forhold inntruffet etter balansedagen som i vesentlig grad påvirker regnskapet pr. 31. desember 2023.

Aktiviteter i 2023

Selskapet videreførte for sommersesongen 2023 drift av resorten med et «family and kids-club konsept» og hadde gjennom sommeren samlet ca. 60.000 overnattinger på resorten med ca. 1400 gjester pr dag i høysesongen. Dette bidro til at konsernet kunne rapportere en positiv EBITDA fra EPO Aheloy på ca 360.000 EUR. Tilbakemeldinger fra gjester og turoperatører har vært positive og Selskapet er fornøyd med driften på resorten.

Selskapet har i løpet av året jobbet med å videreutvikle resorten og legge grunnlaget for at det for sommeren 2024 gjennom ferdigstilling av ytterligere leiligheter i P bygget og økt kapasitet innen restaurant/servering vil være mulig å øke belegg og inntjening.

Det ble den 14. september 2023 orientert om at det er initiert en prosess for å søke å selge resorten i løpet av 2024 og derigjennom øke aksjonærværdiene. Denne prosessen er pågående, men det vurderes på nåværende tidspunkt som lite sannsynlig at et salg vil bli realisert i løpet av 2024. Gjennom oppnådd forlengelse av EPO Aheloy's lån fra Penchev Consult (slik nærmere beskrevet nedenfor) har Selskapet nå økt handlingsfrihet og målsettingen om salg opprettholdes.

Selskapet meldte den 14. mars 2023 at det ble hentet inn 8,168 MNOK i en rettet emisjon, samt den 24. april 2023 om ytterligere 4,244 MNOK i en etterfølgende emisjon. Samlet tilførte dette 12,412 MNOK ved utstedelse 31 030 000 nye aksjer i Selskapet, hver til en tegningskurs på NOK 0,40. Bakgrunnen for kapitalinnhenting var knyttet til finansiering av byggeaktiviteter i EPO Aheloy samt generelle selskapsformål. Videre ble det den 27. mars 2023 orientert om at det ble gjennomført en konvertering av kortsiktig lån opptatt i 2022 (se børsmelding 5. september 2022), noe som resulterte i utstedelse av 5 090 414 nye aksjer, hver til et tegningskurs på NOK 0,40.

Selskapet meldte den 17.oktober 2023 at det hentet inn 5,82 MNOK i en rettet emisjon og den 03.11.2023 om ytterligere 0,731 MNOK i en etterfølgende emisjon. Samlet tilførte dette 6,554 MNOK ved utstedelse av 26 214 234 aksjer i Selskapet, hver til et tegningskurs på NOK 0,25. Bakgrunnen for kapitalinnhenting var knyttet til betaling av renter på lån til Penchev Consult.

Selskapet fikk for regnskapsåret 2023 et positivt årsresultat på TNOK 6 399. Det positive årsresultatet skyldes i all hovedsak at Selskapet har fordringer mot datterselskap nominert i EUR. Siden EUR har styrket seg mot norske kroner i 2023, har dette medført at det, i Selskapets årsregnskap, er regnskapsført finansinntekter knyttet til valutajustering av fordringene. Denne effekten og tilhørende utsatt skatt er eliminert i konsernregnskapet, som nærmere beskrevet i note 8 til regnskapet.

Black Sea Property AS

Org.nr: 914 892 902

Konsernet fikk for regnskapsåret 2023 et negativt årsresultat på TNOK 17 291.

Kort om utviklingen i 2024

Selskapet vil for sommersesongen 2024 videreføre resorten med et «family and kids-club konsept».

Som orientert om i børsmelding den 22. april 2023 vil kapasiteten på resorten for sommeren 2024 øke fra 358 til 493 leiligheter med samlet 2100 senger til disposisjon. Resorten er fullbooket i 7 uker i høysesongen, men har ledig kapasitet på begge sider av høysesongen. I tillegg til den økte kapasiteten på leiligheter vil deler av K bygget tas i bruk for restaurant/servering. Den økte kapasiteten og foreliggende bestillinger bidrar til en forventning om bedre resultater for sommersesongen, der resultatet fra sesongen vil bli offentligjort i september.

Den 28. mai 2024 orienterte Selskapet om at det vil bli hentet inn 12,35 MNOK som et aksjonærlån fra de største aksjonærene i Selskapet. Lånet vil bli konvertert til aksjer som del av en planlagt fortrinnsrettsemisjon i 3. kvartal 2024. Det ble videre orientert om at det var oppnådd avtale om forlengelse av låneforfall mot Penchev Consult til november 2026, noe som gir større handlingsrom i perioden fremover.

Fortsatt drift

I samsvar med regnskapsloven § 3-3 bekreftes det at forutsetningen om fortsatt drift er til stede, og at denne forutsetningen er lagt til grunn ved utarbeidelse av årsregnskapet.

Arbeidsmiljø

Styret anser arbeidsmiljøet som tilfredsstillende, og har ikke iverksatt spesielle tiltak på dette området i 2023. Det har ikke vært skader eller ulykker i 2023.

Likestilling

Selskapet har en daglig leder i 25%-stilling. Det er ingen ansatte i konsernet utover daglig leder i morselskapet, og styret i morselskapet består av 4 styremedlemmer. Blant styremedlemmene har det kun vært menn.

Ytre miljø

Verken morselskapet eller konsernets virksomhet forurenser det ytre miljø ut over det som er vanlig for dens virksomhet.

Resultatdisponering

Overskuddet i Black Sea Property AS på TNOK 6 399 foreslås disponert som følger:

Overføring til annen egenkapital TNOK 6 399

Black Sea Property AS

Org.nr: 914 892 902

Oslo, 30. mai 2024
Styret for Black Sea Property AS

Egil Redse Melkevik
daglig leder, styreleder

Kåre Rødningen
styremedlem

Hans Fredrik Gulseth
styremedlem

Dag Espen Arnesen
styremedlem

Black Sea Property AS

Org.nr: 914 892 902

Resultatregnskap

Morselskap				Konsern	
2023	2022	Beløp vises i tusen kr	Note	2023	2022
Driftsinntekter					
349	312	Salgsinntekt	2	4 134	517
Driftskostnader					
600	299	Lønnskostnad	3	600	299
0	0	Avskrivning	4, 5, 6	3 539	424
1 770	1 871	Annen driftskostnad	3	4 275	4 788
2 370	2 170	Sum driftskostnader		8 413	5 510
-2 021	-1 858	Driftsresultat		-4 279	-4 994
Finansinntekter og finanskostnader					
0	0	Renteinntekt fra foretak i samme konsern		0	0
19 208	8 342	Annen finansinntekt		4 761	8 240
0	0	Rentekostnad til foretak i samme konsern		0	0
9 124	476	Annen finanskostnad		17 772	3 348
10 085	7 865	Netto finansposter	8	-13 012	4 892
8 064	6 007	Ordinært resultat før skattekostnad		-17 291	-101
1 665	1 315	Skattekostnad på ordinært resultat	9	0	1 315
6 399	4 692	Årsresultat	10	-17 291	-1 416
Fordeling					
		Majoritetsinteresser		-117	-28
		Minoritetsinteresser		17 408	1 444
Overføringer og disponeringer					
6 399	4 692	Overføringer annen egenkapital	10		
6 399	4 692	Sum disponert			

Black Sea Property AS

Org.nr: 914 892 902

Balanse pr. 31. desember

Morselskap					Konsern	
2023	2022	Beløp vises i tusen kr	Note	2023	2022	
Anleggsmidler						
<i>Immaterielle eiendeler</i>						
0	0	Konsesjoner, patenter, lisenser, varemerker	4	132	161	
0	0	Sum immaterielle eiendeler		132	161	
<i>Varige driftsmidler</i>						
0	0	Tomter, bygninger og annen fast eiendom	5, 11	299 123	239 206	
0	0	Maskiner og anlegg	6	2 224	2 226	
0	0	Driftsløsøre, inventar, verktøy, kontormaskiner ol	6	3 124	2 266	
0	0	Sum varige driftsmidler		304 471	243 697	
<i>Finansielle anleggsmidler</i>						
8 314	8 314	Investeringer i datterselskap	12	0	0	
194 679	169 315	Lån til foretak i samme konsern	7, 13	0	0	
0	0	Andre fordringer	11	7 724	392	
202 993	177 629	Sum finansielle anleggsmidler		7 724	392	
202 993	177 629	Sum anleggsmidler		312 327	244 251	
Omløpsmidler						
<i>Fordringer</i>						
1 742	1 314	Kundefordringer	7, 13	471	129	
93	85	Andre fordringer		2 765	482	
1 836	1 399	Sum fordringer		3 236	611	
1 825	727	Bankinnskudd, kontanter og lignende	14	2 422	1 179	
3 660	2 127	Sum omløpsmidler		5 658	1 790	
206 653	179 756	Sum eiendeler		317 986	246 041	

Black Sea Property AS

Org.nr: 914 892 902

Balanse pr. 31. desember

Morselskap		Konsern			
2023	2022	Beløp vises i tusen kr	Note	2023	2022
Egenkapital					
<i>Innskutt egenkapital</i>					
24 575	9 723	Aksjekapital	10, 15	24 575	9 723
239 274	234 383	Overkurs	10	239 974	234 383
700	0	Annen innskutt egenkapital	10	0	0
264 549	244 106	Sum innskutt egenkapital		264 549	244 106
<i>Opptjent egenkapital</i>					
-66 754	-73 152	Annen egenkapital	10	-159 449	-152 018
-66 754	-73 152	Sum opptjent egenkapital		-159 449	-152 018
0	0	Minoritetsinteresser		43 344	40 175
197 796	170 954	Sum egenkapital		148 445	132 263
Gjeld					
<i>Avsetninger for forpliktelser</i>					
3 021	1 356	Utsatt skatt	9	0	1 356
3 021	1 356	Sum avsetning for forpliktelser		0	1 356
<i>Annen langsiktig gjeld</i>					
0	1 982	Konvertible lån	16	0	1 982
0	0	Gjeld til kredittinstitusjoner	11	73 561	0
5 486	5 145	Øvrig langsiktig gjeld	11, 16	77 280	5 172
5 486	7 127	Sum annen langsiktig gjeld		150 841	7 154
<i>Kortsiktig gjeld</i>					
0	0	Gjeld til kredittinstitusjoner	11	4 384	64 907
254	151	Leverandørgjeld		541	286
27	9	Skyldige offentlige avgifter	14	27	9
69	159	Annen kortsiktig gjeld		13 748	40 067
350	319	Sum kortsiktig gjeld		18 700	105 268
8 857	8 802	Sum gjeld		169 541	113 778
206 653	179 756	Sum egenkapital og gjeld		317 986	246 041

Black Sea Property AS

Org.nr: 914 892 902

Balanse pr. 31. desember

Morselskap					Konsern	
2023	2022	Beløp vises i tusen kr	Note	2023	2022	

Oslo, 30. mai 2024

Egil Redse Melkevik
daglig leder, styreleder

Kåre Rødningen
styremedlem

Hans Fredrik Gulseth
styremedlem

Dag Espen Arnesen
styremedlem

Black Sea Property AS

Org.nr: 914 892 902

Kontantstrømoppstilling

Morselskap				Konsern	
2023	2022	Beløp vises i tusen kr	Note	2023	2022
Kontantstrømmer fra operasjonelle aktiviteter					
8 064	6 007	Resultat før skattekostnad		-17 291	-101
0	0	Ordinære avskrivninger	4,5,6	3 539	424
-482	634	Endring i kundefordringer		-757	-103
102	-209	Endring i leverandørgjeld		270	-34
-25	157	Endring i andre tidsavgrensningsposter		-2 548	682
-10 424	-7 885	Effekt av valutakursendringer langsiktige fordringer og gjeld	8	905	-7 853
-2 765	-1 296	Netto kontantstrøm fra operasjonelle aktiviteter		-15 884	-6 986
Kontantstrømmer fra investeringsaktiviteter					
0	0	Utbetalinger ved kjøp av varige driftsmidler	4,6	-1 849	-2 813
0	0	Påkostning eiendomsprosjekt	5	-45 411	-29 486
0	0	Investering i gjeldsinstrumenter		-7 306	0
0	0	Netto kontantstrøm fra investeringsaktiviteter		-54 567	-32 299
Kontantstrømmer fra finansieringsaktiviteter					
-1 982	1 982	Endring i langsiktig gjeld		-1 982	1 982
-14 599	-390	Endring i fordringer mot datterselskap		0	0
0	28	Endring i andre fordringer		0	28
0	0	Endring i gjeld til kredittinstitusjoner	11	10 161	1 447
0	0	Endring i lån fra minoritetsaksjonær		-28 713	17 611
0	0	Lån fra Penchev Consult EOOD	11	71 784	0
20 443	0	Emisjoner i morselskap	10	20 443	0
0	0	Emisjoner i datterselskap (minoritetens andel)	10	0	9 632
3 862	1 620	Netto kontantstrøm fra finansieringsaktiviteter		71 694	30 700
1 097	325	Netto endring i likvider i året		1 243	-8 585
727	403	Kontanter og bankinnskudd per 01.01		1 179	9 764
1 825	727	Kontanter og bankinnskudd per 31.12		2 422	1 179

Noter til regnskapet for 2023

Beløp vises i tusen kr

Note 1 - Regnskapsprinsipper

Årsregnskapet er satt opp i samsvar med regnskapslovens bestemmelser og god regnskapsskikk.

Konsolidering

Konsernregnskapet omfatter morselskapet Black Sea Property AS, datterselskapene Aheloy Commercial AD, Garby AD og EPO Bulgaria EOOD, og datterdatterselskapet EPO Aheloy OOD, som Black Sea Property AS har bestemmende innflytelse over. Konsernregnskapet omfatter også datterselskapene Obzor Market EOOD, Obzor Riverside EOOD og Nordic Property EOOD, som ble anskaffet i 2021 gjennom fusjon med Bulgaria Eiendom Invest AS.

Bestemmende innflytelse oppnås normalt når morselskapet eier mer enn 50% av aksjene i selskapet, og/eller at morselskapet er i stand til å utøve faktisk kontroll over selskapet. Minoritetsinteresser inngår i konsernets egenkapital. Konsernregnskapet er utarbeidet som om konsernet var en økonomisk enhet.

Transaksjoner og mellomværende mellom selskapene i konsernet er eliminert. Konsernregnskapet er utarbeidet etter ensartede prinsipper ved at datterselskapene følger de samme regnskapsprinsipper som morselskapet.

Klassifisering og vurdering av balanseposter

Omløpsmidler og kortsiktig gjeld omfatter poster som forfaller til betaling innen ett år etter balansedagen, samt poster som knytter seg til varekretsløpet. Øvrige poster er klassifisert som anleggsmiddel/langsiktig gjeld.

Omløpsmidler vurderes til laveste av anskaffelseskost og virkelig verdi. Kortsiktig gjeld balanseføres til nominelt beløp på etableringstidspunktet.

Anleggsmidler vurderes til anskaffelseskost, men nedskrives til virkelig verdi ved verdifall som ikke forventes å være forbigående. Anleggsmidler med begrenset økonomisk levetid avskrives planmessig. Langsiktig gjeld balanseføres til nominelt beløp på etableringstidspunktet.

Fordringer

Kundefordringer og andre fordringer er oppført i balansen til pålydende etter fradrag for avsetning til forventet tap. Avsetning til tap gjøres på grunnlag av individuelle vurderinger av de enkelte fordringene.

Valuta

Pengeposter i utenlandsk valuta er vurdert til kursen ved regnskapsårets slutt.

I forbindelse med konsolideringen av utenlandske datterselskaper er gjennomsnittskurs benyttet for resultatpostene, og årssluttkurs benyttet for balansepostene. Eventuelle omregningsdifferanser blir bokført direkte mot egenkapitalen i konsernregnskapet. Valutajustering knyttet til balanseposter hos utenlandske datterselskaper blir bokført direkte mot egenkapitalen.

Varige driftsmidler

Varige driftsmidler balanseføres og avskrives over driftsmidlets forventede økonomiske levetid. Direkte vedlikehold av driftsmidler kostnadsføres løpende under driftskostnader, mens påkostninger eller forbedringer tillegges driftsmidlets kostpris og avskrives i takt med driftsmidlet.

Skatter

Skattekostnaden i resultatregnskapet omfatter både periodens betalbare skatt og endring i utsatt skatt. Utsatt skatt er beregnet med 22% på grunnlag av de midlertidige forskjeller som eksisterer mellom regnskapsmessige og skattemessige verdier, samt ligningsmessig underskudd til fremføring ved utgangen av regnskapsåret. Skatteøkende og skattereduserende midlertidige forskjeller som reverserer eller kan reversere i samme periode er utlignet og nettoført. Netto utsatt skattefordel balanseføres i den grad det er sannsynlig at denne kan bli nyttiggjort.

Kontantstrømoppstilling

Kontantstrømoppstillingen er utarbeidet etter den indirekte metode. Kontanter og kontantekvivalenter omfatter kontanter, bankinnskudd og andre kortsiktige likvide plasseringer.

Black Sea Property AS

Org.nr: 914 892 902

Noter til regnskapet for 2023

Beløp vises i tusen kr

Note 2 - Transaksjoner med nærstående

Morselskap

Black Sea Property AS har opptjent et fasthonorar på TEUR 2,5 pr. måned i 2023 for konsulenttenester levert til datter-datter-selskapet EPO Aheloy OOD.

Note 3 - Lønnskostnader, antall ansatte, lån til ansatte og godtgjørelse til revisor

Beløp vises i tusen kr

Morselskap		Lønnskostnader	Konsern	
2023	2022		2023	2022
286	276	Lønn	286	276
225	0	Styrehonorar	225	0
88	23	Arbeidsgiveravgift	88	23
1	0	Andre ytelser	1	0
600	299	Sum	600	299

Morselskap

Selskapet har ansatt en daglig leder i 25 % - stilling fra juli 2019.

Selskapet er ikke pliktig til å ha tjenestepensjonsordning etter lov om obligatorisk tjenestepensjon.

Konsern

Det er ingen ansatte i konsernet utover daglig leder i morselskapet.

Morselskap

Ytelser til ledende personer

	Lønn
Daglig leder	286
Styret	225

Morselskap		Godtgjørelse til revisor er fordelt på følgende:	Konsern	
2023	2022		2023	2022
53	52	Lovpålagt revisjon	53	52
237	138	Andre tjenester	237	138
290	191	Sum	290	191

Merverdiavgift er ikke inkludert i revisjonshonoraret.

Black Sea Property AS

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Noter til regnskapet for 2023

Beløp vises i tusen kr

Note 4 - Immaterielle eiendeler

Konsern

	Servitutter, nettside
Anskaffelseskost pr. 01.01.	176
Anskaffelseskost 31.12.	176
Akk.avskrivninger 31.12.	-51
Valuta	7
Balanseført verdi pr. 31.12.	132
Årets avskrivninger	35
Økonomisk levetid	5 år
Avskrivningsplan	Lineær (20 %)

Årets avskrivninger i BGN er omregnet med en gjennomsnittskurs på 5,8393 for 2023.

Note 5 - Tomter, bygninger og annen fast eiendom

Beløp vises i tusen kr

Konsern

	Eiendom	Fasiliteter	Prosjekt i arbeid	Sum
Anskaffelseskost 01.01.	166 441	20 162	96 123	282 726
Endring prosjekt i arbeid	0	0	-36 373	-36 373
Tilganger	34 890	47 621	0	82 511
Valuta	8 038	668	7 218	15 924
Anskaffelseskost 31.12.	209 369	68 451	66 968	344 787
Akk.avskrivning 31.12.	-578	-1 567	0	-2 145
Akk.nedskr. 31.12.	-43 520	0	0	-43 520
Balanseført pr. 31.12.	165 271	66 884	66 968	299 123
Årets avskrivninger	578	1 567	0	2 145
Avskrivningsplan	N/A	N/A		

Eiendomsprosjektene er under utvikling og avskrivning vurderes når eiendommene er ferdigstilt og tas i bruk. Det er i 2023 foretatt avskrivninger på BGN 99 000 knyttet til bygg M.

Årets tilganger og avskrivninger i BGN er omregnet med en gjennomsnittskurs på 5,8393 for 2023.

Black Sea Property AS

Org.nr: 914 892 902

Noter til regnskapet for 2023

Beløp vises i tusen kr

Note 6 - Driftsløsøre, inventar, maskiner, apparater o.l.

Beløp vises i tusen kr

Konsern

	Driftsløsøre, inventar o.l.	Maskiner, apparater o.l.	Sum
Anskaffelseskost 01.01.	2 333	2 577	4 909
Tilgang kjøpte driftsmidler	1 161	718	1 879
Valuta	151	186	337
Anskaffelseskost 31.12.	3 645	3 480	7 125
Akk.avskrivning 31.12.	-521	-1 256	-1 777
Balanseført pr. 31.12.	3 124	2 224	5 348
Årets avskrivninger	454	905	1 359
Økonomisk levetid	6-7 år	3-4 år	
Avskrivningsplan	Lineær (15 %)	Lineær (30 %)	

Årets tilganger og avskrivninger i BGN er omregnet med en gjennomsnittskurs på 5,8393 for 2023.

Note 7 - Tap på fordringer

Beløp vises i tusen kr

Morselskap			Konsern	
2023	2022		2023	2022
-72 355	-72 355	Avsetninger pr. 01.01.	0	0
-72 355	-72 355	Avsetninger pr. 31.12.	0	0
		Endring avsetning for tap på fordringer	0	0

Morselskap

Dette gjelder avsetning for tap på konserninterne fordringer overtatt fra Bulgaria Eiendom Invest AS etter fusjonen i 2021, hvor de overtatte fordringene er nedskrevet til MNOK 6 tilsvarende konsernverdien av underliggende tomter i de aktuelle datterselskapene.

Black Sea Property AS

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Noter til regnskapet for 2023

Beløp vises i tusen kr

Note 8 - Finansposter

Beløp vises i tusen kr

Morselskap			Konsern	
2023	2022		2023	2022
123	101	Renteinntekt	0	0
19 086	8 240	Valutagevinst	0	8 240
		Gevinst ved realisasjon av		
0	0	finansielle eiendeler	4 761	0
-54	-68	Rentekostnad	-16 959	-2 939
-8 597	-289	Valutatap	-341	-289
-473	-119	VPS-kostnader	-473	-119
10 085	7 865	Sum	-13 012	4 892

Konsern

Morselskapet har betydelige fordringer i euro mot selskapets datterselskaper i Bulgaria. Da euroen har styrket seg betydelig mot norske kroner er det regnskapsført finansinntekter knyttet til valutajustering av fordringer i morselskapet på MEUR 10,9 i 2023. Effekten og tilhørende utsatt skatt er eliminert i konsernregnskapet som følge av at datterselskapene i Bulgaria benytter fast valutakurs i selskapsregnskapet og derfor ikke valutajusterer etter samme praksis som morselskapet.

Note 9 - Skatt

Beløp vises i tusen kr

Årets skattekostnad fordeler seg på:	2023	2022
Endring utsatt skatt	1 665	1 315
Årets totale skattekostnad	1 665	1 315
<i>Beregning av årets skattegrunnlag:</i>	2023	2022
Ordinært resultat før skattekostnad	8 064	6 007
Ikke fradragsberettigede kostnader	2	0
Emisjonskostnader	-527	0
Endring i midlertidige forskjeller	-10 424	-7 885
Årets skattegrunnlag	-2 886	-1 877
<i>Oversikt over midlertidige forskjeller</i>	2023	2022
Langsiktige fordringer og gjeld i utenlandsk valuta	40 504	30 080
Utestående fordringer	-72 355	-72 355
Sum	-31 851	-42 275
Akkumulert fremførbart underskudd før konsernbidrag	-26 770	-23 885
Netto midlertidige forskjeller pr 31.12	-58 622	-66 160
Forskjeller som ikke inngår i utsatt skatt/-skattefordel	-72 355	-72 325
Sum	13 734	6 165
Utsatt skattefordel (-) / Utsatt skatt (+) 22 %	3 021	1 356

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Noter til regnskapet for 2023

Beløp vises i tusen kr

Note 10 - Egenkapital

Beløp vises i tusen kr

Morselskap

	Aksjekapital	Overkurs	Ikke reg. kap.forh.	Annen egenkapital	Sum
Egenkapital 01.01.	9 723	234 383	0	-73 152	170 954
Årsresultat	0	0	0	6 399	6 399
Gjeldskonvertering	1 273	764	0	0	2 036
Kontantinnskudd	13 580	4 655	700	0	18 934
Emisjonsutgifter	0	-527	0	0	-527
Egenkapital 31.12.	24 575	239 274	700	-66 754	197 796

Konsern

Konsernets egenkapital er endret som følger:

	Aksjekapital	Overkurs	Ikke reg. kap.forh.	Annen egenkapital	Sum
Egenkapital 01.01.	9 723	234 383	0	-111 843	132 263
Årsresultat	0	0	0	-17 291	-17 291
Gjeldskonvertering	1 273	764	0	0	2 036
Kontantinnskudd	13 580	4 655	700	0	18 934
Emisjonsutgifter	0	-527	0	0	-527
Valutaendringer	0	0	0	13 030	13 030
Egenkapital 31.12.	24 575	239 274	700	-116 105	148 445

Note 11 - Pant og garantier

Beløp vises i tusen kr

Morselskap

2023	2022	Pantsikret gjeld	Konsern 2023	2022
0	0	Kortsiktig gjeld	4 384	64 171
0	0	Langsiktig gjeld	73 561	0
0	0	Sum pantsikret gjeld	149 729	64 171

Morselskap

2023	2022	Sikret i panteobjekt med bokførte verdier:	Konsern 2023	2022
0	0	Eiendom	299 123	239 206
0	0	Sum	299 123	239 206

Konsern

Gjeld til kredittinstitusjoner er refinansiert med MEUR 6,5 i 2023 og har en årlig rente på 5,5 %. Lånesaldo ved årsslutt utgjorde MEUR 6,2, hvorav MEUR 0,4 forfaller til betaling i andre halvår 2024.

I tillegg har konsernet et banklån på EUR 650 000, hvor midlene er investert i fond.

Gjeld til kredittinstitusjoner er sikret med 1. prioritets pant i anlegget på Aheloy i tillegg til annen sikkerhet ytet av de lokale samarbeidspartnere i Bulgaria.

I desember 2022 ble halvparten av aksjene i EPO Aheloy EOOD overført til Penchev Consult EOOD som sikkerhet for lån gitt i 2023. Transaksjonen utgjør en midlertidig overføring av aksjene med rett til tilbakeføring ved innfrielse av lån gitt i 2023. Lånesaldo utgjør MEUR 6,4 pr. 31.12.2023 inkl. akkumulerte og påløpte renter. Lånet forfaller i desember 2026 og

Black Sea Property AS

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Noter til regnskapet for 2023

Beløp vises i tusen kr

renteberegnes månedlig med en rente på 16 % p.a. frem til 30. november 2024, og deretter med 18 % frem til november 2026.

Note 12 - Datterselskap, tilknyttet selskap m v

Beløp vises i tusen kr

Morselskap

Selskap	Anskaffelse	Kontor	Eierandel	Resultat 2023	Egenkapital pr. 31.12	Bokført verdi pr. 31.12
EPO Bulgaria EOOD	Juni 2015	Bulgaria	100 %	-274	-90 738	0
Garby AD	Aug. 2015	Bulgaria	50 %	0	3 994	8 314
Ahelay Commercial AD	Aug. 2015	Bulgaria	48 %	0	-5 471	0
Obzor Market EOOD	Sept. 2021	Bulgaria	100 %	-41	-22 380	0
Obzor Riverside EOOD	Sept. 2021	Bulgaria	100 %	-35	-14 104	0
Nordic Property EOOD	Sept. 2021	Bulgaria	100 %	-123	-21 960	0
Sum				-473	-150 660	8 314

Overnevnte beløp er i NOK hvor resultatet i BGN er omregnet med gjennomsnittskurs på 5,8393, mens egenkapitalen i BGN er omregnet med sluttkurs på 5,7473.

Obzor Market EOOD, Obzor Riverside EOOD og Nordic Property EOOD ble anskaffet i 2021 gjennom fusjon med Bulgaria Eiendom Invest AS.

EPO Bulgaria EOOD har frem til desember 2022 hatt en eierandel på 75 % i selskapet EPO Ahelay OOD. I desember 2022 ble halvparten av aksjene overført til Penchev Consult EOOD som sikkerhet for lån gitt i 2023. Avtalene er formalisert i januar 2023 og nærmere beskrevet i styrets årsberetning. Transaksjonen utgjør en midlertidig overføring av aksjene med rett til tilbakeføring ved innfrielse av lån gitt i 2023. Med bakgrunn i de reelle forhold anses ikke transaksjonen å representere noen endring i Black Sea Property AS sin bestemmende innflytelse i datter-datter-selskapet EPO Ahelay EOOD pr. 31.12.2023.

Note 13 - Mellomværende med selskap i samme konsern og tilknyttet selskap

Beløp vises i tusen kr

Fordringer	2023	2022
Lån til foretak i samme konsern	194 679	169 315
Kundefordringer	1 742	1 314
Sum	196 421	170 629

De konserninterne fordringene som oppstod i forbindelse med oppkjøpet i 2015 er ikke renteberegnet som følge av den finansielle situasjonen i konsernselskapene, jf. Rt 2007 s 1025 (Norges Høyesterett - Dom av 26. juni 2007). Det samme gjelder fordringer overtatt etter fusjonen med Bulgaria Eiendom Invest AS.

Lån til datterselskap for etterfølgende år er renteberegnet med 0,1 % i tråd med avtale.

Black Sea Property AS

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Noter til regnskapet for 2023

Beløp vises i tusen kr

Note 14 - Bankinnskudd

Beløp vises i tusen kr

Morselskap		Konsern	
2023		2023	
16	Bundne skattetrekkmidler utgjør		16
0	Bundne bankmidler		40
16	Sum		56

Note 15 - Aksjekapital og aksjonærinformasjon

Beløp vises i tusen kr

Morselskap

Aksjekapitalen består av:

	Antall	Pålydende	Balanseført
Ordinære aksjer	98 301 254	0,25 kr	24 575

De 10 største aksjonærene og nærstående i selskapet pr. 31.12:

	Ordinære aksjer	Eierandel	Stemmeandel
E. Larre Holding AS	10 621 341	10,80 %	10,80 %
Janine AS	9 727 830	9,90 %	9,90 %
Auris AS	7 426 229	7,55 %	7,55 %
Christinedal AS, 1)	6 553 207	6,67 %	6,67 %
Total Mangement AS	4 963 635	5,05 %	5,05 %
Semco AS	3 546 145	3,61 %	3,61 %
VK Invest AS	3 184 217	3,24 %	3,24 %
Erik Arvid Muller	3 090 356	3,14 %	3,14 %
Efo Egedomsinvest AS	2 812 880	2,86 %	2,86 %
A-J Eiendom AS	2 541 659	2,59 %	2,59 %
Sum	54 467 499	55,41 %	55,41 %
Øvrige (eierandel < 5%)	43 833 755	44,59 %	44,59 %
Totalt antall aksjer	98 301 254	100,00 %	100,00 %

1) Styremedlem Hans Fredrik Gulseth er aksjonær i Christinedal AS.

Styreleder Egil Redse Melkevik er styreleder i MTB Invest AS som kontrolleres av hans nærstående, og som i tillegg til å inneha personlige eierandeler, er blant de øvrige aksjonærer i Black Sea Property AS.

Styremedlem Kåre Rødningen er aksjonær i Rødningen Invest AS som er blant de øvrige aksjonærer.

Styremedlem Dag Espen Arnesen er aksjonær i DEA Holding AS som er blant de øvrige aksjonærer.

Noter til regnskapet for 2023

Beløp vises i tusen kr

Note 16 - Øvrig langsiktig gjeld

Beløp vises i tusen kr

Morselskap			Konsern	
2023	2022		2023	2022
5 267	4 927	Selgerkreditt i TEUR 500	5 267	4 927

Morselskap			Konsern	
2023	2022		2023	2022
0	1 982	Konvertibelt lån	0	1 982

Morselskap

Selgerkreditt fra 2015 med henholdsvis TEUR 1 500 og TEUR 2 500 i forbindelse med kjøp av aksjer og fordringer mot datterselskaper. Totalt MEUR 3,5 av selgerkreditten på MEUR 4 ble konvertert til egenkapital i 2021. Resterende selgerkreditt løper rentefritt og skal tilbakebetales når morselskapet har fri likviditet etter inndekning av øvrige forpliktelser eller konverteres til egenkapital.

Det ble i andre halvår 2022 mottatt et nytt konvertibelt lån fra primært eksisterende aksjonærer på TNOK 1 982 inkl. påløpte renter, som er konvertert til aksjer i første halvår 2023.

Note 17 - Tvister**Konsern**

Det er ingen pågående rettssaker som involverer datterselskapene i Bulgaria. Det er etter styrets oppfatning heller ingen saker som vil ha vesentlige negative økonomiske konsekvenser for konsernet.

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
Egil Redse Melkevik

 bankID

NO BankID - 990b8432-d67b-42ae-ade4-8a0ebb11b982

2024-05-30 15:01:25 UTC+00:00

Hans Fredrik Gulseth

 bankID

NO BankID - a177d95f-b181-4cff-9398-7a87ada30819

2024-05-30 15:03:58 UTC+00:00

Kåre Rødningen

 bankID

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2024-05-30 15:05:27 UTC+00:00

Dag Espen Arnesen

 bankID

NO BankID - 2cea39d8-43c2-45bc-8b5a-330c2a115a78

Til generalforsamlingen i Black Sea Property AS

Uavhengig revisors beretning

Konklusjon

Vi har revidert Black Sea Property AS' årsregnskap som viser et overskudd i selskapsregnskapet på kr 6 398 880 og et underskudd i konsernregnskapet på kr 17 290 970. Årsregnskapet består av:

- selskapsregnskapet, som består av balanse per 31. desember 2023, resultatregnskap og kontantstrømoppstilling for regnskapsåret avsluttet per denne datoen og noter, herunder et sammendrag av viktige regnskapsprinsipper, og
- konsernregnskapet, som består av balanse per 31. desember 2023, resultatregnskap og kontantstrømoppstilling for regnskapsåret avsluttet per denne datoen og noter, herunder et sammendrag av viktige regnskapsprinsipper.

Etter vår mening:

- er årsregnskapet avgitt i samsvar med lov og forskrifter
- gir det medfølgende selskapsregnskapet et rettviseende bilde av den finansielle stillingen til Black Sea Property AS per 31. desember 2023 og av selskapets resultater for regnskapsåret som ble avsluttet per denne datoen i samsvar med regnskapslovens regler og god regnskapsskikk i Norge.
- gir det medfølgende konsernregnskapet et rettviseende bilde av den finansielle stillingen til konsernet Black Sea Property AS per 31. desember 2023 og av konsernets resultater for regnskapsåret som ble avsluttet per denne datoen i samsvar med regnskapslovens regler og god regnskapsskikk i Norge.

Grunnlag for konklusjonen

Vi har gjennomført revisjonen i samsvar med International Standards on Auditing (ISA-ene). Våre oppgaver og plikter i henhold til disse standardene er beskrevet nedenfor under *Revisors oppgaver og plikter ved revisjonen av årsregnskapet*. Vi er uavhengige av selskapet og konsernet i samsvar med kravene i relevante lover og forskrifter i Norge og International Code of Ethics for Professional Accountants (inkludert internasjonale uavhengighetsstandarder) utstedt av International Ethics Standards Board for Accountants (IESBA-reglene), og vi har overholdt våre øvrige etiske forpliktelser i samsvar med disse kravene. Innhentet revisjonsbevis er etter vår vurdering tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon.

Øvrig informasjon

Styret og daglig leder (ledelsen) er ansvarlige for informasjonen i årsberetningen og annen øvrig informasjon som er publisert sammen med årsregnskapet. Øvrig informasjon omfatter informasjon i årsrapporten bortsett fra årsregnskapet og den tilhørende revisjonsberetningen. Vår konklusjon om årsregnskapet ovenfor dekker verken informasjonen i årsberetningen eller annen øvrig informasjon.

I forbindelse med revisjonen av årsregnskapet er det vår oppgave å lese årsberetningen og annen øvrig informasjon. Formålet er å vurdere hvorvidt det foreligger vesentlig inkonsistens mellom årsberetningen, annen øvrig informasjon og årsregnskapet og den kunnskap vi har opparbeidet oss under revisjonen av årsregnskapet, eller hvorvidt informasjon i årsberetningen og annen øvrig informasjon ellers fremstår som vesentlig feil. Vi har plikt til å rapportere dersom årsberetningen eller annen øvrig informasjon fremstår som vesentlig feil. Vi har ingenting å rapportere i så henseende.

Basert på kunnskapen vi har opparbeidet oss i revisjonen, mener vi at årsberetningen

- er konsistent med årsregnskapet og
- inneholder de opplysninger som skal gis i henhold til gjeldende lovkrav.

Styrets og daglig leders ansvar for årsregnskapet

Styret og daglig leder (ledelsen) er ansvarlig for å utarbeide årsregnskapet i samsvar med lov og forskrifter, herunder for at det gir et rettviseende bilde i samsvar med regnskapslovens regler og god regnskapsskikk i Norge. Ledelsen er også ansvarlig for slik intern kontroll som den finner nødvendig for å kunne utarbeide et årsregnskap som ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil.

Ved utarbeidelsen av årsregnskapet er ledelsen ansvarlig for å ta standpunkt til selskapets og konsernets evne til fortsatt drift, og på tilbørlig måte å opplyse om forhold av betydning for fortsatt drift. Forutsetningen om fortsatt drift skal legges til grunn for årsregnskapet så lenge det ikke er sannsynlig at virksomheten vil bli avviklet.

Revisors oppgaver og plikter ved revisjonen av årsregnskapet

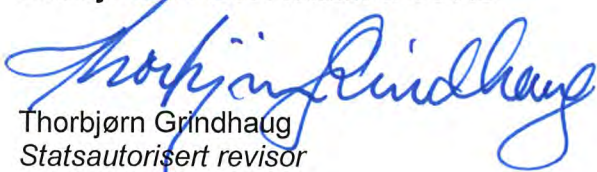
Vårt mål med revisjonen er å oppnå betryggende sikkerhet for at årsregnskapet som helhet ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil, og å avgi en revisjonsberetning som inneholder vår konklusjon. Betryggende sikkerhet er en høy grad av sikkerhet, men ingen garanti for at en revisjon utført i samsvar med lov, forskrift og god revisjonsskikk i Norge, herunder ISA-ene, alltid vil avdekke vesentlig feilinformasjon som eksisterer. Feilinformasjon kan oppstå som følge av misligheter eller utilsiktede feil. Feilinformasjon blir vurdert som vesentlig dersom den enkeltvis eller samlet med rimelighet kan forventes å påvirke økonomiske beslutninger som brukerne foretar basert på årsregnskapet.

For videre beskrivelse av revisors oppgaver og plikter vises det til:

<https://revisorforeningen.no/revisjonsberetninger>

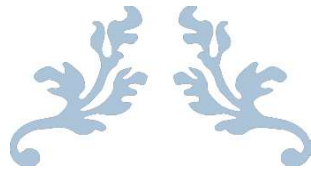
Oslo, 30. mai 2024

Revisjonsfirmaet Flattum & Co AS



Thorbjørn Grindhaug
Statsautorisert revisor

Appendix 4: Financial statements for the year ended 31 December 2022



ÅRSRAPPORT FOR 2022



BLACK SEA PROPERTY AS



ÅRSBERETNING

ÅRSREGNSKAP OG KONSERNREGNSKAP

- RESULTATREGNSKAP
- BALANSE
- KONTANTSTRØMOPPSTILLING
- NOTER

REVISJONSBERETNING

Årsberetning 2022

Black Sea Property AS

Adresse: Sagveien 23 A, 0459 OSLO

Org.nr: 914 892 902 MVA

Virksomhetens art

Black Sea Property AS ble stiftet den 19. januar 2015. Morselskapets hovedoppgave er å investere i fast eiendom, herunder gjennom andre selskaper. Datterselskapene driver eiendomsutvikling. Black Sea Property AS har sitt forretningssted i Oslo. Datterselskapene har forretningssted og deres aktiviteter skjer i Bulgaria.

Rettsvisende oversikt

Styret mener at årsregnskapet gir et rettsvisende bilde av selskapets eiendeler og gjeld, finansielle stilling og resultat.

Redegjørelse for foretakets utsikter

Styret vurderer konsernets utvikling som god og viderefører eksisterende satsing innen dagens rammer og virksomhet, med fokus på videre utvikling og drift av konsernets hovedaktiva Sunrise River Beach Resort.

Styret vil bemerke at det i konsernet ble inngått avtale om en lånefasilitet på totalt EUR 7,5 millioner fra Penchev Consult i desember 2022. Ca. EUR 5,3 millioner av lånet er trukket. Lånefasiliteten er rentebærende med avtalt rentesats på 16 % pro anno.

Etter utløpet av regnskapsåret har konsernet inngått ytterligere en låneavtale, med First Investment Bank, med en lavere, mer markedsmessig rente og en løpetid på 15 år. Låneavtalen med First Investment Bank gjelder en lånefasilitet på totalt EUR 10 millioner, der ca. EUR 6,5 millioner planlegges trukket i juni, og som vil benyttes til innfrielse av konsernets lån hos UniCredit Bulbank (ca. EUR 4,5 millioner), og for ytterligere byggearbeider på Sunrise River Beach Resort (ca. EUR 2 millioner).

Lånet til Penchev Consult forfaller i sin helhet i desember 2024, likevel slik at konsernet må foreta en betaling av påløpte renter i desember 2023. Konsernet arbeider for å oppnå en refinansiering av lånet fra Penchev Consult og mener at en slik refinansiering er realistisk å oppnå, men styret bemerker at manglende refinansiering av dette lån før forfallstidspunktet utgjør en vesentlig finansiell forpliktelse og risiko for konsernet. Penchev Consult har fått overført halvparten av selskapets aksjer i EPO Aheloy (gjennom EPO Bulgaria) til seg som sikkerhet for EPO Aheloy's forpliktelser under låneavtalen. Som beskrevet i note 12 utgjør transaksjonen en midlertidig overføring med tilbakeføringsrett ved innfrielse av lånet.

Finansiell risiko

Mesteparten av konsernets virksomhet foregår i Bulgaria, hvor mye av kostnadene skjer i bulgarske leva og i Euro. Konsernets aktivitet vil være påvirket av valutaendring mellom bulgarske leva, Euro og norske kroner.

Utvikling i resultat og stilling

Styret mener at det fremlagte årsregnskapet for morselskapet og tilhørende konsernregnskap gir et rettsvisende bilde over utviklingen og resultatet av foretakets og konsernets virksomhet og stilling. Styret kjenner ikke til forhold inntruffet etter balansedagen som i vesentlig grad påvirker regnskapet pr. 31. desember 2022.

Aktiviteter i 2022

Selskapet fokuserte i første halvdel av året på å få til en begrenset åpning av resorten for sommersesongen 2022. Den pågående krigen i Ukraina skapte utfordringer for Selskapet, både med tanke på tid og kostnad på arbeid i resorten, samt også betydelig usikkerhet rundt krigens konsekvenser for den tradisjonelle turismen i Bulgaria. Selskapet klarte likevel å åpne resorten den 3. juli 2022 med en begrenset kapasitet og denne ble driftet i resten av sommersesongen som ett «family and kids-club konsept» med mellom 400 - 600 gjester daglig. Tilbakemeldingene fra besøkende var positive, og Selskapet er fornøyd med oppstartsåret.

Det har videre gjennom året vært jobbet mot ulike finansieringsløsninger for å håndtere eksisterende banklån, avdragsbetalinger, lånebehov knyttet til videre bygging, samt også generelle selskapsformål. Situasjonen i Ukraina har bidratt til ytterligere utfordringer knyttet til finansiering.

Black Sea Property AS

Org.nr: 914 892 902

Den 5. september meldte Selskapet at det var tatt opp aksjonærlån på ca. 2 MNOK for å håndtere kortsiktig finansieringsbehov for driften i Norge. Videre ble det den 14. desember etablert en låneavtale der EPO Aheloy kan låne inntil 7,5 MEUR med en rentesats på 16 % og forfall i desember 2024. Det henvises til børsmelding den 14. desember 2022 for ytterligere detaljer. samt beskrivelse under "Redegjørelse for foretakets utsikter" over.

Selskapet fikk for regnskapsåret 2022 et positivt årsresultat på MNOK 4,692. Det positive årsresultatet skyldes i all hovedsak at Selskapet har lån mot datterselskap nominert i EUR som i 2022 har styrket seg mot norske kroner.

Kort om utviklingen i 2023

Selskapet meldte den 14. mars 2023 at det har hentet inn 8,168 MNOK i en rettet emisjon samt den 24. april 2023 om ytterligere 4,244 MNOK i en etterfølgende emisjon. Samlet gav dette 12,412 MNOK ved utstedelse 31 030 000 nye aksjer i Selskapet, hver til en tegningskurs på NOK 0,40. Bakgrunnen for kapitalinnhenting var knyttet til finansiering av byggeaktiviteter i EPO Aheloy, samt generelle selskapsformål.

Den 27. mars 2023 ble det orientert om at det ble gjennomført en konvertering av kortsiktig lån opptatt i 2022 (se børsmelding 5. september 2022), noe som resulterte i utstedelse av 5 090 414 nye aksjer, hver til en tegningskurs på NOK 0,40.

Den 12. mai 2023 ble det orientert om at EPO Aheloy har sikret seg et banklån med ramme på 10 MEUR hvorav 6,5 MEUR vil bli utbetalt så snart alle betingelser for utbetaling er på plass. Resterende 3,5 MEUR vil kunne bli benyttet etter sesongen basert på gitte forutsetninger. Lånet gis med en løpetid på 15 år. Se også børsmeldingen fra 12. mai 2023, samt beskrivelse under "Redegjørelse for foretakets utsikter" over.

Selskapet vil for sommersesongen 2023 videreføre resorten med et «family and kids-club konsept» og rundt 1500 senger tilgjengelig for overnatting fordelt mellom M og N-byggene, og forventer å være fullbooket i høysesongen. Resorten er videre tilgjengelig for booking hos det ledende hotellnettstedet booking.com. Det forventes at ovennevnte booking nivå vil gi positiv EBITDA for EPO Aheloy, der resultatet fra sesongen vil bli offentliggjort i september 2023.

Fortsatt drift

I samsvar med regnskapsloven § 3-3 bekreftes det at forutsetningen om fortsatt drift er til stede, og at denne forutsetningen er lagt til grunn ved utarbeidelse av årsregnskapet.

Arbeidsmiljø

Styret anser arbeidsmiljøet som tilfredsstillende, og har ikke iverksatt spesielle tiltak på dette området i 2022. Det har ikke vært skader eller ulykker i 2022.

Likestilling

Konsernet og morselskapet hadde i 2022 ingen ansatte, og styret i morselskapet har hatt 4 medlemmer. Blant styremedlemmene har det kun vært menn.

Ytre miljø

Verken morselskapet eller konsernets virksomhet forurenser det ytre miljø ut over det som er vanlig for dens virksomhet.

Resultatdisponering

Overskuddet i Black Sea Property AS på TNOK 4 692 foreslås disponert som følger:

Overføring til annen egenkapital TNOK 4 692

Overskuddet er primært knyttet til valutagevinst på lån gitt til datterselskap.

Black Sea Property AS

Org.nr: 914 892 902

Oslo, 30. mai 2023
Styret for Black Sea Property AS

Egil Redse Melkevik
Styrets leder/daglig leder

Dag Espen Arnesen
Styremedlem

Hans Fredrik Gulseth
Styremedlem

Kåre Rødningen
Styremedlem

Black Sea Property AS

Org.nr: 914 892 902

Resultatregnskap

Morselskap				Konsern	
2022	2021	Beløp vises i tusen kr	Note	2022	2021
Driftsinntekter					
312	304	Salgsinntekt	2	517	0
Driftskostnader					
299	310	Lønnskostnad	3	299	310
0	0	Avskrivning	4, 5, 6	424	0
0	0	Nedskrivning	5, 6	0	35 828
1 871	1 783	Annen driftskostnad	3	4 788	2 741
2 170	2 092	Sum driftskostnader		5 510	38 878
-1 858	-1 789	Driftsresultat		-4 994	-38 878
Finansinntekter og finanskostnader					
0	0	Renteinntekt fra foretak i samme konsern		0	0
8 342	3 725	Annen finansinntekt		8 240	3 633
0	-1 707	Verdiendr. finansielle instrumenter, virkelig verdi		0	-1 707
0	12 043	Nedskrivning av finansielle eiendeler	7	0	0
0	0	Rentekostnad til foretak i samme konsern		0	0
476	11 341	Annen finanskostnad		3 348	14 595
7 865	-21 367	Netto finansposter	8	4 892	-12 669
6 007	-23 156	Ordinært resultat før skattekostnad		-101	-51 547
1 315	-3 661	Skattekostnad på ordinært resultat	9	1 315	-3 661
4 692	-19 495	Årsresultat	10	-1 416	-47 887
Fordeling					
		Majoritetsinteresser		-28	10 072
		Minoritetsinteresser		1 444	37 815
Overføringer og disponeringer					
4 692	-19 495	Overføringer annen egenkapital	10		
4 692	-19 495	Sum disponert			

Black Sea Property AS

Org.nr: 914 892 902

Balanse pr. 31. desember

Morselskap				Konsern	
2022	2021	Beløp vises i tusen kr	Note	2022	2021
Anleggsmidler					
<i>Immaterielle eiendeler</i>					
0	0	Konsesjoner, patenter, lisenser, varemerker	4	161	138
0	0	Sum immaterielle eiendeler		161	138
<i>Varige driftsmidler</i>					
0	0	Tomter, bygninger og annen fast eiendom	5, 11	239 206	198 054
0	0	Maskiner og anlegg	6	2 226	209
0	0	Driftsløsøre, inventar, verktøy, kontormaskiner ol	6	2 266	1 711
0	0	Sum varige driftsmidler		243 697	199 975
<i>Finansielle anleggsmidler</i>					
8 314	8 314	Investeringer i datterselskap	12	0	0
169 315	160 786	Lån til foretak i samme konsern	7, 13	0	0
0	36	Andre fordringer		392	409
177 629	169 136	Sum finansielle anleggsmidler		392	409
177 629	169 136	Sum anleggsmidler		244 251	200 521
Omløpsmidler					
<i>Fordringer</i>					
1 314	1 948	Kundefordringer	7, 13	129	26
85	135	Andre fordringer		482	1 334
1 399	2 082	Sum fordringer		611	1 359
727	403	Bankinnskudd, kontanter og lignende	14	1 179	9 764
2 127	2 485	Sum omløpsmidler		1 790	11 124
179 756	171 622	Sum eiendeler		246 041	211 645

Black Sea Property AS

Org.nr: 914 892 902

Balanse pr. 31. desember

Morselskap		Konsern			
2022	2021	Beløp vises i tusen kr	Note	2022	2021
Egenkapital					
<i>Innskutt egenkapital</i>					
9 723	9 723	Aksjekapital	10, 15	9 723	9 723
234 383	234 383	Overkurs	10	234 383	234 383
244 106	244 106	Sum innskutt egenkapital		244 106	244 106
<i>Opptjent egenkapital</i>					
-73 152	-77 845	Annen egenkapital	10	-152 018	-149 027
-73 152	-77 845	Sum opptjent egenkapital		-152 018	-149 027
0	0	Minoritetsinteresser		40 175	30 536
170 954	166 261	Sum egenkapital		132 263	125 616
Gjeld					
<i>Avsetninger for forpliktelser</i>					
1 356	41	Utsatt skatt	9	1 356	41
1 356	41	Sum avsetning for forpliktelser		1 356	41
<i>Annen langsiktig gjeld</i>					
1 982	0	Konvertible lån	16	1 982	0
0	0	Gjeld til kredittinstitusjoner	11	0	30 269
5 145	4 899	Øvrig langsiktig gjeld	16	5 172	13 024
7 127	4 899	Sum annen langsiktig gjeld		7 154	43 293
<i>Kortsiktig gjeld</i>					
0	0	Gjeld til kredittinstitusjoner	11	64 907	29 966
151	360	Leverandørgjeld		286	488
9	16	Skyldige offentlige avgifter	14	9	16
159	44	Annen kortsiktig gjeld		40 067	12 225
319	420	Sum kortsiktig gjeld		105 268	42 695
8 802	5 360	Sum gjeld		113 778	86 029
179 756	171 622	Sum egenkapital og gjeld		246 041	211 645

Oslo, 30. mai 2023

Egil Redse Melkevik
Styrets leder/daglig leder

Dag Espen Arnesen
Styremedlem

Hans Fredrik Gulseth
Styremedlem

Kåre Rødningen
Styremedlem

Black Sea Property AS

Org.nr: 914 892 902

Kontantstrømoppstilling

Morselskap		Konsern			
2022	2021	Beløp vises i tusen kr	Note	2022	2021
Kontantstrømmer fra operasjonelle aktiviteter					
6 007	-23 156	Resultat før skattekostnad		-101	-51 547
0	12 043	Nedskrivning finansielle anleggsmidler	3	0	0
0	0	Nedskrivning varige driftsmidler	5	0	35 828
0	0	Ordinære avskrivninger	4,6	424	0
634	-114	Endring i kundefordringer		-103	102
-209	172	Endring i leverandørgjeld		-34	134
157	-150	Endring i andre tidsavgrensingsposter		682	-150
-7 885	9 708	Effekt av valutakursendringer langsiktige fordringer og gjeld	8	-7 853	8 626
0	-281	Gevinst ved salg av rentefond	8	0	-281
0	-45	Reinvesterte renter rentefond	8	0	-45
-1 296	-1 823	Netto kontantstrøm fra operasjonelle aktiviteter		-6 986	-7 334
Kontantstrømmer fra investeringsaktiviteter					
0	0	Utbetalinger ved kjøp av varige driftsmidler	4,6	-2 813	0
0	11 853	Innbetalinger ved salg av rentefond		0	11 853
0	0	Påkostning eiendomsprosjekt	5	-29 486	-139
0	11 853	Netto kontantstrøm fra investeringsaktiviteter		-32 299	11 715
Kontantstrømmer fra finansieringsaktiviteter					
1 982	-35 577	Endring i langsiktig gjeld		1 982	-35 577
-390	-24 979	Endring i fordringer mot datterselskap		0	0
28	145	Endring i andre fordringer		28	145
0	0	Endring i gjeld til kredittinstitusjoner		1 447	-14 484
0	0	Lån fra minoritetsaksjonær		17 611	3 803
0	49 372	Emisjoner i morselskap	10	0	49 372
0	0	Emisjoner i datterselskap (minoritetens andel)	10	9 632	0
1 620	-11 040	Netto kontantstrøm fra finansieringsaktiviteter		30 700	3 259
325	-1 009	Netto endring i likvider i året		-8 585	7 640
403	1 412	Kontanter og bankinnskudd per 01.01		9 764	2 124
727	403	Kontanter og bankinnskudd per 31.12		1 179	9 764

Noter til regnskapet for 2022

Beløp vises i tusen kr

Note 1 - Regnskapsprinsipper

Årsregnskapet er satt opp i samsvar med regnskapslovens bestemmelser og god regnskapsskikk.

Konsolidering

Konsernregnskapet omfatter morselskapet Black Sea Property AS, datterselskapene Aheloy Commercial AD, Garby AD og EPO Bulgaria EOOD, og datterdatterselskapet EPO Aheloy OOD, som Black Sea Property AS har bestemmende innflytelse over. Konsernregnskapet omfatter også datterselskapene Obzor Market EOOD, Obzor Riverside EOOD og Nordic Property EOOD, som ble anskaffet i 2021 gjennom fusjon med Bulgaria Eiendom Invest AS.

Bestemmende innflytelse oppnås normalt når morselskapet eier mer enn 50% av aksjene i selskapet, og/eller at morselskapet er i stand til å utøve faktisk kontroll over selskapet. Minoritetsinteresser inngår i konsernets egenkapital. Konsernregnskapet er utarbeidet som om konsernet var en økonomisk enhet.

Transaksjoner og mellomværende mellom selskapene i konsernet er eliminert. Konsernregnskapet er utarbeidet etter ensartede prinsipper ved at datterselskapene følger de samme regnskapsprinsipper som morselskapet.

Klassifisering og vurdering av balanseposter

Omløpsmidler og kortsiktig gjeld omfatter poster som forfaller til betaling innen ett år etter balansedagen, samt poster som knytter seg til varekretsløpet. Øvrige poster er klassifisert som anleggsmiddel/langsiktig gjeld.

Omløpsmidler vurderes til laveste av anskaffelseskost og virkelig verdi. Kortsiktig gjeld balanseføres til nominelt beløp på etableringstidspunktet.

Anleggsmidler vurderes til anskaffelseskost, men nedskrives til virkelig verdi ved verdifall som ikke forventes å være forbigående. Anleggsmidler med begrenset økonomisk levetid avskrives planmessig. Langsiktig gjeld balanseføres til nominelt beløp på etableringstidspunktet.

Fordringer

Kundefordringer og andre fordringer er oppført i balansen til pålydende etter fradrag for avsetning til forventet tap. Avsetning til tap gjøres på grunnlag av individuelle vurderinger av de enkelte fordringene.

Valuta

Pengeposter i utenlandsk valuta er vurdert til kursen ved regnskapsårets slutt.

I forbindelse med konsolideringen av utenlandske datterselskaper er gjennomsnittskurs benyttet for resultatpostene, og årssluttkurs benyttet for balansepostene. Eventuelle omregningsdifferanser blir bokført direkte mot egenkapitalen i konsernregnskapet. Valutajustering knyttet til balanseposter hos utenlandske datterselskaper blir bokført direkte mot egenkapitalen.

Varige driftsmidler

Varige driftsmidler balanseføres og avskrives over driftsmidlets forventede økonomiske levetid. Direkte vedlikehold av driftsmidler kostnadsføres løpende under driftskostnader, mens påkostninger eller forbedringer tillegges driftsmidlets kostpris og avskrives i takt med driftsmidlet.

Skatter

Skattekostnaden i resultatregnskapet omfatter både periodens betalbare skatt og endring i utsatt skatt. Utsatt skatt er beregnet med 22% på grunnlag av de midlertidige forskjeller som eksisterer mellom regnskapsmessige og skattemessige verdier, samt ligningsmessig underskudd til fremføring ved utgangen av regnskapsåret. Skatteøkende og skattereduserende midlertidige forskjeller som reverserer eller kan reversere i samme periode er utlignet og nettoført. Netto utsatt skattefordel balanseføres i den grad det er sannsynlig at denne kan bli nyttiggjort.

Kontantstrømoppstilling

Kontantstrømoppstillingen er utarbeidet etter den indirekte metode. Kontanter og kontantekvivalenter omfatter kontanter, bankinnskudd og andre kortsiktige likvide plasseringer.

Black Sea Property AS

Org.nr: 914 892 902

Noter til regnskapet for 2022

Beløp vises i tusen kr

Note 2 - Transaksjon med nærstående

Morselskap

Black Sea Property AS har opptjent et fasthonorar på TEUR 2,5 pr. måned i 2022 for konsulenttenester levert til datter-datter-selskapet EPO Aheloy OOD.

Note 3 - Lønnskostnader, antall ansatte, lån til ansatte og godtgjørelse til revisor

Beløp vises i tusen kr

Morselskap			Konsern		
2022	2021	Lønnskostnader	2022	2021	
276	267	Lønn	276	267	
0	60	Reisekompensasjon	0	60	
0	-67	Styrehonorar	0	-67	
23	49	Arbeidsgiveravgift	23	49	
299	310	Sum	299	310	

Antall sysselsatte årsverk i regnskapsåret er 0 i morselskapet og 0 i konsernet.

Morselskap

Selskapet har ansatt en daglig leder i 25 % - stilling fra juli 2019.

Selskapet er ikke pliktig til å ha tjenestepensjonsordning etter lov om obligatorisk tjenestepensjon.

Konsern

Det er ingen ansatte i konsernet utover daglig leder i morselskapet.

Morselskap

Ytelser til ledende personer

	Lønn
Daglig leder	276

Morselskap			Konsern		
2022	2021	Godtgjørelse til revisor er fordelt på følgende:	2022	2021	
52	122	Lovpålagt revisjon	52	122	
138	249	Andre tjenester	138	249	
191	370	Sum	191	370	

Merverdiavgift er ikke inkludert i revisjonshonoraret.

Black Sea Property AS

Org.nr: 914 892 902

Noter til regnskapet for 2022

Beløp vises i tusen kr

Note 4 - Immaterielle eiendeler

Konsern

	Servitutter, nettside
Anskaffelseskost pr. 01.01.	145
Tilgang kjøpte eiendeler	31
Anskaffelseskost 31.12.	176
Akk.avskrivninger 31.12.	-15
Valuta	1
Balanseført verdi pr. 31.12.	161
Årets avskrivninger	15
Økonomisk levetid	5 år
Avskrivningsplan	Lineær (20 %)

Årets tilganger og avskrivninger i BGN er omregnet med en gjennomsnittskurs på 5,1662 for 2022.

Note 5 - Varige driftsmidler

Beløp vises i tusen kr

Konsern

	Eiendom	Fasiliteter	Prosjekt i arbeid	Sum
Anskaffelseskost 01.01.	159 505	0	82 069	241 574
Tilganger	749	19 376	9 361	29 486
Valuta	6 187	786	4 693	11 666
Anskaffelseskost 31.12.	166 441	20 162	96 123	282 726
Akk.nedskr. 31.12.	-43 520	0	0	-43 520
Balanseført pr. 31.12.	122 922	20 162	96 123	239 206
Avskrivningsplan	N/A	N/A		

Eiendomsprosjektene er under utvikling og avskrivning vurderes når eiendommene er ferdigstilt og tas i bruk.

Black Sea Property AS

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Noter til regnskapet for 2022

Beløp vises i tusen kr

Note 6 - Varige driftsmidler

Beløp vises i tusen kr

Konsern

	Driftsløsøre, inventar o.l.	Maskiner, apparater o.l.	Sum
Anskaffelseskost 01.01.	1 716	214	1 930
Tilgang kjøpte driftsmidler	509	2 273	2 782
Valuta	108	89	197
Anskaffelseskost 31.12.	2 333	2 577	4 909
Akk.avskrivning 31.12.	-67	-351	-418
Balanseført pr. 31.12.	2 266	2 226	4 491
Årets avskrivninger	62	346	408
Økonomisk levetid	6-7 år	3-4 år	
Avskrivningsplan	Lineær (15 %)	Lineær (30 %)	

Årets tilganger og avskrivninger i BGN er omregnet med en gjennomsnittskurs på 5,1662 for 2022.

Note 7 - Tap på fordringer

Beløp vises i tusen kr

Morselskap		Konsern	
2022	2021	2022	2021
-72 355	-60 312	0	0
-72 355	-72 355	0	0
0	12 043	0	0

Morselskap

Dette gjelder avsetning for tap på konserninterne fordringer overtatt fra Bulgaria Eiendom Invest AS etter fusjonen i 2021, hvor de overtatte fordringene er nedskrevet til MNOK 6 tilsvarende konsernverdien av underliggende tomter i de aktuelle datterselskapene.

Black Sea Property AS

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Noter til regnskapet for 2022

Beløp vises i tusen kr

Note 8 - Finansposter

Beløp vises i tusen kr

Morselskap		Konsern	
2022	2021	2022	2021
101	139	0	48
8 240	1 597	8 240	1 597
0	1 988	0	1 988
0	-1 707	0	-1 707
-68	-156	-2 939	-3 410
-289	-11 022	-289	-11 022
0	-12 043	0	0
-119	-163	-119	-163
7 865	-21 367	4 892	-12 669

Note 9 - Skatt

Beløp vises i tusen kr

Årets skattekostnad fordeler seg på:	2022	2021
Endring utsatt skatt	1 315	-3 661
Årets totale skattekostnad	1 315	-3 661

Beregning av årets skattegrunnlag:	2022	2021
Ordinært resultat før skattekostnad	6 007	-23 156
Permanente forskjeller	0	-660
Verdireduksjon finansielle instr. vurdert til virkelig verdi	0	1 707
Skattepliktig gevinst fra RF-1359	0	1 988
Regnskapsmessig gev. realisasjon av aksjer og andre finansielle instrumenter	0	-1 988
Endring i midlertidige forskjeller	-7 885	17 124
Årets skattegrunnlag	-1 877	-4 986

Oversikt over midlertidige forskjeller	2022	2021
Langsiktige fordringer og gjeld i valuta	30 080	22 195
Utestående fordringer	-72 355	-72 355
Sum	-42 275	-50 160
Akkumulert fremførbart underskudd før konsernbidrag	-23 885	-22 007
Netto midlertidige forskjeller pr 31.12	-66 160	-72 167
Forskjeller som ikke inngår i utsatt skatt/-skattefordel	-72 325	-72 355
Sum	6 165	188

25% Utsatt skattefordel (-) /Utsatt skatt (+)	1 356	41
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Black Sea Property AS

Org.nr: 914 892 902

Noter til regnskapet for 2022

Beløp vises i tusen kr

Note 10 - Egenkapital

Beløp vises i tusen kr

Morselskap

	Aksjekapital	Overkurs	Annen innskutt egenkapital	Annen egenkapital	Sum
Egenkapital 01.01.	9 723	234 383	0	-77 845	166 261
Årsresultat	0	0	0	4 692	4 692
Egenkapital 31.12.	9 723	234 383	0	-73 152	170 954

Konsern

Konsernets egenkapital er endret som følger:

	Aksjekapital	Overkurs	Annen innskutt egenkapital	Annen egenkapital	Sum
Egenkapital 01.01.	9 723	234 383	0	-118 490	125 616
Årsresultat	0	0	0	-1 416	-1 416
Emisjon datterselskap (MI's andel)	0	0	0	9 632	9 632
Valuta og andre endringer	0	0	0	-1 568	-1 568
Egenkapital 31.12.	9 723	234 383	0	-111 843	132 263

Note 11 - Pant og garantier

Beløp vises i tusen kr

Morselskap

2022	2021	Pantsikret gjeld	Konsern 2022	2021
0	0	Kortsiktig gjeld	64 171	29 966
0	0	Langsiktig gjeld	0	30 269
0	0	Sum pantsikret gjeld	64 171	60 235

Morselskap

2022	2021	Sikret i panteobjekt med bokførte verdier:	Konsern 2022	2021
0	0	Eiendom	239 206	198 054
0	0	Sum	239 206	198 054

Konsern

Gjeld til kredittinstitusjoner er gjennom selskapet EPO Aheloy OOD. Saldo ved årsslutt utgjør MEUR 6, som i sin helhet forfaller til betaling i første halvår 2023. Det er avsatt for påløpte renter og gebyrer på til sammen TEUR 143 pr. 31.12.2022.

Lånet har rente på 3 måneder EURIBOR pluss 3,5%.

Lånet er sikret med 1. prioritets pant i anlegget på Aheloy i tillegg til annen sikkerhet ytet av de lokale samarbeidspartnere i Bulgaria.

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Noter til regnskapet for 2022

Beløp vises i tusen kr

Note 12 - Datterselskap, tilknyttet selskap m v

Beløp vises i tusen kr

Morselskap

Selskap	Anskaffelse	Kontor	Eierandel	Resultat 2022	Egenkapital pr. 31.12	Bokført verdi pr. 31.12
EPO Bulgaria EOOD	Juni 2015	Bulgaria	100 %	-77 214	-84 549	0
Garby AD	Aug. 2015	Bulgaria	50 %	0	3 736	8 314
Aheloy Commercial AD	Aug. 2015	Bulgaria	48 %	0	-5 118	0
Obzor Market EOOD	Sept. 2021	Bulgaria	100 %	-36	-20 890	0
Obzor Riverside EOOD	Sept. 2021	Bulgaria	100 %	-41	-13 154	0
Nordic Property EOOD	Sept. 2021	Bulgaria	100 %	-36	-16 632	0
Sum				-77 328	-136 607	8 314

Overnevnte beløp er i NOK hvor resultatet i BGN er omregnet med gjennomsnittskurs på 5,1662, mens egenkapitalen i BGN er omregnet med sluttkurs på 5,3757.

Obzor Market EOOD, Obzor Riverside EOOD og Nordic Property EOOD ble anskaffet i 2021 gjennom fusjon med Bulgaria Eiendom Invest AS.

EPO Bulgaria EOOD har frem til desember 2022 hatt en eierandel på 75 % i selskapet EPO Aheloy OOD. I desember 2022 ble halvparten av aksjene overført til Penchev Consult EOOD som sikkerhet for lån gitt i 2023. Avtalene er formalisert i januar 2023 og nærmere beskrevet i styrets årsberetning. Transaksjonen utgjør en midlertidig overføring av aksjene med rett til tilbakeføring ved innfrielse av lån gitt i 2023. Med bakgrunn i de reelle forhold anses ikke transaksjonen å representere noen endring i Black Sea Property AS sin bestemmende innflytelse i datter-datter-selskapet EPO Aheloy EOOD pr. 31.12.2022.

Note 13 - Mellomværende med selskap i samme konsern og tilknyttet selskap

Beløp vises i tusen kr

Fordringer	2022	2021
Lån til foretak i samme konsern	169 315	160 786
Kundefordringer	1 314	1 948
Sum	170 629	162 734

De konserninterne fordringene som oppstod i forbindelse med oppkjøpet i 2015 er ikke renteberegnet som følge av den finansielle situasjonen i konsernselskapene, jf. Rt 2007 s 1025 (Norges Høyesterett - Dom av 26. juni 2007). Det samme gjelder fordringer overtatt etter fusjonen med Bulgaria Eiendom Invest AS.

Lån til datterselskap for etterfølgende år er renteberegnet med 0,1 % i tråd med avtale.

Note 14 - Bankinnskudd

Beløp vises i tusen kr

Morselskap	2022	Konsern	2022
	4	Bundne skattetrekkmidler utgjør	4

Konsern

EPO Aheloy OOD har forpliktet seg til å binde et beløp tilsvarende renter for 6 måneder i forbindelse med rentebetaling på lånet fra UniCredit Bulbank AD, jf. note 11.

Black Sea Property AS

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Noter til regnskapet for 2022

Beløp vises i tusen kr

Note 15 - Aksjekapital og aksjonærinformasjon

Beløp vises i tusen kr

Morselskap

Aksjekapitalen består av:

	Antall	Pålydende	Balanseført
Ordinære aksjer	38 890 632	0,25 kr	9 723

De 10 største aksjonærene og nærstående i selskapet pr. 31.12:

	Ordinære aksjer	Eierandel	Stemmeandel
E. Larre Holding AS	4 289 759	11,03 %	11,03 %
Janine AS	2 386 129	6,14 %	6,14 %
Christinedal AS, 1)	2 210 275	5,68 %	5,68 %
Total Mangement AS	2 188 603	5,63 %	5,63 %
Erik Arvid Muller	1 290 356	3,32 %	3,32 %
Espemo Invest AS	1 248 408	3,21 %	3,21 %
A-J Eiendom AS	1 058 122	2,72 %	2,72 %
Semeco AS	1 030 238	2,65 %	2,65 %
VK Invest AS	890 082	2,29 %	2,29 %
Nordea Bank ABP	816 519	2,10 %	2,10 %
Sum	17 408 491	44,77 %	44,77 %
Øvrige (eierandel < 5%)	21 482 141	55,24 %	55,23 %
Totalt antall aksjer	38 890 632	100,00 %	100,00 %

1) Styremedlem Hans Fredrik Gulseth er aksjonær i Christinedal AS.

Styreleder Egil Redse Melkevik er styreleder i MTB Invest AS som kontrolleres av hans nærstående, og som i tillegg til å inneha personlige eierandeler, er blant de øvrige aksjonærer i Black Sea Property AS.

Styremedlem Kåre Rødningen er aksjonær i Rødningen Invest AS som er blant de øvrige aksjonærer.

Note 16 - Øvrig langsiktig gjeld

Beløp vises i tusen kr

Morselskap

2022	2021	
4 927	4 681	Selgerkreditt i TEUR 500

Konsern

2022	2021
4 927	4 681

Morselskap

2022	2021	
1 982	0	Konvertibelt lån

Konsern

2022	2021
1 982	0

Noter til regnskapet for 2022

Beløp vises i tusen kr

Morselskap

Selgerkreditt fra 2015 med henholdsvis TEUR 1 500 og TEUR 2 500 i forbindelse med kjøp av aksjer og fordringer mot datterselskaper. Totalt MEUR 3,5 av selgerkreditten på MEUR 4 ble konvertert til egenkapital i 2021. Resterende selgerkreditt løper rentefritt og skal tilbakebetales når morselskapet har fri likviditet etter inndekning av øvrige forpliktelser eller konverteres til egenkapital.

Det er i andre halvår 2022 mottatt et nytt konvertibelt lån fra primært eksisterende aksjonærer på TNOK 1 982 inkl. påløpte renter, som er konvertert til aksjer i første halvår 2023.

Note 17 - Tvister

Konsern

Det er ingen pågående rettssaker som involverer datterselskapene i Bulgaria. Det er etter styrets oppfatning heller ingen saker som vil ha vesentlige negative økonomiske konsekvenser for konsernet.

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Kåre Rødningen

Styremedlem

Serienummer: 9578-5999-4-1109992

IP: 46.46.xxx.xxx

2023-05-30 08:22:49 UTC



Hans Fredrik Gulseth

Styremedlem

Serienummer: UN:NO-9578-5998-4-3171525

IP: 66.81.xxx.xxx

2023-05-30 08:23:41 UTC



Dag Espen Arnesen

Styremedlem

Serienummer: 9578-5993-4-3242460

IP: 109.74.xxx.xxx

2023-05-30 09:34:53 UTC



Egil Redse Melkevik

Daglig leder

Serienummer: 9578-5997-4-2470506

IP: 81.167.xxx.xxx

2023-05-30 10:38:13 UTC



Egil Redse Melkevik

Styreleder

Serienummer: 9578-5997-4-2470506

IP: 81.167.xxx.xxx

2023-05-30 10:38:13 UTC



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Til generalforsamlingen i Black Sea Property AS

Uavhengig revisors beretning

Uttalelse om revisjonen av årsregnskapet

Konklusjon

Vi har revidert Black Sea Property AS' årsregnskap som viser et overskudd i selskapsregnskapet på kr 4 692 394 og et underskudd i konsernregnskapet på kr 1 416 380. Årsregnskapet består av:

- selskapsregnskapet, som består av balanse per 31. desember 2022, resultatregnskap og kontantstrømoppstilling for regnskapsåret avsluttet per denne datoen og noter, herunder et sammendrag av viktige regnskapsprinsipper, og
- konsernregnskapet, som består av balanse per 31. desember 2022, resultatregnskap og kontantstrømoppstilling for regnskapsåret avsluttet per denne datoen og noter, herunder et sammendrag av viktige regnskapsprinsipper.

Etter vår mening:

- er årsregnskapet avgitt i samsvar med lov og forskrifter
- gir det medfølgende selskapsregnskapet et rettviseende bilde av den finansielle stillingen til Black Sea Property AS per 31. desember 2022 og av selskapets resultater for regnskapsåret som ble avsluttet per denne datoen i samsvar med regnskapslovens regler og god regnskapsskikk i Norge.
- gir det medfølgende konsernregnskapet et rettviseende bilde av den finansielle stillingen til konsernet Black Sea Property AS per 31. desember 2022 og av konsernets resultater for regnskapsåret som ble avsluttet per denne datoen i samsvar med regnskapslovens regler og god regnskapsskikk i Norge.

Grunnlag for konklusjonen

Vi har gjennomført revisjonen i samsvar med lov, forskrift og god revisjonsskikk i Norge, herunder de internasjonale revisjonsstandardene International Standards on Auditing (ISA-ene). Våre oppgaver og plikter i henhold til disse standardene er beskrevet i Revisors oppgaver og plikter ved revisjon av årsregnskapet. Vi er uavhengige av selskapet og konsernet slik det kreves i lov og forskrift, og har overholdt våre øvrige etiske forpliktelser i samsvar med disse kravene. Etter vår oppfatning er innhentet revisjonsbevis tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon.

Vesentlig usikkerhet knyttet til fortsatt drift

Vi gjør oppmerksom på styrets årsberetning, som angir at det på tidspunkt for avleggelse av årsregnskapet for 2022 foreligger usikkerhet knyttet til refinansiering av lån fra Penchev Consult EOOD, og at manglende refinansiering av dette lånet før forfallstidspunktet utgjør en vesentlig finansiell forpliktelse og risiko for konsernet. Dette forholdet og andre omstendigheter som er beskrevet i årsberetningen indikerer at det foreligger en vesentlig usikkerhet som kan skape tvil av betydning om selskapets evne til fortsatt drift. Vår konklusjon er ikke modifisert som følge av disse forholdene.

Styrets og daglig leders ansvar for årsregnskapet

Styret og daglig leder (ledelsen) er ansvarlig for å utarbeide årsregnskapet i samsvar med lov og forskrifter, herunder for at det gir et rettviseende bilde i samsvar med regnskapslovens regler og god regnskapsskikk i Norge. Ledelsen er også ansvarlig for slik intern kontroll som den finner nødvendig for å kunne utarbeide et årsregnskap som ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil.

Ved utarbeidelsen av årsregnskapet er ledelsen ansvarlig for å ta standpunkt til selskapets og konsernets evne til fortsatt drift, og på tilbørlig måte å opplyse om forhold av betydning for fortsatt drift. Forutsetningen om fortsatt drift skal legges til grunn for årsregnskapet så lenge det ikke er sannsynlig at virksomheten vil bli avviklet.

Revisors oppgaver og plikter ved revisjonen av årsregnskapet

Vårt mål med revisjonen er å oppnå betryggende sikkerhet for at årsregnskapet som helhet ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil, og å avgi en revisjonsberetning som inneholder vår konklusjon. Betryggende sikkerhet er en høy grad av sikkerhet, men ingen garanti for at en revisjon utført i samsvar med lov, forskrift og god revisjonsskikk i Norge, herunder ISA-ene, alltid vil avdekke vesentlig feilinformasjon som eksisterer. Feilinformasjon kan oppstå som følge av misligheter eller utilsiktede feil. Feilinformasjon blir vurdert som vesentlig dersom den enkeltvis eller samlet med rimelighet kan forventes å påvirke økonomiske beslutninger som brukerne foretar basert på årsregnskapet.

For videre beskrivelse av revisors oppgaver og plikter vises det til:

<https://revisorforeningen.no/revisjonsberetninger>

Uttalelse om øvrige lovmessige krav

Konklusjon om årsberetningen

Basert på vår revisjon av årsregnskapet som beskrevet ovenfor, mener vi at opplysningene i styrets årsberetning om årsregnskapet, forutsetningen om fortsatt drift og forslaget til anvendelse av overskuddet er konsistente med årsregnskapet og i samsvar med lov og forskrifter.

Oslo, 30. mai 2023

Revisjonsfirmaet Flattum & Co AS



Thorbjørn Grindhaug
Statsautorisert revisor