

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 30th June 2013</i>	<i>Half-year ended 30th June 2012</i>

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

Contents	Page
1. RESULTS FOR ANNOUNCEMENT TO THE MARKET	1
2. NET TANGIBLE ASSETS PER ORDINARY SHARE (NTA Backing)	1
3. DETAILS OF CONTROLLED ENTITIES	2
4. DETAILS OF ASSOCIATES AND JOINT VENTURE ENTITIES	4
5. DIVIDENDS	5
6. ACCOUNTING STANDARDS.....	6
7. AUDIT DISPUTES OR QUALIFICATIONS	6
8. DIRECTORS' REPORT	7
9. INTERIM FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 TH JUNE 2013.....	9
10. AUDITOR'S INDEPENDENCE DECLARATION.....	25
11. INDEPENDENT REVIEW REPORT	26

1. RESULTS FOR ANNOUNCEMENT TO THE MARKET

				Current Period A\$000
Revenue from ordinary activities	up/down	14.2%	to	30,260
(Loss) / Profit from ordinary activities after income tax attributable to members	up/down	207.4%	to	(563)
Net (loss) / profit for the period attributable to members	up/down	207.4%	to	(563)

Dividends per Share	Amount per share		Franked amount per share at ...% tax	
	Final	Interim	Final	Interim
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
17.8 cents	16.7 cents

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 <i>since the date on which control was acquired</i>	\$ -	\$ -	\$ -
Profit (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>	\$ -	\$ -	\$ -

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			
Profit (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>	\$ -	\$ -	\$ -
Profit (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. DIVIDENDS

5.1 Dividends per Share	Amount per share	Franked amount per share at Nil% tax	Amount per share of foreign source dividend
Final			
- current period	<i>Nil</i> cents	<i>Nil</i> cents	<i>Nil</i> cents
- previous corresponding period	<i>Nil</i> cents	<i>Nil</i> cents	<i>Nil</i> cents
Interim			
- current period	<i>Nil</i> cents	<i>Nil</i> cents	<i>Nil</i> cents
- previous corresponding period	<i>0.5</i> cents	<i>Nil</i> cents	<i>0.5</i> cents

5.2 Total Dividends	Current Period A\$ '000	Previous Corresponding Period A\$ '000
Interim - paid/payable on 7 th December 2012	<i>Nil</i>	<i>632</i>
Final - paid/payable on	<i>Nil</i>	<i>Nil</i>

All dividends reflected as distributions above were paid during the period.

Dividend Reinvestment Plans

There is not a dividend reinvestment plan.

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

<i>N/A</i>

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 consolidated group for the financial half-year ended 30th June 2013.

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.

Review of Operations

Overview

The Company is pleased to report its results for the half-year ended 30th June 2013.

The loss after tax from continuing operations for the half-year ended 30th June 2013 was \$727,000 (2012 \$1,185,000 profit), a 161% decrease in profit. Revenue for the period was \$30,260,000, a 14% decrease over the previous half-year (2012 \$35,278,000).

Outlook

The slowing down of China's economy, particularly the weak performance of the manufacturing sector starting during the second half of 2012, has continued into the first half of 2013.

Lead prices were at lower levels for more than 10 consecutive months and this has caused lower sales prices for lead acid batteries.

Besides lower sales prices caused by lower lead prices, there was an oversupply of batteries to the market.

At this stage, there are no significant signs of recovery and, consequently, the Yangzhou Apollo Battery Co Limited (**Apollo**) business will continue to be under pressure during the second half of 2013.

Apollo's management is trying its best to recover the losses and achieve breakeven for 2013 financial year. The Chinese winter season will commence September 2013, so domestic sales should then increase and gross profit improve during the remaining months of 2013.

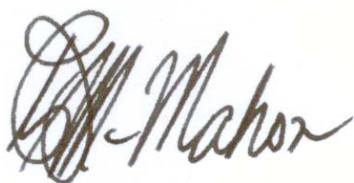
Auditor's Independence Declaration

A copy of the independence declaration by the lead auditor under section 307C is included on page 25 to this half-year financial report.

Rounding of Amounts to the Nearest Thousand Dollars

The Company satisfies the requirements of Class Order 98/0100 issued by the Australian Securities and Investments Commission relating to "rounding off" of amounts in the directors' report and the financial report to the nearest thousand dollars. Amounts have been rounded off in the directors' report and financial report in accordance with that Class Order.

Signed in accordance with a resolution of the Board of Directors



Gerard McMahon

Chairman

Sydney

30th August 2013

9. INTERIM FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30TH JUNE 2013

9.1. Consolidated Statement of Comprehensive Income

For the half-year ended 30th June 2013

	Note	Group	
		2013 \$'000	2012 \$'000
Sales Revenue		29,982	35,003
Other Income		278	275
	9.5.6	<u>30,260</u>	<u>35,278</u>
Changes in inventories of finished goods and work in progress		1,493	1,560
Raw materials and consumables used		(27,506)	(30,721)
Employee benefits expense		(2,387)	(1,752)
Amortisation, depreciation and impairment expense		(1,519)	(1,393)
Finance costs		(621)	(741)
Other expenses		<u>(676)</u>	<u>(624)</u>
(Loss) / Profit before income tax		(956)	1,607
Income tax benefit / (expense)		<u>229</u>	<u>(422)</u>
(Loss) / Profit after tax from continuing operations		<u>(727)</u>	<u>1,185</u>
Other comprehensive income:			
Foreign currency translation income		3,093	162
Income tax benefit		-	-
Foreign currency translation profit, net of tax		<u>3,093</u>	<u>162</u>
Total comprehensive income for the half-year		<u>2,366</u>	<u>1,347</u>
(Loss) / Profit attributable to:			
Members of the parent		(563)	524
Non-controlling interest		<u>(164)</u>	<u>661</u>
		<u>(727)</u>	<u>1,185</u>
Total comprehensive income attributable to:			
Members of the parent		1,156	614
Non-controlling interest		<u>1,210</u>	<u>733</u>
		<u>2,366</u>	<u>1,347</u>
		Cents	Cents
Basic (losses) / earnings per share		(0.45)	0.42
Diluted (losses) / earnings per share		<u>(0.45)</u>	<u>0.42</u>

The accompanying notes form part of these financial statements.

9.2. Consolidated Statement of Financial Position

As at 30th June 2013

	Note	Group	
		2013 \$'000	31 st December 2012 \$'000
ASSETS			
Current Assets			
Cash and cash equivalents		4,580	7,628
Trade and other receivables		16,753	9,413
Inventories		11,002	9,510
Total current assets		32,335	26,551
Non-current assets			
Property, plant and equipment	9.5.9	18,533	17,113
Deposit		216	120
Total non-current assets		18,749	17,233
Total assets		51,084	43,784
LIABILITIES			
Current liabilities			
Trade and other payables, including derivatives	9.5.4	7,301	5,228
Short-term borrowings	9.5.4	21,288	18,057
Current tax liability		-	357
Total current liabilities		28,589	23,642
Non-current liabilities			
Total non-current liabilities		-	-
Total liabilities		28,589	23,642
Net assets		22,495	20,142
EQUITY			
Issued capital		28,556	28,556
Reserves		2,458	728
Accumulated losses		(18,729)	(18,155)
Total equity attributable to equity holders of the Company		12,285	11,129
Non-controlling interest		10,210	9,013
Total equity		22,495	20,142

The accompanying notes form part of these financial statements.

9.3. Consolidated Statement of Cash Flows

For the half-year ended 30th June 2013

	Group	
	2013	2012
	\$'000	\$'000
Cash flows from operating activities		
Cash receipts from customers	24,874	37,116
Cash paid to suppliers and employees	(28,291)	(34,369)
Interest received	27	61
Finance costs	(621)	(741)
Income tax paid	(185)	(833)
Net cash(outflow) / inflow from operating activities	<u>(4,196)</u>	<u>1,234</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(387)	(1,802)
Proceeds from sale of property, plant and equipment	4	6
Net cash outflow from investing activities	<u>(383)</u>	<u>(1,796)</u>
Cash flows from financing activities		
Proceeds from borrowings	359	156
Net cash inflow from financing activities	<u>359</u>	<u>156</u>
Net decrease in cash and cash equivalents	(4,220)	(406)
Net foreign exchange differences	1,172	165
Cash and cash equivalents at the beginning of the period	7,628	9,002
Net cash at the end of the half-year	<u>4,580</u>	<u>8,761</u>

The accompanying notes form part of these financial statements.

9.4. Consolidated Statement of Changes in Equity

For the half-year ended 30th June 2013

	Issued capital \$'000	Accumulated Losses \$'000	Other Reserves \$'000	Total \$'000	Non-controlling interest \$'000	Total Equity \$'000
Balance 31 st December 2011	28,556	(18,178)	640	11,018	8,706	19,724
Profit for half-year	-	524	-	524	661	1,185
Other comprehensive income for the half-year	-	-	90	90	72	162
Foreign currency translation profit	-	-	-	-	3	3
Balance 30 th June 2012	28,556	(17,654)	730	11,632	9,442	21,074
Balance 31 st December 2012	28,556	(18,155)	728	11,129	9,013	20,142
Loss for half-year	-	(563)	-	(563)	(164)	(727)
Other comprehensive income for the half-year	-	-	1,719	1,719	1,374	3,093
Foreign currency translation loss	-	-	-	-	(13)	(13)
Transfers	-	(11)	11	-	-	-
Balance 30 th June 2013	28,556	(18,729)	2,458	12,285	10,210	22,495

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

The ultimate Australian parent entity and ultimate parent entity is Oriental Technologies Investment Limited, which at 30th June 2013 owned 55.57% of Apollo (2012 55.57%).

Apollo is a limited liability company incorporated in accordance with the laws of the People's Republic of China (a foreign joint venture).

Apollo's scope of business is the:

1. Manufacture and sale of high capacity, sealed and maintenance free lead acid storage battery and related accessories;
2. Sale of self-manufactured goods; and
3. Import and export of lead acid storage battery (excluding local distribution).

Refer to note 9.5.6 for further information about the Group's operating segments.

9.5.2. Statement of Significant Accounting Policies

Basis of Preparation

The condensed interim consolidated financial statements (the interim financial statements) of Oriental Technologies Investment Ltd and its controlled entity (**the Group**) are for the six months ended 30th June 2013 and are presented in Australian dollar (\$), which is the functional currency of the parent company. These general purpose interim financial statements have been prepared in accordance with the requirements of the *Corporations Act 2001* and AASB 134 *Interim Financial Reporting*. They do not include all of the information required in annual financial statements in accordance with Australian Accounting Standards, and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31st December 2012 and any public announcements made by the Group during the half-year in accordance with continuous disclosure requirements arising under the Australian Securities Exchange Listing Rules and the *Corporations Act 2001*.

The interim financial statements have been approved and authorised for issue by the board of directors on 30th August 2013.

The significant accounting policies that have been used in the preparation of these consolidated interim financial statements are summarised below.

The consolidated financial statements have been prepared using the measurement bases specified by Australian Accounting Standards for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies below.

The interim financial statements have been prepared in accordance with the accounting policies adopted in the Group's last annual financial statements for the year ended 31st December 2012, except in relation to the matters discussed below. The relevant amendments and their effects on the current period or prior periods are described below.

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

New and Revised Accounting Requirements Applicable to the Current Half-Year Reporting Period

A number of new standards, amendments to standards and interpretations are effective for half-year periods beginning after 1st January 2013, and have not been applied in preparing these consolidated financial statements. None of these is expected to have a significant effect on the consolidated financial statements of the Group.

The Group had to change accounting policies as the result of new and amended accounting standards which became effective for the first time on 1st January 2013. AASB 10 *Consolidated Financial Statements* affected the Group's principles of consolidation.

Other new and amended accounting standards that apply for the first time to the 30 June 2013 interim period include AASB 13 *Fair Value Measurement*, AASB 119 *Employee Benefits* (September 2011), AASB 2011-8 *Amendments to Australian Accounting Standards arising from AASB 13*, AASB 2012-2 *Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities* and AASB 2012-5 *Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle*. While these standards introduced new disclosure requirements, they did not affect the Group's accounting policies or any of the amounts recognised in the financial statements.

Basis of Consolidation

AASB 10 establishes a revised control model that applies to all entities. It replaces the consolidation requirements in AASB 127 *Consolidated and Separate Financial Statements* and AASB Interpretation 112 *Consolidation – Special Purpose Entities*. The revised control model broadens the situations when an entity is considered to be controlled by another entity and includes additional application guidance.

Under AASB 10, the group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The Group has reassessed its consolidation conclusions in light of the new control principles in AASB 10 and concluded that no changes are required. Accordingly, the adoption of AASB 10 has not resulted in any adjustments to the carrying amounts in the financial statements.

9.5.3. 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 Group's last annual financial statements for the year ended 31st December 2012.

9.5.4. Liquidity risk

Liquidity risk refers to the risk in which the Group is unable to meet its short-term obligations. Liquidity risk is managed by matching the payment and receipt cycles. The Group's operations are financed mainly through operating cash flows, equity and bank borrowings. 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. The Group is

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

dependent on the continued availability of bank facilities and the renewal of loans payable as and when due.

The Group has loans with various due dates in the twelve months to 30th June 2014. In the opinion of Directors, present funding facilities will continue to be available and loans will be renewed 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 Group's liabilities at the reporting date based on contractual undiscounted payments is summarised below:

	Less than 3 months \$'000	3 to 12 months \$'000	Over 12 months \$'000	Contractual cash flows \$'000	Carrying amount \$'000
2013					
Interest bearing borrowings	6,421	15,614	-	22,035	21,288
Trade and other payables	7,301	-	-	7,301	7,301
	<u>13,722</u>	<u>15,614</u>	<u>-</u>	<u>29,336</u>	<u>28,589</u>
31st December 2012					
Interest bearing borrowings	767	17,871	-	18,638	18,057
Trade and other payables	5,228	-	-	5,228	5,228
	<u>5,995</u>	<u>17,871</u>	<u>-</u>	<u>23,866</u>	<u>23,285</u>

9.5.5. Significant Events and Transactions

Apart from the preliminary agreement to assign all of Apollo's equity to the Camel Group Co., Ltd (refer Note 9.5.12), the Group has no other significant events or transaction during or since the financial half-year ended 30th June 2013.

9.5.6. Segment Information

Description of segments

The Group has identified its operating segments based on internal reports that are reviewed and used by the Chief Operating Decision Maker in assessing performance and determining the allocation of resources. The Group is managed primarily on the basis of geographic location. Operating segments are therefore determined on this basis.

Although managed globally, the Group operates in four principal geographical areas – China, Europe, Middle East and Australia. The composition of each geographical segment is as follows:

China – a People's Republic of China entity controlled by Oriental Technologies Investment Limited operates a lead acid battery manufacturing plant in China and makes local sales.

Europe, Middle East and Australia - a People's Republic of China entity controlled by Oriental Technologies Investment Limited exports a broad range of its products to the Europe, Middle East and Australia.

Reporting format - Geographical segments

Chief Operating Decision Maker (CODM)

The CODM is Dr Xinsheng Wang, Managing Director.

Oriental Technologies Investment Limited – Half-Year Report 30th June 2013

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

2013

	Europe \$'000	Middle East \$'000	Australia \$'000	China \$'000	Other \$'000	Total continuing operations \$'000	Inter-segment elimination/ Unallocated \$'000	Group \$'000
Revenue								
Sales to external customers	3,851	4,248	4,909	16,583	391	29,982	-	29,982
Total sales revenue	3,851	4,248	4,909	16,583	391	29,982	-	29,982
Other revenue/income	-	-	-	-	-	-	278	278
Total segment revenue/income	3,851	4,248	4,909	16,583	391	29,982	278	30,260
Result								
Segment result								
Profit / (Loss) before income tax	23	25	29	98	2	177	(1,133)	(956)
Income tax benefit								229
Net profit for the half-year								(727)
Unallocated:								
Income								
Interest received								24
Other income								254
								278
Expenses								
Head office expenses								(540)
Financial expenses								(621)
Other expenses								(250)
								(1,411)
								(1,133)

Oriental Technologies Investment Limited – Half-Year Report 30th June 2013

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

2012

	Europe \$'000	Middle East \$'000	Australia \$'000	China \$'000	Other \$'000	Total continuing operations \$'000	Inter-segment elimination/ Unallocated \$'000	Group \$'000
Revenue								
Sales to external customers	5,542	2,217	2,652	22,729	1,863	35,003	-	35,003
Total sales revenue	5,542	2,217	2,652	22,729	1,863	35,003	-	35,003
Other revenue/income	-	-	-	-	-	-	275	275
Total segment revenue/income	5,542	2,217	2,652	22,729	1,863	35,003	275	35,278
Result								
Segment result								
Profit / (Loss) before income tax	438	175	210	1,796	116	2,735	(1,128)	1,607
Income tax benefit								(422)
Net profit for the half-year								1,185
Unallocated:								
Income								
Interest received								67
Foreign currency gain								97
Overprovision - bad debts								90
Other income								177
								431
Expenses								
Head office expenses								(549)
Financial expenses								(741)
Other expenses								(269)
								(1,559)
								(1,128)

The costs of the holding company, which are included above as unallocated, are in respect of the business in China and costs incurred in respect of that business. Oriental Technologies Investment Limited only manufactures lead acid batteries in China, so a split between segmental depreciation, assets and liabilities is not deemed necessary as all the risks and returns arising from the carrying amounts of assets and liabilities only apply to this one geographic segment, China.

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

Assets and Liabilities by Country

	China		Australia		Group	
	2013 \$'000	31 st December 2012 \$'000	2013 \$'000	31 st December 2012 \$'000	2013 \$'000	31 st December 2012 \$'000
Assets	50,762	43,105	322	679	51,084	43,784
Liabilities	(28,552)	(23,606)	(37)	(36)	(28,589)	(23,642)
Net Assets	<u>22,210</u>	<u>19,499</u>	<u>285</u>	<u>643</u>	<u>22,495</u>	<u>20,142</u>

There have been no changes to the basis of segmentation or the measurement basis for the segment profit or loss since 31st December 2012.

9.5.7. Earnings per Share

Reconciliation of earnings used in calculating earnings per share

	2013 \$'000	2012 \$'000
Earnings per share		
(Loss) / Profit from continuing operations attributable to ordinary equity holders of Oriental Technologies Investment Limited used to calculate basic and diluted profit per share	<u>(563)</u>	<u>524</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic profit per share	126,361,087	126,361,087
Adjustments for calculation of diluted profit per share:		
- options	-	10,500,000
Weighted average number of ordinary shares used in calculating diluted loss per share	<u>126,361,087</u>	<u>136,861,087</u>

9.5.8. Interest in Subsidiary

Information about only subsidiary

Set out below is the Group's subsidiary at 30th June 2013.

Yangzhou Apollo Battery Co. Ltd. (**Apollo**) is a Sino-foreign joint venture enterprise established under the laws of the People's Republic of China since its incorporation. In July 2007, Apollo changed its registration from Sino-foreign joint venture enterprise to Wholly Foreign-Owned Enterprise under the laws of the People's Republic of China and continues its operation in Yangzhou City. Apollo's registered office is located at 18 Yangzijiang Road South, Yangzhou, China.

Subject to the laws of the People's Republic of China, Apollo's capital is held directly by the Group and the proportion of ownership interests held equals the voting rights held by the Group,

Apollo's country of incorporation or registration is also its principal place of business.

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

Name of Subsidiary	Principal Place of Business	Ownership Interest Held by the Group		Proportion of Non-controlling Interests	
		At 30 June 2013	At 31 December 2012	At 30 June 2013	At 31 December 2012
Yangzhou Apollo Battery Co. Ltd.	Yangzhou City, China	55.57%	55.57%	44.43%	44.43%

Apollo's financial statements used in the preparation of these consolidated financial statements have also been prepared as at the same reporting date as the Group's financial statements.

Summarised Financial Information of Subsidiaries with Material Non-controlling Interests

Set out below is the summarised financial information for Yangzhou Apollo Battery Co. Ltd. that has a non-controlling interest that is material to the Group.

Summarised Financial Position

	Yangzhou Apollo Battery Co. Ltd. 31 st December	
	2013	2012
	\$'000	\$'000
Current Assets	32,013	25,873
Non-current Assets	18,749	17,232
Current Liabilities	(28,552)	(23,606)
Non-current Liabilities	-	-
Net Assets	22,210	19,499
Non-controlling interests	10,210	9,013

Summarised Financial Performance

	2013	2012
	\$'000	\$'000
Revenue	30,253	35,259
(Loss) / Profit before income tax	(598)	1,909
Income tax benefit / (expense)	229	(422)
(Loss) / Profit after tax from continuing operations	(369)	1,487
Other comprehensive income, net of tax	-	-
Total comprehensive income for the half-year	(369)	1,487
The information above is the amount before intercompany eliminations		
(Loss) / Profit attributable to non-controlling interests	(164)	661
Distributions paid to non-controlling interests	-	-

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

Summarised Cash Flow Information

	Yangzhou Apollo Battery Co. Ltd.	
	2013 \$'000	2012 \$'000
Net cash(outflow) / inflow from operating activities	<u>(3,857)</u>	<u>1,549</u>
Purchase of property, plant and equipment	(387)	(1,802)
Proceeds from sale of property, plant and equipment	4	6
Net cash outflow from investing activities	<u>(383)</u>	<u>(1,796)</u>
Proceeds from borrowings	359	156
Net cash inflow from financing activities	<u>359</u>	<u>156</u>
Net decrease in cash and cash equivalents	(3,881)	(91)
Net foreign exchange differences	1,172	165
Cash and cash equivalents at the beginning of the period	6,978	8,066
Net cash at the end of the half-year	<u><u>4,269</u></u>	<u><u>8,140</u></u>

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

9.5.9. Property Plant and Equipment

	Group	
	31 st December	
	2013	2012
	\$'000	\$'000
<i>Land usage rights</i>		
At cost	1,227	1,059
Accumulated depreciation	(261)	(220)
	966	839
<i>Buildings - Leasehold</i>		
At cost	7,073	6,103
Accumulated depreciation	(2,455)	(1,979)
	4,618	4,124
Total land and buildings	5,584	4,963
<i>Plant and equipment</i>		
At cost	28,547	24,430
Accumulated depreciation & impairment	(15,703)	(12,391)
	12,844	12,039
Plant and equipment under construction	105	111
Total plant and equipment	12,949	12,150
Total non-current property, plant and equipment	18,533	17,113
<i>Total Land Usage Rights</i>		
Carrying amount at beginning of financial half-year	839	871
Depreciation	(12)	(22)
Effect of movement in foreign exchange	139	(10)
Carrying amount at end of financial half-year	966	839
<i>Total Buildings - Leasehold</i>		
Carrying amount at beginning of financial half-year	4,124	4,391
Depreciation	(150)	(280)
Effect of movement in foreign exchange	644	(46)
Reclassification from construction in progress	-	59
Carrying amount at end of financial half-year	4,618	4,124
<i>Total Plant & Equipment</i>		
Carrying amount at beginning of financial half-year	12,039	12,652
Additions	310	1,649
Disposals	(4)	(6)
Depreciation	(1,338)	(2,374)
Impairment	4	7
Effect of movement in foreign exchange	1,833	(134)
Reclassification from construction in progress	-	245
Carrying amount at end of financial half-year	12,844	12,039
<i>Total Construction in Progress</i>		
Carrying amount at beginning of financial half-year	111	255
Additions	-	163
Impairment	(23)	-
Effect of movement in foreign exchange	17	(3)
Reclassification to plant & equipment	-	(304)
Carrying amount at end of financial half-year	105	111

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

9.5.10. Equity Securities Issued and Granted

Oriental Technologies Investment Limited has issued share options to employees in accordance with the Orientech Share Option Plan. Each option is for one ordinary share and may be exercised within the exercise period or if there is earlier termination of the option. An option cannot be exercised unless the option holder has provided not less than 24 months service to the Company (unless the Directors determined otherwise).

Details of options granted are:

Series 3 Options

Issue Date: 16th November 2007

Exercise Period: Within the five-year period ending on 15th November 2012.

Exercise Price: 7.0 cents per share.

Total number issued: on issue date 10,500,000

	Group	
	2013	2012
	Number	Number
Ordinary Shares		
Balance 1 st January	126,361,087	126,361,087
Balance 30 th June	<u>126,361,087</u>	<u>126,361,087</u>
Series 3 Options		
Balance 1 st January	-	10,500,000
Balance 30 th June	<u>-</u>	<u>10,500,000</u>
Expired 15 th November 2012		<u>(10,500,000)</u>
Balance 31 st December 2012		<u>-</u>

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

9.5.11. Capital and Leasing Commitments

	Group 2013	31 st December 2012
	\$'000	\$'000
Machinery costs contracted but not provided net of deposit paid in financial statements:		
Within one year	66	3
Later than one year but not later than 5 years	-	-
Later than 5 years	-	-
	66	3

9.5.12. 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 Group's operations, the results of these operations or the Group's state of affairs in future financial years, excepting:

1. Background:
 - 1.1. The Company owns 55.57 % of Apollo Battery Co Limited (**Apollo**), a foreign joint venture company located in People's Republic of China (**China**); and
 - 1.2. A company related to Dr Xinsheng Wang, Indeveno Industrial Supply Pty Ltd (**Indeveno**), is the minority shareholder of Apollo and owns 44.43%; and
2. Subsequent Event:
 - 2.1. On or about 23rd July 2013 the Company, with Apollo, entered into a preliminary agreement under the laws of the China to assign 100% of Apollo's equity to Camel Group Co., Ltd (**Camel**);
 - 2.2. Camel is a limited liability company legally established under the laws of China, and is listed on the Shanghai Stock Exchange;
 - 2.3. Completion of the preliminary agreement is subject to Camel's due diligence on Apollo and approval by the Company's members;
 - 2.4. Completion would then require a formal equity transfer agreement, for the Company and Indeveno to transfer 100% of Apollo's equity to Camel; and
 - 2.5. The expected final cash purchase price for assignment of 100% of Apollo is subject to completion of due diligence.

9.5.13. Rounding of Amounts

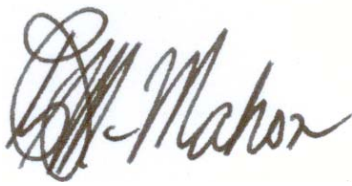
The company satisfies the requirements of Class Order 98/0100 issued by the Australian Securities and Investments Commission relating to "rounding off" of amounts in the directors' report and the financial report to the nearest thousand dollars. Amounts have been rounded off in the directors' report and financial report in accordance with that Class Order.

9.6. Declaration by Directors

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

1. The consolidated financial statements and notes of Oriental Technologies Investment Limited are in accordance with the *Corporations Act 2001*, including:
 - (a) giving a true and fair view of its financial position as at 30th June 2013 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



Gerard McMahon

Chairman

Sydney

30th August 2013

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 2013, 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.

RSM Bird Cameron

RSM BIRD CAMERON PARTNERS



W E Beuman
Partner

Sydney NSW
Dated: 30 August 2013

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 and controlled entity (the consolidated entity) which comprises the consolidated condensed statement of financial position as at 30 June 2013, the consolidated condensed statement of comprehensive income, consolidated condensed statement of changes in equity and consolidated condensed 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 of the consolidated entity comprising the company and the entity it controlled at the half-year end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the Oriental Technologies Investment Limited 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 control as the directors 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 consolidated entity's financial position as at 30 June 2013 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 and controlled entity, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual 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*.

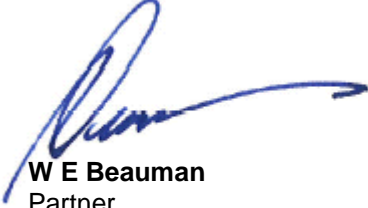
Conclusion

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 and controlled entity is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 30 June 2013 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 Bird Cameron

RSM BIRD CAMERON PARTNERS



W E Beuman
Partner

Sydney NSW
Dated: 30 August 2013