

Statement of Compliance with the QCA Corporate Governance Code

This disclosure was last reviewed and updated on 27 September 2018

Introduction

The board of Origo Partners Plc (the “Company”) has adopted the 2018 QCA Corporate Governance Code (the “QCA Code”). The Board intends to take appropriate measures to ensure that the Company complies with the QCA Code.

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

The Company is now in realisation mode and entered in to an amended Asset Realisation Agreement with the Company’s investment consultant Origo Advisers Limited on 20 April 2018; the Agreement can be viewed on the Company’s website.

The Company holds a portfolio of unquoted interests and illiquid, publicly traded, equity interests, in companies principally based or active in China and Mongolia (“Portfolio”).

The Company shall, through an orderly realisation program, seek to divest the entire Portfolio over a period of no longer than 4 years (“Realisation Period”) at such time and under such conditions as the Independent Directors may determine in order to maximize value on behalf of Shareholders. The 4-year period ends on 20 November 2018.

The Company’s realisation policy will not result in any immediate or accelerated sales; investments will only be realised when, in the opinion of the Independent Directors, appropriate terms can be agreed.

During the Realisation Period, the Company shall maintain the ability at its discretion, to pursue follow-on investments in the existing Portfolio companies in order to maximize value and/or facilitate future divestments.

All divestments, and any follow-on investments relating to a Portfolio company, above a cumulative threshold of US\$500,000, will be considered and approved by the Independent Directors.

Net proceeds of divestments shall, pursuant to the Company’s Articles of Association, be distributed to shareholders at such time as determined by the Board of Directors, at its absolute discretion, for the purpose of maximizing returns to shareholders while maintaining sufficient liquidity for working capital and provisions for follow-on investments.

Principle 2 Seek to understand and meet shareholder needs and expectations

Although the Company is in realisation mode the Directors actively seek to build a relationship with its shareholders and continue to manage shareholder's expectations. The Company remains committed to listening and communicating openly with its shareholders to ensure that its strategy and performance are clearly understood. Meetings are held with shareholders, typically following the issuing of results.

For shareholders the AGM is the main forum for dialogue with the Board and Directors are available to answer questions raised by shareholders. The results of the AGM are subsequently published on the Company's website.

There are also periodic class meetings held which is another forum for dialogue with the Directors, the results of these class meetings are also published on the Company's website. The Directors are the main point of contact for the shareholders.

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

This principle now has limited applicability, given that the investment policy of the Company is to realise its portfolio and to return the net proceeds to shareholders. The Board has oversight, accountability and contact with key resources and relationships.

The group's stakeholders include shareholders, members of staff of the investment advisor, auditors, regulators and industry bodies.

Engaging with stakeholders strengthens relationships and helps with business decisions in order to deliver the investment policy.

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

The Company's investment activities expose it to various types of risks, which are associated with the financial instruments and markets in which it invests. The Board needs to ensure that the Company's risk management framework identifies and addresses all relevant risks.

The Board is responsible for reviewing and evaluating risk and considers the risks to the business at regular board meetings.

The Group is exposed through their operations to one or more of the following risks:

- Country risk
- Fair value risk
- Cash flow interest rate risk
- Currency risk
- Credit risk
- Liquidity risk

- Concentration risk
- Price risk

The policy for managing these risks is set by the board and is available to view on pages 51 to 55 of the 2017 Annual Report on the Company's website.

The Board has overall responsibility for the Company's systems of internal controls, for reviewing their effectiveness and ensuring efficient day to day operations. These controls aim to ensure that assets of the Company are safeguarded, proper accounting records are maintained and the financial information used within the business and for publication are reliable.

Following their appointment in 2017, the new board appointed FIM Capital Limited as Administrator in order to improve the levels of corporate governance, accounting and day to day management of the Company.

Principle 5 Maintain the board as a well-functioning, balanced team led by the chair.

The Origo board was reconstituted in late 2017 with the appointment of three new directors and the resignations of two of the incumbent directors. In September 2017, Hiroshi Funaki joined the Origo board as a nominee of Origo's largest ordinary shareholder. On 31 October 2017, John Chapman joined the Origo board as a nominee of our largest preference shareholder. Also on 31 October 2017, Philip Scales joined the board as an independent director. John Chapman was elected the Company's Chairman. In April 2018, Niklas Ponnert an employee of the investment adviser resigned from the Board.

In the period since the new board was appointed, the primary focus has been to establish more robust controls over company assets, strengthen the Company's capital position by repaying debt, reduce costs, renegotiate the advisory agreement, clarify the assets owned and begin to accelerate the realization of company assets in order to be able to return cash to shareholders

The Board now comprises three non- executive directors, John Chapman (Chairman), Hiroshi Funaki and Philip Scales and all three have an effective and an appropriate balance of skills and experience for a company of this size.

The Board holds regular meetings, a minimum of at least 4 times per annum, either formally in person or informally by telephone and ad hoc meetings are held as required. During the period 1 January to 18 September 2018 eight board meetings took place. In future annual reports, the Company will report on the number of Board meetings held during the year and the attendance record of individual Directors.

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

The Board currently consists of three Non- Executive Directors. The Board is satisfied that between the Directors it has an effective and appropriate balance of skills and experience, reflecting a broad range of commercial and professional skills across geographies and industries that is necessary to ensure the Company is equipped to deliver its investment objective. Additionally, each Director has experience with public companies.

John Chapman is an experienced investment company director with significant experience in managing and advising investment companies in many emerging and developed markets. Mr. Chapman is a member of the New York State Bar and holds the Chartered Financial Analyst (CFA) credential.

Hiroshi Funaki worked at Edmond de Rothschild Securities from 2000 to 2015 where he led the Investment Companies team, focusing on Emerging Markets and Alternative Assets. Prior to that, he was Head of Research at Robert Fleming Securities, also specialising in closed-end funds. He currently acts as a consultant to a number of emerging market investors. He has a BA in Mathematics and Philosophy from Oxford University.

Philip Scales has over 38 years' experience working in offshore corporate, trust, and third party administration. For 18 years, he was Managing Director of Barings Isle of Man (subsequently to become Northern Trust) where he specialised in establishing offshore fund structures, latterly in the closed-ended arena (both listed and unlisted entities). Mr. Scales subsequently co-founded IOMA Fund and Investment Management Limited (now named FIM Capital Limited) where he is Deputy Chairman. He is a Fellow of the Institute of Chartered Secretaries and Administrators and holds a number of directorships of listed companies and collective investment schemes.

FIM Capital Limited ("FIM") is the Fund's administrator, registrar and registered agent, and provide specialist fund administration services to a variety of closed ended funds and collective investment schemes. Many of the closed ended schemes are quoted on the London Stock Exchange. FIM Capital Limited act as secretary to the Company and are available to advise and support the Board on corporate governance and secretarial matters.

Origo Advisers Limited ("OAL") are engaged as the investment advisor with specific responsibility for monitoring the portfolio of assets and seeking an appropriate exit. OAL are remunerated on a performance only basis.

Legal firms in London and China have been appointed to specifically provide advice to the Board on all matters relating to the sale of the portfolio of assets.

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

The Directors intend to carry out board evaluations by the end of 2018 and annually thereafter.

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

It is the board who set the standard/culture within the organisation and they ensure that there are appropriate codes of practice in place.

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

The Board has joint authority and decision-making powers for all aspects of the Company's activities.

The Board has adopted appropriate delegations of authority that set out matters that are reserved to the Board.

The Non-Executive Chairman is responsible for the effectiveness of the Board together with the responsibility to oversee the company's corporate governance practices.

The responsibility for the Company's day-to-day operations has been delegated by the Board to FIM who in turn work closely with the OAL team based in Beijing.

There are no separate committees as the board does not feel these are necessary given the size of the Board, the Company and the investment objective of realising all assets matters normally considered by a committee are considered by the Board as a whole.

Whilst there has been no formal adoption of matters reserved for the Board, the Directors review and approve the following:

- Strategy and management
- Policies and procedures
- Financial reporting and controls
- Capital structure
- Contracts
- Shareholder documents / Press announcements
- Adherence to Corporate Governance and best practice procedures

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

There are no additional committees and the board does not feel it is necessary at this time due to the size of the company and the fact that it is in realisation mode.

If a significant proportion of votes (e.g. 20% of independent votes) have been cast against a resolution at any general meeting, the Company will include, on a timely basis, an explanation of what actions it intends to take to understand the reasons behind that vote result, and, where appropriate, any different action it has taken, or will take, as a result of the vote.

The results of votes taken at meetings are published on the Company's website. Historical annual reports and notices are also published on the website.

COMMITTEES

As detailed in Principle 5 there are no Board committees (and therefore no committee reports) and this will be highlighted in future Reports and Accounts.

The Company will monitor and review the need to form Committees to support the function of the Board.