

ASX / MEDIA RELEASE

24 February 2017

TIAN AN AUSTRALIA RESULTS DELIVER A STRONG PLATFORM FOR FUTURE GROWTH

Tian An Australia Limited (ASX: TIA) (**TIA** or **Company**), is pleased to provide its annual report and Appendix 4E for the six months ended 31 December 2016 (**Period**).

- For the six months ended 31 December 2016 the Company reported a statutory profit after tax of \$8,047,000 (June 2016: \$4,791,000).
- Underlying profit for the period of \$8,047,000, compared with a full year underlying profit of \$6,846,000 in the previous corresponding period.
- Completion of the Burwood Square project in New South Wales.
- Settlements of residential apartments at The Milton in Queensland substantially completed.
- Continued staged completion and settlements at SeaSpray in Victoria.
- Acquisition of 4 Mitchell St Enfield.

Jally Lin, Chief Executive Officer, said:

“The management team continues to realise its projects over the past 6 months, resulting in improved profitability and strong cash reserves. The Company continues to assess and invest in new opportunities, in line with the Company’s strategy of residential projects along the east coast of Australia, close to city locations and established infrastructure. Management has established a solid platform.”

Financial Position

The Company reports revenues for the period of \$4,961,000 (June 2016: \$30,604,000) and an underlying profit of \$8,047,000 (June 2016: \$6,846,000).

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 \$8,047,000 (June 2016: \$4,791,000) for the period.

Summary of developments

Development specific updates are shown below.

Villa Site (Port Bouvard, Western Australia)

The Company is in the process of selling the site.

Oceanique (Port Bouvard, Western Australia)

There are four Oceanique apartments available for sale as at 31 December 2016.

Point Grey (Point Grey, Western Australia)

Point Grey is located on the only elevated peninsula setting on the eastern shores of the Peel Inlet and the Harvey Estuary in the Shire of Murray, Western Australia. Geographically, Point Grey is situated approximately 20 kilometres west of the Pinjarra town site, and approximately 12 kilometres south-east of the Mandurah city centre.

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.

Burwood Square (Burwood, New South Wales)

In September 2013, the Company entered into the joint venture with the owners and the developer of the land. The developer was B1 Goldfield Development Pty Limited.

Burwood Square comprised of 210 residential apartments across three towers, 7,455 sqm of retail / commercial space contained in a podium and public and private basement car parking.

In June and August 2016, the Company received completion payments of \$33,880,000 in total, resulting in current period profit of \$8,460,000. The Company has now completed its investment in the Burwood Square apartment project.

The Milton (Milton, Queensland)

In December 2013 the Company invested in The Milton apartment project. The site is located within the suburb of Milton, only two kilometres from the Brisbane CBD and directly adjacent to the Milton railway station.

The Company has entered into the joint venture with the owners and the developer of the land. The developer is FKP Commercial Developments Pty Limited (a wholly owned subsidiary of Aveo Group).

The Milton is a 30 storey mixed-use tower, comprising 300 residential units, together with 1,121 sqm of retail and 1,150 sqm of commercial premises.

Construction has completed with 292 of the 295 residential units settled to date. The retail / commercial space is currently in the process of being leased in preparation for sale. The Milton has an end value of approximately \$215,000,000. The Company expects to sell the remaining residential units and the retail / commercial space in 2017.

SeaSpray (Point Cook, Victoria)

In December 2013, the Company invested in the SeaSpray residential land subdivision. The site is located within the suburb of Point Cook, 19 kilometres from the Melbourne CBD.

The Company has entered into the joint venture with the owners of the land. The owner is FKP Residential Developments Pty Limited (a wholly owned subsidiary of Aveo Group).

SeaSpray is a subdivision which upon completion will comprise of 247 residential lots developed in eight stages, together with local roads, public open space and wetlands.



SeaSpray has a total end value of approximately \$58,000,000. As at 31 December 2016, approximately 76% have settled with the majority of the remaining lots being unconditionally exchanged. The project is due to be completed in 2017.

Outlook

The Company has recently acquired a commercial building in Enfield, NSW and will be obtaining approvals to redevelop the site into residential accommodation. Management continues to seek new development opportunities utilising the proceeds from current projects.

END

Investor Contact:

Hai-Young Lu, Company Secretary & Legal Counsel
T +61 2 8243 9703 | E hlu@tianan.com.au

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.