

Reporting Period: Year ended 31 December 2015
 Previous Reporting Period: Year ended 31 December 2014

RESULTS FOR ANNOUNCEMENT TO THE MARKET

1. Key Information

	Year ended 31 December			Movement %
	2015 \$'000	2014 \$'000	Up/Down	
Revenue from ordinary activities	1,312	18	Up	7,189
Profit from ordinary activities after income tax attributable to members	645	5,021	Down	87
Net profit for the period attributable to members	645	5,021	Down	87

2. Dividend

	Amount per security Cents	Franked amount per security at 30% Cents	Total Cents
(a) Final			
2015 final dividend	-	-	-
2014 final dividend	-	-	-
(b) Interim			
2015 interim dividend	-	-	-
2014 interim dividend	1.9	-	1.9

3. Capital Return

On 19 December 2014, members approved a return of capital of up to 9.5 cents per share. 9.5 cents per share (\$12,004,303) un-franked return of capital was remitted on 7 January 2015 (record date 30 December 2014).

4. Explanation

For explanation of the Company's results, refer to the Review of Operations and Outlook in Note 17 to these financial statements.

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ASX APPENDIX 4E
 ORIENTAL TECHNOLOGIES INVESTMENT LIMITED
 31 DECEMBER 2015
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015

	Note	2015 \$'000	2014 \$'000
Continuing Operations			
Revenue	4	1,312	18
Employee benefits expense		(196)	(315)
Other expenses	5	(471)	(760)
Profit / (Loss) before income tax		645	(1,057)
Income tax (expense) / benefit		-	-
Profit / (Loss) from continuing operations, net of tax		645	(1,057)
Discontinued Operation			
Profit from discontinued operation, net of tax	9 (b)	-	4,514
Profit for the year		645	3,457
Other comprehensive income:			
Foreign currency translation loss, net of tax		-	(336)
Total other comprehensive income for the year		-	(336)
Total comprehensive income for the year		645	3,121
Profit attributable to:			
Members of the parent		645	5,021
Non-controlling interest		-	(1,564)
		645	3,457
Total comprehensive income attributable to:			
Members of the parent		645	4,685
Non-controlling interest		-	(1,564)
		645	3,121
		Cents per Share	Cents per Share
Basic and diluted earnings / (losses) per share from continuing and discontinued operations			
Continuing		0.5	(0.8)
Discontinued	9 (b)	-	3.5
		0.5	2.7

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015

	Note	2015 \$'000	2014 \$'000
ASSETS			
Current Assets			
Cash and cash equivalents	6	2,680	14,107
Trade and other receivables	8	36	42
Total current assets		<u>2,716</u>	<u>14,149</u>
Non-current assets		-	-
Total assets		<u>2,716</u>	<u>14,149</u>
LIABILITIES			
Current liabilities			
Trade and other payables	11	111	185
Provision	12	-	12,004
Total current liabilities		<u>111</u>	<u>12,189</u>
Non-current liabilities		-	-
Total liabilities		<u>111</u>	<u>12,189</u>
Net assets		<u>2,605</u>	<u>1,960</u>
EQUITY			
Issued capital	13	16,552	16,552
Reserves		-	424
Accumulated Losses		(13,947)	(15,016)
Total equity		<u>2,605</u>	<u>1,960</u>
		Cents	Cents
Net tangible assets per share		<u>2.1</u>	<u>1.6</u>

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CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 31 DECEMBER 2015

	Note	2015 \$'000	2014 \$'000
Cash flows from operating activities			
Cash receipts from customers		1	20,175
Cash paid to suppliers and employees		(739)	(20,176)
Interest received		162	29
Finance costs		-	(507)
Income taxes paid		-	(1,022)
Net cash outflow from operating activities		(576)	(1,501)
Cash flows from investing activities			
Proceeds from disposal of investment in subsidiary		973	-
Disposal of discontinued operation, net of cash disposed of	9 (a)	-	12,542
Purchase of property, plant and equipment		-	(256)
Payment for term deposit		-	500
Net cash inflow from investing activities		973	12,786
Cash flows from financing activities			
Return of capital to Shareholders		(12,004)	-
Dividend paid to Shareholders		-	(2,401)
Net cash outflow from financing activities		(12,004)	(2,401)
Net (decrease) / increase in cash and cash equivalents		(11,607)	8,884
Net foreign exchange differences		180	(123)
Cash and cash equivalents at beginning of year		14,107	5,346
Cash at the end of the financial year	6	2,680	14,107

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015

	Issued Capital \$'000	Accumulated Losses \$'000	Other Reserves \$'000	Total \$'000	Non- controlling Interest \$'000	Total Equity \$'000
At 1 January 2014	28,556	(19,797)	2,921	11,680	10,009	21,689
Profit for the year	-	5,021	-	5,021	(1,564)	3,457
Other comprehensive income						
Foreign currency translation loss	-	-	(336)	(336)	-	(336)
Transactions with owners, as owners in the capacity as owners:						
De-recognition of non-controlling interest on disposal of subsidiary, net of tax	-	-	-	-	(8,445)	(8,445)
Foreign currency translation Loss	-	-	-	-	-	-
Transfer between reserves	-	2,161	(2,161)	-	-	-
Dividend paid by the Company	-	(2,401)	-	(2,401)	-	(2,401)
Capital return by the Company	(12,004)	-	-	(12,004)	-	(12,004)
At 31 December 2014	16,552	(15,016)	424	1,960	-	1,960
At 1 January 2015	16,552	(15,016)	424	1,960	-	1,960
Profit for the year	-	645	-	645	-	645
Other comprehensive income						
Foreign currency translation loss	-	-	-	-	-	-
Transactions with owners, as owners in the capacity as owners:						
De-recognition of non-controlling interest on disposal of subsidiary, net of tax	-	-	-	-	-	-
Foreign currency translation Loss	-	-	-	-	-	-
Transfer between reserves	-	424	(424)	-	-	-
Dividend paid by the Company	-	-	-	-	-	-
Capital return by the Company	-	-	-	-	-	-
At 31 December 2015	16,552	(13,947)	-	2,605	-	2,605

NOTES TO ASX APPENDIX 4E

1. ACCOUNTING POLICIES, ESTIMATION METHODS AND MEASUREMENT BASES

Accounting policies, estimation methods and measurement bases used in this Appendix 4E are the same as those used in the last annual report and the last half-year report.

2. DETAILS OF CONTROLLED ENTITIES

There are no entities over which control has been gained or lost during the period.

3. JOINT VENTURES

There are no associates or joint venture entities

4. REVENUE

	2015	2014
	\$'000	\$'000
Gain from disposal of investment in subsidiary	968	-
Interest income	162	16
Foreign exchange gain	182	-
Other income	-	2
	<u>1,312</u>	<u>18</u>

5. OTHER EXPENSES

Other Expenses:

Technical and advisory fees	240	270
General and administrative costs	231	490
	<u>471</u>	<u>760</u>

6. CASH AND CASH EQUIVALENTS

Cash at bank and in hand - unrestricted	<u>2,680</u>	<u>14,107</u>
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	Per annum	Per annum
	%	%
Interest rates on cash at bank and in hand	<u>1.9</u>	<u>0.2</u>

7. CONTINGENT ASSET

	\$'000	\$'000
Cash at bank - restricted under bank guarantee	<u>1,466</u>	<u>2,512</u>

At 31 December 2015:

- (a) RMB 15,832,066 / AUD 3,342,214 (2014 RMB 16,018,357 / AUD 3,199,384) consideration for the Company's sale of Apollo remains held in the Company's Chinese bank account; and
- (b) RMB 6,943,306 / AUD 1,465,760 (2014 RMB 12,577,478 / AUD 2,512,129) of this amount held in China is restricted by a bank guarantee.

Refer to Note 9 and Note 17 for more details.

8. TRADE AND OTHER RECEIVABLES (CURRENT)

	2015 \$'000	2014 \$'000
Other debtors	36	42
	<u>36</u>	<u>42</u>

9. DISCONTINUED OPERATION

Set out below are details of disposal of the Oriental Technologies Investment Limited (**Company**) investment in Yangzhou Apollo Battery Company Limited (**Apollo**) during the year ended 31 December 2014.

Apollo's financial statements used in the preparation of these consolidated financial statements were prepared for the period 1 January 2014 to 15 May 2014, the date Apollo was de-consolidated from the Group's accounts.

AASB 10 Consolidated Financial Statements only permits consolidation of a subsidiary where the investor controls an investee if and only if the investor has all the following:

- (i) power over the investee; and
- (ii) exposure, or rights, to variable returns from its involvement with the investee; and
- (iii) the ability to use its power over the investee to affect the amount of the investor's returns.

As its exposure to Apollo's returns ceased on 15 May 2014, 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.

At its annual general meeting held on 22 May 2014, the Company obtained its shareholders' approval for the sale of its 55.57% equity interest in Apollo, which would result in a disposal of the Company's main undertaking.

On or about 11 September 2014, under the terms of the Equity Transfer Agreement, the Company and non-controlling shareholder Indeveno Industries Pty Ltd (**Indeveno**) agreed to transfer 100% of Apollo's equity to Camel. Refer to Note 7 and Note 17 for more details.

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(a) Effect of disposal on the financial position of the de-consolidated Group

	Note	2014 \$'000
Current Assets		27,986
Non-current Assets		16,003
Current Liabilities		(26,902)
Non-current Liabilities		(44)
Net Assets		<u>17,043</u>
Net assets attributable to members of the parent		<u>9,471</u>
Consideration received, satisfied in cash		17,058
Cash and cash equivalents disposed of	9 (c)	(4,387)
Net foreign exchange differences		(129)
Net cash inflow		<u>12,542</u>

(b) Results of discontinued operation

	1 January 2014 to 15 May 2014 \$'000
Revenue	20,135
Expenses	(23,700)
Results from operating activities	<u>(3,565)</u>
Income tax (expense) / benefit	-
Results from operating activities, net of tax	<u>(3,565)</u>
Gain on sale of discontinued operation	9,101
Tax on sale of discontinued operation	(1,022)
Profit from discontinued operation, net of tax	<u>4,514</u>
	Cents per Share
Basic and diluted earnings	<u>3.5</u>

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 ORIENTAL TECHNOLOGIES INVESTMENT LIMITED
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(c) Cash flows from / (used in) discontinued operation

	Note	1 January 2014 to 15 May 2014 \$'000
Net cash outflow from operating activities		(231)
Purchase of property, plant and equipment		(256)
Net cash outflow from investing activities		(256)
Net cash inflow from financing activities		-
Net decrease in cash and cash equivalents		(487)
Net foreign exchange differences		(123)
Cash and cash equivalents at the beginning of the period		4,997
Net cash at the end of the period	9 (a)	4,387

10. PROPERTY, PLANT AND EQUIPMENT

	2015 \$'000	2014 \$'000
<i>Total land Usage Rights</i>		
Carrying amount at beginning of financial year	-	993
Depreciation	-	(10)
Effect of movement in foreign exchange	-	(65)
Deconsolidation	-	(918)
Carrying amount at end of financial year	-	-
<i>Total Buildings - Leasehold</i>		
Carrying amount at beginning of financial year	-	4,634
Depreciation	-	(122)
Effect of movement in foreign exchange	-	(288)
Reclassification from construction in progress	-	(4,224)
Carrying amount at end of financial year	-	-

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 ORIENTAL TECHNOLOGIES INVESTMENT LIMITED
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10. PROPERTY, PLANT AND EQUIPMENT (continued)

	2015 \$'000	2014 \$'000
<i>Total Plant & Equipment</i>		
Carrying amount at beginning of financial year	-	12,436
Additions	-	263
Depreciation	-	(964)
Impairment (expense) / benefit	-	(245)
Effect of movement in foreign exchange	-	(753)
Reclassification from construction in progress	-	20
Deconsolidation	-	(10,757)
Carrying amount at end of financial year	<u>-</u>	<u>-</u>
<i>Total Construction in Progress</i>		
Carrying amount at beginning of financial year	-	114
Additions	-	20
Impairment expense	-	(110)
Effect of movement in foreign exchange	-	(4)
Reclassification to plant & equipment	-	(20)
Carrying amount at end of financial year	<u>-</u>	<u>-</u>

11. TRADE AND OTHER PAYABLES (CURRENT)

Sundry payables	111	185
	<u>111</u>	<u>185</u>

12. PROVISIONS (CURRENT)

Provision for capital return	-	12,004
	<u>-</u>	<u>12,004</u>

13. ISSUED CAPITAL

	2015		2014	
	Number of Shares	\$'000	Number of Shares	\$'000
Ordinary shares – no par value fully paid and authorised	126,361,087	16,552	126,361,087	16,552
	<u>126,361,087</u>	<u>16,552</u>	<u>126,361,087</u>	<u>16,552</u>

Movements in ordinary share capital

Date	Details	Number of shares	\$'000
1 Jan 2014	Opening balance	126,361,087	28,556
30 Dec 2014	Capital return (9.5 cents per share)	-	(12,004)
31 Dec 2014	Closing balance	<u>126,361,087</u>	<u>16,552</u>
1 Jan 2015	Opening balance	<u>126,361,087</u>	<u>16,552</u>
31 Dec 2015	Closing balance	<u>126,361,087</u>	<u>16,552</u>

On 19 December 2014, members approved a return of capital of up to 9.5 cents per share. 9.5 cents per share (\$12,004,303) un-franked return of capital was remitted on 7 January 2015 (record date 30 December 2014).

14. OPTIONS OUTSTANDING

There were no options outstanding at 31 December 2015 (2014 Nil).

15. SUBSEQUENT EVENTS

The Directors are not aware of any matter or circumstance that has arisen since the end of the financial 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.

16. DETAILS OF DIVIDEND OR DISTRIBUTION REINVESTMENT PLANS IN OPERATION

There is not a dividend or distribution reinvestment plan in operation.

17. REVIEW OF OPERATIONS AND OUTLOOK

(a) Return of Capital – Tranche 1

At a general meeting held 19 December 2014, the Company obtained its shareholders' approval to make a cash payment to its shareholders of up to \$0.095 per Share as a return of capital, representing a return of up to \$12,004,303 in total, in accordance with sections 256B and 256C of the *Corporations Act 2001 (Cth)*.

A return of capital totalling \$12,004,303 (\$0.095 per share) was paid on 7 January 2015 to the Company's shareholders (record date 30 December 2014).

(b) Return of Capital – Tranche 2

The Company is seeking to undertake a further capital reduction by making another cash payment to its shareholders from the final proceeds of the sale of the Company's interest in Apollo.

At the general meeting held 19 December 2014, the Company obtained its shareholders' approval to make a further cash payment to its shareholders of up to \$4,000,000 (\$0.031 per share), in accordance with sections 256B and 256C of the *Corporations Act 2001 (Cth)*.

Shareholders were informed, at the annual general meeting on 27 May 2015 that the Company would declare a second dividend from the proceeds of the sale of the Company's China business when the transaction had been finally completed and the proceeds were remitted to Australia.

The Company has, since that time, been endeavouring to finalise the transaction but it has had some problems in doing so as the purchaser asserts that Apollo, in which the Company held 55.57%, has an outstanding tax liability to the local Chinese tax authority. The local tax authority has advised orally that is not the case; however, the purchaser will not consent to the monies being released from a bank guarantee under the transaction unless this advice is in writing.

Directors are advised that it is not the custom of the local tax authority to provide such advice in writing. The Company has therefore commenced legal proceedings for the release of the monies from guarantee.

The amount involved is RMB 6,943,000 or \$1,466,000. In addition to this amount, the Company has, in its China Bank account, an amount of RMB 8,889,000 or \$ 1,876,000. This latter amount is able to be remitted immediately but the Company is taking advantage of the higher Chinese interest rate and awaiting the release of the former amount before doing so.

Refer to Note 7 and Note 9 for more details.

(c) Outlook

On completion of the Equity Transfer Agreement, the Company will have disposed of its main undertaking.

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

The Board will update its shareholders accordingly in due course.

18. OTHER INFORMATION REGARDING THESE ACCOUNTS

These accounts are in the process of being audited.