



Thalassa Holdings

Interim Results

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 Thalassa Holdings Limited
 16 September 2014

Thalassa Holdings Ltd

(Reuters: THAL.L, Bloomberg: THAL:LN)

("Thalassa" or the "Company")

Results for the 6 months to 30 June 2014

The Company is pleased to announce its financial results for the 6 months ended 30 June 2014. A summary of the results is set out below.

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Highlights for the 6 months ended 30 June 2014

- Revenue from core Seismic Operations up 31% to US\$9.3m from US\$7.1m in 1H 2013
- Manufacturing Revenue US\$0.0m versus US\$4.5m in 1H 2013 following conclusion of one-off Statoil manufacturing contract
- Group Revenue US\$9.3m versus US\$11.6m in 1H 2013
 - Gross Profit from Seismic Operations up 53.8% to US\$4.0m from US\$2.6m in 1H 2013
- Group Gross Profit up 2.6% to US\$4.0m from US\$3.9m in 1H 2013
- Group Gross Margin increased by 30.4% to 43.7% from 33.5% in 1H 2013 due to change in revenue mix, improved equipment utilisation and increased pricing on seismic activities
- Group Net Profit US\$0.7m versus US\$1.0m in the same period a year ago
 - Adjusted Group Net Profit US\$1.2m versus US\$1.0m in 1H 2013 (excluding R&D costs at Autonomous Robotics (previously GO Science) of US\$0.5m)
- Group Earnings Per Share (diluted)* US\$0.03 (£0.02) versus US\$0.07 (£0.05) in 1H 2013
 - Adjusted Group Earnings Per Share (diluted) US\$0.05 (£0.03) versus \$0.07 (£0.05) in 1H 2013 (excluding impact of R&D costs at Autonomous Robotics of US\$(0.02))
- Book value per share up 80.2% to US\$2.09 (£1.23) versus US\$1.17 (£0.76) in 1H 2013
- Debt US\$ nil (1H 2013: US\$ nil)
- Cash US\$21.2m (1H 2013: US\$16.8m)
- Contracted deployment in 2H 2014 on behalf of Russia's SMG increasingly unlikely

- Pipeline of order-enquiry and tenders submitted increased to US\$175m, an increase of 23% over US\$142m at 31 December 2013. Several of these tenders expected to impact 2H 2014.
- Significant interest in further sales of TGS Multi-Client data
- Final outcome for the year therefore heavily dependent on pipeline conversion, the scale of data sales and any SMG deployment

*based on weighted average number of shares in issue of 25,373,880 (1H 2013: 13,913,567)

WGP Operations

- Multi-client contract with TGS commenced May 2014 to jointly acquire and own multi-client high resolution 3D (HR3D) seismic data using the newly assembled P-Cable system and mini-PMSSTM. An initial R&D survey was undertaken on behalf of Lundin Petroleum followed by the survey on 10 blocks (approximately 500km²) in the Barents Sea as a pre-cursor to the Norwegian 23rd Licensing Round which is due to be announced in Q4 2014. It is anticipated that the HR3D data sets will prove invaluable to oil company clients in being able to assess the hydrocarbon potential within the licence blocks. The programme, which has to date been pre-funded by advanced non-exclusive data sales to two oil majors, is likely to be extended by a further 200-300km² in the second half of 2014.
- Contract with SAExploration, Inc. ("SAE") on behalf of BP Alaska to provide shallow water source handling and deployment services for seismic acquisition projects in the North Prudhoe Bay, Alaska concluded August 2014. Conditions were extremely challenging from an environmental and logistical perspective which extended the boundaries of WGP's experience and capabilities. This has been followed by a further survey on behalf of SAE on the North Slope following which, the operation is expected to relocate elsewhere in Alaska until the end of the operating season.
- Continuation of the service contract with Statoil with mobilisation of the DPMSTM for the Spring survey over the Snorre field in the Norwegian sector of the North Sea.
- Completion of LoFS 17 survey for BP over the Valhall field in the Norwegian sector of the North Sea.

Autonomous Robotics Operations

- Business acquisition completed November 2013
- A change of name from GO Science to Autonomous Robotics Limited ("ARL") reflecting the market sector and expertise/ambitions of the company
- Implementation of detailed design and manufacture plan of the mobile sensor grid system, now at the latter part of the overall system concept stage
- Stakeholder requirements, concept of operations plans and risk assessment under review with QinetiQ plc and seismic industry experts in UK and USA
- Ongoing discussions with a number of suppliers/potential partners regarding the next stage - system definition and design

Chairman's Statement

Overview

I am pleased to report the Group's interim results for the six months to 30 June 2014.

The Group has made excellent progress on its core seismic activities from the solid foundations laid in 2013 with the addition of two new service contracts in 1H 2014 with SAExploration, Inc. and the TGS Multi-Client contract.

Improved profitability from seismic operations reflect the Group's focus on increasing both equipment utilisation and higher pricing.

The Group has increased investment in Operating Equipment, IT (a new ERP system), People and R&D:

- Equipment: Refurbishment and upgrade of existing equipment, purchase of new equipment including a mini-PMSSTM and high resolution 3D P-Cable system deployed on the multi-client project in the first half. A total of US\$5.7m has been invested in operating assets in the first half of 2014
- IT: US\$0.3m investment in new ERP system
- People: expansion of middle management both on and offshore to support business growth
- R&D: continued investment in next generation technology at ARL. Stakeholder requirements, concept of operations plan and risk assessment currently under review with QinetiQ plc and seismic industry experts

Outlook

- Since the end of the 1H 2014, the Group has completed 2 additional seismic surveys for Statoil as part of R&D trials to test third party sensors

- In September 2014 the D-PMSS™ was deployed over Grane. The first survey is scheduled to run for three weeks, subject to weather, following which the D-PMSS™ will be deployed for a further 4 weeks over the Snorre field, subject to weather
- Anticipated extension to Multi-Client survey in the Barents Sea by a further 200-300km²
- Completion of the SAE project in the North Prudhoe Bay, Alaska
- Contracted deployment in 2H 2014 on behalf of Russia's SMG is considered to be increasingly unlikely
- Pipeline of order-enquiry and tenders submitted increased to US\$175m, an increase of 23% over US\$142m at 31 December 2013. Several of these tenders expected to impact 2H 2014.

The Group's ability to convert some of this pipeline into 2014 Revenue has been jeopardised by the increased US/EU sanctions against Russia. Further, on 2 September 2014, the Russian State owned parent of Joint Stock Company Sevmorego ("SMG") implemented a top-level management change and announced the appointment of Andrew Zayonchek as its new CEO.

As a result, some US\$10m of budgeted Russian revenue in 2H 2014 is unlikely to materialise in this period. We will not know whether the Ecuador project will be resurrected in 2014 or further work in the Arctic will resume in 2015 until we have met with new management at SMG and the impact of any further sanctions becomes clear.

In addition, under the terms of our contract, SMG is responsible for the demobilisation and repatriation of the Company's equipment, which is currently in storage in Ecuador. However, in a worst case scenario we may not recover the outstanding trade receivable or the repatriation costs which, in the aggregate, amount to approximately US\$4.1m (a non-cash item of US\$3.3m being the outstanding trade receivable, and a cash item of US\$0.8m relating to repatriation costs).

WGP has a long history of working for the Russian Government and with Russian companies worldwide. I am confident that the current situation will blow over, however, I am less confident in predicting how long the current tensions will last.

We have approached the CEO of Rosgeo (SMG's parent company) to arrange an immediate meeting and look forward to the continuation of a 15 year mutually beneficial relationship.

On a positive note, both of the two Oil Majors who have invested in the Multi-Client High-Resolution project in the Barents Sea and our Operating Partner are impressed with the initial data results and we remain confident in securing additional revenue in 2H 2014 from Data Sales.

If, as we anticipate, final results in the Barents Sea are as successful as we hope, we believe that current on-going discussions regarding the deployment of the P-Cable and mini-PMSS™ system beyond the EU should also materialise.

Therefore, the final outcome for the year is heavily dependent on the scale of data sales, pipeline conversion and any SMG deployment.

Notwithstanding the current political situation, we continue to believe that the Group, with its strong position in niche markets, is very well placed to create significant shareholder value over the next few years.

Financial Review

Group results for the six months to 30 June 2014 showed an increase of 31% in revenue from core Seismic Operations to US\$9.3m from US\$7.1m in 1H 2013. 1H 2014 Revenue from Seismic Operations has been generated from the completion of the LoFS 17 survey on the Valhall field for BP, the survey over the Snorre field for Statoil, the commencement of the two new projects for SAExploration in Alaska and the Multi-Client project with TGS in the Barents Sea.

Manufacturing Revenue was US\$0.0m versus US\$4.5m in the comparative period, resulting in total Group Revenue of US\$9.3m versus US\$11.6m in 1H 2013. Manufacturing Revenue of US\$4.5m in 1H 2013 reflected the non-recurring revenue recognised in relation to the manufacture and sale of equipment to Statoil.

Cost of Sales in relation to Seismic Operations increased by 13.0% in 1H 2014 to US\$5.2m (1H 2013: US\$4.6m) resulting in gross profit of US\$4.0m, an increase of 53.8% versus the same period last year of US\$2.6m. Total Group Gross Profit was US\$4.0m compared to US\$3.9m in 1H 2013 (including non-recurring manufacturing revenue and associated costs).

Gross margin in the first six months of 2014 has increased by 30.4% to 43.7% from 33.5% in 1H 2013. The increase in margin representing change in revenue mix and improved equipment utilisation and increased pricing on seismic activities.

Administrative expenses increased by 21.7% in 1H 2014 to US\$2.8m (1H 2013: US\$2.3m), largely due to investment in R&D related costs of ARL which has contributed costs of US\$0.4m in the period as compared to US\$0.0m in 1H 2014, and investment in personnel from the hiring of new staff.

Operating Profit from Seismic activity increased by 50.0% in 1H 2014 to US\$1.2m (1H 2013: US\$0.8m) reflecting an increase in Revenue and improved margins in the period with operating margin increasing by 10.1% to 13.1% from 11.9% in the prior period. The Group's total Operating profit of US\$0.7m versus US\$1.3m in 1H 2013 includes

R&D costs at ARL that generated an operating loss of US\$0.5m in the period (1H 2013: US\$0.0m).

Depreciation and Amortisation of US\$0.5m (1H 2013: US\$0.3m) reflects depreciation on the Group's equipment of US\$0.4m (1H 2013: US\$0.3m), the increase reflecting depreciation on additions purchased during the period, and amortisation of US\$0.1m on the intellectual property in ARL (1H 2013: US\$0.0m).

Net financial income of US\$0.2m included foreign exchange gains in the period partially offset by interest and share option charges (1H 2013: US\$0.1m).

Group profit before tax, incorporating the R&D related costs of ARL of US\$0.5m, was US\$0.9m versus US\$1.4m in 1H 2013.

Tax in the period of US\$0.2m is an estimate of the tax liability incurred in the first half from the Group's operations across its different regions of activity.

Net profit on Seismic Operations increased by 140% to US\$1.2m versus US\$0.5m in 1H 2013 with an increase in net margin of 74.7% to 13.1% from 7.5% in the comparative period.

Group net profit, incorporating the R&D related costs of ARL, was US\$0.7m versus US\$1.0m in 1H 2013.

Net assets at 30 June 2014 amounted to US\$52.4m (1H13: US\$19.1m) resulting in net assets per share of US\$2.09 (£1.23), an increase of 80.2% versus US\$1.16 (£0.76) in 1H 2013.

The Company had debt of US\$0.0m at the period end (1H 2013: US\$0.0m).

Net cash flow from operating activities amounted to US\$(0.2)m largely as a result of the increase in trade receivables balance of US\$4.2m at the period end from activity in the first half of which US\$4.1m has subsequently been received. This excludes balances due from SMG from 2013.

Net cash outflow from investing activities, excluding loans to the THAL Discretionary Trust, amounted to US\$(5.9)m largely due to:

- capital expenditure of US\$5.7m that includes the refurbishment and upgrade of existing equipment, and the purchase of new equipment including a mini-PMSS™ and high resolution 3D P-Cable system deployed on the multi-client project in the Barents Sea.
- capital expenditure of US\$0.3m on a new ERP system and implementation.

During the period further loans were made to the THAL Discretionary trust of US\$4.9m.

Consolidated Statement of Income

For the six months ended 30 June 2014

months		Six months	Six	
Year ended		ended	ended	
Dec 2013		30 Jun 2014	30 Jun 2013	31
Audited		Unaudited	Unaudited	
US\$	US\$	Note	US\$	
Continuing operations				
Revenue		9,259,239	11,643,218	
30,551,967				
Cost of sales		(5,209,706)	(7,737,486)	
(21,259,292)				
Gross profit		4,049,533	3,905,732	
9,292,675				
Administrative expenses		(2,794,382)	(2,293,916)	
(4,366,937)				
Operating profit before depreciation		1,255,151	1,611,816	
4,925,738				
Depreciation		(524,338)	(298,400)	
(685,173)				

Operating profit 4,240,565	730,813	1,313,416
Net Financial Income 72,922 721,227	167,100	
Profit before taxation 4,961,792	897,913	1,386,338
Taxation (575,722)	(160,233)	(358,632)
Profit for the financial period 4,386,070	737,680	1,027,706
Attributable to:		
Equity shareholders of the parent 4,285,931	737,680	1,027,706
Non-controlling interest - 100,139	-	
4,386,070	737,680	1,027,706

Earnings per share - US\$ (using weighted average number of shares)

Basic (US\$)	3	0.03
0.07	0.26	
Diluted (US\$)	3	0.03
0.07	0.26	

Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2014

months		Six months	Six	Year
ended		ended	ended	
Dec 2013		30 Jun 2014	30 Jun 2013	31
Audited		Unaudited	Unaudited	
US\$	US\$	US\$		
Profit for the financial period 4,386,070		737,680	1,027,706	
Other comprehensive income:				
Exchange differences on re-translation of foreign operations (39,119) 197.185		1,970		
Unrealised gains on available for sale investments -		19,828		
Total comprehensive income 4,583,255		759,478	988,587	
Attributable to:				
Equity shareholders of the parent		759,478	988,587	

4,483,116			
Non-controlling interest		-	
-	100,139		
Total comprehensive income		759,478	988,587
4,583,255			

Consolidated Statement of Financial Position

At 30 June 2014

At	At	At		
		30 Jun 2014	30 Jun 2013	31
		Unaudited	Unaudited	
		US\$		
US\$	US\$			
ASSETS				
Non-current assets				
Goodwill		368,525	368,525	
368,525				
Intellectual Property		2,907,572	-	
2,870,043				
Property, plant and equipment		13,382,023	7,591,232	
8,153,119				
Computer Software		254,089		
-				
Multi-Client Library		472,618		
-				
Available for sale investments		58,503		
38,675	38,675			
Total non-current assets		17,443,330	7,998,432	
11,430,362				
Current assets				
Inventory		877,928		
1,446,000	690,008			
Loans		7,256,904	763,000	
1,885,583				
Trade and other receivables		11,298,462	5,239,580	
7,078,753				
Cash and cash equivalents		21,213,030	16,837,567	
32,235,155				
Total current assets		40,646,324	24,286,147	
41,889,499				
LIABILITIES				
Current liabilities				
Trade and other payables		5,561,221	3,787,841	
2,084,595				
Deferred revenue		-		
9,369,196	-			
Total current liabilities		5,561,221	13,157,037	
2,084,595				
Net current assets		35,085,103	11,129,110	
39,804,904				
Net assets		52,528,433	19,127,542	
51,235,266				

EQUITY**Shareholders****Equity**

Share capital 250,575	250,675	178,175
Share premium 44,668,608	44,866,060	16,332,196
Treasury shares (279,982)	-	(384,226)
Other reserves 177,536	199,334	(58,768)
Retained earnings 6,272,185	7,066,020	3,013,960
Total Shareholders Equity 51,088,922	52,382,089	19,081,337
Non-controlling interest 146,344	146,344	46,205
Total Equity 51,235,266	52,528,433	19,127,542

These financial statements were approved by the board on 15 September 2014.

Consolidated Statement of Cash Flows

For the six months ended 30 June 2014

months ended Dec 2013	Six months ended 30 Jun 2014	Six ended 30 Jun 2013	Year 31
Audited	Unaudited	Unaudited	
US\$	US\$	US\$	
Cash flows from operating activities			
Operating Profit for the period before depreciation 4,925,738	1,255,151	1,611,816	
Shares issued to Chairman ¹ 440,000	-	-	
Increase in inventory (608,231)	(187,920)	(1,364,223)	
Increase in trade and other receivables (6,450,675)	(4,219,708)	(4,611,502)	
Increase in trade and other payables 2,623,293	3,739,342	2,991,998	
Increase in deferred revenue 9,369,196	-	-	
Increase in multi client library -	(472,619)	-	
Net Foreign Exchange (gain) / loss (1,109,570)	(131,358)	(188,998)	
Taxation (69,119)	(160,233)	(358,632)	
Cash (used in) / generated from operations (688,564)	(177,345)	7,889,655	
Interest paid (166,749)	(17,922)	(155,248)	
Net cash flow from operating activities (855,313)	(195,267)	7,734,407	

Cash flows from investing

activities

Disposal of Assets	3,883	
-		
Acquisition of intellectual property (2,913,201)	(37,529)	-
Interest received	107,907	
53 30,958		
Purchase of equipment (941,278)	(5,753,242)	-
Purchase of computer software (35,776)	(254,089)	
Loan to THAL Discretionary Trust (1,885,583)	(4,902,534)	-
Net cash flow from investing activities (5,709,104)	(10,835,604)	(35,723)

Cash flows from financing activities

Exercise of Options	8,746	6,656,414
35,366,920		
Disposal of Treasury Shares	-	
- 950,183		
Net cash flow from financing activities 36,317,103	8,746	6,656,414

Net (decrease) / increase in cash and cash equivalents 29,752,686	(11,022,125)	14,355,098
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Cash and cash equivalents at the start of the period	32,235,155	2,482,469
2,482,469		

Cash and cash equivalents at the end of the period 32,235,155	21,213,030	16,837,567
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¹ Includes non cash transactions regarding the shares issued to the Chairman in 2013 in satisfaction of consultancy and administrative services.

Consolidated Statement of Changes in Equity

For the six months ended 30 June 2014

Total	Share Capital	Share Premium	Treasury shares	Other Reserves	Retained earnings/ (losses)	Total Shareholders Equity	Minority Interest
US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$
Balance as at 1 January 2013	133,175	8,517,782	(384,226)	(19,649)	1,986,254	10,233,336	46,205
10,279,541							
Issue of Ordinary Share Capital	45,000	8,181,429	-	-	-	8,226,429	-
8,226,429							
Placing fees (367,015)	-	(367,015)	-	-	-	(367,015)	-
Total comprehensive income for the period	-	-	-	(39,119)	1,027,706	988,587	-
- 988,587							
Balance as at 30 June 2013	178,175	16,332,196	(384,226)	(58,768)	3,013,960	19,081,337	46,205
19,127,542							
Issue of Ordinary Share Capital	72,400	27,490,473	-	-	-	27,562,873	-
27,562,873							
Placing fees	-	845,939	104,244	-	-	950,183	-
- 950,183							

Total comprehensive income for the period	-	-	-	236,304	3,258,225	3,494,529	100,139
3,594,668							
Balance as at							
31 December 2013	250,575	44,668,608	(279,982)	177,536	6,272,185	51,088,922	146,344
51,235,266							
Shares issued on exercise of options	100	8,647	-	-	-	8,747	
- 8,747							
Share Options Expense	-	-	-	-	56,155	56,155	
- 56,155							
Sale of Treasury Shares	-	188,805	279,982	-	-	468,787	
- 468,787							
Total comprehensive income for the period	-	-	-	21,798	737,680	759,478	
- 759,478							
Balance as at							
30 June 2014	250,675	44,866,060	-	199,334	7,066,020	52,382,089	146,344
52,528,433							

Notes to the Consolidated Interim Financial Information

1. General information

Thalassa Holdings Ltd (the "Company") is a British Virgin Island ("BVI") International business company ("IBC"), incorporated and registered in the BVI on 26 September 2007. The Company was established as a holding company, and currently has two operating subsidiaries, WGP Group Ltd ("WGP") and GO Science Group Ltd ("GO") (together with Thalassa Holdings Ltd, the "Group").

WGP Group Ltd is a wholly owned subsidiary of Thalassa which owns the seismic operating assets of the Thalassa Group and whose subsidiaries are:

- WGP Energy Services Ltd ("WESL")
- WGP Exploration Ltd ("WGPE")
- WGP Technical Services Ltd ("WGPT")
- WGP Professional Services Ltd ("WGPP")
- WGP Survey Ltd ("WGPS")

GO Science Group Ltd is a wholly owned subsidiary of Thalassa and is an AUV research and development company with one subsidiary:

- Autonomous Robotics Limited (formally GO Science 2013 Ltd)

The Group's interest in each of the subsidiaries is 100%, other than WGPS, where it owns 50%.

The Company also has a newly incorporated subsidiary, WGP Geosolutions Limited which has an additional subsidiary, WGP Group GmbH, both currently non-operational.

2. Significant Accounting policies

The Group prepares its accounts in accordance with applicable International Financial Reporting Standards ("IFRS") as adopted by the EU.

The accounting policies applied by the Company in this unaudited consolidated interim financial information are the same as those applied by the Company in its consolidated financial statements as at and for the period ended 31 December 2013 except for the following which are new for this period:

Revenue Recognition

Multi Client Library

Pre-funded revenues from underwritten programmes are recognised as the seismic data is acquired. Where the Group has finished data sets ready for sale, revenue is recognised at the time of the transaction when the customer executes a valid license agreement and has the right to access the licensed portion of the Multi Client library.

Intangible Assets

Multi Client Library

The Multi-Client library comprises completed surveys and surveys in progress that can be licensed to multiple customers. All direct costs related to data collection, processing and completion of seismic surveys are capitalised. The Multi-Client library is capitalised at cost less accumulated amortisation and impairment losses. The Company has a minimum amortisation policy whereby the carrying amount one year after completion of a survey is no more than 60% of cost. This maximum level is reduced on a straight-line basis by 20% points for each of the three subsequent years.

Estimated revenues are reviewed continuously and these may change to reflect market conditions. The amortisation expense of the Multi-Client library may fluctuate and be accelerated according to the level of revenue and revisions to estimated remaining revenues. Where amortisation expense is accelerated it is calculated as the proportion of the total cost of a survey calculated according to the proportion of cumulative revenues for the survey to the estimated total revenue for the survey. The costs of a survey are completely amortised when the estimated revenue has been reached.

2.1. Basis of preparation

The condensed consolidated interim financial information for the six months ended 30 June 2014 has been prepared in accordance with International Accounting Standard No. 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 Company as at and for the period ended 31 December 2013.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

2.2. Going concern

The financial information has been prepared on the going concern basis as management consider that the Group has sufficient cash to fund its current commitments for the foreseeable future.

3. Earnings per share

months ended	Year	Six months ended	Six ended	
Dec 2013		30 Jun 2014	30 Jun 2013	31
		Unaudited	Unaudited	
Audited				
The calculation of earnings per share is based on the following profit and number of shares:				
Profit for the period (US\$)		737,680	1,027,706	
4,285,931				

Weighted average number of shares of the Company:

Basic		25,040,757	13,730,522	
16,352,316				
Share Options		333,123	183,045	
215,480				
Diluted		25,373,880	13,913,567	
16,567,796				

Earnings per share:

Basic (US\$)		0.03		
0.07	0,26			
Diluted (US\$)		0.03		
0.07	0,26			

4. Loans and receivables

Dec 2013		30 Jun 2014	30 Jun 2013	31
		Unaudited	Unaudited	
		US\$		
Audited				
US\$	US\$			
Loans and receivables		7,256,904	763,000	
1,885,583				

Loans and receivables includes a loan of US\$7,117,025 plus accrued interest of US\$139,879 to the THAL Discretionary Trust. Interest is payable at 3% per annum (reviewed periodically to keep in line with market rates).

The THAL Discretionary Trust is a trust, independent of Thalassa, established for the benefit of individuals or parties to whom the Trustees wish to make awards at their discretion.

On January 8 2014, the Trust acquired:

- 1,000,000 ordinary shares in the Company at £2.70 per share,
- 1,078,667 ordinary shares in the Company at £0.264 per share.

The above transactions were financed by a loan from the Company.

5. Related party balances and transactions

Under the consultancy and administrative services agreement entered into on 23 July 2008 with a company in which the Chairman has a beneficial interest, the Group was invoiced US\$220,000 for consultancy and administrative services provided to the Group including US\$100,000 of consultancy fees. An additional US\$2,000 of Director fees were also invoiced to the Group. At 30 June 2014 the amount owed to this company was US\$148,517 (1H13: US\$2,000).

As per the announcement on 8 January 2014, the Chairman sold 1,000,000 ordinary shares of US\$0.01 each in the Company at a price of 270 pence per share to the THAL Discretionary Trust.

As per the announcement on 8 January 2014, the Company sold 1,078,667 Ordinary Shares out of treasury to the THAL Discretionary Trust at a price of £0.264 per ordinary share.

To finance these purchases by the THAL Discretionary Trust, the Company provided a loan of £3,054,768 to the THAL Discretionary Trust (US\$5,201,659).

Under a consultancy agreement entered into on 6 November 2013, a company in which Mr Robert Anderson has a beneficial interest, invoiced the Group US\$25,005 (1H 2013: US\$nil) in relation to consultancy fees and expenses. The amount owed to this company as at 30 June 2014 was US\$4,150 (1H 2013: US\$nil).

6. Share capital and share premium

at		As at	
		30 Jun 2014	31
Dec 2013			
US\$	US\$		
Authorised share capital:			
100,000,000 ordinary shares of \$0.01 each		1,000,000	
1,000,000			
Allotted, issued and fully paid:			
250,575		250,575	
		Number	
of		Number of	Treasury
Treasury		shares	
Shares	shares		
Balance at 31 December 2013		25,057,522	1,078,667
(279,982)			
Shares issued		10,000	
-	-		
Shares sold		-	(1,078,667)
279,982			
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Balance at 30 June 2014		25,067,522	
-	-		
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7. Post balance sheet events

No material events to report.

8. Copies of the Interim Report

The interim report is available on the Company's website: www.thalassaholdingsltd.com.

This information is provided by RNS
The company news service from the London Stock Exchange

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