ORIGO PARTNERS PLC

INTERIM FINANCIAL REPORT

UNAUDITED ACCOUNTS FOR THE SIX MONTHS ENDED 30 JUNE 2018

CONTENTS

Chairman's Statement

Dear Shareholders,

Origo's net asset value as at 30 June 2018 was US$13.6 million as compared with US$14.1 million as at 31 December 2017 and about US$81 million as at 30 June 2017 (with the preference shares counted as equity). The reduction in NAV over the last six months is primarily a reflection of the Company's running costs, which include the settlement of ongoing financial obligations incurred by the previous board as well as a realisation at a small discount to book value. As compared with the Company's NAV as at 30 June 2017, the year over year decline in NAV is primarily a reflection of the substantial write down of assets the current board took at year end 2017 to better reflect likely realisation amounts.

During the first half of 2018, the Origo board has endeavoured to better comprehend the Company's portfolio, sell those assets that are liquid, and cut operating expenses as far as operating expenses for a listed public company can be cut. The Company sold its two listed assets, Kincora Copper and Niutech Energy Ltd., for close to book value. Post the Niutech sale, some of which was completed after period end with proceeds expected later this year, we have no remaining liquid assets and no clear visibility as to future asset sales. We expect however that our cash position plus disciplined expense management will enable us to obtain a fair value for our remaining assets without the necessity of a fire sale.

When this board took office late last year, the Company's solvency was in question due to a minimal cash position as well as substantial debts and future contractual obligations. During the first half of 2018, we built up an acceptable cash position, eliminated all debt on our balance sheet and entered into future arrangements appropriate for a Company with our portfolio. During that same period, we agreed with Origo's Advisor to terminate the advisory agreement and replace it with an arrangement that compensated the Advisor solely based on cash distributed to shareholders.

Our administrator has taken control of all of the Company's bank accounts, which has, for the first time, given this board visibility into all Company expenses. This has enabled our administrator to spot, for example, recent travel expenses billed to the Company by a former promoter who had supposedly departed Origo's Advisor close to four years ago. We are grateful to our administrator for its diligence on the Company's behalf.

We have now put in place systems to ensure that no Company money is paid to anyone without director approval and that all director payments are subject to the approval of another director. We are also reviewing historic expenses to the extent any may be recoverable. We have negotiated fees with all service providers and expect that our largest single provider expense, audit, will be reduced substantially for the year end 2018 audit. Our expense reductions are not fully visible in these financial statements because they still include payments for obligations incurred under the previous board. Future financial statements should however reflect substantial cost reductions.

Origo's Portfolio

Jilin Dechun Grains

Jilin Dechun Grains is a company Origo invested about US$28 million into by way of debt and equity investments in a complicated multi-layer offshore structure with a BVI company, "China Rice Ltd.," at the head of that structure. That structure was controlled by one Li Dechun, a local entrepreneur in China's Jilin Province. The current Origo board learned this past spring that nearly a year earlier China Rice's operating company, Jilin Dechun Grains, had defaulted on a loan obligation to ICBC, the large Chinese state-owned bank. Mr. Li also defaulted on other obligations to ICBC in connection with assets apparently unrelated to China Rice. We have no real understanding as to why Jilin Dechun Grains was permitted to incur this debt, what the debt was used for or why it was defaulted on, except to note that Mr. Li's obligations unrelated to China Rice seem to have been intertwined with Jilin Dechun Grains' assets. We have repeatedly asked the Company's Advisor for documents showing why the investment was structured the way it was and why Jilin Dechun Grains was permitted to incur the debt that appears to have led to its insolvency. We have yet to see a single piece of paper that might answer either question and curiously have been told that no copies of any board minutes of the investee company exist, notwithstanding that a nominee of the Advisor sat on its board for six or seven years.

Subsequent to the default, we learned that ICBC had transferred the defaulted debt to Great Wall, a state-owned asset manager. According to legal advice we have received, China does not have a functional bankruptcy regime so situations like the Jilin Dechun Grains' default are dealt with on an *ad hoc* basis. Besides legal problems stemming from the absence of an insolvency or bankruptcy framework, the Jilin Dechun Grains' default also involves political considerations having to do with the Chinese Government's efforts to rationalize the rice industry and reduce bad debt at state owned banks.

We met with Mr. Li in Beijing in July and listened to his plan to try to recover control of Jilin Dechun Grains by purchasing the defaulted debt from Great Wall. His plan seemed to be to first negotiate a discounted price for the defaulted debt and second to find someone to finance the transaction since he appears insolvent. Reports indicate that Mr. Li is in negotiations with Great Wall as to price and also with third parties to provide financing. We do not have any visibility over whether these negotiations will succeed (in part because we are not directly involved in them and in part because they seem to hinge on political considerations that are difficult for outsiders to get their hands around) and if so create any value for Origo. We have consequently decided to maintain China Rice's nil valuation.

Moly World

There was a positive development in connection with Moly World, which purports to own the right to mine a large molybdenum deposit in Mongolia. I noted in June that an arm of the Mongolian government had contested that right because the mining area included a protected zone. Moly World sued the Mongolian government and a lower court in Mongolia has ruled in Moly World's favour. The Government has, however, appealed that decision. Notwithstanding this positive development, we are maintaining a nil valuation for Moly World because, first, the chances of the Moly World's claim succeeding on appeal are unclear and, second, we lack visibility over Moly World's future prospects in the event that the Government's efforts to overturn the lower court decision were unsuccessful and the mining rights reverted to Moly World.

Celadon Mining Ltd.

There have been reports of positive developments in connection with the controlling shareholder's efforts to monetize Celadon's assets, but we have received these sorts of positive reports before – note for example the representation in Origo's 2015 Annual Report that "[a]fter an active sales process during the second half of the year, Celadon entered into a Letter of Intent for the sale of Chang Tan West in November 2015 with a large Chinese state-owned enterprise." The truth of the matter is that we as minority shareholders in this privately held enterprise have no visibility into any negotiations to sell Celadon's assets and have never seen any letter of intent. On the other hand, the underlying assets appear to have intrinsic value. We consequently maintain the Celadon valuation at US$4.48 million, the same as period end 2017.

Gobi Coal & Energy Ltd.

Gobi Coal is a story similar to Celadon – no control rights on the part of Origo, apparently valuable underlying assets, reported progress but no real visibility as to the timing or amount of any future cash distributions. Origo's 2016 annual report explained that "[w]ith coal prices rebounding strongly in 2016, we have been informed by [Gobi Coal that it is] . . . exploring a capital market event . . . to provide liquidity for its shareholders." To date that "liquidity event" noted in 2016 has not transpired. We consequently maintain the Gobi Coal valuation at US$1 million, the same as period end 2017. We hope to meet the Gobi Coal management later this year, which we hope will provide insight into the likelihood of the "liquidity event" referred to above.

Unipower Battery Ltd.

This past July, the Origo board decided to stop providing any further financial support to Unipower, which likely means that that company will provide no future value for Origo. We consequently maintain Unipower's nil valuation.

Unipower is a curious story. Origo made several investments into in Unipower, the first in 2010 and the last in 2015, for a total of about US$13.5 million. Unipower supposedly owned some sort of proprietary technology and valuable government licenses for the manufacture of batteries for electric powered automobiles. For example, about fifteen months ago, Origo represented that Unipower was a "provider of lithium-ion materials and battery solutions. Producing high quality material and batteries solution[s] for the Electric Vehicle and power storage industries, Unipower is supported by patents, facilities and a technical management team with more than 20 years of experience."

We are further told that at some point in the past Unipower ran into legal and financial difficulties. This board has not been able to attain a real understanding of those difficulties except that when we started looking into Unipower about nine months ago (*i.e.*, about five months following the publication of the 2016 Annual report, quoted above), it did not appear either to be a going concern or to own anything that could be converted into cash.

In addition to the US$13.5 million investment, Origo over a period of years had effectively provided financial support to Unipower by paying the salary of a part time executive officer, who had been brought on by our Advisor but paid by Origo. Our administrator has reviewed Origo's records and it appears that over the years Origo has paid this person US$430,000 for his services. When we last met, the executive officer put forward a vague plan to move Unipower to a distant province where the local government, for reasons that were never clear, would supposedly provide financial support to rescue the company. We retained lawyers in Beijing to look into this company but ultimately concluded that the prospects for any future success on the part of the company were dim and that further funding for the executive officer were a waste of Company money. We told the executive officer in early July that Origo would no longer pay his salary and that if he wished to continue as Origo's representative he should propose a success-based compensation. Negotiations are in progress, but I am not optimistic that this sort of arrangement will be finalized.

* * * * *

The current board was constituted about ten months ago. The road to removing the old board and Nomad was arduous and, in my case, took about a year to overcome the resistance of the status quo. Origo is quite a mess so I can well understand why those inside were reluctant for outsiders to take a look. Basic Company records are missing such as the due diligence and the investment rationale for any of the Company's investments, both those that are identified above and those that have long since been written off.

Now that we have had about ten months as corporate insiders we see that the situation inside the Company is quite unsatisfactory and a lot of what the Company had announced over the last few years does not seem in accord with what this board has observed. Shareholders will recall that in 2014 the Company adopted a realisation strategy with the objective being to realise Origo's entire portfolio and return the net capital to shareholders no later than November 2018. Thereafter the Origo board disseminated information that realisations were underway.

In an RNS announcement of 23 November 2016, the Company announced that "a total of 68 per cent of the portfolio (in terms of fair value as of 30 June 2016) is now either listed or subject to indicative terms of merger or disposal." According to the Company's balance sheet as at 30 June 2016, the Company's investments at "fair value" were about US$78 million and loans due within a year were about US$26 million. Thus, this RNS seems to indicate that as at 30 June 2016, i.e., 27 months ago, about US$71 million was "either listed or subject to indicative terms of merger or disposal." It is not entirely clear what this phrase means, but my take away is that it was meant to indicate that the bulk of the Company's portfolio was well on its way to being realised in the near future.

The Company's 2016 annual report released about seven months later represented that there had been "continued progress in the realisation programme with a majority of the portfolio (in terms of fair value) now either publicly listed or subject to indicative merger or disposal terms." As of the 2016 year-end balance sheet, the Company's equity and debt investments were carried at a "fair value" of about US$96 million, the "majority" of which were supposedly "subject to indicative merger or disposal terms." This US$96 million figure included investments now carried at nil, such as China Rice which was then carried at US$31.36 million, Unipower which was then carried at US$15.79 million, and a Norwegian Company called "Staur Aqua AS ("a world class supplier of desalination technology") that seems to have some connection with one of Origo's promoters, with an investment of US$4.57 million and a carrying value of US$1.06 million.

Since the November 2016 RNS, which seemed to indicate about US$66 million was "either listed or subject to indicative terms of merger or disposal," and today, the Company has had net realisation of a little less than US$14 million. Of this figure, more than a third was then paid to the Advisor as fees and expenses, a third was paid in "professional fees," and the remaining third comprises running costs and the Company's current cash position. Further, as noted above, following the completion of the Niutech sale this board has no visibility as to further future realisations.

* * * *

The Origo board will continue its efforts to recover value from Origo's investments. We will endeavour to better comprehend the Company's investments and operations by trying to locate books and records that are missing but may shed light on investments such as China Rice and Unipower referred to above as well as other investments that were once on the Company's balance sheet but seem now to have vanished – such as a farm in Australia in which the Company invested over US$20 million or the Norwegian desalinization company I have mentioned. We will continue working with our lawyers in various jurisdictions as we try to comprehend how so much money was lost and will take those steps practicable to recover what can be recovered. We will write further in due course.

Very truly yours,

John D. Chapman
Chairman
Origo Partners Plc
28 September 2018

Interim Consolidated Statement of Comprehensive Income
For the six months ended 30 June 2018

	Notes	(Unaudited) Six months ended 30 June 2018 $'000	(Unaudited) Six months ended 30 June 2017 $'000	(Audited) Year ended 31 December 2017 $'000
Investment income/(losses):	5			
Realised gains/(losses) on disposal of investments		(292)	395	423
Unrealised gains/(losses) on investments		(22)	(11,341)	(74,440)
Income from loans		-	267	-
		(314)	**(10,679)**	**(74,017)**
Investment Advisory Fees	19	(154)	(740)	(1,390)
Other income	6	629	25	29
Share-based payments		-	(215)	(21)
Other administrative expenses	7	(1,095)	(1,306)	(4,856)
Foreign exchange gains/(losses)		(10)	8	50
Net loss before Finance Costs and Taxation		**(944)**	**(12,907)**	**(80,205)**
Finance costs	9	332	(2,352)	(3,598)
Profit before tax		**(612)**	**(15,259)**	**(83,803)**
Income tax credit	10	-	704	819
Profit after tax		**(612)**	**(14,555)**	**(82,984)**
Other comprehensive income				
Other comprehensive income to be reclassified to profit or loss in subsequent periods				
Exchange differences on translating foreign operations		(47)	(37)	6
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		(47)	(37)	6
Tax on other comprehensive income		-	-	-
Other comprehensive income net of tax		(47)	(37)	6
Total comprehensive loss after tax		**(659)**	**(14,592)**	**(82,978)**
Total comprehensive loss		**(659)**	**(14,592)**	**(82,978)**
Basic loss per share	11	**(0.04) cents**	**(4.15) cents**	**(11.70 cents)**
Basic loss per redeemable zero dividend preference share	11	**(3.52) cents**	-	**(279.57) cents**

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

Interim Consolidated Statement of Financial Position
As at 30 June 2018

	Notes	(Unaudited) 30 June 2018 $'000	(Audited) 31 December 2017 $'000	(Unaudited) 30 June 2017 $'000
Non-current assets				
Property, plant and equipment	12	13	20	27
Investments at fair value through profit and loss	14	9,357	17,045	60,676
Loan investments	15	350	350	350
		9,720	17,415	61,053
Current assets				
Trade and other receivables		250	881	4,060
Loans investments due within one year	15	384	384	24,293
Cash and cash equivalents		4,312	1,199	880
		4,946	2,464	29,233
Total assets		**14,666**	**19,879**	**90,286**
Current liabilities				
Trade and other payables		322	1,381	4,248
Performance fees payable within one year		-	-	8
Financial guarantee contracts	16	435	435	435
Total current liabilities		757	1,816	4,691
Non-Current Liabilities				
Short/Long term borrowings	17	-	2,500	2,500
Redeemable preference shares		-	-	49,623
Provision		103	103	296
Current tax liabilities	6	-	499	-
Deferred income tax liability	10	247	796	1,314
Total non-current liabilities		350	3,898	53,733
Net assets		**13,559**	**14,165**	**31,862**
Equity attributable to equity holders of the company				
Share capital		56	56	56
Share premium		150,414	150,414	150,414
Share-based payment reserve		5,048	5,048	5,048
Accumulated Losses		(192,272)	(191,613)	(124,123)
Translation reserve		(1,431)	(1,484)	(1,527)
Other reserve	18	51,744	51,744	1,056
		13,559	14,165	30,924
Non-Controlling Interests		-	-	938
Total equity		**13,559**	**14,165**	**31,862**

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

Interim Consolidated statement of changes in equity
For the six months ended 30 June 2018

	Attributable to equity holders of the parent								
	Issued capital $'000	Share premium $'000	Share-based payment reserve $'000	Accumulated Losses $'000	Other reserve $'000	Translation reserve $'000	Total $'000	Non-controlling interests $'000	Total equity $'000
At 1 January 2017	56	150,414	5,048	(109,567)	1,056	(1,490)	45,517	492	46,009
Loss for the period	-	-	-	(82,984)	-	-	(82,984)	-	(82,984)
Other comprehensive income	-	-	-	-	-	6	6	-	6
Total comprehensive income/loss	-	-	-	(82,984)	-	6	(82,978)	-	(82,978)
Capitalisation of Redeemable Preference shares	-	-	-	-	50,688	-	50,688	-	50,688
Disposals of subsidiaries	-	-	-	938	-	-	938	(492)	446
At 31 December 2017	56	150,414	5,048	(191,613)	51,744	(1,484)	14,165	-	14,165
Loss for the period	-	-	-	(659)	-	-	(659)	-	(659)
Other comprehensive income	-	-	-	-	-	53	53	-	53
Total comprehensive income/loss	-	-	-	(659)	-	53	(606)	-	(606)
Minority interests	-	-	-	-	-	-	-	-	-
At 30 June 2018	56	150,414	5,048	(192,272)	51,744	(1,431)	13,559	-	13,559

Reserve	Description and purpose
Share premium	Amounts subscribed for share capital in excess of nominal value.
Share-based payment reserve	Equity created to recognise share-based payment expense.
Accumulated losses	Cumulative net gains and losses recognised in profit or loss.
Translation reserve	Equity created to recognise foreign currency translation differences.
Other reserve	Own shares acquired, EBT (as defined in Note 18) shares and capital redemption and capitalisation of redeemable preference shares

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

Interim Consolidated statement of cash flows
For the six months ended 30 June 2018

	Notes	(Unaudited) 30 June 2018 $'000	(Audited) 31 December 2017 $'000	(Unaudited) 30 June 2017 $'000
Loss before tax		**(659)**	**(83,803)**	**(15,259)**
Adjustments for:				
Depreciation and amortisation	12	7	14	7
Share-based payments		-	21	215
Other income	6	(629)	-	-
Provision for bad debts	7	125	3,386	833
Realised losses/(gains) on disposal of investments	5	292	(423)	(395)
Unrealised losses on investments at FVTPL*	5	22	50,526	11,344
Unrealised (gain)/loss on loans		-	23,914	(3)
Income from loans		-	-	(267)
Foreign exchange (gains)/losses		10	-	(8)
Interest expenses of redeemable preference shares		-	(50)	2,155
Interest expenses of long term borrowing	9	(335)	3,554	176
Operating loss before changes in working capital and provisions		**(1,167)**	**(2,861)**	**(1,202)**
Purchases of investments at FVTPL*	14	(4)	-	-
Proceeds from disposals of investments at FVTPL*		7,927	4,954	14
Decrease/(increase) in trade and other receivables		487	(345)	(53)
(Decrease)/increase in trade and other payables		(1,607)	(2,395)	321
Net cash outflow from operations		**5,636**	**(647)**	**(920)**
Investing activities				
Net cash acquired with subsidiary		-	-	14
Net cash flows outflow from investing activities		**-**	**-**	**14**
Financing activities				
Repayment of short-term borrowings	17	(2,500)	-	-
Net cash flows inflow from financing activities		**(2,500)**	**-**	**-**
Net increase/(decrease) in cash and cash equivalents		**3,136**	**(647)**	**(906)**
Effect of exchange rate changes on cash and cash equivalents		(23)	60	-
Cash and cash equivalents at beginning of period		1199	1,786	1,786
Cash and cash equivalents at end of period		**4,312**	**1,199**	**880**

* FVTPL refers to the fair value through profit and loss

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

Notes to the Interim Consolidated Financial Statements
For the six months ended 30 June 2018

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 27 September 2018.

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 2017, which were prepared in accordance with IFRSs as adopted by the European Union.

The consolidated financial statements of the Group as at and for the year ended 31 December 2017 are available upon request from the Company's registered office at IOMA House, Hope Street, Douglas, Isle of Man or the Company website http://origoplc.com

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 2017.

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

3 Critical accounting estimate and assumptions

The preparation of condensed consolidated interim financial statements in conformity with IFRSs requires management to make judgements, estimates, and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results for which form the basis of making the judgements about carrying values of assets and liabilities that are not readily available from other sources. Actual results may differ from these estimates.

In preparing these condensed consolidated financial statements, the significant judgements made by management in applying the Group's accounting policies were the same as those that applied to the consolidated financial statements for the year ended 31 December 2017.

4 Financial risk management policies

The principal risks and uncertainties are consistent with those disclosed with the preparation of the Group's annual financial statements for the year ended 31 December 2017.

5 Investment loss

	(Unaudited) Six months ended 30 June 2018 $'000	(Unaudited) Six months ended 30 June 2017 $'000
Realised (losses)/gains on disposal of investments	(292)	395
- Investments at FVTPL	(292)	9
- Subsidiary	-	386
Unrealised (losses)/gains on investments	(22)	(11,341)
- Investments at FVTPL	(22)	(11,344)
- Loans at FVTPL	-	3
Income from Loans	-	267
Total	**(314)**	**(10,679)**

6 Other income

	(Unaudited) Six months ended 30 June 2018 $'000	(Unaudited) Six months ended 30 June 2017 $'000
Tax payable reversal*	499	-
Sundry	130	25
Total	**629**	**25**

* This relates to a provision dating back to 2011 which is no longer payable and written back into the income statement within the period ended 30 June 2018.

7 Other Administrative expenses

	(Unaudited) Six months ended 30 June 2018 $'000	(Unaudited) Six months ended 30 June 2017 $'000
Employee expenses	(237)	(91)
Professional fees	(449)	(289)
Depreciation expenses	(7)	(7)
Provision for bad debts	(125)	(833)
Travelling and Entertainment	(89)	-
Rent	(72)	-
Others	(116)	(86)
Total	**(1,095)**	**(1,306)**

Included within other administrative expenses are costs and expenses incurred by Origo Advisors Limited which have been recharged to the Company.

8 Directors remuneration

Directors' remuneration for the six month period ended 30 June 2018 and the number of options held were as follows:

Name	Directors fee US$'000	Share-based payment* US$'000	30 June 2018 Number of options
Mr. Niklas Ponnert**	-	-	4,500,000
Hiroshi Funaki**	38	-	-
Philip Peter Scales**	25	-	-
John Chapman**	45	-	-
	108	-	4,500,000

Directors' remuneration for the six month period ended 30 June 2017 and the number of options held were as follows:

Name	Directors fee US$'000	Share-based payment* US$'000	30 June 2017 Number of options
Mr. Niklas Ponnert**	-	22	4,500,000
Mr. Lionel de Saint-Exupery**	78	-	-
Ms. Shonaid Jemmett Page**	75	-	-
	153	22	4,500,000

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

** Mr. Lionel de Saint-Exupery and Ms. Shonaid Jemmett Page resigned as non-executive directors of the Company in October 2017. Mr. Hiroshi Funaki was appointed as director of the Company in September 2017, and Mr. Philip Peter Scales and Mr. John Chapman were appointed as directors of the Company in October 2017. Mr. Niklas Ponnert resigned as executive director of the Company in April 2018.

9 Finance Costs

	(Unaudited) Six months ended 30 June 2018 $'000	(Unaudited) Six months ended 30 June 2017 $'000
Interest expense on redeemable preference shares	-	(2,155)
Interest expense on long term borrowing	335	(176)
Bank charges	(3)	(21)
Total	**332**	**(2,352)**

In April 2018, the Company repaid the US$2.5 million loan that the Company entered into on 5 December 2016 by repaying the US$2.5 million principal amount of the loan in full satisfaction of the obligation with no interest or penalty payments. Accrued interest of $335,000 has been written back into the income statement in the period ended 30 June 2018.

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 2018 $'000	(Audited) Year ended 31 December 2017 $'000
Current tax		
Current year	-	-
Deferred tax		
Deferred income tax	247	796
Total income tax liability in the consolidated statement of financial position	**247**	**796**

The deferred income tax liability as at June 2018 US$ 247,000 (Dec 2017: US$796,000) relates to the fair value gain of Niutech Environment Technology Corporation ("Niutech") 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

	(Unaudited) 30 June 2018	(Unaudited) 30 June 2017	(Audited) 31 December 2017
	US$'000	**US$'000**	**US$'000**
Loss for the year attributable to ordinary shareholders of the parent as used in the calculation of basic loss per share	(131,747)	(14,555)	(41,071)
Weighted average number of ordinary shares	351,035,389	351,035,389	351,035,389
Basic loss per share of ordinary shares	**(0.04) cents**	**(4.15) cents**	**(11.70) cents**
Loss for the year attributable to redeemable preference shareholders of the parent as used in the calculation of basic loss per share	(526,988)	N/A	(41,913)
Weighted average number of redeemable preference shares	14,991,781	N/A	14,991,781
Basic loss per share of redeemable preference shares	**(3.52) cents**	N/A	**(279.57) cents**

12 Property, Plant and Equipment

	Vehicles $'000
Cost	
At 1 January 2018	85
Additions	-
Disposals	-
At 30 June 2018	85
Accumulated depreciation	
At 1 January 2018	65
Charge for the period	7
At 30 June 2018	72
Net Book Value	
At 1 January 2018	20
At 30 June 2018	13

13 Investments in subsidiaries

Name	Country of incorporation	Proportion of ownership interest at 30 June 2018	Proportion of ownership interest at 30 June 2017
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%

* Owned by Origo Resources Partners Limited

** Owned by Ascend Ventures Limited

*** Struck Off

14 Investments at fair value through profit and loss

As at 30 June 2018 (Unaudited)

Name	Country of incorporation	Proportion of ownership interest	Cost US$'000	Fair value US$'000
China Rice Ltd*	British Virgin Islands	32.1%	13,000	-
Moly World Ltd*	British Virgin Islands	20.0%	10,000	-
Niutech Energy Ltd*	British Virgin Islands	3.67%	6,350	2,654
Unipower Battery Ltd*	Cayman Islands	16.5%	4,301	-
Gobi Coal & Energy Ltd*	British Virgin Islands	10.8%	14,963	1,017
Staur Aqua AS*	Norway	9.2%	719	-
Celadon Mining Ltd*	British Virgin Islands	8.9%	13,069	4,477
Six Waves Inc*	British Virgin Islands	1.1%	240	1,065
Fram Exploration AS*	Norway	0.6%	1,223	133
Other quoted investments**			593	11
				9,357

As at 31 December 2017 (Audited)

Name	Country of incorporation	Proportion of ownership interest	Cost US$'000	Fair value US$'000
China Rice Ltd*	British Virgin Islands	32.1%	13,000	-
Kincora Copper Ltd**	Canada	30.9%	8,571	1,607
Moly World Ltd*	British Virgin Islands	20.0%	10,000	-
Niutech Energy Ltd*	British Virgin Islands	18.4%	6,350	8,555
Unipower Battery Ltd*	Cayman Islands	16.5%	4,301	-
Gobi Coal & Energy Ltd*	British Virgin Islands	10.8%	14,960	1,013
Staur Aqua AS*	Norway	9.2%	719	-
Celadon Mining Ltd*	British Virgin Islands	8.9%	13,069	4,477
Six Waves Inc*	British Virgin Islands	1.1%	240	1,065
Marula Mines Ltd*	South Africa	0.9%	250	162
Fram Exploration AS*	Norway	0.6%	1,223	133
Other quoted investments**			682	33
				17,045

* Measured at a fair value hierarchy level of 3

** Measured at a fair value hierarchy level of 1

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

15 Loan Investments

As at 30 June 2018 (Unaudited) & 31 December 2017 (Audited)

Borrower	Loan rates %	Loan principal US$'000	Loans due within one year US$'000	Loans due after one year US$'000	Fair value US$'000
Staur Aqua AS	0-15	3,848	384	350	734
Total			384	350	734

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

16 Financial guarantee Contracts

	(Unaudited) Six months ended 30 June 2018 $'000	(Audited) Year ended 31 December 2017 $'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 by ASA Bank related to this provision is expected at any time.

17 Short/Long Term Borrowings

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 carried a rate of return (payable at repayment) of the higher of 12% per annum (calculated on a non-compounding basis) and US$1,250,000 (accrued on a day to day basis).

The Facility was 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 was entitled at any time prepay the Facility, in whole or in part, without penalty.

The Company settled the loan in April 2018. The lender agreed to waive interest.

18 Other reserve

	(Unaudited) Six months ended 30 June 2018 $'000	(Audited) Year ended 31 December 2017 $'000
Employee Benefit Trust	(2,106)	(2,106)
Capital Redemption - China Cleantech Partners Fund	3,162	3,162
Redeemable preference shares	50,688	50,688
Total	**51,744**	**51,744**

19 Related party Transactions

Identification of related parties

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

Transactions with key management personnel

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

Service receiving 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 month ended 30 June 2018 and 31 December 2017.

	(Unaudited) Six months ended 30 June 2018 $'000	**(Audited) Year ended 31 December 2017 $'000**
Amounts due to related parties		
Key management personnel:		
Hiroshi Funaki	-	(8)
Philip Peter Scales	-	(9)
John Chapman	(45)	(9)
Other:		
Origo Advisors Ltd	(82)	(760)
Amounts due from related parties		
Origo Advisors Ltd	111	278
Transactions		
Origo Advisors Ltd		
- Investment Advisory Fees	(154)	(1,390)

Ms. Shonaid Jemmett Page and Mr. Lionel de Saint-Exupery resigned as non-executive directors of the Company in October 2017. Mr. Hiroshi Funaki was appointed as director of the Company in September 2017, and Mr. Philip Peter Scales and Mr. John Chapman were appointed as directors of the Company in October 2017.

As at 30 June 2018 the Group was committed to pay Origo Advisors Limited nil (USD $1 million: 31st December 2017) for consulting services. Origo Advisors Limited is controlled by entities whose ultimate beneficiaries include Niklas Ponnert (director of the Company who resigned in April 2018) and Chris A Rynning (former director of the Company). A new Asset Realisation Support Agreement was signed in May 2018 to waive the fixed sum of US$1 million for 2018.

20 Commitments and contingencies

There were no material contracted commitments or contingent assets or liabilities at 30 June 2018 (31 December 2017: none).

21 Subsequent events

There have been no significant subsequent events.