

## ASX / MEDIA RELEASE

12 August 2016

### TIAN AN AUSTRALIA COMPLETES DEVELOPMENTS AND DELIVERS A SOLID FULL YEAR PROFIT

- For the full year ended 30 June 2016 the Group reported a statutory profit after tax of \$4,791,000 (2015: loss of \$14,921,000).
- The full year underlying profit for the Group was \$6,846,000, compared with a full year underlying loss of \$7,692,000 in the previous corresponding period.
- Successfully completing construction and settlements at Bridgeview in New South Wales.
- Completion of construction and commencement of settlements at The Milton in Queensland.
- Continued staged completion and settlements at SeaSpray in Victoria.
- Undertook a successful \$21,652,000 rights issue to repay foreign currency denominated debt.
- Change of name to "Tian An Australia Limited".

Tian An Australia Limited (ASX: TIA) (**TIA** or **Company**), is pleased to provide its annual report and Appendix 4E for the financial year ended 30 June 2016 (**Period**).

TIA continues to realise its completed assets, assess its options in respect of Point Grey and investigate opportunities for new projects.

Jally Lin, Chief Executive Officer, said:

*"The management team has focussed on the completion of a number of projects and has delivered a solid result for the full year to 30 June 2016. Management continues to assess new opportunities which meet the Company's investment criteria of east coast medium to high density residential developments."*

#### Financial Position

The Company reports revenues for the Period of \$30,604,000 (2015: \$14,432,000) and an underlying profit of \$6.846 million (2015: loss of \$7.692 million).

The Company has realised a number of projects over the past six months and continues to assess new opportunities. Management will continue to focus on cash flow, the disciplined allocation of capital to projects and ongoing attention to costs and overhead efficiencies.

The Company's statutory profit was \$4,791,000 (2015: loss of \$14,921,000) for the year.

## Portfolio Update

### *Villa Site (Port Bouvard, Western Australia)*

The Company is in the process of selling the site.

### *Oceanique (Port Bouvard, Western Australia)*

During the year, four Oceanique apartments were settled by the Company. At 30 June 2016, there remained four apartments for sale.

### *Point Grey (Point Grey, Western Australia)*

The Company acquired approximately 275 hectares of land at Point Grey in 2006 and has subsequently obtained Commonwealth and State Government approvals to develop the site into a residential village incorporating a marina.

Management is currently considering its options in respect of developing or selling the site.

### *Bridgeview (Annandale, New South Wales)*

Bridgeview was realised during 2016, with an end value of around \$35,550,000 (including GST) from the sale of 23 townhouses.

This was the Company's first investment outside of Western Australia, with profit of \$6,089,000 being recognised during the 2016 financial year.

### *Burwood Square (Burwood, New South Wales)*

In February 2016, TIA reached an agreement with B1, its joint venture partner, to have a secured priority position (ranking behind the senior external financier) and receive fixed cash proceeds from the Burwood Square project, further de-risking its investment. The Company will receive a completion payment of approximately \$33,880,000 in total, with \$18,000,000 received to date. The completion payment is secured against the assets of the entities holding the Burwood Square development.

### *The Milton (Milton, Queensland)*

Construction has completed with 280 of the 295 residential apartments settled to date. The retail / commercial space is currently in the process of being leased in preparation for a sale. The Milton has an end value of approximately \$216,800,000. Returns have begun with the profit component not being released until the remaining residential apartments and the retail / commercial space have been sold.

### *SeaSpray (Point Cook, Victoria)*

SeaSpray has a total end value of approximately \$58,000,000. As at 30 June 2016, approximately 68% have settled with the majority of the remaining lots being unconditionally exchanged. The project is due to be completed in the 2017 financial year.

## Outlook

The Company continues to seek new development opportunities leveraging off the returns generated from current projects.

### **Change of major Shareholder**

Tian An China Investments Company Limited (**Tian An China**) through its indirectly wholly owned subsidiary, Oasis Star Limited (**Oasis Star**) acquired a 19.9% shareholding from Mulpha Strategic Limited in July 2015. A subsequent capital raising in October 2015 increased Oasis Star's holding to 32.8%.

Tian An China is engaged principally in the development of apartments, villas and commercial properties, it also undertakes property investment and property management activities with a current market capitalisation of approximately HKD6.5 billion.

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#### **About Tian An Australia:**

The principal activity of Tian An Australia is to identify urban projects to develop for resale. By nature, these master planned projects offer many built-form value add opportunities beyond the standard residential lot market. Tian An Australia has a vision to grow as a significant contributor to the design and development of premium residential property utilising community based planning and innovative design concepts targeted to meet the needs and exceed the expectations of markets while delivering new benchmarks in environmental excellence.