

INVITATION LETTER



BLACK SEA PROPERTY AS

(a private limited liability company organized under the laws of Norway with registration number 914 892 902)

Black Sea Property AS is hereby inviting you to participate in a Subsequent Offering of up to 9,000,000 Offer Shares, at a subscription price of NOK 0.25, raising up to NOK 2,250,000 in gross proceeds.

Each Eligible Shareholder as of 2 October 2023 (as registered in the VPS on 4 October 2023) will be granted 0.42845 Subscription Rights for each existing Share registered as held on 4 October 2023.

Each Subscription Right gives the right to subscribe for and be allocated one Offer Share in the Subsequent Offering.

Subscription Rights that are not exercised before the end of the Subscription Period (i.e. before 2 November 2023 at 16.30 hours (CET)) will have no value and will lapse automatically without compensation to the holder.

SUBSCRIPTION PERIOD FOR THE SUBSEQUENT OFFERING:

From 19 October 2023 at 09.00 hours CEST to 2 November 2023 at 16.30 hours CET

Settlement Agent:

Nordea

The date of this Invitation Letter is 19 October 2023

IMPORTANT INFORMATION

This invitation letter (the "**Invitation Letter**") is prepared by Black Sea Property AS ("**BSP**" or the "**Company**") for the offering (the "**Subsequent Offering**") of up to 9,000,000 new shares in the Company (the "**Offer Shares**"). The Subsequent Offering is directed towards shareholders in the Company as of 2 October 2023 (as registered in the VPS on 4 October 2023) (the "**Record Date**"), except; (i) shareholders who were allocated shares in the Private Placement, and (ii) shareholders who are resident in a jurisdiction where such offering would be unlawful or would require any filing, registration or similar action (the "**Eligible Shareholders**"). Each Eligible Shareholder will be granted 0.42845 non-tradable subscription rights (each, a "**Subscription Right**") per existing share in the Company registered as held by such Eligible Shareholder on the Record Date. The number of Subscription Rights granted to each Eligible Shareholder will be rounded down to the nearest whole Subscription Right. Over-subscription will be allowed. Subscription without Subscription Rights will not be allowed. Subscription rights of Eligible Shareholders resident in jurisdictions which prohibits or otherwise restricts the allocation of such rights or subscription for Offer Shares, including Eligible Shareholders from the US, Canada, Japan, Australia and Hong Kong (the "**Ineligible Shareholders**") will initially be credited to such Ineligible Shareholders' VPS accounts. Such credit specifically does not constitute an offer to Ineligible Shareholders to subscribe for Offer Shares. **Subscription Rights that are not exercised before the end of the Subscription Period (i.e. before 2 November 2023 at 16:30 hours (CET) will have no value and will lapse automatically without compensation to the holder.**

Subscribers of Offer Shares should further note that the Company is not obliged to prepare a prospectus in relation to the Subsequent Offering, that this Invitation Letter is not a prospectus and that the Invitation Letter has not been presented to the Norwegian Financial Supervisory Authority, the Oslo Stock Exchange or any public authorities for their review.

No action has been or will be taken in any country or jurisdiction by the Company that would permit an offering of the Offer Shares, or the possession or distribution of any documents relating thereto, or any amendment or supplement thereto, where specific action for such purpose is required. In particular, the Subsequent Offering and this Invitation Letter neither have nor will be registered under the U.S. Securities Act of 1933, as amended, or under any other state securities laws.

The distribution of this Invitation Letter cannot under any circumstances be interpreted as if there have not been any changes to the description of the Company or the Offer Shares in the Invitation Letter after the date hereof. Any information from the Company related to the Invitation Letter or the Subsequent Offering or the process in general is considered to have been provided when it is made public through Oslo Børs' information system.

The Invitation Letter comprises significantly less information than what is required in a prospectus. Before you decide whether to subscribe for any Offer Shares you should make yourself familiar with the information the Company provides at all times, and which is available through the Company's filings at www.newsweb.no on ticker BSP. You are also expressly advised that an investment in the Company entails financial and legal risks. The contents of this Invitation Letter are not to be construed as legal, financial or tax advice. You should consult your own legal, financial and/or tax advisor for legal, financial or tax advice.

This Invitation Letter and the Subsequent Offering are subject to Norwegian law. Any dispute arising in respect of or in connection with this Invitation Letter or the Subsequent Offering is subject to the exclusive jurisdiction of Norwegian courts with Oslo District Court (*Oslo tingrett*) as legal venue.

INVITATION TO PARTICIPATE IN SUBSEQUENT OFFERING

Dear shareholder,

In the stock exchange notices on 26 September 2023 and 2 October 2023, Black Sea Property AS ("**BSP**" or the "**Company**") announced a conditional private placement, which raised gross proceeds of approximately NOK 5.8 million (the "**Private Placement**"). On 17 October 2023, an extraordinary general meeting of the Company (the "**EGM**") resolved to complete the Private Placement and a subsequent offering of minimum 1 and maximum 9,000,000 new shares (the "**Offer Shares**") at an offer price of NOK 0.25 per Offer Share, entailing a share capital increase in the Company of minimum NOK 0.25 or maximum NOK 2,250,000.

The terms and conditions of the Subsequent Offering are further described below. If you wish to subscribe for Offer Shares, you may either subscribe through the facilities of the VPS (online subscription available at <https://www.nordea.com/en/issuances> or by completing the subscription form attached hereto as Appendix A and submitting it to Nordea, as further described in Section 3 of this Invitation Letter).

We hope that you wish to participate in the Subsequent Offering and support the Company's development.

On behalf of the Board of Directors

Egil Melkevik
Chairman

1 RESOLUTION REGARDING ISSUANCE OF THE OFFER SHARES

On 17 October 2023, the EGM made the following resolution to initiate the Subsequent Offering (translated from Norwegian):

- (i) *The Company's share capital is increased with minimum NOK 0.25 and maximum NOK 2,250,000 through issue of minimum 1 and maximum 9,000,000 new shares (the "Offer Shares"), each with a par value of NOK 0.25.*
- (ii) *The subscription price per Offer Share shall be NOK 0.25.*
- (iii) *The Offer Shares may be subscribed by the Company's shareholders as of 2 October 2023, as registered in the VPS on 4 October 2023 (the "Record Date") less; (i) shareholders who were allocated new shares in the Private Placement, and (ii) shareholders domiciled in a jurisdiction where such offering would require any filing, registration or similar act (the "Eligible Shareholders"). The shareholders preferential rights to subscribe for new shares is thus deviated from in accordance with the PLCA section 10-5.*
- (iv) *Each Eligible Shareholder shall receive non-transferable subscription rights to subscribe for and be allocated Offer Shares on the basis of shares registered as held by the Eligible Shareholder in the Company's shareholders register in the VPS as per the Record Date. Each subscription right gives the right to subscribe for and be allocated 1 new share.*
- (v) *Oversubscription will be permitted. Subscription without subscription rights will not be permitted.*
- (vi) *The subscription of the Offer Shares shall take place on a separate subscription document in the period from 19 October 2023 at 09.00 CEST to 2 November 2023 at 16.30 CET.*
- (vii) *Settlement for the Offer Shares shall be made within the expiry of 9 November 2023. Upon subscription of Offer Shares, each subscriber will by signature on the subscription form provide Nordea Issuer Services with a one-time authorization to debit a specified account for an amount corresponding to the number of subscribed Offer Shares multiplied by the subscription price. Upon allocation, Nordea Issuer Services will debit the specified account for an amount corresponding to the number of allocated Offer Shares multiplied by the subscription price. Subscribers without a Norwegian bank account must pay in accordance with instructions from Nordea Issuer Services.*
- (viii) *Allocation of the Offer Shares shall be made by the Board. The following allocation criteria shall apply:*
 - a. *Allocation will be made to subscribers on the basis of granted subscription rights which have been validly exercised during the subscription period. Each subscription right will give the right to subscribe for and be allocated one (1) Offer Share;*
 - b. *If not all subscription rights are validly exercised in the subscription period, subscribers having exercised their subscription rights and who have over-subscribed will have the right to be allocated remaining Offer Shares on a pro rata basis based on the number of subscription rights exercised by the subscriber. If a pro rata allocation is not possible, the Company will determine the allocation by lot drawing;*
 - c. *No fractional Offer Shares will be allocated. The Company reserves the right to reject or reduce any subscription for Offer Shares not covered by subscription rights; and*
 - d. *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.*

- (ix) The new shares shall rank pari passu with the existing shares and carry full shareholder rights in the Company, from the date of the registration of the share capital in the Norwegian Register of Business Enterprises.*
- (x) Section 4 of the Company's articles of association is amended accordingly.*
- (xi) The estimated expenses related to the share capital increase are NOK 200,000.*

2 THE TERMS OF THE SUBSEQUENT OFFERING

Issuer:	Black Sea Property AS (Ticker: BSP).
Number of Shares in the Subsequent Offering	The Subsequent Offering comprises an offer of up to 9,000,000 Offer Shares.
Offer Price:	NOK 0.25 per Offer Share.
Use of proceeds:	The proceeds will be used for general corporate purposes.
Subscription period:	<p>Start of subscription period: 19 October 2023 at 09:00 CEST.</p> <p>End of subscription period: 2 November 2023 at 16.30 CET.</p> <p>The subscription period may not be shortened or extended.</p>
Eligible Shareholders:	Shareholders in the Company as of 2 October 2023, as registered in the VPS on 4 October 2023, less; (i) shareholders who were allocated shares in the Private Placement, and (ii) shareholders domiciled in a jurisdiction where such offering would be unlawful or would require any filing, registration or similar action
Subscription Rights	<p>Each Eligible Shareholder will be granted non-trade subscription rights that, subject to applicable law, provide preferential rights to subscribe for and be allocated Offer Shares. Each Eligible Shareholder will receive 0.42845 subscription right per share registered as held in the VPS as of 4 October 2023. Granted subscription rights will be rounded down to the nearest whole subscription right. Each whole subscription right will give the right to subscribe for one (1) Offer Share.</p> <p>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.</p> <p>Subscription Rights are provided by the Company free of charge.</p>
Allocation date:	Allocation of Offer Shares is expected to take place on or about 3 November 2023.
Allocation criteria:	<p>The allocation of Offer Shares shall be made by the Board of Directors. The following allocation criteria shall apply:</p> <ul style="list-style-type: none"> (i) Allocation will be made to subscribers on the basis of granted subscription rights which have been validly exercised during the subscription period. Each subscription right will give the right to subscribe for and be allocated one (1) Offer Share; (ii) If not all subscription rights are validly exercised in the subscription period, subscribers having exercised their subscription rights and who have over-subscribed will have the right to be allocated remaining Offer Shares on a pro rata basis based on the number of subscription rights exercised by the subscriber. If a pro rata allocation is not possible, the Company will determine the allocation by lot-drawing; (iii) No fractional Offer Shares will be allocated. The Company reserves the right to reject or reduce any subscription for Offer Shares not covered by subscription rights; and (iv) 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.
Payment date:	Payment for the Offer Shares falls due on 9 November 2023. The payment will primarily be automatically debited from each subscriber's bank account, as described in this Invitation Letter.
Delivery date:	The allocated Offer Shares are expected to be delivered to the subscriber's VPS account on or about 10 business days following payment of the subscription price, provided that all subscribers have paid for the subscribed shares.
Number of Shares before the Subsequent Offering:	There are currently 98,301,254 outstanding shares in the Company (including shares issued in the Private Placement), each with a par value of NOK 0.25.
Number Shares after the Subsequent Offering:	Based on subscription of the maximum number of Offer Shares the number of outstanding shares following the completion of the Subsequent Offering, will be up to 107,301,254.
Gross proceeds from the Subsequent Offering:	Up to NOK 2,250,000.
Settlement Agent	Nordea Bank Abp (Publ), Filial i Norge
Documentation:	<p>The Subsequent Offering documentation comprises of this Invitation Letter dated 19 October 2023 and publicly available information.</p> <p>Financial information and other relevant information about the Company are available through www.newsweb.com.</p>

3 SUBSCRIPTION OF OFFER SHARES AND PAYMENT FOR THE OFFER SHARES

Subscription of Offer Shares may be made electronically through the VPS online subscription system (available on <https://www.nordea.com/en/issuances> or by correctly completing the subscription form enclosed hereto as Appendix A and submitting to the Settlement Agent at the addresses indicated below prior to the end of the Application Period (2 November 2023 at 16.30 CET):

Nordea Bank AB (Publ), 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. 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 correctly completing the subscription form enclosed hereto as Appendix A 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 9 November 2023 (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. 8 November 2023. 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 (CET) on the Payment Due Date 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. +45 55475309.

4 RISK FACTORS

An investment in the Offer Shares and the Company involves inherent risk. Before making an investment decision with respect to the Offer Shares, investors should carefully consider the risk factors contained in section 2 below. The risks and uncertainties described in this Section are the material known risks and uncertainties faced by the Company and its subsidiaries (the "Group") as of the date hereof that the Company believes are the material risks relevant to an investment in the Offer Shares. The information is subject to change, completion or amendment without notice. All forward-looking statements included in this document are based on information available to the Company on the date hereof, and the Company assumes no obligation to update any such forward-looking statements. The risks described below are not the only ones facing the Group. Additional risks not presently known to the Company or that the Company currently deems immaterial, may also impair the Group's business operations and adversely affect the price of the Company's Shares. An investor should consider carefully the factors set forth below, and elsewhere in this document, and should consult his or her own expert advisors as to the suitability of an investment in the Offer Shares.

An investment in the Offer Shares is suitable only for investors who understand the risks associated with this type of investment and who can afford to lose all or part of their investment. The absence of negative past experience associated with a given risk factor does not mean that the risks and uncertainties described herein should not be considered material prior to making an investment decision in respect of the Offer Shares. If any of the following risks were to materialise, individually, cumulatively or together with other circumstances, they could have a material and adverse effect on the Group and/or its business, financial condition, results of operations, cash flows and/or prospects, which could cause a decline in the value and trading price of the Offer Shares, resulting in the loss of all or part of an investment in the Offer Shares.

The order in which the risks are presented does not reflect the likelihood of their occurrence or the magnitude of their potential impact on the Company's business, financial condition, results of operations, cash flows and/or prospects. The risks mentioned herein could materialise individually or cumulatively. The information in this section is as of the date of this document.

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

- *The Group operates the 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's operations and the results of operations are 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.

- *The Group's main operations are in Bulgaria, where the legislation and business culture are different from Norwegian standards. The Group therefore faces risk of delays or hindrances of its operations due to these differences.*
- *Several real estate developers have worked towards completing the Sunrise River Beach Resort, but has not been able to complete the resort. 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.*
- *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.*
- *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.*
- *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. In particular, the Group is dependent on third parties to complete the construction of its property assets in a timely and cost-effective manner and to secure and manage rental of the commercial areas.*
- *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.*
- *Individual section numbers for each commercial unit, so called Cadastral numbers (similar to the 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.

4.2 Financial risks

- *There can be no assurance that the Company will be able to achieve its targets and goals and thereby not be able to achieve the returns on its investments.*
- *Fluctuations in operating results. The Company's operating results may fluctuate significantly due to a variety of factors that could affect the Company's revenues or expenses in any particular financial period. The future financial performance of the Company and the Company's ability to deliver the estimated profitability cannot be guaranteed. The Company's profitability may also be volatile and subject to variations relative to estimates.*
- *The Company 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.*
- *The Group will operate in Bulgaria, which could generate revenue, expenses and liabilities in currencies other EUR or NOK, the Company's reporting currency is the NOK and the Offer Shares will be issued in NOK. As a result, the Company will be subject to the effects of change rate fluctuations with respect to any of these currencies.*
- *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.*
- *The Group has borrowed money, and may in the future 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 which may have an adverse impact on the Company. 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, for instance mandatory payments of incurred interests under the Group's credit facility with Penchev Consult, would permit lenders to demand early repayment of the loan and realize their security.*

4.3 Political, regulatory and market risk

- *There are risks associated with international operations. The Group's current operation will be predominantly in Bulgaria and 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.*

- *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.*
- *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. For instance, the Russian war in Ukraine and/or the war between Israel and Hamas may further heighten or exacerbate many of the risks included in this Invitation Letter.*

4.4 Risks related to the Offer Shares and the Shares

- *Volatility of the share price. 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.*
- *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.*

APPENDIX A: SUBSCRIPTION FORM

**BLACK SEA
PROPERTY AS
SUBSEQUENT OFFERING**

SUBSCRIPTION FORM
Securities number: ISIN NO 001 3051557

General information: The terms and conditions of the subsequent offering (the "Subsequent Offering") of up to 9,000,000 new shares, each with a nominal value of NOK 0.25 (the "Offer Shares"), in Black Sea Property AS (the "Company") are set out in the invitation letter dated 19 October 2023 (the "Invitation Letter"). Terms defined in the Invitation Letter 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 17 October 2023, where the general meeting resolved to increase the Company's share capital in connection with the Subsequent Offering, 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 Sagveien 23A, 0459 Oslo, Norway and its website. A copy of the general meeting's resolution to increase the share capital in connection with the Subsequent Offering 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 October 2023 and expire at 16:30 hours (CET) on 2 November 2023 (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 (CET) on 2 November 2023:

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 Invitation Letter and that it is eligible to subscribe for Offer Shares under the terms set forth therein.

Subscription Price: The subscription price in the Subsequent Offering is NOK 0.25 per Offer Share (the "Subscription Price").

Subscription Rights: The shareholders of the Company as of as of 2 October 2023 (as registered in the VPS on 4 October 2023, the "Record Date"), less; (i) shareholders who were allocated new shares in the Private Placement placed on 2 October 2023, and (ii) 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 (the "Eligible Shareholders"). Each Eligible Shareholder will be granted non-transferable subscription rights (the "Subscription Rights") that, subject to applicable law, give a right to subscribe for and be allocated Offer Shares in the Subsequent Offering at the Subscription Price. The Subscription Rights will be registered on each Eligible Shareholder's VPS account prior to commencement of the Subscription Period. Each Eligible Shareholder will be granted 0.42845 Subscription Rights for each existing Share registered as held by such Eligible Shareholder on the Record Date, rounded down to the nearest whole Subscription Right. Each Subscription Right will, subject to applicable securities laws, give the right to subscribe for, and be allocated, one (1) Offer Share in the Subsequent Offering. Over-subscription will be permitted for Eligible Shareholders. 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 Invitation Letter. No fractional 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. 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 3 November 2023.

Payment: The payment for Offer Shares allocated to a subscriber falls due on 9 November 2023 (the "Payment Date"). 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 it 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 the Payment Date. Prior to any such payment being made, the subscriber must contact the Settlement Agent on telephone number +45 55475309 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 3051557			<div style="font-size: 2em; margin-bottom: 5px;">L</div> <div style="font-size: 2em; margin-bottom: 5px;">➔</div>	Subscription Price per Offer Share: X NOK 0.25	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 0.25).	<table border="1" style="width: 100%; height: 30px; border-collapse: collapse;"> <tr> <td style="width: 10%;"></td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> </tr> </table> (Norwegian bank account no.)										

In accordance with the terms and conditions set out in the Invitation Letter 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.

Place and date
Must be dated in the Subscription Period

INFORMATION ON THE SUBSCRIBER

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.

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 Subsequent Offering 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 Subsequent Offering 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 Subsequent Offering to satisfy himself/herself/itself as to the full observance of the terms and conditions of the Subsequent Offering 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 Subsequent Offering.

VPS Account and Mandatory Anti-Money Laundering Procedures: The Subsequent Offering 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 Subsequent Offering, 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 Subsequent Offering and the application from the applicant, and to comply with statutory requirements. The data controller who is 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 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 11.75% per annum. 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 Subsequent Offering, 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 17. oktober 2023 følgende vedtak om kapitalforhøyelse:

- Selskapets aksjekapital økes med minimum NOK 0,25 og maksimum NOK 2,250,000 gjennom utstedelse av minimum 1 og maksimum 9 000*

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

On 17 October 2023, the general meeting of Black Sea Property AS passed the following resolution to increase the share capital:

- The Company's share capital is increased with minimum NOK 0.25 and maximum NOK 2,250,000 through issue of minimum 1 and*

	000 nye aksjer (" Tilbudsaksjene "), hver pålydende NOK 0,25.		maximum 9,000,000 new shares (the " Offer Shares "), each with a par value of NOK 0.25.
(ii)	Tegningskursen per Tilbudsaksje skal være NOK 0,25.	(ii)	The subscription price per Offer Share shall be NOK 0.25.
(iii)	Tilbudsaksjene kan tegnes av Selskapets aksjonærer per 2. oktober 2023, som registrert i VPS den 4. oktober 2023 (" Registreringsdato "), minus (i) aksjonærer som ble tildelt nye aksjer i den Rettete Emisjonen, og (ii) aksjonærer som er bosatt i en en jurisdiksjon hvor slik utstedelse vil være ulovlig eller kreve innsendelse, registrering eller liknede handlinger (de " Kvalifiserte Aksjonærene "). Aksjonærenes fortrinnsrett etter aksjeloven vil således fravikes i medhold av aksjeloven § 10-5.	(iii)	The Offer Shares may be subscribed by the Company's shareholders as of 2 October 2023, as registered in the VPS on 4 October 2023 (the " Record Date ") less; (i) shareholders who were allocated new shares in the Private Placement, and (ii) shareholders domiciled in a jurisdiction where such offering would require any filing, registration or similar act (the " Eligible Shareholders "). The shareholders preferential rights to subscribe for new shares is thus deviated from in accordance with the PLCA section 10-5.
(iv)	Hver Kvalifisert Aksjonær skal motta ikke-omsettelige tegningsretter til å tegne og bli tildelt Tilbudsaksjer på basis av de aksjer den Kvalifiserte Aksjonæren er registrert som eier av i Selskapets aksjeeierbok i VPS på Registreringsdatoen. Hver tegningsrett gir rett til å tegne 1 ny aksje.	(iv)	Each Eligible Shareholder shall receive non-transferable subscription rights to subscribe for and be allocated Offer Shares on the basis of shares registered as held by the Eligible Shareholder in the Company's shareholders register in the VPS as per the Record Date. Each subscription right gives the right to subscribe for and be allocated 1 new share.
(v)	Overtegning godtas. Tegning uten tegningsretter vil ikke godtas.	(v)	Oversubscription will be permitted. Subscription without subscription rights will not be permitted.
(vi)	Tegning av Tilbudsaksjer skal skje på separat tegningsdokument i perioden fra 19. oktober 2023 kl. 09.00 til 2. november 2023 kl. 16.30.	(vi)	The subscription of the Offer Shares shall take place on a separate subscription document in the period from 19 October 2023 at 09.00 CEST to 2 November 2023 at 16.30 CET.
(vii)	Oppgjør for tildelte Tilbudsaksjer skal skje innen utløpet av 9. november 2023. Ved tegning av Tilbudsaksjer må den enkelte tegner ved underskrift av tegningsblanketten gi Nordea Issuer Services engangsfullmakt til å belaste en oppgitt konto for et beløp tilsvarende antall tegnede Tilbudsaksjer multiplisert med tegningskursen. Ved tildeling vil Nordea Issuer Services belaste den oppgitte kontoen for et beløp tilsvarende antall tildelte Tilbudsaksjer multiplisert med tegningskursen. Tegnere uten norsk bankkonto må betale i henhold til instruksjer fra Nordea Issuer Services.	(vii)	Settlement for the Offer Shares shall be made within the expiry of 9 November 2023. Upon subscription of Offer Shares, each subscriber will by signature on the subscription form provide Nordea Issuer Services with a one-time authorization to debit a specified account for an amount corresponding to the number of subscribed Offer Shares multiplied by the subscription price. Upon allocation, Nordea Issuer Services will debit the specified account for an amount corresponding to the number of allocated Offer Shares multiplied by the subscription price. Subscribers without a Norwegian bank account must pay in accordance with instructions from Nordea Issuer Services.
(viii)	Allokering av Tilbudsaksjene blir gjort av styret. Følgende kriterier skal gjelde for fordelingen:	(viii)	Allocation of the Offer Shares shall be made by the Board. The following allocation criteria shall apply:
	(a) Allokering vil bli gjort til tegnerne på bakgrunn av tildelte tegningsretter som er gyldig utøvet i tegningsperioden. Hver tegningsrett vil gi rett til å tegne én (1) ny Tilbudsaksje;	(e)	Allocation will be made to subscribers on the basis of granted subscription rights which have been validly exercised during the subscription period. Each subscription right will give the right to subscribe for and be allocated one (1) Offer Share;
	(b) Hvis ikke alle tegningsrettene er gyldig utøvet i tegningsperioden vil tegnere som har utøvet sine tegningsretter samt overtegnet gis rett til å tildeles de gjenværende nye aksjene på pro-rata basis, basert på antallet utøvede tegningsretter av tegneren. I tilfelle pro-rata tildeling ikke lar seg gjennomføre, vil Selskapet avgjøre tildelingen ved loddtrekning;	(f)	If not all subscription rights are validly exercised in the subscription period, subscribers having exercised their subscription rights and who have over-subscribed will have the right to be allocated remaining Offer Shares on a pro rata basis based on the number of subscription rights exercised by the subscriber. If a pro rata allocation is not possible, the Company will determine the allocation by lot drawing;
	(c) Ingen brøkdelsaksjer vil bli allokert. Selskapet forbeholder seg retten til å avvise eller redusere tegning av Tilbudsaksjer som ikke er dekket av tegningsretter; og	(g)	No fractional Offer Shares will be allocated. The Company reserves the right to reject or reduce any subscription for Offer Shares not covered by subscription rights; and
	(d) Allokering av færre aksjer enn tegnet for av en tegner vil ikke påvirke tegnerens forpliktelse til å betale for det antall aksjer som er allokert.	(h)	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.
(ix)	De nye aksjene vil være likestilte i ethvert henseende med de eksisterende aksjene og gi fulle aksjeeierrettigheter i Selskapet, inkludert rett til utbytte, fra datoen for registrering av kapitalforhøyelsen i Foretaksregisteret.	(ix)	The new shares shall rank pari passu with the existing shares and carry full shareholder rights in the Company, from the date of the registration of the share capital in the Norwegian Register of Business Enterprises.
(x)	Vedtektens § 4 endres i samsvar med ovenstående.	(x)	Section 4 of the Company's articles of association is amended accordingly.
(xii)	De anslåtte utgifter ved kapitalforhøyelsen utgjør NOK 200 000.	(xii)	The estimated expenses related to the share capital increase are NOK 200,000.

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

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.