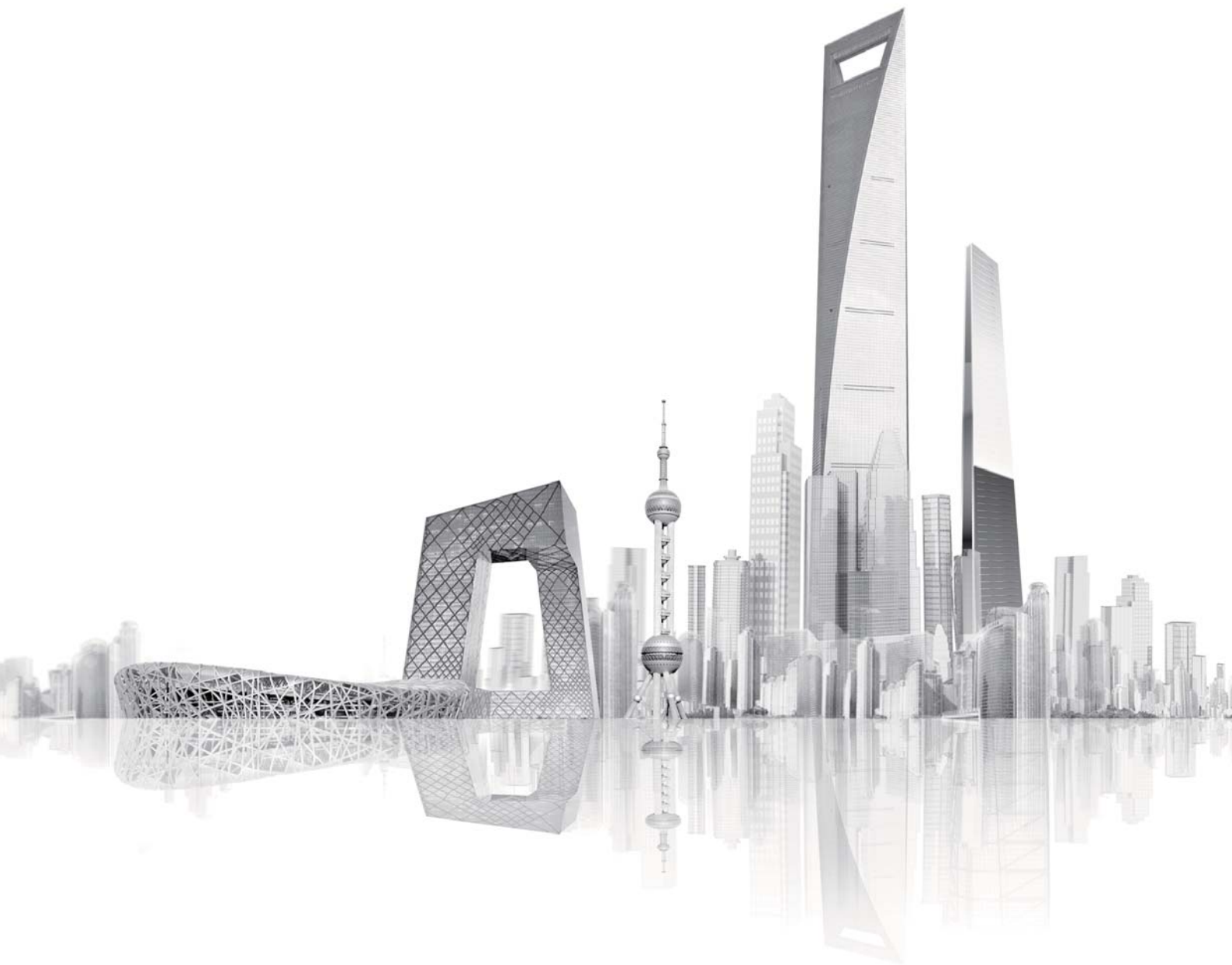


PRIVATE EQUITY
INVESTORS IN CHINA

REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2010





PRIVATE EQUITY
INVESTORS IN CHINA

Directors

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

Country of incorporation of parent company

Isle of Man

Legal form

Public limited company

Company number

005681V

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

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Highlights

*Net asset value: rose by 49 per cent to US\$196.6 million
(2009:US\$132.0 million)*

*Net asset value per share: rose by 8.2 per cent to US\$0.66
(2009: US\$0.61)*

Gains in the fair value of investments and from disposals of investments of US\$39.7 million

Cash position of US\$33.4 million as at 31st December 2010

Total investments of US\$35.2 million during 2010 in ten new portfolio companies and five follow-on investments

*Total gross proceeds from divestments of US\$20.5 million during 2010,
including US\$11 million in cash raised from IPO of HaloSource, Origo's first exit via a stock exchange listing*

*Total comprehensive income after tax of US\$36.1 million
(2009: US\$45.7 million)*

Launch of first RMB denominated fund in partnership with Xinxiang Municipal Government

Chairman's Statement

2010 was once again a year of significant progress for Origo, delivered against a backdrop of another strong performance by the Chinese economy, which grew by 10.3 per cent in the year.

Although much of the developed world struggled to recover from the dislocations caused by the financial crisis, China's economy continued to grow strongly. Whilst there are clouds emerging on the horizon with respect to the Chinese economy, particularly in relation to possible investment bubbles and growing inflation in China, I am confident that the Chinese Government has both the tools and the determination to manage these downside risks.

In an increasingly favourable market environment, the successful execution of the strategy announced last year enabled us to continue to substantially grow our business. The value of our portfolio rose to record levels whilst the value of investments completed during the course of the year, US\$35.2 million, was also a record. Most encouragingly, we demonstrated our ability to successfully exit from investments through the partial divestments of selected portfolio companies. Further, we have significantly strengthened our team in order to capitalise on the increasing range of opportunities we see, both in the domestic Chinese market, as well as in markets in the vicinity of China, in particular Mongolia, which are well positioned to serve Chinese demand for natural resources. We are delighted to have recruited a number of experienced Chinese private equity professionals and internationally recognised geologists to our team. Their expertise will, I believe, prove invaluable as we continue to build the business in 2011 and beyond.

Our growing success has been underpinned by the increasing confidence of our investors who, in June 2010, subscribed to a US\$30 million placing and - after the year end - supported our first ever convertible offering enabling us to raise a further US\$60 million in gross proceeds. We are now in a stronger position to capture investment opportunities as they arise.

I would like to take this opportunity to thank Dipankar Basu who retired in February 2011 due to ill health. Dipankar played a valuable role in the development of Origo in the five years he served as a non-executive director and he will be missed. We will seek to appoint a number of new non-executive directors over the course

of 2011 to ensure that our corporate governance standards remain in line with best practice.

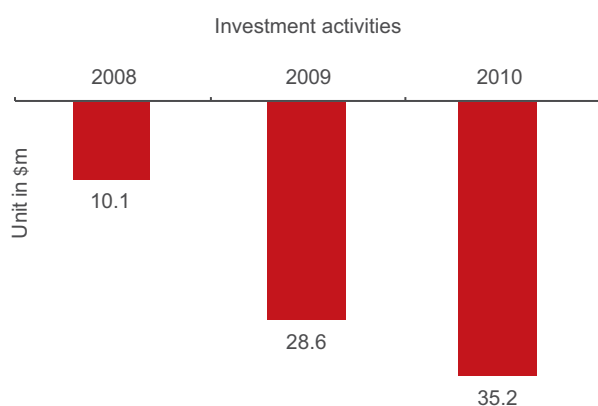
Finally, I would like to show my recognition to the entire Origo team, without whose dedication and hard work we would not have experienced such success.

Chief Executive's Statement

I am pleased to report that we have begun to deliver upon the objectives we set out during the merger of Origo Sino India Plc and Origo Resource Partners Ltd to form Origo Partners Plc at the end of 2009. We have successfully refocused the business on our core market of China, completed ten new investments, built a market leading position in the Mongolian natural resources and Chinese cleantech sectors, and begun to realise the value of our maturing portfolio. Further, following a placing in the middle of the year and a successful convertible issuance in early 2011, we have now expanded our robust balance sheet and are in a stronger position than ever to continue to execute on our strategy in 2011 and beyond.

Investments

During the first half of 2010 we worked closely with our portfolio companies and completed the integration of Origo Sino India and Origo Resource Partners' portfolios. In the second half of the year, following a US\$30 million placing in June, we accelerated the pace of investments, with a total of US\$35.2 million invested in the year, up approximately 20 per cent on 2009.



In 2010, we invested heavily in the metal and mining sector via several attractive projects in Mongolia, a country which has the potential to become a significant supplier of raw materials to China over the coming years. The scale of the opportunity in Mongolia is clear given the estimated US\$1.3 trillion value of total mineral reserves in the country and expected investments in the sector over coming years totalling US\$13 billion. During 2010 we have successfully built a market leading position in this rapidly developing and high profile market.

Our strategy in Mongolia has followed the principles which have proved successful in our China based operations. Our on the ground team, comprising seasoned transaction personnel coupled with experienced local and expatriate geologists, has given us a significant competitive advantage in sourcing and completing high quality transactions in that territory. The first example of the success of this strategy was our US\$2.9 million acquisition of a 25 per cent stake in Kincora Group Ltd, completed in September 2010. Our equity investment was bundled with an option to invest a further US\$12 million to increase our ownership to 75 per cent in that company. During the second half of last year, we worked closely with Kincora to fast track the development of their highly prospective Bronze Fox copper-gold deposit and finance our option and further exploration work. After the end of the period we announced the plans to achieve these two objectives through a combination with a Toronto Venture Exchange listed entity, a transaction which we expect to close by end of June of 2011.

In August 2010, we formed ResCap, a Mongolian focused corporate finance advisory services boutique, targeting companies active in or seeking to enter the Mongolian natural resources sector. Established as a joint-venture with a local partner, we believe ResCap will enable us to further consolidate our growing position in Mongolia. Through ResCap's team of experienced corporate finance professionals we are now positioned to benefit from the increasing flow of investment capital into the country. Furthermore, working with ResCap will broaden our deal-flow of investment opportunities and provide improved corporate finance expertise and support to our growing portfolio of Mongolian investee companies.

In 2010, we notably stepped up our investments into the cleantech sector. The Chinese Government is committed to supporting the development of a strong, domestic cleantech sector both to cope with the increasing environmental pressures from rapid industrialisation and also to build competitiveness in an emerging industry. We have continued to build competence in this sector and completed a number of investments as well as launched our first RMB fund in conjunction with the Xinxiang Municipal Government which will focus on cleantech opportunities.

In June and December 2010, we invested US\$4.7 million in Achieve Stars Development Ltd (Niutech Energy Ltd), a provider and operator of recycling systems for waste plastic and scrap-tyres for a fully diluted equity interest of 15.4 per cent. Niutech has developed proprietary, patented technologies for recycling scrap tyres and plastics into fuel oils and other value-added by-products. The proceeds of our investment financed the deployment on several sites in the Asia-Pacific region and Europe.

In September 2010, we acquired a 16.5 per cent stake in Unipower Battery Ltd for US\$4.3 million in order to capitalise on the explosive demand in China for batteries for electric vehicles. Under the terms of the transaction, Huanyu Group, one of China's leading battery producers from which Unipower was spun out and transferred its lithium-ion business and related assets to Unipower. Unipower has performed above expectations since our investment and - after the year end we announced a follow-on investment of up to US\$15 million to enable the company to further expand production to meet soaring demand for its products.

Divestments

We successfully completed a number of divestments during the year, reflecting the growing maturity of our portfolio, raising in total US\$20.5 million in gross proceeds.

The successful initial public offering on the AIM market of HaloSource on the London Stock Exchange in October 2010 was a major event for the Group, representing the first capital market introduction for one of our portfolio companies. HaloSource was valued in the IPO at US\$160 million (approximately £100 million) post new money, raised gross proceeds of US\$50 million. As a result of strong demand from investors seeking to participate in the placing and IPO, Origo sold approximately 60 per cent of its stake to raise US\$11 million in cash, resulting in the reduction of Origo's stake in HaloSource to 4.3 per cent. Based upon the placing price of HaloSource's shares, the IPO delivered a 79 per cent uplift on Origo's original investment. At the end of the year, Origo's remaining stake in HaloSource was valued at US\$7.3 million, on the basis of the closing price at 31 December 2010 less a 10 per cent liquidity discount to account for a lock-up period which expires in October 2011.

We also announced our intention to sell down part of our beneficial interest in Rising InfoTech to a local Chinese investment company. At the end of the year, we had collected US\$2.5 million as a down payment (in consideration for the equivalent of a 0.4 per cent beneficial interest in that particular company). Post the end of the year, and following a number of IPOs by Chinese tech companies in the US, most notably the tremendously successful listing on the NYSE of Qihoo 360 Technology, a Chinese provider of internet security products and of Rising's domestic competitors, we have decided to retain the balance of our interest in that company. As a result, we continue to maintain exposure to a market leader in an attractive market with the opportunity for a capital market event in the mid-term.

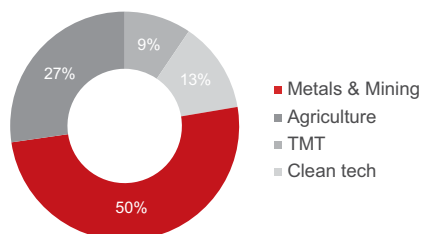
A number of smaller divestments were also made during the year, such as the disposal of our 7.1 per cent stake in E-Bill, a Chinese electronic payment services provider. The stake was sold back to E-Bill's founding shareholder for US\$2.8 million in cash, generating a 1.4x cash to cash return on the cost of our original investment. Following a review of the evolving Mongolian portfolio of exploration projects, we divested two smaller holdings in Bumbat Consolidated Ltd and Altan Takhi Company for US\$1.2 million and US\$3 million respectively allowing a greater focus on Origo's two flag-ship Mongolian assets, Gobi Coal & Energy Ltd and Kincora Group Ltd as well as new opportunities presently being evaluated in that market.

Portfolio

At the end of the year, Origo's portfolio of investments (the "portfolio") comprised 25 holdings, up from 19 in the previous period. The carrying value of the portfolio amounted to US\$163.0 million, compared to the acquisition cost of US\$124.5 million.

The top 10 investments represented 96 per cent of the fair value of the portfolio; the top 5 investments accounted for 81 per cent, reflecting that investments consummated during 2010 were significantly larger than investments completed in earlier periods.

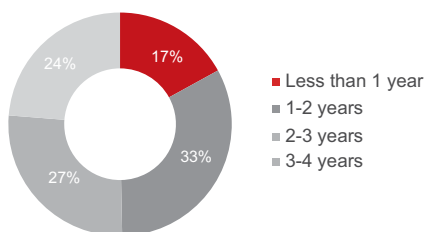
Portfolio at fair value – by sector*



* Includes associates at ending value at 31 December 2010

As a result of our significant investment activity in Mongolia during the year, the metals and mining sector represented around half of our total portfolio (2009: 45 per cent). Cleantech investments, as a proportion of the total portfolio, remained stable in 2010 compared to 2009 at 13 per cent, as new capital deployed for this strategy was offset by the partial divestment of our stake in HaloSource and the growth in the size of the portfolio as a whole. Agriculture, 27 per cent of the portfolio, was slightly up from 2009 (2009: 23 per cent), reflecting the increase in the value of our main investment in the sector, R.M. Williams Agricultural Holdings Pty Ltd ("RMWAH"), which raised additional funding at a premium and benefited from a strengthening Australian dollar during the course of the year. In comparative terms, the percentage of the portfolio invested in TMT fell significantly from 19 per cent to 9 per cent in line with the realisation of selected investments in this sector.

Portfolio at fair value – by holding period*



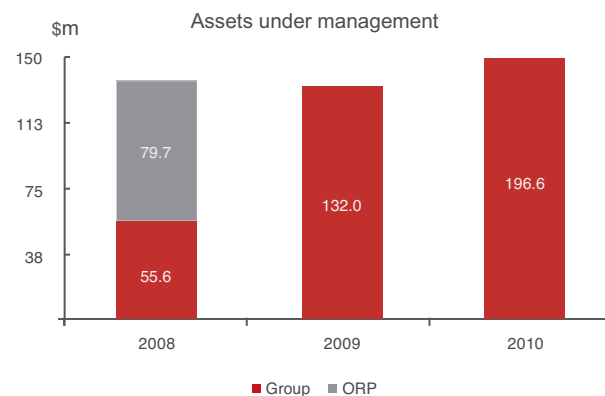
* Includes associates at ending value at 31 December 2010

The growing maturity of the portfolio is evident when it is broken down in terms of holding period: 17 per cent of Origo's invested capital was committed during the last 12 months; 33 per cent of the portfolio has been held for 12 to 24 months; and 50 per cent of the portfolio has been on the books for more than 24 months. The weighted average holding period of the portfolio equalled 1.9 years.

Our investment strategy is predicated on value creation through active ownership accompanied by a holding period of three to five years. Accordingly, last year we entered a phase of divestments of the earlier vintages of the portfolio, a trend which we expect to accelerate in 2011 and beyond as the portfolio continues to mature.

Assets Under Management

Our asset management business was temporarily put on hold in 2009 due to the global financial crisis and the merger of Origo Sino India and Origo Resource Partners. Nonetheless, assets under management, defined as the Group's own assets and third party funds, increased year on year thanks to the inflow of funds in the 2010 placing and appreciation in the value of our portfolio from US\$132 million in 2009 to US\$196.6 million in 2010. Subsequent to the end of the year, Origo's balance sheet was further strengthened following the successful completion of the convertible offering, which raised US\$60 million in gross proceeds. With the launch of our first RMB fund, and further value uplifts achievable in the portfolio, we anticipate significant growth in this metric during the course of 2011.



Profit and Loss

Revenues for 2010 were US\$2.8 million, down by 24 per cent from US\$3.7 million in 2009. The decline in the top line is primarily due to the loss of consulting fees following the merger with Origo Resource Partners last year. Administration costs remained stable, coming in at US\$6.2 million compared to US\$6.1 million in 2009, while cost of sales fell due to the realisation of synergies following the merger.

We posted a gain in the fair value of investments and from disposals of investments of US\$39.7 million, including a doubling in the value of our stake in Gobi Coal & Energy (US\$26.3 million) and a material increase in the fair value of our position in HaloSource (US\$7.9 million).

Our operating loss increased slightly to US\$4.7 million (2009: loss of US\$4.5 million). However, deducting non-cash based items, the operating loss equalled US\$4.1 million, equivalent to just about 2 per cent of our assets, which should serve as a long-term goal for the Group, as it represents the market norm for the cost of managing similar assets.

Post net gains from foreign exchange movements and finance income, Origo posted total comprehensive income after tax of US\$36.1 million (2009: US\$45.7 million).

Balance Sheet

The Directors' valuation of the portfolio at 31 December 2010 was US\$163.0 million (2009: US\$105.7 million). The increase, after disposals, was contributed to by investments made totalling US\$35.2 million and the increase in the fair value of our stakes of the portfolio companies totalling US\$37.1 million.

Total cash and cash equivalents at the end of the year were US\$33.4 million, representing 17 per cent of our net assets compared to US\$25 million or 19 per cent in 2009. This increase in our cash position is primarily due to the US\$30 million placing, before expenses, in June 2010 as well as being contributed to by approximately US\$20 million of cash generated from realisations of portfolio holdings.

At 31 December 2010, net assets were US\$196.6 million, compared to US\$132.0 million at 31 December 2009. Net asset per share was US\$0.66 per share compared to US\$0.61 per share as at 31 December 2009.

Since the end of the year, Origo's balance sheet has been further strengthened following the successful completion of the convertible offering to raise US\$60 million.

Outlook

Origo goes into 2011 in a stronger position than at any point in our history. The Chinese economy continues to grow strongly, presenting significant opportunities for those able to successfully navigate the Chinese environment.

We have successfully built strong market positions in our two focus areas, namely the Mongolian natural resource and cleantech sectors, and we increasingly have the financial and human resources to fully capitalise on opportunities as they arise.

Furthermore, we continue to develop our asset management business, comprising both USD and RMB denominated private equity funds. We expect first closing of the fund we launched with the Government of Xinxiang later in the year and are encouraged by the potential to launch similar funds with other Chinese municipal governments in the future.

Finally, in 2010 we began to prove the quality of our portfolio through Origo's first series of exits. We are confident that during 2011 there will be a number of exit opportunities and revaluation events flowing from our portfolio which will enable us to build upon our nascent track record of delivering value from our investments.



Portfolio Overview*



Gobi Coal & Energy Ltd.



R.M. Williams
Agricultural Holdings Pty Ltd.



IRCA Holdings Ltd.

Abbreviation	Gobi	RMWAH	IRCA
Market	Mongolia	Australia	Africa/China/India
Industry Sector	Metals & Mining	Agriculture	Metals & Mining
Segment	Coal	Soft commodities	Mining services
Date of Investment	11/24/09	9/2/08	11/20/07
Cost of Investment (US\$m)	14.71	23.09	23.31
Instrument	Common Stock	Common Stock & Loan	Common Stock & Loan
Equity Interest	19.5%	19.3%	49.1%
Fair Value (US\$m)	52.67	31.49	23.29
% of Net Assets	26.8%	16.0%	11.8%
Basis of Valuation	Price of last investment	Price of last investment	Price of last investment
Business Description	Gobi is a privately held coal development 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.

RISE 瑞星

Rising Technology
Corporation Ltd.



Niutech Energy Ltd.

AQUALYNG

Staur Aqua AS

Abbreviation	Rising	Niutech	Staur
Market	China	China/ROW	China/Europe/Africa
Industry Sector	TMT	Cleantech	Cleantech
Segment	Security software	Recycling/Waste to energy	Water desalination
Date of Investment	1/11/07	6/22/10	2/29/08
Cost of Investment (US\$m)	7.00	4.70	4.12
Instrument	Common Stock	Preferred Stock	Common Stock & Loan
Equity Interest	2.0%	17.1%	9.2%
Fair Value (US\$m)	12.08	4.70	4.44
% of Net Assets	6.1%	2.4%	2.3%
Basis of Valuation	Price of last investment	Price of last investment	Price of last investment
Business Description	Rising is China's dominant anti-virus software and content security vendor.	Niutech is a provider and operator of waste plastic and scrap-tire recycling solutions. Niutech provides patent protected recycling technology which converts waste tires and plastics into valuable products like fuel oil, carbon black and steel wire.	Aqualyng is an international provider and operator of desalination plants, with a decade of accumulated experience of delivering turn-key desalination solutions based on its patented energy recovery system.

* Top 9 portfolio companies



China Rice Ltd.



HaloSource Inc.



Unipower Battery Ltd.

Abbreviation	China Rice	HaloSource	Unipower
Market	China	US/China/India	China
Industry Sector	Agriculture	Cleantech	Cleantech
Segment	Processing	Water purification	Electrical storage
Date of Investment	12/17/10	7/11/08	9/3/10
Cost of Investment (US\$m)	13.00	3.12	4.30
Instrument	Loan	Common Stock	Preferred Stock
Equity Interest	-	4.3%	16.5%
Fair Value (US\$m)	13.00	7.29	4.30
% of Net Assets	6.6%	3.7%	2.2%
Basis of Valuation	Price of last investment	Adjusted market price	Price of last investment
Business Description	China Rice, and its subsidiaries form one of China's leading privately held rice processing and distribution groups with an annual production capacity of approximately 300,000 tons. The Company maintains a strong resource and procurement base in the north eastern province of Jilin, one of China's largest rice producing belts.	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.	Unipower is a China based provider of lithium-ion materials and battery solutions. Producing high-quality material and batteries solution for the Electric Vehicle ("EV") and power storage industries, Unipower is supported by patents, facilities and a technical management team with more than 20 years of experience.

Investment Policy Statement

Origo invests predominantly 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 being to provide shareholders with above market returns, primarily through capital appreciation.

In terms of stage, Origo 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, Origo is unlikely to commit in excess of \$20 million to any single investee company at the time of investment. For early-stage opportunities, initial commitments may be less than \$1 million. While Origo does not have any set of gearing policy investee companies, directly or indirectly, may themselves have outstanding borrowings.

In addition to investing predominantly in privately held companies, Origo may, in 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. Origo plans to allocate no more than 20 per cent of available cash resources to investment in publicly traded equities.

Origo seeks to be an active investor. To the extent 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, Origo 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.

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 and our increasing activity in the renewable and cleantech sectors reflects this position.

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 and the generation of consistently good returns over the long-term. 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.

Our growing partnerships with local authorities in China, such as the Xinxiang Municipal Government, reflect both our commitment to and success in achieving these high standards of corporate citizenship.

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 Niutech Energy, Unipower Battery, Staur Aqua 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 2010.

State of Affairs

On 30 July 2010, the Company deregistered under the Companies Acts 1931 to 2004 and reregistered under the Companies Act 2006 with company number 005681V.

Results and dividends

The result of the Group for the period is set out on page 14 and shows a profit for the year of US\$36,023,000 (2009: US\$38,908,000). 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 (2009: US\$nil). The retained profit of the year of US\$36,023,000 (2009: US\$38,908,000) 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

	At 31 December 2010		At 31 December 2009	
	Options	Ordinary shares	Options	Ordinary shares
Mr. Wang Chao Yong	4,000,000	3,987,575**	4,000,000	3,987,575
Mr. Chris Rynning	1,000,000	14,081,008***	1,000,000	14,081,008
Mr. Niklas Ponnert	2,800,000	2,406,009****	2,800,000	2,406,009
Mr. Christopher Jemmett	100,000	300,000*****	100,000	50,000
Mr. Dipankar Basu*	100,000	50,000	100,000	50,000

* Resigned from the Board on 16 February 2011.

** 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.

***** 250,000 Shares are beneficially owned by Mr. Jemmett's wife, Jessie Kathleen Jemmett.

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 a 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 Act 2006. 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 a 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

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
Karl Niklas Ponnert
Chief Financial Officer

3 May 2011

INDEPENDENT AUDITORS' REPORT

To the members of Origo Partners Plc

We have audited the financial statements of Origo Partners Plc for the year ended 31 December 2010 which comprise the consolidated statement of comprehensive income, consolidated statement of financial position, company statement of financial position, consolidated statement of changes in equity, company statement of changes in equity, consolidated statement of cash flows, company statement of cash flows and the related notes 1 to 29. The financial reporting framework that has been applied in their preparation is applicable with law and International Financial Reporting Standards.

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

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities set out in the directors' report, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

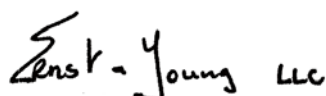
An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Group's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In

addition, we read all the financial and non-financial information in the financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's and Group's affairs as at 31 December 2010 and of the Group's profit for the year then ended; and
- have been properly prepared in accordance with International Financial Reporting Standards.



Ernst & Young LLC
Chartered Accountants
Isle of Man
3 May 2011

Origo Partners Plc**Consolidated statement of comprehensive income**

For the year ended 31 December 2010

	Note	2010 US\$'000	2009 US\$'000
Revenue	2	2,827	3,695
Cost of sales	2	(1,333)	(2,003)
Gross profit		1,494	1,692
Distribution costs		(5)	(28)
Share-based payments	3	(625)	(1,043)
Other administrative expenses	3	(5,582)	(5,101)
Total administrative expenses	3	(6,207)	(6,144)
Loss from operations		(4,718)	(4,480)
Negative goodwill on acquisition		-	45,448
Investment income/(loss)	7	39,676	(2,028)
Including:			
- Share of losses of associates		(17)	(163)
Foreign exchange losses		(366)	(1,398)
Finance income	8	2,227	637
Finance costs	8	(77)	(37)
Other income		5	1,312
Profit before tax		36,747	39,454
Income tax	9	(724)	(546)
Profit after tax		36,023	38,908
Other comprehensive income			
Exchange differences on translating foreign operations		31	(197)
Exchange differences on change in presentation currency		-	7,155
Available-for-sale financial assets		-	(133)
Other comprehensive income for the period, net of tax		31	6,825
Total comprehensive income for the period		36,054	45,733
Profit after tax			
Attributable to:			
- Owners of the parent		36,067	38,983
- Non-controlling interests		(44)	(75)
		36,023	38,908
Total comprehensive income			
Attributable to:			
- Owners of the parent		36,098	45,808
- Non-controlling interests		(44)	(75)
		36,054	45,733
Earnings per share			
	10		
- Basic, profit for the year attributable to ordinary equity holders of the parent		13.86 cents	37.93 cents
- Diluted, profit for the year attributable to ordinary equity holders of the parent		13.72 cents	37.93 cents

The accompanying notes form an integral part of these financial statements.

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

At 31 December 2010

Assets	Note	2010 US\$'000	2009 US\$'000
Non-current assets			
Property, plant and equipment (PPE)	11	42	71
Intangible assets		14	16
Investments at fair value through profit or loss	13	127,963	86,929
Loans	15	34,942	18,644
Loan interest receivables	16	1,529	883
Available-for-sale investments	19	49	49
Investment in an associate	14	73	67
Other investments		13	8
		164,625	106,667
Current assets			
Inventories		52	51
Trade and other receivables	18	5,299	2,797
Cash and bank balances		33,411	24,994
		38,762	27,842
Total assets		203,387	134,509
Current liabilities			
Trade and other payables	20	3,964	1,976
Deferred income taxes	9	1,270	546
Provision	21	1,562	-
		6,796	2,522
Total liabilities		6,796	2,522
Total net assets		196,591	131,987
Equity attributable to equity holders of the parent			
Issued capital	22	47	35
Share premium		119,261	89,785
Share-based payment reserve		5,490	6,427
Retained earnings		74,988	38,921
Warrant reserve		-	-
Translation reserve		(1,469)	(1,500)
Other reserve	23	(1,432)	(1,432)
		196,885	132,236
Non-controlling interests		(294)	(249)
Total equity		196,591	131,987
Total equity and liabilities		203,387	134,509

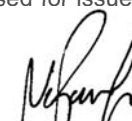
The financial statements were approved by the Board of Directors and authorised for issue. They were signed on its behalf by:



Wang Chao Yong
Executive Chairman
3 May 2011



Chris Andre Rynning
Chief Executive Officer
3 May 2011



Karl Niklas Ponnert
Chief Financial Officer
3 May 2011

The accompanying notes form an integral part of these financial statements.

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

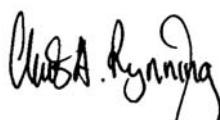
At 31 December 2010

Assets	Note	2010 US\$'000	2009 US\$'000
Non-current assets			
Investments at fair value through profit or loss		47,509	30,032
Loans		24,831	8,621
Loan interest receivables	16	1,529	883
Investments in subsidiaries	12	30,970	30,920
Other receivables	17	1,226	1,226
		106,065	71,682
Current assets			
Trade and other receivables	18	12,151	9,266
Cash and bank balances		33,028	11,867
		45,179	21,133
Total assets		151,244	92,815
Current liabilities			
Trade and other payables	20	23,915	1,339
Deferred income taxes	9	1,270	546
Provision	21	1,562	-
		26,747	1,885
Total liabilities		26,747	1,885
Total net assets		124,497	90,930
Equity attributable to equity holders of the parent			
Issued capital	22	47	35
Share premium		119,261	89,785
Share-based payment reserve		5,490	6,427
Retained earnings		1,156	(3,860)
Translation reserve		(1,457)	(1,457)
Warrant reserve		-	-
Total equity		124,497	90,930
Total equity and liabilities		151,244	92,815

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
3 May 2011



Chris Andre Rynning
Chief Executive Officer
3 May 2011



Karl Niklas Ponnert
Chief Financial Officer
3 May 2011

The accompanying notes form an integral part of these financial statements.

Origo Partners Plc

Consolidated statement of changes in equity

For the year ended 31 December 2010

	Issued capital US\$'000	Share premium US\$'000	Share- based payment reserve US\$'000	Retained earnings US\$'000	Warrant reserve US\$'000	Other reserve US\$'000	Translation reserve US\$'000	Total US\$'000	Non- controlling interests US\$'000	Total equity US\$'000
At 1 January 2009	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
Profit for the year	-	-	-	36,067	-	-	-	36,067	(44)	36,023
Other comprehensive income	-	-	-	-	-	-	31	31	-	31
Total comprehensive income	-	-	-	36,067	-	-	31	36,098	(44)	36,054
Proceeds from share issues	12	29,476	-	-	-	-	-	29,488	-	29,488
Closing of subsidiaries	-	-	-	-	-	-	-	-	(1)	(1)
Share-based payment expense	-	-	(937)	-	-	-	-	(937)	-	(937)
At 31 December 2010	47	119,261	5,490	74,988	-	(1,432)	(1,469)	196,885	(294)	196,591

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.
Translation reserve	Equity created to recognise foreign currency translation differences.

The accompanying notes form an integral part of these financial statements.

Origo Partners Plc**Company statement of changes in equity**

For the year ended 31 December 2010

	Issued capital US\$'000	Share premium US\$'000	Share- based payment reserve US\$'000	Retained earnings US\$'000	Warrant reserve US\$'000	Translation reserve US\$'000	Total equity US\$'000
At 1 January 2009	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
Profit for the year	-	-	-	5,016	-	-	5,016
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	5,016	-	-	5,016
Proceeds from share issues	12	29,476	-	-	-	-	29,488
Share-based payment expense	-	-	(937)	-	-	-	(937)
At 31 December 2010	47	119,261	5,490	1,156	-	(1,457)	124,497

The accompanying notes form an integral part of these financial statements.

Origo Partners Plc**Consolidated statement of cash flows**

For the year ended 31 December 2010

	Year ended 31 December 2010 US\$'000	Year ended 31 December 2009 US\$'000
Profit after tax	36,023	38,908
Adjustments for:		
Depreciation	26	23
Share-based payments	625	1,043
Negative goodwill on acquisition	-	(45,448)
Unrealised (gains)/losses on fair value change of FVTPL	(37,083)	1,750
Realised (gains)/losses on disposals of investments	(2,610)	115
Share of losses of associates	17	163
Foreign exchange losses	366	1,399
Finance income	(2,227)	(637)
Income tax accrued	724	546
Operating loss before changes in working capital and provisions	(4,139)	(2,138)
Increase in trade and other receivables	(1,009)	(33)
(Decrease)/increase in trade and other payables	(512)	1,742
Increase in inventories	(1)	-
Net cash outflow from operations	(5,661)	(429)
Investing activities		
Disposal/(purchases) of property, plant and equipment	13	(35)
Increase in intangible assets	-	2
Investments of financial instruments	(34,164)	(10,680)
Proceeds from disposals of investments	20,001	3,991
Acquisition of subsidiary, net of cash required	-	12,720
Finance income received	88	260
Net cash flows used in investing activities	(14,062)	6,258
Financing activities		
Purchase of own share capital	-	(1,226)
Issue of ordinary shares	29,488	-
Net cash flows used in financing activities	29,488	(1,226)
Increase in cash and cash equivalents	9,765	4,603
Net foreign exchange difference	(1,348)	1,407
Cash and cash equivalents at beginning of year	24,994	18,984
Cash and cash equivalents at end of year	33,411	24,994

The accompanying notes form an integral part of these financial statements.

Origo Partners Plc**Company statement of cash flows**

For the year ended 31 December 2010

	Year ended 31 December 2010 US\$'000	Year ended 31 December 2009 US\$'000
Profit/(loss) after tax	5,016	(6,122)
Adjustments for:		
Share-based payments	625	1,043
Unrealised (gains)/losses on fair value change of FVTPL	(8,722)	2,051
Realised (gains)/losses on disposals of investments	(349)	115
Foreign exchange losses	376	1,406
Finance income	(1,264)	(636)
Income tax accrued	724	546
Operating loss before changes in working capital and provisions	(3,594)	(1,597)
Increase in trade and other receivables	(2,302)	(2,081)
Increase in trade and other payables	18,695	1,229
Net cash outflow from operations	12,799	(2,449)
Investing activities		
Cash paid for set-up of subsidiaries	(100)	-
Investments of financial instruments	(30,645)	(10,268)
Proceeds from disposals of investments	9,960	3,991
Finance income received	35	260
Net cash flows used in investing activities	(20,750)	(6,017)
Financing activities		
Issue of ordinary shares	29,488	-
Net cash flows used in financing activities	29,488	-
Increase/(decrease) in cash and cash equivalents	21,537	(8,466)
Net foreign exchange difference	(376)	1,540
Cash and cash equivalents at beginning of year	11,867	18,793
Cash and cash equivalents at end of year	33,028	11,867

The accompanying notes form an integral part of these financial statements.

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 2010 were authorised for issue in accordance with a resolution of the directors on 3 May 2011. 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 issued by the Accounting Standards Board and also to comply with relevant Isle of Man law.

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) With effect from 14 December 2009, the Company changed its functional currency from GBP to USD upon the completion of the merger of the Company and Origo Resources Partners Ltd ("ORP") as a significant part of the business of the Company will be based in USD and thus the Directors have deemed that the most appropriate functional currency is USD which most faithfully represents the economic effects of the underlying transactions, events and conditions.
- (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 2010.
- (c) The consolidated and company financial information has been prepared under the historical cost convention except for certain financial instruments, which have been 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, equity-settled transactions and cash-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.

The Group has granted cash-settled share-based payments to certain directors, executives and key employees under the Company's joint share ownership scheme ("JSOS"). The cost of cash-settled share-based payments is measured initially at fair value at the grant date using Black-Scholes option pricing model. This fair value is expensed over the period until the vesting date with recognition of a corresponding liability. The liability is remeasured to fair value at each reporting date up to and including the settlement date, with changes in fair value recognised in employee expense.

When estimating the value of the options and the upper share rights ("USR"), significant assumptions such as the expected life of the option and the USR, 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.

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

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

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.

(a) Basis of consolidation*Basis of consolidation from 1 January 2010*

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at 31 December 2010.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. All intra-group balances, transactions, unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interest
- Derecognises the cumulative translation differences, recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

Basis of consolidation prior to 1 January 2010

Certain of the above-mentioned requirements were applied on a prospective basis. The following differences, however, are carried forward in certain instances from the previous basis of consolidation:

- Acquisitions of non-controlling interests, prior to 1 January 2010, were accounted for using the parent entity extension method, whereby, the difference between the consideration and the book value of the share of the net assets acquired were recognised in goodwill.
- Upon loss of control, the Group accounted for the investment retained at its proportionate share of net asset value at the date control was lost. The carrying value of such investments at 1 January 2010 have not been restated.

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)***Business combinations from 1 January 2010*

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the acquirer measures the noncontrolling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed and included in administrative expenses.

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 at the acquisition date through profit or loss.

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

Goodwill is initially measured at cost being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. 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 that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill forms part of a cash-generating unit 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 cash-generating unit retained.

Business combinations prior to 1 January 2010

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.

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)***Business combinations prior to 1 January 2010 (Continued)*

Business combinations achieved in stages were accounted for as separate steps. Any additional acquired share of interest 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 were recognised as part of goodwill.

(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 presentation currency.

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 is 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.

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:*

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.
- (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.

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)*****Fair value estimation (Continued) :***

- (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.
- (IV) Available market prices: Instruments quoted on an active stock market are 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. Income from loans and receivables is recognised as it accrues by reference to the principal outstanding and the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash flows through the expected life of the financial asset to the asset's carrying value. The losses arising from impairment are recognised in the statement of comprehensive income in finance costs.

- **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 or associates. 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 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"). Certain Directors, Executives and key employees of the Group are granted share appreciation rights, which can only be settled in cash ("cash-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 these options 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 25.

Equity-settled transactions

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 and is recognised in employee expense (see Note 4).

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market or non-vesting 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.

Cash-settled transactions

The cost of cash-settled transactions is measured initially at fair value at the grant date using Black-Scholes option pricing model, further details of which are given in Note 25. This fair value is expensed over the period until the vesting date with recognition of a corresponding liability. The liability is remeasured to fair value at each reporting date up to and including the settlement date, with changes in fair value recognised in employee expense (see Note 4).

Origo Partners Plc**Notes to the financial statements (Continued)****1 Accounting policies (Continued)****1.4 Summary of significant accounting policies (Continued)****(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.

(i) Taxes*Current Income 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.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of comprehensive income. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax

Deferred tax is provided using the liability method on 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 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 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.

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

1 Accounting policies (Continued)**1.4 Summary of significant accounting policies (Continued)****(i) Taxes (Continued)***Deferred Tax (Continued)*

The carrying amount of deferred 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 tax asset to be utilised. Unrecognised deferred 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 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.

(j) Performance incentive payable

Performance incentive payable is only accrued on those investments (classified as investments at fair value through profit or loss) in which the investment's performance conditions, measured at the balance sheet date, would be achieved if those investments were realised at fair value. Fair value is determined using the Group's valuation methodology and is measured at the balance sheet date. An accrual is made equal to the Group's share of profits in excess of the performance conditions subject to the discretion of the Board of Directors.

(k) 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.

Origo Partners Plc**Notes to the financial statements (Continued)****1 Accounting policies (Continued)****1.4 Summary of significant accounting policies (Continued)****(k) Revenue recognition (Continued)**

- **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.

(l) 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.

(m) New and revised international financial reporting standards that are effective or early adopted in 2010 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 2010 and relevant to the Group's operation.

IFRS 2	Amendments to Share-based Payment - Group Cash-settled Share-based Payment Transactions
IFRS 3	Business Combination (Revised)
IAS 27	Amendments to IAS 27 Consolidated Separate Financial Statements
IAS 39	Amendments to IAS 39 Financial Instruments: Recognition and Measurement - Eligible Hedged Items
IFRIC 17	Distribution of Non-cash Assets to Owners

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

IFRS 2 Share-based Payment - Group Cash-settled Share-based Payment Transactions has been amended to clarify the accounting for group cash-settled share-based payment transactions. This amendment also supersedes IFRIC 8 and IFRIC 11. The adoption of this amendment did not have any impact on the financial position or performance 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 2010 and relevant to the Group (Continued)**

IFRS 3 Business Combination (Revised) introduces significant changes in the accounting for business combinations occurring after this date. Changes affect the valuation of non-controlling interest, the accounting for transaction costs, the initial recognition and subsequent measurement of a contingent consideration and business combinations achieved in stages. These changes will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs and future reported results. The Group applies the revised standards from 1 January 2010.

IAS 27 Consolidated Separate Financial Statements (Amended) requires that a change in the ownership interest of a subsidiary (without loss of control) is accounted for as a transaction with owners in their capacity as owners. Therefore, such transactions will no longer give rise to goodwill, nor will they give rise to gains or losses. Furthermore, the amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. The changes by IFRS 3 (Revised) and IAS 27 (Amended) affect future acquisitions or loss of control of subsidiaries and transactions with non-controlling interests. The change in accounting policy was applied prospectively and had no material impact on the financial position or performance of the Group.

The amendment of IAS 39 Financial Instruments: Recognition and Measurement - Eligible Hedged Items addresses the designation of a one-sided risk in a hedged item, and the designation of inflation as a hedged risk or portion in particular situations. The amendment had no effect on the financial position nor performance of the Group.

IFRIC 17 Distribution of Non-cash Assets to Owners provides guidance on accounting for arrangements whereby an entity distributes non-cash assets to shareholders either as a distribution of reserves or as dividends. The interpretation had no effect on the financial position or performance of the Group.

The Group has not early adopted any other standard, interpretation or amendment that was issued but is not yet effective.

Origo Partners Plc**Notes to the financial statements (Continued)****1 Accounting policies (Continued)****1.4 Summary of significant accounting policies (Continued)****(n) Impact of improvements to International Financial Reporting Standards (issued 2010)**

The Group has not applied the following improvements to International Financial Reporting Standards (issued 2010) whose effective date is beginning on or after 1 January 2011, unless stated otherwise, in these financial statements.

IAS 24 Related Party Disclosures (Amendment)	Clarifying the definition of a related party to simplify the identification and eliminate inconsistencies in its application
IAS 32 Financial Instruments	Presentation - Classification of Rights Issues (Amendment)
IFRS 9 Financial Instrument	Classification and Measurement
IFRIC 14 Prepayments of a minimum funding requirement (Amendment)	Providing guidance on assessing the recoverable amount of a net retrospective application
IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments	Clarifying the equity instruments issued to a creditor to extinguish a financial liability

(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 profit before tax, US\$5,016,000 (2009: loss of US\$6,122,000) has been retained by the Company.

(p) Changes in significant accounting estimates

In the current period, the Company used Black-Scholes option pricing model to calculate the fair value of the upper share rights in which the volatility assumption was estimated based on source data from Bloomberg. To be consistent with the volatility assumption being used, the Company adopted the same source data to estimate the volatility assumption used in calculating the fair value of the equity-settled share option scheme as at 31 December 2010, which had used volatility assumptions estimated based on source data from Yahoo Finance prior to 2010. This change in accounting estimate results in an increase in net profit for the period and a corresponding decrease in the share-based payment reserve of US\$ 1,279,000 but has no impact to the net assets of the Group. Please refer to note 25 for further details.

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

	2010	2009
	US\$'000	US\$'000
Revenue		
Consulting services	2,450	2,845
Fund consulting	-	621
Furniture trading	377	229
Total	2,827	3,695
Cost of sales		
Consulting services	904	1,755
Fund consulting	-	47
Furniture trading	365	151
Business tax	64	50
Total	1,333	2,003

3 Administrative expenses

	2010	2009
	US\$'000	US\$'000
Employee expenses	1,889	1,940
Professional fees	1,427	938
Including:		
- Audit fees	146	131
Share-based payments	625	1,043
Depreciation expenses	16	23
Acquisition cost	24	1,064
Performance fee*	462	-
Others	1,764	1,136
Total	6,207	6,144

* The performance fee for 2010 of US\$462,000 was approved by the board of directors of the Company (other than Chris Andre Rynning and Karl Niklas Ponnert) at the board meeting held on 3 May 2011.

Origo Partners Plc

Notes to the financial statements (Continued)

4 Information regarding directors and employees

	Year ended 31 December 2010	Year ended 31 December 2009
Average number of employees of the Group	Number	Number
Management*	2	2
Investment and transaction team	10	8
Finance and accounting	7	7
Administration and HR	7	3
Design and IT	1	1
Trading sales	2	5
Geologist	3	-
	32	26
The aggregate payroll costs of these employees were as follows:	US\$'000	US\$'000
Wages and salaries	1,771	1,842
Share-based payments	625	1,043
Social security costs	117	98
	2,513	2,983

* Management includes Mr. Chris A Rynning, the Chief Executive Officer and Mr. Niklas Ponnert, the Chief Financial Officer.

5 Directors' remuneration

	2010 US\$'000	2009 US\$'000
Directors' emoluments	806	801
Share-based payment expenses	534	616
	1,340	1,417

Directors' remuneration for the year 2010 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	2010 Number of options
Mr. Wang Chao Yong	150	-	193	343	4,000,000
Mr. Chris A Rynning	275	-	366	641	1,000,000
Mr. Niklas Ponnert	225	-	(13)	212	2,800,000
Mr. Christopher Jemmett	-	78	(6)	72	100,000
Mr. Dipankar Basu	-	78	(6)	72	100,000
	650	156	534	1,340	8,000,000

Origo Partners Plc

Notes to the financial statements (Continued)

5 Directors' remuneration (Continued)

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

* Short term employee benefits

** Share-based payment refers to expenses arising from the Company's share option scheme (note 25).

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 private equity investments, fund consulting, consulting services and furniture trading in 2010 and 2009.

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 2010

	Private equity investments US\$'000	Fund consultin g US\$'000	Consultin g services US\$'000	Furniture trading US\$'000	Total US\$'000
Revenue					
External	-	-	2,450	377	2,827
Finance income	2,227	-	-	-	2,227
Total revenue	2,227	-	2,450	377	5,054
Expenses					
Cost of sales	(193)	-	(775)	(365)	(1,333)
Operation expenses	(2,168)	-	(3,252)	(167)	(5,587)
Share-based payments	(375)	-	(250)	-	(625)
Finance costs	(73)	-	-	(4)	(77)
Other					
Investment income/(loss)	39,697	-	(21)	-	39,676
Other income	-	-	5	-	5
Foreign exchange loss	(366)	-	-	-	(366)
Income tax	(724)	-	-	-	(724)
Total profit/(loss) after tax	38,025	-	(1,843)	(159)	36,023
Statement of financial position					
Assets	202,640	-	652	95	203,387
(Liabilities)	(6,405)	-	(362)	(29)	(6,796)
Net assets	196,235	-	290	66	196,591

Origo Partners Plc

Notes to the financial statements (Continued)

6 Operating segment information (Continued)

For the year ended 31 December 2010

	Isle of Man US\$'000	Guernsey US\$'000	Malaysia US\$'000	China US\$'000	Others US\$'000	Total US\$'000
External revenue	2,328	-	-	117	382	2,827
Non-current assets	-	-	86	42	14	142

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

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

Origo Partners Plc**Notes to the financial statements (Continued)****7 Investment income/(loss)**

	2010 US\$'000	2009 US\$'000
Unrealised gains/(losses) on fair value change of FVTPL using estimation techniques*	37,083	(1,750)
Realised gains/(losses) on disposals of investments**	2,610	(115)
Share of losses of associates	(17)	(163)
Total	39,676	(2,028)

* FVTPL refers to fair value through profit or loss

** The amount represents realised gains primarily from the partial disposal of HaloSource Inc (US\$3.7 million), the disposal of E-Bill (China) Holding Ltd (US\$800,000) and the disposal of Bumbat Consolidated Ltd (US\$176,000), net of realised losses primarily from the disposal of Altan Takhi LLC (US\$350,000) and the write-off of Possibility Space Incorporated (including equity investment of US\$1.4 million and loan investment of US\$243,000).

8 Finance income and costs

	2010 US\$'000	2009 US\$'000
Finance income		
Bank and loan interest	2,227	637
	2,227	637
Finance costs		
Bank charges	(77)	(37)
	(77)	(37)

9 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 Attribution Regime for Individuals.

	2010 US\$'000	2009 US\$'000
Current taxes		
Current year	-	-
Deferred taxes		
Deferred income taxes*	724	546
Total income taxes in the statement of comprehensive income	724	546

* The deferred income taxes come from fair value gain of Rising Technology Corporation Ltd estimated in accordance with the relevant tax laws and regulations in the PRC.

Origo Partners Plc

Notes to the financial statements (Continued)

9 Tax expense (Continued)

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

	2010 US\$'000	2009 US\$'000
Profit before tax	36,747	39,454
Profit before tax multiplied by rate of corporate income tax in the Isle of Man of 0% (2009: 0%)	-	-
Effects of:		
Short-term timing differences	724	546
Total income taxes in the statement of comprehensive income	724	546

Deferred income taxes

	2010 Group/company balance sheet US\$'000	2009 Group/Company balance sheet US\$'000
Opening deferred income tax liability		
Income in accounts taxable in the future	546	-
	546	-
Recognised through statement of comprehensive income		
Income in accounts taxable in the future	724	546
	724	546
Closing deferred income tax liability		
Income in accounts taxable in the future	1,270	546
	1,270	546

10 Earnings per share

	2010 US\$'000	2009 US\$'000
Numerator		
Profit for the year	36,023	38,908
Earnings used in basic and diluted earnings per share	36,023	38,908
	2010 Number of shares	2009 Number of shares
Denominator		
Weighted average number of ordinary shares for basic EPS	259,920,984	102,565,053
Effect of dilution:		
Share options	2,599,476	-
Weighted average number of ordinary shares adjusted for the effect of dilution	262,520,460	102,565,053
Basic EPS	13.86 cents	37.93 cents
Diluted EPS	13.72 cents	37.93 cents

Origo Partners Plc**Notes to the financial statements (Continued)****11 Property, plant and equipment**

	Fixtures and fittings US\$'000	Computer equipment US\$'000	Vehicle US\$'000	Total US\$'000
Cost				
At 1 January 2009	28	59	-	87
Additions	4	3	28	35
At 31 December 2009	32	62	28	122
Additions	2	6	-	8
Disposal	-	-	(28)	(28)
At 31 December 2010	34	68	-	102
Accumulated depreciation				
At 1 January 2009	11	17	-	28
Charge for the year 2009	4	12	7	23
At 31 December 2009	15	29	7	51
Charge for the year 2010	5	11	-	16
Disposal	-	-	(7)	(7)
At 31 December 2010	20	40	-	60
Net book value				
At 31 December 2009	17	33	21	71
At 31 December 2010	14	28	-	42

Origo Partners Plc

Notes to the financial statements (Continued)

12 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 Resource Partners Ltd	Guernsey	100%
PHI International Holding Ltd	Bermuda	100%
Origo Partners MGL LLC	Mongolia	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)
ISAK International Holding Ltd	British Virgin Islands	71.2% (Owned by Ascend Ventures Ltd)

Statement of changes in investments in subsidiaries:

	2010 US\$'000	2009 US\$'000
Opening balance	30,920	39
Acquisition of ORP	-	30,870
Investment in a new subsidiary	100	-
Striking-off of subsidiaries	(50)	-
Exchange difference	-	11
Closing balance	30,970	30,920

13 Investments at fair value through profit or loss

As at 31 December 2010

Name*	Country of incorporation	Fair Value		Proportion of ownership interest	Cost US\$'000	Fair value US\$'000
		hierarchy level	level			
IRCA Holdings Ltd	British Virgin Islands	3	49.1%	9,505	9,505	
Resources Investment Capital Ltd	British Virgin Islands	3	41.7%	287	287	
Roshini International Bio-Energy Corporation	British Virgin Islands	3	35.9%	17,050	-	
China Commodities Absolute Return Ltd	Isle of Man	3	27.3%	400	512	
Kincora Group Ltd	British Virgin Islands	3	25.0%	2,925	2,925	
R.M.Williams Agricultural Holdings Pty Ltd	Australia	3	19.3%	20,000	28,547	
Gobi Coal & Energy Ltd	British Virgin Islands	3	19.5%	14,708	52,674	
Achieve Stars Development Ltd	British Virgin Islands	3	17.1%	4,700	4,700	
Unipower Battery Ltd	Cayman Islands	3	16.5%	4,301	4,301	
Fans Media Co., Ltd	British Virgin Islands	3	14.3%	2,360	2,360	
Hurentiin Hyar LLC	Mongolia	3	10.0%	300	300	
Staur Aqua AS	Norway	3	9.2%	719	739	
HaloSource Inc	USA	3	4.3%	3,121	7,293	
Bach Technology AS	Norway	3	3.3%	60	189	
Rising Technology Corporation Ltd**	British Virgin Islands	3	2.0%	7,000	12,079	
Kooky Panda Ltd	Cayman Islands	3	1.2%	25	25	
Fram Exploration AS	Norway	3	1.1%	1,501	1,527	
Total				88,962	127,963	

Origo Partners Plc

Notes to the financial statements (Continued)

13 Investments at fair value through profit or loss (Continued)

As at 31 December 2009

Name	Country of incorporation	Fair Value hierarchy level	Proportion of ownership 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	3	2.0%	7,000	12,456
Total				85,602	86,929

* There are no significant restrictions that will have an impact on transfer of these investments, except for the lock up of the shares of HaloSource Inc in 2010 which will expire in October 2011.

** 2% equity stake in Rising Technology Corporation Ltd and 2% beneficial interest in Beijing Rising Information Technology Ltd, a company incorporated in the PRC, under a nominee agreement.

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:

- Quoted prices in active markets for identical assets or liabilities (Level 1);
- 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
- 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 profit or loss based on level 3:

	2010 US\$'000	2009 US\$'000
Opening balance	86,929	31,594
Acquisitions	18,073	5,612
Increase upon the merger with ORP	-	52,237
Proceeds from disposals of investments	(17,164)	(3,991)
Realised gains/(losses) on disposals of investments	4,288	(115)
Realised loss on write-off of an investment	(1,435)	-
Net exchange difference	2,710	3,342
Movement in unrealised gains on investments		
- In profit or loss	34,562	(1,750)
Closing balance	127,963	86,929

Origo Partners Plc

Notes to the financial statements (Continued)

14 Investment in an associate

The following entity meets the definition of an associate and has been accounted for in the consolidated financial statements on an equity basis:

As at 31 December 2010

Name	Country of incorporation	Proportion of voting rights held
Dragon Ports Ltd	British Virgin Islands	44.7% (Owned by Ascend Ventures Ltd)

Amounts relating to the associate for 2010 are as follows:

	2010 US\$'000
Total assets	1,411
Total liabilities	772
Revenues	760
Loss	(38)

As at 31 December 2009

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

Amounts relating to the associate for 2009 are as follows:

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

15 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.

As at 31 December 2010

Borrower	Loan principal US\$'000	Fair value US\$'000
Convertible credit agreements*		
Roshini International Bio-Energy Corporation	239	239
Dragon Ports Ltd	173	173
R.M.Williams Agricultural Holdings Pty Ltd	3,090	2,943
Staur Aqua AS **	3,400	3,703
IRCA Holdings Ltd **	11,645	11,645
Resources Investment Capital Ltd	600	600
Sub-total	19,147	19,303
Borrower	Loan principal US\$'000	Amortised cost US\$'000
Loan agreements*		
IRCA Holdings Ltd	2,158	2,136
View Step Corporation Ltd	25	25
China Silvertone Investment Co Ltd	478	478
WINRICH International Industrial Ltd (China Rice)	13,000	13,000
Sub-total	15,661	15,639
Total	34,808	34,942

Origo Partners Plc

Notes to the financial statements (Continued)

15 Loans (Continued)

- * 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 convertible loan of US\$7.1 million (cost: US\$7.1 million) in IRCA Holdings Ltd, the convertible loan of US\$3.7 million (cost: US\$3.4 million) in Staur Aqua AS, and the convertible loan of US\$132,948 (cost: US\$132,948) in Roshini International Bio-Energy Corporation are held by ORP. Except these three loans, all other loans belong to the Company.

As at 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 convertible loan of US\$7.1 million (cost: US\$7.1 million) in IRCA Holdings Ltd and the convertible loan 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.

Statement of changes in loans:

	2010 US\$'000	2009 US\$'000
Opening balance	18,644	2,596
Addition	17,114	6,356
Increase upon the merger with ORP	-	10,480
Repayment	(335)	-
Write-off	(243)	-
Conversion of loans into investments	-	(867)
Exchange difference	(238)	79
Closing balance	34,942	18,644

Origo Partners Plc

Notes to the financial statements (Continued)

16 Loan interest receivables

	Group		Company	
	2010 US\$'000	2009 US\$'000	2010 US\$'000	2009 US\$'000
R.M.Williams Agricultural Holdings Pty Ltd	1,529	883	1,529	883

2010 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
R.M.Williams Agricultural Holdings Pty Ltd	57	28	73	251	237	883	1,529
Percentage	4%	2%	5%	16%	15%	58%	100%

All items are neither past due nor impaired.

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
R.M.Williams Agricultural Holdings Pty Ltd	883	-	-	-	-	-	883
Percentage	100%	0%	0%	0%	0%	0%	100%

All items are neither past due nor impaired.

Origo Partners Plc

Notes to the financial statements (Continued)

17 Other receivables

Other receivable balance is constituted by a loan to the Employee Benefit Trust ("EBT") which is currently interest-free but for which 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, this loan is expected to be recovered when the shares of the Company 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	
	2010 US\$'000	2009 US\$'000	2010 US\$'000	2009 US\$'000
Trade debtors	669	427	517	317
Other debtors	1,541	537	929	242
Loan interest receivables	2,781	1,681	1,090	798
Amounts due from subsidiaries	-	-	9,405	7,773
Prepayments	308	152	210	136
Total	5,299	2,797	12,151	9,266

2010 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	351	-	-	-	-	318	669
Other debtors	460	28	140	557	172	184	1,541
Loan interest receivables	133	121	119	382	666	1,360	2,781
Other	89	16	95	39	-	69	308
Total	1,033	165	354	978	838	1,931	5,299
Percentage	19%	3%	7%	19%	16%	36%	100%

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	295	(2)	156	-	88	-	537
Loan interest receivables	822	-	79	151	427	202	1,681
Other	-	-	95	-	57	-	152
Total	1,157	40	368	151	737	344	2,797
Percentage	41%	2%	13%	6%	26%	12%	100%

Origo Partners Plc

Notes to the financial statements (Continued)

19 Other financial assets

	Level	2010 US\$'000	2009 US\$'000
Available-for-sale investments*	3	49	49
Total		49	49

* Available-for-sale investments comprise a 0.25% shareholding in WeKa Entertainment 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:

	2010 US\$'000	2009 US\$'000
Opening balance	49	182
Movement in unrealised loss on investments		
- In other comprehensive income	-	(133)
Closing balance	49	49

20 Trade and other payables

	2010 US\$'000	Group 2009 US\$'000	2010 US\$'000	Company 2009 US\$'000
Trade payables	200	67	-	(345)
Other payables	3,764	1,909	23,915	1,684
Total	3,964	1,976	23,915	1,339

21 Provision

	2010 US\$'000	2009 US\$'000
Opening balance	-	-
Charge for the year	1,562	-
Closing balance	1,562	-

The provision relates to the fair value of USR granted to certain directors, executives and key employees under the Company's joint share ownership scheme. Further details about the USR are included in note 25 to the financial statements.

Origo Partners Plc**Notes to the financial statements (Continued)****22 Issued capital**

Authorised	2010		2009	
	Number of shares	£'000	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	220,019,881	35	97,547,877	14
Issued on 14 December 2009*	-	-	122,472,004	20
Issued in March 2010 on exercise of ORP warrants**	190,287	-	-	-
Issued on 17 June 2010 on placing for cash***	82,200,000	12	-	-
Translation difference on change in presentation currency	-	-	-	1
At end of the year	302,410,168	47	220,019,881	35
Warrants				
At beginning of the year****	-	-	25,673,238	-
Expired during the year****	-	-	(25,673,238)	-
At end of the year	-	-	-	-

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

** 190,287 ordinary shares were allotted to ORP warrant holders in March 2010. 67,960 warrants were exercised before 15 January 2010 at the exercise price of 120 pence each. In accordance with the amendment to the Company's Re-Admission Document, approved at the Extraordinary General Meeting held on 11 December 2009, these ordinary shares were acquired by the Company for a consideration of 2.8 shares of the Company for each ORP share.

*** 82,200,000 ordinary shares were issued to both existing and new shareholders of the Company on 17 June 2010 by way of placing at a price of 25 pence per share.

**** 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 were exercised while outstanding and all warrants expired on 21 December 2009.

23 Other reserve

Included within the other reserve is 4,847,099 shares of the Company held by EBT. Further details about the EBT are included in note 17 to the financial statements.

Origo Partners Plc

Notes to the financial statements (Continued)

24 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:

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 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 before tax US\$'000	Effect on NAV US\$'000
2010	+10%	(3,966)	(3,966)
	-10%	4,847	4,847
2009	+10%	(3,160)	(3,160)
	-10%	3,862	3,862

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

Origo Partners Plc

Notes to the financial statements (Continued)

24 Financial instruments - Risk management (Continued)

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

2010	GBP US\$'000	NOK US\$'000	RMB US\$'000	AUD US\$'000	HKD US\$'000	Total US\$'000
Cash and bank balances	2,201	-	103	-	39	2,343
Investment at FVTPL	-	2,455	-	28,548	-	31,003
Loans	3,967	3,703	381	-	-	8,051
Trade and other receivables	2,077	-	794	-	-	2,871
Total Assets	8,245	6,158	1,278	28,548	39	44,268
Trade and other payables	(642)	-	-	-	-	(642)
Total Liabilities	(642)	-	-	-	-	(642)
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)	

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\$34.9 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.

	Group 2010 not past due US\$'000	Group 2010 up to 12 months past due US\$'000	Group 2010 more than 12 months past due US\$'000	Group 2010 Total US\$'000	Group 2009 not past due US\$'000	Group 2009 up to 12 months past due US\$'000	Group 2009 more than 12 months past due US\$'000	Group 2009 Total US\$'000
Loans	32,996	509	1,437	34,942	17,207	1,437	-	18,644

Origo Partners Plc

Notes to the financial statements (Continued)

25 Share option scheme

The Group has a number of share schemes that allow employees to acquire shares in the Company.

The total cost recognised in the statement of comprehensive income is shown below:

	2010 US\$'000	2009 US\$'000
Equity-settled option	(937)	1,043
USR	1,562	-
	625	1,043

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 2010 and 31 December 2009.

	2010 No.	2010 WAEP	2009 No.	2009 WAEP
Outstanding at 1 January	11,451,932	23.45p	10,951,932	53.15p
Granted during the year	-	-	500,000	59.85p
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at 31 December	11,451,932	23.45p	11,451,932	23.45p
Exercisable at 31 December	10,901,930		7,643,595	

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 Company did not enter into any share-based transaction with parties other than employees during the years ended 31 December 2010, 2009, 2008 and 2007, except as described above.

On 16 October 2009, 4,847,099 of USR were granted to certain directors, executives and key employees under the Company's joint share ownership scheme ("JSOS"). 50% of USR will vest 12 months from the date of grant and 50% of USR will vest 24 months from the date of grant. The exercise price of the USR granted is 15.50 pence compounded at 3.5% per annum over the year from the grant date to the exercise date of USR. The fair value of the USRs is estimated at the end of each reporting period using the Black-Scholes option pricing model. The contractual life of each USR granted is 10 years.

The following table lists the inputs to the model used to calculate the fair value of USRs for the year.

Weighted average share price (pence)	41.0
Exercise price (pence)	15.5
Expected life of option (years)	2
Expected volatility (%)	36.76
Expected dividend growth rate (%)	-
Risk-free interest rate (%)	4.5

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 31 December 2010 using source data from Bloomberg.

The carrying amount of the liability relating to the USR as at 31 December 2010 is US\$1,562,161 and the expense recognised as share-based payments during the year is US\$1,562,161.

Origo Partners Plc**Notes to the financial statements (Continued)****26 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 year.

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 2010 and 31 December 2009.

	2010	2009
	US\$'000	US\$'000
Amounts due from/(to) related parties*		
ChinaEquity International Holding Company Ltd**	(2,545)	-
OS Consulting Ltd	-	105
Origo Advisers Ltd***	465	160
GLG Partners LP****	77	77
Chris Andre Rynning *****	301	-
Sales to related parties		
GLG Partners LP****	2,063	2,554
Origo Advisers Ltd	-	621
Performance fee		
Origo Advisers Ltd***	462	-
Purchases from related parties		
Li Yi Fei*****	470	1,001

* 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 Chao Yong is the Executive Chairman of Origo Partners Plc and Chairman of ChinaEquity International Holding Company Ltd. US\$2.5 million of the down payment received for the disposal of 0.4% beneficial interest in Beijing Rising Information Technology Ltd.

*** Origo Advisers Ltd is controlled by entities whose ultimate beneficiaries include two Directors of the Company (Mr. Rynning and Mr. Ponnert).

**** Funds managed by GLG Partners LP controlled 12.5% of the outstanding share capital of the Company as at 31 December 2010. 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.

***** Chris Andre Rynning is a Director of the Company. The amount owed to the Company has been fully received in March and April 2011.

***** 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)

27 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 2010 and 31 December 2009.

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:

	2010	2009
	US\$'000	US\$'000
Trade and other payables	5,234	2,522
Less: Cash and bank balances	(33,411)	(24,994)
Net debt	(28,177)	(22,472)
Equity attributable to equity holders of the parent	196,885	132,236
Capital	196,885	132,236
Capital and net debt	168,708	109,764
Gearing ratio	(17%)	(20%)

28 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 NOK2.5 million (US\$428,650) at the year end (2009: NOK4.8 million (US\$835,000)) 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 certain conditions set out in the Agreement.
- In April 2010, the Company entered into an irrevocable Standby Letter of Credit ("L/C") with Standard Chartered Bank (Hong Kong) Ltd 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 September 2011.

There were no other contracted commitments or contingent assets or liabilities at 31 December 2010 (31 December 2009: none) that have not been disclosed in the consolidated financial statements.

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

29 Events after the reporting period

- In February 2011, the Company announced that it had entered into a joint venture agreement to acquire a 49% stake in Shanghai EV-Tech Ltd ("EV-Tech"), a Chinese company that specialises in the sale and development of battery management systems and vehicle control units for the Electric Vehicle ("EV") market. In connection with the joint venture transaction, the Group entered into a loan agreement providing the initial funding of RMB1.3 million to EV-Tech.
- In March 2011, the Company announced the acquisition of an equity stake of no less than 21% in China Rice Ltd ("China Rice"), for a consideration of US\$13 million. China Rice is one of China's leading privately held rice processing and distribution groups with an annual production capacity of approximately 300,000 tonnes. The Company has also been granted an option to invest an additional US\$10 million in the form of a note convertible into equity prior to a public offering.
- In March 2011, the Company announced a follow-on investment of up to US\$15 million in Unipower Battery Ltd ("Unipower") as part of a US\$22 million convertible note offering. The Company intends to subscribe for around US\$7.5 million of the offering on its own account and assign the balance (US\$7.5 million) to a separate cleantech fund that the Company is in the process of forming.
- In March 2011, the Company entered into an agreement with Kincora Group Ltd to extend up to US\$1.5 million in the form of an unsecured loan, of which US\$500,000 had been disbursed by the time of the publication of this report.
- In March 2011, the Company raised US\$60 million, before commissions and expenses, by way of the placing (the "Placing") of 60 million new redeemable, convertible, zero-dividend preference shares (the "Convertible Preference Shares"). The Convertible Preference Shares were placed with investors at a price of \$1.00 each, have a 5 year period to maturity from the date of issue, and a redemption price at maturity of \$1.28 (representing a gross redemption yield of 5.00%) and will be convertible into ordinary shares of the Company at 60 pence per ordinary share (an approximate 42% premium to the Company's ordinary share price as at the close of business on the week ending 21 January 2011).
- In March and April 2011, the Company completed the acquisition of a 16.2% equity stake, in Celadon Mining Ltd ("Celadon"), a Chinese focused coal exploration and mining company, for a consideration of £13.3 million and then – in a back to back arrangement - disposed 40% of the said interest to third parties at cost.
- In March 2011, ORP disbursed a further NOK2.5 million to Staur Aqua AS under the Subordinated Shareholders' Loan Facility Agreement.
- In March and April 2011, the Company entered into loans with the amount US\$350,000 and US\$67,000 respectively, to Smartron 5 Inc., a Beijing based next generation social game developer and publisher.



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