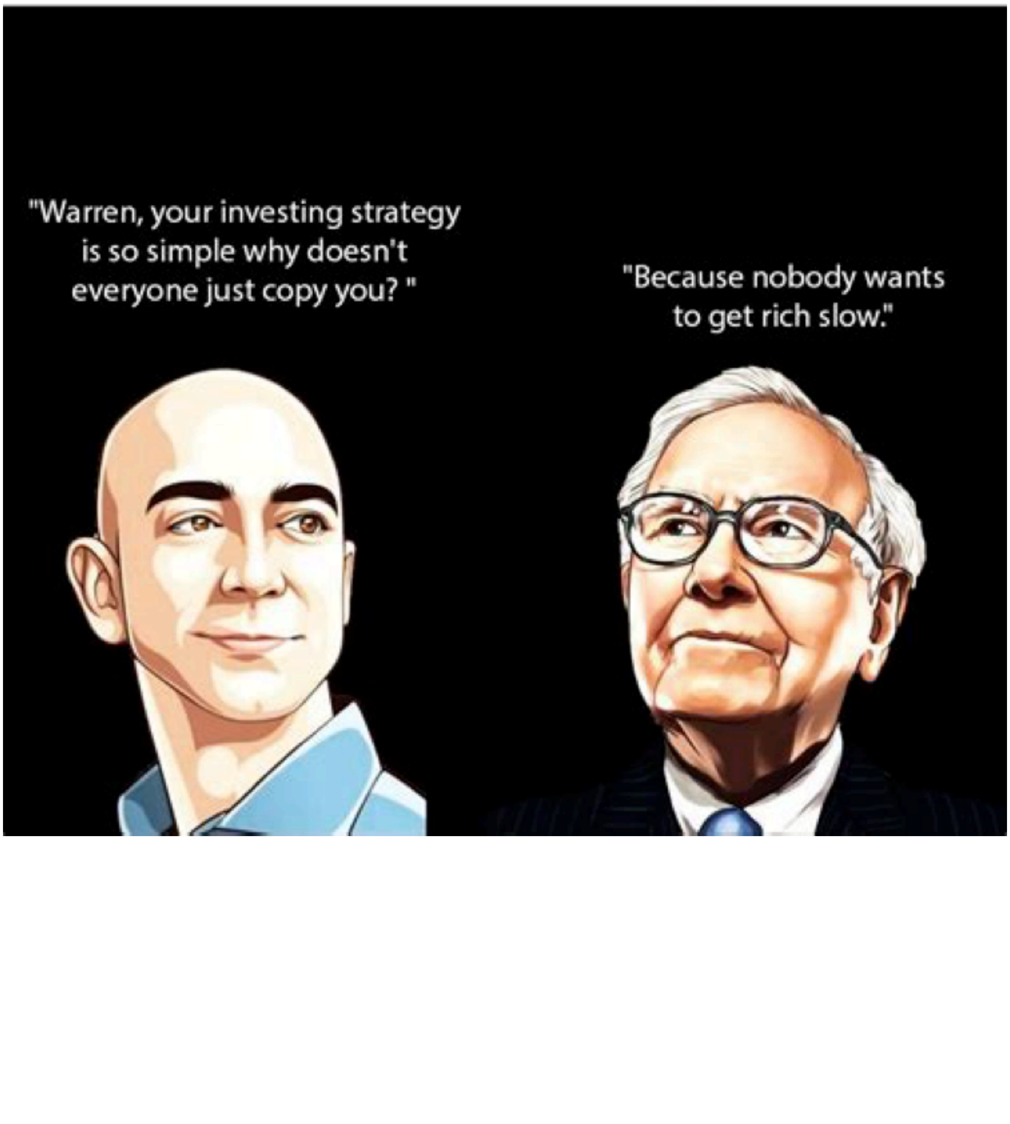
JUST WHEN YOU THOUGHT IT WAS SAFE TO GET BACK INTO THE WATER

Annual Report and Accounts

Year to 31 December 2021

When Jeff Bezos Met Warren Buffett

NVESTELITE RESEARCH
Investment Advisor



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2021 HIGHLIGHTS

Group Results 2021 versus 2020 GBP	GBP
• Profit /(loss) after tax for the year	£0.46m vs. £0.68
• Group Earnings Per Share (basic and diluted)*1	£0.06 vs. £0.05*1
• Book value per share*2	£1.40 vs. £1.45
• Investment Holdings	£9.2m vs. £7.0m
• Net Cash	£1.0m vs. £3.7m*3

*1 based on weighted average number of shares in issue of 7,945,838 (2020: 14,139,629)

*2 based on actual number of shares in issue as at 31 December 2021 of 7,945,838 (2020: 7,945,838)

*3 Cash reduced as a result of increase in Investment Holdings

2021 HIGHLIGHTS

- **ARL**

  Further development of the Flying Node bespoke seismic sensor system, with funding and support from The Net Zero Technology Centre (NZTC) and two major Energy Companies, has made significant progress with the testing section of the programme due to start in April 2022.

  The development of the control software for the Flying Node has progressed and will continue during 2022.

  From mid-2021 ARL has been a participant in a UKCCSRC funded project awarded to National Oceanography Centre (NOC) based in Southampton, UK. The project title is 'Sensor Enabled Seabed Landing AUV nodes for improved offshore Carbon Capture and Storage (CCS) monitoring'. The ARL Flying Node is the ideal platform for the miniature sensor systems NOC are developing as part of the project. This further demonstrates the market diversity for Flying Node applications.

- **id4**

  The successful rollout of the platform alongside the signing of new contracts with a number of private Swiss institutions was followed in December 2021 by the reverse take over (RTO) of id4 into Anemoi International Ltd.

- **Tappit Technologies (UK) Limited**

  The investment in Tappit continues to generate new client interest and we hope for accelerated traction once Covid restrictions are lifted.

CHAIRMAN'S STATEMENT

2021/2022 Just when you thought it was safe to get back into the water

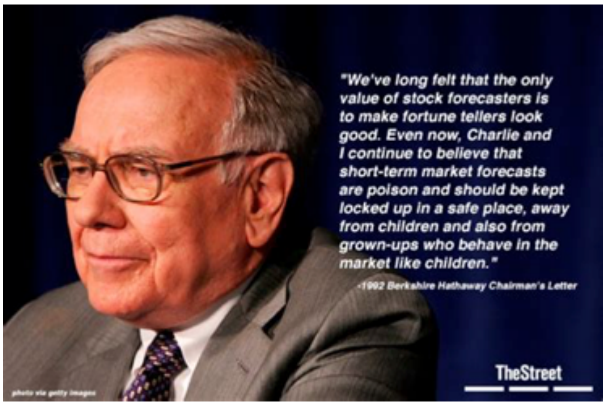
- Covid-19 lingering
- NASDAQ (CCMP) registered
  - ± (23%) YTD (thru May) 2022
  - ± 26% gain in 2021
  - ± 47% gain in 2020,
  - ± 38% in 2019,
  - ± (1%) in 2018,
  - ± 31% in 2017,
  - ± 6% in 2016,
  - ±8% in 2015,
  - ±18% in 2014,
  - ±35% in 2013
  - ± 17% in 2012
  - ± 3% in 2011
  - ± 19% in 2010
  - ± 53% in 2009
  - ± (42%) in 2008

From January 2009 thru December 2021 the NASDAQ rose ± 835%... fuelled by a decline in interest rates to 0% or, in some countries in the EU, into negative territory!

For those that chose to blank out the noise of the madding crowd, the early warning signs that the NASDAQ specifically, but the markets in general, were "toppy" were plain enough to see...

NASDAQ	P/E (TTM)	CAPE Ratio
31.12.21	39.00	59.78
31.12.20	39.46	55.33
31.12.19	27.29	41.65
31.12.18	20.34	35.19

I pointed to this excess in Thalassa's 2019 Annual Report and again in Thalassa's 2020 Annual Report…but such is the allure of drugs, alcohol and bull markets that few heeded the warning signs or my comments.



Given the Board's view that a correction was long overdue, we had reduced the Company's exposure to the markets and, as I have repeatedly stated, taken out some hedge (insurance) positions to mitigate, what was in our view, an inevitable event.

I find writing about the past somewhat like looking in the rear-view mirror when driving; it will, more than likely, result in a crash.

…which is what has predictably happened in January 2022.

Clearly, I don't have a crystal ball, but if history is any precursor to the future (which it invariably is), then the attached extract from an article titled "Bear Market Rallies can be a Treacherous Lure" by John Authers at Bloomberg is a reminder of the length, pain and destruction of a real bear-market, or as Jeremy Gantham has pointed out, what happens when a 3-Sigma Bubble bursts.

"So, if tempted to try buying the dip, look at how the great selloffs of 2000-2003 and 2007-2009 unravelled. They saw peak-to-trough falls in the S&P 500 of 49% and 56% respectively. But there were plenty of excursions on the way. After the dot-com bubble, Larry McDonald of the Bear Traps Report LLC points out that the NASDAQ composite, centre of the speculation, saw countertrend rallies of 22%, 24%, 37%, 18%, 22%, 30%, 47% and 56% in 2000 and 2001. Each time it looked like the downtrend was over, and each time it wasn't".

"The descent during the global financial crisis (GFC) was slightly quicker, but it still produced plenty of opportunities to trick you into buying."

Does the above foretell a continued decline in equities, clearly not, however, based on history only a fool would not factor into their investment strategy war in Ukraine, lock-down in China and global logistical snarl-ups, and rising wage demands, which are driving commodities higher (inflation); oil (Brent) today is trading at $120, whilst at the same time forcing economic growth lower (potential for stagflation). Not to mention the recent incursion of 30 Chinese fighter-jets into Taiwanese air space!

Outlook

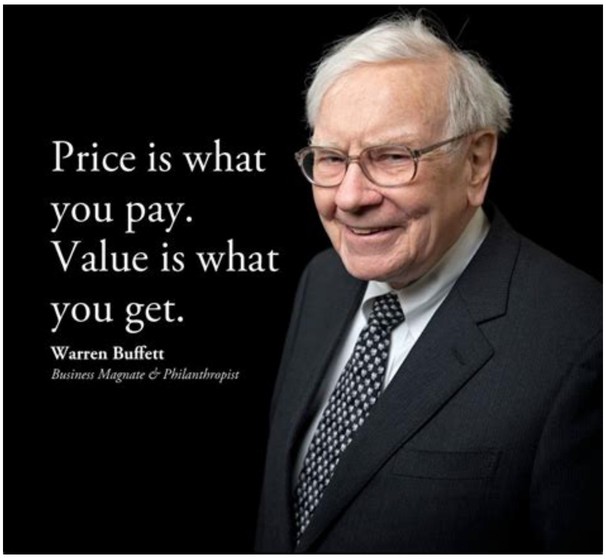
Whilst technical analysis is, in my opinion, a useful addition to an investors' toolbox, I am not a technician and do not rely solely on technical analysis but rather rely on fundamental analysis and use technical analysis to help with timing.

Since the beginning of 2022, the NASDAQ has fallen ca. -23%, the S&P 500 ca. -13% and the DJII ca. -9%, however on a fundamental basis none of these indices appear cheap if inflation persists and the US and other Western economies slow…as I believe they will.

There is not much discussion (yet!) in US financial circles regarding Real Estate. The average American individual has more money invested in real estate and more mortgages leverage than in any other asset class.

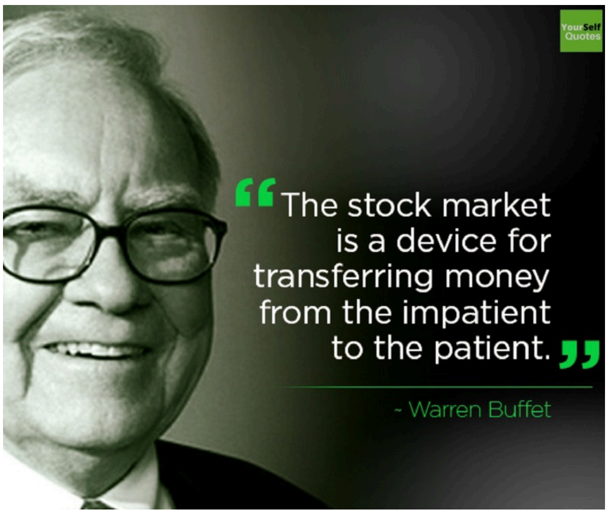
Given that the Federal Reserve has misread the inflation situation, the risk is that by raising interest rates slowly (50 basis points) over the next few (2?, 3?) quarters it

may only add to inflation, as wage demands increase, whilst ultimately driving rates higher than anticipated and causing a potential collapse in residential property. The Fed Chairman has spoken about his concern about the damage that higher interest rates could have on the wealth of Americans, which is undoubtedly why the Fed has been slow to combat inflation in the hope that it was simply "transitory".



I would use the above quote from Mr Buffett to remind shareholders that the easiest way to lose money is to overpay when buying anything…including stocks.

…and the quote below to remind investors that slow and steady wins the race…



As a parting reminder: hidden on the back cover of our 2020 Annual Report was the cartoon below, which clearly illustrates my view of the excesses that existed this time last year. The graph shows the Goldman Sachs Non-profitable Technology Basket, overlaid on top of Hollywood's favourite weed whackers, Cheech and Chong.

The above chart depicts the GSNon-Profitable Technology Basket, which in the past few weeks has fallen 26%, from a high of ±439 to current level of ±325!

Goldman Sachs Non-Profitable Technology Index

The GS Non-Profitable Tech basket consists of non-profitable US listed companies in innovative industries. Tech is defined quite broadly to include new economy companies across GICS industry groupings. The basket is optimized for liquidity with no name initially weighted greater than 4.65%.

At the time last year the index had declined ± 26% from its high, but has since declined a further 59% and is now down ± 70% from its high…as is Cathie Wood's Ark Innovation ETF (ARKK) … which nonetheless still has a market cap of $8.8 bn…go figure!

It is therefore all about "value", which has multiple definitions including Growth at a reasonable price. Get it wrong and overpay and one can lose money very quickly!

Holdings

Autonomous Robotics Ltd (ARL) (100%) Proof of Concept completed. Discussions with potential commercial development partners have not yet resulted in a transaction. Focus on commercialisation of Node system and fundraising for production of shallow water system

Anemoi International Ltd (36.9%) as a result of the December 2021 RTO, now owns 100% Id4 AG. Id4 is a fintech company specialising in Client Life Cycle Management systems, client onboarding and compliance software.

WGP (100%) The Company stood to receive a further $4 million earn-out. Unfortunately, the Norwegian project associated with the earn-out has been delayed due to welding failures during construction of the client's new Floating Production Storage and Offloading ("FPSO") vessel. The new oil field should have commenced production in 2022; this has now been pushed out to 2023. Our contract expires in January 2023. It is, therefore, unlikely that we will receive the second payment of $4 million.

Tappit Technologies. Tappit specializes in event technologies. It offers a range of products and services covering cashless payments, fan engagement, access control as well as data and insight areas. In addition, the company's technology supports ticket integrations and works for various events and venues.

Duncan Soukup
Chairman

9 June 2022

FINANCIAL REVIEW

GROUP RESULTS

Continuing Operations

Total revenue from continuing operations for the year to 31 December 2021 was £0.14m (2020: £0.04m) related to grant income for ARL and rental income in Switzerland.

Cost of Sales on continuing operations were £(0.06)m (2020: nil), resulting in a **Gross Profit** of £0.08m (2020: Gross Loss £0.04m).

Administrative expenses on continuing operations before exceptional costs were £1.4m (2020: £2.33m) and **depreciation** £0.1m compared to £0.04m in 2020.

Exceptional costs of nil (2020: £0.6m) were incurred as the costs on the sale of id4 were borne by Anemoi ,where in 2019 the costs incurred related to Alina Holdings & Anemoi International divestment .

Operating Loss was therefore £1.4m (2020: loss £2.4m).

Net financial income/(expense) of £(0.4)m included net foreign exchange income, net interest expense and net income from financial investments including fair value adjustments (2020: income £2.7m).

Other gains/(losses) were (£0.02)m (2020: gain of £0.9m).

Share of losses of associated entities was £0.01m (2020: nil).

Profit/(loss) before tax on continuing operations was £(1.8)m (2019: profit £1.2m).

Tax on continuing operations for the period was a credit of £0.1m relating a R&D tax credit (2020: credit £0.1m).

Profit/(loss) for the year from continuing operations was therefore £(1.7)m (2020: £1.2m).

Discontinued Operations

id4 AG was sold to Anemoi International Ltd during the year. A loss for the year from discontinued operations relating to the sale was £0.3m (2020: £0.7m).

Gain on the disposal of id4 AG was £2.4m

Profit for the year

This resulted in a Group profit for the year of £0.5m (2020: £0.7m).

Net assets at 31 December 2021 amounted to £11.2m (2020: £11.5m) resulting in net assets per share of £1.40 based on 7,945,838 shares in issue versus £1.45 in 2020 including cash of £1m equivalent to £0.12 per share (2020: £7.1m and £0.46 per share.

Net cash flow from operations amounted to an outflow of £1.9m as compared to £0.3m inflow in 2020.

Net cash from investing activities, amounted to an outflow of £2.5m (2020 £6.0m) relating to continuing operations in the purchase of available for sale investments.

Net cash inflow from financing activities amounted to £2.5m (2020: outflow £4.4m) relating to the sale of id4 AG.

Net decrease in cash and cash equivalents was £1.9m resulting in Cash and Cash Equivalents at 31 December 2021 of £5.4m (2020: £7.1m).

DIRECTORS' REPORT

The Directors present their report and the audited financial statements for the year ended 31 December 2021.

FUNCITONAL CURRENCY

For the year ended 31 December 2021, it was felt that with most holdings, both in securities and subsidiaries, being in GBP, that these financial statements should be presented as such and not in USD. The comparatives have likewise been restated into GBP at the appropriate rates.

BUSINESS REVIEW AND PRINCIPAL ACTIVITIES

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 is a holding company with interests in property, and marine seismic/defence R&D.

Autonomous Robotics Ltd (formerly GO Science 2013 Ltd) is a wholly owned subsidiary of Thalassa.

Anemoi International Ltd (36.9%) as a result of the December 2021 RTO, now owns 100% Id4 AG. Id4 is a fintech company specialising in Client Life Cycle Management systems, client onboarding and compliance software.

Tappit is an event technologies business. It offers a range of products and services covering cashless payments, fan engagement, access control as well as data and insight areas. In addition, the company's technology supports ticket integrations and works for various events and venues.

RESULTS AND DIVIDENDS

The Group made a profit attributable to shareholders of the parent for the year ended 31 December 2021 of £0.06m (2020: £0.01m). The Directors do not recommend the payment of a dividend.

DIRECTORS AND DIRECTORS' INTERESTS

The Directors of the Company who held office during the year and to date, including details of their interest in the share capital of the Company, are as follows:

Name	Date Appointed	Date Resigned	Shares held	Share options
Executive Director				
C Duncan Soukup	26 September 2007		2,396,970	-
Non-Executive Directors				
Graham Cole	2 April 2008		39,870	-
David M Thomas	2 April 2008		-	-
Kenneth Morgan	24 May 2022		-	-

DIRECTORS' REMUNERATION

	2021		2020	
	Director Fees £	Consultancy Fees £	Director Fees £	Consultancy Fees £
Executive Directors				
Duncan Soukup	272,597	221,025	283,170	223,555
Non-Executive Directors				
Graham Cole	18,419	-	14,904	-
David Thomas	18,419	-	14,904	-
Martyn Porter	-	-	7,452	-
Total remuneration	**309,435**	**221,025**	**320,430**	**223,555**

DIRECTORS' REPORT CONTINUED

SUBSTANTIAL SHAREHOLDINGS

As of 31 December 2021, the Company had been advised of the following substantial shareholders:

Name	Holding	%
Duncan Soukup	2,396,970	30.2%
THAL Discretionary Trust*	2,042,720	25.7%
Mark Costar	530,807	6.7%
Interactive Investor Services Nominees Limited	396,732	5.0%
Vidacos Nominees Limited	303,074	3.8%
Lynchwood Nominees Limited	263,353	3.3%
Other	2,012,182	25.3%
Total number of voting shares in issue	**7,945,838**	**100.0**

* C.Duncan Soukup is a trustee of THAL Discretionary Trust

SHARE BUY-BACK

There were no share buy backs during the year ended 31 December 2021. For the year ended 31 December 2020, the Company repurchased a total of 12.9 million shares at an average price of 67 pence per share for an aggregate amount of ca. £8.6 million. Under the current buy-back authority of 5 March 2019 the Company has £2.94 million of facility left.

* C.Duncan Soukup is a trustee of THAL Discretionary Trust

SHARE REDEMPTIONS

The Company amended its Articles of Association in October 2019 to allow the Board maximum flexibility in the manner in which it may seek to return capital to shareholders. Full details of the amendments are outlined on the Company's website in a letter from the Chairman dated 17 September 2019 together with a full copy of the new Memorandum of Association and Articles of Association dated 19 October 2019.

RELATED PARTY TRANSACTIONS

Details of all related party transactions are set out in note 23 to the financial statements.

OPERATIONAL RISKS

The Company may acquire either less than whole voting control of, or less than a controlling equity interest in, an investment target, which may limit its operational strategies.

The Company is dependent upon the Directors, and in particular, Mr C. Duncan Soukup, who serves as the Executive Chairman, to identify potential acquisition opportunities and to execute any acquisition. The unexpected loss of the services of Mr Soukup or other Directors could have a material adverse effect on the Company's ability to identify potential acquisition opportunities and to execute an acquisition.

The Company may invest in or acquire unquoted companies, joint ventures or projects which, amongst other things, may be leveraged, have limited operating histories, have limited financial resources or may require additional capital.

FINANCIAL RISKS

Details of the financial instrument risks and strategy of the Group are set out in note 24.

GLOBAL ECONOMIC RISK

Whilst the long term impact of Brexit is still currently uncertain and may have an impact on the Company's investments, the Ukraine conflict and Covid 19 pandemic have clouded the true effect. The Board continues to evaluate the effects of these impacts on the investments and will act accordingly to mitigate any potential loss.

RISKS AND UNCERTAINTIES

A summary of the key risks and mitigation strategies is below:

	Risk	**Mitigation**
1.	Insufficient cash resources to meet liabilities, continue as a going concern and finance key projects.	Short term and annual business plans are prepared and are reviewed on an ongoing basis. Use of various hedging instruments in order to mitigate major financial risks.
2.	Loss of key management/staff resulting in failure to identify and secure potential investment opportunities and meet contractual requirements.	Regular review of both the Board's and key management's abilities. Review of salaries and benefits including long term incentives and ongoing communication with key individuals.
3.	Failure to maintain strong and effective relations with key stakeholders in investments resulting in loss of contracts or value.	The Board and senior management seek to establish and maintain an open and transparent dialogue with key stakeholders.
4.	Failure to comply with law and regulations in the jurisdictions in which we operate.	Key management are professionally qualified. In addition the Company appoints relevant professional advisers (legal, tax, accounting etc) in the jurisdictions in which we operate.
5.	Significant changes in the political environment, including the impact of Brexit, Covid-19 and the Ukraine conflict, results in loss of resources/market and/or business failure.	The Company's current investments are not expected to be adversely impacted and Management is continuing to monitor the wider political environment to ensure that steps are taken to mitigate political risk.
6.	Death, illness or serious business disruption due to COVID-19 or other pandemics.	The Company seeks to comply with all legal requirements and guidance within the various territories in which it operates. The Board aims to take all reasonable steps to protect its employees, suppliers and customers, whilst safeguarding its business interests.

DIRECTORS' RESPONSIBILITIES

The Directors have elected to prepare the financial statements for the Group in accordance with UK Adopted International Accounting Standards ("IFRS").

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group, for safeguarding the assets and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

International Accounting Standard 1 requires that financial statements present fairly for each financial period the Group's financial position, financial performance and cash flows. This requires the faithful representation of the effects of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, income and expenses set out in the International Accounting Standards Board's 'Framework for the preparation and presentation of financial statements'. In virtually all circumstances, a fair presentation will be achieved by compliance with all applicable UK Adopted International Accounting Standards ("IFRS"). A fair presentation also requires the Directors to:

- select and apply appropriate accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs as applied by the E.U. is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

All of the current Directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the Group's auditors for the purposes of their audit and to establish that the auditors are aware of

DIRECTORS' REPORT CONTINUED

that information. The Directors are not aware of any relevant audit information of which the auditors are unaware.

The financial statements are published on the Group's website. The maintenance and integrity of the Group's website is the responsibility of the Directors. The Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein

AGM

The Annual General Meeting will be held at Anjuna, 28 Avenue de la Liberté, 06360 Éze France on 28 June 2022at 10.00 (CEST). A notice of the meeting is attached to this Annual Report.

AUDITORS

A resolution to confirm the appointment Jeffreys Henry LLP as the Company's auditors will be submitted to the shareholders at the Annual General Meeting.

Approved by the Board and signed on its behalf by

C.Duncan Soukup
Chairman

9 June 2022

CORPORATE GOVERNANCE STATEMENT

The Company's shares are admitted to the Official List of the UK Listing Authority and to trading on the London Stock Exchange's Main Market. The Board recognises the importance and value for the Company and its shareholders of good corporate governance. The Company Statement on Corporate Governance is available at https://thalassaholdingsltd.com/investor-relations/corporate-governance/ and repeated in full below.

BOARD OVERVIEW

In formulating the Company's corporate governance framework, the Board of Directors have reviewed the principles of good governance set out in the QCA code (the Corporate Governance Code for Small and Mid-Sized Quoted Companies 2018 published by the Quoted Companies Alliance) so far as is practicable and to the extent they consider appropriate with regards to the Company's size, stage of development and resources. However, given the modest size and simplicity of the Company, at present the Board of Directors do not consider it necessary to adopt the QCA code in its entirety.

The purpose of corporate governance is to create value and long-term success of the Group through entrepreneurism, innovation, development and exploration as well as provide accountability and control systems to mitigate risks involved.

COMPOSITION OF THE BOARD AND BOARD COMMITTEES

As at the date of this report, the Board of Thalassa Holdings Ltd comprises of one Executive Director and two Non-Executive Directors, which complies with the QCA Code.

On the 24 May 2022, Kenneth Morgan was appointed to the board as a further Non-executive Director.

BOARD BALANCE

The current Board membership provides a balance of industry and financial expertise which is well suited to the Group's activities. This will be monitored and adjusted to meet the Group's requirements. The Board is supported by the Audit Committee, Remuneration Committee and Regulatory Compliance Committee, all of which have the necessary character, skills and knowledge to discharge their duties and responsibilities effectively.

Further information about each Director may be found on the Company's website at https://thalassaholdingsltd.com/investor-relations/board-directors/. The Board seeks to ensure that its membership has the skills and experience that it requires for its present and future business needs.

All Directors have access to the advice and services of the Company Secretary who is responsible for ensuring that Board procedures and applicable rules and regulations are observed. The Board has a procedure allowing Directors to seek independent professional advice in furtherance of their duties, at the Company's expense.

RE-ELECTION OF DIRECTORS

In line with the UK Corporate Governance Code, all Directors are subject to re-election each year, subject to satisfactory performance.

BOARD AND COMMITTEE MEETINGS

The Board meets sufficiently regularly to discharge its duties effectively with a formal schedule of matters specifically reserved for its decision.

The Board held two full meetings for regular business during 2021, in addition to a number of informal ones. These included meetings of the Audit Committee, the Remuneration Committee and the Regulatory Compliance Committee as required. Due to the COVID-19 pandemic the board convened on conference phone calls during the year.

AUDIT COMMITTEE

During the financial period to 31 December 2021, the Audit Committee consisted of Graham Cole and any other one director.

The key functions of the audit committee are for monitoring the quality of internal controls and ensuring that the financial performance of the Group is properly measured and reported on and for reviewing reports from the Company's auditors relating to the Company's accounting and internal controls, in all cases having due regard to the interests of Shareholders. The Committee has formal terms of reference.

The external auditor, Jeffreys Henry LLP, was appointed on 16 January 2019 and has indicated its independence to the Board.

REMUNERATION COMMITTEE

During the financial period to 31 December 2021, the Remuneration Committee consisted of David Thomas and any other one director. It is responsible for determining the remuneration and other benefits, including bonuses and share based payments, of the Executive Directors, and for reviewing and making recommendations on the Company's framework of executive remuneration. The Committee has formal terms of reference.

The remuneration committee is a committee of the Board. It is primarily responsible for making recommendations to the Board on the terms and conditions of service of the executive Directors, including their remuneration and grant of options.

CORPORATE GOVERNANCE STATEMENT CONTINUED

REGULATORY COMPLIANCE COMMITTEE

During the financial period to 31 December 2021, the Regulatory Compliance Committee consisted of Graham Cole and any other one director. The committee is responsible for ensuring that the Company's obligations under the Listing Rules are discharged by the Board. The Committee has formal terms of reference.

STATEMENT ON CORPORATE GOVERNANCE

The corporate governance framework which Thalassa has implemented, including in relation to board leadership and effectiveness, remuneration and internal control, is based upon practices which the board believes are proportionate to the risks inherent to the size and complexity of Thalassa's operations.

The Board considers it appropriate to adopt the principles of the Quoted Companies Alliance Corporate Governance Code ("the QCA Code") published in April 2018. The extent of compliance with the ten principles that comprise the QCA Code, together with an explanation of any areas of non-compliance, and any steps taken or intended to move towards full compliance, are set out below:

1. Establish a strategy and business model which promote long-term value for shareholders

The Company is a Holding Company which has in the past and will in the future seek to acquire assets which in the opinion of the Board should generate long term gains for its shareholders. The current strategy and business operations of the Company are set out in the Chairman's Statement on page 6. Shareholders and potential investors must realise that the objectives set out in that document are simply that; "objectives" and that the Company may without prior notification change these objectives based upon opportunities presented to the Board or market conditions.

The Group's strategy and business model and amendments thereto, are developed by the Executive Chairman and his senior management team, and approved by the Board. The management team, led by the Executive Chairman, is responsible for implementing the strategy and overseeing management of the business at an operational level.

The Board is actively considering a number of opportunities and, ultimately, the Directors believe that this approach will deliver long-term value for shareholders. In executing the Group's strategy, management will seek to mitigate/hedge risk whenever possible.

As a result of the Board's view of the market, the Board has adopted a five-pronged approach to future investments:

1. **Opportunistic:** where an acquisition or investment exists because of price dislocation (the price of a stock collapses but fundamentals are unaffected) or where the Board identifies a special "off market" opportunity;
2. **Finance:** The Board is currently investigating opportunities in the FinTech sector;
3. **Property:** The Company held a strategic stake in Alina Holdings Plc (formerly The Local Shopping REIT plc). The Company's divestment is more comprehensively described in the Letter to Shareholders dated 28 September 2020 published in the Reports and Documents section of the Company's website;
4. **Education:** There are few businesses that offer the same longevity and predictability of earnings as Education; and
5. **R&D:** Development situations such as ARL where the Board sees an opportunity to participate in disruptive, early stage technology.

The above outlined strategy is subject to change depending on the Board's findings and prevailing market conditions.

2. Seek to understand and meet shareholder needs and expectations

The Board believes that the Annual Report and Accounts, and the Interim Report published at the half-year, play an important part in presenting all shareholders with an assessment of the Group's position and prospects. All reports and press releases are published in the Investor Relations section of the Company's website.

3. Take into account wider stakeholder and social responsibilities and their implications for long-term success

The Group is aware of its corporate social responsibilities and the need to maintain effective working relationships across a range of stakeholder groups. These include the Group's consultants, employees, partners, suppliers, regulatory authorities and entities with whom it has contracted. The Group's operations and working methodologies take account of the need to balance the needs of all of these stakeholder groups while maintaining focus on the Board's primary responsibility to promote the success of the Group for the benefit of its members as a whole. The Group endeavours to take account of feedback received from stakeholders, making amendments where appropriate and where such amendments are consistent with the Group's longer term strategy.

The Group takes due account of any impact that its activities may have on the environment and seeks to minimise this impact wherever possible. Through the various procedures and systems it operates, the Group ensures full compliance with health and safety and environmental legislation relevant to its activities. The Group's corporate social responsibility approach continues to meet these expectations.

4. Embed effective risk management, considering both opportunities and threats, throughout the organisation

The Board is responsible for the systems of risk management and internal control and for reviewing their effectiveness. The internal controls are designed to manage and whenever possible minimise or eliminate risk and provide reasonable but not absolute assurance against material misstatement or loss. Through the activities of the Audit Committee, the effectiveness of these internal controls is reviewed annually.

A budgeting process is completed once a year and is reviewed and approved by the Board. The Group's results, compared with the budget, are reported to the Board on a regular basis.

The Group maintains appropriate insurance cover in respect of actions taken against the Directors because of their roles, as well as against material loss or claims against the Group. The insured values and type of cover are comprehensively reviewed on a periodic basis.

The senior management team meet regularly to consider new risks and opportunities presented to the Group, making recommendations to the Board and/or Audit Committee as appropriate.

The Board has an established Audit Committee, a summary of which is set out in the Board of Directors section of the Company's website.

The Company receives comments from its external auditors on the state of its internal controls.

The more significant risks to the Group's operations and the management of these have been disclosed in the Chairman's statement on page 6.

5. Maintain the Board as a well-functioning, balanced team led by the Chair

The Board currently comprises two non-executive Directors and an Executive Chairman. Directors' biographies are set out in the Board of Directors section of the Company's website.

All of the Directors are subject to election by shareholders at the first Annual General Meeting after their appointment to the Board and will continue to seek re-election every year.

The Board is responsible to the shareholders for the proper management of the Group and, in normal circumstances, meets at least four times a year to set the overall direction and strategy of the Group, to review operational and financial performance and to advise on management appointments.

A summary of Board and Committee meetings held in the year ended 31 December 2021 is set out above.

The Board considers itself to be sufficiently independent. The QCA Code suggests that a board should have at least two independent Non-executive Directors. Both of the Non-executive Directors who currently sit on the Board of the Company are regarded as independent under the QCA Code's guidance for determining such independence.

Non-executive Directors receive their fees in the form of a basic cash fee based on attendance at board calls and board meetings. Directors are eligible for bonuses. The current remuneration structure for the Board's Non-executive Directors is deemed to be proportionate.

6. Ensure that between them, the directors have the necessary up-to-date experience, skills and capabilities

The Board considers that the Non-executive Directors are of sufficient competence and calibre to add strength and objectivity to its activities, and bring considerable experience in technical, operational and financial matters.

The Company has put in place an Audit Committee as well as Remuneration and Listing Compliance Committees. The responsibilities of each of these committees are described in the Board of Directors section of the Company's website.

The Board regularly reviews the composition of the Board to ensure that it has the necessary breadth and depth of skills to support the on-going development of the Group.

The Chairman, in conjunction with the Company Secretary, ensures that the Directors' knowledge is kept up to date on key issues and developments pertaining to the Group, its operational environment and to the Directors' responsibilities as members of the Board. During the course of the year, Directors received updates from the Company Secretary and various external advisers on a number of regulatory and corporate governance matters.

Directors' service contracts or appointment letters make provision for a Director to seek personal advice in furtherance of his or her duties and responsibilities, normally via the Company Secretary.

7. Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement

The Board's performance is measured by the success of the Company's acquisitions and investments and the returns that they generate for shareholders and in comparison to peer group companies. This performance is presented in the Group's monthly management accounts and reported, discussed and reviewed with the Board regularly

8. Promote a corporate culture that is based on ethical values and behaviours

The Board seeks to maintain the highest standards of integrity and probity in the conduct of the Group's operations. These values are enshrined in the written policies and working practices adopted by all employees in the Group. An open culture is encouraged within the Group. The management team regularly monitors the Group's cultural environment and seeks to address any concerns than may arise, escalating these to Board level as necessary.

The Group is committed to providing a safe environment for its staff and all other parties for which the Group has a legal or moral responsibility in this area.

Thalassa has a strong ethical culture, which is promoted by the actions of the Board and management team. The Group has an anti-bribery policy and would report any instances of non-compliance to the Board. The Group has undertaken a review of its requirements under the General Data Protection Regulation, implementing appropriate policies, procedures and training to ensure it is compliant.

9. Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board

The Board has overall responsibility for promoting the success of the Group. The Chairman has day-to-day responsibility for the operational management of the Group's activities. The non-executive Directors are responsible for bringing independent and objective judgment to Board decisions. Matters reserved for the Board include strategy, investment decisions, corporate acquisitions and disposals.

There is a clear separation of the roles of Executive Chairman and Non-executive Directors. The Chairman is responsible for overseeing the running of the Board, ensuring that no individual or group dominates the Board's decision-making and ensuring the Non-executive Directors are properly briefed on matters. Due to its current size, the Group does not require nor bear the cost of a chief executive. The Company's subsidiary ARL is led by a chief executive.

The Chairman has overall responsibility for corporate governance matters in the Group but does not chair any of the Committees. The Chairman also has the responsibility for implementing strategy and managing the day-to-day business activities of the Group. The Company Secretary is responsible for ensuring that Board procedures are followed and applicable rules and regulations are complied with.

The Audit Committee normally meets at least once a year and has responsibility for, amongst other things, planning and reviewing the annual report and accounts and interim statements involving, where appropriate, the external auditors. The Committee also approves external auditors' fees and ensures the auditors' independence as well as focusing on compliance with legal requirements and accounting standards. It is also responsible for ensuring that an effective system of internal control is maintained. The ultimate responsibility for reviewing and approving the annual financial statements and interim statements remains with the Board.

A summary of the work of the Audit Committee undertaken in the year ended 31 December 2021 is set out above. The Committee has formal terms of reference, which are set out in the Board of Directors section of the Company's website.

The Remuneration Committee, which meets as required, but at least once a year, has responsibility for making recommendations to the Board on the compensation of senior executives and determining, within agreed terms of reference, the specific remuneration packages for each of the Directors. It also supervises the Company's share incentive schemes and sets performance conditions for share options granted under the schemes.

A summary of the work of the Remuneration Committee undertaken in the year ended 31 December 2021 is set out above. The Committee has formal terms of reference.

The Directors believe that the above disclosures constitute sufficient disclosure to meet the QCA Code's requirement for a Remuneration Committee Report. Consequently, a separate Remuneration Committee Report is not presented in the Group's Annual Report.

The Listing Compliance Committee, which meets as required, is responsible for ensuring that the Company's obligations under the Listing Rules are discharged by the Board. The Committee has formal terms of reference set out in the Board of Directors section of the Company's website.

10. Communicate how the Group is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

The Board believes that the Annual Report and Accounts, and the Interim Report published at the half-year, play an important part in presenting all shareholders with an assessment of the Group's position and prospects. The Annual Report includes a Corporate Governance Statement which refers to the activities of both the Audit Committee and Remuneration Committee. All reports and press releases are published in the Investor Relations section of the Group's website.

The Group's financial reports and notices of General Meetings of the Company can be found in the Reports and Documents section of the Company's website. The results of voting on all resolutions in future general meetings will be posted to this website, including any actions to be taken as a result of resolutions for which votes against have been received from at least 20 per cent of independent shareholders.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS' OF THALASSA HOLDINGS LTD

OPINION

We have audited the consolidated financial statements of Thalassa Holdings Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of financial position, the consolidated statement of cash flows, the consolidated statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted International Accounting Standards as adopted by the European Union.

In our opinion the financial statements:

- give a true and fair view of the state of the group's affairs as at 31 December 2021 and of the it's profit for the year then ended;
- have been properly prepared in accordance with International Accounting Standards.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the group's ability to continue to adopt the going concern basis of accounting included reviews of expected cash flows for a period of 12 months, to determine expected cash outgoings, which was compared to the liquid assets held in the entity.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

OUR APPROACH TO THE AUDIT

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the directors made subjective judgments, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

HOW WE TAILORED THE AUDIT SCOPE

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which they operate.

The Group financial statements are a consolidation of fourteen reporting units, comprising the Group's operating businesses and holding companies.

Of the 14 entities, we identified two which were considered to be significant components for the purposes of the Group financial statements, and which, in our view, required a full audit of their complete financial information in order to ensure that sufficient appropriate audit evidence was obtained.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. This is not a complete list of all risks identified by our audit.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS' OF THALASSA HOLDINGS LTD CONTINUED

Key audit matter	How our audit addressed the key audit matter
Sale of subsidiaries: *Sale of id4 A.G. and Apeiron Holdings A.G.* In December 2021 the Group disposed of subsidiaries Apeiron Holdings A.G. and id4 A.G. The disposal resulted in a gain on disposal recognised of £2,465,188. Results of the entities were consolidated up until the point of sale and net assets derecognised on the sale date.	The consolidation and gain on disposal calculations were reviewed for arithmetical accuracy and agreed to key supporting documentation to provide assurance that the disposals were treated appropriately.
Carrying value of associate The sale of id4 AG to Anemoi International Limited ("Anemoi) was in return for consideration of shares in Anemoi issued to the parent company and its subsidiary, Apeiron BVI totalling 36.92% of the share capital of Anemoi. The carrying value of this investment in associate was £2,325,457 (2020: £nil) as at 31 December 2021. Shares of losses in associate have been recognised since the transaction took place in December 2021.	We considered whether the investment constituted an associate under the criteria in IAS 28. The fair value of the associate calculations were checked for arithmetical accuracy and agreed to key supporting documentation to provide assurance that the transaction was treated correctly.
Capitalisation of development costs During the year the Group capitalised development costs of £372,071 (2020: £510,974), in connection with the development of Autonomous Nodes by the subsidiary Autonomous Robotics Limited and software development within subsidiary Id4 AG prior to sale. Management have considered all criteria for capitalisation to have been met.	We considered whether the costs met the criteria under IAS38 for capitalisation. A sample of costs were vouched, and where allocated on a percentage basis, the policy was assessed for reasonableness.
Valuation of loans and portfolio holdings At 31 December 2021, the group had loans and portfolio holdings with a total value at the year end of £5,705,273. Included in this is a convertible loan note issued to Tappit Technologies (UK) Limited held at fair value, which had a fair value at 31 December 2021 of £4,107,513. There is a risk this loan may be not be correctly measured at its fair value and further fair value adjustments required.	We have obtained third party confirmation of the loan balances to ensure the accuracy of the balances recorded in the accounts. We have recalculated expected accrued interest to ensure arithmetically accurate. We have reviewed the methods adopted by the directors to value the investment and considered whether they are reasonable. Additionally, we have verified the accuracy of any data used and performed a recalculation of the model to ensure mathematical accuracy. We have verified that any fair value gains or losses have been recognised in accordance with IFRS 9. We have ensured that disclosures of the key judgements and assumptions, and methodology of revaluation have been appropriately disclosed.

OUR APPLICATION OF MATERIALITY

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgment, we determined materiality for the financial statements as a whole as follows:

	Group financial statements
Overall materiality	£129,000 (2020: £99,000)
How we determined it	5% of adjusted profit before tax.
Rationale for benchmark applied	We believe that profit before tax is the primary measure used by the shareholders in assessing the performance of the Group and is a generally accepted auditing benchmark.

For each component in the scope of our Group audit, we allocated a materiality that is less than our overall Group materiality. The range of materiality allocated across components was between £1,000 and £129,000.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £6,450 as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the directors' responsibilities statement [set out on page 13], the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

THE EXTENT TO WHICH THE AUDIT WAS CONSIDERED CAPABLE OF DETECTING IRREGULARITIES INCLUDING FRAUD

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the senior statutory auditor ensured the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS' OF THALASSA HOLDINGS LTD CONTINUED

- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 1 were indicative of potential bias;
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;
- Obtaining confirmation of compliance from the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

OTHER MATTERS WHICH WE ARE REQUIRED TO ADDRESS

We were reappointed by the board of directors on 16 January 2019 to audit the financial statements for the period ending 31 December 2018. Our total uninterrupted period of engagement is 4 years, covering the periods ending 31 December 2018 to 31 December 2021.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the group or the parent company and we remain independent of the group and the parent company in conducting our audit.

USE OF THIS REPORT

This report is made solely to the company's members, as a body. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed..

Sanjay Parmar
Senior Statutory Auditor
Jeffreys Henry LLP
Chartered Accountants
Finsgate
5-7 Cranwood Street
London EC1V 9EE

9 June 2022

CONSOLIDATED STATEMENT OF INCOME

for the year ended 31 December 2021

	Note	2021 GBP	2020 GBP
Continuing Operations			
Revenue	3	138,656	41,631
Cost of sales		(55,125)	671
Gross profit / (loss)		**83,531**	**42,302**
Administrative expenses excluding exceptional costs		(1,406,048)	(2,333,694)
Exceptional administration costs	4	-	(57,840)
Total administrative expenses		(1,406,048)	(2,391,534)
Operating loss before depreciation		**(1,322,517)**	**(2,349,232)**
Depreciation and Amortisation	10&11	(101,462)	(35,605)
Operating loss		**(1,423,979)**	**(2,384,837)**
Net financial income/(expense)	6	(355,204)	2,676,778
Other gains/(losses)		(22,380)	864,811
Share of losses of associated entities		(9,156)	-
Profit/(loss) before taxation		**(1,810,719)**	**1,156,752**
Taxation	8	132,240	81,467
Profit/(loss) for the year from continuing operations		**(1,678,479)**	**1,238,219**
Discontinued Operations			
Profit/(loss) for the year from discontinued operations	**7**	**(305,509)**	**(647,175)**
Gain on disposal of subsidiary	7	2,440,728	90,849
Profit/(loss) for the year		**456,740**	**681,893**
Attributable to:			
Equity shareholders of the parent		456,740	570,721
Non-controlling interest		-	111,171
		456,740	681,892
Earnings per share - GBP (using weighted average number of shares)			
Basic and Diluted - Continuing Operations		0.10	0.09
Basic and Diluted - Discontinued Operations		(0.04)	(0.04)
Basic and Diluted	**9**	**0.06**	**0.05**

The notes on pages 24 to 42 form an integral part of this consolidated financial information

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2021

	2021 GBP	2020 GBP
Profit for the financial year	**456,740**	**681,892**
Other comprehensive income:		
Exchange differences on re-translating foreign operations	134,698	(474,626)
Total comprehensive income	**591,438**	**207,266**
Attributable to:		
Equity shareholders of the parent	591,438	96,095
Non-Controlling interest	-	111,171
Total Comprehensive income	**591,438**	**207,266**

The notes on pages 24 to 42 form an integral part of this consolidated financial information.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 December 2021

	Note	2021 GBP	2020 GBP
Assets			
Non-current assets			
Goodwill	10	-	149,992
Intangible assets	10	907,531	695,098
Property, plant and equipment	11	1,661,081	306,730
Available for sale financial assets	12	1,187,346	1,417,003
Loans	13	5,705,273	5,572,626
Investments in associated entities	22	2,325,457	-
Total non-current assets		**11,786,688**	**8,141,449**
Current assets			
Trade and other receivables	14	809,607	498,530
Cash and cash equivalents		5,398,208	7,116,110
Total current assets		**6,207,815**	**7,614,640**
Liabilities			
Current liabilities			
Trade and other payables	15	1,113,289	765,419
Borrowings	16	4,475,560	3,448,590
Total current liabilities		**5,588,849**	**4,214,009**
Net current assets		**618,966**	**3,400,631**
Non-current liabilities			
Long term debt	16	1,252,335	28,816
Total non-current liabilities		**1,252,335**	**28,816**
Net assets		**11,153,319**	**11,513,264**
Shareholders' Equity			
Share capital	19	128,977	128,977
Share premium		21,717,786	21,717,786
Treasury shares	19	(8,558,935)	(8,558,935)
Other reserves		(1,696,320)	78,716
Non-Controlling Interest		-	(122,298)
Foreign exchange reserve		3,836,171	3,697,697
Retained earnings		(4,274,360)	(5,428,679)
Total shareholders' equity		**11,153,319**	**11,513,264**
Total equity		**11,153,319**	**11,513,264**

The notes on pages 24 to 42 form an integral part of this consolidated financial information.
These financial statements were approved and authorised by the board on 9 June 2022.

Signed on behalf of the board by:

C. Duncan Soukup
Chairman

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 December 2021

	Notes	2021 GBP	2020 GBP
Profit/(Loss) before income tax from:			
Continuing operations		(1,435,978)	(2,384,843)
Discontinued operations		(285,509)	(549,558)
Profit/(Loss) before income tax including discountinued operations		**(1,721,487)**	**(2,934,401)**
Adjustments for:			
Impairment losses on goodwill		149,992	-
(Increase)/decrease in trade and other receivables		(311,077)	550,655
(Decrease)/increase in trade and other payables		347,870	(487,960)
Loss/(gain) on disposal of PPE		-	-
Gain/(loss) on disposal of AFS investments		117,541	1,397,459
Net exchange differences		(93,995)	877,877
Depreciation	11	210,401	337,628
Share of losses of associate/gain on disposal		(9,156)	(473,619)
Fair value movement on AFS financial assets		(704,554)	947,733
Cash generated by operations		**(2,014,465)**	**215,372**
Taxation		132,240	80,081
Net cash flow from operating activities		**(1,882,225)**	**295,453**
Sale/(purchase) of property, plant and equipment		(1,564,752)	(286,447)
Sale/(purchase) of intangible assets		(212,433)	(568,007)
Sale/(purchase) of investment property		-	2,729,329
Net (purchase)/sale of AFS financial assets		97,010	(1,910,769)
Investments in subsidiaries		(815,428)	(5,971,421)
Proceeds from disposal of Alina Holdings PLC		-	89,304
Net cash flow in investing activities		**(2,495,603)**	**(5,918,011)**
Cash flows from financing activities			
Purchase of treasury shares		-	(1,995,622)
Leasing Liabilities		-	(308,883)
Proceeds from borrowings		354,229	156,014
Repayment of borrowings		2,167,225	(2,209,397)
Net cash flow from financing activities		**2,521,454**	**(4,357,888)**
Net increase in cash and cash equivalents		**(1,856,374)**	**(9,980,446)**
Cash and cash equivalents at the start of the year		7,116,110	18,353,767
Effects of exchange rate changes on cash and cash equivalents		138,472	(1,257,211)
Cash and cash equivalents at the end of the year		**5,398,208**	**7,116,110**

The notes on pages 24 to 42 form an integral part of this consolidated financial information.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2021

	Attributable to owners of the Company								
	Share Capital GBP	Share Premium GBP	Treasury Shares GBP	Other Reserves GBP	Foreign Exchange Reserve GBP	Retained Earnings GBP	Total GBP	Non-controlling Interest GBP	Total Shareholders Equity GBP
Balance as at 31 December 2019	**163,523**	**28,093,398**	**(6,563,313)**	**325,398**	**3,926,880**	**(6,110,435)**	**19,835,451**	**465,777**	**20,301,228**
Redemption of Capital	(34,546)	(6,375,612)	-	-	-	-	(6,410,158)	-	(6,410,158)
Purchase of treasury shares	-	-	(1,995,622)	-	-	-	(1,995,622)	-	(1,995,622)
Disposal of subsidiary with NCI	-	-	-	-	-	110,508	110,508	(699,958)	(589,450)
Total comprehensive income	-	-	-	(246,682)	(229,183)	571,248	95,383	111,883	207,266
Balance as at 31 December 2020	**128,977**	**21,717,786**	**(8,558,935)**	**78,716**	**3,697,697**	**(5,428,679)**	**11,635,562**	**(122,298)**	**11,513,264**
Disposal of subsidiary with NCI (note 7)	-	-	-	(1,775,036)	-	697,579	(1,077,457)	122,298	(955,159)
Exchange on conversion to GBP *	-	-	-		3,776	-	3,776	-	3,776
Total comprehensive income	-	-	-	-	134,698	456,740	591,438	-	591,438
Balance as at 31 December 2021	**128,977**	**21,717,786**	**(8,558,935)**	**(1,696,320)**	**3,836,171**	**(4,274,360)**	**11,153,319**	**-**	**11,153,319**

* Upon conversion to GBP, the variance between opening and closing rate for the reserves was taken to the Foreign Exchange Reserve

The notes on pages 24 to 42 form an integral part of this consolidated financial information.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 December 2021

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 is a holding company with various interests across a number of industries.

Autonomous Robotics Limited ("ARL" – formerly GO Science 2013 Ltd) is a wholly owned subsidiary of Thalassa and is an Autonomous Underwater Vehicle ("AUV") research and development company.

Apeiron Holdings is a BVI registered business and is a wholly owned by Thalassa. Until the 17th December 2021, it owned 84% of Apeiron AG which is a company registered in Switzerland. Apeiron AG was merged with id4 AG during the period and the resulting company (named id4 AG) was sold to Anemoi International Limited on the 17th December 2021.

Aperion Holdings is the 100% shareholder of Alfalfa AG, a company registered in Switzerland.

WGP Geosolutions Limited is a wholly owned subsidiary of Thalassa which has an additional subsidiary, WGP Group AT GmbH, both currently non-operational.

2. ACCOUNTING POLICIES

The Group prepares its accounts in accordance with applicable UK Adopted International Accounting Standards.

The financial statements are expressed in GBP from 2021 and the comparatives have been restated. Historically the financial statements have been expressed in US dollars being the functional currency of the company and its subsidiaries other than DOA Exploration Ltd, and Autonomous Robotics Limited which have a functional currency of pound sterling, WGP Group AT GmbH, WGP Geosolutions Ltd and Anemoi SA of Euro and Apeiron AG and id4 of Swiss francs.

The change to presenting in GBP is due to the lack of USD as a functional currency in either Thalassa or its subsidiaries.

The following exchange rates were used in the translation of the accounts: -

Year end GBPUSD exchange rate as at 31 Dec 2021: 1.350 (2020:1.365).
Average GBPUSD exchange rate as at 31 Dec 2021: 1.357 (2020:1.344).

Year end GBPEUR exchange rate as at 31 Dec 2021: 1.189 (2020:1.117).
Average GBPEUR exchange rate as at 31 Dec 2021: 1.154 (2020:1.149).

Year end GBPCHF exchange rate as at 31 Dec 2021: 1.234 (2020:1.208).
Average GBPCHF exchange rate as at 31 Dec 2021: 1.221 (2020:1.246).

The principal accounting policies are summarised below. They have been applied consistently throughout the period covered by these financial statements.

2.1. FUNCTIONAL CURRENCY

The presentational currency of the financial statements is GBP, whereas the functional currency of the Company is US Dollars. Transactions in foreign currencies are initially recorded in the functional currency by applying the spot exchange rate on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the presentational currency at the spot exchange rate on the balance sheet date. Any resulting exchange differences are included in the statement of comprehensive income. Non-monetary assets and liabilities, other than those measured at fair value, are not retranslated subsequent to initial recognition.

2.2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has changed to UK Adopted International Accounting Standards for the year ended 31 December 2021 from International Financial Reporting Standards (IFRSs) as adopted by the European Union for the year eded 31 December 2020.

Standards issued but not yet effective: There were a number of standards and interpretations which were in issue during the current period but were not effective at that date and have not been adopted for these Financial Statements. The Directors have assessed the full impact of these accounting changes on the Company. To the extent that they may be applicable, the Directors have concluded that none of these pronouncements will cause material adjustments to the Group's Financial Statements. They may result in consequential changes to the accounting policies and other note disclosures. The new standards will not be early adopted by the Group and will be incorporated in the preparation of the Group Financial Statements from the effective dates noted below.

The new standards include:

IFRS 16	Leases (amendments) [1 & 2]
IAS 39	Financial instruments recognition and measurement [1]
IFRS 9	Financial instruments (amendments) [1]
IFRS 7	Financial instruments disclosures (amendments) [1]
IFRS 4	Insurance contracts [1]
IFRS 3	Business combinations [2]
IAS 37	Provisions, contingent liabilities and contingent assets [2]
IFRS 17	Insurance contracts [2]
IAS 1	Presentation of financial statements [3]
IAS 8	Accounting policies, changes in accounting estimates and errors [3]

1 Effective for annual periods beginning on or after 1 January 2021
2 Effective for annual periods beginning on or after 1 January 2022
3 Effective for annual periods beginning on or after 1 January 2023

2.3. BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Income and expenses of subsidiaries acquired or disposed of during the year are included in the consolidated statement of income from the effective date of acquisition and up to the effective date of disposal, as appropriate. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

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

2.4. JUDGEMENT AND ESTIMATES

The preparation of financial statements in conformity with IFRS requires the Directors to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key judgement areas relate to the carrying value of provisions for loans receivable. Plant and Equipment is reviewed annually for indication of impairment.. Intellectual property is amortised and also reviewed annually for indication of impairment. Loans receivable are reviewed for potential recovery and impairments included where necessary. Capitalised research and development costs are reviewed annually for indication if impairment.

Judgement is also made in respect of the accounting treatment of the THAL Discretionary Trust. Management's assessment is based on various indicators including activities, decision-making, benefits and risks of the Trust. Based on this assessment, management consider that the THAL Discretionary Trust should not be consolidated.

2.5. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost less depreciation and any provision for impairment. Cost includes the purchase price, including import duties, non-refundable purchase taxes and directly attributable costs incurred in bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended. Cost also includes capitalised interest on borrowings, applied only during the period of construction.

Fixed assets are depreciated on a straight line basis between 3 and 15 years from the point at which the asset is put into use.

2.6. INTANGIBLE ASSETS

GOODWILL

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see note 2.16) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss in the consolidated statement of income. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

DEVELOPMENT COSTS

An intangible asset, which is an identifiable non-monetary asset without physical substance, is recognised to the extent that it is probable that the expected future economic benefits attributable to the asset will flow to the Group and that its cost can be measured reliably. Such intangible assets are carried at cost less amortisation. Amortisation is charged to 'Administrative expenses' in the Statement of Comprehensive Income on a straight-line basis over the intangible assets' useful economic life. The amortisation is based on a straight-line method typically over a period of 1-10 years depending on the life of the related asset.

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

Development costs are capitalised as an intangible asset only if the following conditions are met:

- an asset is created that can be identified;
- it is probable that the asset created will generate future economic benefit;
- the development cost of the asset can be measured reliably;
- it meets the Group's criteria for technical and commercial feasibility; and
- sufficient resources are available to meet the development costs to either sell or use as an asset.

OTHER INTANGIBLE ASSETS

Other intangible assets, including patents and trademarks, that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses

2.7. IMPAIRMENT OF ASSETS

An assessment is made at each reporting date of whether there is any indication of impairment of any asset, or whether there is any indication that an impairment loss previously recognised for an asset in a prior period may no longer exist or may have decreased. If any such indication exists, the asset's recoverable amount is estimated. An asset's recoverable amount is calculated as the higher of the asset's value in use or its net selling price.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. An impairment loss is charged to the statement of income in the period in which it arises. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount of an asset, however not to an amount higher than the carrying amount that would have been determined (net of any depreciation / amortisation), had no impairment loss been recognised for the asset in a prior period. A reversal of an impairment loss is credited to the statement of income in the period in which it arises.

2.8. INVESTMENTS

Available for sale investments are initially measured at cost, including transaction costs. Gains and losses arising from changes in fair value of available for sale investments are recognised at fair value through profit or loss.

The convertible loan notes held until December were revalued on a discounted cashflow basis at a market rate of 10%. The final value of the convertible element had been calculated using the Black-Sholes model to provide a fair value adjustment through the income statement. Since the year end they have been converted into 334,956 shares of $1 each.

2.9. REVENUE

Revenue is measured at the fair value of the consideration received or receivable.

In respect of contracts which are long term in nature and contracts for ongoing services, revenue, restricted to the amounts of costs that can be recovered, is recognised according to the value of work performed in the period. Revenue in respect of such contracts is calculated on the basis of time spent on the project and estimated work to completion.

Where the outcome of contracts which are long term in nature and contracts for ongoing services cannot be estimated reliably, revenue is recognised only to the extent of the costs recognised that are recoverable.

Where payments are received in advance in excess of revenue recognised in the period, this is reflected as a liability on the statement of financial position as deferred revenue.

Rental income from investment properties leased out under operating leases is recognised net of VAT, returns, rebates and discounts in the Income Statement on a straight-line basis over the term of the lease. The directors consider this is in line with when the Company's performance obligations are satisfied. Standard payments terms are that services are paid in advance. When the Group provides lease incentives to its tenants the cost of incentives are recognised over the lease term, on a straight-line basis, as a reduction to income.

2.10. TAXATION

The Company is incorporated in the BVI as an IBC and as such is not subject to tax in the BVI.

DOA Exploration Ltd and Autonomous Robotics Ltd are incorporated in the UK and are therefore subject to UK tax regulations.

Apeiron AG and id4 AG are incorporated in Switzerland in the canton of Lucern and are subject to Swiss tax regulations.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the reporting date. Tax is charged or credited directly to equity if it relates to items that are credited or charged to equity. Otherwise tax is recognised in the income statement.

Deferred tax is provided in full using the liability method on all timing differences which result in an obligation at the reporting date to pay more tax, or the right to pay less tax, at a future date, at rates that are expected to apply when they crystalise based on current tax rates. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Deferred tax is not provided when the amounts involved are not significant.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended 31 December 2021

2.11. FOREIGN CURRENCY

Transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rate of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the financial reporting date. Exchange differences arising are included in the statement of income for the period.

DOA Exploration Ltd and Autonomous Robotics Ltd are incorporated in the UK and have a functional currency of GBP. Exchange differences on the retranslation of operations denominated in foreign currencies are included in Other Comprehensive Income.

Year end GBPUSD exchange rate as at 31 Dec 2021: 1.350 (2020:1.365).
Average GBPUSD exchange rate as at 31 Dec 2021: 1.357 (2020:1.344).

Year end GBPEUR exchange rate as at 31 Dec 2021: 1.189 (2020:1.117).
Average GBPEUR exchange rate as at 31 Dec 2021: 1.154 (2020:1.149).

Year end GBPCHF exchange rate as at 31 Dec 2021: 1.234 (2020:1.208).
Average GBPCHF exchange rate as at 31 Dec 2021: 1.221 (2020:1.246).

2.12. BORROWING COSTS

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are added to the cost of those assets until such a time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in profit and loss in the period incurred.

2.13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial assets and liabilities are recognised on the Group's statement of financial position when the Group becomes party to the contractual provisions of the instrument.

Loans and receivables are initially measured at fair value and are subsequently measured at amortised cost, plus accrued interest, and are reduced by appropriate provisions for estimated irrecoverable amounts. Such provisions are recognised in the statement of income.

Available for sale financial assets comprise investments which do have a fixed maturity and are classified as non current assets if they are intended to be held for the medium to long term. They are measured at fair value through profit or loss.

Trade receivables are initially measured at fair value and are subsequently measured at amortised cost less appropriate provisions for estimated irrecoverable amounts. Such provisions are recognised in the statement of income.

Cash and cash equivalents comprise cash in hand and demand deposits and other short-term highly liquid investments with maturities of three months or less at inception that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Trade payables are not interest-bearing and are initially valued at their fair value and are subsequently measured at amortised cost.

Equity instruments are recorded at fair value, being the proceeds received, net of direct issue costs.

Share Capital – Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of taxation, from the proceeds.

Treasury shares – Where any Group company purchases the Company's equity share capital, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders until the shares are cancelled or reissued.

Where such shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

Financial instruments require classification of fair value as determined by reference to the source of inputs used to derive the fair value. This classification uses the following three-level hierarchy:

Level 1 — quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 — inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices);

Level 3 — inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Borrowings are initially measured at fair value and are subsequently measured at amortised cost, plus accrued interest.

2.14. BUSINESS COMBINATIONS

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to any former owners and the equity interests issued by the Group in exchange for control. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests and the fair value of the acquirer's previously held equity interest (if any) over the net of the acquisition- date amounts of the identifiable assets acquired and the liabilities assumed.

2.15. GOING CONCERN

The financial statements have been prepared on the going concern basis as management consider that the Group will continue in operation for the foreseeable future and will be able to realise its assets and discharge its liabilities in the normal course of business. The Group has fully assessed its financial commitments and at the year end had net cash reserves of £1.0m plus a further £3.5m of available for sale investments. Whilst the on-going impact of COVID-19 is still affecting global markets alongside the Ukraine War, management is fully confident that it will be able to mitigate any potential downside.

In arriving at this conclusion management have prepared cash flow forecasts considering operating cash flows and capital expenditure requirements over the Group, as well as available working capital.

2.16. INVESTMENT IN ASSOCIATED ENTITIES

Investments in associates are those over which the Group has significant influence. These are accounted for using the equity method of accounting. Significant influence is considered to be participation in the financial and operating policy decisions of the investee and is usually evidenced when the Group owns between 20% and 50% of that company's voting rights.

Investments in associates are initially recorded at cost and the carrying amount is increased or decreased to recognise the Group's share of the profits or losses of the associate after acquisition. At the date of acquisition any excess of the cost of acquisition over the Group's share of the fair values of the identifiable net assets of the associate is recognised as goodwill. The carrying amount of these investments is reduced to recognise any impairment of the value of the individual investment. If the Group's share of losses exceeds its interest in an associate the carrying value of that investment is reduced to nil and the recognition of any further losses is discontinued unless the Group has an obligation to make further funding contributions to that associate.

The Group's share of associates' post acquisition profits or losses is recognised in profit or loss and the post acquisition movements in other comprehensive income is recognised within other comprehensive income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended 31 December 2021

3. SEGMENT INFORMATION

During the year the Group had two operating segments, continuing operations comprised of rental income through the Aperion Group and discontinued operations being the supply of software services from the same Group.

As per the notes the segment relating to software services was discontinued through divestment from the group on 17 December 2021.

Information related to each reportable segment is set out below.

	Total GBP	Sale of Services GBP	Rental Income GBP
Revenue	56,233	28,000	28,233

	Rental Income GBP	Other non-reportable segments GBP	Total Continuing Operations GBP	Software - discontinued operations GBP	Total GBP
Segment income statement					
Revenue	28,233	110,423	138,656	28,000	166,656
Expenses	(9,852)	602,667	592,815	(318,827)	273,988
Depreciation	(87,509)	(13,953)	(101,462)	(14,280)	(115,742)
Profit/loss before tax	**(69,128)**	**699,137**	**630,009**	**(305,107)**	**324,902**
Attributable income tax expense	-	132,240	132,240	(402)	131,838
Profit/loss for the period	**(69,128)**	**831,377**	**762,249**	**(305,509)**	**456,740**

	Rental Income GBP	Other non-reportable segments GBP	Total Continuing Operations GBP	Software - discontinued operations GBP	Total GBP
Segment statement of financial position					
Non-current assets	1,357,726	1,210,886	2,568,612	-	2,568,612
Current assets	371,928	14,913,043	15,284,971	-	15,284,971
Assets	1,729,654	16,123,929	17,853,583	-	17,853,583
Current liabilities	504,568	4,943,361	5,447,929	-	5,447,929
Non-current liabilities	1,232,886	19,449	1,252,335	-	1,252,335
Liabilities	1,737,454	4,962,810	6,700,264	-	6,700,264
Net assets	**(7,800)**	**11,161,119**	**11,153,319**	**-**	**11,153,319**
Shareholders' equity	(7,800)	11,161,119	11,153,319	-	11,153,319
Total equity	**(7,800)**	**11,161,119**	**11,153,319**	**-**	**11,153,319**

4. EXCEPTIONAL COSTS

	2021 GBP	2020 GBP
Exceptional costs		
Divestment related costs	-	57,840
Total Exceptional costs	**-**	**57,840**

The costs related to the sale of id4 AG to Anemoi International Limited were borne by Anemoi International Ltd.

5. EMPLOYEES

The average number of employees (excluding the Directors) employed by the Group was:-

	2021	2020
Sales	-	-
Development	4	3
Admin	5	5
	9	**8**

6. NET FINANCIAL EXPENSE

	2021 GBP	2020 GBP
Loan interest receivable	351,714	135,727
Loan interest payable	(41,263)	(54,341)
Bank interest receivable	1,515	22,540
Bank interest payable	(3,852)	(43,021)
Lease liability	(29,150)	(1,041)
Gains/(Losses) on investments	(540,173)	1,588,861
Foreign currency gains/(losses)	(93,995)	1,028,053
	(355,204)	**2,676,778**

7. DISCONTINUED OPERATIONS

	2021 GBP	2020 GBP
Analysis of profit for the year from discontinued operations		
Revenue	28,000	42,050
Expenses	(333,509)	(459,248)
Profit before income tax	**(305,509)**	**(417,198)**
Income tax expense	-	(812)
Profit after income tax of discontinued operations	**(305,509)**	**(418,010)**
Gain on sale of the subsidiary after income tax	2,440,728	-
Profit from discontinued operation	**2,135,219**	**(418,010)**

7. DISCONTINUED OPERATIONS CONTINUED

	2021 GBP	2020 GBP
Net cash inflow from operating activities	8,519	(821,000)
Net cash outflow from investing activities	(418,246)	(340,104)
Net cash inflow from financing activities	344,799	1,059,234
Net cash outflow in subsidiary	**(64,928)**	**(101,870)**

Details of the sale of the subsidiary		
Consideration received		
Shares in Anemoi International	2,240,000	-
Carrying amount of assets sold	200,728	-
Gain on sale	**2,440,728**	**-**

On the 17th December 2021, Apeiron Holdings BVI, a 100% owned subsidiary of Thalassa, successfully completed the sale of its subsidiary id4 AG to Anemoi International Ltd. Consideration consisted of shares in Anemoi International Ltd to the value of £2.24m.

Prior to the disposal of the associate, the loan outstanding from Thalassa and Apeiron BVI was converted to a capital contribution under Swiss and BVI law, this loan was used to finance the losses bought forward in id4 AG of £697,597 and therefore they have been offset resulting in a decrease in capital of £1,077,457 before the removal of non-controlling interest.

8. INCOME TAX EXPENSE

	2021 GBP	2020 GBP
Current tax from continuing operations	(132,240)	81,467
Current tax from discontinued operations	-	-
Total Tax	**(132,240)**	**81,467**

	GBP	GBP
Profit/(loss) before tax from continuing operations	(1,678,479)	1,238,218
Tax at applicable rates	(318,911)	235,262
Losses carried forward	318,911	(235,262)
R&D Tax Credits relating to current year	(132,240)	(84,031)
Overseas tax	-	2,564
Total Tax on continuing operations	**(132,240)**	**(81,467)**

	GBP	GBP
Profit before tax from discontinued operations	(305,509)	(647,175)
Tax at applicable rates	-	-
Total Tax on discontinued operations	**-**	**-**

The applicable tax rates in relation to the Group's profits are BVI 0%, UK 19% and Swiss 12.3% (2020: 0%,19% and 12.3%).

Autonomous Robotics Ltd has unprovided trading losses carried forward of approximately £4.4m available for utilisation against future trading profits.

9. EARNINGS PER SHARE

	2021 GBP	2020 GBP
The calculation of earnings per share is based on the following loss attributable to ordinary shareholders and number of shares:		
Profit/(loss) for the year from continuing operations	762,249	1,238,219
Profit/(loss) for the year from discontinued operations	(305,509)	(556,326)
Profit for the year	**456,740**	**681,893**
Weighted average number of shares of the Company	**7,945,838**	**14,139,629**
Earnings per share:		
Basic and Diluted (GBP) from continuing operations	0.10	0.09
Basic and Diluted (GBP) from discontinued operations	(0.04)	(0.04)
Basic and Diluted (GBP)	0.06	0.05
Number of shares outstanding at the period end:		
Number of shares in issue	**7,945,838**	**16,242,283**
Recording error	-	106
Treasury shares	-	(3,581,282)
Capital Redemption	-	(4,715,269)
Basic number of shares in issue	**7,945,838**	**7,945,838**

10. INTANGIBLE ASSETS AND GOODWILL

	Development costs GBP	Patents GBP	Software GBP	Sub-total GBP	Goodwill GBP	Total GBP
At 31 December 2019						
Cost	103,056	28,457	-	131,513	274,381	405,894
Accumulated Impairment	-	-	-	-	(119,170)	(119,170)
Net book amount	**103,056**	**28,457**	**-**	**131,513**	**155,211**	**286,724**
Full-year ended 31 December 2020						
Opening net book amount	103,056	28,457	-	131,513	155,211	286,724
Additions	510,974	52,557	-	563,531	-	563,531
Revaluation of c'fwd amount	42	12	-	54	(5,219)	(5,165)
Closing net book amount	**614,072**	**81,026**	**-**	**695,098**	**149,992**	**845,090**
At 31 December 2020						
Cost	614,072	81,026	-	695,098	265,154	960,252
Accumulated Impairment	-	-	-	-	(115,162)	(115,162)
Net book amount	**614,072**	**81,026**	**-**	**695,098**	**149,992**	**845,090**
Full-year ended 31 December 2021						
Opening net book amount	614,072	81,026	-	695,098	149,992	845,090
Additions	372,071	45,356	22,550	439,976	-	439,976
Revaluation of c'fwd amount	-	-		-	-	-
Disposal of subsidiaries	(223,785)	-		(223,785)	(147,384)	(371,169)
Amortisation charge	-	-	(3,758)	(3,758)	(2,608)	(6,366)
Closing net book amount	**762,358**	**126,382**	**18,792**	**907,531**	**-**	**907,531**
At 31 December 2021						
Cost	762,358	126,382	22,550	911,289	-	911,289
Accumulated Amortisation	-	-	(3,758)	(3,758)	-	(3,758)
Net book amount	**762,358**	**126,382**	**18,792**	**907,531**	**-**	**907,531**

The intangible assets held by the group increased as a result of capitalising the development costs and patent fees of Autonomous Robotics Ltd, alongside the introduction and build of a new finance system in Thalassa Holdings Ltd. Goodwill related to the acquisition of iD4 Ltd in December 2019 and alongside the development costs of id4 were removed upon disposal of the subsidiary in December 2021.

11. PROPERTY, PLANT AND EQUIPMENT

Cost	Total GBP	Land and buildings GBP	Plant and Equipment GBP	Motor Vehicles GBP
Cost at 1 January 2020	294,055	55,534	125,670	112,851
FX movement	(6,046)	22	(2,273)	(3,795)
	288,009	55,556	123,397	109,056
Adjustment on transition to IFRS16	-	-	-	-
Additions	286,501	-	14,296	272,205
Cost at 31 December 2020	**574,510**	**55,556**	**137,693**	**381,261**
Depreciation				
Depreciation at 1 January	236,848	9,256	114,741	112,851
FX movement	(6,237)	4	(2,446)	(3,795)
	230,611	9,260	112,295	109,056
Charge for the year on continuing operations	34,999	8,706	4,964	21,329
Reclassification	2,170	553	262	1,355
Depreciation at 31 December 2020	**267,780**	**18,519**	**117,521**	**131,740**
Closing net book value at 31 December 2020	**306,730**	**37,037**	**20,172**	**249,521**
Cost at 1 January 2021	574,510	55,556	137,693	381,261
FX movement	1,713	-	487	1,226
	576,223	55,556	138,180	382,487
Adjustment on transition to IFRS16	-	-	-	-
Additions	1,460,666	1,357,726	708	102,232
Disposal of Subsidiary	(19,312)	-	(19,312)	-
Cost at 31 December 2021	**2,017,577**	**1,413,282**	**119,576**	**484,719**
Depreciation				
Depreciation at 1 January	267,781	18,519	117,522	131,740
FX movement	2,215	-	989	1,226
	269,996	18,519	118,511	132,966
Charge for the year on continuing operations	95,116	9,392	3,940	81,784
Foreign exchange effect on year end translation	(137)	(135)	952	(954)
Disposal of Subsidiary	(8,479)	-	(8,479)	-
Depreciation at 31 December 2021	**356,496**	**27,776**	**114,924**	**213,796**
Closing net book value at 31 December 2021	**1,661,081**	**1,385,506**	**4,652**	**270,923**

As outlined in note 2.7, an assessment is made at each financial reporting date as to whether there is any indication of impairment of any asset. An impairment review of the Group's equipment has been undertaken, taking into account obsolescence, market conditions, value in use and useful economic life. As a result there has been no impairment charge in 2021 (2020: $nil).

12. INVESTMENTS – AVAILABLE FOR SALE FINANCIAL ASSETS

The Group classifies the following financial assets at fair value through profit or loss (FVPL):-

AFS investments have been valued incorporating Level 1 inputs in accordance with IFRS7.

Equity investments that are held for trading.

	2021 GBP	2020 GBP
Available for sale investments		
At the beginning of the period	1,417,003	3,517,803
Additions	3,445,080	21,234,657
Unrealised gain/(losses)	(518,523)	157,488
Disposals	(3,172,142)	(23,492,945)
Forex on opening balance	15,928	-
At 31 December	**1,187,346**	**1,417,003**

13. LOANS AND PORTFOLIO HOLDINGS

	2021 GBP	2020 GBP
Loans at 1 January	1,279,849	1,285,293
Accrued interest	39,365	37,779
Forex on opening balance	14,385	(43,223)
Loans at 31 December	**1,333,599**	**1,279,849**
Portfolio Holdings at 1 January	4,292,777	-
Issued	255,607	7,810,868
Interest	293,767	66,118
Repaid	(475,861)	(4,790,611)
Forex	5,384	424,068
Fair Value Adjustment	-	782,334
Portfolio holdings at 31 December	**4,371,674**	**4,292,777**
Total of loans and holdings	**5,705,273**	**5,572,626**

The Loan is to the THAL Discretionary Trust, interest is payable at 3% per annum (reviewed periodically).

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.

In September 2020 a loan was issued to Tappit Technologies (UK) Ltd for £3m, security is in the form of a convertible loan note and incurs a non-compounding interest charge of 8% with a maturity date 36 months post agreement date. For the period in question, interest of £294k (2020: £43k) was accrued. Upon the earlier of maturity or earlier upon certain qualifying events the outstanding balance plus accrued interest will convert at a discounted rate of 20% from the lowest price paid by qualifying finance for the most senior ranked shares. The Tappit Technologies (UK) Ltd loan notes have been were revalued in 2020 at fair value using a discounted cash flow method at the market rate of 10% on final value. The discount element of the final conversion has been valued using the Black-Scholes method to provide the fair value adjustment noted in the table above. A fair value exercise was undertaken for 2021 under the same method with no adjustment necessary due to there being no new shares or financing.

Upon formation of Anemoi International Ltd, a 10% fixed rate cumulative convertible loan note was issued for $350k, as per the terms of the agreement the notes were converted to preference shares during the period but prior to the sale of id4 to Anemoi International Ltd on 17 December 2021 – see note 22.

During the period the warrants held by Thalassa for Anemoi International Ltd, were transferred to the Anemoi Discretionary Trust in exchange for a debt of $345,000. The debt is repayable on the exercising of the warrants by the beneficiaries of the Trust.

14. TRADE AND OTHER RECEIVABLES

	2021 GBP	2020 GBP
Trade receivables	123,344	47,640

Trade receivables	123,344	47,640
Other receivables	49,608	246,887
Corporation tax	128,893	87,057
Prepayments	507,762	116,946
Total trade and other receivables	**809,607**	**498,530**

The Directors consider that the carrying value of trade and other receivables approximate to their fair value.

15. TRADE AND OTHER PAYABLES

	2021 GBP	2020 GBP
Trade payables	666,526	369,535
Other payables	279,254	47,466
Accruals	167,509	348,418
Total trade and other payables	**1,113,289**	**765,419**

16. BORROWINGS

Non-current liabilities	2021 GBP	2020 GBP
Credit facility	-	-
Lease liabilities	1,252,335	28,816
	1,252,335	**28,816**

Current liabilities	2021 GBP	2020 GBP
Credit facility	4,324,649	3,439,454
Lease liabilities	150,911	9,136
	4,475,560	**3,448,590**

In December 2020 the group entered into a fixed-term advance GBP currency denominated credit facility.

The total available amount under the facility is GBP£10.3m of which £4.4m was drawn down as at 21 December 2021 (2020:£3.4m). The facility carries an interest rate of 0.7547%

17. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Financial assets mandatorily measured at FVPL include the following:-

	2021 GBP	2020 GBP
Non current assets		
Available for sale financial assets	1,187,346	1,417,003
Investments in associated entities	2,325,457	-
Portfolio Holdings	4,371,674	4,292,777
At 31 December	**7,884,477**	**5,709,780**

Amounts recognised in profit or loss:-	2021 GBP	2020 GBP
Available for sale financial assets	(502,595)	1,642,130
Investments in associated entities	(213,100)	-
Portfolio Holdings	181,563	850,099
	(534,132)	**2,492,229**

18. LEASES AS LESSEE

Thalassa's subsidiary, Autonomous Robotics Ltd, entered into a lease for the rent of the top floor of Eastleigh Court near Warminster in January 2018 for £10,000 per annum. However, the rent is being accrued and will only become payable upon successful completion of the fund raising exercise.

Previously, this lease was classified as an operating lease under IAS 17.

Thalassa's subsidiary id4 entered into a lease in January 2021, for the buildings surrounding and including Villa Kramerstein on the banks of Lake Lucerne in Switzerland. Prior to the sale of id4, the lease was transferred to another subsidiary of Thalassa, Alfalfa AG. Since the accounting date, some of the buildings have been sublet and therefore the income matches the expenditure.

Right-of-use assets

Right-of-use assets related to leased properties that do not meet the definition of investment property are presented as property, plant and equipment (see note 11)

	Land and buildings GBP
Balance at 1 January 2020	61,040
Forex movement	2,150
Depreciation charge for the year	(12,637)
Balance at 31 December 2020	**50,553**

Amounts recognised in profit or loss

2021 - Leases under IFRS 16	**GBP**
Interest on lease liabilities	(38,150)
Expenses related to short-term leases	(81,115)
Right of use asset	(9,259)
	(128,524)

19. SHARE CAPITAL

	As at 31 Dec 2021 GBP	As at 31 Dec 2020 GBP
Authorised share capital:		
100,000,000 ordinary shares of $0.01 each	1,000,000	1,000,000
Exchange Rate for Conversion	1.61674	1.61674
100,000,000 ordinary shares of $0.01 each in GBP	618,529	618,529
Allotted, issued and fully paid:		
20,852,359 ordinary shares of $0.01 each	208,522	208,522
Average Exchange Rate for Conversion	1.61674	1.61674
20,852,359 ordinary shares of $0.01 each in GBP	128,977	128,977

	Number of shares	Number of Treasury shares	Treasury shares GBP
Balance at 31 December 2019	**16,242,283**	**9,325,239**	**6,184,015**
Capital Redemption	(4,715,269)	-	-
Recording error	106		
Shares purchased	(3,581,282)	3,581,282	2,374,920
Balance at 31 December 2020	**7,945,838**	**12,906,521**	**8,558,935**
Capital Redemption	-	-	-
Recording error	-	-	-
Shares purchased	-	-	-
Balance at 31 December 2021	**7,945,838**	**12,906,521**	**8,558,935**

On 21 October 2020, the Company returned capital to shareholders by means of a mandatory pro-rata redemption of 33.65% of the ordinary shares (excluding shares held in treasury) equivalent to 4,715,269 Ordinary Shares in aggregate. The Return of Capital was made as a capital distribution in specie to Shareholders of shares which the Company held in Alina Holdings PLC (formally "The Local Shopping REIT plc") and Anemoi International Limited.

The recording error by the registrar was noted on 17 December 2020 and corrected across the Company as at 15 January 2021. It was not considered a material difference and therefore a company announcement was not made.

Treasury shares represents the cost of the Company buying back its shares. There were 12,906,521 shares held in Treasury as at 31 December 2020 (2019: 9,325,239 shares) which comprised 61.9% of the total issued share capital (2019: 36.5%). In total 3,581,282 of its shares were purchased in 2020 (2019: 1,609,992 shares).

Under the Company's memorandum of association, the Company is authorised to issue 100,000,000 shares

of one class with a par value of US$0.01 each. Under the Company's articles of association, the Board is authorised to offer, allot, grant options over or otherwise dispose of any unissued shares. Furthermore, the Directors are authorised to purchase, redeem or otherwise acquire any of the Company's own shares for such consideration as they consider fit, and either cancel or hold such shares as treasury shares. The directors may dispose of any shares held as treasury shares on such terms and conditions as they may from time to time determine. Further, the Company may redeem its own shares for such amount, at such times and on such notice as the directors may determine, provided that any such redemption is pro rata to each shareholders' then percentage holding in the Company.

Share capital represents 7,945,838 ordinary shares of $ 0.01 each.

The shares have been translated at the exchange rate at the point of issue and the period end movements taken to the foreign exchange reserve. The average rate noted above therefore reflects the aggregate rate at which the final share capital balance is recognised.

20. CAPITAL MANAGEMENT

The Group's capital comprises ordinary share capital, retained earnings and capital reserves. The Group's objectives when managing capital are to provide an optimum return to shareholders over the short to medium term through capital growth and income whilst ensuring the protection of its assets by minimising risk. The Group seeks to achieve its objectives by having available sufficient cash resources to meet capital expenditure and ongoing commitments.

At 31 December 2020, the Group had capital of £11,153,319 (2020: £11,513,264). The Group does not have any externally imposed capital requirements.

21. INVESTMENT IN SUBSIDIARIES

Details of the Company's subsidiaries at the year end are as follows:

		Effective Share holding	
Name of subsidiary	**Place of incorporation**	**2021**	**2020**
DOA Alpha Ltd (formerlyWGP Group Ltd)	British Virgin Islands	100%	100%
DOA Exploration Ltd (formerly WGP Exploration Ltd)	United Kingdom	100%	100%
DOA Gamma Ltd (formerly WGP Professional Svces Ltd) struck off 01/11/21	British Virgin Islands	0%	100%
DOA Delta Ltd (formerly WGP Survey Ltd)	British Virgin Islands	100%	100%
Apeiron Holdings (BVI) Ltd (formerly Autonomous Holdings Ltd)	British Virgin Islands	100%	100%
Autonomous Robotics Ltd	United Kingdom	100%	100%
WGP Geosolutions Limited	Cyprus	100%	100%
WGP Group AT GmbH	Austria	100%	100%
Anemoi S.A. struck off 06/21	Luxembourg	0%	100%
LML Acquisition Co Plc - dissolved 24/08/21	United Kingdom	0%	99%
Apeiron Holdings A.G.	Switzerland	0%	84%
id4 AG	Switzerland	0%	84%
Alfalfa AG	Switzerland	100%	0%

The Group prepares its accounts in accordance with applicable UK Adopted International Accounting Standards ("IFRS")., through application of the appropriate standard the investments in subsidiaries are held at cost within the Group financial statements.

Due to the pre- or early stage revenue producing status, and therefore book value, of Autonomous Robotics Limited the directors of the Group feel that the IFRS cost basis does not represent a market value of the subsidiaries.

22. ASSOCIATED ENTITIES

On 17 December 2021, the acquisition of id4 was complete by Anemoi International Ltd with consideration in the form of shares issued to Thalassa and its subsidiary Aperion BVI totalling 36.92% of the voting rights. The investment is recognised using the equity method as described in note 2.16.

On the same date the loan notes issued to Anemoi International Ltd were converted as per the terms of the agreement. 334,956 notes of USD1 were converted in to 334,956 Class A Preference Shares of no par value each fully paid.

Movement on interests in associates can therefore be summarised as follows:

	2021 GBP	2020 GBP
Fair value of investment at 17 December 2021	2,086,448	-
Share of losses for the 15 days attributable to the Group	(9,156)	-
Conversion of loan notes to preference shares	248,165	-
	2,325,457	**-**

There are no other entities in which the Group holds 20% or more of the equity, or otherwise exercises significant influence over the affairs of the entity.

23. RELATED PARTY TRANSACTIONS

Under the consultancy and administrative services agreement entered into on 3 January 2011 with a company in which the Chairman has a beneficial interest, the Group was accrued £493,622 (2020: £506,725) for consultancy and administrative services provided to the Group. As at 31 December 2021, the amount owed to this company was £446,366 (2020: £168,489).

During the period Graham Cole, non-executive director, invoiced the Group £18,419 of which £6.3k was owed as at 31 December 2021 (2020: £15.4k).

During the period David Thomas, non-executive director, invoiced the Group £18,419 of which £18,419 was owed as at 31 December 2021 (2020: £29.3k).

24. FINANCIAL INSTRUMENTS

The Group's financial instruments comprise cash and cash equivalents together with various items such as trade and other receivables and trade payables etc, that arise directly from its operations. The fair value of the financial assets and liabilities approximates the carrying values disclosed in the financial statements.

The main risks arising from the Group's financial instruments are interest rate risk, foreign exchange risk, credit risk and liquidity risk.

INTEREST RATE RISK

The Group does not undertake any hedging against interest rate risk. The Group finances its operations from the cash balances on the current and deposit accounts. The Group had total borrowings of £4.5m as at 31 December 2021 (2020: £3.4m).

Interest rate sensitivity

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's short-term credit facilities.

The impact of changes in interest rates on the cost is as follows:

For the year ended December 31, 2021	Change in interest rate cost GBP '000
Interest rate translations of:	
+10 basis points	4
-10 basis points	(4)
+100 basis points	38
-100 basis points	(38)

FOREIGN EXCHANGE RISK

The Group undertakes FOREX and asset risk management activities from time to time to mitigate foreign exchange risk.

An increase in foreign exchange rates of 5% at 31 December 2021 would have decreased the profit and net assets by £141,705 (2020: £79,251). A decrease of 5% would have had an equal and opposite impact. The majority of the Group's balances are held in USD. As 31 December 2021 approximately 10% (2020: 10%) of amounts owing to suppliers are held in GBP, 17% in EUR (2020: 22%) and 21% in CHF (2020: 0%).

CREDIT RISK

Group credit risk is predominantly a matter of individual corporate risk. However, Group companies also operate in frontier and challenging regions which has the potential to add risk and uncertainty both from an operational and financial point of view. Whenever and wherever possible the Group attempts to mitigate this risk.

In line with other international companies, the Group is exposed to geopolitical risks and the possibility of sanctions which could adversely affect our ability to perform operations or collect receivables from our clients. This risk is un-insurable and un-hedgeable.

LIQUIDITY RISK

The Group's strategy for managing cash is to maximise interest income whilst ensuring its availability to match the profile of the Group's expenditure. All financial liabilities are generally payable within 30 days and do not attract any other contractual cash flows. Based on current forecasts the Group has sufficient cash to meet future obligations.

25. SUBSEQUENT EVENTS

There were no subsequent events.

26. COPIES OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements are available on the Company's website: www.thalassaholdingsltd.com.

27. CONTROLLING PARTIES

There is no one controlling party.

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the ANNUAL GENERAL MEETING (the "Meeting") of Thalassa Holdings Ltd (the "Company") will be held at Anjuna, 28 Avenue de la Liberté, 06360 Eze, France on 28 June 2022 at 11:00 am (CEST) for the purpose of considering and, if thought fit, passing the following simple resolutions:

1. To receive and consider the financial statements for the year to 31 December 2021 together with the reports of the directors and the auditors thereon.
2. To authorise the Directors to appoint auditors of the Company for the year ending 31 December 2022 and to authorise the Directors to determine the auditor's remuneration.
3. To re-elect Duncan Soukup as a Director of the Company, who is retiring and offering himself for re-election.
4. To re-elect Graham Cole as a Director of the Company, who is retiring and offering himself for re-election.
5. To re-elect David Thomas as a Director of the Company, who is retiring and offering himself for re-election.
6. To re-elect Kenneth Morgan as a Director of the Company, who is retiring and offering himself for re-election.

Dated 9 June 2022

By Order of the Board

Notes

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote in his place. A proxy need not also be a Member of the Company
2. To appoint a proxy, you should complete the Form of Proxy enclosed with this Notice of Annual General Meeting. To be valid the Form of Proxy together with the power of attorney or other authority (if any) under which it is signed must be completed and returned by post or by hand to the Company's Registrar, Link Group PXS 1, Central Square, 29 Wellington Street, Leeds, LS1 4DL, United Kingdom, not later than 48 hours before the time fixed for the Meeting or any adjourned meeting.
3. In the case of joint holders, if two or more persons hold shares jointly each of them may be present in person or by proxy at the Meeting and may speak as a shareholder; if only one of the joint owners is present in person or by proxy, he may vote on behalf of all joint owners; and if two or more are present in person or by proxy they must vote as one.
4. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the annual general meeting to be held on the time and date set out at the top of the notice and any adjournment(s) thereof by utilising the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
5. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with CRESTCo's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent (ID : RA10) by the latest time(s) for receipt of proxy appointments specified in the notice of meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.
6. CREST members and, where applicable, their CREST sponsors or voting service providers should note that CRESTCo does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
7. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

The Board encourages all shareholders to vote. Shareholders will find a Proxy form, online, in the Investor Relations section under the 'Reports and Documents' menu. In the event that you hold your interest in Thalassa Holdings Ltd in CREST and wish to vote, but are not expecting to use the CREST electronic proxy appointment service as set out in notes 4, 5, 6 and 7 above, you will need to contact your custodian or nominee (bank, broker, fund manager for example). Alternatively, for further information or assistance in voting you can contact Link Group on +44 (0)371 664 0300 Monday to Friday between 0900 and 1730. Call charges will vary by provider.

DIRECTORS, SECRETARY AND ADVISERS

Directors	C Duncan Soukup, Chairman Graham Cole FCA, FCISI, Director David M Thomas, Director Kenneth Morgan, Director
Registered Office	Folio Chambers P.O. Box 800, Road Town, Tortola, British Virgin Islands
Broker	WH Ireland Limited 24 Martin Lane, London EC4R 0DR
Solicitors to the Company (as to English Law)	Locke Lord (UK) LLP 201 Bishopsgate, London EC2M 3AB
Solicitors to the Company (as to BVI Law)	Conyers Dill & Pearman Romasco Place, Wickhams Cay 1 PO Box 3140 Road Town, Tortola British Virgin Islands VG1110
Auditors	Jeffreys Henry LLP Finsgate, 5-7 Cranwood Street London EC1V 9EE
Registrars	Link Market Services 12 Castle Street St Helier Jersey JE2 3RT
Company websites	www.thalassaholdingsltd.com www.autonomousroboticsltd.com

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www.thalassaholdingsltd.com