



# Oriental Technologies Investment Limited

## 澳大利亚东方科技投资有限公司

### NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Shareholders of Oriental Technologies Investment Limited ABN 13 060 266 248 (**Company**) will be held at The Union, University & Schools Club, Pioneers Room 1, Level 3, 25 Bent Street, Sydney NSW 2000, commencing 11am Sydney time on Thursday 22 May 2014.

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Refer to the Explanatory Notes for further information on the proposed resolutions.

Wednesday, 16 April 2014

By order of the Board of Oriental Technologies Investment Limited

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Ian Morgan

Company Secretary

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## GENERAL BUSINESS

### 1. ACCOUNTS AND REPORTS

To receive and consider the financial statements and reports of the Company for the year ended 31<sup>st</sup> December 2013.

*Note: There is no requirement for Shareholders to approve these reports.*

The statutory annual report is available for Shareholders to access and download from [www.orientech.com.au](http://www.orientech.com.au). If you would like to receive a hard copy of the statutory annual report free of charge you can contact Oriental Technologies Investment Limited by telephoning 61 2 9238 3988.

### 2. ADOPTION OF THE REMUNERATION REPORT

#### Resolution 1:

To consider and if thought fit to pass, with or without amendment, the following resolution as a non-binding resolution:

“That the Company adopt the Remuneration Report for the financial year ended 31<sup>st</sup> December 2013.”

Notes:

- This Resolution is advisory only and does not bind the Company or the directors.
- The directors will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the meeting when reviewing the Company's remuneration policies.
- The Chairman of the Meeting intends to vote all available proxies in favour of adopting the Remuneration Report.
- If 25% or more votes that are cast are voted against the adoption of the Remuneration Report at two consecutive AGMs, Shareholders will be required to vote at the second of those AGMs on a resolution (a “spill resolution”) that another meeting be held within 90 calendar days at which all of the Company's directors must go up for re-election.

### 3. ELECTION OF DIRECTOR

#### Resolution 2:

To consider and if thought fit to pass, with or without amendment, the following resolution as an ordinary resolution:

“That George Su Su, a director retiring from office and eligible to be re-elected, be and is hereby elected as a director of the Company.”

Notes:

- Mr Su has consented to be re-elected as a director of the Company.
- The non-candidate directors unanimously support the re-election of Mr Su.
- The Chairman of the meeting intends to vote undirected proxies in favour of Mr Su's re-election.

## **SPECIAL BUSINESS**

### **4. APPROVAL OF DISPOSAL OF MAIN UNDERTAKING**

#### **Resolution 3:**

To consider and if thought fit to pass, with or without amendment, the following resolution as an ordinary resolution:

"That, for the purposes of ASX Listing Rule 11.2, and for all other purposes, approval is given for the disposal of all the Company's shares in Yangzhou Apollo Battery Co. Ltd, being the Company's main undertaking, to Camel Group Co. Ltd, in accordance with the terms of the Equity Transfer Agreement, a summary of which is contained in the Explanatory Notes."

### **5. VOTING RIGHTS AND PROXIES**

- A Shareholder entitled to attend and vote at the meeting has a right to appoint a proxy.
- This appointment may specify the proportion or number of votes that the proxy may exercise.
- The proxy need not be a Shareholder.
- A Shareholder may appoint not more than two proxies to attend and act for the Shareholder at a meeting of Shareholders. An appointment of proxy must be made by written notice to the Company:
  1. that complies with the Corporations Act 2001 and the ASX Listing Rules; and
  2. is in a form and mode, and is signed or acknowledged by the Shareholder in a manner, that is satisfactory to the Company's board.
- A Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes that each proxy is appointed to exercise. If the Shareholder appoints two proxies and the appointment does not specify the proportion or number of the Shareholder's votes that each proxy may exercise, each proxy may exercise half of the votes

The Chairman of the Meeting will vote all available proxies in favour of all proposed resolutions

### **6. VOTING EXCLUSIONS**

#### **Resolution 1**

The Company will disregard any votes cast on Resolution 1 (remuneration report):

- by or on behalf of a member of the Key Management Personnel whose remuneration is disclosed in the Remuneration Report and any Closely Related Party of such a member; or
- as a proxy by a member of the Key Management Personnel or a Closely Related Party of such a member

unless the vote is cast as a proxy for a person who is entitled to vote on Resolution 1:

- in accordance with their directions of how to vote on the Proxy Form; or

- by the Chairman of the Meeting pursuant to an express authorization on the Proxy Form.

### **Resolution 3**

The Company will disregard any votes cast on Resolution 3 by a person who might obtain a benefit, except a benefit solely in the capacity as a holder of ordinary security, if the resolution is passed.

However, the Company will not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

## **7. LODGING YOUR PROXY**

Proxies must be sent by:

- Hand delivery to the Company's registered office at Level 12, 32 Martin Place Sydney NSW 2000;
- Post to Level 12, 32 Martin Place Sydney NSW 2000; or
- Facsimile to Oriental Technologies Investment Limited on facsimile number +61 2 9231 3911,

so that it is received not later than 11am Sydney time, Tuesday 20 May 2014.

## **8. DATE FOR DETERMIING HOLDERS OF SHARES**

For the purposes of regulation 7.11.37 of the Corporations Act and ASX Settlement Operating Rule 5.6.1, the Directors have set End of Day on Tuesday 20 May 2014 as the time and date to determine holders of the Company's ordinary fully paid shares for the purposes of the Annual General Meeting.

Share transfers registered after that deadline will be disregarded in determining entitlements to attend and vote at the Annual General Meeting.

## EXPLANATORY NOTES

### 1. FINANCIAL REPORTS

The Financial Statements, Directors' Report and Auditor's Report for the Company for the year ended 31<sup>st</sup> December 2013 will be laid before the meeting. There is no requirement for Shareholders to approve these reports. However, the Chairman of the meeting will allow a reasonable opportunity for Shareholders to ask questions about, or make comments on, the management of the Company.

Shareholders will be given a reasonable opportunity to ask the auditor questions about the conduct of the audit and the content of the Auditor's Report.

### 2. REMUNERATION REPORT

The Remuneration Report of the Company for the financial year ended 31<sup>st</sup> December 2013 is set out in the Company's 2013 Annual Report which is available on the Company's website [www.orientech.com.au](http://www.orientech.com.au)

The Remuneration Report sets out the Company's remuneration arrangements for directors. The Chairman of the meeting will allow a reasonable opportunity for Shareholders to ask questions about, or make comments on, the Remuneration Report at the meeting. In addition, Shareholders will be asked to vote on the Remuneration Report.

The resolution is advisory only and does not bind the Company or its directors. The Board will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the meeting when reviewing the Company's remuneration policies. Under the Corporations Act 2001, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive AGMs, Shareholders will be required to vote at the second of those AGMs on a resolution (a "spill resolution") that another meeting be held within 90 calendar days at which all of the Company's directors must go up for re-election.

The Company encourages all Shareholders to cast their votes on Resolution 1 (Remuneration Report). Shareholders not attending the meeting may use the enclosed Proxy Form to lodge their vote by appointing a Proxy. Any undirected proxies held by the Chairman of the Meeting, other directors or other Key Management Personnel or any of their Closely Related Parties will not be voted on Resolution 1 (Remuneration Report), unless the vote is cast by the Chairman of the Meeting pursuant to an express authorization on the Proxy Form made by a Shareholder who is entitled to vote on Resolution 1.

Key Management Personnel of the Consolidated Entity are the directors of the Company, and those other persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The Remuneration Report identifies the Company's Key Management Personnel for the financial year to 31<sup>st</sup> December 2013. Their Closely Related Parties are defined in the Corporations Act 2001, and include certain of their family members, dependants and companies they control. If you choose to appoint a proxy, you are encouraged to direct your proxy how to vote on Resolution 1 (Remuneration Report) by marking either "For", "Against" or "Abstain" on the Voting Form for that item of business.

### 3. ELECTION OF A DIRECTOR RETIRING BY ROTATION

Under ASX Listing Rule 14.4, a director must not hold office without re-election past the third annual general meeting following the director's appointment or three years, whichever is longer. A director who retires in accordance with these requirements is eligible for re-election.

Rule 3.6 of the Company's constitution requires at each annual general meeting:

- (a) one third (or if that is not a whole number, the whole number nearest to one third) of the Directors who are not:
  - (i) appointed, and required to retire, under rule 3.3 (Director appointed by the Board to fill a casual vacancy since the Company's last annual general meeting);
  - (ii) the Managing Director (or if there is more than one, the one (if any) nominated under rule 7.3(a) (Board may nominate one of them as the Managing Director to be exempted from retirement by rotation under rule 3.6 and may revoke the nomination at any time); or
  - (iii) Directors only because they are Alternates; and
- (b) subject to rule 7.2 (Managing Director is not required to retire and is not taken into account in determining the number of Directors to retire), any Director who would, if that Director remained in office until the next annual general meeting, have held that office for more than three years since last being elected or appointed,

must retire from office and are eligible for re-election.

Rule 3.7 of the Company's constitution requires subject to rule 3.4 (Director appointed to replace one removed from office by a simple majority of Shareholders must retire when the Director replaced would have been required to retire if not removed and is eligible for re-election) that the Directors to retire under rule 3.6 are those who have held office the longest since last being elected or appointed.

Accordingly, Mr Su is due to retire at the end of the meeting and offers himself for re-election to the Board.

#### **George Su Su**

Non-Executive Director

Member of Audit Committee

Mr Su was in charge of CITIC Securities Australian operation between 2009 and 2013 and continues to work with CITIC Securities in China as its Australian partner after CITIC Securities discontinued its plan to establish a local subsidiary having acquired CLSA in 2013. The main focus of Mr Su's cooperation with CITIC Securities remains corporate advisory business in cross border transactions between Australia and China.

He also serves on the board of Macquarie Bank's China property fund.

Mr Su became non-executive director of the Company in September 2007 after serving as managing director since 1998. He was instrumental in the strategic transfer of the Company's manufacturing operation to China.

Mr Su held senior positions in a Chinese government controlled investment company before joining the Company. Currently based in Sydney, he has more than 26 years business experience in China and the Asia Pacific region having previously worked in Beijing, Hong Kong, Singapore and Shanghai.

Born and growing up in Beijing, Mr Su was educated in China and USA.

#### 4. APPROVAL OF DISPOSAL OF MAIN UNDERTAKING

##### Background

On 23 July 2013, the Company announced to the market that it had entered into a preliminary agreement with Indeveno Industries Pty Ltd (**Indeveno**), the minority shareholder of Yangzhou Apollo Battery Co Limited (**Apollo**) and Camel Group Co. Ltd (**Camel**) in accordance with which the Company and Indeveno had agreed to assign 100% of the issued capital of Apollo to Camel (**Apollo Equity**).

Camel is a limited liability company established under the laws of the People's Republic of China and is listed on the Shanghai Stock Exchange. Apollo manufactures, exports and sells lead acid batteries.

The Company owns approximately 56% of the entire issued capital of Apollo and Indeveno owns the remaining 44%.

Completion of the preliminary agreement was subject to the completion of due diligence by Camel and the approval of the Company's shareholders.

In accordance with the terms of the preliminary agreement, Camel has completed its due diligence enquiries and the parties have entered into a full form equity transfer agreement (**Equity Transfer Agreement**) that sets out the terms and conditions on which the Company and Indeveno will transfer their interests in Apollo to Camel.

ASX Listing Rule 11.2 provides that where a company proposes to make a significant change in the nature or scale of its activities which involves the disposal of its main undertaking, it must first obtain the approval of its shareholders. Accordingly, the Company seeks shareholder approval for the sale of its equity interest in Apollo which would result in a disposal of the Company's main undertaking (**Disposal**).

In accordance with the terms of the Equity Transfer Agreement, the total consideration for the transfer of the Apollo Equity is RMB 220,000,000 (AUD 37,921,881)<sup>1</sup> in cash, payable in three installments and subject to the satisfaction of certain conditions, details of which are contained in the summary of the Equity Transfer Agreement below. In accordance with its interest in Apollo, the Company is entitled to approximately 56% of the cash consideration, ie RMB 122,254,000 (AUD 21,073,189)<sup>1</sup> (**Company Consideration**).

The Company anticipates that the satisfaction of the conditions under the Equity Transfer Agreement will occur over an extended period of time. Accordingly, the Company anticipates that it will not receive the total Company Consideration for some months.

While the Company intends to distribute the Company Consideration (less the amount of the Company's taxation liabilities from the Disposal, third party costs in relation to the Disposal, and an amount reasonably required to maintain the Company while it pursues other business opportunities) (**Distribution**) to Shareholders, it will only be able to determine the exact amount of the Distribution subsequent to completion

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<sup>1</sup> calculated at the Reserve Bank exchange rate of 5.8014:1 on 9 April 2014.



of the Equity Transfer Agreement. At that time, the Company will convene a meeting of Shareholders to obtain the approvals required in order to conduct the Distribution.

On completion of the transfer of the Apollo Equity to Camel under the Equity Transfer Agreement, the Company will have disposed of its main undertaking. The Board is currently considering the future of the Company, including whether to identify new business opportunities or to de-list the Company and distribute the proceeds to Shareholders. The Board will update Shareholders accordingly in due course.

### Indicative timetable

Subject to the requirements of the ASX Listing Rules and the Corporations Act, the Company anticipates that completion of the Disposal will occur in accordance with the following timetable. Shareholders should note that the prospective dates contained in the timetable below are indicative only and are subject to change without notice.

Event	Date
Signing of Preliminary Acquisition Agreement	occurred on 22 July 2013
Receipt of share of First Installment	occurred on 22 July 2013
ASX Announcement of the Preliminary Acquisition Agreement	occurred on 23 July 2013
Signing of Equity Transfer Agreement	12 April 2014
AGM at which approval of the Disposal is being sought	22 May 2014
Satisfaction of conditions and receipt of Second Installment	within five business days after Indeveno and the Company provide Camel with a bank guarantee in the amount of RMB 140,000,000. Indeveno and the Company must apply for the bank guarantee within five business days after the date of approval of the Equity Transfer Agreement by the respective boards of the parties.
Completion of the Disposal	no later than six months after the Company and Indeveno receive the Second Installment
Satisfaction of conditions and receipt of Third Installment	within five business days after Indeveno and the Company provide Camel with a bank guarantee in an amount to be determined by reference to accounts receivable and warranty claims in respect of Apollo. Indeveno and the Company must apply for the bank guarantee within two business days after the date of completion of the Disposal.

## **Key terms of the Equity Transfer Agreement**

The principal terms of the Equity Transfer Agreement are as follows:

### Effective date

The Equity Transfer Agreement is effective from the date on which it is signed, sealed and approved by the shareholders of each of the parties to the agreement. The board of directors of each of the parties must approve the Equity Transfer Agreement within five calendar days of the date of execution. The shareholders of each of the parties must approve the Equity Transfer Agreement within 45 calendar days of the date of signing the agreement. If the Equity Transfer Agreement is not approved by the shareholders of the Company and Indeveno respectively within 45 calendar days of the date of execution, Camel may terminate the Equity Transfer Agreement without liability and the Company and Indeveno will be required to refund all amounts received with interest charged at the bank loan interest rate for the same period. In addition, the Company and Indeveno must pay a penalty of RMB 10,000,000 to Camel. If Indeveno does not receive the approval of its shareholders for the Equity Transfer Agreement, the Company will not be able to proceed with the Disposal.

### Purchase Price

- In consideration for the Company and Indeveno agreeing to sell the Apollo Equity to Camel, Camel will pay to the Company and Indeveno the purchase price of RMB 220,000,000 or such other amount as adjusted in accordance with the terms of the Equity Transfer Agreement after a supplementary audit has been conducted in respect of Apollo for the period commencing on 1 September 2013 and ending on the Date of Entrustment (**Purchase Price**).
  
- The Purchase Price is payable by Camel to the Company and Indeveno in three installments as follows:
  - RMB 10,000,000 (**First Installment**) within two business days after the date the Preliminary Acquisition Agreement was signed – this payment has been made;
  - RMB 140,000,000 or such other amount as adjusted in accordance with the terms of the Equity Transfer Agreement (**Second Installment**) within five business days after Indeveno and the Company provide Camel with a bank guarantee in the amount of RMB 140,000,000. Indeveno and the Company must apply for the bank guarantee within five business days after the date of approval of the Equity Transfer Agreement by the respective boards of the parties. The bank guarantee will expire on the date the industrial and commercial registration procedures in connection with the acquisition of the Apollo Equity are completed; and
  - RMB 70,000,000 or such other amount as adjusted in accordance with the terms of the Equity Transfer Agreement (**Third Installment**) within five business days after Indeveno and the Company provide Camel with a bank guarantee in an amount to be determined by reference to accounts receivable and warranty claims in respect of Apollo. Indeveno and the Company must apply for the bank guarantee within two business days after the date the industrial and commercial registration procedures in connection with the acquisition of the Apollo Equity are completed.

### Period of entrustment

A day before the Date of Entrustment (as defined below), the Company and Indeveno shall appoint the nominee of Camel to be the executive deputy general manager of Apollo.

Within three calendar days from the date of receipt of the Second Installment, the parties will complete a stocktake of Apollo's assets.

On the day after completion of the stocktake (**Date of Entrustment**), the Company and Indeveno will entrust Camel to manage Apollo until the date the industrial and commercial registration procedures in connection with the acquisition of the Apollo Equity are completed (**Entrustment Period**). Under this entrustment arrangement, Camel will exercise management rights in respect of Apollo, including the right to adjust the organisational structure of Apollo (with the prior written consent of the Company and Indeveno), formulate purchase and sales policies and revise management systems. During the Entrustment Period, Camel will be responsible for all liabilities arising out of the production and management activities of Apollo and profits or losses of Apollo.

### Security deposit

Within two business days after the date the industrial and commercial registration procedures in connection with the acquisition of the Apollo Equity are completed, the Company and Indeveno must apply for a bank guarantee in an amount to be determined by reference to accounts receivable and warranty claims in respect of Apollo. The bank guarantee expires 16 months after the date the industrial and commercial registration procedures in connection with the acquisition of the Apollo Equity are completed.

### Completion

Completion of the acquisition of the Apollo Equity must occur within six months after the date on which the Company and Indeveno receive the Second Installment from Camel, unless any delay is caused by Camel or a relevant regulatory authority in the People's Republic of China.

### Termination

Camel may elect to terminate the Equity Transfer Agreement if at any time until completion of the Equity Transfer Agreement, Apollo suffers an insolvency event, Apollo ceases to carry on business or has had its business licence cancelled or any other circumstance occurs in respect of Apollo which affects its ongoing concern. Camel may not terminate the Equity Transfer Agreement if any of the above events occurs during its management of Apollo during the entrustment period.

### **Effect of the Disposal on the Company**

On completion of the transfer of the Apollo Equity to Camel under the Equity Transfer Agreement, the Company will have disposed of its main undertaking – its battery manufacturing business. The Disposal will have a material impact on the Company's nature and earnings going forward. Without the revenue previously derived from Apollo, the Company's revenue is expected to cease following completion of the Disposal.

The Disposal will not impact on the issued capital of the Company.

### Effect on the financial position of the Company

The impact of the Disposal on the Company's financial position is set out in the unaudited pro forma consolidated Statement of Financial Position as at 31 December 2013:

	Historical \$'000	Apollo book value written off \$'000	Receipt of Purchase Price \$'000	Non-controlling interest \$'000	Pro- forma \$'000
<b>ASSETS</b>					
Cash and cash equivalents	5,346	(4,997)	21,073	-	<b>21,422</b>
Term deposit	500	-	-	-	<b>500</b>
Trade and other receivables	13,173	(13,143)	-	-	<b>30</b>
Inventories	13,813	(13,813)	-	-	-
<b>Total current assets</b>	<b>32,832</b>	<b>(31,953)</b>	<b>21,073</b>	<b>-</b>	<b>21,952</b>
Property, plant and equipment	18,177	(18,177)	-	-	-
Security deposit	93	(93)	-	-	-
<b>Total non-current assets</b>	<b>18,270</b>	<b>(18,270)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total assets</b>	<b>51,102</b>	<b>(50,223)</b>	<b>21,073</b>	<b>-</b>	<b>21,952</b>
<b>LIABILITIES</b>					
Trade and other payables	7,648	(6,632)	-	-	<b>1,016</b>
Short-term borrowings	21,765	(21,765)	-	-	-
<b>Total current liabilities</b>	<b>29,413</b>	<b>(28,397)</b>	<b>-</b>	<b>-</b>	<b>1,016</b>
<b>Total non-current liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>	<b>29,413</b>	<b>(28,397)</b>	<b>-</b>	<b>-</b>	<b>1,016</b>
<b>Net assets</b>	<b>21,689</b>	<b>(21,826)</b>	<b>21,073</b>	<b>-</b>	<b>20,936</b>
<b>EQUITY</b>					
Issued capital	28,556	-	-	-	<b>28,556</b>
Reserves (Accumulated losses) /	2,921	(2,497)	-	-	<b>424</b>
Retained earnings	(19,797)	(10,741)	21,073	1,421	<b>(8,044)</b>
Parent interest	11,680	(13,238)	21,073	1,421	<b>20,936</b>
Non-controlling interest	10,009	(8,588)	-	(1,421)	-
<b>Total equity</b>	<b>21,689</b>	<b>(21,826)</b>	<b>21,073</b>	<b>-</b>	<b>20,936</b>

It is assumed that:

1. A purchase price totalling approximately 56% of RMB 220,000,000 being RMB 122,254,000 (AUD 21,073, 189) is received and not another amount adjusted in accordance with the terms of the Equity Transfer Agreement after a supplementary audit has been conducted in respect of Apollo for the period commencing on 1 September 2013 and ending on the Date of Entrustment; and
2. There is no tax liability, as the Company is not in a position to estimate the tax liability at this time.

## **Tax impact**

If the Disposal is completed, it is expected that the sale of all of the Company's equity interest in Apollo will give rise to a tax liability. The Company is not in a position to estimate the tax liability at this time.

## **Intentions if the Disposal proceeds**

If the Disposal is completed, the Company intends to make a Distribution to Shareholders. Given the requirement for the Company and Indevno to satisfy various conditions prior to completion of the disposal of the Apollo Equity, the Company anticipates that it will not receive the total Company Consideration for some months. The Company is not in a position to determine the exact amount of the Distribution at this time but will only be able to do so subsequent to completion of the Equity Transfer Agreement. At that time, the Company will convene a meeting of Shareholders to obtain the approvals required in order to conduct the Distribution.

On completion of the transfer of the Apollo Equity to Camel under the Equity Transfer Agreement, the Company will have disposed of its main undertaking. Upon completion of the Equity Transfer Agreement, the Board would consider the future of the Company, including whether to identify new business opportunities or to de-list the Company and distribute the proceeds to Shareholders. The Board will update Shareholders accordingly in due course.

## **Intentions if the Disposal does not proceed**

If the Disposal is not approved by Shareholders or the Equity Transfer Agreement does not otherwise complete in accordance with its terms:

- the Directors intend to continue operating Apollo in the ordinary course of business; and
- the Company will not receive any consideration for the Apollo Equity and accordingly will not make the Distribution to Shareholders.

## **Advantages and disadvantages**

### Advantages

The Board is of the view that the proposed Disposal has significant potential advantages, including the following:

- the Disposal and subsequent Distribution provides a capital return to Shareholders;
- the consideration for the Disposal is a cash payment that represents a multiple of approximately three times<sup>2</sup> the Company's current market capitalisation; and
- the Disposal will give the Company the flexibility to review a range of possible new business opportunities.

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<sup>2</sup> 126,361,087 ordinary fully paid shares are on issue and applying the Company's closing share price of 5 cents each on 9 April 2014 provides a market capitalisation of AUD 6,318,054. The Company's share (approximately 56%) of the proceeds of the Disposal totals AUD 21,073,189 (RMB 122,254,000).

### Disadvantages

The Board is of the view that the proposed Disposal has the following disadvantages:

- the Company will not have a business, project or investment identified with any certainty for application of funds remaining in the Company after completion of the Disposal and the Distribution;
- the Company and its Shareholders would no longer have any exposure to the potential upside in the value of Apollo;
- if the Company does identify a new business, project or investment, there is no guarantee that this new business , project or investment will have any less risk or deliver any greater returns than if the Company were to continue to holds its shares in Apollo; and
- the Company's Shares may become illiquid and the value of the Company's Shares may decrease.

### **Director's recommendations**

The Directors unanimously recommend that Shareholders vote in favour of Resolution 3.

Each Director intends to vote in favour of Resolution 3.

In making this recommendation, the Directors considered the advantages and disadvantages of the Disposal, including those factors set out in these Explanatory Notes.

Prior to entering into the Equity Transfer Agreement, the Directors also considered whether there were alternatives which could produce a better outcome for Shareholders. The Directors assessed the Disposal in the context of the value it presents to the Company taking into account that the consideration for the Disposal is a cash payment that represents a multiple of approximately three times the Company's current market capitalisation. The Directors also took into consideration the certainty of the proposal.

After due consideration of the above, the Directors have unanimously concluded that the Disposal represents the best outcome for Shareholders. Accordingly the Directors recommend that Shareholders vote in favour of Resolution 3.

### **Director's interests**

No director will receive a payment or benefit of any kind, as a result of the Disposal, other than in their capacity as a Shareholder. None of the Directors are related parties or associates of Camel. Therefore none of the Directors have any particular interest in this Resolution.

The number of Shares held directly, indirectly or beneficially, by each Director are contained in the table below.

<b>Name of Director</b>	<b>Number of Shares</b>	<b>Number of Options</b>
Gerard McMahon	498,301	Nil

Name of Director	Number of Shares	Number of Options
Lawrence Luo-Lin Xin	44,400,000	Nil
Xinsheng Wang	11,100,000	Nil
George S Su	Nil	Nil

#### Other material information

Other than as set out in this Notice, and information previously disclosed to Shareholders, there is no information known to the Directors which might reasonably be expected to be material to the making of a decision by Shareholders whether or not to vote in favour of Resolution 3.

#### 5. GLOSSARY

- **AGM or Annual General Meeting** means the Company's annual general meeting to be held at The Union, University & Schools Club, Pioneers Room 1, Level 3, 25 Bent Street, Sydney NSW 2000, commencing 11am Sydney time on Thursday 22 May 2014 and notified to Shareholders by this Notice.
- **ASX** means ASX Limited ABN 98 008 624 691
- **ASX Listing Rules** means the listing rules of the ASX and any other rules of the ASX which are applicable while the Company is admitted to the Official List of the ASX, each as amended or replaced from time to time, except to the extent of any express written waiver by the ASX.
- **ASX Settlement** means ASX Settlement Pty Ltd ABN 49 008 504 532.
- **Board or Board of Directors** means the board of Directors of the Company.
- **Closely Related Party** of a member of the Key Management Personnel means:
  - (a) a spouse or child of the member;
  - (b) a child of the member's spouse;
  - (c) a dependent of the member or the member's spouse;
  - (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
  - (e) a company the member controls; or
  - (f) a person prescribed by the Corporations Regulations 2001 (Cth).

- **Company** means Oriental Technologies Investment Limited ABN 13 060 266 248.
- **Consolidated Entity** means the Company together with all the entities it is required by the accounting standards to include in consolidated financial statements.
- **Constitution** means the constitution of the Company, as amended from time to time.
- **Corporations Act 2001** means the Corporations Act 2001 (Commonwealth).
- **Directors' Report** means the Company's directors' report for the year ended 31<sup>st</sup> December 2013, as required by the Corporations Act 2001.
- **End of Day** means on any trading day, 7.00pm Sydney time or such other time as ASX Settlement may from time to time determine.
- **Explanatory Notes** means the notes included in the Notice which convened this meeting.
- **Key Management Personnel** are those persons having authority and responsibility for planning, directing and controlling the activities of the Consolidated Entity, directly or indirectly, including any director (whether executive or otherwise) of the Consolidated Entity.
- **Notice** means this notice of Annual General Meeting.
- **Remuneration Report** means the remuneration report which forms part of the Directors' Report.
- **Shareholder** means a shareholder of the Company.

**6. REGISTERED OFFICE:**

Oriental Technologies Investment Limited ABN 13 060 266 248

Level 12, 32 Martin Place Sydney NSW 2000

Telephone: +61 2 9238 3988

Facsimile: + 61 2 9231 3911

[www.orientech.com.au](http://www.orientech.com.au)





# Oriental Technologies Investment Limited

## 澳大利亚东方科技投资有限公司

### PROXY FORM

I/We, \_\_\_\_\_ (name / address)

being a Shareholder/s of Oriental Technologies Investment Limited ABN 13 060 266 248 (**Company**) hereby appoint

\_\_\_\_\_ (name/ address)

or failing him or her, the Chairman of the Meeting<sup>3</sup> as my/our proxy to vote on my/our behalf at the Annual General Meeting to be held at The Union, University & Schools Club, Pioneers Room 1, Level 3, 25 Bent Street, Sydney NSW 2000, commencing 11am Sydney time on Thursday 22 May 2014 and any adjournment to that meeting.

If the Chairman of the Meeting is appointed as your proxy, or may be appointed by default and you do not wish to direct your proxy how to vote please place a mark in the box. By marking this box, you acknowledge that the Chairman of the Meeting may exercise your proxy even if he has an interest in the outcome of the resolutions. Votes cast by the Chairman of the Meeting for the resolutions other than as proxy holder will be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on the resolutions and your votes will not be counted in calculating the required majority if a poll is called on the resolutions.

I/we authorize the Chairman of the Meeting to vote on Resolution 1 in accordance with his/her intentions as set out in the Notice of Meeting and this form (except where I/we have indicated a different voting intention by marking the voting boxes). I/we acknowledge that the Chairman of the Meeting may exercise my/our proxy in relation to Resolution 1, even though Resolution 1 is connected directly or indirectly with the remuneration of members of Key Management Personnel of the Consolidated Entity.

If you do not mark this box and you do not direct the Chairman of the Meeting how to vote on Resolution 1, the Chairman of the Meeting will NOT cast any vote in respect of Resolution 1 that arise from undirected proxies.

If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in computing the required majority on a poll.

This proxy is to be used in respect of all / \_\_\_\_\_ % (number) of the Ordinary Shares I / we hold.

<sup>3</sup> If you appoint a proxy, the Company encourages you to direct your proxy how to vote on each item of business. The Chairman of the meeting, Directors and other Key Management Personnel of the Company and their closely related parties (see the Notice of Meeting and overleaf) will not cast any votes in respect of Resolution 1 (Remuneration Report) that arise from undirected proxies that they hold. The Chairman of the Meeting intends to vote all available proxies in favour of all Resolutions.



# Oriental Technologies Investment Limited

## 澳大利亚东方科技投资有限公司

I/We, \_\_\_\_\_ (name / address)

instruct my/our proxy to vote as follows (the resolutions are numbered as in the Notice of Annual General Meeting to be held at The Union, University & Schools Club, Pioneers Room 1, Level 3, 25 Bent Street, Sydney NSW 2000, commencing 11am Sydney time on Thursday 22 May 2014 and any adjournment to that meeting):

	For	Against	Abstain
To consider and, if thought fit, to pass, with or without amendment, the following resolutions as ordinary resolutions:			
<b>Resolution 1:</b> To adopt the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Resolution 2:</b> To elect George Su Su as a director of the Company.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Resolution 3:</b> To approve the disposal of the Company's main undertaking	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Dated: \_\_\_\_\_ 2014

### Individuals and joint holders

### Companies (affix common seal if appropriate)

Signature

Director

Signature

Director/Company Secretary

### Instructions for Completing Proxy Form

1. A Shareholder entitled to attend and vote at a Shareholders' meeting is entitled to appoint a proxy to attend and vote on behalf of that Shareholder.
2. You should direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on one item, your vote on that item will be invalid.
3. Any undirected proxies held by the Chairman of the Meeting, other directors or other Key Management Personnel or any of their Closely Related Parties will not be voted on Resolution 1 (Remuneration Report), unless the vote is cast by the Chairman of the Meeting pursuant to an express authorization on the Proxy Form made by a Shareholder who is entitled to vote on Resolution 1.
4. Key Management Personnel of the Consolidated Entity are the directors of the Company, and those other persons having authority and responsibility for planning, directing and controlling the activities of the Consolidated Entity, directly or indirectly. The Remuneration Report identifies the Consolidated Entity's Key Management Personnel for the financial year to 31<sup>st</sup> December 2013. Their Closely Related Parties are defined in the Corporations Act 2001, and include certain of their family members, dependants and companies they control.
5. A duly appointed proxy need not be a Shareholder. This form should be signed by the Shareholder. If a joint holding, either Shareholder may sign. If signed by the Shareholder's attorney, the power of attorney must have been previously noted by the Company or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the Shareholder's constitution and the Corporations Act 2001.
6. Corporate Shareholders should comply with the execution requirements set out on the proxy form or otherwise with the provisions of Section 127 of the Corporations Act 2001. Section 127 of the Corporations Act 2001 provides that a company may execute a document without using its common seal if the document is signed by:
  - directors of the company;
  - a director and a company secretary of the company; or
  - for a proprietary company that has a sole director who is also the sole company secretary – that director.
7. For the Company to rely on the assumptions set out in Section 129(5) and (6) of the Corporations Act 2001, a document must appear to have been executed in accordance with Section 127(1) or (2). This effectively means that the status of the persons signing the document or witnessing the affixing of the seal must be set out and conform to the requirements of Section 127(1) or (2) as applicable. In particular, a person who witnesses the affixing of a common seal and who is the sole director and sole company secretary of the company must state that next to his or her signature.
8. Completion of a proxy form will not prevent individual Shareholders from attending the meeting in person if they wish. Where a Shareholder completes and lodges a valid proxy form and attends the meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the meeting
9. Where a proxy form or form of appointment of corporate representative is lodged and is executed under power of attorney, the power of attorney must be lodged in like manner as this proxy.
10. To vote by proxy, please complete and sign the proxy form enclosed and send the proxy form by:
  - Hand delivery to the Company's registered office at Level 12, 32 Martin Place Sydney NSW 2000;
  - Post to Level 12, 32 Martin Place Sydney NSW 2000; or
  - Facsimile to Oriental Technologies Investment Limited on facsimile number +61 2 9231 3911,so that it is received not later than 11am Sydney time, Tuesday 20 May 2014.

**Proxy forms received later than this time will be invalid.**
11. Chapter 2C of the Corporations Act 2001 requires information about you as a Shareholder (including your name, address and details of the shares you hold) to be included in the public register of the entity in which you hold securities. Information is collected to administer your shareholding and if some or all of the information is not collected then it might not be possible to administer your shareholding. You can access your personal information by contacting the Company at the address or telephone number shown on this form.



# Oriental Technologies Investment Limited

## 澳大利亚东方科技投资有限公司

### APPOINTMENT OF CORPORATE REPRESENTATIVE

Pursuant to Section 250D of the Corporations Act 2001

\_\_\_\_\_  
(ABN/ACN/ARBN \_\_\_\_\_)

*(Insert name of Shareholder/Body Corporate & ACN/ARBN)*

Hereby Authorises

\_\_\_\_\_  
*(Insert name of appointee)*

- (\*) 1. To act as the Company's representative at all General Meetings of Oriental Technologies Investment Limited ABN 13 060 266 248.
- (\*) 2. To act as the Company's Representative at the Annual General Meeting to be held at The Union, University & Schools Club, Pioneers Room 1, Level 3, 25 Bent Street, Sydney NSW 2000, commencing 11am Sydney time on Thursday 22 May 2014 and any adjournment to that meeting.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2014

**Executed** by the corporation in accordance with its Constitution/Section 127 of the Corporations Act 2001 in the presence of:

\_\_\_\_\_  
**(\*) Director**

\_\_\_\_\_  
**(\*) Director/Secretary**

**Affix Common Seal here (optional)**

\_\_\_\_\_  
**(\*) Sole Director & Sole Secretary**

**(\*) Delete if not applicable**

This authority may be sent to the registered office or share registry office of the Company in advance of the meeting as set out in the Notice of Annual General Meeting which this appointment accompanies or handed in at the Annual General Meeting when registering as a company representative. In either case, the authority will be retained by the Company.