Thalassa Holdings

Final Results

RNS Number : 2579C
Thalassa Holdings Limited
12 April 2017

Thalassa Holdings Ltd

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

("Thalassa" or the "Company")

Final results for the year ended 31 December 2016 and notice of AGM

Thalassa announces its final results for the year ending 31 December 2016. The audited financial statements and notice of Annual General Meeting are being posted to shareholders and will be made available on the Company website at www.thalassaholdingsltd.com.

2016 HIGHLIGHTS

GROUP RESULTS 2016 VERSUS 2015

· Revenue	$14.0m vs. $18.9m
· Gross Profit	$8.1m vs. $9.4m
· Operating Profit before depreciation (EBITDA)	$2.2m vs. $3.7m
· Adjusted Group Net Profit*1	$3.0m vs. $1.3m
· Group Net Profit/(Loss)	$2.0m vs. ($12.3m)
· Adjusted Group Earnings Per Share - basic and diluted*1,2	$0.13 / £0.11 vs. $0.05 / £0.04
· Group Earnings Per Share - basic and diluted*2	$0.09 / £0.07 vs. ($0.50) / (£0.35)
· Book value per share*3	$1.24 / £1.01 vs. $1.12 / £0.79
· Cash	$7.7m vs. $20.3m
· Debt	$ nil vs. $ nil

*1 excluding R&D costs at Autonomous Robotics of US$1.0m (2015: $13.5m including $0.6m of R&D costs and non-recurring costs of $12.9m)

*2 based on weighted average number of shares in issue of 22,806,734 (2015: 24,656,136)

*3 based on actual number of shares in issue as at 31 Dec 2016 of 21,958,865. Current number of shares in issue 21,633,865, resulting in an adjusted Year end 2016 book value per share of $1.26 / £1.02

OPERATIONAL HIGHLIGHTS

WGP

- Completion of PRM surveys over Snorre and Grane in the North Sea
- Completion of 1st PRM survey over Ekofisk in the North Sea
- Late multi-client data sales

ARL

- Redesign of Autonomous Node
- Prototype sub-assemblies completed

Contacts:

Thalassa Holdings Ltd:	
Duncan Soukup, Executive Chairman	+33 (0)6 78 63 26 89
WH Ireland Limited (Nominated adviser):	
Chris Fielding, Head of Corporate Finance	+44 (0)207 220 1650
Press Enquiries:	
Square1 Consulting (Public Relations)	
David Bick/Brian Alexander	+44 (0)207 929 5599

CHAIRMAN'S STATEMENT

"Plan for the worst, hope for the best and prepare to be surprised"

Rule 78, Rules of Management, Richard Templar

We went into 2016 fearing the worst, with every expectation that, at some point during the year, global politics would finally bring the financial markets to their knees. It would appear that quantitative easing has delayed the day of reckoning for another year or perhaps longer. Time will tell.

Total Gross National Debt of the US, as of 26 January 2016 amounted to $18.96 trillion ($13.62 trillion held by the public and $5.34 trillion of intra-government debt) in excess of 100% of GDP $18.56 trillion in 2016 …give or take a $billion or two, here or there! However, given low interest rates the annual cost of servicing the country's ever increasing debt mountain has remained relatively stable at around 1.6% of GDP or $450 billion. Unfortunately, the CBO estimates that debt service will increase to more like 3% of GDP or $800 billion by 2024.

And in case you were wondering, US consumer debt as of December 31 2016, stood at $12.58 trillion, a $226 billion (1.8%) increase from the third quarter of 2016.

In 2016, Europe as a whole (thanks to Germany) looked better than the US, sort of! The EU National Debt was lower than in the US at 83.3% of GDP, and EU consumer debt was also lower, mainly due to higher savings rates in the Northern European countries.

Given the above environment it would, in our opinion, be foolhardy to get too excited about the anaemic global recovery being trumpeted by politicians in both the US and Europe.

WGP

On 23 January 2017 we issued a trading update in which we stated, "The Board's current view for 2017 is one of cautious (but unpredictable) optimism".

Our optimism today remains cautious. WTI oil recovered from its 2016 low of $26 bbl. to around $56 but has since fallen again to $52. Easy money has fuelled renewed investment in onshore exploration in North America but, as mentioned above, we are not impressed with global economic growth and the political arena is, frankly, nothing short of scary as hell.

In a recent article in E&P magazine the reality of the market was highlighted in David Johnston's article on 4-D Seismic, I have included a few paragraphs to illustrate just how severely the seismic industry has been impacted by the collapse in the price of oil.

Four-dimensional Seismic In The Downturn, David H. Johnston, Contributing Editor Monday, March 27, 2017 - 7:00am

"The Industry downturn has had a devastating impact on the seismic industry. Tied closely to E&P budgets, seismic spending is roughly half that seen prior to 2014. In the marine sector vessel rates have declined sharply to values that have not been seen since 2003, and there appear to be few drivers to push rates higher. Even with the recent increase in oil prices, the 2017 E&P spend for major operators appears to continue its decline."

"For those companies that expect modest 2017 increases in their E&P budgets, most of that spend will likely be focused onshore. Data from the Norwegian Petroleum Directorate (NPD) show that of the 52 seismic surveys completed in Norway during 2015 and 2016 (excluding 2-D and site surveys), 30 were multiclient and 22 were contractual acquisitions. Of the 22 proprietary surveys, 17 were 4-D. However, 11 of the 17 4-D surveys were shot over permanent reservoir monitoring (PRM) systems at the Snorre, Grane, Ekofisk and Valhall fields. In these cases, the operators have significant upfront investments that must be recovered. Fortunately for PRM, monitor survey costs are lower than for comparable towed-streamer surveys."

As a company we were fortunate to have been cautious in our outlook and equally fortunate to have secured work over three of the four fields mentioned above, as well as a fourth, Eldfisk. We were also fortunate that we were able to get ahead of the curve and adjust our cost structure in anticipation of the hard times we saw coming. As a result, in 2016, WGP exceeded performance expectations at every level from sales all the way to the bottom line. These results are clearly reflected in THAL Group results.

As we have already announced, we anticipate further revenue growth, which should allow us to strengthen the organisation whilst at the same time increasing profitability.

ARL

The Board is more than satisfied with the progress that is being made at ARL. First phase in-water testing of our flying node has successfully been completed and it is now time to ramp up operations.

The anticipated investment needed to fund design and development of the ARL node from where we are to production ready for manufacture of a 200-node shallow water commercially deployable suite is estimated at $18m. The cost to manufacture the 200-node system including the handling, deployment and recovery system, is estimated at $24m. The final phase of the project, including high volume production engineering of the node and the manufacture of a 3,500 node system with associated deployment/recovery and deck handling systems is estimated at $52m; a total funding requirement of $94m. Clearly THAL does not have sufficient capital to fund completion of the project.

The Board was always cognisant of the Company's capital limitations and the plan has always been to prove initial concept of operations before seeking third party funding. We have reached that point and will now begin to execute phase II of our business plan to seek commercial partnership and third party funding. In the interim THAL will continue to fund ARL's near term development.

In due course, ARL will start with a round of private client funding, prior to approaching institutional investors. Given the time, effort and THAL's investment to date, and the significant potential returns, the Board has high expectations of a potential valuation but acknowledges that this will be dictated by investor demand and subject to change. The Board would point out that ultimately investors will agree or disagree with the valuation assigned to ARL. However, the Board would also stress that it would have little interest in raising money at less than its expectation other than from one or more strategic investors capable of bringing both capital and expertise to the table.

The Board would also like to advise shareholders that Management have been involved in extensive discussions with a public defence entity and a leading UK defence contractor regarding development of various defence applications. Given the nature of these discussions, the Board is naturally limited in its ability, at this stage, to comment further. What we are able to say is that, given the uniqueness of the ARL node and the swarm technology that we are developing, the Board is very excited about the potential for multiple defence related applications for the ARL node.

MISCELLANEOUS HOLDINGS

The Local Shopping REIT plc ("LSR")

The 23.3% equity interest in LSR is a cash management position, nothing more nothing less. The Board of THAL has been and remains openly critical of the LSR board, specifically in regard of their unwillingness to bring costs in line with a diminishing level of assets. The LSR Board's stated goal is to maximise shareholder value; this clearly cannot be achieved if costs are not curtailed as assets are sold. To that end, your Board will continue to pursue a policy of urging the LSR board to reduce costs in line with reduced assets and revenues.

Papua Mining plc ("Papua Mining")

The 26% equity interest in Papua Mining was strategic and the Board will announce In due course its intentions on how to exploit this Interest.

FOREX and Asset Risk Management

During 2016, the Company made in excess of $1.3m net gains in forex and asset risk management, more than offsetting the decline in the LSR position due to the 17% decline in £ versus the $. We will continue to mitigate against our foreign currency exposure but must point out that whilst these efforts have been immensely profitable in the past (net gains since 2008 amount to $4.4m) there is no guaranty that past results are any indication of future performance.

OUTLOOK 2017 AND BEYOND…

E&P companies work with 25 year budgets, as they have to when developing billion barrel oil fields with a life expectancy of 20 to 40 years. Unfortunately, however, even the best-laid plans go awry when the price of oil gyrates like a yoyo. The experience of a couple of Oil Majors and their announcement to divest their Alberta tar-sands projects is testament to what can go horribly wrong when oil prices don't behave as expected.

For our part, the Board focuses on short term, 1 year, and medium term, 3 to 5 year, budgets and plans. I am happy to say that the long-term nature of our current book of business (5 year plus contracts), asset light model and flexible management structure gives us a remarkable competitive advantage, which thankfully our competitors do not share. It is, therefore with a certain amount of confidence that we are able to look out 3 to 5 years into the future in the knowledge that we should continue to perform in line or above expectations, as long as we perform to our clients' satisfaction and the price of oil does not collapse for any extended period of time.

2017 should, therefore, be a very good year for WGP and, if we successfully execute our plan for ARL, Group results should also continue to improve.

It remains for me to thank our staff, and, to the extent they read this statement, our clients and suppliers for their support during the past year. Thank you.

And to our shareholders, a reminder, Rome was not built in a day, or we would have hired their workers! Slow and steady wins the race, not a dash for the first hurdle.

Duncan Soukup
Chairman
Thalassa Holdings Ltd
11 April 2017

WGP OPERATIONAL REVIEW

Following the agreement by Opec and Russia to reduce production by 1.2m barrels per day in November 2016, the price of oil has recovered. However, this development did not translate into a recovery of the seismic market., The number of 3D seismic vessels operating in Q4 of 2016 dropped to around 22 vessels, the lowest in the last 10 years. WGP's view is that the contract and multi-client markets are structurally unattractive, i.e. unprofitable and nil/low growth in the medium term.

WGP's strategy of focussing on Life of Field Seismic ("LoFS") and value added bespoke seismic solutions proved fortuitous in 2016 notwithstanding continued pricing pressure from our clients. Management has continued to focus on re-organizing the business and driving down costs, whilst maintaining zero recordable lost time incidents in 2016. Furthermore, in August 2016, BSI recertified WGP's quality, occupational health & safety and environmental management systems to be compliant with ISO 9001, 18001 and 14001, respectively.

Permanent Reservoir Monitoring ("PRM")

The Dual Portable Modular Source System (D-PMSS™), operating over Snorre and Grane, continued to perform well following a successful 2015 campaign and 2016 saw further improvements in operational efficiency. All the surveys were delivered on time, with zero HSE incidents.

Despite little time between contract award and mobilisation over Ekofisk in August 2016, WGP designed, built and delivered a new 3rd generation Portable Modular Source System (PMSS™) on time. This was largely possible due to tight control of all significant parts of the process and logistics. The first mobilisation was executed successfully, despite a complicated work programme, and the vessel departed on schedule. However, bad weather in October delayed survey operations, nevertheless, work was completed in early November.

A significant technical improvement was the installation and operation of a LoFS Operational Centre ("LOC"). This encompassed the QC monitoring of the PRM system, data merge of vessel attributes and real time QC with remote access for the client.

Contract Awards

WGP's sales pipeline remains promising and, following the successful completion of the autumn PRM surveys in the North Sea, WGP was awarded a further contract to acquire seismic data sets in 2017 over the Eldfisk field.

In addition to the current contracted projects, WGP's technology department is also involved in research, development and trials related to new displacement technologies within the E&P market. These are sponsored in association with oil majors and complementary to WGP's existing services.

OUTLOOK

WGP expects E&P capex in 2017 to be flat or negative and thus, given the substantial overcapacity in the general seismic market, we do not anticipate any recovery in the seismic market in 2017. WGP will continue to focus on improving operational efficiencies and controlling costs. WGP does see healthy growth in the LoFS market over the coming 2 to 3 years but exact timing is currently unknown.

Contracted work in 2017 comprises the on-going Snorre & Grane PRM surveys and the COP Ekofisk PRM project as well as the recently awarded work over the Eldfisk field.

The R&D and trials work now being undertaken provide WGP with additional opportunities and potential for growth beyond PRM work. The industry is continually changing and WGP's ability to adapt to these challenges coupled with a motivated and highly skilled workforce plays to our strengths as a bespoke provider of value added solutions, as opposed to the industry's standard service model.

Francis Smulders
Chairman

WGP Group Ltd

AUTONOMOUS ROBOTICS LTD (ARL) OPERATIONAL REVIEW

SUMMARY

The 'Flying Nodes' system design for deep water Ocean Bottom Node ("OBN") seismic surveys has continued during 2016 with the main priority being the design and manufacture of a prototype autonomous underwater vehicle ("AUV"). The complete system 'Flying Nodes' concept is presented in an animation on the ARL website www.autonomousroboticsltd.com.

A delay to the development schedule was experienced during the Computational Fluid Dynamics ("CFD") analysis of the node stability during flight. Based on this analysis, the outer form of the node was modified to improve the node stability and efficiency during its various modes of operation. Design continued based on this modified node shape with the majority of the prototype sub-assemblies completed at the end of the year.

Operational costs remained tightly controlled with priority on design and manufacture of the prototype node. Costs were considerably less than budget mainly due to no personnel recruitment. Funding continues to be provided by Thalassa Holdings Ltd.

MARKETING AND FUNDING

With ARL management resources focused on the design and manufacture of the prototype node, marketing efforts were suspended pending successful prototype in-water testing, which I am happy to report was successfully completed in Q1 2017. Presentations of the 'Flying Nodes' system concept and commercial justification for the system were given at seismic conferences, EAGE in Vienna and PETEX in London. Oil Majors continue to show interest in the development of 'Flying Nodes' as a means of reducing operational costs for deep water seismic surveys and would like to see further development of the proposed equipment. Other applications and markets for the technology have also been identified and further commentary will be forthcoming, as appropriate.

OPERATIONS

There have been no changes in staff levels during 2016. ARL has identified and managed subcontractors to assist in the design and manufacture of the prototype node and this business model has helped keep a lid on costs in advance of phase 1 proof of concept. Design of the major subassemblies continued during the year with manufacture starting in the second half of the year. At year end the majority of subassemblies were complete with software and some electronic hardware completed in the QI 2017 ahead of the final assembly and successful test.

TECHNOLOGY DEVELOPMENT

Design and manufacture of the prototype node was the priority during 2016. The theoretical improvement in node stability and efficiency during flight was evaluated using CFD and this work resulted in a change in shape to the outline of the original concept node. This optimisation of performance was integrated into the physical design of the node, which allowed the design of all subassemblies to be progressed.

The first stage test and trials of the node to evaluate flight and stability performance, initially with a tether cable, have now been successfully completed. Autonomous flight tests will begin Q2 2017 and our target is to have full autonomous functionality by the end of Q3. The seismic sensor system, complex autonomous control navigation system and acoustic communication system was not included in the first series of tests but will be introduced during the latter part of 2017.

Various subassemblies were manufactured and tested including the outer skin, the thrusters, the pressure vessel, battery pack and electronic printed circuit boards (pcb's).

A number of new patents to protect inventions specific to the 'Flying Nodes' system have been filed in 2016.

OUTLOOK FOR 2017

- The main priorities for engineering work in 2017 are listed below.
- Complete the final assembly and factory test of the prototype node
- Perform the first stage in water performance trials of the prototype node
- Design and test the fully autonomous control functions of the node
- Design and test the navigation and acoustic communications systems of the node
- Perform second stage in water trials to evaluate the upgraded prototype node
- Design and test of node - recovery cage acoustic homing system

- Design and manufacture of the seismic sensor system for the node
- Various engineering studies to reduce engineering and financial risk

After proving trials on the prototype node ARL will engage with potential funding organisations who wish to partner with Thalassa to allow the 'Flying Nodes' system development to progress at a higher rate.

Dave Grant
Chairman
Autonomous Robotics Ltd

FINANCIAL REVIEW

GROUP RESULTS

Total revenue for the period to 31 December 2016 showed a decrease of 25.8% to $14.0m from $18.9m in 2015. Recurring revenues from seismic operations increased by 22% to $11.6m (2015: $9.6m) generated from the completion of the survey's over the Snorre and Grane and the new project over Ekofisk, while $2.3m of non-recurring revenues from late data sales generated from the 2014 multi-client project resulted in a 75% decrease (2015: $9.3m), the decrease as a result of the proprietary project in 2015 that was not repeated in 2016.

Cost of Sales decreased by 37.6% in 2016 to $5.9m (2015: $9.4m). As a result **Gross Profit** decreased by 14.1% to $8.1m (2015: $9.4m) although with Gross margin increasing by 7.8% points to 57.9% from 50.1% in 2015 due to improvements in operational efficiency and stringent cost control.

Administrative expenses increased by $0.1m (2.7%) in 2016 to $5.9m (2015: $5.8m) resulting in **operating profit before depreciation** of $2.2m (2015: $3.7m) and on an adjusted basis (excluding R&D cost at ARL of $1.1m) $3.3m (2015: $4.3m excluding R&D costs at ARL $0.6m and non-recurring costs of $12.3m). **Depreciation** decreased by 50.6% to $1.1m compared to $2.2m in 2015 as a result of the impact of the asset review in 2015 and resultant impairment of $6.1m.

There were no **Non-recurring costs** in 2016 (2015: $ 12.9m relating to impairment on plant and equipment, $6.1m, the multi-client library, $1.5m, and loans receivable from the THAL Discretionary Trust, $5.8m).

Operating Profit/(loss) was therefore $1.1m (2015: $(11.5)m).

Adjusted Operating Profit (excluding non-recurring costs and R&D costs at ARL) was $2.2m, compared to $2.1m in 2015 with adjusted operating margin at 15.7% (2015: 10.9%).

Net financial income/(expense) of $1.3m included foreign exchange gains and losses, interest income/expense and gains/losses from financial investments (2015: $(0.3)m).

Share of profits less losses of associated entities of $0.1m (2015: $nil) relates to the 23.3% equity interest in The Local Shopping REIT plc ("LSR").

Profit/(loss) before tax was therefore $2.5m (2015: $(11.8)m). **Adjusted Profit before tax** was $3.6m (2015: $1.8m) with an adjusted net margin of 25.5% (2015: 9.5%).

Tax for the period was $0.5m (2015: $0.5m) and includes an estimate of the tax liability incurred by the Company's operations across its different jurisdictions ($0.6m), partially offset by R&D tax credits in relation to ARL ($0.1m). WGP Group Ltd is currently awaiting the outcome of an appeal, that if successful, could reduce the tax charge by up to $0.3m.

Profit/(loss) for the financial period was therefore $2.0m (2015: $(12.3)m). **Adjusted Profit/(loss) for the financial period** was $3.0m (2015: $1.3m), an increase of 127% with net margin at 21.1% (2015: 6.9%).

Net assets at 31 December 2016 amounted to $27.3m (2015: $26.4m) resulting in net assets per share of $1.24 (£1.01) based on 22m shares in issue versus $1.12 (£0.79) in 2015 including cash of $7.7m equivalent to $0.35 (£0.29) per share (2015: $20.3m and $0.86 (£0.61) per share).

Net cash flow from operating activities amounted to $4.4m as compared to $4.8m in 2015. This includes cash generated from operations in 2016, cash from the net late data sales relating to the multi-client project with TGS in 2014 and net foreign exchange gains.

Net cash outflow from investing activities, amounted to $16.0m relating to the investment in plant and equipment, the purchase of available for sale investments and investments in associates.

Net cash outflow from financing activities amounted to $1.1m relating to the buy back of 1,650,000 Thalassa ordinary shares into Treasury at an average price of £0.44.

Net decrease in cash and cash equivalents was $12.6m resulting in Cash and Cash Equivalents at 31 December 2016 of $7.7m.

CONSOLIDATED STATEMENT OF INCOME
for the year ended 31 December 2016

	Note	2016 $	2015 $
Revenue	8	13,987,926	18,863,273
Cost of sales		(5,877,401)	(9,416,746)
Gross profit		**8,110,525**	**9,446,527**
Administrative expenses		(5,885,970)	(5,775,983)
Operating profit before depreciation and non recurring costs		**2,224,555**	**3,670,544**
Depreciation	12	(1,100,445)	(2,226,645)
Operating profit/(loss) before non-recurring costs	3	**1,124,110**	**1,443,899**
Non-recurring costs	3	-	(12,948,755)
Operating profit/(loss)	3	**1,124,110**	**(11,504,856)**
Net financial income/(expense)	4	1,307,028	(261,144)
Share of profits less losses of associated entities	4	60,741	-
Profit/(loss) before taxation		**2,491,880**	**(11,766,000)**
Taxation	5	(523,299)	(493,230)
Profit/(loss) for the year		**1,968,581**	**(12,259,230)**
Earnings per share - $ (using weighted average number of shares)			
Basic and Diluted	6	**0.09**	**(0.50)**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 December 2016

	2016 $	2015 $
Profit/(loss) for the financial year	**1,968,581**	**(12,259,230)**
Other comprehensive income:		
Exchange differences on re-translating foreign operations	(86,587)	43,460
Unrealised gains on AFS Securities	11,130	-
Total comprehensive income	**1,893,124**	**(12,215,770)**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 31 December 2016

	Note	2016 $	2015 $
Assets			
Non-current assets			
Goodwill	10	368,525	368,525
Property, plant and equipment	12	10,985,757	8,023,557
Available for sale financial assets	14	826,022	-
Loans	7	1,549,564	1,503,823
Investments in associated entities		8,636,972	-
Total non-current assets		**22,366,840**	**9,895,905**

Current assets			
Inventories	15	491,151	391,035
Trade and other receivables	16	836,908	811,728
Cash and cash equivalents		7,732,215	20,303,136
Total current assets		**9,060,274**	**21,505,899**
Liabilities			
Current liabilities			
Trade and other payables	17	4,162,534	5,012,720
Total current liabilities		**4,162,534**	**5,012,720**
Net current assets		**4,897,740**	**16,493,179**
Net assets		**27,264,580**	**26,389,084**
Shareholders' Equity			
Share capital	18	250,675	250,675
Share premium		45,202,810	45,202,810
Treasury shares	18	(1,958,054)	(940,425)
Other reserves	18	(109,689)	(34,233)
Retained earnings		(16,121,162)	(18,089,743)
Total shareholders' equity		27,264,580	26,389,084
Total equity		**27,264,580**	**26,389,084**

These financial statements were approved and authorised by the board on 11 April 2017.

CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 31 December 2016

	Notes	**2016** **$**	**2015** **$**
Cash flows from operating activities			
Profit/(loss) for the year before taxation		**2,491,879**	**(11,766,000)**
Impairment of assets	7,12,13	-	13,374,071
Share option expense	20	-	168,375
Unrealised loss on FX option		-	66,563
(Increase)/decrease in inventories		(100,116)	(47,804)
(Increase)/decrease in trade and other receivables		(25,180)	1,943,195
(Decrease)/increase in trade and other payables		1,622,756	(975,750)
Net foreign exchange(loss)/gain		(86,587)	43,460
Accrued interest income		(45,740)	(212,082)
Taxation		(523,299)	(493,230)
Cash generated by operations		**3,333,713**	**2,100,798**
Depreciation	12	1,100,445	2,226,645
Amortisation of multi-client library	13	-	430,336
Net cash flow from operating activities		**4,434,158**	**4,757,779**
Net cash flow used in investing activities		**(15,987,450)**	**(1,242,292)**
Cash flows from financing activities			
Purchase of treasury shares		(1,017,629)	(940,425)
Net cash flow from financing activities		**(1,017,629)**	**(940,425)**
Net (decrease)/increase in cash and cash equivalents		**(12,570,921)**	**2,575,062**

Cash and cash equivalents at the start of the year	20,303,136	17,728,074
Cash and cash equivalents at the end of the year	**7,732,215**	**20,303,136**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2016

	Share Capital $	Share Premium $	Treasury Shares $	Other Reserves $	Retained Earnings $	Total Equity $
Balance as at 31 December 2014	**250,675**	**45,034,435**	**-**	**(77,693)**	**(5,830,513)**	**39,376,904**
Purchase of treasury shares	-	-	(940,425)	-	-	(940,425)
Share option expense	-	168,375	-	-	-	168,375
Total comprehensive income for the period	-	-	-	43,460	(12,259,230)	(12,215,770)
Balance as at 31 December 2015	**250,675**	**45,202,810**	**(940,425)**	**(34,233)**	**(18,089,743)**	**26,389,084**
Purchase of treasury shares	-	-	(1,017,629)	-	-	(1,017,629)
Total comprehensive income for the period	-	-	-	(75,456)	1,968,581	1,893,125
Balance as at 31 December 2016	**250,675**	**45,202,810**	**(1,958,054)**	**(109,689)**	**(16,121,162)**	**27,264,580**

The Annual General Meeting of Thalassa will be held at Le Cabanon, Pointe des Douaniers 06320 Cap d'Ail, France on 11 May 2017 at 12:00 noon.

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