

19 January 2018

THIS DOCUMENT CONTAINS INSIDE INFORMATION

DOLPHIN CAPITAL INVESTORS LIMITED
("DCI" or "Dolphin" or the "Company",
together with its subsidiaries, the "Group")

Disposal of Sitia Bay project

DCI, a leading investor in high-end residential resorts in the eastern Mediterranean, is pleased to announce that, in line with its strategy to realise value through an orderly sale of assets, it has entered on 18 January 2018 into an agreement for the disposal of its 77.8% interest in the Sitia Bay Resort project (the "Disposal"), the Group's residential resort development in Sitia, eastern Crete, to its minority partner in the project, Iktinos Hellas S.A. (the "Acquirer").

The Acquirer will purchase all of DCI's stake in Latirus Enterprises Ltd, the holding company owning around 98% of the Sitia project, for a total cash consideration of up to €15m.

The first instalment of €1.4m is due to be received within 2 business days from the execution of the agreement, while a second instalment of €8.6m is due by 31 March 2018 (which can be extended to 30 April 2018 if the Acquirer makes a further €0.7m payment by 31 March 2018) and the €5m balance is due by 31 December 2018. The Acquirer will be entitled to a €1m discount if all the payments are made by 31 March 2018.

If the Acquirer does not proceed with the payment of the second instalment by 31 March 2018 (or 30 April 2018 if the €0.7m extension payment has been received by DCI), then the transaction will be terminated and Dolphin will be entitled to retain the €1.4m instalment received as well as the balance of its holding in Latirus Enterprises Ltd.

The Disposal consideration of €15m represents a 7.5% premium to Sitia Bay's Net Asset Value ("NAV") after Deferred Income Tax Liabilities ("DITL") of €14m included in DCI's financial statements as at 30 June 2017.

The Company will issue a further announcement on receipt of the first instalment of €1.4m.

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