

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2009



ORIGO PARTNERS PLC

Contents

DIRECTORS' REPORT 1-12

A.	Chairman's statement	1
	Chief Executive's statement	2-6
	Portfolio overview	7-8
	Investment policy statement	9
	Sustainability statement	10
	Directors' report	11-12

INDEPENDENT AUDITORS' REPORT 13-14

B.

AUDITED FINANCIAL STATEMENTS 15-56

C.	Consolidated statement of comprehensive income ..	15
	Consolidated statement of financial position	16
	Company statement of financial position	17
	Consolidated statement of changes in equity	18
	Company statement of changes in equity	19
	Consolidated statement of cash flows	20
	Company statement of cash flows	21
Notes to the financial statements	22-56	

Revenues of US\$3.7 million

(2008: US\$4.8 million)

Net asset value per share: US\$0.61

(2008: US\$0.57)

Net asset value: US\$132.0 million

(2008: US\$55.6 million)

Total investments of US\$15.1 million in three new portfolio companies

Follow on investments of US\$13.5 million in five existing portfolio companies

Cash position of US\$25.0 million at 31 December 2009

Operating loss of US\$4.5 million

(2008 operating loss: US\$4.9 million)

Total comprehensive income of US\$45.7 million, after negative goodwill charge of US\$45.4 million arising from the merger with Origo Resource Partners Ltd

(2008 total comprehensive loss: US\$10.2 million)

US\$30 million raised in June 2010 to fund a number of new, well-advanced investment opportunities





Directors

Wang Chao Yong, Executive Chairman
Chris Andre Rynning, Chief Executive Officer
Karl Niklas Ponnert, Chief Financial Officer
Christopher Martin Jemmett, Non Executive Director
Dipankar Basu, Non Executive Director

Country of incorporation of parent company

Isle of Man

Legal form

Public limited company

Secretary

Sandra Georgeson

Company number

116102C

Auditors

Ernst & Young LLC
Rose House, 51-59 Circular Road
Douglas, ISLE OF MAN
IM1 1AZ, United Kingdom

Nominated adviser

Liberum Capital Ltd.
Ropemaker Place, Level 12
25 Ropemaker Street
London, EC2Y 9AR

Solicitors to the company

Charles Russell LLP
8-10 New Fetter Lane
London, EC4A 1RS

Public relations advisers

Aura Financial LLP
The Economist Plaza
7th Floor 27 St James's Street
London, SW1A 1HA

Broker

Liberum Capital Ltd.
Ropemaker Place, Level 12
25 Ropemaker Street
London, EC2Y 9AR

Chairman's Statement

2009 was another busy and successful year for Origo in terms of the Group's own significant re-organisation and several additional positive developments among our investee companies.

A year ago the investment community had expected greater certainty about economic conditions around the world in 2009 and hoped for an accelerating improvement in the recovery of markets generally. Whilst China was always likely to be the catalyst for much of this change, I believe that there was an expectation that the OECD upturn would follow rapidly as a consequence of improved liquidity from central banks; it was hoped that many economies beyond China would respond positively. This has not happened as anticipated and many countries remain uncertain about the impact of continued domestic financial pressures.

By contrast, the success of our strategy has meant that Origo's investors have been better placed than many given the Group's focus on the most significant growth market in the world today. However, we cannot be complacent about strategy alone and the actions taken by our management team during the year have underlined the continuing commitment to satisfy our ambitions.

In October, the Directors on the Boards of Origo Sino-India Plc ("OSI") and Origo Resource Partners Ltd ("ORP") recommended that shareholders further improve our ability to benefit from this position through a merger of the respective companies to create Origo Partners Plc - a stronger group with a broadened shareholder base and the scale to capitalise on a significant pipeline of investment opportunities to a greater extent than either OSI or ORP could alone.

The successful completion of a US\$30 million placing with new and existing shareholders after the end of the year is clear evidence that the enlarged Group is now better positioned to raise funds, make investments and develop as a business.

At the time of the merger we also stated that the combination of cost savings and greater flexibility would improve market liquidity and the attractiveness of the Origo stock to shareholders. I was pleased with the strong support of shareholders at the EGM to approve the merger and this has been reflected in our share price.

Our management team's core skills remain:

- Asset management consulting
- Identifying and researching investment opportunities relating to China
- Making direct investments in growth companies
- Actively supporting the investee company management to strengthen portfolio companies

There is strong demand for this expertise, from investors and Chinese companies alike. Since the year end, we have also identified ways to improve our pipeline of new projects and to re-launch our asset management business, illustrated by the recent signing of a memorandum of understanding with the Xinxiang Municipal Government on the formation of a RMB-denominated private equity fund.

Finally, I would like to thank the Board and employees for their contribution during the year and for their commitment to developing links with other partners which enable Origo to succeed in a newly competitive global landscape.

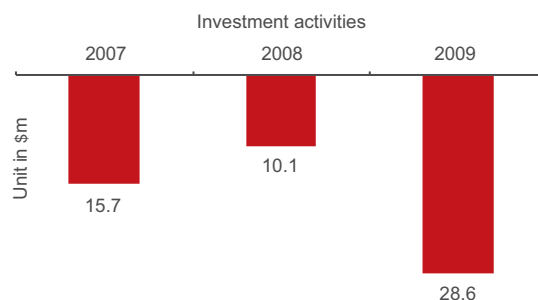
Chief Executive's Statement

The Group made significant progress in 2009 highlighted by the substantial growth in our net asset value, strengthening of our balance sheet and increase in the net asset value per share. As the Chinese economy has rebounded strongly and looks to continue its phenomenal growth pattern, I am confident that Origo will benefit from its focus on Chinese private equity opportunities in the natural resource and sustainable development sectors.

Investments and divestments

In aggregate, pro-forma investments for the Group, including the ones completed by ORP prior to the merger, amounted to US\$28.6 million.

During the course of the year we made follow-up investments of US\$13.5 million in five existing portfolio companies, including substantial follow on commitments to Aqualyng Holding A/S ("Aqualyng"), our desalination business, and Inveritas Global Holdings, which merged with IRCA Holdings Ltd ("IRCA") to form an enlarged group provider of safety, health, risk and commercial assessment services.



In May 2009, Primary Holdings International Trust ("PHI") agreed to merge with R.M. Williams Agricultural Holdings Pty Ltd. ("RMWAH"), a new venture formed by R.M. Williams Pty Ltd. As a result of the merger, the enlarged Group's shareholding in PHI was exchanged for an approximately 39% shareholding in RMWAH. The transaction resulted in the creation of a stronger entity, with greater strategic and financial resources at its disposal.

In November 2009, ORP and OSI acquired a combined 21% stake in Gobi Coal & Energy Ltd ("Gobi"), a coal explorer and development company, for US\$14.7 million at an attractive valuation. Gobi, which owns two high quality coking and thermal Mongolian coal deposits containing an aggregate 170 million tonnes of JORC Indicated Resources and 151 million tonnes of JORC Inferred Resources, has significant potential to develop into a world class mining company based upon its significant high quality coal resources and positioning close to fast growing markets in both western and north eastern China. Gobi is already producing small amounts of coal for local markets and is planning to progressively increase production levels. We note recent announcements by the Mongolian President of an intention to review the issuance of mining licenses in Mongolia and believe that this is unlikely to have any adverse impact on Gobi.

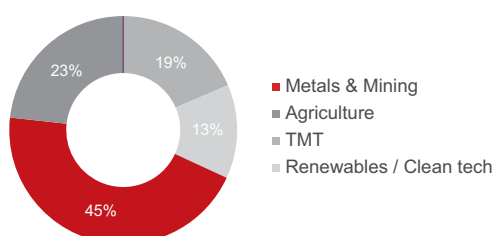
Capital markets and fundraising opportunities for private equity assets have been limited during 2009. However, with a targeted average holding period of 3-5 years, we would not expect the Group to enter into a divestment phase until late 2010 at the earliest. Consequently, we did not make any substantial divestments during the course of last year, with the exception of the disposal of our holding in Fomento International Ltd, ("FIL"), which was sold back to FIL for a total cash consideration of US\$21 million, including US\$17 million invested by ORP prior to the merger.

Portfolio

At the end of the year, the Group's portfolio comprised 19 holdings, up from 15 in the previous period.

In line with our new investment strategy and the merger with ORP, there has been a clear shift in the composition of the portfolio, which is now focused on the natural resource and sustainable development sectors, representing 81% of the value of our combined portfolio. Our natural resource investments can be further sub-divided into metals & mining (45%), renewable/clean technology (13%), and agriculture (23%). The legacy portfolio of TMT assets has decreased from 53% in 2008 to 19% of the portfolio by value as of 31 December 2009.

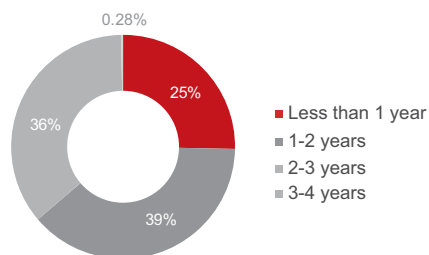
Portfolio at fair value – by sector*



* Includes associates at ending value at 31 December 2009

The portfolio comprises both early-stage ventures and more mature, expansion-stage companies. In terms of value, 25% of invested capital was committed in the last 12 months, 39% of the portfolio has been held for 12 to 24 months, and 36% of the portfolio has been on the books for 24 to 36 months.

Portfolio at fair value – by holding period*



* Includes associates at ending value at 31 December 2009

Since the period end, four of our investee companies have made significant announcements, although none have required financial commitments by Origo:

In January 2010, HaloSource Inc. (“HaloSource”) successfully raised US\$10 million from new investors to fund the further commercialisation of its patented water purification technology. This fundraising is an important step in the further development of HaloSource and will enable the company to continue to commercially develop its water purification business.

In March 2010, Possibility Space Inc. (“PSI”) announced that it had raised up to US\$1.5 million from a new investor. This fundraising will enable PSI to continue to develop its online games business and capture this market opportunity with the backing of a US listed and well financed strategic partner. From Origo's perspective, we believe this strategic partnership represents an important milestone for realising the value of our investment in PSI.

In April 2010, our desalination business, Aqualyng Holding A/S ("Aqualyng"), concluded a joint venture agreement with Beijing Enterprises Water Group Limited ("BEWGL"), one of China's leading water treatment groups. This transaction has the potential to transform Aqualyng's business by providing a strong, low risk platform on which to expand its presence across China. We believe the joint venture could benefit from unparalleled access to new business opportunities across mainland China, preferential financing terms and beneficial offtake arrangements through its links with the Municipal Government of Beijing.

In May 2010, Fans Media Ltd. ("Fans Media") announced the formation of SK Fans Ltd. ("SK Fans"), a new joint venture with SK Telecom, South Korea's largest telecom service provider. Under the terms of the agreement, SK Telecom will contribute its interest in CyWorld China, a well-established social networking media, as well as US\$12 million in cash, for which it will receive a 51% stake in the venture. Fans Media, for its part, will contribute all of its assets, including its main internet property, www.ifensi.com, for a 49% interest in SK Fans.

Three of our portfolio companies have had significant movements in their fair values during the year. Firstly, after careful consideration, the Directors have decided to write up the value of our newly acquired interest in Gobi to US\$2 per share (acquisition cost of US\$1.1 per share), reflecting third party valuations of this particular company and a growing demand for similar assets.

Secondly, we have reversed a gain booked for the period ending 30 June 2009 in respect of our interest in RMWAH on the basis of a new equity placement of AUD45 million worth of common stock, completed at AUD 0.70 per share (position previously held at the USD equivalent of AUD 1 per share).

Finally, as explained in our 2009 Interim Report, Roshini International Bio-Energy Corporation ("RIBEC") has faced increasingly adverse trading conditions and has not performed in line with our expectations. Despite changes to RIBEC's business model, there has been a lack of progress to date in the implementation of the new strategy and, in lieu of required funding, we have decided to take a full impairment charge with respect to the value of our interest in that particular company.

Profit and Loss

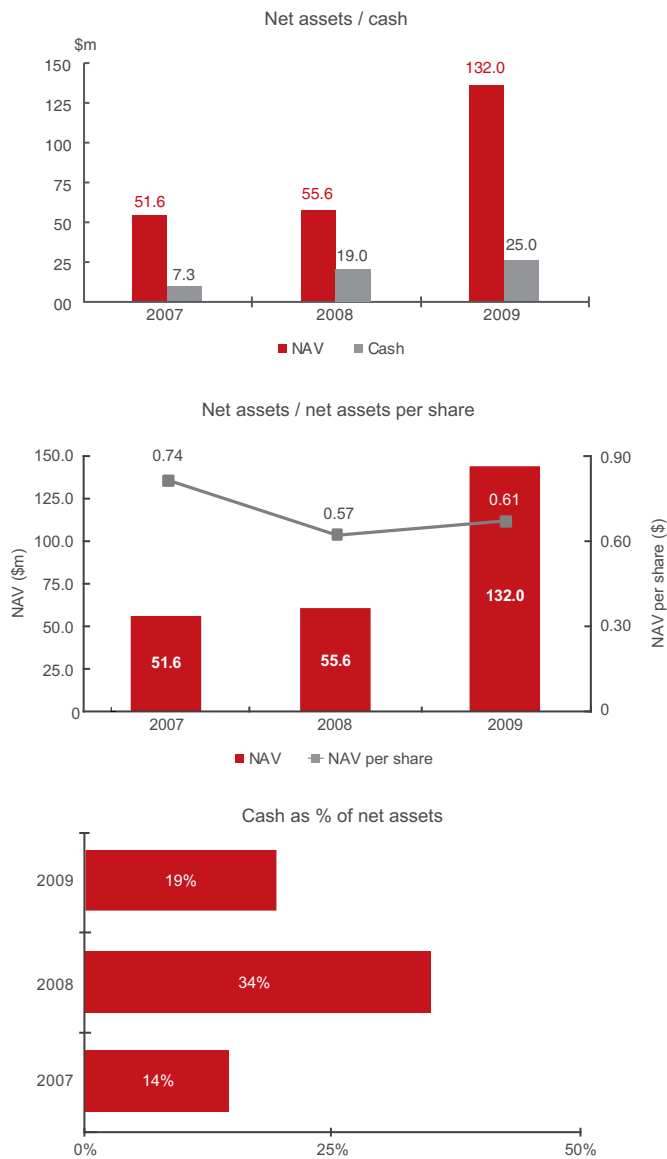
Revenues came in at US\$3.7 million, down by 23% from US\$4.8 million in 2008, primarily due to the termination in Q3 of the consulting contract with ORP. Anticipating a slight decline in revenues, and as part of our ongoing efforts to streamline all our operations, we announced our intention earlier this year to reduce our running costs. Administration costs decreased accordingly from US\$7.0 million in 2008 to US\$6.1 million in 2009. Our operating loss decreased to US\$4.5 million (2008: loss of US\$4.9 million). Stripping out non-cash based items, the operating loss equalled US\$3.4 million, equivalent to 2.6% of our net assets.

In terms of non-cash based items, we recognised a substantial negative goodwill charge of US\$45.4 million arising from the merger with ORP and the fair value of equity-settled benefits (US\$1.0 million). Losses from fair value movements in the portfolio equalled US\$2.0 million.

Post net gains from foreign exchange movement and finance income, the Group posted total comprehensive income after tax of US\$45.7 million (2008: total comprehensive loss of US\$10.2 million).

Financial Position

The Directors' valuation of the portfolio at 31 December 2009 was US\$105.7 million (2008: US\$34.5 million). The movement in the valuation was the result of new investments and disposals prior to the merger of US\$28.6 million and US\$21.4 million respectively, an increase of investments of US\$45.2 million through the merger with ORP, and a net decrease in the fair value of total investments on the balance sheet amounting to US\$1.9 million. The merger with ORP added a further US\$12.7 million of cash to our balance sheet. Total cash and cash equivalents at the end of the year totalled US\$25 million, representing 19% of our net assets. At 31 December 2009, net assets were US\$132.0 million, compared to US\$55.6 million at 31 December 2008 and net asset per share was US\$0.61 per share compared to US\$0.57 per share as at 31 December 2008.



Subsequent to the end of the year, the Group's balance sheet has been further strengthened following the completion of a successful US\$30 million capital raise by way of a placing of new ordinary shares to new and existing shareholders.

Outlook

As capital markets open up again for IPOs of private equity sponsored assets and our portfolio matures, we intend to actively market and exit selected investments, both to maximise returns from the best performers in the portfolio, as well as to recycle cash tied up in non-core assets into new opportunities in line with our revised investment strategy.

We will maintain our focus on investments relating to China, focusing on the natural resources sector, encompassing metals and mining, clean tech and renewable energy, water and sustainable agriculture. In line with this strategy, the US\$30 million placing in June 2010 will enable us to fund a number of new, well-advanced investment opportunities in the Chinese clean-tech and agriculture sectors and in the Mongolian natural resources sector.

Our efforts in these respects will comprise both direct investments, primarily in mining assets and related infrastructure and services, but also a broadening of our advisory service offering, provided through our wholly-owned Mongolian subsidiary and our new partnerships in Mongolia.

We have already announced our intention to develop investment advisory capabilities in Mongolia since the year end and will expand upon our existing Mongolian presence in order to take advantage of unprecedented opportunities in one of the most attractive destinations for investments geared towards meeting China's demand for natural resources.

Although the ORP/OSI merger diminished our immediate commitments in asset management, we will continue to seek new mandates. A significant recent development in this area has been the announcement that the Group has signed a memorandum of understanding with the Xinxiang Municipal Government on the formation of the Origo China Sustainable Development Fund ("the Fund"), a RMB-denominated private equity fund to be managed by Origo. We believe the Fund may enable Origo to invest and exit investments in the domestic stock markets which enjoy both excellent liquidity and premium valuations. We will also continue to provide Chinese market analysis and investment decision support to many of our shareholders.

Overall, we remain positive about the Group's prospects for the year ahead and the outlook for the Chinese economy. Our key priorities remain providing continued support to our portfolio companies whilst also making further investments in expansion stage Chinese businesses in the natural resources, clean-tech and agriculture sectors.

The global economic environment brings many challenges and China's relatively strong position has attracted much interest. The resources which we have developed over a number of years through our on the ground presence in China have enabled us to form deep relationships amongst fast growing businesses and domestic investors alike. The value of these relationships enables Origo to embrace the range of new opportunities with significant confidence.

Portfolio Overview*



Gobi Coal & Energy Ltd.

R.M. Williams
Agricultural Holdings Pty Ltd.

IRCA Holdings Ltd.

Abbreviation	Gobi	RMWAH	IRCA
Market	China	Australia	Africa/China/India
Industry Sector	Metals & Mining	Agriculture	Metals & Mining
Segment	Coal	Soft commodities	Mining services
Date of Investment	2009-11-24	2008-9-2	2007-11-20
Cost of Investment (US\$m)	14.71	23.09	20.69
Instrument	Common Stock	Common Stock & Loan	Common Stock & Loan
Equity Interest	20.8%	21.1%	49.1%
Fair Value (US\$m)	26.34	24.57	20.70
% of Net Assets	20.0%	18.6%	15.7%
Basis of Valuation	DCF/Comparables	Price of last investment	Price of last investment
Business Description	Gobi is a privately held coal company with significant high quality coal resources in Mongolia, competitively positioned to supply fast growing demand from China.	RMWAH operates prime farmland and a diversified portfolio of properties and companies, supplying a full range of premium branded organic and protein-based commodities for both local and international markets.	IRCA provides safety, health, environment, and quality and risk management ("SHERQ") solutions, focused particularly on the mining, transport and energy sectors.



Fans Media Co., Ltd.



E-Bill (China) Holding Ltd.



Possibility Space Incorporated

Abbreviation	Fans Media	E-Bill	PSI
Market	China	China	China/US
Industry Sector	TMT	TMT	TMT
Segment	Web services	E-payment services	Online gaming
Date of Investment	2007-3-31	2008-2-29	2007-2-20
Cost of Investment (US\$m)	2.36	2.00	2.17
Instrument	Preferred & Common Stock	Preferred Stock	Common Stock & Loan
Equity Interest	14.3%	7.1%	45.0%
Fair Value (US\$m)	2.36	2.00	1.82
% of Net Assets	1.8%	1.5%	1.4%
Basis of Valuation	Price of last investment	Price of last investment	Price of last investment
Business Description	Fans Media and its associated companies operate www.iFensi.com, one of China's leading web 2.0 portals, linking artists and celebrities/stars with their online audiences.	China E-Bill is a profitable, fast growing company providing point of sale payment solutions to Chinese consumers.	PSI is a Beijing based online game technology and application developer.

* Selected portfolio companies

RISEING 瑞星

Rising Technology
Corporation Ltd.

HALOSOURCE
Antimicrobials for safer living

HaloSource Inc.

AQUALYNG

Staur Aqua AS

Abbreviation	Rising	HaloSource	Staur
Market	China	US/China/India	China/Europe/Africa
Industry Sector	TMT	Clean Tech	Clean Tech
Segment	Security software	Water purification	Water desalination
Date of Investment	2007-1-11	2008-7-11	2008-2-29
Cost of Investment (US\$m)	7.00	10.00	3.73
Instrument	Common Stock	Preferred Stock	Common Stock & Loan
Equity Interest	2.0%	16.6%	9.2%
Fair Value (US\$m)	12.46	10.00	4.08
% of Net Assets	9.4%	7.6%	3.1%
Basis of Valuation	Comparables	Price of last investment	Price of last investment
Business Description	Rising is China's dominant anti-virus software and content security vendor.	HaloSource is a clean technology group focused on water and anti microbial fabric treatment. HaloSource's flagship product, HaloPure [®] , offers a solution to simple, safe and complete purification of drinking water in point-of-use systems, targeting the mass consumer markets of China and India.	Aqualyng is an international provider and operator of desalination plants, with a 10 year history of delivering turn-key desalination solutions based on its patented energy recovery system.



Investment Policy Statement

Origo Partners Plc (“Origo”) and its subsidiaries (together “the Group”) invest predominately in privately held companies across various sectors of China’s economy, and in companies and assets with connections to the Chinese market, with the objective of providing shareholders with above market returns, primarily through capital appreciation.

The Group generally pursues three kinds of opportunities:

- investments in pre-IPO opportunities, where the Group can add value through providing assistance in relation to restructuring, international expansion and the listing on a domestic or foreign stock exchange;
- profitable, expansion stage companies requiring financing to meet working capital requirements, expansion capital and/or as capital to finance merger and acquisition opportunities; and
- selected earlier-stage companies, which demonstrate compelling prospects for fast-growth and paths to profitability.

At its present level of capitalisation, the Group is unlikely to commit in excess of US\$20 million to any single investee company at the time of the initial investment. For early-stage opportunities, initial commitments may be less than US\$1 million. While the Group does not have any set gearing policy (although it does not expect to be highly geared at the Group level), investee companies, directly or indirectly, may themselves have outstanding borrowings. The Group currently carries out its own commercial due diligence in respect of potential investments (and engages professional advisers for specialised tasks such as legal, financial and technical due diligence) but may outsource this process over time.

In addition to investing predominately in privately held companies, the Group may, at its absolute discretion, hold or invest in publicly traded shares, quasi-equity and/or debt instruments, including convertible or non-convertible debt securities coupled with warrants and/or options, which may or may not represent shareholding or management control. The Group plans to allocate no more than 20 per cent of available cash resources to investments in publicly traded equities.

The Group seeks to be an active investor and to make minority investments. Where possible, minority investments are structured so as to ensure adequate minority protection rights, including but not limited to board participation (via a board director/observer), membership of supervisory, audit and oversight committees, as well as specific veto rights over key corporate decisions. In addition, the Group generally dedicates at least one other nominee who, together with the board director/observer, is responsible for assisting the investee company on matters such as building and augmenting the management team, implementing relevant corporate governance and financial control procedures, defining and executing a growth and financing strategy, introducing suitable partners and business opportunities and matters related to future fund-raising, acquisitions or exit considerations.

The holding period for investments is expected to vary depending on the type of investment, the particular circumstances of the relevant investee company, and the intended exit route. The holding period for pre-IPO and expansion stage investments is targeted at between 9 and 24 months and for earlier-stage investments at between 24 and 48 months. There is currently a limited spread of investments but this may change if the Group raises additional debt or equity capital.

Sustainability

We see no conflict between achieving our financial goals and our commitment to social and environmental responsibility. Indeed we believe the two can go hand in hand.

The rapid economic development of China has played a significant role in lifting a large number of China's population of 1.2 billion out of poverty. As an investor, Origo believes it has made a small but positive contribution to this process.

It is vital that Origo retains its reputation as a responsible investor, both with potential investee companies and government authorities to ensure continued access to investment opportunities. Therefore, in everything we do, we seek to further our reputation as a good corporate citizen that behaves responsibly and complies with all legal and regulatory requirements.

Whilst commercial considerations remain paramount, before making any investment decision, Origo considers the social and environmental impacts of the business in which we are investing. We have a substantial exposure to green and sustainable companies, and a number of our portfolio companies such as Aqualyng, HaloSource, and IRCA provide commercial solutions to environmental and social problems.



Directors' Report

The Directors present their report together with the audited financial statements for the year ended 31 December 2009.

Results and dividends

The result of the Group for the period is set out on page 15 and shows a profit for the year of US\$38,908,000 (2008: loss of US\$8,245,000). The limited trading history of the Group neither justifies nor allows the payment of a dividend. The Directors are therefore not able to recommend the payment of a dividend (2008: US\$nil). The retained profit of the year of US\$38,908,000 (2008: loss of US\$8,245,000) has been transferred to reserves.

Principal activities, review of business and future developments

The Group invests predominately in privately held companies across various sectors of China's economy, and in companies and assets with connections to the Chinese market. The Group's objective is to provide shareholders with above market returns, primarily through capital appreciation, and to generate fees from consultancy services related to further fundraisings, M&A and strategic development. The review of business and future developments is covered in the Chairman's Statement and Chief Executive's Statement.

Directors

	Options	At 31 December 2009 Ordinary shares
Mr. Wang Chao Yong	4,000,000	3,987,575**
Mr. Chris Rynning	1,000,000	14,081,088***
Mr. Niklas Ponnert	2,800,000	2,406,009****
Mr. Christopher Jemmett	100,000	50,000
Mr. Dipankar Basu	100,000	50,000
Mr. Stockton Birthisel*	-	-

* Resigned from the Board on 5 June 2009.

** 1,047,500 Shares are held in Wang Chao Yong's name, 1,625,451 Shares are held through ChinaEquity International Holding Company Ltd and 1,314,624 Shares are held jointly with the EBT pursuant to the Company's Joint Share Ownership Plan.

*** 12,766,384 Shares are held through Amalie International Holdings Ltd and 1,314,624 Shares are held jointly with the EBT pursuant to the Company's Joint Share Ownership Plan.

**** 400,000 Shares are held in Niklas Ponnert's name, 691,385 Shares are held through Paracelsus Holdings Ltd, and 1,314,624 Shares are held jointly with the EBT pursuant to the Company's Joint Share Ownership Plan.

Directors' responsibilities in respect of the financial statements

Company law requires the Directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Company and of the Group and of the profit or loss of the Group for that period. In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume the Group will continue in business.

The Directors are responsible for keeping proper accounting records which can disclose with reasonable accuracy at any time the financial position of the Company and the Group and to enable them to ensure that the financial statements comply with the Companies Acts 1931 to 2004. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Going concern

After making enquiries, the Directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Auditors and disclosure of information to auditors

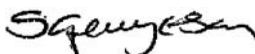
As far as each Director is aware, there is no relevant audit information of which the Company's auditors are unaware.

Financial statements are published on the Group's website in accordance with legislation in the Isle of Man governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. 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.

Each of the Directors has taken all the steps they ought to have taken individually as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

In accordance with S12(2) of the Isle of Man Companies Act 1982 Ernst & Young LLC have expressed their willingness to continue in office and a resolution to reappoint Ernst & Young LLC will be proposed at the forthcoming Annual General Meeting.



By order of the Board
Sandra Georgeson
Company Secretary

22 June 2010

INDEPENDENT AUDITORS' REPORT

To the members of Origo Partners Plc

We have audited the Group's financial statements for the year ended 31 December 2009 which comprise the consolidated statement of comprehensive income, the consolidated statement of financial position, the company statement of financial position, the consolidated statement of changes in equity, the company statement of changes in equity, the consolidated statement of cash flows, the company statement of cash flows, and the related notes 1 to 27. These financial statements have been prepared on the basis of the accounting policies set out therein.

This report is made solely to the Company's members, as a body, pursuant to Section 15 of the Companies Act 1982. 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.

Respective responsibilities of directors and auditors

As described in the statement of directors' responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable Isle of Man law and appropriate accounting standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK & Ireland). We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Acts 1931 to 2004. We also report whether in our opinion the information given in the Directors' report is consistent with the financial statements.

In addition we also report if, in our opinion, the group/company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the group is not disclosed.

We read other information contained in the Annual Report and consider if it is consistent with the audited financial statements. The other information comprises only the Chairman's Statement, Chief Executive's Statement and the Directors' report. We consider the implications for our report if we become aware of any apparent misstatement or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

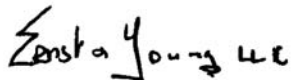
We conducted our audit in accordance with International Standards on Auditing (UK & Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with International Financial Reporting Standards, of the state of affairs of the company and of the group as at 31 December 2009 and of the profit of the group for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Acts 1931 to 2004;
- and the information given in the Directors' report is consistent with the financial statements.



Ernst & Young LLC
Chartered Accountants
Isle of Man
22 June 2010

Origo Partners Plc**Consolidated statement of comprehensive income**
For the year ended 31 December 2009

	Note	2009 US\$'000	2008 US\$'000
Revenue	2	3,695	4,771
Cost of sales	2	(2,003)	(2,668)
Gross profit		1,692	2,103
Distribution costs		(28)	(59)
Share-based payments	3	(1,043)	(2,287)
Other administrative expenses	3	(5,101)	(4,674)
Total administrative expenses	3	(6,144)	(6,961)
Loss from operations		(4,480)	(4,917)
Negative goodwill on acquisition	7	45,448	-
Investment loss	8	(2,028)	(5,830)
Including:			
- Share of losses of associates		(163)	(271)
Foreign exchange (loss)/gain		(1,398)	1,677
Finance income	9	637	861
Finance costs	9	(37)	(36)
Other income		1,312	-
Profit /(loss) before tax		39,454	(8,245)
Income tax	10	(546)	-
Profit /(loss) after tax		38,908	(8,245)
Other comprehensive income/(loss)			
Exchange differences on translating foreign operations		(197)	(504)
Exchange differences on change in presentation currency		7,155	(1,411)
Available-for-sale financial assets		(133)	(64)
Other comprehensive income/(loss) for the period, net of tax		6,825	(1,979)
Total comprehensive income/(loss) for the period		45,733	(10,224)
Profit /(loss) after tax			
Attributable to:			
- Owners of the parent		38,983	(8,038)
- Non-controlling interests		(75)	(207)
		38,908	(8,245)
Total comprehensive income/(loss)			
Attributable to:			
- Owners of the parent		45,808	(10,017)
- Non-controlling interests		(75)	(207)
		45,733	(10,224)
Basic and diluted earnings/(loss) per share	11	37.93cents	(9.11)cents

The notes to these financial statements are on pages 22-56.

Origo Partners Plc**Consolidated statement of financial position**
At 31 December 2009

Assets	Note	2009 US\$'000	2008 US\$'000
Non-current assets			
Property, plant and equipment (PPE)	12	71	59
Intangible assets		16	18
Investments at fair value through profit or loss	14	86,929	31,594
Loans	16	18,644	2,596
Available for sale investments	19	49	182
Investments in associates	15	67	88
Other investments		8	8
		105,784	34,545
Current assets			
Inventories		51	51
Trade and other receivables	18	3,680	2,605
Cash and bank balances		24,994	18,984
		28,725	21,640
Total assets		134,509	56,185
Current liabilities			
Trade and other payables	20	2,522	618
Total liabilities		2,522	618
Total net assets		131,987	55,567
Equity attributable to equity holders of the parent			
Issued capital	21	35	14
Share premium		89,785	45,539
Share-based payment reserve		6,427	4,731
Retained earnings		38,921	(62)
Warrant reserve		-	6,849
Translation reserve		(1,500)	(1,276)
Other reserve		(1,432)	(54)
		132,236	55,741
Non-controlling interests		(249)	(174)
Total equity		131,987	55,567
Total equity and liabilities		134,509	56,185

The financial statements were approved by the Board of Directors and authorised for issue. They were signed on its behalf by:



Wang Chao Yong
Executive Chairman
22 June 2010



Chris Andre Rymning
Chief Executive Officer
22 June 2010



Kap Niklas Ponnert
Chief Financial Officer
22 June 2010

The notes to these financial statements are on pages 22-56.

Origo Partners Plc**Company statement of financial position**


At 31 December 2009

Assets	Note	2009 US\$'000	2008 US\$'000
Non-current assets			
Investments at fair value through profit or loss		30,032	27,234
Loans		8,621	3,280
Investments in subsidiaries	13	30,920	39
Other receivables	17	1,226	-
		70,799	30,553
Current assets			
Trade and other receivables	18	10,149	9,294
Cash and bank balances		11,867	18,793
		22,016	28,087
Total assets		92,815	58,640
Current liabilities			
Trade and other payables	20	1,885	656
Total liabilities		1,885	656
Total net assets		90,930	57,984
Equity attributable to equity holders of the parent			
Issued capital	21	35	14
Share premium		89,785	45,539
Share-based payment reserve		6,427	4,731
Retained earnings		(3,860)	2,262
Translation reserve		(1,457)	(1,411)
Warrant reserve		-	6,849
Total equity		90,930	57,984
Total equity and liabilities		92,815	58,640

The financial statements were approved by the Board of Directors and authorised for issue. They were signed on its behalf by:



Wang Chao Yong
Executive Chairman
22 June 2010



Chris Andre Rynning
Chief Executive Officer
22 June 2010



Karl Niklas Ponnert
Chief Financial Officer
22 June 2010

The notes to these financial statements are on pages 22-56.

Origo Partners Plc**Consolidated statement of changes in equity**
For the year ended 31 December 2009

	Issued capital	Share premium	Share- based payment reserve	Retained earnings	Warrant reserve	Other reserve	Translation reserve	Total	Non- controlling interests	Total equity
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
At 1 January 2008	11	21,836	2,444	7,976	6,849	10	639	39,765	33	39,798
Loss for the year	-	-	-	(8,038)	-	-	-	(8,038)	(207)	(8,245)
Other comprehensive income	-	-	-	-	-	(64)	(1,915)	(1,979)	-	(1,979)
Total comprehensive income	-	-	-	(8,038)	-	(64)	(1,915)	(10,017)	(207)	(10,224)
Proceeds from share issues for cash	3	23,703	-	-	-	-	-	23,706	-	23,706
Share-based payment expense	-	-	2,287	-	-	-	-	2,287	-	2,287
At 31 December 2008	14	45,539	4,731	(62)	6,849	(54)	(1,276)	55,741	(174)	55,567
Profit for the year	-	-	-	38,983	-	-	-	38,983	(75)	38,908
Other comprehensive income	-	-	-	-	-	(133)	6,958	6,825	-	6,825
Total comprehensive income	-	-	-	38,983	-	(133)	6,958	45,808	(75)	45,733
Proceeds from share issues	20	30,850	-	-	-	-	-	30,870	-	30,870
Own share acquired	-	-	-	-	-	(1,226)	-	(1,226)	-	(1,226)
Share-based payment expense	-	-	1,043	-	-	-	-	1,043	-	1,043
Change in presentation currency	1	5,691	653	-	856	(19)	(7,182)	-	-	-
Warrants expiration	-	7,705	-	-	(7,705)	-	-	-	-	-
At 31 December 2009	35	89,785	6,427	38,921	-	(1,432)	(1,500)	132,236	(249)	131,987

The following describes the nature and purpose of each reserve within parent's equity

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
Warrant reserve	Fair value of warrants as measured at grant date and spread over the period which the warrant holders become entitled to the warrants
Other reserve	Equity created to recognise fair value change of available for sale investments and own share acquired
Transaction reserve	Equity created to recognise foreign currency statement transaction difference

Origo Partners Plc**Company statement of changes in equity**
For the year ended 31 December 2009

	Issued capital	Share premium	Share- based payment reserve	Retained earnings	Warrant reserve	Translation reserve	Total equity
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
At 1 January 2008	11	21,836	2,444	9,052	6,849	-	40,192
Loss for the year	-	-	-	(6,790)	-	-	(6,790)
Other comprehensive income	-	-	-	-	-	(1,411)	(1,411)
Total comprehensive income	-	-	-	(6,790)	-	(1,411)	(8,201)
Proceeds from share issues for cash	3	23,703	-	-	-	-	23,706
Share-based payment expense	-	-	2,287	-	-	-	2,287
At 31 December 2008	14	45,539	4,731	2,262	6,849	(1,411)	57,984
Loss for the year	-	-	-	(6,122)	-	-	(6,122)
Other comprehensive income	-	-	-	-	-	7,155	7,155
Total comprehensive income	-	-	-	(6,122)	-	7,155	1,033
Proceeds from share issues	20	30,850	-	-	-	-	30,870
Share-based payment expense	-	-	1,043	-	-	-	1,043
Change in presentation currency	1	5,691	653	-	856	(7,201)	-
Warrants expiration	-	7,705	-	-	(7,705)	-	-
At 31 December 2009	35	89,785	6,427	(3,860)	-	(1,457)	90,930

Origo Partners Plc**Consolidated statement of cash flows**
For the year ended 31 December 2009

	Year ended 31 December 2009 US\$'000	Year ended 31 December 2008 US\$'000
Profit/(loss) after tax	38,908	(8,245)
Adjustments for:		
Depreciation	23	15
Share-based payment	1,043	2,287
Negative goodwill on acquisition	(45,448)	-
Unrealised losses on fair value change of FVTPL	1,750	5,559
Realised losses on disposals of investments	115	-
Share of losses of associates	163	271
Foreign exchange loss/(gain)	1,399	(162)
Finance income	(637)	(802)
Income tax accrued	546	-
Operating loss before changes in working capital and provisions	(2,138)	(1,077)
Increase in trade and other receivables	(33)	(2,703)
Increase in trade and other payables	1,742	293
Increase in inventories	-	(26)
Net cash outflow from operations	(429)	(3,513)
Investing activities		
Purchases of property, plant and equipment	(35)	(27)
Decrease/(increase) in intangible assets	2	(18)
Investments of financial instruments	(10,680)	(7,487)
Proceeds from disposals of investments	3,991	-
Acquisition of subsidiary, net of cash required	12,720	-
Finance income received	260	802
Net cash flows used in investing activities	6,258	(6,730)
Financing activities		
Purchase of own share capital	(1,226)	-
Issue of ordinary shares	-	23,706
Net cash flows used in financing activities	(1,226)	23,706
Increase in cash and cash equivalents	4,603	13,463
Net foreign exchange difference	1,407	(1,783)
Cash and cash equivalents at beginning of year	18,984	7,304
Cash and cash equivalents at end of year	24,994	18,984

Origo Partners Plc**Company statement of cash flows**
For the year ended 31 December 2009

	Year ended 31 December 2009 US\$'000	Year ended 31 December 2008 US\$'000
Loss after tax	(6,122)	(6,790)
Adjustments for:		
Share-based payments	1,043	2,287
Unrealised losses on fair value change of FVTPL	2,051	5,559
Realised losses on disposals of investments	115	-
Foreign exchange loss	1,406	46
Finance income	(636)	(798)
Income tax accrued	546	-
Operating (loss)/profit before changes in working capital and provisions	(1,597)	304
Increase in trade and other receivables	(2,081)	(6,508)
Increase in trade and other payables	1,229	360
Net cash outflow from operations	(2,449)	(5,844)
Investing activities		
Cash paid for set-up of subsidiaries	-	-
Investments of financial instruments	(10,268)	(4,716)
Proceeds from disposals of investments	3,991	-
Finance income received	260	798
Net cash flows used in investing activities	(6,017)	(3,918)
Financing activities		
Issue of ordinary shares	-	23,706
Net cash flows used in financing activities	-	23,706
(Decrease)/increase in cash and cash equivalents	(8,466)	13,944
Net foreign exchange difference	1,540	(2,089)
Cash and cash equivalents at beginning of year	18,793	6,938
Cash and cash equivalents at end of year	11,867	18,793

Origo Partners Plc

Notes to the financial statements

1 Accounting policies

1.1 Corporate information

The consolidated and company financial statements of Origo Partners Plc (“the Company”) and its subsidiaries (together “the Group”) for the year ended 31 December 2009 were authorised for issue in accordance with a resolution of the directors on 22 June 2010. The Company has changed its name from Origo Sino-India Plc (“OSI”) to Origo Partners Plc (“OPP”) upon the completion of the merger of OPP and Origo Resource Partners Ltd (“ORP”) with effect from 14 December 2009. 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 registered office is located at 1 Circular Road Douglas, Isle of Man IM99 3NZ. The principal activities of the Group are described in Note 6.

1.2 Basis of preparation

Both Group and Company financial statements are prepared in accordance with International Financial Reporting Standards (“IFRSs”) pursuant to the requirements of section 3 of the Isle of Man Society of Chartered Accountants and the Association of Chartered Certified Accountants Statement of Recommended Practice.

The principal accounting policies applied in the preparation of the consolidated and company financial information are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

- (a) The Company has with effect from 14 December 2009 changed functional currency from GBP to USD upon the completion of the merger of the Company and ORP in accordance with IFRS. The presentation currency of the Group is also US Dollar and all comparative figures have been presented in USD for illustration purposes.
- (b) The financial information set out below, is based on the financial statements of the Company and its subsidiaries and associates for the year ended 31 December 2009 and all values are rounded to the nearest US\$’000 except where indicated.
- (c) The consolidated and company financial information has been prepared under the historical cost convention except for certain financial instruments, which are measured at fair value, and in accordance with International Financial Reporting Standards and International Financial Reporting Interpretations Committee’s interpretations (“IFRIC”) (collectively, “IFRSs”) issued by the International Accounting Standards Board (the “IASB”).
- (d) Non-controlling interests represent the portion of profit or loss and net assets that is not held by the Group and are presented separately in the consolidated statement of comprehensive income and within equity in the consolidated statement of financial position, separately from parent shareholders’ equity.

1.3 Significant accounting judgements, estimates and assumptions

The preparation of consolidated financial information in conformity with IFRSs requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial information and the reported amounts of revenue and expenses during the reporting period. Although these estimates are based upon management’s best knowledge of current events and actions, actual results may differ from those estimates.

Origo Partners Plc

Notes to the financial statements (Continued)

1 Accounting policies (Continued)

1.3 Significant accounting judgements, estimates and assumptions (Continued)

The following is a list of accounting policies which cover areas that the directors consider requiring estimates and judgements which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year:

(a) Share-based payments and equity-settled transactions

The Group has applied the requirements of IFRS 2 share-based payment in these financial statements. The Group has issued equity-settled share-based payments to certain directors and employees, and to its advisors for services provided in respect of the admission of the Company to trading on the AIM market of the London Stock Exchange. Equity-settled share-based payments to directors and employees are measured at the fair value of equity instruments awarded at the date of grant. Equity-settled share-based payments to non-employees are measured at the fair value of goods or services rendered at the date when the goods or services are received. Where equity investments are granted subject to vesting conditions, share-based payments are expensed to the profit or loss on a straight-line basis over the vesting period, based on the Group's estimate of the number of shares that will eventually vest. Fair value is measured by use of the Black-Scholes model.

When estimating the value of the options, significant assumptions such as the expected life of the option and expected volatility of the share have been applied based on management's best estimates.

(b) Fair value of unquoted equity instruments

The Group has estimated the value of each of its unquoted equity instruments by using judgement to select the most appropriate valuation methodology for each investment based on the recommendations of the International Private Equity and Venture Capital Guidelines (the "Guidelines"). Valuation methodologies mainly include the price of recent investments, earnings multiples, industry valuation benchmarks, available market prices and so on, which may apply individually or in combination. Key assumptions and judgements of each methodology concerning the future and other key sources of estimation uncertainty will have a significant risk of causing a material adjustment to the fair value of the instruments within the next financial year.

(c) Impairment of assets

The carrying amounts of non-current assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such an indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of the asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in administrative expenses in the statement of comprehensive income.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. The fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable willing parties, less cost of disposal. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Recoverable amounts are estimated for individual assets or, if it is possible, for the cash-generating unit.

An impairment loss is reversed if there has been a change in the estimate used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognised. Reversals of impairment losses are recognised in the statement of comprehensive income.

The following principal accounting policies have been applied consistently throughout the year in dealing with items which are considered material in relation to the financial information.

Origo Partners Plc

Notes to the financial statements (Continued)

1 Accounting policies (Continued)

1.4 Summary of significant accounting policies

(a) Basis of consolidation

- **Subsidiaries**

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are excluded from the consideration from the date that control ceases.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated but considered an impairment indicator of the asset transferred.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

- **Business combination and goodwill**

Business combinations from 1 January 2009

Business combinations are accounted for using the acquisition method. Goodwill arising from a business combination is initially measured at cost, being the excess of the aggregate of i) the consideration transferred, measured at acquisition-date fair value, ii) the amount of any non-controlling interest in the acquiree, and iii) in a business combination achieved in stages, the acquisition-date fair value of the Group's previously held equity interest in the acquiree over the net fair value of the acquired identifiable assets, assumed liabilities and contingent liabilities as at the date of acquisition. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs incurred are expensed.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the acquisition-date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value as at the acquisition date through profit or loss.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be a financial asset or liability, are recognised in accordance with IAS 39 either in profit or loss or in other comprehensive income. If the contingent consideration is classified as equity, it shall not be remeasured until it is finally settled within equity.

Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

The carrying amount of goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

Origo Partners Plc

Notes to the financial statements (Continued)

1 Accounting policies (Continued)

1.4 Summary of significant accounting policies (continued)

(a) Basis of consolidation (continued)

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units ("CGU"), or groups of CGUs, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units. Each unit or group of units to which the goodwill is allocated:

Represents the lowest level within the Group at which the goodwill is monitored for internal management purposes; and is not larger than a segment based on the Group's reporting format determined in accordance with IFRS 8 Operating Segments.

Where goodwill forms part of a CGU (or groups of CGUs) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the CGU retained. An impairment loss recognised for goodwill is not reversed in a subsequent period.

When subsidiaries are sold, the difference between the selling price and the net assets plus cumulative translation differences and goodwill is recognised in the income statement.

Business combinations prior to 31 December 2008

In comparison to the above-mentioned requirements, the following differences applied:

Business combinations were accounted for using the purchase method. Transaction costs directly attributable to the acquisition formed part of the acquisition costs. The non-controlling interest (formerly known as minority interest) was measured at the proportionate share of the acquiree's identifiable net assets. Business combinations achieved in stages were accounted for as separate steps. Additional acquired share of interest, if any, did not affect previously recognised goodwill. When the Group acquired a business, embedded derivatives separated from the host contract by the acquiree were not reassessed on acquisition unless the business combination resulted in a change in the terms of the contract that significantly modified the cash flows that otherwise would have been required under the contract. Contingent consideration was recognised if, and only if, the Group had a present obligation, the economic outflow was more likely than not and a reliable estimate was determinable. Subsequent adjustments to the contingent consideration affected goodwill.

- **Transactions with non-controlling interests**

The Group applies a policy of treating transactions with non-controlling interests as transactions with parties external to the Group. Disposals to non-controlling interests result in gains and losses for the Group that are recorded in the statement of comprehensive income. Purchases from non-controlling interests result in goodwill, being the difference between any consideration paid and the relevant share acquired of the net assets of the subsidiary.

Origo Partners Plc**Notes to the financial statements (Continued)**

1 Accounting policies (Continued)**1.4 Summary of significant accounting policies (Continued)****(b) Associates**

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights except where the entity has been classified as held for trading and measured at fair value through profit or loss according to IAS 39. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. The Group's investments in associates include goodwill (net of any accumulated impairment loss) identified on acquisition.

The Group's share of its associates' post-acquisition profits or losses is recognised in the statement of comprehensive income, and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interests in the associate. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

(c) Foreign currencies

- **Functional and presentation currency**

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in United States dollar, which is the Group's presentational currency.

- **Change in functional and presentation currency**

The group has changed its presentation currency from pounds sterling (£) to US dollars (\$) from 14 December 2009. The comparative statement of financial position has been restated using the closing rate at that date and the statement of comprehensive income for the year ended 31 December 2008 has been restated using the average US dollar rate applicable during 2008.

The directors determined the functional currency for the parent company, Origo Partners plc, to be US dollar's (\$). The directors consider the US dollar to be the functional currency for the parent company as it derives a significant portion of its revenues and invests in portfolio companies in US dollars. The change in functional currency from GBP to US dollar has been applied prospectively from 14 December 2009 using the closing rate at that date.

Origo Partners Plc**Notes to the financial statements (Continued)**

1 Accounting policies (Continued)**1.4 Summary of significant accounting policies (Continued)****(c) Foreign currencies (Continued)**

- **Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

Changes in the fair value of monetary securities denominated in foreign currencies classified as available for sale are analysed between translation differences resulting from changes in the amortised cost of the security, and other changes in the carrying amount of the security. Translation differences are recognised in profit or loss, and other changes in the carrying amount are recognised in other reserve.

Non-monetary financial assets and liabilities that are carried at historic cost are translated using the exchange rate as at the dates of initial transactions and not re-measured. Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified as available for sale, are included in the fair value reserve in equity.

- **Group companies**

The results and financial position of all Group entities, none of which has the currency of a hyperinflationary economy that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (I) assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- (II) income and expenses for each statement of comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- (III) all resulting exchange differences are recognised as a separate component of equity.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

Origo Partners Plc

Notes to the financial statements (Continued)

1 Accounting policies (Continued)

1.4 Summary of significant accounting policies (Continued)

(d) Financial assets

The Group classifies its financial assets into one of the following categories, depending on the purpose for which the asset was acquired. The Group's accounting policy for each category is as follows:

- **Investments at fair value through profit or loss**

These financial assets are designated by the Board of Directors at fair value through profit or loss at inception, which include debt and equity securities, and related derivatives.

Recognition/ Derecognition:

Regular acquisitions and disposals of investments are recognised on the date on which the Group received acquisitions of investments or delivered disposals of investments. A fair value through profit or loss asset is derecognised when the Group loses control over the contractual rights that comprise that asset. This occurs when rights are realised, expire or are surrendered and the rights to receive cash flows from the investment have expired or the Group has transferred substantially all risks and rewards of ownership. Realised gains and losses on fair value through profit or loss assets sold are calculated as the difference between the sales proceeds and cost. Fair value through profit or loss assets that are derecognised and corresponding receivables from the buyer for the payment are recognised as of the date the Group commits to sell the assets.

Measurement:

Financial assets held at fair value through profit or loss are initially recognised at fair value. Transaction costs are expensed in the profit or loss. Subsequent to initial recognition, all financial assets and financial liabilities are measured at fair value. Gains and losses arising from changes in the fair value of the financial assets held at fair value through profit or loss are presented in the profit or loss in the period in which they arise.

Interest income from financial assets at fair value through profit or loss is recognised in the profit or loss within other income using the effective interest method. Dividend income from investments at fair value through profit or loss is recognised in the profit or loss within other income when the Group's right to receive payments is established.

Fair value estimation:

The fair value of financial instruments traded in active markets (such as publicly traded securities) is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Company is the current bid price. The fair value of financial instruments that are not traded in an active market (for example, PLUS listed securities and unlisted private companies) is determined by using valuation techniques in accordance with the International Private Equity and Venture Capital Valuation Guidelines (the "Guidelines"). Pursuant to the Guidelines, the Group believes the following techniques applied individually, or in combination, are the most suitable ones for the Group's current portfolios:

- (I) Price of recent investments: When valuing investments on the basis of the price of recent investments, the cost of the investment itself or the price at which a significant amount of new investment into the relevant investee company was made to estimate the fair value of the investment, but only for a limited period following the date of the relevant transaction. During the limited period following the date of the relevant transactions, changes or events subsequent to the relevant transaction which would imply a change in the investment's fair value have been assessed.

Origo Partners Plc

Notes to the financial statements (Continued)

1 Accounting policies (Continued)

1.4 Summary of significant accounting policies (Continued)

(d) Financial assets (Continued)

- Investment at fair value through profit or loss (Continued)

Fair value estimation (Continued)

- (II) Earnings multiples: When valuing investments on a multiple basis, the Company has abided by the following principles:
- i. apply a multiple that is appropriate and reasonable (giving the risk profile and earnings growth prospects of the underlying company) to the maintainable earnings of the Company;
 - ii. adjust the amount derived in (i) above for surplus assets or excess liabilities and other relevant factors to derive the enterprise value for the Company;
 - iii. deduct from the enterprise value all amounts relating to financial instruments ranking ahead of the highest ranking instrument of the Company in a liquidation and taking into account the effect of any instrument that may dilute the Company's investments in order to derive the gross attributable enterprise value;
 - iv. apply an appropriate marketability discount to the gross attributable enterprise value derived in (iii) above in order to derive the net attributable enterprise value. The marketability discount relates to an investment rather than to the underlying business. Marketability discounts will vary from situation to situation and is a question of judgement. When a discount is applied, relevant factors in determining the appropriate marketability discount in each particular situation will be considered. A discount in the range of 10% to 30% (in steps of 5%) is generally used in practice, depending upon the particular circumstances; and
 - v. apportion the net attributable enterprise value appropriately between the relevant financial instruments.
- (III) Industry valuation benchmarks: The use of industry benchmarks is only likely to be reliable and therefore appropriate as the main basis of estimating fair value in limited situations, and is more likely to be useful as a sense of check of values produced using other methodologies. The Company has primarily relied on such metrics to validate the outcome produced by other valuation techniques.

Origo Partners Plc

Notes to the financial statements (Continued)

1 Accounting policies (Continued)

1.4 Summary of significant accounting policies (Continued)

(d) Financial assets (Continued)

- Investment at fair value through profit or loss (Continued)

Fair value estimation (Continued)

(IV) Available market prices: Instruments quoted on an active stock market will be valued at their bid prices on the reporting date.

As recommended by the Guidelines, the Group generally does not adopt net asset value or discounted cash-flow methodologies for assessing the fair value of its investments, unless such methodologies result in a more accurate estimate of fair value.

- Loans and receivables

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted on an active market. They arise principally through the provision of goods and services to customers (trade debtors), but also incorporate other types of contractual monetary asset. At each reporting date subsequent to initial recognition, they are carried at amortised cost using the effective interest rate method less any identified impairment losses.

- Available for sale investments

Non-derivative financial assets not included in the above categories are classified as available for sale investments and comprise the Group's strategic investments in entities not qualifying as subsidiaries, associates or jointly-controlled entities. Investments that do not have a quoted market price and whose fair value cannot be reliably measured are held at cost. Where investments are carried at fair value, any changes are recognised directly in equity. Where a decline in the fair value of an available for sale financial asset constitutes objective evidence of impairment, the amount of the loss is removed from equity and recognised in the other comprehensive income.

(e) Financial liabilities

Financial liabilities comprise trade payables and other short-term monetary liabilities, which are initially recognised at fair value and subsequently carried at amortised cost.

(f) Cash and cash equivalents

Cash and cash equivalents are defined as cash in hand, demand deposits, time deposit and short-term, highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity, generally less than three months, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management. For the purpose of the statement of financial positions, cash and bank balances comprise cash on hand and at banks, including term deposits, which are not restricted as to use.

Origo Partners Plc**Notes to the financial statements (Continued)****1 Accounting policies (Continued)****1.4 Summary of significant accounting policies (Continued)****(g) Share-based payments**

Employees (including senior executives) of the Group receive remuneration in the form of share-based payment transactions, whereby employees render services as consideration for equity instruments ("equity-settled transactions"). Advisors receive equity-settled options in relation to the Company's admission to trading on the AIM market of the London Stock Exchange. The cost of equity-settled transactions with employees are measured by reference to the fair value of the equity instruments awarded at the date of grant, whereas those with non-employees are measured at the fair value of goods or services received at the date when the goods or services have been received. The fair value is determined by using Black-Scholes model, further details of which are given in Note 23.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the "vesting date"). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The profit or loss charge of credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vesting irrespective of whether or not the market condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, the minimum expense recognised is the expense as if the terms had not been modified. An additional expense is recognised for any modification, which increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

(h) Leased assets

Where a significant portion of the risks and rewards incidental to ownership is retained by the lessor (an "operating lease"), the total rentals payable under the lease are charged to the profit or loss on a straight-line basis over the lease term.

The land and buildings elements of property leases are considered separately for the purposes of lease classification.

Origo Partners Plc

Notes to the financial statements (Continued)

1 Accounting policies (Continued)

1.4 Summary of significant accounting policies (Continued)

(i) Income taxes

Income taxes for the year comprise current tax and deferred tax.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Deferred income tax is provided using the liability method on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- (I) where the deferred tax liability arises from goodwill or the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- (II) in respect of taxable temporary differences associated with investments in subsidiaries and associates where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- (I) where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- (II) in respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Income taxes are recognised in the profit or loss except when a tax exemption has been granted.

Origo Partners Plc**Notes to the financial statements (Continued)**

1 Accounting policies (Continued)**1.4 Summary of significant accounting policies (Continued)****(j) Revenue recognition**

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown, net of sales taxes, rebates and discounts and after eliminating sales within the Group. Revenue is recognised as follows:

- **Sales of goods – wholesale**

Sales of goods are recognised when a Group entity has delivered products to the customer, the customer has accepted the products and ability to collect the related receivables is reasonably assured.

- **Sales of goods – retail**

Sales of goods are recognised when a Group entity sells a product to the customer. Retail sales are usually in the form of cash or through a credit card transaction. The recorded revenue includes credit card fees payable for the transaction. Such fees are included in distribution costs. It is the Group's policy to sell its products to the end customer with a right of return. Accumulated experience is used to estimate and provide for such returns at the time of sale.

- **Sales of services**

Sales of services include fund consulting and consulting services which are recognised in the accounting period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided.

- **Interest income**

Interest income is recognised on a time proportion basis using the effective interest method and includes bank interests and interests from debt securities.

(k) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a legal or constructive obligation arising as a result of a past event, which will probably result in an outflow of economic benefits that can be reasonably estimated.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of an outflow of economic benefits is remote. Possible obligations, the existence of which will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of an outflow of economic benefits is remote.

(l) Operating Segment reporting

IFRS 8 replaced IAS 14 Segment Reporting upon its effective date. The Group concluded that the operating segments determined in accordance with IFRS 8 are the same as the business segments previously identified under IAS 14. IFRS 8 disclosures are shown in Note 6, including the related revised comparative information.

Origo Partners Plc**Notes to the financial statements (Continued)****1 Accounting policies (Continued)****1.4 Summary of significant accounting policies (Continued)****(m) New and revised international financial reporting standards that are effective or early adopted in 2009 and relevant to the Group**

The IASB has issued the following new and revised IFRSs (including International Accounting Standards ("IASs")) and IFRIC interpretations that are effective or early adopted in 2009 and relevant to the Group's operation.

IFRS 1 and IAS 27 Amendments	Amendments to IFRS 1 First-time Adoption of IFRSs and IAS 27 Consolidated and Separate Financial Statements – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
IFRS 7 Amendment	Amendments to IFRS 7 Financial Instruments: Disclosures – Improving Disclosures about Financial Instruments
IFRS 3	Business Combination (Revised)
IFRS 2	Amendments to IFRS2 Vesting Conditions and Cancellations
IFRS 8	Operating Segments
IAS 1 (Revised)	Presentation of Financial Statements
IAS 32 and IAS 1	Amendments to IAS 32 Financial Instruments: Presentation and IAS 1 Presentation of Financial Statements – Puttable Financial Instruments and Obligations Arising on Liquidation
IFRIC 9 and IAS 39 Amendments	Amendments to IFRIC 9 Reassessment of Embedded Derivatives and IAS 39 Financial Instruments: Recognition and Measurement – Embedded Derivatives

Improvements to IFRSs (2008) contain amendments to IFRS 5, IFRS 7, IAS 1, IAS 8, IAS 10, IAS 16, IAS 18, IAS 19, IAS 20, IAS 23, IAS 27, IAS 28, IAS 29, IAS 31, IAS 34, IAS 36, IAS 38, IAS 39, IAS 40 and IAS 41.

The principal effects of adopting these new and revised IFRSs and IFRIC interpretations are as follows:

The amendment to IAS 27 Consolidated and Separate Financial Statements – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate requires all dividends from subsidiaries, associates or jointly-controlled entities to be recognised as income in the parent's separate financial statements. The distinction between pre and post acquisition profits is no longer required. However, the payment of such dividends requires the Company to consider whether there is an indicator of impairment. The amendment is applied prospectively. The adoption of the amendments has had no significant impact on the financial position or results of operations of the Group. As the Group is not a first-time adopter of IFRSs, the IFRS 1 Amendment is not applicable to the Group.

Origo Partners Plc

Notes to the financial statements (Continued)

1 Accounting policies (Continued)

1.4 Summary of significant accounting policies (Continued)

(m) New and revised international financial reporting standards that are effective or early adopted in 2009 and relevant to the Group (Continued)

The amendments to IFRS 7 Financial Instruments: Disclosures – Improving Disclosures about Financial Instruments require additional disclosures about fair value measurement and liquidity risk. Fair value measurements related to items recorded at fair value are to be disclosed by source of inputs using a three level fair value hierarchy, by class, for all financial instruments recognised at fair value. In addition, reconciliation between the beginning and ending balance for level 3 fair value measurements is now required, as well as significant transfers between levels in the fair value hierarchy. The amendments also clarify the requirements for liquidity risk disclosures with respect to derivative transactions and assets used for liquidity management. The fair value measurement disclosures are presented in Note 14.

A change to the scope of IFRS 3 increases the number of transactions to which it must be applied, by including combinations of mutual entities and combinations without consideration (e.g., dual listed shares). The more significant changes in accounting for business combination include: 1) Entities will have a choice, for each business combination entered into, to measure non-controlling interests (previously minority interests) in the acquire either at their fair value or at their proportionate interest in the acquirer's net assets. 2) In step acquisitions, previously held interests will be re-measured to fair value at the date of the subsequent acquisition and this value is included in calculating goodwill. Any gain or loss arising from the re-measurement will be recognised in profit or loss. 3) Acquisition-related costs are to be expensed through profit or loss at the time that such services are received.

Amendments to IFRS 2 Share-based Payment-Vesting Conditions and Cancellations define a “vesting condition” as a condition that includes an explicit or implicit requirement to provide services. Key impact of this amendment is that entities will need to consider share-based payment schemes in which employees are still within the vesting period, as at the opening balance-sheet date, to determine whether any conditions need to be reclassified between vesting and non-vesting conditions.

IFRS 8 Operating Segments requires disclosure of information about the Group's operating segments and replaces the requirement to determine primary (business) and secondary (geographical) reporting segments of the Group. Adoption of this standard did not have any effect on the financial position of the Group. The Group determined that the operating segments were the same as the business segments previously identified under IAS 14 Segment Reporting.

IAS 1 Presentation of Financial Statements (Revised) separates owner and non-owner changes in equity. The statement of changes in equity includes only details of transactions with owners, with non-owner changes in equity presented as a single line. In addition, it introduces the statement of comprehensive income: it presents all items of recognised income and expense, either in one single statement or in two linked statements. The Group has elected to present one single statement.

The amendments to IAS 32 Financial Instruments: Presentation provide a limited scope exception for puttable financial instruments and instruments that impose specified obligations arising on liquidation to be classified as equity if they fulfill a number of specified features. Amendments to IAS 1 Presentation of Financial Statements – Puttable Financial Instruments and Obligations Arising on Liquidation require disclosure of certain information relating to these puttable financial instruments and obligations classified as equity. As the Group currently has no such financial instruments or obligations, the amendments have had no impact on the financial position or results of operations of the Group.

Origo Partners Plc**Notes to the financial statements (Continued)****1 Accounting policies (Continued)****1.4 Summary of significant accounting policies (Continued)****(m) New and revised international financial reporting standards that are effective or early adopted in 2009 and relevant to the Group (Continued)**

The amendment to IFRIC 9 Reassessment of Embedded Derivatives requires an entity to assess whether an embedded derivative must be separated from a host contract when the entity reclassifies a hybrid financial asset out of the fair value through profit or loss category. This assessment is to be made based on circumstances that existed on the later of the date the entity first became a party to the contract and the date of any contract amendments that significantly change the cash flows of the contract. IAS 39 has been revised to state that if an embedded derivative cannot be separately measured, the entire hybrid instrument must remain classified as fair value through profit or loss in its entirety. The adoption of the amendments has had no significant impact on the financial position or results of operations of the Group.

(n) Impact of improvements to International Financial Reporting Standards (issued 2009)

The Group has not applied the following improvements to International Financial Reporting Standards (issued 2009) whose effective date is beginning on or after 1 January 2010, unless stated otherwise, in these financial statements.

IFRS2 Share-based Payment	Group Cash-settled Share-based Payment Arrangement
IFRS 8 Operating Segments	Disclosure of information about segment assets
IFRS 9 Financial Instrument	Reclassification of financial instrument
IAS 1 Presentation of Financial Statements	Current/non-current classification of convertible instruments
IAS 7 Statement of Cash Flows	Classification of expenditures on unrecognised assets
IAS 18 Revenue	Determining whether an entity is acting as principal or agent
IAS 24 (Revised 2009) Related Party Disclosures	Simplifying the definition of a related party, clarifying its intended meaning and eliminating inconsistencies from the definition
IAS 39 Financial Instruments: Recognition and Measurement	Assessment of loan prepayment penalties as embedded derivatives, scope exemption for business combination contract and cash flow hedge accounting
IFRIC 9 Reassessment of Embedded Derivatives	Scope of IFRIC 9 and IFRS 3

(o) Company statement of comprehensive income

In accordance with S3(3)(b)(ii) of the Companies Act 1982, the Company is exempt from the requirements to present its own statement of comprehensive income. Of the loss before taxation, US\$6,122,000 (2008: loss of US\$6,790,000) has been retained by the Company.

Origo Partners Plc**Notes to the financial statements (Continued)****2 Revenue and cost of sales**

	2009 US\$'000	2008 US\$'000
Revenue		
Consulting services	2,845	3,365
Fund consulting	621	801
Furniture trading	229	605
Total	3,695	4,771
Cost of sales		
Consulting services	1,755	2,161
Fund consulting	47	-
Furniture trading	151	456
Business tax	50	51
Total	2,003	2,668

3 Administrative expenses

	2009 US\$'000	2008 US\$'000
Employee expenses	1,940	2,027
Professional fees	938	1,370
Including:		
- Audit fees	131	141
Share-based payments	1,043	2,287
Depreciation expenses	23	15
Acquisition cost	1,064	-
Others	1,136	1,262
Total	6,144	6,961

Origo Partners Plc**Notes to the financial statements (Continued)****4 Information regarding directors and employees**

	Year ended 31 December 2009	Year ended 31 December 2008
Average number of employees of the Group	Number	Number
Management	2	2
Investment and transaction team	8	12
Finance and accounting	7	8
Administration and HR	3	6
Design and IT	1	2
Trading sales	5	13
	26	43
The aggregate payroll costs of these employees were as follows:	US\$'000	US\$'000
Wages and salaries	1,842	1,943
Share-based payments	1,043	2,287
Social security costs	98	84
	2,983	4,314

5 Directors' remuneration

	2009 US\$'000	2008 US\$'000
Directors' emoluments	801	811
Share-based payment expenses	616	1,918
	1,417	2,729

Directors' remuneration for the year 2009 and the number of options held were as follows:

Name	Salaries* US\$'000	Director Fee* US\$'000	Share-based payment** US\$'000	Total US\$'000	2009 Number of options
Mr. Wang Chao Yong	149	-	241	390	4,000,000
Mr. Chris A Rynning	274	-	60	334	1,000,000
Mr. Niklas Ponnert	224	-	303	527	2,800,000
Mr. Christopher Jemmett	-	77	6	83	100,000
Mr. Dipankar Basu	-	77	6	83	100,000
	647	154	616	1,417	8,000,000

Origo Partners Plc**Notes to the financial statements (Continued)****5 Directors' remuneration (Continued)**

Directors' remuneration for the year 2008 and the number of options held were as follows:

Name	Salaries* US\$'000	Director Fee* US\$'000	Share-based payment** US\$'000	Total US\$'000	2008 Number of options
Mr. Wang Chao Yong	129	-	539	668	4,000,000
Mr. Chris A Rynning	259	-	136	395	1,000,000
Mr. Niklas Ponnert	212	-	1,217	1,429	2,800,000
Mr. Vinay Ganga***	81	-	-	81	-
Mr. Christopher Jemmett	-	65	13	78	100,000
Mr. Dipankar Basu	-	65	13	78	100,000
	681	130	1,918	2,729	8,000,000

* Short term employee benefits

** Share-based payment refers to expenses arising from the Company's share option scheme (note 23).

*** Mr. Vinay Ganga resigned in June 2008 with options of 800,000 forfeited.

6 Operating segment information

The Group's primary reporting format for reporting segment information is by operating segment based on the nature of its business which was fund consulting, consulting services, private equity investments and furniture trading in 2009 & 2008.

The Group mainly had five geographical segments based on the location of assets. The segments are defined as Isle of Man, Guernsey, Malaysia, China and others.

For the year ended 31 December 2009

	Private equity investments US\$'000	Fund consulting US\$'000	Consulting services US\$'000	Furniture trading US\$'000	Total US\$'000
Revenue					
External	-	621	2,845	229	3,695
Finance income	637	-	-	-	637
Total revenue	637	621	2,845	229	4,332
Expenses					
Cost of sales	(474)	(47)	(1,329)	(153)	(2,003)
Operation expenses	(2,693)	(1,055)	(1,055)	(326)	(5,129)
Share-based payments	(517)	(349)	(177)	-	(1,043)
Negative goodwill on acquisition	45,448	-	-	-	45,448
Finance costs	(31)	-	-	(6)	(37)
Other					
Investment loss	(1,866)	-	(162)	-	(2,028)
Other income	-	1,311	1	-	1,312
Foreign exchange (loss) / gain	(1,412)	18	-	(4)	(1,398)
Income tax	(546)	-	-	-	(546)
Total profit / (loss) after tax	38,546	499	123	(260)	38,908
Statement of financial position					
Assets	134,248	3	166	92	134,509
(Liabilities)	(2,143)	-	(367)	(12)	(2,522)
Net assets	132,105	3	(201)	80	131,987

Origo Partners Plc**Notes to the financial statements (Continued)****6 Operating segment information (Continued)**

For the year ended 31 December 2009

	Isle of Man US\$'000	Guernsey US\$'000	Malaysia US\$'000	China US\$'000	Others US\$'000	Total US\$'000
External revenue	3,407	-	-	69	219	3,695
Non-current Assets	-	-	75	71	16	162

For the year ended 31 December 2008

	Private equity investments US\$'000	Fund consulting US\$'000	Consulting services US\$'000	Furniture trading US\$'000	Total US\$'000
Revenue					
External	-	802	3,364	605	4,771
Finance income	859	-	2	-	861
Total revenue	859	802	3,366	605	5,632
Expenses					
Cost of sales	(977)	-	(1,235)	(456)	(2,668)
Operation expenses	(2,316)	(812)	(813)	(792)	(4,733)
Share-based payments	(1,260)	(611)	(416)	-	(2,287)
Finance costs	(29)	-	-	(7)	(36)
Other					
Investment loss	(5,830)	-	-	-	(5,830)
Foreign exchange gain/(loss)	1,661	17	-	(1)	1,677
Total (loss)/profit before and after tax	(7,892)	(604)	902	(651)	(8,245)
Statement of financial position					
Assets	55,617	52	256	260	56,185
(Liabilities)	(162)	-	(427)	(29)	(618)
Net assets	55,455	52	(171)	231	55,567

Origo Partners Plc**Notes to the financial statements (Continued)****6 Operating Segment information (Continued)**

For the year ended 31 December 2008

	Isle of Man US\$'000	Guernsey US\$'000	Malaysia US\$'000	China US\$'000	Others US\$'000	Total US\$'000
External Revenue	3,779	-	-	387	605	4,771
Non-current Assets	-	-	96	59	18	173

7 Negative goodwill on acquisition

On 14 December 2009, OPP acquired all of the outstanding issued share capital of ORP. Negative goodwill arose on the acquisition; the acquisition method of accounting has been applied in the preparation of the financial information.

The fair values of the identifiable assets and liabilities of ORP as at the date of acquisition were:

	Fair value recognised on acquisition US\$'000
Assets	
Investment at fair value through profit or loss	52,237
Loans	10,480
Cash and bank balance	12,720
Other receivables	1,043
Total assets	76,480
Liabilities	
Other payables	162
Total identified net assets at fair value	76,318
Total purchase consideration, settled in shares	30,870
Goodwill	US\$'000
Negative goodwill on acquisition*	(45,448)

* Negative goodwill is recognised in profit or loss on acquisition date under IFRS.

OPP issued 122,472,004 ordinary shares as consideration for the 100% interest in ORP. The fair value of the shares is the published price of the shares of OPP at the acquisition date.

The transaction costs of US\$1.1 million have been expensed and are included in other administrative expenses.

No significant transactions had occurred from acquisition date to 31 December 2009, thus the financial statements as at 31 December 2009 have been used to determine the fair values of identified assets and liabilities acquired.

If the combination had taken place at the beginning of the year, revenue from operations would have been US\$3,695,000 and the profit for the group would have been US\$39,067,000.

Origo Partners Plc**Notes to the financial statements (Continued)****8 Investment loss**

	2009 US\$'000	2008 US\$'000
Unrealised losses on fair value change of FVTPL using estimation techniques*	(1,750)	(5,559)
Realised losses on disposals of investments**	(115)	-
Share of losses of associates	(163)	(271)
Total	(2,028)	(5,830)

* FVTPL refers to fair value through profit or loss

** The amount represents realised gain from the disposal of Fomento International Ltd amounted to US\$235,000 and realised loss from partially disposal of IRCA Holdings Ltd amounted to US\$350,000.

9 Finance income and costs

	2009 US\$'000	2008 US\$'000
Finance income		
Bank interest	637	861
	637	861
Finance costs		
Bank charges	(37)	(36)
	(37)	(36)

Origo Partners Plc**Notes to the financial statements (Continued)****10 Tax expense**

No provision for current tax was made for the year as the subsidiaries had no assessable profit. As the Company is not in receipt of income from Manx land or property and does not hold a Manx banking licence, it is taxed at the standard rate of 0% on the Isle of Man. As the Company is quoted on AIM market of the London Stock Exchange, it is outside the scope of the Distributable Profits Charge.

The Attribution Regime for Individuals, ("ARI"), will replace the Distributable Profits Charge for accounting periods beginning on or after 6 April 2008. This will impact the Company for the accounting period ended 31 December 2009 and thereafter, however the Company will fall outside the scope of the ARI on the basis that it is quoted on the AIM market of the London Stock Exchange.

Circular 698 sets forth guidance on both direct and indirect equity transfers by PRC non-residents. It stipulates the non-resident's obligation to report and supply information regarding indirect sales of its shares in PRC tax residents, i.e. sales of intermediary holding companies which hold shares in PRC tax residents. If PRC tax authorities invoke the general anti-avoidance rule to disregard one or more intermediate holding companies on the basis that their existence serves no commercial purposes, the indirect equity transfer would be treated as a direct disposition of the PRC tax residents. In this regard, the non-resident, i.e. the seller, would be subject to PRC tax for any gains derived as if it is selling its direct investment in PRC tax residents.

The tax expense for the year can be reconciled per the statement of comprehensive income as follows:

	2009 US\$'000	2008 US\$'000
Profit/ (loss) before tax	38,908	(8,245)
Expected tax charge based on the Isle of Man statutory income tax rate of 0%	-	-
Expected tax charge in relation to Circular 698 of Chinese Tax Law*	546	-
Tax effect of non-deductible expenses	-	-
Tax effect of unutilised tax losses	-	-
Total tax charge	546	-

* The expected tax charge arose from fair value gain of Rising Technology Corporation Ltd as the requirements of Circular 698.

11 Earnings/ (loss) per share

Numerator	2009 US\$'000	2008 US\$'000
Profit/ (loss) for the year	38,908	(8,245)
Earnings/ (loss) used in basic and diluted earnings or loss per share	38,908	(8,245)

Denominator	2009 Number of shares	2008 Number of shares
Weighted average number of shares used in basic EPS/(LPS)	102,565,053	90,514,895
Weighted average number of shares used in diluted EPS/(LPS)	102,565,053	90,514,895
Basic and diluted EPS/(LPS)	37.93 cents	(9.11) cents

Origo Partners Plc**Notes to the financial statements (Continued)****12 Property, plant and equipment**

	Fixtures and fittings US\$'000	Computer equipment US\$'000	Vehicle US\$'000	Total US\$'000
Cost				
At 1 January 2008	16	37	-	53
Additions	11	16	-	27
Exchange difference	1	6	-	7
At 31 December 2008	28	59	-	87
Additions	4	3	28	35
At 31 December 2009	32	62	28	122
Accumulated depreciation				
At 1 January 2008	2	10	-	12
Charge for the year 2008	5	10	-	15
Exchange difference	4	(3)	-	1
At 31 December 2008	11	17	-	28
Charge for the year 2009	4	12	7	23
At 31 December 2009	15	29	7	51
Net book value				
At 31 December 2008	17	42	-	59
At 31 December 2009	17	33	21	71

13 Investments in subsidiaries

The principal subsidiaries of the Group, all of which have been included in these consolidated financial statements are as follows:

Name	Country of incorporation	Proportion of ownership interest
Ascend Ventures Ltd	Malaysia	100%
Origo Sino-India Mauritius Ltd	Mauritius	100%
Origo Resource Partners Ltd	Guernsey	100%
PHI International Holding Ltd	Bermuda	100%
PHI International (Bermuda) Holding Ltd	Bermuda	100% (Owned by Origo Resource Partners Ltd)
Ascend (Beijing) Consulting Ltd	China	100% (Owned by Ascend Ventures Ltd)
Global Art Ventures Ltd	British Virgin Islands	80.1% (Owned by Ascend Ventures Ltd)
ISAK International Holding Ltd	British Virgin Islands	71.2% (Owned by Ascend Ventures Ltd)

Statement of changes in investments in subsidiaries:

	2009 US\$'000	2008 US\$'000
Opening balance	39	54
Acquisition of ORP	30,870	-
Exchange difference	11	(15)
Closing balance	30,920	39

Origo Partners Plc**Notes to the financial statements (Continued)****14 Investments at fair value through profits or loss**

For the year ended 31 December 2009

Name*	Country of hierarchy incorporation	Fair Value Proportion of ownership level	interest	Cost	Fair value
				US\$'000	US\$'000
IRCA Holdings Ltd**	British Virgin Islands	3	49.1%	9,505	9,505
Possibility Space Incorporated	USA	3	45.0%	1,775	1,428
Roshini International Bio-Energy Corporation	British Virgin Islands	3	35.9%	17,050	-
R.M.Williams Agricultural Holdings Pty Ltd	Australia	3	21.1%	20,000	21,500
Gobi Coal & Energy Ltd	British Virgin Islands	3	20.8%	14,708	26,337
HaloSource Inc	USA	3	16.6%	10,000	10,000
Fans Media Co., Ltd	British Virgin Islands	3	14.3%	2,360	2,360
Staur Aqua AS	Norway	3	9.2%	719	746
E-Bill (China) Holding Ltd	Cayman Islands	3	7.1%	2,000	2,000
Bach Technology AS	Norway	3	4.4%	60	191
Kooky Panda Ltd	Cayman Islands	3	1.2%	25	25
China Commodities Absolute Return Ltd	Isle of man	3	27.3%	400	381
Rising Technology Corporation Ltd	British Virgin Islands	2	2.0%	7,000	12,456
Total				85,602	86,929

* There are no significant restrictions that will have impact on transfer of these investments.

** Formerly Inveritas Global Holdings Ltd

All investments at fair value through profit and loss amounting to US\$86.9 million (cost: US\$85.6 million) are held by the Company except for the investments held by relevant subsidiaries as follows:

Name	Subsidiaries	Cost US\$'000	Fair value US\$'000
Fans Media Co., Ltd	Ascend Ventures Ltd	360	360
R.M.Williams Agricultural Holdings Pty Ltd	PHI International Holding Ltd	4,000	4,300
IRCA Holdings Ltd*	Origo Resource Partners Ltd	8,855	8,855
Roshini International Bio-Energy Corporation*	Origo Resource Partners Ltd	17,050	-
R.M.Williams Agricultural Holdings Pty Ltd*	PHI International (Bermuda) Holding Ltd	16,000	17,200
Gobi Coal & Energy Ltd*	Origo Resource Partners Ltd	10,295	18,436
HaloSource Inc*	Origo Resource Partners Ltd	7,000	7,000
Staur Aqua AS*	Origo Resource Partners Ltd	719	746
Total		64,279	56,897

* The investments increased through the merger with ORP

Origo Partners Plc**Notes to the financial statements (Continued)****14 Investments at fair value through profits or loss (continued)**

In accordance with IFRS 7: Financial Instruments: Disclosures, financial instruments recognised at fair value are required to be analysed between those whose fair value is based on:

- a) Quoted prices in active markets for identical assets or liabilities (Level 1);
- b) Those involving inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2); and
- c) Those with inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

During the year there were no transfers between Levels.

Statement of changes in Investments at fair value through profits or loss based on level 3:

	2009 US\$'000
Opening balance	21,002
Purchases	5,612
Increase upon the merger with ORP	52,237
Proceeds from disposals of investments	(3,991)
Realised loss on disposals of investments	(115)
Net exchange difference*	3,342
Movement in unrealised loss on investments	(3,614)
- In profit or loss	(3,614)
Closing balance	74,473

* Net exchange difference on change in presentation currency in Retained Earnings

For the year ended 31 December 2008

Name	Country of incorporation	Fair value hierarchy level	Proportion of ownership interest	Cost US\$'000	Fair value US\$'000
Inveritas Global Holdings Ltd	British Virgin Islands	3	17.3%	737	1,000
Roshini International Bio-Energy Corporation	British Virgin Islands	3	15.9%	-	3,581
Fans Media Co., Ltd	British Virgin Islands	3	14.3%	1,735	2,360
Primary Holding International Trust	Australia	3	9.8%	3,160	4,000
Possibility Space Incorporated	USA	3	9.5%	737	1,000
E-Bill (China) Holding Ltd	Cayman Islands	3	7.1%	1,472	2,001
Bach Technology AS	Norway	3	4.6%	45	60
HaloSource Inc	USA	3	4.8%	2,187	3,000
Fomento International Ltd	British Virgin Islands	3	3.0%	2,946	4,000
Rising Technology Corporation Ltd	British Virgin Islands	2	2.0%	5,152	10,592
Total				18,171	31,594

All investments at fair value through profit and loss amounting to US\$31.6 million (cost: US\$18.2 million) are held by the Company except for an investment of US\$360,000 (cost: US\$360,000) in Fans Media Co., Ltd held by Ascend Ventures Ltd and an investment of US\$4.3 million (cost: US\$4 million) in Primary Holding International Trust held through PHI International Holding Ltd.

Origo Partners Plc**Notes to the financial statements (Continued)****15 Investments in associates**

The following entities meet the definition of an associate and have been accounted for in the consolidated financial statements as at 31 December 2009 on an equity basis:

Name	Country of incorporation	Proportion of voting rights held
Dragon Ports Ltd ("DP")*	British Virgin Islands	42.5% (Owned by Ascend Ventures Ltd)

* The investment in OS Consulting Ltd ("OS") has been reclassified from investments in associates to other investments.

Aggregated amounts relating to associates are as follows:

	2009(DP)
	US\$'000
Total assets	1,220
Total liabilities	592
Revenues	1,045
Loss	(369)

The following entities meet the definition of an associate and were accounted for in the consolidated financial statements as at 31 December 2008 on an equity basis:

Name	Country of incorporation	Proportion of voting rights held
Dragon Ports Ltd ("DP")	British Virgin Islands	45% (Owned by Ascend Ventures Ltd)
OS Consulting Ltd ("OS")	Malaysia	19.9% (Owned by Ascend Ventures Ltd)

Aggregated amounts relating to associates are as follows:

	2008(DP)	2008(OS)
	US\$'000	US\$'000
Total assets	1,287	535
Total liabilities	592	150
Revenues	670	-
Profit/(loss)	(648)	(55)

Origo Partners Plc**Notes to the financial statements (Continued)****16 Loans**

The Group has entered into convertible credit agreements and has the right to convert the outstanding principal balance of relevant loans into borrower's shares according to certain conversion conditions, and loan agreements with certain investee companies as set forth in the table below.

For the year ended 31 December 2009

Borrower	Loan principal US\$'000	Fair value US\$'000
Convertible credit agreements*		
Dragon Ports Ltd	173	173
Possibility Space Incorporated	270	270
R.M.Williams Agricultural Holdings Pty Ltd	3,090	3,066
Staur Aqua AS**	3,008	3,335
IRCA Holdings Ltd**	9,045	9,045
Sub-total	15,586	15,889
Borrower	Loan principal US\$'000	Amortised cost US\$'000
Loan agreements*		
IRCA Holdings Ltd	2,144	2,152
China Silvertone Investment Co Ltd	478	478
Possibility Space Incorporated	125	125
Sub-total	2,747	2,755
Total	18,333	18,644

* Loans in relation to convertible credit agreements are measured at fair value. Loans in relation to loan agreements are measured at amortised cost using the effective interest rate method less any identified impairment losses.

** The investment of US\$7.1 million (cost: US\$7.1 million) in IRCA Holdings Ltd and the investment of US\$3.3 million (cost: US\$3 million) in Staur Aqua AS increased through the merger with ORP. Except these two loans, all other loans belong to the Company.

For the year ended 31 December 2008

Borrower	Loan principal US\$'000	Fair value US\$'000
Convertible credit agreements		
Dragon Ports Ltd	162	214
Possibility Space Incorporated	571	775
Sub-total	733	989
Loan agreements		
IRCA Holdings Ltd	1,016	1,129
China Silvertone Investment Co Ltd	351	478
Sub-total	1,367	1,607
Total	2,100	2,596

Origo Partners Plc**Notes to the financial statements (Continued)****16 Loans (Continued)**

Statement of changes in loans:

	2009 US\$'000
Opening balance	2,596
Purchases	6,356
Increase upon the merger with ORP	10,480
Conversion of loans into investments	(867)
Exchange difference	79
Closing balance	18,644

17 Other receivables

Other receivable balance is a loan to the EBT which is currently interest-free but the Company has the discretion to charge and demand interest at a maximum rate of 3% above the base rate adopted by HSBC Bank plc. In the opinion of the Directors, the loan is expected to be recovered when the OSI shares held by the EBT are sold. Further details about the EBT are included in note 23 to the financial statements.

18 Trade and other receivables

	Group		Company	
	2009 US\$'000	2008 US\$'000	2009 US\$'000	2008 US\$'000
Trade debtors	427	297	317	123
Other debtors	3,101	2,118	1,923	1,803
Amounts due from subsidiaries	-	-	7,773	7,231
Prepayments	152	190	136	137
Total	3,680	2,605	10,149	9,294

2009 Aging for the Group

Aging for the Group	0-30 days	31-60 days	61-90 days	91-180 days	181-365 days	Over 365 days	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Trade debtors	40	42	38	-	165	142	427
Other debtors	2,000	(2)	235	151	515	202	3,101
Other	-	-	95	-	57	-	152
Total	2,040	40	368	151	737	344	3,680
Percentage	56%	1%	10%	4%	20%	9%	100%

All items are neither past due nor impaired.

Origo Partners Plc

Notes to the financial statements (Continued)

18 Trade and other receivables (Continued)

2008 Aging for the Group

Aging for the Group	0-30 days	31-60 days	61-90 days	91-180 days	181-365 days	Over 365 days	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Trade debtors	146	12	12	82	41	3	296
Other debtors	1,318	85	644	51	-	22	2,120
Other	189	-	-	-	-	-	189
Total	1,653	97	656	133	41	25	2,605
Percentage	63%	4%	25%	5%	2%	1%	100%

All items are neither past due nor impaired.

19 Other financial assets

	Level	2009 US\$'000	2008 US\$'000
Available for sale investments*	3	49	182
Total		49	182

* Available for sale investments comprise a 0.25% shareholding in Cafe.com SA belonging to Ascend Ventures Ltd whose fair value is assessed at price of recent investment.

Statement of changes in other financial assets based on level 3:

	2009 US\$'000
Opening balance	182
Movement in unrealised loss on investments	(133)
- In other comprehensive income	(133)
Closing balance	49

20 Trade and other payables – current

	Group		Company	
	2009 US\$'000	2008 US\$'000	2009 US\$'000	2008 US\$'000
Trade payables	67	26	(345)	-
Other payables	2,455	592	2,230	656
Total	2,522	618	1,885	656

Origo Partners Plc**Notes to the financial statements (Continued)****21 Issued capital**

Authorized	2009 Number of shares	£'000	2008 Number of shares	£'000
Ordinary shares of £ 0.0001 each	500,000,000	50	500,000,000	50
Issued and fully paid	Number of shares	US\$'000	Number of shares	US\$'000
At beginning of the year	97,547,877	14	69,261,378	11
Issued on 1 April 2008 on placing for cash*	-	-	28,286,499	3
Issued on 14 December 2009**	122,472,004	20	-	-
Translation difference on change in presentation currency	-	1	-	-
At end of the year	220,019,881	35	97,547,877	14
Warrants				
At beginning of the year***	25,673,238	-	25,673,238	-
Expired during the year***	(25,673,238)	-	-	-
Exercised during the year	-	-	-	-
At end of the year	-	-	25,673,238	-

* 28,286,499 new ordinary shares were issued to GLG Partners LP ("GLG Funds") on 1 April 2008 at an average placing price per share of approximately 60.4p.

** 122,472,004 new ordinary shares were issued to ORP Shareholders on 14 December 2009 in consideration for the merger with ORP.

*** On Admission to AIM market of the London Stock Exchange on 21 December 2006, the Company issued 25,673,238 warrants entitling each warrant holder to exercise warrants held at six monthly intervals during the period of 3 years from the date of Admission, or subject to certain exception where a surplus would be available for distribution among the holders of ordinary shares, on the winding up of the Company. No warrants have been exercised since issuance and all warrants were expired on 21 December 2009.

22 Financial instruments - Risk management

The Group and the Company are exposed through their operations to one or more of the following risks:

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

The policy for managing these risks is set by the board. The policy for each of the above risks is described in more detail below:

Origo Partners Plc**Notes to the financial statements (Continued)****22 Financial instruments - Risk management (Continued)****Fair value risk**

The Group and Company's financial assets are predominantly investments in unquoted companies, and the fair value of each investment depends upon a combination of market factors and the performance of the underlying asset. The Group and the Company do not hedge the market risk inherent in the portfolio but manages asset performance risk on an asset-specific basis by continuously monitoring each asset's performance and charging the change of each asset's fair value to the statement of comprehensive income as necessary.

Cash flow interest rate risk

The directors currently view interest rate risk as low since the fixed rate return from interest generating assets is not material in the context of the portfolio return as a whole and the Group's investments are financed entirely by shareholders' funds with investment needs being met ahead of planned investments.

Currency risk

Some of the Group's assets, liabilities, income and expenses are effectively denominated in currencies other than US Dollars (the Group's presentation currency). Fluctuations in the exchanges rates between these currencies and US Dollars will have an effect on the reported value of those items.

The Directors have considered the possibility of further aggressive fluctuations in exchange rates, however, due to the level of assets and liabilities denominated in currencies other than US Dollars, as below, they do not believe the potential foreign exchange fluctuations would have a material effect on the Group's financial statements.

The following table demonstrates the sensitivity of the Group's profit/(loss) before tax due to a change in the fair value of monetary assets and liabilities resulting from a reasonably possible change in the US dollar exchange rate, with all other variables held constant.

	Increase/ (decrease) in USD rate	Effect on profit/(loss) before tax US\$'000	Effect on NAV US\$'000
2009	+10%	(3,160)	(3,160)
	-10%	3,862	3,862
2008	+10%	(1,743)	(1,743)
	-10%	2,131	2,131

The assumed movement for interest rate sensitivity analysis is based on the currently observable market environment.

The Group's assets and liabilities that are effectively denominated in currencies other than US Dollars are:

2009	GBP US\$'000	NOK US\$'000	RMB US\$'000	AUD US\$'000	Total US\$'000
Cash and bank balances	4,258	-	312	-	4,570
Investment at FVTPL	-	937	-	21,500	22,437
Loans	4,134	3,335	413	-	7,882
Trade and other receivables	1,109	-	387	-	1,496
Total Assets	9,501	4,272	1,112	21,500	36,385
Trade and other payables	(1,629)	-	-	-	(1,629)
Total Liabilities	(1,629)	-	-	-	(1,629)

Origo Partners Plc**Notes to the financial statements (Continued)****22 Financial instruments - Risk management (Continued)****Currency risk (Continued)**

The Group's assets and liabilities that are effectively denominated in currencies other than US Dollars are:

2008	GBP US\$'000	RMB US\$'000	Total US\$'000
Cash and bank balances	18,242	132	18,374
Loans	989	121	1,110
Trade and other receivables	-	240	240
Total Assets	19,231	493	19,724
Trade and other payables	492	54	546
Total Liabilities	492	54	546

Credit risk

The Group and the Company are primarily exposed to credit risk from the convertible loans extended to unquoted portfolio companies, in which the directors consider the maximum credit risk to be the carrying value of the convertible loans and loans which amounted to US\$18.7 million. Directors think cash and receivables do not expose to significant credit risk. The credit risk exposure is managed on an asset-specific basis by management.

23 Share option scheme

The following table illustrates the number ("No.") and weighted average exercise prices ("WAEP") of, and movements in, share options during the years ended 31 December 2009 and 31 December 2008.

	2009 No.	2009 WAEP	2008 No.	2008 WAEP
Outstanding at 1 January	10,951,932	53.15p	8,251,932	50p
Granted during the year	500,000	59.85p	3,750,000	59.85p
Forfeited during the year	-	-	(1,050,000)	(52.35)p
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at 31 December	11,451,932	53.44p	10,951,932	53.15p
Exercisable at 31 December	7,643,595		3,943,591	

In February 2009, 500,000 of equity-settled share options were granted to certain employees under the Company's share option scheme. The exercise price of the options granted is 59.85p. The fair value of the options is estimated at the date of grant using the Black-Scholes model. The contractual life of each option granted is 10 years. The fair value of options granted during the year ended 31 December 2009 was estimated on the date of grant using the following assumptions:

Weighted average share price at grant date (pence)	12.5
Exercise price (pence)	59.85
Expected weighted average mature life (years)	5
Expected volatility (%)	89.37
Expected dividend growth rate (%)	-
Risk-free interest rate (%)	1.5

Origo Partners Plc**Notes to the financial statements (Continued)****23 Share option scheme (Continued)**

The volatility assumption, measured at the standard deviation of expected share price returns, was based on a statistical analysis of the Company's daily share prices from 21 December 2006 to 6 February 2009. The Company did not enter into any share-based transactions with parties other than employees during 2009, 2008 and 2007, except as described above. All newly granted options have been valued on the same basis.

The Company rebased the exercise price of existing outstanding options with the exception of 500,000 options granted on 6 February 2009 to a former managing director of the Company and 651,932 options granted on 21 December 2006 to Seymour Pierce Ltd, the Company's former nominated adviser from the current exercise price of 50p and 59.85p to 20p on 22 December 2009. The fair value of the rebased options is estimated at the date of rebasing using the Black-Scholes model. The fair value of the rebased options and that of the original options both estimated as at the date of rebasing using the following assumptions:

	Rebased options	Original options
Weighted average share price at rebasing date (pence)	15.5	15.5
Exercise price (pence)*	20	50-59.85
Expected weighted average mature life (years)	5	6
Expected volatility (%)	136.07	136.07
Expected dividend growth rate (%)	-	-
Risk-free interest rate (%)	4.75	5

* Exercise price was 50p and 59.85p for the 6,800,000 options granted on 6 October 2006 and 3,500,000 options granted on 13 March 2008, respectively.

Outstanding options include 6,800,000, 3,500,000 and 500,000 equity-settled options granted on 6 October 2006, 13 March 2008, and 6 February 2009 respectively to certain directors and employees of the Company and 651,932 equity-settled options granted on 21 December 2006 to Seymour Pierce Ltd, the Company's former nominated adviser.

The range of exercise prices for options outstanding at the end of the year was 20p-59.85p (2008: 50p-59.85p)

On 12 October 2009, the OSI directors established a joint share ownership scheme ("JSOS") for certain directors, executives and key employees of OSI to participate in. Under the JSOS, eligible participants will jointly acquire existing OSI shares together with an employee benefits trust ("EBT"), and be granted awards under the EBT, subject to the OSI directors' discretion, to entitle to any growth in the value of the jointly owned OSI shares, while the EBT will retain the residual value of the OSI shares. The awards are granted in the form of upper share rights ("USR") with each USR representing 1 share of OSI. The EBT was established by a deed on 12 October 2009 between OSI and RBC Cees Trustee Limited ("Trustees") to operate in conjunction with the JSOS. On 16 October 2009, a loan of US\$1,226,000 was provided by OSI to the EBT to acquire a total of 4,847,099 existing OSI shares at approximately US\$0.2530 per share. On the same date, a total of 4,847,099 USR were granted to eligible participants at US\$0.0125 per USR.

Origo Partners Plc

Notes to the financial statements (Continued)

24 Related party transactions

Identification of related parties

The Group has a related party relationship with its subsidiaries, associates and key management personnel. Transactions between the Company and its subsidiaries have been eliminated on consolidation and are not disclosed in this note.

Transactions with key management personnel

The Group's key management personnel are the Executive and Non-executive directors as identified in the director's report. Other than as disclosed above, in the Directors' report and in note 5, there were no other significant transactions with key management personnel in the period.

Trading transactions

The following table provides the total amount of significant transactions and outstanding balances which have been entered into with related parties during the years ended 31 December 2009 and 31 December 2008.

	2009 US\$'000	2008 US\$'000
Amounts owed by related parties*		
ChinaEquity International Holding Company Ltd**	-	528
Origo Resource Partners Ltd***	-	43
OS Consulting Ltd	105	106
Origo Advisers Ltd****	160	12
GLG Partners LP*****	77	-
Sales to related parties		
GLG Partners LP*****	2,554	2,271
Origo Resource Partners Ltd	-	802
Origo Advisers Ltd	621	802
Purchases from related parties		
Li Yi Fei*****	1,001	1,007

* The amounts are unsecured, non-interest bearing and have no fixed terms of repayment. In the opinion of the directors, the Company will demand the amounts within 12 months from the reporting date. Accordingly, the amounts are shown as current.

** Mr. Wang is the Executive Chairman of OPP and Chairman of ChinaEquity International Holding Company Ltd.

*** The Company provided consultancy services to ORP through a sub-consultancy arrangement with Origo Advisers Ltd ("OAL"), a company controlled by entities whose ultimate beneficiaries include two Directors of the Company (Mr. Rynning and Mr. Ponnert). Mr. Rynning and Mr. Ponnert also serve on the Board of ORP. The consultancy arrangement between ORP and OAL was terminated upon the completion of merger with ORP on 14 December 2009.

**** Amounts disclosed relate to services provided.

***** Funds managed by GLG Partners LP controlled 24.4% of the outstanding share capital of the Company as at 31 December 2009. The Company provides research and analysis services to GLG Partners LP under a consultancy agreement. The amounts of transactions and outstanding balances relate to research services provided.

***** Ms. Li Yi Fei is the spouse of Mr. Wang Chao Yong, the Executive Chairman of the Company. Ms. Li Yi Fei provided research and analysis services to the Company in relation to the consultancy agreement with GLG

Origo Partners Plc

Notes to the financial statements (Continued)

25 Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages and makes appropriate adjustments to its capital structure on an ongoing basis in light of changes in economic conditions and the risk characteristic of the underlying assets. To maintain or adjust the capital structure, the Group may adjust dividend payments to shareholders, return capital to shareholders and/or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes during the years ended 31 December 2009 and 31 December 2008.

The Group monitors capital using a gearing ratio, which is net debt divided by capital plus net debt. Net debt includes trade and other payables less cash and bank balances. Capital includes equity attributable to equity holders of the parent company. The gearing ratios as at the reporting dates were as follows:

	2009 US\$'000	2008 US\$'000
Trade and other payables	2,522	618
Less: Cash and bank balances	(24,994)	(18,984)
Net debt	(22,472)	(18,366)
Equity attributable to equity holders of the parent	132,236	55,741
Capital	132,236	55,741
Capital and net debt	109,764	37,375
Gearing ratio	(20%)	(49%)

26 Commitments and contingencies

In accordance with the Subordinated Shareholders' Loan Facility Agreement (the "Agreement") with Staur Aqua AS, the Group had committed up to a further NOK4.8 million (US\$835,000) at the year end (2008: none) in the form of a loan to Staur Aqua AS should it be requested by Staur Aqua AS in the commitment period (ending on 3 July 2012) and subject to Staur Aqua AS satisfying the conditions set out in the Agreement.

There were no other contracted commitments or contingent assets or liabilities at 31 December 2009 (2008: none) that have not been disclosed in the consolidated financial statements.

27 Events after the reporting period

- In January, February and March 2010, the Company made further convertible loans of US\$450,000, US\$250,000 and US\$400,000 respectively, to IRCA Holdings Ltd.
- In March 2010, ORP extended further loans of NOK1.3 million to Staur Aqua AS.
- In May 2010, the Company arranged an irrevocable Standby Letter of Credit ("L/C") with Standard Chartered Bank (Hong Kong) Limited for an aggregate amount up to US\$ 3 million to secure the credit facilities granted by ABSA Bank Ltd to IRCA Holdings Ltd. The L/C will expire on 30 November 2010.
- In May 2010, the Company entered into an agreement to acquire an equity stake of approximately 11% in Bumbat Consolidated Ltd, a Mongolian company owing 14 licenses along the prospective coal basins (mostly near Gobi, Zeegt and Khurren Gohl) with some licenses showing occurrences of copper and gold, for an investment of US\$1 million. The Company also has the option to subscribe for a further US\$4 million of shares at 57cents per share at any time prior to 25 June 2010.
- In June 2010, the Company raised approximately US\$30 million, before commissions and expenses, by way of a placing of 82,200,000 new ordinary shares (the "Placing") of £0.0001 each in the capital of the Company (the "Shares") to both existing and new shareholders. The Shares were placed with investors at a price of 25 pence per Share. The net proceeds of the Placing are intended to be used to fund a number of new, well-advanced investment opportunities in the Chinese clean-tech and agriculture sectors and in the Mongolian natural resources sector.



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