

**ORIGO PARTNERS PLC**

**INTERIM FINANCIAL REPORT**

**UNAUDITED ACCOUNTS FOR THE SIX MONTHS ENDED 30 JUNE 2021**

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## Chairman's Statement

Dear Shareholders,

The net asset value of Origo Partners Plc ("Origo") as at 30 June 2021 was US\$1.689 million as compared to US\$2.343 million at year end 2020. The primary reasons for the decline in net asset value are a further write down of Origo's investment in Celadon Mining Limited (Celadon) and Origo's ongoing costs – offset by the previously reported realization of Origo's investment in Gobi Coal and Energy Ltd.

Celadon is a privately held company domiciled in the British Virgin Islands. It owns coal mining rights in northern China. Over a year ago, Celadon agreed to sell all of its assets for a series of payments amounting to about RMB 280 million or about US\$40 million. Celadon had in turn told us that beginning around now and finishing March 2022, we would receive several payments totalling about US\$3.45 million for our Celadon shares. Although Celadon has received several payments comprising a small percentage of the RMB 280 million, the bulk has not been received, and, consequently, Celadon has not distributed any cash to Origo or its other shareholders. At least part of the explanation for the buyer's default seems to be the death last month of the buyer's managing principal. Celadon's controlling shareholder, who has been maintaining Celadon's solvency with loans, nonetheless remains hopeful that the transaction will complete. We continue to monitor Celadon but given the buyer's repeated failures to complete as promised, the risks that the deal will not complete, and the uncertainty of alternative options, Origo has again decided to write this asset down by half.

About a decade ago, Origo invested in Moly World Limited (Molyworld), another BVI company, which through a Mongolian company owns rights to mine molybdenum in Mongolia. Origo paid US\$10 million for twenty percent of the BVI company in 2011. Thereafter, global molybdenum prices collapsed, Molyworld had various legal problems, the driving force behind the company died, and no real operational progress was made. Molybdenum prices have now recovered to about where they were in 2011. Origo expects to put its Molyworld shares and any other remaining assets up for auction before the end of the year. We will provide additional details in due course.

Very truly yours,

John D. Chapman  
Chairman  
Origo Partners Plc

## Interim Consolidated Statement of Comprehensive Income For the six months ended 30 June 2021

		(Unaudited) Six months ended 30 June 2021	(Unaudited) Six months ended 30 June 2020	(Audited) Year ended 31 December 2020
	Notes	US\$'000	US\$'000	US\$'000
<b>Investment income/(losses):</b>				
Realised gains/(losses) on disposal of investments		-	-	22
Unrealised gains/(losses) on investments		(282)	-	(565)
		<b>(282)</b>	<b>-</b>	<b>(543)</b>
<hr/>				
Other income		-	-	20
Other administrative expenses	6	(370)	(436)	(725)
Foreign exchange gains/(losses)		(2)	(9)	(7)
<b>Net loss before Finance Costs and Taxation</b>		<b>(654)</b>	<b>(445)</b>	<b>(1,255)</b>
<hr/>				
Finance costs		-	(2)	(2)
<b>Loss before tax</b>		<b>(654)</b>	<b>(447)</b>	<b>(1,257)</b>
Income tax credit	8	-	-	-
<b>Loss after tax</b>		<b>(654)</b>	<b>(447)</b>	<b>(1,257)</b>
<hr/>				
<b>Other comprehensive income</b>				
<b>Other comprehensive income to be reclassified to profit or loss in subsequent periods</b>				
Exchange differences on translating foreign operations		-	(39)	-
<b>Net other comprehensive income to be reclassified to profit or loss in subsequent periods</b>		<b>-</b>	<b>(39)</b>	<b>-</b>
Tax on other comprehensive income		-	-	-
<b>Other comprehensive loss after tax</b>		<b>-</b>	<b>(39)</b>	<b>-</b>
<hr/>				
<b>Total comprehensive loss</b>		<b>(654)</b>	<b>(486)</b>	<b>(1,257)</b>
<hr/>				
Basic loss per ordinary share	9	(0.04) cents	(0.03) cents	(0.07) cents
Basic loss per redeemable preference share	9	(3.49) cents	(2.38) cents	(6.71) cents

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

## Interim Consolidated Statement of Financial Position

### As at 30 June 2021

		(Unaudited) 30 June 2021 US\$'000	(Audited) 31 December 2020 US\$'000	(Unaudited) 30 June 2020 US\$'000
	Notes			
<b>Current assets</b>				
Investments at fair value through profit or loss	11	285	842	1,407
Loans due within one year	12	-	-	-
Trade and other receivables		182	20	175
Cash and cash equivalents		1,379	1,651	1,890
<b>Total assets</b>		<b>1,846</b>	<b>2,513</b>	<b>3,472</b>
<b>Current liabilities</b>				
Trade and other payables		157	170	358
<b>Total current liabilities</b>		<b>157</b>	<b>170</b>	<b>358</b>
<b>Net assets</b>		<b>1,689</b>	<b>2,343</b>	<b>3,114</b>
<b>Equity attributable to equity holders of the company</b>				
Share capital		56	56	56
Share premium		149,994	149,994	150,027
Share-based payment reserve		5,048	5,048	5,048
Accumulated Losses		(200,960)	(198,200)	(200,663)
Translation reserve		(1,457)	(1,457)	(1,418)
Other reserve	13	49,008	46,902	50,064
<b>Total equity</b>		<b>1,689</b>	<b>2,343</b>	<b>3,114</b>

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 2021**

	Attributable to equity holders of the parent						
	Issued capital	Share premium	Share-based payment reserve	Accumulated Losses	Translation reserve	Other reserve	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b>At 1 January 2020</b>	56	150,027	5,048	(200,216)	(1,379)	50,064	3,600
Adjustment	-	(33)	-	48	(15)	-	-
Loss for the period	-	-	-	(1,257)	-	-	(1,257)
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive loss	-	-	-	(1,257)	-	-	(1,257)
Reclassification on disposal of subsidiaries	-	-	-	3,225	(63)	(3,162)	-
<b>At 31 December 2020</b>	56	149,994	5,048	(198,200)	(1,457)	46,902	2,343
Loss for the period	-	-	-	(654)	-	-	(654)
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive loss	-	-	-	(654)	-	-	(654)
Other reserve reclassification	-	-	-	(2,106)	-	2,106	-
<b>At 30 June 2021</b>	56	149,994	5,048	(200,960)	(1,457)	49,008	1,689

<b>Reserve</b>	<b>Description and purpose</b>
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	Capitalised redeemable preference shares as disclosed in Note 13.

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 2021**

	(Unaudited) 30 June 2021	(Audited) 31 December 2020	(Unaudited) 30 June 2020
Notes	US\$'000	US\$'000	US\$'000
<b>Loss before tax</b>	<b>(654)</b>	<b>(1,257)</b>	<b>(447)</b>
Adjustments for:			
Realised gains on disposal of investments	-	(22)	-
Unrealised losses on investments at FVTPL*	282	565	-
Foreign exchange losses	2	7	-
<b>Operating loss before changes in working capital and provisions</b>	<b>(370)</b>	<b>(707)</b>	<b>(447)</b>
Proceeds from disposals of investments at FVTPL*	275	24	-
(Increase)/ decrease in trade and other receivables	(162)	14	(140)
(Decrease)/ increase in trade and other payables	(13)	(126)	22
<b>Net cash outflow from operations</b>	<b>(270)</b>	<b>(795)</b>	<b>(565)</b>
<b>Investing activities</b>			
Net cash removed on disposal of subsidiary	-	(2)	-
<b>Net cash flows outflow from investing activities</b>	<b>-</b>	<b>(2)</b>	<b>-</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(270)</b>	<b>(797)</b>	<b>(565)</b>
Effect of exchange rate changes on cash and cash equivalents	(2)	(7)	-
Cash and cash equivalents at beginning of period	1,651	2,455	2,455
<b>Cash and cash equivalents at end of period</b>	<b>1,379</b>	<b>1,651</b>	<b>1,890</b>

\* 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 2021

### 1 Reporting entity

Origo Partners Plc ("the Company") 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 subsidiary 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 2020, which were prepared in accordance with International Financial Reporting Standards 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 2020 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 15 September 2021.

### 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 are 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 2020 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 2020.

#### 6 Other administrative expenses

	(Unaudited) Six months ended 30 June 2021 US\$'000	(Audited) Year ended 31 December 2020 US\$'000	(Unaudited) Six months ended 30 June 2020 US\$'000
<b>Recurring expenses:</b>	<b>(362)</b>	<b>(777)</b>	<b>(400)</b>
- Directors fees	(108)	(210)	(108)
- Audit fees	(24)	(35)	(18)
- Other	(230)	(532)	(274)
<b>Non-recurring expenses*</b>	<b>(8)</b>	<b>52</b>	<b>(36)</b>
<b>Total</b>	<b>(370)</b>	<b>(725)</b>	<b>(436)</b>

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

#### 7 Directors remuneration

	(Unaudited) Six months ended 30 June 2021 US\$'000	(Audited) Year ended 31 December 2020 US\$'000	(Unaudited) Six months ended 30 June 2020 US\$'000
Hiroshi Funaki	38	75	38
Philip Peter Scales	30	55	30
John Chapman	40	80	40
<b>Total</b>	<b>108</b>	<b>210</b>	<b>108</b>

## 8 Income Tax

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.

## 9 Loss per share

	(Unaudited) 30 June 2021 USUS\$'000	(Unaudited) 30 June 2020 USUS\$'000	(Audited) 31 December 2020 USUS\$'000
Loss for the year attributable to ordinary shareholders of the parent as used in the calculation of basic loss per share	(131)	(89)	(251)
Weighted average number of ordinary shares	351,035,389	351,035,389	351,035,389
Basic loss per share of ordinary shares	<b>(0.04) cents</b>	<b>(0.03) cents</b>	<b>(0.07) cents</b>
Loss for the year attributable to redeemable preference shareholders of the parent as used in the calculation of basic loss per share	(523)	(358)	(1,006)
Weighted average number of redeemable preference shares	14,991,781	14,991,781	14,991,781
Basic loss per share of redeemable preference shares	<b>(3.49) cents</b>	<b>(2.38) cents</b>	<b>(6.71) cents</b>

## 10 Investments in subsidiaries

Name	Country of incorporation	Proportion of ownership interest at 30 June 2021	Proportion of ownership interest at 30 June 2020
Ascend Ventures Ltd	Malaysia	-	100%
Origo Resource Partners Ltd*	Guernsey	100%	100%
PHI International Holding Ltd	Bermuda	-	100%
PHI International (Bermuda) Holding Ltd**	Bermuda	-	100%
Ascend (Beijing) Consulting Ltd***	China	-	100%

\* In liquidation

\*\* Owned by Origo Resources Partners Limited

\*\*\* Owned by Ascend Ventures Limited

## 11 Investments at fair value through profit and loss

As at 30 June 2021 (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	-
Staur Aqua AS	Norway	9.2%	719	-
Celadon Mining Ltd	British Virgin Islands	8.9%	13,069	282
Six Waves Inc	British Virgin Islands	1.1%	240	-
Other quoted investments			593	3
<b>Total</b>				<b>285</b>

As at 31 December 2020 (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	564
Six Waves Inc	British Virgin Islands	1.1%	240	-
Fram Exploration AS	Norway	0.6%	1,223	-
Other quoted investments			593	3
<b>Total</b>				<b>842</b>

All investments measured at a fair value hierarchy level of 3 except, the other quoted investments which are 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.

During the period to 30 June 2021 the Group disposed of its investment in Gobi Coal and Energy Limited at the carrying value recognised at 31 December 2020 and hence there are no gains or losses in respect of the disposal during the period to 30 June 2021.

## 12 Loan Investments

As at 30 June 2021 (Unaudited) & 31 December 2020 (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	-	-	-
<b>Total</b>			-	-	-

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.

## 13 Other reserve

As at 30 June 2021 (Unaudited) and 31 December 2020 (Audited) the other reserve included of 57,000,000 (US\$49,008,000) redeemable zero dividend preference shares at no par value capitalised in September 2017. During the previous year, the Group's Employee Benefit Trust was closed and the amount included within other reserve of US\$2,106,325 has been transferred to retained earnings.

## 14 Related party Transactions

### *Identification of related parties*

The Group has a related party relationship with its subsidiary and key management personnel. The Company receives and pays certain debtors and creditors on behalf of its subsidiary. Transactions between the Company and its subsidiary have been eliminated on consolidation.

### *Transactions with key management personnel*

The Group's key management personnel are the non-executive directors as identified in Note 7.

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 2021 US\$'000	(Audited) Year ended 31 December 2020 US\$'000
<b>Amounts due to related parties</b>		
Key management personnel:		
Hiroshi Funaki	-	-
Philip Peter Scales	(15)	(15)
John Chapman	(40)	(80)

## 15 Commitments and contingencies

There were no material contracted commitments or contingent assets or liabilities at 30 June 2021 (31 December 2020: none).

## 16 Subsequent events

There were no significant subsequent events.