

HALF-YEAR INFORMATION GIVEN TO THE ASX UNDER LISTING RULE 4.2A

ORIENTAL TECHNOLOGIES INVESTMENT LIMITED ABN 13 060 266 248

Reporting period	Previous corresponding period
<i>Half-year ended 30 June 2016</i>	<i>Half-year ended 30 June 2015</i>

The information contained in this report should be read in conjunction with the most recent annual financial report.

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1. RESULTS FOR ANNOUNCEMENT TO THE MARKET

				Current Period A\$000
Revenue from ordinary activities	up/down	95%	to	18
Profit from ordinary activities after income tax attributable to members	up/down	240%	to	394 loss
Net profit for the period attributable to members	up/down	240%	to	394 loss

Dividends per Share	Amount per share	Franked amount per share at ...% tax
Final	Nil cents	Nil cents
Interim	Nil cents	Nil cents
Record date for determining entitlements to dividends	N/A	

Explanations

Refer Directors' Report at paragraph 8 to this report.

2. NET TANGIBLE ASSETS PER ORDINARY SHARE (NTA Backing)

Current Period	Previous corresponding period
0.8 cents	1.8 cents

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3. DETAILS OF CONTROLLED ENTITIES

3.1. Control Gained Over Entities During the Period

Name of entity

Date control acquired, i.e. date from which profit(loss) has been calculated

Profit (loss) from ordinary activities after extraordinary items and income tax of the controlled entity (or group of entities) during the current period *since the date on which control was acquired*

\$	-
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\$	-
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\$	-
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Profit (loss) from ordinary activities after extraordinary items and income tax of the controlled entity (or group of entities) for the *whole of the previous corresponding period*

\$	-
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\$	-
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\$	-
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3.2. Loss of Control of Entities During the Period

Name of entity			
Date of loss of control, i.e. date until which profit(loss) has been calculated			
Loss from ordinary activities after extraordinary items and income tax of the controlled entity (or group of entities) during the current period <i>to the date on which control was lost</i>	\$ -	\$ -	\$ -
Loss from ordinary activities after extraordinary items and income tax of the controlled entity (or group of entities) for the <i>whole of the previous corresponding period</i>	\$ -	\$ -	\$ -
Contribution to consolidated profit (loss) from ordinary activities and extraordinary items from sale of interest leading to loss of control	\$ -	\$ -	\$ -

4. DETAILS OF ASSOCIATES AND JOINT VENTURE ENTITIES

4.1. Equity Accounted Associates and Joint Venture Entities

%Ownership Interest

Contribution to Net Profit

Current Period %	Previous Corresponding Period %	Current Period A\$ '000	Previous Corresponding Period A\$ '000
-	-	-	-

4.2. Aggregate Share of Profits (Losses) of Associates and Joint Venture Entities

Groups' Share of Associates' and Joint Venture Entities':	Current Period A\$ '000	Previous Corresponding Period A\$ '000
Profit(Loss) from ordinary activities before tax	-	-
Income tax on ordinary activities	-	-
Profit(Loss) from ordinary activities after tax	-	-
Extraordinary items net of tax	-	-
Net profit(loss)	-	-
Adjustments	-	-
Share of net profit(loss) of associates and joint venture entities	-	-

5. DIVIDEND AND CAPITAL RETURN

5.1. Dividend per Share

	Amount per share	Franked amount per share at Nil% tax	Amount per share of foreign source dividend
Final			
- current period	- cents	- cents	- cents
- previous corresponding period	- cents	- cents	- cents
Interim			
- current period	- cents	- cents	- cents
- previous corresponding period	- cents	- cents	- cents
Special			
- current period	1.0 cents	- cents	1.0 cents
- previous corresponding period	- cents	- cents	- cents

5.2. Return of Capital per Share

- current period	- cents	- cents	- cents
- previous corresponding period	- cents	- cents	- cents

5.3. Total Dividend and Capital Return

	Current Period A\$ '000	Previous Corresponding Period A\$ '000
Interim - paid/payable on	-	-
Final - paid/payable on	-	-
Special - paid/payable on 12 July 2016	1,264	-
	1,264	-

5.4. Share Dividend Reinvestment Plan

There is not a dividend reinvestment plan.

The last date for receipt of
election notices for
participation in any dividend
reinvestment plans

N/A

6. ACCOUNTING STANDARDS

AASB 134 "Interim Financial Reporting" has been used in compiling the information contained in this Appendix 4D.

7. AUDIT DISPUTES OR QUALIFICATIONS

There is no audit dispute or qualification.

8. DIRECTORS' REPORT

The Directors of Oriental Technologies Investment Limited (**Company**) present their report on the Company for the financial half-year ended 30 June 2016.

8.1. Directors

The names of the Directors of the Company during or since the end of the financial half-year are:

Gerard McMahon	Non-Executive Chairman
Lawrence Luo-lin Xin	Executive Deputy Chairman
Xinsheng Wang	Managing Director
George Su Su	Non-Executive Director

All the Directors named above held office during and since the end of the financial half-year.

8.2. Review of Operations

The Company is pleased to report its results for the half-year ended 30 June 2016.

The loss after tax from operations for the half-year ended 30 June 2016 was \$393,560 (2015 \$281,989 profit), a 240% decrease in profit. Continuing revenue for the period was \$17,857, a 95% decrease over the previous half-year (2015 \$372,756).

8.3. Outlook

With the sale of Apollo, the Company's operations in China ceased with effect from 15 May 2014.

On conclusion of the Camel transaction, the Company will have disposed of its main undertaking.

The Board is considering the future of the Company, including whether to identify new business opportunities, or de-list the Company and distribute any remaining funds to its shareholders.

The Board will update its shareholders accordingly in due course.

8.4. Auditor's Independence Declaration

A copy of the independence declaration by the lead auditor under section 307C is included on page 17 to this half-year financial report.

8.5. Rounding of Amounts to the Nearest Dollar

The Company is not of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 dated 24 March 2016 and as such, amounts in the Half Year Financial Report and Directors' Report have been reported to the nearest dollar, unless otherwise stated.

Signed in accordance with a resolution of the Board of Directors



Gerard McMahon
Chairman
Sydney
30 August 2016

9. INTERIM FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2016

9.1. Statement of Comprehensive Income

For the half-year ended 30 June 2016

	Note	2016 \$	2015 \$
Financial income – interest		17,857	136,904
Other revenue	9.5.7	-	235,852
Revenue		17,857	372,756
Employee benefits expense		(97,809)	(101,504)
Financial expense – interest		-	(101)
Other expenses	9.5.7	(313,608)	(210,346)
(Loss) / Profit from continuing operations		(393,560)	60,805
Income tax benefit / (expense)		-	-
(Loss) / Profit from continuing operations, net of tax		(393,560)	60,805
Profit from discontinued operation	9.5.8	-	221,184
Income tax expense		-	-
Profit from discontinued operation, net of tax		-	221,184
(Loss) / Profit from operations, net of tax		(393,560)	281,989
Other comprehensive income for the financial year, net of income tax		-	-
Total comprehensive income		(393,560)	281,989
		Cents	Cents
Basic and diluted (loss) / profit per share from continuing and discontinued operations			
Continuing		(0.3)	-
Discontinued		-	0.2
		(0.3)	0.2

The accompanying notes form part of these financial statements.

9.2. Statement of Financial Position

As at 30 June 2016

	Note	30 June 2016 \$	31 December 2015 \$
ASSETS			
Current Assets			
Cash and cash equivalents	9.5.9	2,302,646	2,680,405
Other receivables		17,455	35,754
Total current assets		2,320,101	2,716,159
Non-current assets		-	-
Total assets		2,320,101	2,716,159
LIABILITIES			
Current liabilities			
Other payables	9.5.11	1,372,248	111,135
Total current liabilities		1,372,248	111,135
Non-current liabilities		-	-
Total liabilities		1,372,248	111,135
NET ASSETS		947,853	2,605,024
Issued capital		16,551,552	16,551,552
Accumulated Losses		(15,603,699)	(13,946,528)
EQUITY		947,853	2,605,024
		Cents	Cents
Net tangible assets per share		0.8	2.1

The accompanying notes form part of these financial statements.

9.3. Statement of Cash Flows

For the half-year ended 30 June 2016

	Note	2016 \$	2015 \$
Cash flows from operating activities			
Cash receipts from customers		-	-
Cash paid to suppliers and employees		(395,265)	(451,666)
Financial income – interest		17,857	136,904
Financial expense – interest		-	(101)
Net cash outflow from operating activities		(377,408)	(314,863)
Cash flows from investing activities			
Proceeds from sale of investment		-	221,184
Net cash inflow from investing activities		-	221,184
Cash flows from financing activities			
Return of capital to shareholders		-	(12,004,303)
Net cash outflow from financing activities		-	(12,004,303)
Net decrease in cash and cash equivalents		(377,408)	(12,097,982)
Effect of movements in exchange rates on cash held		(351)	235,852
Cash and cash equivalents at the beginning of the period		2,680,405	14,107,343
Net cash at the end of the half-year	9.5.9	2,302,646	2,245,213

The accompanying notes form part of these financial statements.

9.4. Statement of Changes in Equity

For the half-year ended 30 June 2016

	Issued capital \$	Accumulated Losses \$	Other Reserves \$	Total Equity \$
At 1 January 2016	16,551,552	(15,015,110)	423,541	1,959,983
Profit from operations, net of tax	-	281,989	-	281,989
Dividend paid by the Company	-	-	-	-
Balance 30 June 2015	<u>16,551,552</u>	<u>(14,733,121)</u>	<u>423,541</u>	<u>2,241,972</u>
At 1 January 2016	16,551,552	(13,946,528)	-	2,605,024
Loss from operations, net of tax	-	(393,560)	-	(393,560)
Dividend paid by the Company	-	(1,263,611)	-	(1,263,611)
Balance 30 June 2016	<u>16,551,552</u>	<u>(15,603,699)</u>	<u>-</u>	<u>947,853</u>

The accompanying notes form part of these financial statements.

9.5. Notes to and forming part of the Interim Financial Statements

9.5.1. Nature of Operations

Until 15 May 2014, when it discontinued, the principal activities of the Group, comprising the Company and Yangzhou Apollo Battery Company Limited (**Apollo**), were undertaken in the People's Republic of China and included manufacturing, exporting, marketing and selling lead acid batteries.

The Group's exposure to Apollo's returns ceased on 15 May 2014, and the Group de-consolidated Apollo effective 15 May 2014, and accounted for its Apollo investment as an asset held for sale, notwithstanding as at 30 June 2014 the Company owned 55.57% of Apollo's equity.

On or about 23 July 2014, under the terms of the Equity Transfer Agreement, the Company (55.57%) and non-controlling shareholder Indeveno Industries Pty Ltd (**Indeveno**) (44.43%) agreed to transfer 100% of Apollo's equity to Camel Group Co., Ltd. (**Camel**).

9.5.2. Statement of Significant Accounting Policies

Basis of Preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and interpretations issued by the Australian Accounting Standards Board (**AASB**) and the *Corporations Act 2001 (Cth)*. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board (**IASB**)

The Company is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

Except for cash flow information, the financial report has been prepared on an accruals basis and is based on historical costs, including the measurement of land and buildings, except for financial assets and financial liabilities at fair value through profit or loss, which are measured at fair value as explained in the accounting policies.

The financial report of the Company complies with all International Financial Reporting Standards (IFRS) in their entirety.

The accounting policies set out below have been consistently applied to all years presented.

9.5.3. Going Concern

The financial report has been prepared based on a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities will occur in the normal course of business.

Oriental Technologies Investment Limited – Half-Year Report 30 June 2016

Notes to and forming part of the Financial Statements (continued)

9.5.4. Estimates

When preparing the interim financial statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

The judgements, estimates and assumptions applied in the interim financial statements, including the key sources of estimation uncertainty were the same as those applied in the Company's last annual financial statements for the year ended 31 December 2015.

9.5.5. Liquidity risk

Liquidity risk refers to the risk in which the Company is unable to meet its short-term obligations. Liquidity risk is managed by matching the payment and receipt cycles. The Company's operations are financed mainly through operating cash flows and equity. The financial report is prepared on a going concern basis, which contemplates continuity of normal trading activities and the realisation of assets and settlement of liabilities in the normal course of business.

In the opinion of Directors, present funding facilities will continue to be available as and when required, consistent with existing practice and given the positive underlying net asset position of the controlled entity. The maturity profile of the Company's liabilities at the reporting date based on contractual undiscounted payments is summarised below:

	Less than 3 months \$	3 to 12 months \$	Over 12 months \$	Contractual cash flows \$	Carrying amount \$
30 June 2016					
Trade and other payables	1,372,248	-	-	1,372,248	1,372,248
	1,372,248	-	-	1,372,248	1,372,248
31 December 2015					
Trade and other payables	111,135	-	-	111,135	111,135
	111,135	-	-	111,135	111,135

9.5.6. Significant Events and Transactions

The Company has no significant events or transaction during or since the financial half-year ended 30 June 2016.

Oriental Technologies Investment Limited – Half-Year Report 30 June 2016

Notes to and forming part of the Financial Statements (continued)

9.5.7. Other Revenue and Expenses

	Half Year ended 30 June 2016 \$	Half Year Ended 30 June 2015 \$
Other Revenue		
Foreign currency gain	-	235,852
Other Expenses		
Technical and advisory fees	(97,500)	(97,500)
Foreign currency loss	(125,480)	-
General and administrative costs	(90,628)	(112,846)
	(313,608)	(210,346)

9.5.8. Profit from discontinued operation

Contingent consideration received	-	221,184
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9.5.9. Cash and cash equivalents

	As at 30 June 2016 \$	RMB	As at 31 December 2015 \$	RMB
Cash at bank and in hand - unrestricted				
Australian bank accounts	2,294,217	-	803,952	
Chinese bank accounts	8,429	41,593	1,876,453	8,880,759
	2,302,646	41,593	2,680,405	8,880,759

9.5.10. Contingent Consideration

	As at 30 June 2016 \$	As at 31 December 2015 \$
Contingent consideration - restricted under bank guarantee	-	1,465,760

The Company's management is making every endeavour to obtain Chinese regulatory clearances, including (announced 15 February 2016) taking legal actions in a local Chinese Court.

Notwithstanding the Company's endeavours, due to an uncertain outcome this amount is no longer disclosed as contingent consideration.

Refer to Note 9.5.14 for more details

Oriental Technologies Investment Limited – Half-Year Report 30 June 2016

Notes to and forming part of the Financial Statements (continued)

9.5.11. Other Payables

	As at 30 June 2016	As at 31 December 2015
	\$	\$
Trade payables	108,637	111,135
Dividend payable	1,263,611	-
	<u>1,372,248</u>	<u>111,135</u>

9.5.12. (Loss) / Profit per Share

Reconciliation of profit / (loss) used in calculating profit / (loss) per share

	Half Year ended 30 June 2016	Half Year Ended 30 June 2015
	\$	\$
Basic and diluted (loss) / profit from continuing and discontinued operations		
Continuing	(393,560)	60,805
Discontinued	-	221,184
	<u>(393,560)</u>	<u>281,989</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic and diluted profit / (loss) per share (continuing and discontinued operations)	<u>126,361,087</u>	<u>126,361,087</u>

9.5.13. Equity Securities Issued

There were no equity securities issued during the half-year ended 30 June 2016 (2015 Nil)

	30 June 2016	31 December 2015
Number of Ordinary Shares		
Balance 1 January	126,361,087	126,361,087
Balance 30 June	<u>126,361,087</u>	<u>126,361,087</u>

9.5.14. Events Subsequent to Reporting Date

The Directors are not aware of any matter or circumstance that has arisen since the end of the financial half-year that has significantly affected or may significantly affect the Company's operations, the results of these operations or the Company's state of affairs in future financial years, excepting as at the date of this report (30 August 2016), the Company is advised that remittance of funds to Australia is awaiting certain local Chinese regulatory clearances and the assessment of taxes payable in China.

At 30 June 2016, the Company held in a Chinese bank account restricted cash. These funds are offset by a bank guarantee and unavailable to the Company and Indeveno until receipt of Chinese regulatory clearances. Refer to Note 9.5.10 for more details.

9.5.15. Rounding of Amounts

The Company is not of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 dated 24 March 2016 and as such, amounts in the Half Year Financial Report and Directors' Report have been reported to the nearest dollar, unless otherwise stated.

10. DECLARATION BY DIRECTORS

In the opinion of the directors of Oriental Technologies Investment Limited:

1. The financial statements and notes of Oriental Technologies Investment Limited are in accordance with the *Corporations Act 2001(Cth)*, including:
 - (a) giving a true and fair view of its financial position as at 30 June 2016 and of its performance for the half-year ended on that date; and
 - (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting*; and
2. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Board of Directors

A handwritten signature in black ink, appearing to read 'Gerard McMahon', is written over a horizontal line.

Gerard McMahon
Chairman
Sydney
30 August 2016

RSM Australia Partners

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Oriental Technologies Investment Limited for the half year ended 30 June 2016, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

A handwritten signature in blue ink, appearing to read "RSM".

RSM AUSTRALIA PARTNERS

A handwritten signature in blue ink, appearing to read "W E Beauman".

W E Beauman
Partner

Sydney NSW

Dated: 30 August 2016

INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
ORIENTAL TECHNOLOGIES INVESTMENT LIMITED

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Oriental Technologies Investment Limited which comprises the statement of financial position as at reporting date, 30 June 2016, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors those charged with governance determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company's financial position as at 30 June 2016 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Oriental Technologies Investment Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the half year financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations act 2001*, which has been given to the directors of Oriental Technologies Investment Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Oriental Technologies Investment Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the company's financial position as at 30 June 2016 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.



RSM AUSTRALIA PARTNERS



W E Beauman
Partner

Sydney NSW

Dated: 30 August 2016