26 September 2019

DOLPHIN CAPITAL INVESTORS LIMITED

("**DCI**" or "**Dolphin**" or the "**Company**"

and together with its subsidiaries the "**Group**")

Half Year Results for the six months ended 30 June 2019 and

Trading Update

Summary

- Total Group Net Asset Value ("NAV") of €171 million (17p) and €160 million (16p) before and after Deferred Tax Liabilities ("DTL"), a 3.8% and 2.8% decrease before and after DTL respectively, compared to 31 December 2018.

- Total Debt stood at €22.8 million with a Group total debt to gross asset ratio of 10% as at 30 June 2019 (31 December 2018: 10%). On 25 September 2019, the Group completed the discounted pre-payment of the Apollo Heights loan for €6.15 million against a nominal value of €15.7 million, resulting in a €9.5 million gain.

- On 27 May 2019, the formal completion of the joint venture agreement with One&Only for the Kea Island resort ("One&Only at Kea Island" or "OOKI") took place. The contractor has mobilised on site and commenced construction, with a target completion date in time for the resort to open for the 2021 season.

- The final construction permit for the development of the Kilada Hills Golf Resort ("Kilada") is expected to be issued shortly and DCI is in final discussions with a major local bank for a €10 million senior loan facility (plus a VAT bridge) which, together with the €10 million commitment from Grivalia Hospitality to acquire 20 founder lots in Kilada, will be sufficient to fully finance the Kilada development.

- Gross sales of Aristo Developers Ltd ("Aristo"), a 47.9% DCI affiliate, during the six months to June 2019 increased by 63% compared to the 2018 corresponding period. On 23 August 2019, DCI agreed to sell its share of c. 37 hectares owned by an Aristo subsidiary for €9 million in cash, of which €2.5 million was collected upon closing, while the remainder will be paid in three instalments by 30 June 2020.

- On 2 May 2019 shareholders approved a two year extension of the Company's divestment period to 31 December 2021 and reduced the fixed management fees to €3.6 million per annum while further aligning variable fees by linking them to actual shareholder distributions. Since the adoption of the initial disposal strategy in 2016, DCI has been able to execute six significant asset disposals at an aggregate enterprise value of c. €344 million, reduce the Group debt by more than €210 million and achieve important permitting and entitlements decisions for its remaining asset portfolio.

Commenting, Andrew Coppel, Chairman of Dolphin's Board of Directors said:

"The commencement of construction at the One&Only at Kea Resort and the expected commencement of development of the Kilada Hills Golf Resort are key steps towards the successful implementation of the Company's divestment strategy, as these two maturing projects, together with the Company's strategic shareholding in Aristo Developers, are fundamental to the realization of tangible value for our shareholders in the medium term.

We are also encouraged by the further reduction of the Group's overall loan liabilities through the discounted settlement of the Apollo Heights loan. The total debt reduction is in excess of €210 million since June 2016, which together with the restructuring of the fixed IMA costs, has further reduced our cost base."

Miltos Kambourides, Founder of Dolphin and Managing Partner of Dolphin Capital Partners, said:

"We are working closely with the Board to devise and implement a realistic exit strategy for each remaining asset. We expect that the development of the One&Only at Kea Resort and Kilada Hills Golf Resort will unlock their intrinsic value."

For further information, please contact:

Dolphin Capital Investors	
Andrew M Coppel, CBE	+44 (0) 7785 577023
Dolphin Capital Partners	
Miltos E Kambourides	miltos@dolphincp.com
Panmure Gordon (Broker)	
Fabien Holler	+44 (0) 20 7886 2500
Grant Thornton UK LLP (Nominated Adviser)	
Philip Secrett	+44 (0) 20 7383 5100
Instinctif (PR Communications Adviser)	
Mark Garraway	+44 (0) 20 7457 2007

A. Chairman's Statement

I am pleased to report Dolphin's interim financial results for the six months ended 30 June 2019, and to provide a trading update.

Loss after tax for the period ended 30 June 2019 attributable to owners of the Company amounted to €4.8 million compared to €14.1 million for the period ended 30 June 2018.

During the first half year, the Board and the Investment Manager have focused their efforts on meeting the conditions precedent for the completion of our JV agreement with One&Only for OOKI. These included the completion of the permitting process, the final arrangement of senior loan financing and the completion of the tendering process for the selection of a reputable construction company, which would be able to undertake the full construction of the project on a turn-key basis. All these conditions were duly met during Q2 2019 and the formal completion of the JV took place on 27 May 2019. As planned, the contractor has already mobilised on site following the ground breaking ceremony, which was held on 8 July 2019, and is currently working in line with the project development timeline, which calls for the completion of the resort within Q2 2021.

In addition, significant progress has been made in the development of the Kilada project with the issuance of the final construction permit, for the first phase of the project, expected shortly. This will be the first construction permit to be issued in Greece for a real estate project falling within the ambit of the Strategic Development legislation. This paves the way to securing senior development financing for this project, so that we can move ahead with the construction works by early 2020.

The Company is also taking steps to extract value from its significant shareholding position in Aristo and has been able to structure, negotiate and implement a transaction, which enables it to receive €9 million from the transfer of preferred shares, granting beneficial ownership over certain Aristo owned land plots to Mr. Aristodemou (chairman of Aristo), without diluting in any way its core shareholding and voting rights in Aristo. Aristo's sales performance during the first eight months of the year has been 87% higher compared to the corresponding period in 2018. We believe that this sustained growth and Aristo's ability to maintain a quality land bank, commensurate with its leading industry position in Cyprus, significantly enhances its core value and renders our strategic 47.9% shareholding more appealing to both local and international investors.

In parallel, our continued efforts to reduce the Group's overall leverage and financing expenses have resulted in the NAV accretive full and final settlement of DCI's Apollo Heights €15.7 million loan liabilities against a cash payment of €6.15 million.

The Board welcomes the shareholders' approval of its recommendation to extend DCI's divestment period to 31 December 2021, so that meaningful distributions for shareholders can be achieved, predominantly from the sale of the Company's three major projects. Kilada and OOKI require significant development to maximize sale proceeds to facilitate material distributions to shareholders, whilst the Company's divestment from Aristo requires the ability to structure and implement an exit transaction for a minority shareholding. The Board intends to make distributions on the receipt of the net proceeds of sale of each of these three major assets.

Although the economies in Greece, Cyprus, Croatia and Turkey have continued to recover, the market for undeveloped real estate in those countries has yet to make a significant recovery. We will continue our efforts to address the inherent challenges that the asset class presents and will work with the Investment Manager and the Company’s advisers to explore, on an asset by asset basis, the best manner in which to achieve divestment results in the light of prevailing market conditions.

Andrew M Coppel CBE
Chairman
Dolphin Capital Investors
26 September 2019

B. Investment Manager's Report

B.1. Business Overview

During the first nine months of 2019 we focused on making progress on certain key portfolio assets, namely:

- the completion of the JV and commencement of construction at One&Only at Kea Island;
- the structuring and implementation of the €9 million transaction at Aristo; and,
- the discounted final settlement of the Group's €15.7 million outstanding loan facility at Apollo Heights.

We are expecting shortly the issuance of the Kilada construction permits and we have proceeded with a number of initiatives aimed at finalizing the zoning entitlements across our portfolio and rationalizing its capital structure and carrying costs, so as to facilitate further asset disposals.

We continue to focus on the implementation of the Company's strategy to realise the value of our diverse asset portfolio in order to maximise cash returns for our shareholders. The extension of the Company's divestment period, up to 31 December 2021, is expected to allow us time to advance the construction of our two major development projects and extract further value from our Aristo position. We believe that these efforts should result in the conclusion of further transactions in the near term.

B.2. Portfolio Review

- **One&Only at Kea Island, Greece**
  - Works commenced for the construction of the OOKI. The project is designed by the architect John Heah. Scheduled to open in summer of 2021, the ultra-luxury project will consist of 75 standalone hotel guest rooms with private pools, two restaurants, an extensive beach club, spa facilities and boat pier as well as a number of villas, which will be sold on an off-plan basis.
  - The Company met the conditions precedent under the joint venture agreement with One&Only, including the redesign of the resort to meet the One&Only brand standards, the finalization of the project senior loan facility and the signing of the turn-key construction contract. The formal completion of the JV agreement took place on 27 May 2019 and the equity amount of €20 million has been committed by our JV partners to the project.
  - A turn-key construction contract was signed on 9 August 2019 with REDEX SA (www.redex.gr) which was selected from seven competitive bids. REDEX has already mobilised on site and commenced with infrastructure works.
  - On 9 August 2019 the project company entered into a senior construction loan facility for €30 million, together with a €12.5 million VAT bridge and a €4.9 million subsidy bridge facility, all with a major regional bank. The senior loan has a 9-year term, will be fully used to fund the construction progress and will be amortized both through proceeds from OOKI Villa sales as well as from the One&Only resort net operating cashflow. The draw-down on the senior loan remains conditional pending the sale of the first 3 OOKI Villas in the project. In the interim, and until this condition is met, the construction costs will be financed through the €20 million equity contributed by DCI's JV partners in the project.

- We have also formally started, in close co-operation with the One&Only sales and marketing teams, the project's PR, sales and marketing campaign, aiming to both create awareness of the project and, most importantly, generate Villa sales.

- **Kilada Hills Golf Resort, Greece**
  - Kilada, which will include the highly respected Jack Nicklaus Signature Golf Course, is moving closer to commencement as the issuance of the final construction permit for the first phase of the project, including the golf course and infrastructure for the first residential lots, is expected shortly. The issuance of the construction permit will enable us to start the pre-sale process of the residential lots, which at full development will comprise c. 230 units. Together with the golf course, a luxury Club House, with amenities to cater for the entire family, such as restaurants, a gym, spa and swimming pool, will be built and an exclusive Beach Club will also be available for the lot owners of the golf community.
  - Following the advancement of the permitting process, DCI has entered into final discussions with a major local bank for a €10 million senior loan facility, and a €4 million VAT bridge, which, together with the €10 million commitment from Grivalia Hospitality to acquire 20 founder lots in Kilada (as further described in the Company's 2 August 2018 announcement), will be adequate to fully finance the Kilada development.
  - The project tendering process is underway so that construction works can commence within the year, targeting initiation of operations during 2021. Formal commencement of the project's PR, sales and marketing activities will start once financing is in place.

- **La Vanta, Turkey**
  - One residence was sold during the first half of 2019, and one more in August 2019, for a total gross consideration of €0.5 million.

- **Aristo (a 47.9% affiliate)**
  - <u>Operating Performance</u>
    - 74 homes and plots were sold during the first six months of 2019, representing total sales of €39 million, up 63% compared to €24 million for the same period in 2018.
    - 96 homes and plots were sold in total up to the end of August 2019, representing total sales of €51 million, up 87% compared to €28 million for the same period in 2018.
    - Strong sales momentum continued from China during the first half of 2019, representing more than 55% of sales.

	Six months to 30 June 2019	**Six months to 30 June 2018**	**Eight months to 31 August 2019**	**Eight months to 31 August 2018**
RETAIL SALES				
New sales booked	€38.8m	€23.9m	€51.5m	€27.5m
% change	63%		87%	
Units sold	74	41	96	50
% change	80%		92%	
CLIENT ORIGIN				

China & Other Asia	72%	67%	77%	70%
MENA	19%	3%	16%	2%
Russia	--	8%	--	7%
UK	--	1%	--	2%
Cyprus & Other EU	5%	13%	4%	12%
Other	4%	8%	3%	7%

- The substantial majority of Aristo's sales continue to be under the Cyprus citizenship investment programme, which offers Cypriot citizenship to foreign nationals investing at least €2 million into real estate. Consequently, the bulk of the relevant sales proceeds remains in escrow until the citizenship is awarded to the applying customer and the construction of the relevant property progresses (for off-plan sales); the full sales proceeds release typically ranges between 8 to 20 months from the signing of each sale transaction. Aristo had a total of €21.5 million in blocked/escrowed funds as at 30 June 2019 (€21.5 million at YE 2018). As the relevant applications mature and properties are being delivered, its available cash balances are expected to increase significantly.

- <u>Sale of land adjacent to Venus Rock</u>
  - DCI has negotiated and structured a preferred share transaction whereby DCI granted the beneficial ownership and control over its 47.9% share of 37 hectares in the area referred to as "Atlantis", in the north of the Venus Rock project which was formerly owned by Aristo, to Aristo Ktimatiki (an entity controlled by Theodore Aristodemou, chairman of Aristo).
  - The agreement was executed on 23 August 2019 and the agreed transaction price reflects a discount of 30% to the underlying land value as recorded in Aristo's financial statements on 31 December 2018.
  - Pursuant to the terms of the transaction, DCI is entitled to a €9 million cash consideration from Aristo Ktimatiki, which corresponds to its 47.9% ownership of Aristo. €2.5 million of the transaction consideration was paid upon closing, while the remainder will be paid in 3 instalments; €2.5 million will be paid by 15 December 2019, €2 million by 31 March 2020 and the €2 million balance by 30 June 2020. The corresponding preferred shares will be transferred by DCI to the acquirer on a prorated basis in line with the receipt of the commensurate instalment.
  - Following the execution of this transaction DCI fully retains its 47.9% strategic shareholding and respective voting rights in the Aristo group.

C. Group Assets

A summary of Dolphin's current investments is presented below.

	PROJECT	Land site (hectares)	DCI's stake	Debt (€m)[a]	Real estate value (€m)	Loan to real estate asset value (%)
1	One&Only at Kea Island	65	33%	-		
2	Kilada Hills Golf Resort	235	100%	-		
3	Scorpio Bay Resort	172	100%	-		
5	Lavender Bay Resort	310	100%	-		
6	Plaka Bay Resort	442	100%	-		
6	Apollo Heights Resort	461	100%	15.7[b]		
7	Livka Bay Resort	63	100%	7.1		
8	La Vanta	8	100%	-		
	TOTAL	**1,756**		**22.8**	**182**	**13%**
	Aristo Cyprus	481	47.9%	-	43	
	Itacaré Investment	n/a	13%	-	-	
	GRAND TOTAL	**2,237**		**22.8**	**225**	**10%**

(a) Further details on debt maturities are set out under note 22 of the financial statements.
(b) The Apollo Heights debt was fully repaid on 25 September 2019.

A breakdown of Dolphin's portfolio, as at 30 June 2019, for certain key metrics is provided below:

	COUNTRY	Land size (hectares)	Debt (€ million)	Real Estate Value (€ million)	% Loan to real estate asset value	Net Asset Value
1	Greece	1,224	-	125	0%	53%
2	Cyprus[a]	942	15.7[b]	66	24%	31%
3	Other	71	7.1	34	21%	16%
	Grand Total	**2,237**	**22.8**	**225**	**10%**	**100%**

(a) DCI's portfolio in Cyprus includes its equity investment in Aristo Developers Ltd, which owns assets in Cyprus that are subject to Aristo's debt and other obligations.
(b) The Apollo Heights debt was fully repaid on 25 September 2019.

D. Market Dynamics

- **Greece**

  Following the completion of the country's 3rd bailout program in August 2018 and the formation of a stable single-party government as a result of the general elections held on 7 July, Greece appears to be back on track to recover from a prolonged financial crisis. Although the country still needs to continue adopting measures to address the sources or potential sources of economic and financial difficulties and implement structural reforms to support robust and sustainable economic growth, the first signs of a stabilized economy are now clearly visible.

  The Greek economy expanded by 1.9% year-on-year in Q2 2019, driven by a positive trade balance contribution with exports growing by 5.4% over for the same period last year and yet another strong tourism season. During the first six months of 2019 travel receipts were up 15.3%, while a 15.9% rise in average expenditure per trip was registered, according to the provisional data released by the Bank of Greece.

- **Cyprus**

  According to the European Commission's projections, GDP growth of 2.9% is expected for the Cypriot economy in 2019. Foreign direct investment has also increased during the first six months and bank lending was steady. Notwithstanding the above, tourism revenues are expected to be marginally lower on a year-on-year basis. After three record years, tourist arrivals in Cyprus for the first seven months of 2019 totalled 2.2 million recording a decrease of 0.1% for the same period last year, due to Brexit uncertainty and the re-emergence of competitive neighbouring markets.

  Despite the slow-down of tourism growth, the real estate industry is showing robust activity and enjoys strong demand from foreign buyers, predominantly due to the country's visa and citizenship incentive programmes. During the first half of 2019 property sales rose by 24.4% and building permits were up by 6.4% compared to the same period of 2018.

- **Croatia**

  In the first half of 2019, 6.9 million tourists visited Croatia, an increase of 6% compared to the same period last year. These translated into 26.3 million overnight stays, up 3% on the year, according to the Ministry of Tourism. Focusing on the coastal regions, Istria recorded the maximum overnight stays (7.6 million) followed by Split-Dalmatia County (4.7 million), where the Company's Livka Bay project is located.

- **Turkey**

  Following a major economic crisis, tourism revenue has become significant for Turkey as it seeks to enhance the returns from tourism to help offset an economic downturn. Tourism has experienced a record year with numbers up by 13% in the first six months and tourism income increased by 10% according to the Turkish Statistical Institute. The number of real estate properties sold in Turkey decreased by 21.7% year-on-year in the first half of 2019 with around 500,000 properties sold in the first six months.

E. Outlook

The Company's main objectives for the remainder of 2019 remain to:

1. Execute further asset disposals;
2. Progress construction at the One&Only Kea Island and achieve villa sales;
3. Complete the funding package to enable construction commencement at Kilada Hills Golf Resort; and,
4. Progress planning and permitting selectively for the remaining portfolio to maximize sales proceeds and expedite divestments.

Miltos Kambourides	**Pierre Charalambides**
Managing Partner	**Founding Partner**
Dolphin Capital Partners	**Dolphin Capital Partners**
26 September 2019	**26 September 2019**

F. Financial results for the first half of 2019

Financial Results

Loss after tax for the period ended 30 June 2019 attributable to owners of the Company, amounted to €4.8 million compared to €14.1 million for the period ended 30 June 2018. Loss per share was €0.005 compared to €0.015 in the same period last year.

Condensed consolidated interim statement of profit or loss and other comprehensive income

For the six-month period ended 30 June 2019

	NOTE	From 1 January 2019 to 30 June 2019 €'000	From 1 January 2018 to 30 June 2018 €'000
CONTINUING OPERATIONS			
Revenue		382	1,551
Cost of sales		(165)	(1,572)
Gross profit/(loss)		**217**	**(21)**
Disposal of investments in subsidiaries		630	(2,688)
Change in valuations		90	1,277
Investment Manager remuneration		(2,000)	(2,500)
Directors' remuneration		(246)	(318)
Depreciation charge		(19)	(15)
Professional fees		(1,542)	(2,317)
Administrative and other expenses		(381)	(817)
Total operating and other expenses		**(3,468)**	**(7,378)**
Results from operating activities		**(3,251)**	**(7,399)**
Finance income		-	19
Finance costs		(789)	(4,870)
Net finance costs		**(789)**	**(4,851)**
Share of losses of equity-accounted investees, net of tax		(751)	-
Loss before taxation		**(4,791)**	**(12,250)**
Taxation		(2)	(674)
Loss from continuing operations		**(4,793)**	**(12,924)**
DISCONTINUED OPERATION			
Loss from discontinued operation, net of tax		-	(1,213)
Loss		**(4,793)**	**(14,137)**
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss			
Revaluation of property, plant and equipment		-	11,943
Related tax		-	(3,463)
		-	8,480
Items that are or may be reclassified subsequently to profit or loss			
Foreign currency translation differences		364	1,194
		364	1,194
Other comprehensive income, net of tax		**364**	**9,674**
Total comprehensive income		**(4,429)**	**(4,463)**
Loss attributable to:			
Owners of the Company		(4,940)	(13,729)
Non-controlling interests		147	(408)
		(4,793)	**(14,137)**
Total comprehensive income attributable to:			
Owners of the Company		(4,576)	(4,055)
Non-controlling interests		147	(408)
		(4,429)	**(4,463)**
LOSS PER SHARE			
Basic and diluted loss per share (€)	14	**(0.005)**	**(0.015)**
Basic and diluted loss per share – Continuing operations (€)	14	**(0.005)**	**(0.014)**
Basic and diluted loss per share – Discontinued operation (€)	14	**-**	**(0.001)**

Further analysis of individual revenue and expense items is provided below.

Revenue

Revenue from continuing operations of €0.4 million (H1 2018: €1.6 million), was derived from the following sources:

	H1 2019 *(€ million)*	H1 2018 *(€ million)*
Sale of trading & investment properties	0.0	1.5
Other income	0.4	0.1
TOTAL	0.4	**1.6**

The decrease in the sale of trading and investment properties relates to the fact that last year's figures include Amanzoe Villa sales revenue; this project was sold in August 2018.

Cost of sales

Cost of sales from continuing operations comprises the following basic categories:

	H1 2019 *(€ million)*	H1 2018 *(€ million)*
Cost of sales related to:		
Sales of trading and investment properties	0.0	1.1
Personnel expenses	0.2	0.4
Other operating expenses	0.0	0.1
TOTAL	0.2	**1.6**

The charge of cost of sales from continuing operations for the period amounted to €0.2 million (H1 2018: €1.6 million).

Professional Fees

The charge for the period from continuing operations was €1.6 million (H1 2018: €2.3 million) and comprises the following:

	H1 2019 *(€ million)*	H1 2018 *(€ million)*
Legal fees	0.3	0.4
Auditors' remuneration	0.1	0.2
Accounting expenses	0.1	0.1
Project design and development fees	0.8	1.3
Consultancy fees	0.1	0.1
Other professional fees	0.2	0.2
TOTAL	**1.6**	**2.3**

Administrative and other expenses

The administrative and other expenses from continuing operations amounted to €0.4 million (H1 2018: €0.8 million) and are analysed as follows:

	H1 2019 *(€ million)*	H1 2018 *(€ million)*
Travelling and accommodation	0.1	0.1
Repairs and maintenance	0.0	0.1
Marketing and advertising expenses	0.1	0.1
Rents	0.0	0.1
Other	0.2	0.4
TOTAL	**0.4**	**0.8**

Net Finance costs

The charge for the period from continuing operations was €0.8million (H1 2018: €4.9 million income) and comprises the following:

	H1 2019	H1 2018
	(€ million)	*(€ million)*
Finance income	0.0	0.0
Finance costs	(0.8)	(4.9)
TOTAL	**(0.8)**	**(4.9)**

Condensed consolidated interim statement of financial position

As at 30 June 2019

	30 June 2019	30 June 2018
	€'000	€'000
Assets		
Property, plant and equipment	12,336	12,273
Investment property	116,391	116,391
Equity-accounted investees	17,904	-
Non-current assets	**146,631**	**128,664**
Trading properties	4,710	4,699
Receivables and other assets	1,251	2,837
Cash and cash equivalents	7,582	8,076
Assets held for sale	74,183	99,783
Current assets	**87,726**	**115,395**
Total assets	**234,357**	**244,059**
EQUITY		
Share capital	9,046	9,046
Share premium	569,847	569,847
Retained deficit	(427,162)	(422,222)
Other reserves	8,209	7,845
Equity attributable to owners of the Company	**159,940**	**164,516**
Non-controlling interests	5,899	5,752
Total equity	**165,839**	**170,268**
LIABILITIES		
Lease liabilities	3,012	3,005
Deferred tax liabilities	8,444	8,444
Trade and other payables	20,840	20,647
Non-current liabilities	**32,296**	**32,096**
Loans and borrowings	15,726	17,326
Lease liabilities	8	8
Trade and other payables	6,268	6,484
Liabilities held for sale	14,220	17,877
Current liabilities	**36,222**	**41,695**
Total liabilities	**68,518**	**73,791**
Total equity and liabilities	**234,357**	**244,059**
Net asset value ('NAV') per share (€)	**0.18**	**0.18**

The reported NAV as at 30 June 2019 is presented below:

	As at 30 June 2019		As at 31 December 2018		Variation since 31 December 2018	
	€	£	€	£	€	£
Total NAV before DTL (million)	171	153	178	160	(3.8%)	(4.4%)
Total NAV after DTL (million)	160	143	165	148	(2.8%)	(3.4%)
NAV per share before DTL	0.19	0.17	0.20	0.18	(3.8%)	(4.4%)
NAV per share after DTL	0.18	0.16	0.18	0.16	(2.8%)	(3.4%)

Notes:

1. *Euro/GBP rate* 0.89477 *as at 30 June 2019 and 0.90053 as at 31 December 2018.*
2. *NAV per share has been calculated on the basis of 904,626,856 issued shares as at 30 June 2019 and as at 31 December 2018.*

Total Group NAV as at 30 June 2019 was €171 million and €160 million before and after DTL respectively. This represents a decrease of €6.7 million (3.8%) and €4.6 million (2.8%), respectively, from the 31 December 2018 figures. Given that no valuation of the Company's portfolio took place as at 30 June 2019, the NAV reduction is mainly due to Dolphin's regular operational, corporate, finance and management expenses. Sterling NAV per share as at 30 June 2019 was 17p before DTL and 16p after DTL versus 18p and 16p, a 4.4% and 3.4% decrease before and after DTL respectively, compared to 31 December 2018. The decrease, mainly reflects the factors mentioned above, as well as a 0.6% appreciation of Sterling versus the Euro during the period.

The Company's consolidated assets of €234 million include €133 million of real estate assets, €74 million of assets held for sale, €1 million of trade and other receivables, €18 million of investment in equity accounted investees (the Company's 33.3% interest in OOKI) and €8 million in cash.

The balance of €133 million of real estate assets (property, plant and equipment, investment property and trading properties) represents the fair market valuation for both freehold and long leasehold interests.

The €74 million of assets held for sale includes €30 million of real estate assets, €43 million of investment in equity accounted investees (the Company's 47.9% interest in Aristo as at 30 June 2019) and €1 million of available-for-sale financial assets which represents the Company's investment in Itacare. The €30 million figure mainly comprises the aggregate total appraised value of the Company's Livka Bay project.

The Company's consolidated liabilities (excluding DTL) total €57 million and mainly comprise €26 million of interest bearing loans and finance lease obligations(of which €7 million are classified as liabilities held for sale). All loans are held by Group subsidiaries and are non-recourse to Dolphin. The pro-forma Group total debt following the discounted pre-payment of the Apollo Heights loan which completed on 25 September 2019, amounts to 7.1 million, resulting in a pro-forma gearing ratio for the Group of 3.1%.

The €31 million of trade and other payables (including €4 million of trade and other payables held for sale) comprise mainly €21 million of option contracts to acquire land in the Company's Lavender Bay project.

Condensed consolidated interim statement of profit or loss and other comprehensive income

For the six-month period ended 30 June 2019

	Note	From 1 January 2019 to 30 June 2019 €'000	From 1 January 2018 to 30 June 2018 €'000
CONTINUING OPERATIONS			
Revenue	6	382	1,551
Cost of sales	7	(165)	(1,572)
Gross profit/(loss)		**217**	**(21)**
Disposal of investments in subsidiaries	8A	630	(2,688)
Change in valuations	8B	90	1,277
Investment Manager remuneration	28.2	(2,000)	(2,500)
Directors' remuneration	28.1	(246)	(318)
Depreciation charge		(19)	(15)
Professional fees	11	(1,542)	(2,317)
Administrative and other expenses	12	(381)	(817)
Total operating and other expenses		**(3,468)**	**(7,378)**
Results from operating activities		**(3,251)**	**(7,399)**
Finance income		-	19
Finance costs		(789)	(4,870)
Net finance costs		**(789)**	**(4,851)**
Share of losses of equity-accounted investees, net of tax	25	(751)	-
Loss before taxation		**(4,791)**	**(12,250)**
Taxation	13	(2)	(674)
Loss from continuing operations		**(4,793)**	**(12,924)**
DISCONTINUED OPERATION			
Loss from discontinued operation, net of tax	10	-	(1,213)
Loss		**(4,793)**	**(14,137)**
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss			
Revaluation of property, plant and equipment	15	-	11,943
Related tax	13	-	(3,463)
		-	8,480
Items that are or may be reclassified subsequently to profit or loss			
Foreign currency translation differences		364	1,194
		364	1,194
Other comprehensive income, net of tax		**364**	**9,674**
Total comprehensive income		**(4,429)**	**(4,463)**
Loss attributable to:			
Owners of the Company		(4,940)	(13,729)
Non-controlling interests		147	(408)
		(4,793)	**(14,137)**
Total comprehensive income attributable to:			
Owners of the Company		(4,576)	(4,055)
Non-controlling interests		147	(408)
		(4,429)	**(4,463)**
LOSS PER SHARE			
Basic and diluted loss per share (€)	14	**(0.005)**	**(0.015)**
Basic and diluted loss per share – Continuing operations (€)	14	**(0.005)**	**(0.014)**
Basic and diluted loss per share – Discontinued operation (€)	14	**-**	**(0.001)**

Condensed consolidated interim statement of financial position

As at 30 June 2019

	Note	30 June 2019 €'000	31 December 2018 (Restated) €'000
ASSETS			
Property, plant and equipment	15	12,336	12,273
Investment property	16	116,391	116,391
Equity-accounted investees	25	17,904	-
Non-current assets		**146,631**	**128,664**
Trading properties	18	4,710	4,699
Receivables and other assets	19	1,251	2,837
Cash and cash equivalents	20	7,582	8,076
Assets held for sale	17	74,183	99,783
Current assets		**87,726**	**115,395**
Total assets		**234,357**	**244,059**
EQUITY			
Share capital	21	9,046	9,046
Share premium	21	569,847	569,847
Retained deficit		(427,162)	(422,222)
Other reserves		8,209	7,845
Equity attributable to owners of the Company		**159,940**	**164,516**
Non-controlling interests		5,899	5,752
Total equity		**165,839**	**170,268**
LIABILITIES			
Lease liabilities	23	3,012	3,005
Deferred tax liabilities	24	8,444	8,444
Trade and other payables	26	20,840	20,647
Non-current liabilities		**32,296**	**32,096**
Loans and borrowings	22	15,726	17,326
Lease liabilities	23	8	8
Trade and other payables	26	6,268	6,484
Liabilities held for sale	17	14,220	17,877
Current liabilities		**36,222**	**41,695**
Total liabilities		**68,518**	**73,791**
Total equity and liabilities		**234,357**	**244,059**
Net asset value ('NAV') per share (€)	27	**0.18**	**0.18**

Condensed consolidated interim statement of changes in equity

For the six-month period ended 30 June 2019

	Attributable to owners of the Company							
	Share capital €'000	Share premium €'000	Translation reserve €'000	Revaluation reserve €'000	Retained deficit €'000	Total €'000	Non-controlling interests €'000	Total equity €'000
Balance at 1 January 2018	**9,046**	**569,847**	**5,368**	**7,544**	**(397,746)**	**194,059**	**4,769**	**198,828**
TOTAL COMPREHENSIVE INCOME								
Loss	-	-	-	-	(13,729)	(13,729)	(408)	(14,137)
Other comprehensive income								
Foreign currency translation differences	-	-	1,194	-	-	1,194	-	1,194
Revaluation of property, plant and equipment, net of tax	-	-	-	8,480	-	8,480	-	8,480
Transfer of revaluation reserve to retained earnings due to disposal	-	-	-	(182)	182	-	-	-
Total other comprehensive income	-	-	1,194	8,298	182	9,674	-	9,674
Total comprehensive income	**-**	**-**	**1,194**	**8,298**	**(13,547)**	**(4,055)**	**(408)**	**(4,463)**
TRANSACTIONS WITH OWNERS OF THE COMPANY								
Contributions and distributions								
Equity-settled share-based payment arrangements	-	-	-	-	8	8	-	8
Total contribution and distributions	-	-	-	-	8	8	-	8
Changes in ownership interests								
Disposal of subsidiary with non-controlling interests	-	-	-	-	-	-	(3,995)	(3,995)
Total changes in ownership interests	-	-	-	-	-	-	(3,995)	(3,995)
Total transactions with owners of the Company	**-**	**-**	**-**	**-**	**8**	**8**	**(3,995)**	**(3,987)**
Balance at 30 June 2018	**9,046**	**569,847**	**6,562**	**15,842**	**(411,285)**	**190,012**	**366**	**190,378**
Balance at 1 January 2019	9,046	569,847	7,566	279	(422,222)	164,516	5,752	170,268
TOTAL COMPREHENSIVE INCOME								
(Loss)/profit	-	-	-	-	(4,940)	(4,940)	147	(4,793)
Other comprehensive income								
Foreign currency translation differences	-	-	364	-	-	364	-	364
Revaluation of property, plant and equipment, net of tax	-	-	-	-	-	-	-	-
Transfer of revaluation reserve to retained earnings due to disposal	-	-	-	-	-	-	-	-
Total other comprehensive income	-	-	364	-	-	364	-	364
Total comprehensive income	**-**	**-**	**364**	**-**	**(4,940)**	**(4,576)**	**147**	**(4,429)**
Balance at 30 June 2019	**9,046**	**569,847**	**7,930**	**279**	**(427,162)**	**159,940**	**5,899**	**165,839**

Condensed consolidated interim statement of cash flows

For the six-month period ended 30 June 2019

	From 1 January 2019 to 30 June 2019 €'000	From 1 January 2018 to 30 June 2018 €'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss	(4,793)	(14,137)
Net change in fair value of investment property	-	(1,277)
(Gain)/loss on disposal of investment in subsidiaries	(630)	1,182
Share of losses in equity-accounted investees	751	-
Other adjustments	625	7,302
	(4,047)	(6,930)
Changes in:		
Receivables	1,586	3,210
Payables	(93)	2,005
Cash used in operating activities	(2,554)	(1,715)
Tax (paid)/received	(17)	99
Net cash used in operating activities	**(2,571)**	**(1,616)**
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of subsidiaries, net of cash disposed of	3,577	16,933
Net acquisitions of investment property	-	(15)
Net acquisitions of property, plant and equipment	(82)	(106)
Net change in trading properties	(11)	42
Net change in net assets held for sale	341	105
Net cash from investing activities	**3,825**	**16,959**
CASH FLOWS FROM FINANCING ACTIVITIES		
Change in loans and borrowings	(1,600)	-
Change in lease liabilities	7	7
Interest paid	(155)	(2,703)
Net cash used in financing activities	**(1,748)**	**(2,696)**
Net (decrease)/increase in cash and cash equivalents	**(494)**	**12,647**
Cash and cash equivalents at the beginning of the period	8,076	2,444
Effect of movement in exchange rates on cash held	-	(2)
Cash and cash equivalents reclassified to assets held for sale	-	(2,350)
Cash and cash equivalents at the end of the period	**7,582**	**12,739**

For the purpose of the condensed consolidated interim statement of cash flows, cash and cash equivalents consist of the following:

Cash in hand and at bank (see note 20)	7,582	12,739
Cash and cash equivalents at the end of the period	**7,582**	**12,739**

Notes to the condensed consolidated interim financial statements

For the six-month period ended 30 June 2019

1. REPORTING ENTITY

Dolphin Capital Investors Limited (the 'Company') was incorporated and registered in the British Virgin Islands ('BVIs') on 7 June 2005. The Company is a real estate investment company focused on the early-stage, large-scale leisure-integrated residential resorts in south-east Europe and managed by Dolphin Capital Partners Limited (the 'Investment Manager'), an independent private equity management firm that specialises in real estate investments, primarily in south-east Europe. The shares of the Company were admitted to trading on the AIM market of the London Stock Exchange ('AIM') on 8 December 2005.

The condensed consolidated interim financial statements of the Company as at and for the six-month period ended 30 June 2019 comprise the financial statements of the Company and its subsidiaries (together referred to as the 'Group') and the Group's interests in associates.

2. BASIS OF PREPARATION

(a) Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34 'Interim Financial Reporting'. They do not include all of the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2018. They are presented in euro (€), rounded to the nearest thousand.

This is the first set of the Group's financial statements in which IFRS 16 'Leases' has been applied. Changes to significant accounting policies are described in note 3.

These condensed consolidated interim financial statements were authorised for issue by the Board of Directors on 25 September 2019.

(b) Basis of preparation

The condensed consolidated interim financial statements of the Company for the six-month period ended 30 June 2019 have been prepared taking into account the Company's intention to dispose of all of its assets by 31 December 2021, as further explained below. The basis of preparation used continues to be in accordance with IAS 34.

Based on the Company's asset strategy, the Company's objective is to dispose of all of the Company's assets by 31 December 2021. The allocation of any additional capital investment into any of the Company's projects will be substantially sourced from third party capital providers and with the sole objective of enhancing the respective asset's realisation potential until 31 December 2021. The Board expects to return the proceeds from asset disposals to shareholders, as the orderly realisation of the Company's assets progresses after taking into account the Company's liquidity position and working capital requirements. In the event that any assets are still held by the Company shortly before 31 December 2021, the Board will convene a shareholders' meeting at which appropriate resolutions for the future of the Company will be proposed.

3. SIGNIFICANT ACCOUNTING POLICIES

Except as described below, the accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2018.

The changes in accounting policies are also expected to be reflected in the Group's consolidated financial statements as at and for the year ending 31 December 2019.

The Group has initially adopted IFRS 16 from 1 January 2019. IFRS 16 introduced a single, on-balance sheet accounting model for lessees. As a result, the Group, as a lessee, recognises at the lease commencement date the right-of-use assets representing its rights to use the underlying assets and lease liabilities representing its obligation to make lease payments. However, the Group has elected not to recognise right-of-use assets and lease liabilities for some leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The Group has applied IFRS 16 using the modified retrospective approach, under which any cumulative effect of initial application is recognised in retained earnings at the current period. Accordingly, the comparative information presented for 2018 has not been restated – i.e. it is presented, as previously reported, under IAS 17 'Leases' and related interpretations. There was no effect from the initial application of IFRS 16.

The Group has applied judgement to determine the lease term for some lease contracts, in which it is a lessee that include renewal options. The assessment of whether the Group is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and right-of-use assets recognised.

Comparatives
Comparative figures have been reclassified to reflect the required changes in presentation in relation to the reclassification of Kalkan out of disposal groups held for sale (see note 17).

4. USE OF JUDGEMENTS AND ESTIMATES

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the consolidated financial statements as at and for the year ended 31 December 2018, except for the new significant judgements related to lessee accounting under IFRS 16 (see note 3).

Going concern assumptions

The Group's cash flow forecasts for the foreseeable future involve uncertainties related primarily to the exact disposal proceeds and timing of disposals of the assets expected to be disposed of. Management believes that the proceeds from forecast asset sales will be sufficient to maintain the Group's cash flow at a positive level. Should the need arise, management is confident that it can secure additional banking facilities and/or obtain waivers on existing ones, until planned asset sales are realised and proceeds received. If for any reason the Group is unable to continue as a going concern, then this could have an impact on the Group's ability to realise assets at their recognised values and to extinguish liabilities in the normal course of business at the amounts stated in the condensed consolidated interim financial statements.

5. PRINCIPAL SUBSIDIARIES

As at 30 June 2019, the Group's most significant subsidiaries were the following:

Name	Project	Country of incorporation	Shareholding interest
Scorpio Bay Holdings Limited	Scorpio Bay Resort	Cyprus	100%
Scorpio Bay Resorts S.A.	Scorpio Bay Resort	Greece	100%
Xscape Limited	Lavender Bay Resort	Cyprus	100%
Golfing Developments S.A.	Lavender Bay Resort	Greece	100%
MindCompass Overseas S.A.	Kilada Hills Golf Resort	Greece	100%
MindCompass Overseas Two S.A.	Kilada Hills Golf Resort	Greece	100%
MindCompass Parks S.A.	Kilada Hills Golf Resort	Greece	100%
Dolphin Capital Greek Collection Limited	Kilada Hills Golf Resort	Cyprus	100%
DCI Holdings One Limited ('DCI H1')	Aristo Developers	BVIs	100%
D.C. Apollo Heights Polo and Country Resort Limited	Apollo Heights Resort	Cyprus	100%
Symboula Estates Limited ('Symboula')	Apollo Heights Resort	Cyprus	100%
Azurna Uvala D.o.o. ('Azurna')	Livka Bay Resort	Croatia	100%
Eastern Crete Development Company S.A.	Plaka Bay Resort	Greece	100%
DolphinLux 2 S.a.r.l.	La Vanta	Luxembourg	100%
Kalkan Yapi ve Turizm A.S. ('Kalkan')	La Vanta	Turkey	100%
Single Purpose Vehicle Ten Limited ('SPV 10')	Kea Resort	Cyprus	67%

The above shareholding interest percentages are rounded to the nearest integer.

6. REVENUE

	From 1 January 2019 to 30 June 2019			From 1 January 2018 to 30 June 2018		
	Continuing operations €'000	Discontinued operation €'000	Total €'000	Continuing operations €'000	Discontinued operation €'000	Total €'000
Income from hotel operations	-	-	-	-	6,507	6,507
Sale of trading and investment properties	-	-	-	1,473	-	1,473
Rental income	6	-	6	5	-	5
Other income	376	-	376	73	-	73
Total	**382**	**-**	**382**	**1,551**	**6,507**	**8,058**

7. COST OF SALES

	From 1 January 2019 to 30 June 2019			From 1 January 2018 to 30 June 2018		
	Continuing operations €'000	Discontinued operation €'000	Total €'000	Continuing operations €'000	Discontinued operation €'000	Total €'000
Cost of sales related to:						
Hotel operations	-	-	-	-	2,824	2,824
Sales of trading and investment properties	-	-	-	1,117	-	1,117
Personnel expenses (see below)	151	-	151	388	2,298	2,686
Branding management fees	-	-	-	30	268	298
Other operating expenses	14	-	14	37	51	88
Total	**165**	**-**	**165**	**1,572**	**5,441**	**7,013**

Personnel expenses

	From 1 January 2019 to 30 June 2019			From 1 January 2018 to 30 June 2018		
	Continuing operations €'000	Discontinued operation €'000	Total €'000	Continuing operations €'000	Discontinued operation €'000	Total €'000
Wages and salaries	131	-	131	302	1,812	2,114
Compulsory social security contributions	15	-	15	74	452	526
Other personnel costs	5	-	5	12	34	46
Total	**151**	**-**	**151**	**388**	**2,298**	**2,686**
The average number of employees during the period was	**5**	**-**	**5**	**26**	**186**	**212**

8. INCOME AND EXPENSES

A. Disposal of investments in subsidiaries

	Note	From 1 January 2019 to 30 June 2019			From 1 January 2018 to 30 June 2018		
		Continuing operations €'000	Discontinued operation €'000	Total €'000	Continuing operations €'000	Discontinued operation €'000	Total €'000
Gain/(loss) on disposal of investment in subsidiaries	29	630	-	630	(2,688)	-	(2,688)
Total		**630**	**-**	**630**	**(2,688)**	**-**	**(2,688)**

B. Change in valuations

	From 1 January 2019 to 30 June 2019			From 1 January 2018 to 30 June 2018		
	Continuing operations €'000	Discontinued operation €'000	Total €'000	Continuing operations €'000	Discontinued operation €'000	Total €'000
Net change in fair value of investment property	-	-	-	1,277	-	1,277
Reversal of impairment loss on re-measurement of disposal groups	90	-	90	-	-	-
Total	**90**	**-**	**90**	**1,277**	**-**	**1,277**

9. SEGMENT REPORTING

Operating segments

As at 30 June 2019, due to the latest disposals that took place in its asset portfolio, the Group is not considered to have reportable operating segments that require disclosure.

As at 30 June 2018, the Group had two reportable operating segments, the 'Hotel & leisure operations' and 'Construction & development' segments. Information related to each operational reportable segment is set out below. Segment loss before tax is used to measure performance as management believes such information is the most relevant in evaluating the results of the respective segments relative to other entities that operate in the same industries.

	Hotel & leisure operations		Construction & development		Other		Reportable segments' totals	
	Continuing operations €'000	Discontinued operation €'000	Continuing operations €'000	Discontinued operation €'000	Continuing operations €'000	Discontinued operation €'000	Continuing operations €'000	Discontinued operation €'000
30 June 2018								
Revenue	-	6,507	1,478	-	73	-	1,551	6,507
Cost of sales	-	(5,441)	(1,421)	-	(151)	-	(1,572)	(5,441)
Investment Manager remuneration	-	-	-	-	(2,500)	-	(2,500)	-
Directors' remuneration	-	-	-	-	(318)	-	(318)	-
Depreciation charge	-	(1,096)	-	-	(15)	-	(15)	(1,096)
Professional fees	-	-	(277)	-	(2,040)	-	(2,317)	-
Administrative and other expenses	-	-	(68)	-	(749)	-	(817)	-
Loss on disposal of investment in subsidiaries	-	-	-	-	(2,688)	-	(2,688)	-
Net change in fair value of investment property	-	-	-	-	1,277	-	1,277	-
Results from operating activities	**-**	**(30)**	**(288)**	**-**	**(7,111)**	**-**	**(7,399)**	**(30)**
Finance income	-	-	105	-	(86)	-	19	-
Finance costs	-	(1,183)	(2,242)	-	(2,628)	-	(4,870)	(1,183)
Net finance costs	**-**	**(1,183)**	**(2,137)**	**-**	**(2,714)**	**-**	**(4,851)**	**(1,183)**
Loss before taxation	**-**	**(1,213)**	**(2,425)**	**-**	**(9,825)**	**-**	**(12,250)**	**(1,213)**
Taxation	-	-	(8)	-	(666)	-	(674)	-
Loss	**-**	**(1,213)**	**(2,433)**	**-**	**(10,491)**	**-**	**(12,924)**	**(1,213)**

Country risk developments

The general economic environment prevailing in the south-east Europe area and internationally may affect the Group's operations. Factors such as inflation, unemployment, public health crises, international trade and development of the gross domestic product directly impact the economy of each country. Variations in those factors and the economic environment in general affect the Group's performance to a certain extent.

The global fundamentals of the hospitality sector remained strong during 2018 and 2019, with both international tourism and wealth continuing to grow, even though economic activity in two of the Group's primary markets, Greece and Cyprus, continued to face significant challenges.

Greece

Gross Domestic Product ('GDP') of Greece grew 1.9% in 2018 compared to 2017. The country also realized a 1.9% year-on-year GDP increase in the second quarter of 2019. In addition, macroeconomic indicators have been quite encouraging about the country's economic perspectives. S&P, Fitch and Moody's upgraded the country's credit rating in 2018 and made very favourable assessments of the Greek economy's progress. In April 2019 R&I upgraded Greece's rating by one notch to 'B+' and revised the outlook to positive from stable. In August 2018 Greece successfully exited its final, three-year bailout program that had been agreed in August 2015 to help it cope with the continued fallout from its debt crisis.

The tourism sector is expected to have a significant impact on the recovery of the country's economy and on curbing the external trade deficit. According to the data issued by the Bank of Greece, a total of 30 million tourists arrived in Greece in 2018, recording a rise of 10.8%, while travel revenues exceeded 16 billion euros for the year, up 10% compared to 2017, posting a new record. During the first six months of 2019 travel receipts are up 15.3%, while a 15.9% rise in average expenditure per trip was registered, according to the provisional data released by the Bank of Greece.

Cyprus

GDP of Cyprus grew 3.9% in 2018 compared to 2017. The country also realized a 3.0% year-on-year GDP increase in the second quarter of 2019.

In addition, according to 'Cyprus Real Estate Market Report - The Insights' (KPMG, December 2018), the Cypriot economy continued its positive growth in 2018 and the positive economic performance over the past years has led to a series of upgrades of Cyprus' sovereign rating by various international credit rating agencies. In the latest update by S&P, Fitch and DBRS, Cyprus sovereign rating was upgraded to 'Investment Grade' with stable outlook, signifying the strong performance and improvement of the Cypriot economy.

The available data for the tourism industry highlighted, once again, that tourism was amongst one of the key catalysts for the country's 2018 economic performance. In 2018 Cyprus welcomed 3.93 million tourists, an increase of 7.8% compared to 2017. UK and Russia constitute the main sources of tourism for Cyprus, with visitor proportions at 33.7% and 19.9%, respectively.

After three record years, tourist arrivals in Cyprus for 2019 are expected to remain around the same levels as last year. This is due to Brexit uncertainty and the re-emergence of competitive neighbouring markets.

Real Estate activity continued its upward trend in 2018, with Contracts of Sale exhibiting an increase of 21%, while non-nationals in 2018 bought 103% more properties compared with Q1-Q3 2017, reaching a 48% share of the overall market. Sales transactions and construction activity are indicating a strong demand during the first half of 2019. Property sales rose by 24.4% and building permits were up to 6.4% compared to the same period of 2018.

The acceleration was due to established incentives such as the scheme for naturalisation of investors in Cyprus by exception, which has attracted mainly non-EU buyers, as well as transactions recorded by local banks in the context of implementing Debt-for-Asset swaps for the restructuring of their Non-Performing Exposures. Recognising the growing interest, Cyprus has focused on modernising legislation, introducing tax incentives and speeding up licensing procedures.

10. DISCONTINUED OPERATION

During the period ended 30 June 2018, the Group entered into an agreement for the disposal of DCI 14 (owner of 'Amanzoe' project in Greece). Part of Amanzoe constituted the 'Hotel and Leisure' operations of the Group, which as at 30 June 2018, was presented as a discontinued operation.

Results of discontinued operation

	Note	From 1 January 2019 to 30 June 2019 €'000	From 1 January 2018 to 30 June 2018 €'000
Revenue	6	-	6,507
Expenses			
Cost of sales	7	-	(5,441)
Depreciation charge		-	(1,096)
Net finance costs		-	(1,183)
Loss from discontinued operation, net of tax		**-**	**(1,213)**

Cash flows used in discontinued operation

	From 1 January 2019 to 30 June 2019 €'000	From 1 January 2018 to 30 June 2018 €'000
Net cash from operating activities	-	2,674
Net cash used in investing activities	-	(102)
Net cash used in financing activities	-	(1,043)
Net cash flows for the period	**-**	**1,529**

11. PROFESSIONAL FEES

	From 1 January 2019 to 30 June 2019			From 1 January 2018 to 30 June 2018		
	Continuing operations €'000	Discontinued operation €'000	Total €'000	Continuing operations €'000	Discontinued operations €'000	Total €'000
Legal fees	281	-	281	333	-	333
Auditors' remuneration (see below)	113	-	113	194	-	194
Accounting expenses	109	-	109	127	-	127
Project design and development fees	756	-	756	1,343	-	1,343
Consultancy fees	91	-	91	76	-	76
Administrator fees	28	-	28	25	-	25
Other professional fees	164	-	164	219	-	219
Total	**1,542**	**-**	**1,542**	**2,317**	**-**	**2,317**

	From 1 January 2019 to 30 June 2019			From 1 January 2018 to 30 June 2018		
	Continuing operations €'000	Discontinued operation €'000	Total €'000	Continuing operations €'000	Discontinued operations €'000	Total €'000
Auditors' remuneration comprises the following fees:						
Audit and other audit related services	113	-	113	194	-	194

Tax and advisory	-	-	-	-	-	-
Total	**113**	**-**	**113**	**194**	**-**	**194**

12. ADMINISTRATIVE AND OTHER EXPENSES

	From 1 January 2019 to 30 June 2019			From 1 January 2018 to 30 June 2018		
	Continuing operations €'000	Discontinued operation €'000	Total €'000	Continuing operations €'000	Discontinued operations €'000	Total €'000
Travelling and accommodation	45	-	45	67	-	67
Insurance	19	-	19	23	-	23
Repairs and maintenance	5	-	5	124	-	124
Marketing and advertising expenses	44	-	44	73	-	73
Rents	30	-	30	63	-	63
Other	238	-	238	467	-	467
Total	**381**	**-**	**381**	**817**	**-**	**817**

13. TAXATION

	From 1 January 2019 to 30 June 2019 €'000	From 1 January 2018 to 30 June 2018 €'000
RECOGNISED IN PROFIT OR LOSS		
Income tax	2	1
Net deferred tax	-	673
Total	**2**	**674**
RECOGNISED IN OTHER COMPREHENSIVE INCOME		
Revaluation of property, plant and equipment	-	3,463
Total	**-**	**3,463**

14. LOSS PER SHARE

Basic loss per share

Basic loss per share is calculated by dividing the loss attributable to owners of the Company by the weighted average number of common shares outstanding during the period.

	From 1 January 2019 to 30 June 2019			From 1 January 2018 to 30 June 2018		
	Continuing operations '000	Discontinued operation '000	Total '000	Continuing operations '000	Discontinued operation '000	Total '000
Loss attributable to owners of the Company (€)	(4,940)	-	(4,940)	(12,561)	(1,168)	(13,729)
Number of weighted average common shares outstanding	904,627	-	904,627	904,627	904,627	904,627
Basic loss per share (€)	**(0.005)**	**-**	**(0.005)**	**(0.014)**	**(0.001)**	**(0.015)**

Loss attributable to owners of the Company

	From 1 January 2019 to 30 June 2019			From 1 January 2018 to 30 June 2018		
	Continuing operations €'000	Discontinued operation €'000	Total €'000	Continuing operations €'000	Discontinued operations €'000	Total €'000
Loss attributable to owners of the Company	(4,940)	-	(4,940)	(12,561)	(1,168)	(13,729)
Gain/(loss) attributable to non-controlling interests	147	-	147	(363)	(45)	(408)
Total	**(4,793)**	**-**	**(4,793)**	**(12,924)**	**(1,213)**	**(14,137)**

Weighted average number of common shares outstanding

	From 1 January 2019 to 30 June 2019 '000	From 1 January 2018 to 30 June 2018 '000
Outstanding common shares at the beginning and end of the period	**904,627**	**904,627**

Diluted loss per share

Diluted loss per share is calculated by adjusting the loss attributable to owners and the number of common shares outstanding to assume conversion of all dilutive potential shares. As of 30 June 2019 and 30 June 2018, the diluted loss per share is the same as the basic loss per share, due to the fact that no dilutive potential ordinary shares were outstanding during these periods.

15. PROPERTY, PLANT AND EQUIPMENT

	Land and buildings €'000	Other €'000	Total €'000
30 June 2019			
Cost or revalued amount			
At beginning of period	19,975	384	20,359
Direct acquisitions	82	-	82
At end of period	20,057	384	20,441
Depreciation and impairment losses			
At beginning of period	7,720	366	8,086
Depreciation charge for the period	16	3	19
At end of period	7,736	369	8,105
Carrying amounts	**12,321**	**15**	**12,336**

	Land & buildings €'000	Other (Restated) €'000	Total (Restated) €'000
31 December 2018			
Cost or revalued amount			
At beginning of year	104,136	5,489	109,625
Direct acquisitions	25	93	118
Disposal through disposal of subsidiary companies	(88,627)	(5,198)	(93,825)
Revaluation adjustment	4,441	-	4,441
At end of year	**19,975**	**384**	**20,359**
Depreciation and impairment losses			
At beginning of year	18,608	3,460	22,068
Depreciation charge for the year – continuing operations	30	15	45
Depreciation charge for the year – discontinued operation	859	237	1,096
Revaluation adjustment	(7,502)	-	(7,502)
Disposals through disposal of subsidiary companies	(3,534)	(3,346)	(6,880)
Impairment loss	167	-	167
Reversal of impairment loss	(908)	-	(908)
At end of year	**7,720**	**366**	**8,086**
Carrying amounts	**12,255**	**18**	**12,273**

Fair value hierarchy

The fair value of land and buildings has been categorised as a Level 3 fair value based on the inputs to the valuation techniques used.

Valuation techniques and significant unobservable inputs

The valuation techniques used in measuring the fair value of land and buildings, as well as the significant unobservable inputs used, are the same as those used as at 31 December 2018.

16. INVESTMENT PROPERTY

	30 June 2019 €'000	31 December 2018 €'000
At beginning of period/year	116,391	138,672
Direct acquisitions	-	51
Disposals through disposal of subsidiary companies	-	(9,293)
Fair value adjustment – continuing operations	-	(13,039)
At end of period/year	**116,391**	**116,391**

Fair value hierarchy

The fair value of investment property has been categorised as a Level 3 fair value based on the inputs to the valuation techniques used.

Valuation techniques and significant unobservable inputs

The valuation techniques used in measuring the fair value of investment property, as well as the significant unobservable inputs used, are the same as those used as at 31 December 2018.

17. DISPOSAL GROUPS HELD FOR SALE

As shown in note 29, the Group completed the sale of six out of seven remaining Seafront Villas in Greece (owned by the Collection Group) and is in the process of finalising the sale of the one remaining Villa. Accordingly, the remaining assets and liabilities of the Collection Group are presented as a disposal group held for sale.

The Company also remains committed to its plan to sell two disposal groups which are presented as held for sale in 2018. These disposal groups are: Azurna (owner of 'Livka Bay') in Croatia and DCI Holdings Two Limited ('DCI H2') (owner of Aristo Developers Limited ('Aristo') in Cyprus.

As at 31 December 2018, Kalkan (owner of 'La Vanta') in Turkey was also presented as held for sale, but as the disposal did not materialise, it was classified out of held for sale as of 30 June 2019. Moreover, as stated in note 29, the Group entered into a joint venture agreement pursuant to which its shareholding interest in the Kea project (owner of 'Kea Resort') was decreased from 67% to 33%. The remaining 33% interest has been treated as an equity-accounted investee (see note 25).

Impairment losses relating to the disposal group

No impairment losses have been recognised during the period ended 30 June 2019 and 30 June 2018 for write-downs of the disposal groups to the lower of their carrying amount and their fair value less costs to sell.

Assets and liabilities of disposal groups held for sale

As at 30 June 2019, the disposal groups comprised the following assets and liabilities:

	Azurna disposal group €'000	Collection disposal group €'000	DCI H2 disposal group €'000	Total €'000
Investment property	29,067	-	-	29,067
Equity-accounted investees	-	-	42,694	42,694
Trading properties	-	1,148	-	1,148
Trade and other receivables	13	93	-	106
Cash and cash equivalents	212	58	-	270
	29,292	**1,299**	**42,694**	**73,285**
Other investments	-	-	-	898
Assets held for sale				**74,183**
Loans and borrowings	7,135	-	-	7,135
Deferred tax liabilities	2,892	-	-	2,892
Trade and other payables	957	3,236	-	4,193
Liabilities held for sale	**10,984**	**3,236**	**-**	**14,220**

Other investments

Other investments consists of the valuation of the Company's holding of 9.6 million shares, equivalent to 13% of Itacare's share capital. Itacare is a real estate investment company formerly listed on AIM. Itacare's shareholders have decided to dispose of all its assets and after a series of asset sales/swaps, Itacare now owns two development sites with the Company's shareholding being 13%.

DCI H2 disposal group

As at 30 June 2019 and as at 31 December 2018, the Company's holding of 47.9% has been classified as an asset held for sale. The Company received within 2018 a total net distribution of €2 million from DCI H2, the owner of Aristo. The Board remains committed to dispose of its holding in Aristo and realise value from this investment as well as maximize its distributions potential from DCI H2.

As at 31 December 2018, the disposal groups comprised the following assets and liabilities:

	Kea disposal group €'000	Azurna disposal group €'000	Collection disposal group €'000	DCI H2 disposal group €'000	Total €'000
Property, plant and equipment	10,437	-	-	-	10,437
Investment property	10,360	28,965	-	-	39,325
Equity-accounted investees	-	-	-	42,694	42,694
Trading properties	-	-	5,638	-	5,638
Trade and other receivables	128	7	85	-	220
Cash and cash equivalents	336	218	14	-	568
	21,261	**29,190**	**5,737**	**42,694**	**98,882**
Other investments	-	-	-	-	901
Assets held for sale					**99,783**
Loans and borrowings	-	7,149	-	-	7,149
Deferred tax liabilities	2,132	2,870	-	-	5,002
Trade and other payables	1,514	969	3,243	-	5,726
Liabilities held for sale	**3,646**	**10,988**	**3,243**	**-**	**17,877**

Cumulative income or expenses included in other comprehensive income

No cumulative income or expenses relating to the disposal groups is included in other comprehensive income (30 June 2018: Nil).

Measurement of fair values

i. Fair value hierarchy

The fair value measurement for the disposal groups before costs to sell has been categorised as a Level 3 fair value based on the inputs to the valuation techniques used.

ii. Valuation techniques and significant unobservable inputs

The fair value of each disposal group is significantly based on the valuation of the immovable property in each group. The valuation techniques and significant unobservable inputs used in measuring the fair values of these properties are the same as those used as at 31 December 2018.

18. TRADING PROPERTIES

	30 June 2019 €'000	31 December 2018 (Restated) €'000
At beginning of period/year	4,699	36,187
Net direct acquisitions/(disposals)	216	(191)
Disposals through disposal of subsidiary companies	-	(21,129)
Reclassification to assets held for sale	-	(5,638)
Exchange difference	(205)	-
Impairment loss	-	(4,530)
At end of period/year	**4,710**	**4,699**

19. RECEIVABLES AND OTHER ASSETS

	30 June 2019 €'000	31 December 2018 (Restated) €'000
Trade receivables	80	151
VAT receivables	737	676
Other receivables	365	342
Total trade and other receivables	**1,182**	**1,169**
Prepayments and other assets	69	1,668
Total	**1,251**	**2,837**

20. CASH AND CASH EQUIVALENTS

	30 June 2019 €'000	31 December 2018 (Restated) €'000
Bank balances	7,573	8,068
Cash in hand	9	8
Total	**7,582**	**8,076**

During the period, the Group had no fixed deposits.

21. CAPITAL AND RESERVES

Capital

Authorised share capital

	30 June 2019		31 December 2018	
	'000 of shares	€'000	'000 of shares	€'000
Common shares of €0.01 each	2,000,000	20,000	2,000,000	20,000

Movement in share capital and premium

	Shares in '000	Share capital €'000	Share premium €'000
Capital at 1 January 2018 and 30 June 2019	**904,627**	**9,046**	**569,847**

Reserves

Translation reserve

Translation reserve comprises all foreign currency differences arising from the translation of the interim financial statements of foreign operations.

Revaluation reserve

Revaluation reserve relates to the revaluation of property, plant and equipment from both subsidiaries and equity-accounted investees, net of any deferred tax.

22. LOANS AND BORROWINGS

	Total		Within one year		Within two to five years		More than five years	
	30 June 2019 €'000	31 December 2018 €'000	30 June 2019 €'000	31 December 2018 €'000	30 June 2019 €'000	31 December 2018 €'000	30 June 2019 €'000	31 December 2018 €'000
Loans in Euro	15,726	17,326	15,726	17,326	-	-	-	-
Loans in Euro within disposal groups held for sale	7,135	7,149	7,135	7,149	-	-	-	-
Total	**22,861**	**24,475**	**22,861**	**24,475**	**-**	**-**	**-**	**-**

As of 30 June 2019, there were no significant changes in terms and conditions of the outstanding loans, compared to 31 December 2018.

	1 January 2019 €'000	New issues €'000	Capital repayments €'000	Interest paid €'000	Other movements €'000	30 June 2019 €'000
Loans in Euro	17,326	-	(1,600)	-	-	15,726
Loans in Euro within disposal groups held for sale	7,149	-	-	(155)	141	7,135
Total	**24,475**	**-**	**(1,600)**	**(155)**	**141**	**22,861**

Securities

During the period, the Symboula loan of €15,726 thousand was sold by the previous banking lender to a third party as part of a larger package transaction of loan liabilities sold. As of 30 June 2019, there were no significant changes in the Group's loan securities compared to 31 December 2018. The securities include mortgages against immovable property, pledge of shares, fixed and floating charges over assets and corporate guarantees.

23. LEASE LIABILITIES

	30 June 2019			31 December 2018		
	Future minimum lease payments €'000	Interest €'000	Present value of minimum lease payments €'000	Future minimum lease payments €'000	Interest €'000	Present value of minimum lease payments €'000
Less than one year	28	20	8	8	-	8
Between two and five years	246	118	128	244	12	232
More than five years	3,913	1,029	2,884	4,061	1,288	2,773
Total	**4,187**	**1,167**	**3,020**	**4,313**	**1,300**	**3,013**

The major lease liabilities comprise leases in Greece with 99-year lease terms.

24. DEFERRED TAX ASSETS AND LIABILITIES

	30 June 2019		31 December 2018	
	Deferred tax assets €'000	Deferred tax liabilities €'000	Deferred tax assets €'000	Deferred tax liabilities €'000
Balance at the beginning of the period/year	-	(8,444)	994	(19,561)
Recognised in profit or loss – continuing operations	-	-	(1)	1,642
Recognised in other comprehensive income	-	-	-	(2,985)
Disposal of subsidiary companies	-	-	(993)	12,460
Balance at the end of the period/year	**-**	**(8,444)**	**-**	**(8,444)**

Deferred tax assets and liabilities are attributable to the following:

	30 June 2019		31 December 2018	
	Deferred tax assets €'000	Deferred tax liabilities €'000	Deferred tax assets €'000	Deferred tax liabilities €'000
Revaluation of investment property	-	(7,243)	-	(7,243)
Revaluation of property, plant and equipment	-	(1,201)	-	(1,201)
Total	**-**	**(8,444)**	**-**	**(8,444)**

25. EQUITY-ACCOUNTED INVESTEES

	Single Purpose Vehicle Fourteen Limited ('SPV 14') €'000	Total €'000
Balance as at 1 January 2019	-	-
Additions	18,655	18,655
Share of losses, net of tax	(751)	(751)
Balance as at 30 June 2019	**17,904**	**17,904**

As already stated in note 17, SPV 10 entered into a joint venture agreement, pursuant to which the Group's shareholding interest in SPV 14 ("the KEA Project") was decreased from 67% to 33%, as a result of dilution. The Group accounted for the remaining 33% interest as an equity-accounted investee.

The details of the above investment are as follows:

Name	Principal place of business/Country of incorporation	Principal activities	Shareholding interest 30 June 2019	Shareholding interest 31 December 2018
SPV 14	Cyprus	Development of Kea Resort	33%	67%

The above shareholding interest percentages are rounded to the nearest integer.

Summary of financial information for equity accounted investees as at 30 June 2019, not adjusted for the percentage of ownership held by the Group:

	SPV 14 €'000	Total €'000
30 June 2019		
Current assets	17,909	17,909
Non-current assets	21,097	21,097
Total assets	**39,006**	**39,006**
Current liabilities	1,066	1,066
Non-current liabilities	2,132	2,132
Total liabilities	**3,198**	**3,198**
Net assets	**35,808**	**35,808**
Carrying amount of interest in investee	**17,904**	**17,904**
Revenues	-	-
Loss	(1,468)	(1,468)
Other comprehensive income	-	-
Total comprehensive income	**(1,468)**	**(1,468)**
Group's share of loss and total comprehensive income	**(751)**	**(751)**

26. TRADE AND OTHER PAYABLES

	30 June 2019 €'000	31 December 2018 (Restated) €'000
Land creditors	20,770	20,843
Investment Manager fees	1,938	2,118
Other payables and accrued expenses	4,400	4,170
Total	**27,108**	**27,131**

	30 June 2019 €'000	31 December 2018 €'000
Non-current	20,840	20,647
Current	6,268	6,484
Total	**27,108**	**27,131**

During 2017, the Company entered into new contracts in connection with the deferred purchase of land at Lavender Bay. The amount outstanding as at 30 June 2019 was €20,770 thousand (31 December 2018: €20,843 thousand) and payment will be made on 31 December 2025.

27. NAV PER SHARE

	30 June 2019 '000	31 December 2018 '000
Total equity attributable to owners of the Company (€)	159,940	164,516
Number of common shares outstanding at end of period/year	904,627	904,627
NAV per share (€)	**0.18**	**0.18**

28. RELATED PARTY TRANSACTIONS

28.1 Directors' interest and remuneration

Directors' interest

Miltos Kambourides is the founder and managing partner of the Investment Manager.

The interests of the Directors as at 30 June 2019, all of which are beneficial, in the issued share capital of the Company as at this date were as follows:

	Shares '000
Miltos Kambourides (indirect holding)	66,019
Mark Townsend	1,532
Andrew Coppel	942

Save as disclosed, none of the Directors had any interest during the period in any material contract for the provision of services, which was significant to the business of the Group.

	From 1 January 2019 to 30 June 2019 €'000	From 1 January 2018 to 30 June 2018 €'000
Remuneration	246	310
Equity-settled share-based payment arrangements	-	8
Total remuneration	**246**	**318**

The Directors' remuneration details for the six-month periods ended 30 June 2019 and 30 June 2018 were as follows:

	From 1 January 2019 to 30 June 2019 €'000	From 1 January 2018 to 30 June 2018 €'000
Andrew Coppel	117	115
Graham Warner	87	85
Robert Heller	-	30
Mark Townsend	42	40
Sue Farr	-	40
Total	**246**	**310**

Mr. Miltos Kambourides has waived his fees.

On 25 January 2018, Robert Heller and Sue Farr resigned from the Company's Board. Robert Heller no longer retains an interest in the stock options issued pursuant to the Company's Stock Option Programme.

28.2 Investment Manager remuneration

	From 1 January 2019 to 30 June 2019 €'000	From 1 January 2018 to 30 June 2018 €'000
Fixed management fee	2,000	2,500
Variable management fees	-	1,506
Total remuneration	**2,000**	**4,006**

On 9 April 2019, the Company signed an Amended and Restated Investment Management Agreement ('IMA'), effective from 1 January 2019, as follows:

i. Fixed management fee
The annual management fees for the period from 1 January 2019 to 31 December 2019 shall be €4 million per annum and have been further reduced to €3.6 million per annum for 2020 and 2021.

Additionally, the IMA will expire at the earlier of 31 December 2021 or the sale of all of the Company's assets. There will be no fixed management fee due after 31 December 2021.

Previous arrangements, in force until 31 December 2018:
In line with the Amended and Restated IMA, signed in December 2016, with retroactive effect from 1 July 2016 the annual management fees for the second half of 2016 were retrospectively reduced from €8.5 million to €6.5 million per annum and were set to a fixed declining annual amount equal to €6 million for 2017, €5 million for 2018 and €4 million for 2019.

ii. Variable management fee
A variable management fee for the period from 2 May 2019 to 31 December 2019 will become payable solely upon the execution of each asset divestment by the Company. The variable management fee will be equal to a percentage of the enterprise value (i.e. the equity value of the asset plus any loans or other liabilities assumed by its purchaser) of any asset disposed by the Company during the Divestment Period at a valuation at or in excess of 50% of its latest reported NAV.

The variable management fee percentage will be equal to 1.3% for divestments concluded in 2019 at 50% of relevant latest reported NAV and progressively increases to 4.5% for divestments concluded above 100% of latest reported NAV.

The variable management fee will become payable to the Investment Manager three months from the completion of the respective disposal.

The variable management fee for the period from 1 January 2020 to 31 December 2021 shall be equal to a percentage of the actual distribution made by the Company to its shareholders, as shown below:

Aggregate Shareholder Distributions	% applied on Distributions
Up to but excluding €30 million	Nil
€30 million up to but excluding €50 million	2.0%
€50 million up to but excluding €75 million	3.0%
€75 million up to but excluding €100 million	4.0%
€100 million up to but excluding €125 million	5.0%
€125 million or more	6.0%

The Investment Manager was entitled to a performance fee payable under the terms of the previous IMA. There is no change to this entitlement. However, any performance fees earned under this arrangement will be fully deducted from any future annual management fees and variable management fees payable over the term of the IMA.

Previous arrangements, in force until 31 December 2018

In line with the Amended and Restated IMA, signed in December 2016, with retroactive effect from 1 July 2016 a variable management fee was introduced which would become payable solely upon the execution of each asset divestment by the Company. The variable management fee would be equal to a percentage of the enterprise value (i.e. the equity value of the asset plus any loans or other liabilities assumed by its purchaser) of any asset disposed by the Company during the Divestment Period at a valuation at or in excess of 50% of its latest reported NAV.

The variable management fee percentage would be equal to 3% for divestments executed within the second half 2016 and then reduced to 2.5%, 2.0% and 1.3% for those concluded in 2017, 2018 and 2019 respectively, to the extent these were completed at 50% of relevant latest reported NAV. The variable management fee would increase in respect of transactions executed at sales prices exceeding 50% of their NAV.

The variable management fee would become payable to the Investment Manager three months from the completion of the respective disposal.

28.3 Other related parties

During the period ended 30 June 2019 and 30 June 2018, the Group did not enter into any related party transactions.

29. BUSINESS COMBINATIONS

On 11 December 2018, the Company entered into a binding agreement for the sale of its interest in five Seafront Villas (owned by the Collection group) for a gross consideration of €4.05 million. The Group has received €3.4 million on 2 January 2019 whilst the balance will be retained in escrow to cover any potential and contingent liabilities of the respective companies. During 2019, the Group also completed the sale of another Seafront Villa for a cash consideration of €0.4 million.

In May 2019, following the satisfaction of all relevant conditions precedent included in the One&Only at Kea Island ('OOKI') Subscription Agreement, the Group signed the completion documents with Kerzner International Management FZ LLC (current owner of 40% of the project) and Kea Assets Limited (current owner of 10% of the project). As a result, the Company's percentage holding in the project fell from 67% to 33%, which is retained as an equity-accounted investee (see note 25). The turn-key construction contract for the development of OOKI was executed on 9 August 2019.

	Collection €'000	Kea €'000	Total €'000
Investment property	-	(10,361)	(10,361)
Property, plant and equipment	-	(10,737)	(10,737)
Trading properties	(4,489)	-	(4,489)
Receivables and other assets	-	(28)	(28)
Cash and cash equivalents	(11)	(181)	(192)
Deferred tax liabilities	-	2,132	2,132
Trade and other payables	15	1,866	1,881
Net assets	**(4,485)**	**(17,309)**	**(21,794)**
Net assets disposed of – 100%	(4,485)	(17,309)	(21,794)
Net proceeds on disposal	3,769	-	3,769
Investment in equity-accounted investee (note 25)	-	18,655	18,655
Gain/(loss) on disposal recognised in profit or loss	**(716)**	**1,346**	**630**
Cash effect on disposal:			
Net proceeds on disposal	3,769	-	3,769
Cash and cash equivalents	(11)	(181)	(192)
Net cash inflow on disposal	**3,758**	**(181)**	**3,577**

On 18 January 2018, the Group entered into an agreement for the disposal of its entire interest of 77.8% in the Sitia Bay Golf Resort ('Project') to its minority partner in the Project, Iktinos Hellas S.A., for a consideration of €14 million. The first instalment of €1.4 million was received on 22 January 2018 while the remaining €12.6 million was received on 3 April 2018.

On 5 February 2018, the Group entered into an agreement for the disposal of its entire interest of 100% in the Triopetra project to Deniage Ltd ('Deniage'). Deniage purchased the Group's entire shareholding interest for a total cash consideration of €4.1 million. The amount of €4 million was received on 5 February 2018 while the remaining €100 thousand was received in July 2019.

	Sitia Bay €'000	Triopetra €'000	Total €'000
Property, plant and equipment	(6,698)	-	(6,698)
Investment property	(14,544)	(4,436)	(18,980)
Receivables and other assets	(138)	(36)	(174)
Cash and cash equivalents	(4)	-	(4)
Deferred tax liabilities	3,062	359	3,421
Trade and other payables	310	12	322
Net assets	**(18,012)**	**(4,101)**	**(22,113)**
Net assets disposed of	(14,018)	(4,101)	(18,119)
Net proceeds on disposal	13,440	3,497	16,937
Variable management fees			(1,506)
Loss on disposal recognised in profit or loss			**(2,688)**

30. FINANCIAL RISK MANAGEMENT

The Group's financial risks and risk management objectives and policies are consistent with those disclosed in the consolidated financial statements as at and for the year ended 31 December 2018.

Fair values

The fair values of the Group's financial assets and liabilities approximate their carrying amounts at the statement of financial position date.

31. COMMITMENTS

As of 30 June 2019, the Group had a total of €319 thousand contractual capital commitments on property, plant and equipment (31 December 2018: €544 thousand).

32. CONTINGENT LIABILITIES

Companies of the Group are involved in pending litigation. Such litigation principally relates to day-to-day operations as a developer of second-home residences and largely derives from certain clients and suppliers. Based on advice from the Group's legal advisors, the Investment Manager believes that there is sufficient defence against any claim and does not expect that the Group will suffer any material loss. All provisions in relation to these matters which are considered necessary have been recorded in these condensed consolidated interim financial statements.

In addition to the tax liabilities that have already been provided for in the condensed consolidated interim financial statements based on existing evidence, there is a possibility that additional tax liabilities may arise after the examination of the tax and other matters of the companies of the Group in the relevant tax jurisdictions.

The Group, under its normal course of business, guaranteed the development of properties in line with agreed specifications and time limits in favour of other parties.

33. SUBSEQUENT EVENTS

On 1 July 2019, Symboula (owner of Apollo Heights in Cyprus) entered into an agreement for the full settlement of its loan amounting to €15,726 thousand with the loan acquirer (see note 22) for a total consideration of €6,150 thousand. As of the date of the approval of these condensed consolidated interim financial statements, this transaction has been finalised, creating a gain of €9,576 thousand, which will be recorded in the second half of the year ending 31 December 2019.

On 23 August 2019, the Group entered into a sale of shares agreement with Mr. Theodoros Aristodemou (majority shareholder in Aristo Developers Limited) for the transfer of a total of 719 Class A preferred shares in DCI H2 from DCI H1 to Mr. Aristodemou, for a total consideration of €9 million without diluting in any way its core shareholding and voting rights in Aristo. Class A preferred shares represent the beneficial ownership over certain plots of land adjacent to the, formerly owned by Aristo, Venus Rock project. The agreement includes clauses that allow for the consideration to reduce, in the case that the zoning of the underlying land is unfavourably changed. The shares will be transferred on a prorated basis, following the staged receipt of the consideration by DCI H1 (i.e. €5 million in 2019 and €4 million in 2020). At the date of approval of these financial statements, the consideration received in cash by DCI H1 amounted to €2.5 million.

There were no other material events after the reporting period which have a bearing on the understanding of the condensed consolidated interim financial statements as at 30 June 2019.