

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

ORIENTAL TECHNOLOGIES INVESTMENT LIMITED ABN 13 060 266 248

Reporting period	Previous corresponding period
<i>Half-year ended 30 June 2017</i>	<i>Half-year ended 30 June 2016</i>

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

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1. RESULTS FOR ANNOUNCEMENT TO THE MARKET

				Current Period A\$000
Revenue from ordinary activities	up/down	90%	to	2
Loss from ordinary activities after income tax attributable to members	up/down	64%	to	143
Net loss for the period attributable to members	up/down	64%	to	143

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

Explanations

Refer Directors' Report at paragraph 8 to this report.

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

Current Period	Previous corresponding period
0.4 cents	0.5 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			
Loss from ordinary activities after extraordinary items and income tax of the controlled entity (or group of entities) during the current period <i>to the date on which control was lost</i>	\$ -	\$ -	\$ -
Loss from ordinary activities after extraordinary items and income tax of the controlled entity (or group of entities) for the <i>whole of the previous corresponding period</i>	\$ -	\$ -	\$ -
Contribution to consolidated profit (loss) from ordinary activities and extraordinary items from sale of interest leading to loss of control	\$ -	\$ -	\$ -

4. DETAILS OF ASSOCIATES AND JOINT VENTURE ENTITIES

4.1. Equity Accounted Associates and Joint Venture Entities

%Ownership Interest		Contribution to Net Profit	
Current Period %	Previous Corresponding Period %	Current Period A\$ '000	Previous Corresponding Period A\$ '000
-	-	-	-

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

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

5. DIVIDEND AND CAPITAL RETURN

5.1. Dividend per Share

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

5.2. Return of Capital per Share

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

5.3. Total Dividend and Capital Return

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

5.4. Share Dividend Reinvestment Plan

There is not a dividend reinvestment plan.

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

N/A

6. ACCOUNTING STANDARDS

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

7. AUDIT DISPUTES OR QUALIFICATIONS

There is no audit dispute or qualification.

8. DIRECTORS' REPORT

The Directors of Oriental Technologies Investment Limited (**Company**) present their report on the Company for the financial half-year ended 30 June 2017.

8.1. Directors

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

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

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

8.2. Review of Operations

The Company is pleased to report its results for the half-year ended 30 June 2017.

The loss after tax from operations for the half-year ended 30 June 2017 was \$142,822 (2016 \$393,560), a 49% decrease.

Revenue for the period was \$1,730, a 90% decrease from the previous half-year (2016 \$17,857).

8.3. Outlook

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

With conclusion of the Camel transaction during the half year ended 30 June 2017, the Company disposed of its main undertaking.

The Board is considering the future of the Company including whether to identify new business opportunities, or de-list the Company.

The Board will update its shareholders accordingly in due course.


8.4. Auditor's Independence Declaration

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

8.5. Rounding of Amounts to the Nearest Dollar

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

Signed in accordance with a resolution of the Board of Directors



Gerard McMahon
Chairman
Sydney
31 August 2017

9. INTERIM FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2017

9.1. Statement of Profit or Loss and Other Comprehensive Income

For the half-year ended 30 June 2017

	Note	2017 \$	2016 \$
\			
Financial income – interest		1,730	17,857
Revenue		1,730	17,857
Employee benefits expense		(86,196)	(97,809)
Other expenses	9.5.7	(114,928)	(313,608)
Loss from continuing operations		(199,394)	(393,560)
Income tax benefit		-	-
Loss from continuing operations, net of tax		(199,394)	(393,560)
Profit from discontinued operation	9.5.8	56,572	-
Income tax expense		-	-
Profit from discontinued operation, net of tax		56,572	-
Loss from operations, net of tax		(142,822)	(393,560)
Other comprehensive income for the financial year, net of income tax		-	-
Total comprehensive income		(142,822)	(393,560)
		Cents	Cents
Basic and diluted loss per share from continuing and discontinued operations			
Continuing		(0.2)	(0.3)
Discontinued		-	-
		(0.2)	(0.3)

The accompanying notes form part of these financial statements.

9.2. Statement of Financial Position

As at 30 June 2017

	Note	30 June 2017 \$	31 December 2016 \$
ASSETS			
Current Assets			
Cash and cash equivalents	9.5.9	563,018	750,753
Other receivables	9.5.10	18,901	34,083
Total current assets		<u>581,919</u>	<u>784,836</u>
Non-current assets		-	-
Total assets		<u>581,919</u>	<u>784,836</u>
LIABILITIES			
Current liabilities			
Other payables	9.5.11	79,769	139,864
Total current liabilities		<u>79,769</u>	<u>139,864</u>
Non-current liabilities		-	-
Total liabilities		<u>79,769</u>	<u>139,864</u>
NET ASSETS		<u>502,150</u>	<u>644,972</u>
Issued capital		16,551,552	16,551,552
Accumulated Losses		<u>(16,049,402)</u>	<u>(15,906,580)</u>
EQUITY		<u>502,150</u>	<u>644,972</u>
		Cents	Cents
Net tangible assets per share		<u>0.4</u>	<u>0.5</u>

The accompanying notes form part of these financial statements.

9.3. Statement of Cash Flows

For the half-year ended 30 June 2017

	Note	2017 \$	2016 \$
Cash flows from operating activities			
Cash receipts from customers		-	-
Cash paid to suppliers and employees		(246,037)	(395,265)
Financial income – interest		1,730	17,857
Net cash outflow from operating activities		<u>(244,307)</u>	<u>(377,408)</u>
Cash flows from investing activities			
Proceeds from sale of investment	9.5.8	56,572	-
Net cash inflow from investing activities		<u>56,572</u>	<u>-</u>
Net cash outflow from financing activities		<u>-</u>	<u>-</u>
Net decrease in cash and cash equivalents		(187,735)	(377,408)
Effect of movements in exchange rates on cash held		-	(351)
Cash and cash equivalents at the beginning of the period		750,753	2,680,405
Net cash at the end of the half-year	9.5.9	<u>563,018</u>	<u>2,302,646</u>

The accompanying notes form part of these financial statements.

9.4. Statement of Changes in Equity

For the half-year ended 30 June 2017

	Issued capital \$	Accumulated Losses \$	Total Equity \$
At 1 January 2016	16,551,552	(13,946,528)	2,605,024
Loss from operations, net of tax	-	(393,560)	(393,560)
Dividend paid by the Company	-	(1,263,611)	(1,263,611)
Balance 30 June 2016	<u>16,551,552</u>	<u>(15,603,699)</u>	<u>947,853</u>
At 1 January 2017	16,551,552	(15,906,580)	644,972
Loss from operations, net of tax	-	(142,822)	(142,822)
Dividend paid by the Company	-	-	-
Balance 30 June 2017	<u>16,551,552</u>	<u>(16,049,402)</u>	<u>502,150</u>

The accompanying notes form part of these financial statements.

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

9.5.1. Nature of Operations

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

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

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

The Company had ongoing problems with finalising the sale of its China business to remit its 55.57% share of a remaining cash balance released from guarantee in China - to the Company's bank account in Australia.

The Company held restricted cash in Chinese bank accounts. These funds were offset by a bank guarantee and unavailable to the Company and Indeveno until receipt of Chinese regulatory clearances.

Dr Wang, the Company's Managing Director, initiated legal proceedings in China on the Company's behalf for the release of the guarantee monies to the Company.

Subsequent Chinese legal advice was that it would be fruitless for the Company to continue with the legal proceedings.

The Company therefore decided to withdraw from the proceedings.

As these matters dragged on for several years, the Company decided to settle all issues and remit to Australia whatever cash remained in the Company's Chinese bank accounts. The Company received \$64,864 during the half year ended 30 June 2017 in final payment. Refer to Note 9.5.8 for more details.

9.5.2. Statement of Significant Accounting Policies

Basis of Preparation

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

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

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

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

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

9.5.3. Going Concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

As disclosed in the financial statements, for the half-year ended 30 June 2017 the Company incurred a loss from operations, net of tax of \$142,822 and had a net cash outflow from operating activities of \$244,307.

These factors indicate a material uncertainty which may cast significant doubt as to whether the Company will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report. While the Company has sufficient funds to meet its operational needs for at least 12 months from the date of this financial report, in the longer term the Company's ability to continue as a going concern in the future is dependent on raising capital.

The financial report does not include any adjustments relating to the recoverability or classification of recorded assets amounts, or to the amounts or classification of liabilities, which might be necessary should the Company not be able to continue as a going concern.

The Board is considering the future of the Company, including whether to identify new business opportunities, or de-list the Company.

Directors have reviewed the Company's overall position and outlook in respect of the matters identified above and are of the opinion that the use of the going concern basis is appropriate in the circumstances for the following reasons:

1. The Company had cash and cash equivalents of \$563,018 as at 30 June 2017. As at that date the Company had net current assets and net assets of \$502,150;
2. Current forecasts indicate the Company will have sufficient funds for at least 12 months from the date of this report; and
3. The Company may seek new business opportunities.

Due to the above factors, the directors believe that the Company will continue as a going concern.

Should the Company be unable to continue as a going concern and capital raising initiatives are less than required, the Company may be required to realise its assets and extinguish its liabilities other than through the ordinary course of business and at amounts different to those stated in the financial report.

The report does not include any adjustment relating to the recoverability and classification of asset carrying amounts or the amounts of liabilities that might result should the Company be unable to continue as a going concern and meet its debts as and when they become payable.

9.5.4. Estimates

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

The judgements, estimates and assumptions applied in the interim financial statements, including the key sources of estimation uncertainty were the same as those applied in the Company's last annual financial statements for the year ended 31 December 2016.

9.5.5. Significant Events and Transactions

The Company has no significant events or transaction during or since the financial half-year ended 30 June 2017.

Oriental Technologies Investment Limited – Half-Year Report 30 June 2017

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

9.5.6. Operating Segment

The Company determines and presents operating segments based on the information that internally is provided to the Managing Director, who is the Company's chief operating decision maker. This is due to the adoption of AASB 8 *Operating Segments*.

Since 15 May 2014, when the Company's 55.57% investment in Apollo was disposed, the Company has only operated in Australia.

9.5.7. Other Revenue and Expenses

	Half Year ended 30 June 2017	Half Year Ended 30 June 2016
	\$	\$
Other Expenses		
Technical and advisory fees	(97,500)	(97,500)
Foreign currency loss - unrealised	-	(125,480)
General and administrative costs	(76,517)	(90,628)
General and administrative costs-over accrual	59,089	-
	<u>(114,928)</u>	<u>(313,608)</u>

9.5.8. Profit from discontinued operation

Final cash proceeds for sale of Apollo transferred from the Company's Chinese bank accounts to its Australian bank account	64,864	-
Income booked in prior years	(8,284)	-
Interest income reclassified	(8)	-
Net cash proceeds from the sale of Apollo	<u>56,572</u>	<u>-</u>

9.5.9. Cash and cash equivalents

	As at 30 June 2017		As at 31 December 2016	
	\$	RMB	\$	RMB
Cash at bank and in hand - unrestricted				
Australian bank accounts	563,018	-	742,469	-
Chinese bank accounts	-	-	8,284	41,656
	<u>563,018</u>	<u>-</u>	<u>750,753</u>	<u>41,656</u>

9.5.10. Other Receivables

	As at 30 June 2017	As at 31 December 2016
	\$	\$
Prepayments	1,064	14,762
Amount receivable from a Director	1,895	3,470
Sundry receivables	15,942	15,851
	<u>18,901</u>	<u>34,083</u>

Oriental Technologies Investment Limited – Half-Year Report 30 June 2017

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

9.5.11. Other Payables

	As at 30 June 2017	As at 31 December 2016
	\$	\$
Amount payable to a Director related entity	59,088	118,177
Accrual	15,000	15,000
Sundry payables	5,681	6,687
	<u>79,769</u>	<u>139,864</u>

9.5.12. Loss per Share

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

	Half Year ended 30 June 2017	Half Year Ended 30 June 2016
	\$	\$
Basic and diluted (loss) / profit from continuing and discontinued operations		
Continuing	(199,394)	(393,560)
Discontinued	56,572	-
	<u>(142,822)</u>	<u>(393,560)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic and diluted profit / (loss) per share (continuing and discontinued operations)	<u>126,361,087</u>	<u>126,361,087</u>

9.5.13. Equity Securities Issued

There were no equity securities issued during the half-year ended 30 June 2017 (2016 Nil)

	30 June 2017	31 December 2016
Number of Ordinary Shares		
Balance 1 January	126,361,087	126,361,087
Balance 30 June	<u>126,361,087</u>	<u>126,361,087</u>

9.5.14. Events Subsequent to Reporting Date

The Directors are not aware of any matter or circumstance that has arisen since the end of the financial half-year that has significantly affected or may significantly affect the Company's operations, the results of these operations or the Company's state of affairs in future financial years, excepting as at the date of this report (31 August 2017).

9.5.15. Rounding of Amounts

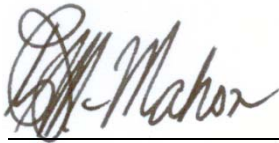
The Company is not of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 dated 24 March 2016 and as such, amounts in the Half Year Financial Report and Directors' Report have been reported to the nearest dollar, unless otherwise stated.

10. DECLARATION BY DIRECTORS

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

1. The financial statements and notes of Oriental Technologies Investment Limited are in accordance with the *Corporations Act 2001*(Cth), including:
 - (a) giving a true and fair view of its financial position as at 30 June 2017 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
31 August 2017

RSM Australia Partners

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Oriental Technologies Investment Ltd for the half year ended 30 June 2017, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

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

A handwritten signature in blue ink that reads "RSM".

RSM AUSTRALIA PARTNERS

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

W E Beuman
Partner

Sydney, NSW
Dated: 31 August 2017

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

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Oriental Technologies Investment Ltd which comprises the statement of financial position as at 30 June 2017, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the company.

Directors' Responsibility for the Half-Year Financial Report

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

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company's financial position as at 30 June 2017 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 Ltd, 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*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Oriental Technologies Investment Ltd, would be in the same terms if given to the directors as at the time of this auditor's report.

Conclusion

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

- (a) giving a true and fair view of the company's financial position as at 30 June 2017 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*.

Material Uncertainty Related to Going Concern

Without modifying our conclusion, we draw attention to Note 9.5.3 to the Half Year report which indicates that the Company incurred a loss before tax benefit of \$142,822 and had net cash outflows from operating activities of \$244,307 for the half-year ended 31 December 2016. As stated in Note 9.5.3, these conditions, along with other matters as set forth in Note 9.5.3, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

RSM AUSTRALIA PARTNERS

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

W E Beauman
Partner

Sydney, NSW
Dated: 31 August 2017