

ORIGO PARTNERS PLC

INTERIM FINANCIAL REPORT

UNAUDITED ACCOUNTS FOR THE SIX MONTHS ENDED 30 JUNE 2020

CONTENTS

	Page
Chairman's Statement	1
INTERIM CONSOLIDATED FINANCIAL STATEMENTS	
Interim Consolidated Statement of Comprehensive Income for the period ended 30 June 2020	2
Interim Consolidated Statement of financial position at 30 June 2020	3
Interim Consolidated Statement of changes in equity for the period ended 30 June 2020	4
Interim Consolidated Statement of cash flows for the period ended 30 June 2020	5
Notes to the Financial Statements for the period ended 30 June 2020	6

Chairman's Statement

Dear Shareholders,

As shareholders know, our plan was to wind up the Company by the end of this year. As noted in our 7 May 2020 RNS announcement, this has not been practicable due to the global pandemic.

Aside from assets with a nil valuation, we continue to maintain investments in Celadon Mining Limited (Celadon) and Gobi Coal & Energy Ltd. (Gobi Coal). Celadon, as we announced on 12 June 2020, has entered into an agreement with a third party for the sale of the Company's assets. If the transaction completes, the Company would expect to receive net proceeds of approximately £3.3 million as compared to a current carrying value of \$1.129 million. The controlling shareholder has been unable to complete the transaction due to various countries' travel restrictions, which block the closing. We are in regular contact with Celadon's controlling shareholder and will report further in due course.

Gobi Coal has informed us that it has retained KPMG (Beijing) to sell the company. We have reviewed the offering documents, and Gobi Coal's management are hopeful that a sale will be consummated before the end of the year. We are in regular contact with the management team and will report as matters develop.

Our objectives continue to be selling the Company's remaining assets, returning capital to shareholders and putting the Company into liquidation. We will do our best to meet these objectives but have been hindered by difficulties arising from the global pandemic.

Very truly yours,

John D. Chapman
Chairman
Origo Partners Plc
25 September 2020

Interim Consolidated Statement of Comprehensive Income For the six months ended 30 June 2020

	Notes	(Unaudited) Six months ended 30 June 2020 \$'000	(Unaudited) Six months ended 30 June 2019 \$'000	(Audited) Year ended 31 December 2019 \$'000
Investment income/(losses):	6			
Realised gains/(losses) on disposal of investments		-	(210)	(75)
Unrealised gains/(losses) on investments		-	-	-
		-	(210)	(75)
Other income		-	-	-
Other administrative expenses	7	(436)	(716)	(1,270)
Share based payment		-	-	103
Financial guarantee derecognition		-	-	435
Foreign exchange gains/(losses)		(9)	(5)	(3)
Net loss before Finance Costs and Taxation		(445)	(931)	(810)
Finance costs		(2)	(2)	(4)
Loss before tax		(447)	(933)	(814)
Income tax credit	9	-	-	247
Loss after tax		(447)	(933)	(567)
Other comprehensive income				
Other comprehensive income to be reclassified to profit or loss in subsequent periods				
Exchange differences on translating foreign operations		(39)	(12)	(41)
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		(39)	(12)	(41)
Tax on other comprehensive income		-	-	-
Other comprehensive income net of tax		(39)	(12)	(41)
Total comprehensive loss after tax		(486)	(945)	(608)
Total comprehensive loss		(486)	(945)	(608)
Basic loss per share	10	(0.03) cents	(0.05) cents	(0.03) cents
Basic loss per redeemable zero dividend preference share	10	(2.38) cents	(4.98) cents	(3.24) cents

The accompanying notes from an integral part of these consolidated financial statements.

Interim Consolidated Statement of Financial Position

As at 30 June 2020

		(Unaudited) 30 June 2020 \$'000	(Audited) 31 December 2019 \$'000	(Unaudited) 30 June 2019 \$'000
	Notes			
Non-current assets				
Property, plant and equipment		-	-	-
Investments at fair value through profit and loss	12	-	-	-
Loan investments	13	-	-	-
		-	-	-
Current assets				
Investments at fair value through profit or loss	12	1,407	1,407	1,407
Loans due within one year	13	-	-	-
Trade and other receivables		175	34	252
Cash and cash equivalents		1,890	2,445	4,787
		3,472	3,896	6,446
Total assets		3,472	3,896	6,446
Current liabilities				
Trade and other payables		358	296	331
Financial guarantee contracts		-	-	435
Total current liabilities		358	296	766
Non-Current Liabilities				
Provision		-	-	103
Deferred income tax liability	9	-	-	247
Total non-current liabilities		-	-	350
Net assets		3,132	3,600	5,330
Equity attributable to equity holders of the company				
Share capital		56	56	56
Share premium		150,027	150,027	150,414
Share-based payment reserve		5,048	5,048	5,048
Accumulated Losses		(200,663)	(200,216)	(200,582)
Translation reserve		(1,418)	(1,379)	(1,350)
Other reserve	14	50,064	50,064	51,744
		3,114	3,600	5,330
Non-Controlling Interests		-	-	-
Total equity		3,114	3,600	5,330

The accompanying notes from an integral part of these consolidated financial statements.

**Interim Consolidated statement of changes in equity
For the six months ended 30 June 2020**

	Attributable to equity holders of the parent								Non-controlling interests \$'000	Total equity \$'000
	Issued capital \$'000	Share premium \$'000	Share-based payment reserve \$'000	Accumulated Losses \$'000	Other reserve \$'000	Translation reserve \$'000	Total \$'000			
	At 1 January 2019	56	150,414	5,048	(199,649)	51,744	(1,338)	6,275		
Loss for the period	-	-	-	(567)	-	-	(567)	-	(567)	
Other comprehensive income	-	-	-	-	-	(41)	(41)	-	(41)	
Total comprehensive income/loss	-	-	-	(567)	-	(41)	(608)	-	(608)	
Capital distribution	-	(387)	-	-	(1,680)	-	(2,067)	-	(2,067)	
At 31 December 2019	56	150,027	5,048	(200,216)	50,064	(1,379)	3,600	-	3,600	
Loss for the period	-	-	-	(447)	-	-	(447)	-	(447)	
Other comprehensive income	-	-	-	-	-	(39)	(39)	-	(39)	
Total comprehensive income/loss	-	-	-	(447)	-	(39)	(486)	-	(486)	
Minority interests	-	-	-	-	-	-	-	-	-	
At 30 June 2020	56	150,027	5,048	(200,663)	50,064	1,418	3,114	-	3,114	

Reserve	Description and purpose
Share premium	Amounts subscribed for share capital in excess of nominal value.
Share-based payment reserve	Equity created to recognise share-based payment expense.
Accumulated losses	Cumulative net gains and losses recognised in profit or loss.
Translation reserve	Equity created to recognise foreign currency translation differences.
Other reserve	Own shares acquired, EBT (as defined in Note 19) shares and capital redemption and capitalisation of redeemable preference shares

The accompanying notes from an integral part of these consolidated financial statements.

Interim Consolidated statement of cash flows
For the six months ended 30 June 2020

		(Unaudited) 30 June 2020 \$'000	(Audited) 31 December 2019 \$'000	(Unaudited) 30 June 2019 \$'000
	Notes			
Loss before tax		(447)	(814)	(933)
Adjustments for:				
Depreciation and amortisation	7	-	5	5
Share based payment		-	(103)	-
Provision for bad debts		-	-	-
Realised losses/(gains) on disposal of investments	6	-	75	210
Unrealised losses on investments at FVTPL*	6	-	-	-
Foreign exchange (gains)/losses		-	15	5
Other adjustment		-	(23)	-
Operating loss before changes in working capital and provisions		(447)	(845)	(713)
Purchases of investments at FVTPL*		-	-	-
Proceeds from disposals of investments at FVTPL*		-	2,045	1,910
Movement in loans		-	-	-
Derecognition of financial guarantee		-	(435)	-
Decrease/(increase) in trade and other receivables		(140)	(7)	(225)
(Decrease)/increase in trade and other payables		22	(86)	(52)
Net cash outflow from operations		(565)	5,049	920
Investing activities				
Net cash acquired with subsidiary		-	-	-
Net cash flows outflow from investing activities		-	-	-
Financing activities				
Capital distribution		-	(2,100)	-
Net cash flows inflow from financing activities		-	(2,100)	-
Net increase/(decrease) in cash and cash equivalents		(565)	1,428	920
Effect of exchange rate changes on cash and cash equivalents		-	-	(16)
Cash and cash equivalents at beginning of period		2,455	3,883	3,883
Cash and cash equivalents at end of period		1,890	2,455	4,787

* FVTPL refers to the fair value through profit and loss

The accompanying notes from an integral part of these consolidated financial statements.

Notes to the Interim Consolidated Financial Statements

For the six months ended 30 June 2020

1 Reporting entity

Origo Partners Plc is a limited liability company incorporated and domiciled in the Isle of Man whose shares are publicly traded on the AIM market of the London Stock Exchange.

The Company and its subsidiaries are collectively referred to as the Group.

The principal activities of the Group are private equity investment, focused on growth opportunities created by the urbanization and industrialization of China. The Group's Investing Policy has now changed from that of a closed-ended, permanent capital vehicle to that of a realisation company with the mandate to return the net proceeds of realisations to shareholders.

2 Basis of accounting

These interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting". These interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2019, which were prepared in accordance with IFRSs as adopted by the European Union. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements.

The consolidated financial statements of the Group as at and for the year ended 31 December 2019 are available upon request from the Company's registered office at 55 Athol Street, Douglas, Isle of Man or the Company website <http://origopartners.com>

These interim consolidated financial statements have been approved and authorised for issue by the Company's Board of directors on 25 September 2020.

3 Use of judgments and estimates

In preparing these interim financial statements, management has made judgements and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual financial statements.

Measurement of Fair Value

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in 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)

If the inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

4 Changes in significant accounting policies

The accounting policies applied in these interim financial statements are the same as those applied in the last annual financial statements. A number of new standards are effective from 1 January 2019 but they do not have a material effect on the Group's financial statements.

5 Financial risk management policies

The principal risks and uncertainties are consistent with those disclosed with the preparation of the Group's annual financial statements for the year ended 31 December 2019.

6 Investment loss

	(Unaudited) Six months ended 30 June 2020 \$'000	(Unaudited) Six months ended 30 June 2019 \$'000
Realised (losses)/gains on disposal of investments	-	(210)
- Investments at FVTPL	-	(210)
- Subsidiary	-	-
Unrealised (losses)/gains on investments	-	-
- Investments at FVTPL	-	-
- Loans at FVTPL	-	-
Income from Loans	-	-
Total	-	(210)

7 Other administrative expenses

	(Unaudited) Six months ended 30 June 2020 \$'000	(Audited) Year ended 31 December 2019 \$'000	(Unaudited) Six months ended 30 June 2019 \$'000
Recurring expenses:	(400)	(928)	(515)
- Directors fees	(108)	(210)	(103)
- Audit fees	(18)	(58)	(25)
- Depreciation expenses	-	(5)	(5)
- Amortisation expenses	-	(1)	-
- Other	(274)	(654)	(382)
Non-recurring expenses*	(36)	(342)	(201)
Total	(436)	(1,270)	(716)

* Non-recurring expenses include professional fees of an ad-hoc nature.

8 Directors remuneration

Directors' remuneration for the six-month period ended 30 June 2020 and the number of options held were as follows:

Name	Directors fee US\$'000	Share-based payment* US\$'000	30 June 2020 Number of options
Hiroshi Funaki	38	-	-
Philip Peter Scales	30	-	-
John Chapman	40	-	-
	108	-	-

Directors' remuneration for the six-month period ended 30 June 2019 and the number of options held were as follows:

Name	Directors fee US\$'000	Share-based payment* US\$'000	30 June 2019 Number of options
Hiroshi Funaki	38	-	-
Philip Peter Scales	25	-	-
John Chapman	40	-	-
	103	-	-

* Share-based payment refers to expenses arising from the Company's share option scheme

9 Income Tax

As the Company is not in receipt of income from Manx land, certain related business or property and does not hold a Manx banking licence, it is taxed at the standard rate of 0% on the Isle of Man. The Company is resident for tax purposes in the Isle of Man and subject to corporate income tax at the standard rate of 0% and as such no provision for tax in the Isle of Man has been made.

	(Unaudited) Six months ended 30 June 2020 \$'000	(Audited) Year ended 31 December 2019 \$'000
Current tax		
Current year	-	-
Deferred tax		
Deferred income tax	-	-
Total income tax liability in the consolidated statement of financial position	-	-

10 Loss per share

	(Unaudited) 30 June 2020 US\$'000	(Unaudited) 30 June 2019 US\$'000	(Audited) 31 December 2019 US\$'000
Loss for the year attributable to ordinary shareholders of the parent as used in the calculation of basic loss per share	(89)	(187)	(122)
Weighted average number of ordinary shares	351,035,389	351,035,389	351,035,389
Basic loss per share of ordinary shares	(0.03) cents	(0.05) cents	(0.03) cents
Loss for the year attributable to redeemable preference shareholders of the parent as used in the calculation of basic loss per share	(358)	(746)	(486)
Weighted average number of redeemable preference shares	14,991,781	14,991,781	14,991,781
Basic loss per share of redeemable preference shares	(2.38) cents	(4.98) cents	(3.24) cents

11 Investments in subsidiaries

Name	Country of incorporation	Proportion of ownership interest at 30 June 2020	Proportion of ownership interest at 30 June 2019
Ascend Ventures Ltd	Malaysia	100%	100%
Origo Resource Partners Ltd	Guernsey	100%	100%
PHI International Holding Ltd	Bermuda	100%	100%
PHI International (Bermuda) Holding Ltd*	Bermuda	100%	100%
Ascend (Beijing) Consulting Ltd**	China	100%	100%

* Owned by Origo Resources Partners Limited

** Owned by Ascend Ventures Limited

12 Investments at fair value through profit and loss

As at 30 June 2020 (Unaudited)

Name	Country of incorporation	Proportion of ownership interest	Cost US\$'000	Fair value US\$'000
China Rice Ltd	British Virgin Islands	32.1%	13,000	-
Moly World Ltd	British Virgin Islands	20.0%	10,000	-
Unipower Battery Ltd	Cayman Islands	16.5%	4,301	-
Gobi Coal & Energy Ltd	British Virgin Islands	10.8%	14,963	275
Staur Aqua AS	Norway	9.2%	719	-
Celadon Mining Ltd	British Virgin Islands	8.9%	13,069	1,129
Six Waves Inc	British Virgin Islands	1.1%	240	-
Marula Mines Ltd	South Africa	0.9%	250	-
Fram Exploration AS	Norway	0.6%	1,223	-
Other quoted investments*			593	3
				1,407

As at 31 December 2019 (Audited)

Name	Country of incorporation	Proportion of ownership interest	Cost US\$'000	Fair value US\$'000
China Rice Ltd	British Virgin Islands	32.1%	13,000	-
Moly World Ltd	British Virgin Islands	20.0%	10,000	-
Unipower Battery Ltd	Cayman Islands	16.5%	4,301	-
Gobi Coal & Energy Ltd	British Virgin Islands	7.5%	14,960	275
Staur Aqua AS	Norway	9.2%	719	-
Celadon Mining Ltd	British Virgin Islands	8.9%	13,069	1,129
Six Waves Inc	British Virgin Islands	1.1%	240	-
Marula Mines Ltd	South Africa	0.9%	250	-
Fram Exploration AS	Norway	0.6%	1,223	-
Other quoted investments*			593	3
				1,407

All investments measured at a fair value hierarchy level of 3 except:

* Measured at a fair value hierarchy level of 1

The shares held in China Rice Ltd and Unipower Battery Ltd are all convertible preference shares whilst the remaining investments held in the other entities are all ordinary equity shares. The 'proportion of ownership interest' represents the percentage of the shares held by the Group in all share classes.

13 Loan Investments

As at 30 June 2020 (Unaudited) & 31 December 2019 (Audited)

Borrower	Loan rates %	Loan principal US\$'000	Loans due within one year US\$'000	Loans due after one year US\$'000	Fair value US\$'000
Staur Aqua AS	0-15	3,848	-	-	-
Total			-	-	-

The convertible loan issued to Staur Aqua was fully impaired in 2018.

The loan consists of a convertible credit agreement and is measured at fair value, in accordance with level 3 of the fair value hierarchy.

14 Other reserve

This is mainly comprised of 57,000,000 (US\$50,688,000) redeemable zero dividend preference shares at no par value capitalised in September 2017.

15 Related party Transactions

Identification of related parties

The Group has a related party relationship with its subsidiaries, associates and key management personnel. The Company receives and pays certain debtors and creditors on behalf of its subsidiaries and the amounts are recharged to the entities. Transactions between the Company and its subsidiaries have been eliminated on consolidation.

Transactions with key management personnel

The Group's key management personnel are the executive and non-executive directors as identified in Note 8.

The following balances were included in trade and other payables and were outstanding in respect of Directors remuneration at the period end.

	(Unaudited) Six months ended 30 June 2020 \$'000	(Audited) Year ended 31 December 2019 \$'000
Amounts due to related parties		
Key management personnel:		
Hiroshi Funaki	(19)	(19)
Philip Peter Scales	(15)	(15)
John Chapman	(40)	(35)

16 Commitments and contingencies

There were no material contracted commitments or contingent assets or liabilities at 30 June 2020 (31 December 2019: none).

17 Subsequent events

There were no significant subsequent events.