Origo Partners PLC - OPP Half-year Report
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Origo Partners Plc
("Origo" or the "Company" and together with its subsidiaries the "Group")

Interim Financial Report for the six months ended 30 June 2017

Origo announces its unaudited interim results for the six months ended 30 June 2017 (the "Period").

Highlights:

- Sale of 30 per cent. of holding in Niutech for US$4.2 million at value in line with carrying values
- Sale of entire stake in Rising for US$1.0 million
- New licences awarded to Kincora Copper which is poised to explore two world class copper-gold targets
- Mining licence awarded to Moly World, underlining the high quality nature of the molybdenum/ tungsten asset
- The majority of the portfolio (in terms of fair value) now either publicly listed or subject to indicative merger or disposal terms
- Investment loss of US$10.7 million (30 June 2016 investment gain: US$0.9 million)
- Loss after tax of US$14.6 million (30 June 2016 loss after tax: US$4.1 million) reflecting unrealised losses on investments
- Total assets of US$90.3 million (31 December 2016: US$102.5 million)
- Net asset value of US$31.9 million (31 December 2016: US$46.0 million)
- Total other administrative expenses of US$1.3 million (30 June 2016: US$1.0 million)
- Net asset value per share of US$0.09 as at 30 June 2017 (31 December 2016: US$0.13)
- Closing net cash position of US$0.9 million as at 30 June 2017

Chairman's Statement

A period of stability enabled us to focus on executing the Company's investing policy to divest the entire portfolio by November 2018.

Progress in the Period in this regard was satisfactory, with the disposal or partial disposal of a number of portfolio companies. In addition, developments at, in particular Kincora Copper and MolyWorld, indicates that there is potential for value creation in a number of portfolio companies.

Nevertheless, there can be no certainty, and it indeed seems increasingly more unlikely, that all of Origo's investments will be individually realised within the timetable set out in the investing policy.

As previously announced, the Board is therefore also exploring options in respect of the entire portfolio and further announcements will be made in due course as required.

Investment Consultant's Report

On balance, the market environment is looking slightly more positive, with benefits flowing from both rebounding commodity prices as well as continued support from the Chinese government for the environmental protection sectors.

In line with Origo's investing policy, we announced a number of transactions just after the Period end at valuations in line with our reported carrying values.

In July 2017, we announced the sale of up to a 5.9 per cent. beneficial interest in Jinan Heng Yu Environmental Protection Technology Co., Ltd. ("Heng Yu"), the operating company of Niutech Energy Ltd ("Niutech") for gross cash proceeds of up to RMB28.5 million (approximately US$4.2 million) in two tranches (the "Disposals") to Chinese institutional and other investors. The sale represents approximately 30 per cent. of the Company's total beneficial interest in Heng Yu.

Cash receipts of the Disposals, net of applicable taxes, costs and commissions, are expected to amount to approximately 85 per cent. of gross proceeds and will be applied towards Origo's working capital requirements. Any repatriation of capital from China is subject to restrictions and standard processes. It is currently unclear how long the repatriation process will take in this instance.

The gross cash proceeds of the Disposals imply a valuation of the Company's total pre-disposal beneficial interest in Heng Yu of approximately US$13 million. The audited carrying value of Origo's 18.4 per cent. beneficial interest in Niutech as at 31 December 2016 was US$14.2 million, having increased from an unaudited carrying value as at 30 June 2016 of US$11.5 million (original investment cost of US$6.35 million). Following the Disposals, the Company will continue to hold a 12.4 per cent. indirect beneficial interest in Heng Yu.

Also in July 2017, Origo entered into binding agreements with ChinaEquity International Holding Co., Ltd ("ChinaEquity") for the disposal of the Company's 2.0 per cent. equity stake in Rising Technology Corporation Ltd ("Rising Technology") and Origo's 1.6 per cent. beneficial interest in Beijing Rising Information Technology Ltd ("Rising InfoTech") (collectively the "Rising Interests") to ChinaEquity for a cash consideration of US$1.0 million (the "Disposal"). The deal has subsequently been completed and cash has been received.

In 2011, the Company received gross proceeds of US$2.5 million from a partial sale of the Rising Interests. The Company's residual interests in Rising Technology and Rising InfoTech had an audited aggregated carrying value of US$1.0 million as at 31 December 2016. As a result of the Disposal, the Company has now recouped a total of US$3.5 million, equal to the initial cash cost of the investment. The net proceeds of the Disposal will be applied towards the Company's general working capital requirements.

In addition, positive operational progress was achieved at two of our larger mining investments.

In June 2017 Kincora Copper Limited ("Kincora") was awarded the Shavagtai licence to further consolidate the company's footprint along the world class Southern Gobi copper belt. In August 2017, the company completed a C$4.52 million equity raise from sophisticated investors including a pre-eminent private equity exploration specialist fund who participated as the cornerstone. The proceeds of the equity raise will fund a planned reconnaissance exploration program in the world-class Southern Gobi copper gold porphyry belt where Kincora has built the largest landholding with properties located close to Rio Tinto's Oyu Tolgoi mine and infrastructure.

The fundraising was carried out via a private placement of 13,711,174 units at a price of C$0.33 per unit. Each unit is comprised of one common share (the "Shares") and one-half of a share purchase warrant, with each whole warrant (the "Warrants") entitling the holder to acquire a further Share at C$0.445 for a period of two years. The private placement is subject to final TSX-V approval. Following successful completion of the placement Origo's shareholding in Kincora will be 25 per cent.

In addition, Moly World Ltd ("Moly World") was awarded a 30 year mining licence for its Mandal Project in Mongolia by the Mineral Resources Authority of Mongolia. The Mandal Project holds a large JORC resource of 203Mt in situ material at 0.126 per cent. Molybdenum and 0.026 per cent Tungsten. The resource covers a lateral area of approximately 900m and vertical extent of 500m from surface. Origo holds a 20 per cent. stake in Moly World which owns 100 per cent. of the Mandal Project through its subsidiary Mandal Moly. In addition, a subsidiary of Origo has an off-take agreement covering up to 20 per cent of all production from Mandal Moly while Origo holds an interest of between 5 and 20 per cent. in Moly World.

Following a review of the prospects for achieving a timely sale of Celadon Mining Ltd ("Celadon") following delays in the receipt of relevant regulatory approvals and the changing Chinese regulatory environment with regards to investments in coal and related industries, the carrying value of Origo's 8.9 per cent. holding was reduced by US$10.2 million (51 per cent.).

As a result, Origo recorded a total investment loss of US$10.7 million in the first half of 2017 compared to a gain of $0.9 million in the same period of 2016.

Outlook

We expect that economic and policy conditions will remain broadly neutral for our portfolio in the medium term. We continue to progress a number of potential liquidity events across the portfolio, however market, transaction and execution risks remain. There can be no certainty that the entire portfolio will be disposed of by November 2018. Indeed, it seems unlikely that this target can be achieved and proceeds distributed to shareholders in the targeted time frame. As a result, we are working closely with the Board to develop alternative options for realising value from the portfolio and achieve liquidity for the Company's shareholders by November 2018.

For further information about Origo please visit www.origoplc.com or contact:

Origo Partners plc
Niklas Ponnert
niklas@origoplc.com

Nominated Adviser and Broker
Smith & Williamson Corporate Finance Limited +44 (0)20 7131 4000
Azhic Basirov
Ben Jeynes

Public Relations
Aura Financial +44 (0)20 7321 0000
Andy Mills

Origo Partners Plc
Interim Consolidated Statement of Comprehensive Income
For the six months ended 30 June 2017

	Notes	(Unaudited) Six months ended 30 June 2017 US$'000	(Unaudited) Six months ended 30 June 2016 US$'000
Investment loss:	3		
Realised gains/ (losses) on disposal of investments		395	26
Unrealised gains/ (losses) on investments		(11,341)	497
Income from loans		267	356
		(10,679)	**879**
Fund consulting fee			
Consulting services payable	4	(740)	(966)
Other income		25	18
Performance fee			
- Performance incentive	5	-	(71)
Other administrative expenses	6	(1,306)	(951)
Share-based payments	23	(215)	(29)
Foreign exchange gains/(losses)		8	92
Net loss before finance costs and taxation		**(12,907)**	**(1,028)**
Finance income		-	9
Finance costs	9	(2,352)	(3,086)
Loss before tax		**(15,259)**	**(4,105)**
Income tax	10	704	(44)
Loss after tax		**(14,555)**	**(4,149)**
Other comprehensive income			
Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
Exchange differences on translating foreign operations		(37)	16
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		**(37)**	**16**
Tax on other comprehensive income			-
Other comprehensive income net of tax		**(37)**	**16**
Total comprehensive loss after tax		**(14,592)**	**(4,133)**
Loss after tax			
Attributable to:			
- Owners of the parent		(14,555)	(4,144)
- Non-controlling interests		-	(5)
		(14,555)	**(4,149)**
Total comprehensive loss			
Attributable to:			
- Owners of the parent		(14,592)	(4,128)

- Non-controlling interests		-	(5)
		(14,592)	**(4,133)**
Basic loss per share	11	**(4.15)cents**	**(1.18) cents**
Diluted loss per share	11	**(4.15)cents**	**(1.18) cents**

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

Origo Partners Plc
Interim Consolidated statement of financial position
At 30 June 2017

Assets	Notes	**(Unaudited) 30 June 2017 US$'000**	**(Audited) 31 December 2016 US$'000**
Non-current assets			
Property, plant and equipment		27	33
Intangible assets		-	2
Investments at fair value through profit or loss	13	60,676	72,023
Loans	14	350	350
		61,053	72,408
Current assets			
Loans due within one year	14	24,293	24,290
Trade and other receivables	15	4,060	4,007
Cash and cash equivalents		880	1,786
		29,233	30,083
Total assets		**90,286**	**102,491**
Current liabilities			
Trade and other payables	16	4,247	3,971
Performance incentive payable within one year	16	8	8
Financial guarantee contracts	17	435	435
		4,690	4,414
Non-current liabilities			
Long term borrowing	18	2,500	2,500
Provision	19	296	82
Redeemable/convertible zero dividend preference shares	20	49,623	47,469
Deferred income tax liability	10	1,314	2,017
		53,733	52,068
Net assets		**31,863**	**46,009**
Equity attributable to owners of the parent			
Issued capital	21	56	56
Share premium		150,414	150,414
Share-based payment reserve		5,048	5,048
Accumulated losses		(124,122)	(109,567)
Translation reserve		(1,527)	(1,490)
Other reserve	22	1,056	1,056
		30,925	45,517
Non-controlling interests		938	492
Total equity		**31,863**	**46,009**
Total equity and liabilities		**90,286**	**102,491**

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

Origo Partners Plc
Interim Consolidated statement of changes in equity
For the six months ended 30 June 2017

		Attributable to equity holders of the parent									
	Notes	**Issued capital US$'000**	**Share premium US$'000**	**Share-based payment reserve US$'000**	**Accumulated losses US$'000**	**Translation reserve US$'000**	**Equity component of CZDP US$'000**	**Other reserve US$'000**	**Total US$'000**	**Non-controlling interests US$'000**	**Total Equity US$'000**
At 1 January 2017		56	150,414	5,048	(109,567)	(1,490)	-	1,056	45,517	492	46,009

Loss for the period		-	-	-	(14,555)	-	-	-	(14,555)	-	(14,555)
Other comprehensive income		-	-	-	-	(37)	-	-	(37)	-	(37)
Total comprehensive income/(loss)		-	-	-	(14,555)	(37)	-	-	(14,592)	-	(14,592)
Minority interests		-	-	-	-	-	-	-	-	446	446
At 30 June 2017		56	150,414	5,048	(124,122)	(1,527)	-	1,056	30,925	938	31,863

		Attributable to equity holders of the parent									
		Issued capital	**Share premium**	**Share-based payment reserve**	**Accumulated losses**	**Translation reserve**	**Equity component of CZDP**	**Other reserve**	**Total**	**Non-controlling interests**	**Total Equity**
	Notes	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**
At 1 January 2016		56	150,414	7,573	(135,824)	(1,495)	8,297	1,056	30,077	505	30,582
Loss for the period		-	-	-	(4,144)	-	-	-	(4,144)	(5)	(4,149)
Other comprehensive income		-	-	-	-	16	-	-	16	-	16
Total comprehensive income/(loss)		-	-	-	(4,144)	16	-	-	(4,128)	(5)	(4,133)
Share-based payment expense	23	-	-	53	-	-	-	-	53	-	53
Minority interests		-	-	-	-	-	-	-	-	(3)	(3)
At 30 June 2016		56	150,414	7,626	(139,968)	(1,479)	8,297	1,056	26,002	497	26,499

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.
Accumulated losses	Cumulative net gains and losses recognised in profit or loss.
Translation reserve	Equity created to recognise foreign currency translation differences.
Equity component of CZDP	Difference between the proceeds of the convertible zero dividend preference shares ("CZDP") issued and the fair value of the liability component of CZDP.
Other reserve	Own shares acquired and EBT (as defined in Note 22) shares and capital redemption.

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

Origo Partners Plc
Interim Consolidated statement of cash flows
For the six months ended 30 June 2017

	Notes	**(Unaudited) Six months ended 30 June 2017 US$'000**	**(Unaudited) Six months ended 30 June 2016 US$'000**
Loss before tax		**(15,259)**	**(4,105)**
Adjustments for:			
Depreciation and amortisation	6	7	14
Release of provision for performance incentive	5	-	71
Share-based payments	23	215	29
Provision for bad debts	6	833	-
Realised gains on disposal of investments	3	(395)	(26)
Unrealised losses on investments at FVTPL*	3	11,344	(373)

Unrealised losses on loans	3	(3)	(124)
	3		
Income from loans		(267)	(356)
Foreign exchange (gains)/losses		(8)	(92)
Interest expenses of long term borrowing	9	176	-
Interest expenses of RZDP/CZDP**	9	2,155	3,083
Operating loss before changes in working capital and provisions		**(1,202)**	**(1,879)**
Proceeds from disposals of investments at FVTPL*		14	-
(Increase)/decrease in trade and other receivables		(53)	36
Increase in trade and other payables		321	1,206
Net cash outflow from operations		**(920)**	**(637)**
Investing activities			
Disposal of property, plant and equipment		-	-
Net cash acquired from subsidiary		14	8
Net cash inflow from investing activities		**14**	**8**
Financing activities			
Proceeds from long term borrowing		-	-
Net cash inflow from financing activities		**-**	**-**
Net increase/(decrease) in cash and cash equivalents		**(906)**	**(629)**
Effect of exchange rate changes on cash and cash equivalents		-	(3)
Cash and cash equivalents at beginning of period		1,786	1,272
Cash and cash equivalents at end of period		**880**	**640**

* FVTPL refers to fair value through profit or loss
** RZDP refers to redeemable zero dividend preference shares; CZDP refers to convertible zero dividend preference shares

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

Notes to the Interim Consolidated Financial Statements

1 General information

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

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

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

These interim consolidated financial statements have been approved and authorised for issue by the Company's board of directors on 11 September 2017.

2 Basis of preparation and significant accounting policies

2.1 Basis of preparation

These interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting".

These interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2016, which were prepared in accordance with IFRSs as adopted by the European Union.

2.2 Summary of significant accounting policies

The accounting policies adopted in the preparation of the interim consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2016.

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

3 Investment loss

	(Unaudited) Six months ended 30 June 2017 US$'000	(Unaudited) Six months ended 30 June 2016 US$'000
Realised (losses)/gains on disposal of investments	395	26
- Investments at FVTPL	9	29
- Subsidiary	386	(3)
Unrealised (losses)/gains on investments	(11,341)	497
- Investments at FVTPL	(11,344)	373
- Loans at FVTPL	3	124
Income from loans	267	356
Total	**(10,679)**	**879**

4 Consulting services payable

	(Unaudited) Six months ended 30 June 2017 US$'000	(Unaudited) Six months ended 30 June 2016 US$'000
Consulting services payable	(740)	(966)
Total	**(740)**	**(966)**

5 Performance incentive

	(Unaudited) Six months ended 30 June 2017 US$'000	(Unaudited) Six months ended 30 June 2016 US$'000
Release of provision for performance incentive payable over one year	-	(71)
Total	**-**	**(71)**

A provision at consolidated statement of financial position for future performance incentive for the period ended 30 June 2017 was US$Nil (2016: US$Nil) (Note 19). The performance incentives are accrued and payable to Origo Advisors Ltd. Refer to Note 24 for details on Origo Advisors Ltd. The release of provision was derived from the amendment agreement of Asset Realisation Support Agreement (the "Amendment Agreement") signed between the Group and Origo Advisors Ltd. on 6 September 2016.

The amount of performance incentives has been calculated and accrued in accordance with the basis, (i) from the time the Hurdle (see below *) has been reached, the next US$1,700,000 of Gross Realisation (see below **) shall be applied towards equal payments of performance incentives; and thereafter (ii) 20 per cent. of each subsequent Gross Realisation shall be applied towards an equal further payment of performance incentive.

* Hurdle: Pursuant to the Amendment Agreement, the hurdle revised to US$90,000,000 of distribution in accordance with articles 4.10 to 4.12 of the Company's articles of association ("Articles") being made in the period until the termination of the Amendment Agreement (2015: US$90,000,000 of Gross Realisation).

** Gross Realisation: cumulative gross cash proceeds received by or on behalf of the Group which are derived from the realisation of assets in the portfolio investment companies, after having made full provision for repayment of any third party debt (including any unpaid interest thereon) and any related hedge or other break costs and any prepayment fees and penalties thereon, but before any related transactional costs, fees and expenses and any taxes required to be paid by the relevant selling entity that arise directly as a result of completion of the relevant transaction to dispose of the relevant asset, provided that any amounts of deferred consideration or earn-out shall not be counted towards such realisations until actually received by the relevant selling member of the Group.

6 Other administrative expenses

	(Unaudited) Six months ended 30 June 2017 US$'000	(Unaudited) Six months ended 30 June 2016 US$'000

Employee expenses	(91)	(162)
Professional fees	(289)	(682)
Audit fees		
- Current year	-	(2)
Depreciation expenses	(7)	(14)
Provision for bad debts	(833)	-
Others	(86)	(93)
Total	**(1,306)**	**(951)**

7 Directors' remuneration

	(Unaudited) Six months ended 30 June 2017 US$'000	(Unaudited) Six months ended 30 June 2016 US$'000
Directors' emoluments	153	153
Share-based payment expenses	-	45
	153	198

Directors' remuneration for the six months ended 30 June 2017 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	30 June 2017 Number of options
Mr. Niklas Ponnert	-	-	22	-	4,500,000
Mr. Lionel de Saint-Exupery	-	78	-	78	-
Ms. Shonaid Jemmett Page	-	75	-	75	-
	-	153	-	153	4,500,000

Directors' remuneration for the six months ended 30 June 2016 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	2016 Number of options
Mr. Wang Chao Yong***	-	-	7	7	4,000,000
Mr. Chris A Rynning***	-	-	19	19	3,500,000
Mr. Niklas Ponnert	-	-	19	19	5,300,000
Mr. Christopher Jemmett***	-	-	-	-	100,000
Mr. Lionel de Saint-Exupery	-	78	-	78	-
Mr. Tom Preststulen***	-	-	-	-	-
Ms. Shonaid Jemmett Page	-	75	-	75	-
	-	153	45	198	12,900,000

* Short term employee benefits.

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

*** Mr. Wang Chao Yong, Mr. Chris A Rynning, Mr. Christopher Jemmett and Mr. Tom Preststulen resigned as Directors of the Company in February 2015. The remaining directors of the Company are Shonaid Jemmett-Page (Non-executive Chairman), Lionel de Saint-Exupery (Non-executive Director) and Niklas Ponnert (Director).

8 Operating segment information

Operating segments are components of the entity whose results are regularly reviewed by the entity's chief operating decision-maker to make decisions about resources to be allocated to the segment and to assess its performance. The chief operating decision-maker for the Group is considered to be the Board of Directors. The Group's operating segments have been defined based on the types of investments which was equity investment and debt instrument in 2017 and 2016.

For the six months ended 30 June 2017 (Unaudited)

Unlisted	Listed	**Total**

	Equity	Debt	Total	Equity	Debt	Total	
	US$'000	US $'000	US $'000	US $'000	US $'000	US $'000	US $'000
Investment loss:							
Realised gains on disposal of investments	386	-	386	9	-	9	395
Unrealised (losses)/gains on investments	(10,571)	3	(10,568)	(773)	-	(773)	(11,341)
Income from loans	-	267	267	-	-	-	267
Total	(10,185)	270	(9,915)	(764)	-	(764)	(10,679)
Unallocated corporate expense							(4,580)
Loss before tax							(15,259)
Income tax	444	-	444	-	-	-	704
Loss for the period							(14,555)
Net divestment							
Net proceeds of divestment	14	-	14	14	-	14	28
Statement of financial position							
Investment portfolio	41,264	24,643	65,907	19,412	-	19,412	85,319

The Group's geographical areas based on the location of investment assets, are defined primarily as China, Mongolia, South Africa and Europe, as presented in the following table.

For the six months ended 30 June 2017 (Unaudited)

	Europe	China	Mongolia	South Africa	Total
	US$'000	US $'000	US $'000	US $'000	US $'000
Investment loss:					
Realised gains on disposal of investments	9	386	-	-	395
Unrealised losses on investments	(22)	(10,549)	(770)	-	(11,341)
Income from loans	-	267	-	-	267
Total	(13)	(9,896)	(770)	-	(10,679)
Unallocated corporate expense					(4,580)
Loss before tax					(15,259)
Income tax	-	444	-	-	704
Loss for the period					(14,555)
Net divestment					
Net proceeds of divestment	28	-	-	-	28
Statement of financial position					
Investment portfolio	1,247	73,292	10,649	131	85,319

For the six months ended 30 June 2016

	Unlisted			Listed			**Total**
	Equity	Debt	Total	Equity	Debt	Total	
	US$'000	US $'000	US $'000	US $'000	US $'000	US $'000	US $'000
Investment loss:							
Realised gains on disposal of investments	4	-	4	22	-	22	26
Unrealised gains/(losses) on investments	(540)	(3)	(543)	913	127	1,040	497
Income from loans	-	271	271	-	85	85	356
Total	(536)	268	(268)	935	212	1,147	879
Unallocated corporate expense							(4,984)
Loss before tax							(4,105)
Income tax	(44)	-	-	-	-	-	(44)
Loss for the period							(4,149)
Net divestment/(investment)							
Net proceeds of divestment	-	-	-	-	-	-	-
Investment	-	-	-	-	-	-	-

Statement of financial position							
Investment portfolio	75,585	24,646	100,231	2,374	1,920	4,294	104,525

	Europe **US$'000**	China **US $'000**	Mongolia **US $'000**	South Africa **US $'000**	Total **US $'000**
Investment loss:					
Realised gains/(losses) on disposal of investments	-	(3)	29	-	26
Unrealised gains/(losses) on investments	(75)	534	38	-	497
Income from loans	-	271	85	-	356
Total	(75)	802	152	-	879
Unallocated corporate expense					(4,984)
Loss before tax					(4,105)
Income tax	-	406	-	-	(44)
Loss for the period					(4,149)
Net divestment/(investment)					
Net proceeds of divestment	-	-	-	-	-
Investment	-	-	-	-	-
Statement of financial position					
Investment portfolio	1,025	88,000	15,500	-	104,525

9 Finance costs

	(Unaudited) Six months ended 30 June 2017 US$'000	**(Unaudited) Six months ended 30 June 2016 US$'000**
Finance costs		
Bank charges	(21)	(3)
Interest expenses of long term borrowing	(176)	-
Interest expenses of redeemable/convertible zero dividend preference shares	(2,155)	(3,083)
	(2,352)	**(3,086)**

10 Income tax

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

	(Unaudited) Six months ended 30 June 2017 US$'000	**(Unaudited) Six months ended 30 June 2016 US$'000**
Current tax		
Current year	-	-
Deferred tax		
Deferred income tax*	704	(44)
Total income tax credit in the consolidated statement of comprehensive income	**704**	**(44)**

* The deferred income tax liability US$ 1,314,000 relates to fair value gain of China Rice Ltd., Niutech Energy Ltd. and Unipower Battery Ltd., estimated in accordance with the relevant tax laws and regulations in the People's Republic of China ("PRC") based on a tax rate of 10%.

11 Loss per share ("LPS")

	(Unaudited) Six months ended 30 June 2017 US$'000	**(Unaudited) Six months ended 30 June 2016 US$'000**
Numerator		

Loss for the period attributable to owners of the parent as used in the calculation of basic loss per share	(14,555)	(4,144)
Loss for the period attributable to owners of the parent as used in the calculation of diluted loss per share	(14,555)	(4,144)

Denominator	**(Unaudited) 30 June 2017 Number of Shares**	**(Unaudited) 30 June 2016 Number of Shares**
Weighted average number of ordinary shares for basic LPS	351,035,389	351,035,389
Effect of dilution*:		
Share options	-	-
Convertible zero dividend preference shares	-	-
Weighted average number of ordinary shares adjusted for the effect of dilution	351,035,389	351,035,389
Basic LPS	(4.15) cents	(1.18) cents
Diluted LPS	(4.15) cents	(1.18) cents

12 Investments in subsidiaries

The principal subsidiaries of the Group are as follows:

Name	**Country of incorporation**	**Proportion of ownership interest at 30 June 2017**	**Proportion of ownership interest at 31 December 2016**
Ascend Ventures Ltd	Malaysia	100%	100%
Origo Resource Partners Ltd	Guernsey	100%	100%
PHI International Holding Ltd	Bermuda	100%	100%
PHI International (Bermuda) Holding Ltd*	Bermuda	100%	100%
Ascend (Beijing) Consulting Ltd**	China	100%	100%
China Cleantech Partners, L.P. ("CCP Fund")	Cayman Islands	100%	100%
ISAK International Holding Ltd***	British Virgin Islands	-	71.2%

* Owned by Origo Resource Partners Ltd

** Owned by Ascend Ventures Ltd

*** Struck off

13 Investments at fair value through profit or loss

As at 30 June 2017(Unaudited)

Name*	**Country of incorporation**	**Fair value hierarchy level**	**Proportion of ownership interest**	**Cost US$'000**	**Fair value US$'000**
China Rice Ltd (Note d)	British Virgin Islands	3	32.1%	13,000	16,378
Kincora Copper Ltd (Notes c and d)	Canada	1	30.9%	8,571	4,187
Moly World Ltd (Note d)	British Virgin Islands	3	20.0%	10,000	3,783
Niutech Energy Ltd	British Virgin Islands	3	18.4%	6,350	14,160
Unipower Battery Ltd (Note d)	Cayman Islands	3	16.5%	4,301	6,250
Gobi Coal & Energy Ltd (Note c)	British Virgin Islands	3	10.8%	14,960	2,679
Staur Aqua AS	Norway	3	9.2%	719	562
Celadon Mining Ltd	British Virgin Islands	3	8.9%	13,069	9,843
Rising Technology Corporation Ltd/Beijing Rising Information Technology Ltd (Note b)	British Virgin Islands	3	2%/ 1.6%	5,565	1,000
Six Waves Inc	British Virgin Islands	3	1.1%	240	1,515

Marula Mines Ltd	South Africa	3	0.9%	250	131
Fram Exploration AS	Norway	3	0.6%	1,223	125
Other quoted investments (Note c)		1		682	63
					60,676

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

As at 31 December 2016 (Audited)

Name*	**Country of incorporation**	**Fair value hierarchy level**	**Proportion of ownership interest**	**Cost US$'000**	**Fair value US$'000**
China Rice Ltd (Note d)	British Virgin Islands	3	32.1%	13,000	16,364
Kincora Copper Ltd (Notes c and d)	Canada	1	30.9%	8,571	4,957
Moly World Ltd (Note d)	British Virgin Islands	3	20.0%	10,000	3,783
Niutech Energy Ltd	British Virgin Islands	3	18.4%	6,350	14,160
Unipower Battery Ltd (Note d)	Cayman Islands	3	16.5%	4,301	6,648
Gobi Coal & Energy Ltd (Note c)	British Virgin Islands	3	10.8%	14,960	2,679
Staur Aqua AS	Norway	3	9.2%	719	562
Celadon Mining Ltd	British Virgin Islands	3	8.9%	13,069	20,059
Rising Technology Corporation Ltd/Beijing Rising Information Technology Ltd (Note b)	British Virgin Islands	3	2%/ 1.6%	5,565	1,000
Six Waves Inc	British Virgin Islands	3	1.1%	240	1,464
Marula Mines Ltd	South Africa	3	0.9%	250	131
Fram Exploration AS	Norway	3	0.6%	1,223	145
Other quoted investments (Note c)		1		685	71
					72,023

Notes

a. There are no significant restrictions that will have an impact on ability to transfer these investments.

b. 2% equity stake in Rising Technology Corporation Ltd and 1.6% beneficial interest in Beijing Rising Information Technology Ltd, a company incorporated in the PRC, under a nominee agreement.

c. Investments held partially by China Commodities Absolute Return Ltd, one of the subsidiaries of the Group in 2015. During the year 2016, the investments had been transferred and held by the Company.

d. These investments are associates of the Group measured at fair value through profit or loss.

In accordance with IFRS 13 "Fair Value Measurement", investments recognised at fair value are required to be analysed between those whose fair value is based on:

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

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. There have been no transfers between levels during the period of 2017 and 2016.

The following table provides an analysis of investments carried at fair value by level of fair value hierarchy:

	30 June 2017 (Unaudited)			
	Level 1	**Level 2**	**Level 3**	**Total**
	US$'000	**US$'000**	**US$'000**	**US$'000**
Investments at fair value through profit or loss				

		Level 1	Level 2	Level 3	Total
-	Listed equity investments	4,250	-	15,160	19,410
-	Unlisted equity investments	-	-	41,266	41,266
		4,250	**-**	**56,426**	**60,676**

		2016 (Audited)			
		Level 1	**Level 2**	**Level 3**	**Total**
		US$'000	**US$'000**	**US$'000**	**US$'000**
Investments at fair value through profit or loss					
-	Listed equity investments	5,028	-	-	5,028
-	Unlisted equity investments	-	-	66,995	66,995
		5,028	**-**	**66,995**	**72,023**

Changes in investments at fair value through profit or loss based on Level 3:

	(Unaudited) Six months ended 30 June 2017 US$'000	**(Audited) 2016 US$'000**
Opening balance	66,995	76,125
Proceeds from disposals of investments	-	(353)
Realised losses on disposals of investments	-	(440)
Net exchange difference	1,164	(4,657)
Movement in unrealised losses on investments		
- In profit or loss	(11,733)	(3,680)
Closing balance	**56,426**	**66,995**

The fair value decrease on investments categorised within Level 3 of US$10,569,000 (2015: US$8,337,000) was recorded in the consolidated statement of comprehensive income.

Description of significant unobservable inputs to valuation:

as at 30 June 2017

	Valuation technique	**Significant unobservable inputs**	**Range**
Investments in unquoted equity shares - metal & mining sector*	Discounted cash flow method	Weighted average cost of capital ("WACC")	23%
		Discount for lack of marketability	20% - 30%
Investments in unquoted equity shares - metal & mining sector*	Multiples method	Discount for lack of marketability	20% - 30%
Investments in unquoted equity shares - cleantech sector*	Multiples method	Discount for lack of marketability	30%
Investments in unquoted equity shares - agriculture sector*	Multiples method	Discount for lack of marketability	30%
Investments in unquoted equity shares - TMT sector*	Multiples method	Discount for lack of marketability	30%

as at 31 December 2016

	Valuation technique	**Significant unobservable inputs**	**Range**
Investments in unquoted equity shares - metal & mining sector*	Discounted cash flow method	Weighted average cost of capital ("WACC")	23%
		Discount for lack of marketability	20% - 30%
Investments in unquoted equity shares - metal & mining sector*	Multiples method	Discount for lack of marketability	20% - 30%
Investments in unquoted equity shares - cleantech sector*	Multiples method	Discount for lack of marketability	30%
Investments in unquoted equity shares - agriculture sector*	Multiples method	Discount for lack of marketability	30%
Investments in unquoted equity shares - TMT sector*	Multiples method	Discount for lack of marketability	30%

Risk management activities

Fair value risk

The Group'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 does 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. The Group believes that the carrying amount is a reasonable approximation of fair value for their financial assets and liabilities.

Valuation techniques

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 Group is the current closing price.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. 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 Guidelines. Valuation methodologies mainly include the price of recent investments, multiples, discounted cash flow, 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 reporting period.

14 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 30 June 2017 (Unaudited)

Borrower	Fair value hierarchy level	Loan rates %	Loan principal US$'000	Loans due within one year US$'000	Loans due after one year US$'000	Fair value US$'000
Convertible credit agreements*						
China Rice Ltd	3	4	15,000	15,000	-	15,000
Unipower Battery Ltd	3	6	9,000	9,000	-	9,000
Staur Aqua AS	3	0-15	3,848	145	350	495
Sub-total				**24,145**	**350**	**24,495**
Loan agreements*						
Unipower Battery Ltd		12	164	148	-	148
Sub-total				**148**	**-**	**148**
Total				**24,293**	**350**	**24,643**

* 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.

As at 31 December 2016

Borrower	Fair value hierarchy level	Loan rates %	Loan principal US$'000	Loans due within one year US$'000	Loans due after one year US$'000	Fair value US$'000
Convertible credit agreements*						
China Rice Ltd	3	4	15,000	15,000	-	15,000
Unipower Battery Ltd	3	6	9,000	9,000	-	9,000
Staur Aqua AS	3	0-15	3,848	145	350	495
Sub-total				**24,145**	**350**	**24,495**
Loan agreements*						
Unipower Battery Ltd		12	164	145	-	145
Sub-total				**145**	**-**	**145**
Total				**24,290**	**350**	**24,640**

Statement of changes in loans:

	(Unaudited) Six months ended30 June 2017 US$'000	(Audited) 2016 US$'000
Opening balance	24,640	26,443
Repayment	-	(383)
Converted into ordinary shares	-	(1,532)
Net exchange difference	3	(5)
Movement in realised and unrealised losses on investments		
- In profit or loss	-	117
Closing balance	**24,643**	**24,640**

Changes in convertible credit agreements based on Level 3:

	(Unaudited) Six months ended30 June 2017 US$'000	(Audited) 2016 US$'000
Opening balance	24,495	26,288
Repayment	-	(383)
Converted into ordinary shares	-	(1,532)
Net exchange difference	-	(5)
Movement in realised and unrealised losses on investments		
- In profit or loss	-	127
Closing balance	**24,495**	**24,495**

The fair value decrease on convertible credit agreements categorised within Level 3 of US$Nil (2016: US$212,000), was recorded in the consolidated statement of comprehensive income.

15 Trade and other receivables

	(Unaudited) 30 June 2017 US$'000	(Audited) 31 December 2016 US$'000
Trade debtors	-	5
Other debtors	657	889
Loan interest receivables	3,403	3,113
Prepayments	-	-
Total	**4,060**	**4,007**

16 Trade and other payables

	(Unaudited) 30 June 2017 US$'000	(Audited) 31 December 2016 US$'000
Trade payables	5	5
Other payables	4,242	3,966
Performance incentive payable within one year	8	8
Total	**4,255**	**3,979**

17 Financial guarantee contracts

	(Unaudited) 30 June 2017 US$'000	(Audited) 31 December 2016 US$'000
Financial guarantee contracts*	435	435
Total	**435**	**435**

* In July 2013, the Group entered into a guarantee agreement with IRCA Holdings Ltd and ABSA Bank Limited to guarantee the repayment of loan facilities of up to Rand 6,769,000 extended by ABSA Bank Limited to IRCA Holdings Ltd, which has applied for liquidation, so the Group recognised it as a liability. The payment request related to this provision is expected in the next year.

18 Long term borrowing

	(Unaudited) 30 June 2017 US$'000	(Audited) 31 December 2016 US$'000
Long term borrowing *	2,500	2,500
Total long term borrowing	**2,500**	**2,500**

* On 2 December 2016, the Company entered into an unsecured loan agreement with an independent third party for an unsecured loan US$2,500,000 (the "Facility"). The Facility carries a rate of return (payable at repayment) of the higher of 12% per annum (calculated on a non-compounding basis) and 1.5 times the amount of the Facility. The proceeds of the Facility will be applied in accordance with article 13.1.1 of the Company's Articles.

The Facility is repayable on the earlier of (i) 2 December 2020; and (ii) when the Company has distributed US$6,000,000 to the Company's shareholders in accordance with articles 4.10 to 4.12 of the Company's Articles provided it has sufficient funds to repay the Facility. The Company may at any time prepay the Facility, in whole or in part, without penalty.

As at 30 June 2017, no distribution had been made in accordance with articles 4.10 to 4.12 of the Company's Articles.

19 Provision

	(Unaudited) 30 June 2017 US$'000	(Audited) 31 December 2016 US$'000
Upper share rights/contingent share awards *	296	82
Performance incentive provision**	-	-
Total	**296**	**82**

	(Unaudited) 30 June 2017 US$'000	(Audited) 31 December 2016 US$'000
Opening balance	82	4,262
Movement in upper share rights/contingent share awards *	214	15
Movement in performance incentive provision**	-	(4,195)
Total	**296**	**82**

* The provision relates to the fair value of upper share rights and contingent share awards granted to certain directors, executives and key employees under the Company's joint share ownership scheme. Further details about the upper share rights and contingent share awards are included in Note 23. The provision is expected to be utilised in the next 9 years provided the upper share rights are exercised.

** Refer to Note 5 for total performance incentive expenses. The provision is expected to be utilised when investments are realised and the hurdle is reached.

20 Redeemable / convertible zero dividend preference shares

	Number of shares	Liability Component US$'000	Equity component US$'000	Early redemption option derivative US$'000
Balance at 1 January 2016	**57,000,000**	**69,385**	**8,297**	**-**
Interest expense on convertible zero dividend preference shares	-	4,674	-	-
Interest expense on redeemable zero dividend preference shares		1,099	-	-
Gain recognised upon extinguishment*	-	(62)	-	-
Change in fair value upon extinguishment	-	-	27,627	-

Released upon extinguishment	-	(73,997)	(35,924)	-
Recognition of redeemable preference shares	-	46,370	-	-
Balance at 31 December 2016	**57,000,000**	**47,469**	**-**	**-**
Interest expense on redeemable zero dividend preference shares	-	2,154	-	-
Balance at 30 June 2017	**57,000,000**	**49,623**	**-**	**-**

On 8 March 2011, the Company issued 60 million convertible zero dividend preference shares at a price of US$1.00 per share. Convertible zero dividend preference shares have a maturity period of five years from the issue date and can be converted into 1 ordinary share of the Company at the conversion price of US$0.95 per share at the holder's option at any time between more than 40 dealing days after 8 March 2011 up to 5 dealing days prior to the maturity date and, if it has not been converted, it will be redeemed on maturity at the redemption price of US$1.28 per share (representing a gross redemption yield of 5% per annum at issue).

Convertible zero dividend preference shares contain a redemption feature which allows for early redemption at the option of issuer. The issuer has the option to redeem all or some of convertible zero dividend preference shares subject to the restrictions on redemption described below:

(a) at any time after the second anniversary of 8 March 2011, for a cash sum of US$1.28 per convertible zero dividend preference shares redeemed;

(b) at any time after the second anniversary of 8 March 2011, if in any period of 30 consecutive dealing days the closing middle market price of the ordinary shares of the Company exceeds US$1.235 per ordinary share of the Company on 20 or more of those days, for a cash sum equal to the accreted principal amount in respect of convertible zero dividend preference shares being redeemed;

(c) at any time, if less than 15% of remain outstanding, for a cash sum equal to the accreted principal amount in respect of convertible zero dividend preference shares being redeemed.

The convertible zero dividend preference shares contain three components, a liability component, an equity component and the early redemption option derivative. The effective interest rate of the liability component is 6.5%. The early redemption option derivative is presented as derivative financial assets in the consolidated statement of financial position and is measured at fair value subsequent to initial recognition with changes in fair value recognised in profit and loss.

In March 2013, the Company restructured the terms of its existing convertible zero dividend preference shares, the principal terms of restructure include: i) extension of the maturity date of the convertible zero dividend preference shares by 18 months from 8 March 2016 to 8 September 2017 (the "Extended Period"); ii) amendment of the final capital value ("FCV") of the convertible zero dividend preference shares to US$1.41 each, with the accrued rate of return for the Extended Period equivalent to 10 per cent of the accrued value of the convertible zero dividend preference shares at the start of the Extended Period; iii) a commitment by the Company to repurchase, by means of tender offers to holders, at least 12 million convertible zero dividend preference shares by 8 March 2016, the original maturity date; and iv) the Company to set aside, for the funding of convertible zero dividend preference shares tender offers, 50 per cent of the next US$24 million of net proceeds (post transaction costs and management incentives) from investment realisations by the Company. The new effective interest rate of the liability component is 9.0%. In addition to the restructure, the Company repurchased 3 million convertible zero dividend preference shares from holders at a price of US$1.00 per convertible zero dividend preference shares in 2013.

In September 2016, the Company further restructured the terms of its existing convertible zero dividend preference shares, where the conversion feature has been removed, which revised as redeemable zero dividend preference shares. The principal terms of restructure includes: i) removal of redemption and/or maturity date; ii) reset of the accreted principal amount per preference shares to US$1.0526 each; iii) no rate of return on the outstanding amount will begin to accrete until 1 January 2018 and, iv) in respect of each preference share still in issue on 1 January 2018, its principal amount of US$1.0526 shall be subject to the accretion of a rate of return equal to 4 per cent per annum from (and including) 1 January 2018 to (and including) the date on which such amount is redeemed, with such return accruing on a simple and not compound basis. Due to the revised terms, the convertible zero dividend preference shares were regarded as an extinguishment and redeemable zero dividend preference shares were therefore recognised.

The redeemable zero dividend preference shares are now subject to the distribution in accordance with articles 4.10 to 4.12 of the revised Articles. In summary, the distribution is mandatory to distribute when the Company's available funds,

which is the aggregate amount of the Company's net cash less (i) working capital requirements for the following 12 months and (ii) comply with the solvency test under the Companies Act 2006 ("Solvency Test").

The redeemable zero dividend preference shares only have a liability component and the new effective interest rate of the liability component is 9.18% per annum.

21 Issued capital

	(Unaudited) 30 June 2017		(Audited) 31 December 2016	
Authorised	**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 period/year	**358,746,814**	**56**	**358,746,814**	**56**
New issue of shares	-	-	-	-
Buyback shares	-	-	-	-
At end of the period/year	**358,746,814**	**56**	**358,746,814**	**56**

22 Other reserve

Included within the other reserve mainly comprised 7,711,425 shares of the Company held by Employee Benefit Trust ("EBT") and the amounts of US$ 3,162,677 credited from the capital redemption of CCP fund in 2014.

23 Share-based payments

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

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

	(Unaudited) 30 June 2017 US$'000	**(Audited) 31 December 2016 US$'000**
Equity-settled option	-	(52)
Upper share rights/contingent share awards	(215)	(15)
Total	**(215)**	**(67)**

The following table illustrates the number ("No.") and weighted average exercise prices ("WAEP") of, and movements in, share options during the six months ended 30 June 2017 and 31 December 2016.

	(Unaudited) 30 June 2017		(Audited) 31 December 2016	
	No.	**WAEP**	**No.**	**WAEP**
Outstanding at 1 January	**13,500,000**	**29.22p**	**20,951,932**	**26.87p**
Granted during the period/ year			-	-
Forfeited during the period/ year			-	-
Exercised during the period/ year			-	-
Expired during the period/ year			(7,451,932)	(22.62p)
Outstanding at the end of the period/year	**13,500,000**	**29.22p**	**13,500,000**	**29.22p**
Exercisable at the end of the period/year	**13,500,000**	**29.22p**	**13,500,000**	**29.22p**

The weighted average remaining contractual life for the share options outstanding as at 30 June 2017 was 2.06 years (31 December 2016: 2.56 years).

The range of exercise prices for options outstanding at the end of the period was 20 pence to 59.85 pence (31 December 2016: 20 pence to 59.85 pence).

Outstanding options include 3,500,000, 500,000 and 13,600,000 equity-settled options granted on 13 March 2008, 6 February 2009 and 2 February 2012 respectively to certain directors and employees of the Company. The Company did not enter into any share-based transactions with parties other than employees during the years from 2007 to 2016, except as described above.

The following table illustrates the number ("No.") and weighted average exercise prices ("WAEP") of, and movements in upper share rights and contingent share awards during the six months ended 30 June 2017 and the year ended 31 December 2016.

	(Unaudited) 30 June 2017 No.	WAEP	(Audited) 31 December 2016 No.	WAEP
Outstanding at 1 January	**7,711,425**	**9.48p**	**7,711,425**	**9.48p**
Granted during the period/ year	-	-	-	-
Forfeited during the period/ year	-	-	-	-
Exercised during the period/ year	-	-	-	-
Expired during the period/ year	-	-	-	-
Outstanding at the end of the period/ year	**7,711,425**	**9.48p**	**7,711,425**	**9.48p**
Exercisable at the end of the period/ year	**7,711,425**	**9.48p**	**7,711,425**	**9.48p**

* The weighted average share price at the date of exercise of these options was 5.70 pence.

The weighted average remaining contractual life for the share options outstanding as at the end of the period was 4.01 years (2016: 4.51 years).

The range of exercise prices for options outstanding at the end of the period was zero to 15.5 pence (2016: zero to 15.5 pence).

On 16 October 2009, 4,847,099 of upper share rights were granted to certain directors, executives and key employees under the Company's joint share ownership scheme ("JSOS"). 50% of upper share rights vested 12 months from the date of grant and 50% of upper share rights vested 24 months from the date of grant. The fair value of the upper share rights is estimated at the end of each reporting period using the binomial tree option pricing model. The contractual life of each upper share rights granted is 10 years.

On 20 July 2012, 1,120,000 of contingent share awards were granted to certain directors, executives and key employees under the Company's JSOS, which vested 197 days from the date of grant. The contractual life of each contingent share award granted is 10 years.

On 30 December 2014, 2,423,358 of share awards were granted to certain key employees under the Company's JSOS, which vested immediately at the date of grant. The contractual life of each share offer granted is 10 years.

The following table lists the inputs to the model used to calculate the fair value of upper share rights for the period.

	(Unaudited) 30 June 2017	(Audited) 31 December 2016
Underlying stock price (pence)	1.625	2.125
Exercise price (pence)	15.4	15.4
Expected life of option (years)	2	2
Expected volatility (%)	377.55	373.64
Expected dividend yield (%)	-	-
Risk-free interest rate (%)	0.5	0.50

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 1 January 2014 to 30 June 2017 using source data from Reuters.

The carrying amount of the liability relating to the upper share rights and the contingent share award as at 30 June 2017 is US$296,000 (2016: US$82,000) and the credit expense recognised as share-based payments during the period is US$215,000 (2016: expense of US$15,000).

24 Related party transactions

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

Transactions with key management personnel
The Group's key management personnel are the Executive and Non-executive Directors as identified in the director's report (Note 7).

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 six months ended 30 June 2017 and the year ended 31 December 2016.

	(Unaudited) 30 June 2017 US$'000	(Audited) 31 December 2016 US$'000
Amounts due to related parties*		
Key management personnel:		
Lionel de Saint-Exupery***	(105)	(66)
Shonaid Jemmett Page***	(175)	(138)
Other:		
Origo Advisors Ltd**	(2,739)	(2,422)

	(Unaudited) 30 June 2017 US$'000	(Audited) 31 December 2016 US$'000
Transactions		
Origo Advisors Ltd**		
- Consulting services payable	(740)	(1,769)
- Release of provision for performance incentive	-	4,195

* Other than the amount due to Origo Advisors Ltd that is unsecured, 8% interest bearing and has no fixed terms of repayment, the other amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

** Origo Advisors Ltd is controlled by entities whose ultimate beneficiaries include Niklas Ponnert (Director of the Company) and Chris A Rynning (former Director of the Company). The transactions were mutually agreed by both parties at a fixed sum or charged based on cost incurred. The agreement was signed for four years up to 31 December 2018.

*** Lionel de Saint-Exupery (Non-executive Director of the Company) and Shonaid Jemmett-Page (Non-executive Chairman of the Company) are directors of the Company.

25 Commitments and contingencies

There were no other material contracted commitments or contingent assets or liabilities at 30 June 2017 (31 December 2016: none) that have not been disclosed in the consolidated financial statements.

26 Events after the reporting period

Ÿ In July 2017, Origo announced that the sale of up to a 5.9% beneficial interest in Jinan Heng Yu Environmental Protection Technology Co., Ltd. ("Heng Yu"), the operating company of Niutech Energy Ltd, for gross cash proceeds of up to RMB 28.5 million (approximately US$4.2 million) in two tranches. Heng Yu listed on China's National Equities Exchange and Quotations (NEEQ), generally referred to as China's "New Third Board", in May 2016 and, prior to the Disposals, the Company held an 18.4% indirect beneficial interest in Heng Yu via Origo's 95.3% holding in Niutech. Following the Disposals, the Company will continue to hold a 12.4% indirect beneficial interest in Heng Yu.

Ÿ In July 2017, Origo announced that it has entered into binding agreements with ChinaEquity International Holding Co., Ltd ("ChinaEquity") for the disposal of Origo's 2.0% equity stake in Rising Technology Corporation Ltd and Origo's 1.6% beneficial interest in Beijing Rising Information Technology Ltd to ChinaEquity for a cash consideration of US$1.0 million. The net proceeds of the Disposal will be applied towards Origo's general working capital requirements.

END

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