

ASX / MEDIA RELEASE

26 February 2018

TIAN AN AUSTRALIA PRODUCES SOLID PROFIT RESULT, LOOKS TO GROW

Tian An Australia Limited (ASX: TIA) (**TIA** or **Company**), is pleased to provide its full year report and Appendix 4E for the year ended 31 December 2017 (**Period**).

- For the year ended 31 December 2017 the Company reported a underlying profit after tax of \$2,437,000 (six months to December 2016: \$8,047,000).
- For the year ended 31 December 2017 the Company reported a statutory profit after tax of \$1,233,000 (six months to December 2016: \$8,047,000).
- Proportional off-market takeover of TIA shares by Oasis Star Limited.
- Residential apartments at The Milton in Queensland fully sold. One retail lot settled in 2017.
- Settlements of 54 lots at SeaSpray in Victoria.
- Completion of acquisition of 4 Mitchell St Enfield in July 2017.
- Writedown of Oceanique apartments.

Jally Lin, Chief Executive Officer, said:

"The management team has almost completed settlement of its current East Coast projects. Following the proportional takeover by Oasis Star Limited management plans to combine Oasis Stars expertise and resources to investigate and acquire new projects."

Financial Position

The Company reports revenues for the period of \$13,649,000 (December 2016: \$4,961,000).

The Company is close to closing finalising sale its existing projects and is assessing 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 \$1,233,000 (December 2016: \$8,047,000) for the period.

Summary of developments

Development specific updates are shown below.

Oceanique, Mandurah

There are currently four available apartments. Management continues to focus on the sell down of these apartments.

Point Grey and Peel Water, Point Grey

Management has obtained a Development Application for stage 1. Management has obtained Commonwealth/State Government bilateral approvals for the marina and terrestrial developments. Management is currently seeking to extend the Marina approval with the WA State Government.

Lot 370, Port Bouvard, Dawesville

Lot 370 currently is for sale.

Eastern Seaboard

The Milton, Brisbane, Queensland

Settlement of The Milton apartments is complete with \$32,850,000 in proceeds received to date. Management is currently focussed on the sell-down of the retail / commercial element of the project. There has been one retail lot sold, with the remaining four leased. One retail suite has settled and one commercial suite has exchanged and is due for settlement in February 2018. The remaining settlements are expected to be realised within 12 months, the investment balance has been classified in current assets as at 31 December 2017.

SeaSpray, Point Cook, Victoria

Construction at SeaSpray, located in Point Cook, Victoria has completed. SeaSpray is TIA's 247 lot land subdivision of which has settled 243 lots to date. There are a further two lots exchanged out of the remaining four lots. Two lots have been held for future sale.

Enfield, NSW

The Group settled a property acquisition at 4 Mitchell St Enfield NSW in July 2017. The Group acquired the property for \$35,000,000, funded by existing cash reserves and plans to develop the site into residential accommodation.

Short Term Outlook

Oasis Star recently acquired 76.7% of TIA. Management will be looking at utilising synergies with its parent entity. Together, TIA will focus on identifying residential developments that meet its investment strategy and criteria. Management will continue to focus on gaining the necessary approvals for its Enfield project, converting the site from a commercial building to a residential site. TIA has submitted a Planning Proposal to Burwood Council and is working towards a Development Approval.

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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.