TIAN AN AUSTRALIA

# Building For Tomorrow's Lifestyle

ANNUAL REPORT 2025

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# LETTER FROM THE CHAIRMAN

**Dear Shareholders**

During the year, the property market showed signs of improvement, supported by various Government incentives aimed at home buyers. With construction activity and housing supply remaining at relatively low levels, the housing market is expected to continue performing favourably. Tian An Australia is well positioned to capitalise on these market conditions.

Our project at The Henley, Enfield was completed, with settlements commencing in April 2025. Most townhouses have now been sold, with 13 remaining available for sale.

At Auburn Square, Stage 1 is also nearing full sell-out. Presales for Stage 2 are underway and progressing well, with construction expected to commence in mid-2026. Coles Supermarkets has signed a lease for the retail space in Auburn Square Stage 2.

At Hammond Greens, Chatswood, a State Significant Development Application (SSDA) was approved in October 2025. The approval increases the total number of apartments and provides additional affordable housing in the area. Demolition of the existing structures has now been completed.

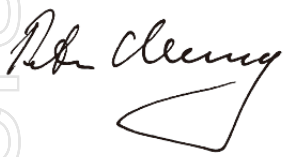
The Company also secured an adjacent site in Chatswood (Hammond Place) and plans to lodge an SSDA during 2026. The proposal will include a portion of apartments designated for affordable housing.

In Western Australia, an amended Local Structure Plan for Point Grey has been submitted to the relevant authorities. The Company is seeking approvals from the Western Australian Planning Commission, the statutory decision-making authority.

Management remains focused on delivering projects in a timely and cost-effective manner while actively assessing new investment opportunities that align with our investment criteria. We continue to prioritise cost management and operational efficiency to maximise returns for our shareholders.

We appreciate your ongoing support and look forward to another year of success.

Yours Sincerely



**Peter Curry**
Chairman

# DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2025



The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the **Consolidated Entity, TIA**, or the **Group**) consisting of Tian An Australia Limited (referred to hereafter as the **Company**) and the entities it controlled at the end of, or during, the year ended 31 December 2025 (the **Year**).

## DIRECTORS

The following persons were Directors of the Company from the commencement of the year and up to the date of this report, unless otherwise specified:

| Name | Position |
|---|---|
| Peter Curry | Chairman |
| Cerena Fu | Independent Non-Executive Director |
| Marcus Seow | Independent Non-Executive Director |

## COMPANY SECRETARY

The Company Secretary from the commencement of the year and up to 6 January 2025 was Hai-Young Lu. Robert Lees was appointed Company Secretary from 7 January 2025 to 31 December 2025.

## QUALIFICATIONS AND EXPERIENCE

DIRECTORS

**Peter Curry BCom LLB ACA**
*Chairman*
Mr Peter Curry was appointed to the Board on 15 March 2019 and was appointed as Chairman on 30 June 2023. He was an executive director and Group CFO of Sun Hung Kai & Co. Limited, a Hong Kong listed financial services and investment company until his retirement in 2018. He remains a non-executive director of that company.

Prior to that, Mr Curry has had a broad range of professional and business experience over 45 years in a range of industries including natural resources, property and financial services. He has acted as a director of a number of private and public companies and has been involved in a range of public and private capital raisings, mergers and acquisitions as well as providing corporate and financial advisory services in relation to a variety of business transactions.

Mr Curry holds Bachelor of Commerce and Bachelor of Laws degrees from the University of NSW. He is a Chartered Accountant and was admitted as a non-practising barrister to the Supreme Court of NSW.

*Other current directorships of listed companies*
Mr Peter Curry is a non-executive director of Sun Hung Kai & Co. Limited, a Hong Kong listed financial services and investment company. He is also a non-executive director of Air Change International Limited, a company listed on the National Stock Exchange of Australia.

*Former directorships of listed companies in last three years*
None.

**Cerena Fu LLB**
*Independent Non-Executive Director*
Ms. Fu was appointed to the Board on 5 April 2013. Ms. Fu is the principal of CFC Lawyers, a legal practice established in 2004 based in Double Bay, New South Wales. Ms. Fu has acted for both local and international clients on numerous significant property and investment transactions, business acquisitions and commercial and retail leases. Ms. Fu has been involved in all aspects of commercial financing, including acting for both mortgagees and mortgagors and has successfully commenced and conducted commercial litigation.

Ms. Fu is admitted to practice in the Supreme Court of New South Wales, the Federal Court of Australia and the High Court of Australia and is a member of the Law Society of New South Wales. She holds a degree in law from the University of New South Wales and a Master's degree from the University of Sydney.

*Other current directorships of listed companies*
None.

*Former directorships of listed companies in last three years*
None.

# DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025



**Marcus Seow**
*Independent Non-Executive Director*
Mr. Seow was appointed to the Board on 1 October 2013. Mr. Seow is currently a Managing Partner of Ideal Advisory, an Australian boutique property development company. Mr. Seow is also a director with Low Yat Group, a Malaysian-based diversified property group with interests in Asia and Australia.

*Other current directorships of listed companies*
None.

*Former directorships of listed companies in last three years*
None.

## CHIEF OPERATING OFFICER & COMPANY SECRETARY

**Hai-Young Lu BCom, LLB, GradDipACG**
*Company Secretary & Chief Operating Officer*
Mr. Lu was appointed as Company Secretary on 28 May 2014 and Chief Operating Officer on 1 April 2019. Mr Lu retired from his position effective 6 January 2025. Mr. Lu has worked at an ASX listed oil and gas explorer and in private practice as a corporate lawyer in the areas of mergers and acquisitions, equity capital markets and corporate governance.

He was previously a director of Shanghai No. 1 Machine Tool Foundry (Suzhou) Co., Ltd, a mainland Chinese based iron casting corporation.

Mr. Lu is admitted to practice in the Supreme Court of New South Wales and is a member of the Law Society of New South Wales.

**Robert Lees B Bus, CA, FGIA**
*Company Secretary*
Mr. Lees was appointed as Company Secretary on 7 January 2025. Mr. Lees is a qualified Chartered Accountant. He has worked in private practice, small business and venture capitalists as a Financial Controller/Company Secretary for a number of medium sized and large ASX listed entities.

Since 2003, he has provided Company Secretarial and Chief Financial Officer services, to ASX listed companies. This has included working on over 10 IPO's and back door listings.

Mr Lees is a fellow of the Governance Institute of Australia (FGIA, FCG (CS)) and a member of Chartered Accountants Australia and New Zealand (CA) and the Australian Institute of Company Directors (MAICD).

## DIRECTORS' MEETINGS

The number of meetings of Directors (including meetings of committees of Directors) held during the 31 December 2025 year and the number of meetings attended by each Director is as follows:

| | Directors' Meetings | | Audit Committee Meetings | |
|---|---|---|---|---|
| Number of meetings attended | A | B | A | B |
| Peter Curry | 4 | 4 | 4 | 4 |
| Cerena Fu | 4 | 4 | 4 | 4 |
| Marcus Seow | 4 | 4 | 4 | 4 |

Where:
A = # of meetings attended
B = # of meetings held during the time the Director was in office or member of the committee during the year

## CORPORATE INFORMATION

The Company is limited by shares and is incorporated and domiciled in Australia. It is the ultimate Australian parent entity of the Group and has prepared a consolidated financial report incorporating the entities that it controlled during the year ended 31 December 2025. These are detailed in the accompanying notes to the financial statements.

## PRINCIPAL ACTIVITIES

The principal activity of the Group during the year was the development and sale of residential land and built-form products. The Company has interests in developments on the east coast of Australia and developments in the Mandurah/Peel Region of Western Australia.

# DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025



**SUMMARY OF DEVELOPMENTS**

WESTERN AUSTRALIA

*Point Grey and Peel Water, Point Grey*

An amended Local Structure Plan has been lodged to the Western Australian Planning Commission (WAPC) in 2025. WAPC has agreed to extend the statutory consideration period to April 2026 to allow additional time for resolution of outstanding technical and planning matters. Updated supporting documentation, including addenda to the Bushfire Management Plan and Local Water Management Strategy and updates to the Engineering Servicing Report, is currently being prepared.

*Lot 370, Port Bouvard, Dawesville*

Lot 370 is available for sale.

EASTERN SEABOARD

*The Henley, Enfield, NSW*

The project achieved Practical Completion in late May 2025 with new owners moving in from July 2025. Over 80% of the townhouses have either settled or been exchanged.

*Auburn Square, Auburn, NSW*

Auburn stage 1 residential is almost fully sold with the unsold apartments currently being leased. The retail component has been fully leased out.

Auburn Stage 2 has formally engaged Binah as the main contractor. Construction is underway and bulk excavation is currently in progress. Stage 2 consists of a total of 249 units. Coles has entered a long-term lease for the retail space. Construction is expected to be completed around mid-2028.

*Hammond Greens, Chatswood, NSW*

The SSDA approval was obtained in late October 2025. Demolition of the existing structure has largely been completed. The project is currently out for tender for the construction works, to adopt the new SSDA scheme. Construction is expected to commence in the first half of 2026. Presale is currently underway.

*Hammond Place, Chatswood, NSW*

All settlements under the option deeds were completed in December 2025. The SSDA scheme was lodged in September 2025. Submission of architectural plans and supporting consultant reports is expected to be completed by the first quarter of 2026, with approval targeted by mid-2026.

**ENVIRONMENTAL REGULATION**

The Group is subject to environmental regulation in respect of its land development as set out below. The Group is committed to undertaking its developments in an environmentally responsible manner and to a high environmental standard. The Group takes its environmental responsibilities seriously and notes that it is a stakeholder expectation that the environment is being treated appropriately and sustainably.

**LAND DEVELOPMENT APPROVAL**

All current projects are being undertaken with approvals issued by the relevant statutory authorities. To the best of the Directors' knowledge, all activities to implement the projects have been undertaken in compliance with the requirements of the existing approvals.

**FUTURE DEVELOPMENTS, PROSPECTS AND BUSINESS STRATEGIES**

The Group will continue to focus its strategy of diversifying the Group's residential development sites along the east coast of Australia, within inner metropolitan and city locations, close to established infrastructure.

The Henley, Enfield project is now complete with management focussing on selling the remaining unsold townhouses.

Commencement of works and pre-sales at its Auburn Square, Auburn stage 2 site.

Appointing a builder and commencement of works and pre-sales for its Hammond Greens project.

Seeking SSDA approvals at its Hammond Place site.

Amending the local structure plan for the Point Grey project.

As at year end, the company is continuing to sell the remainder of its completed stock in stage 1 of Auburn Square and the Villa site ('Lot 370') in Dawesville.

# DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025



**REVIEW OF OPERATIONS**

OPERATING PERFORMANCE

For the year ended 31 December 2025 the Group's recorded a statutory profit for the period of $23,415,000 (31 December 2024: $733,000). The Group's underlying profit for the period was $10,611,000 (year ended 31 December 2024: loss $4,570,000).

The following table summarises key reconciling items between the Group's statutory profit/(loss) and underlying profit/(loss):

| | Consolidated | |
|---|---|---|
| | Year ended 31 December 2025 $'000 | Year ended 31 December 2024 $'000 |
| **Statutory profit attributable to members after tax** | **23,415** | 773 |
| Oasis Star present value gain | **(20,403)** | – |
| Amortisation of Oasis Star loan | **8,907** | – |
| Enfield fair value uplift | **(1,308)** | (5,343) |
| **Underlying profit/(loss) after tax[1]** | **10,611** | (4,570) |

[1]Underlying profit/(loss) after tax is a non-IFRS measure that is presented to provide an understanding of the underlying performance of the Group's operations. In the opinion of the Directors, the Group's underlying loss reflects the results generated from ongoing operating activities. The non-operating adjustments outlined above are considered to be non-cash or non-recurring in nature. These items are included in the Group's consolidated statutory result but excluded from the underlying result. The non-IFRS financial information is unaudited. However, the numbers have been extracted from the financial statements which have been subject to audit by the Company's auditor.

FINANCIAL POSITION

The Group's net assets at 31 December 2025 are $93,807,000 (31 December 2024: $68,035,000). During the year the Group:

- Obtained state significant development approval for its Hammond Greens, Chatswood project;
- Acquired the remaining apartments at the Hammond Place, Chatswood site;
- Sold apartments at Auburn Square Stage 1 and commenced presales at stage 2;
- Completed and settled townhouses at The Henley, Enfield;
- Considered alternative masterplans for Point Grey.

Increased the loan facility with Oasis Star Limited to $230,000,000 and extended the repayment date to December 2027. The facility is interest free from 23 May 2024.

Key elements of the Group's statement of financial position are shown below:

| | Consolidated | |
|---|---|---|
| | 31 December 2025 $'000 | 31 December 2024 $'000 |
| Current assets | **40,593** | 100,268 |
| Non-current assets | **241,376** | 207,065 |
| **Total assets** | **281,969** | 307,333 |
| Current liabilities | **17,131** | 53,081 |
| Non-current liabilities | **171,031** | 186,217 |
| **Total liabilities** | **188,162** | 239,298 |
| **Net assets** | **93,807** | 68,035 |
| # of ordinary shares on issue | **86,608,830** | 86,608,830 |
| Balance sheet gearing ratio[1] | **3%** | 16% |

[1] Balance sheet gearing ratio = (interest bearing debt – cash)/(total assets – cash)

# DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025



**MATERIAL BUSINESS RISKS**
The Australian economy in 2025 was resilient, despite continued inflation and modest economic growth. Increased inflation, resulting in rises in material and labour costs, have influenced some of our project valuations.

The Australian Government recently introduced measures to stimulate growth in the economy. It has introduced a 5% deposit scheme to assist first home buyers to enter into the housing market and to stimulate the sector. As there is a housing shortage in Australia, this should lead to a favourable outcome for the residential property market and the company's returns.

Housing affordability has been declining. The company is continuing to investigate options to improving affordability by considering including affordable housing in its future projects. The Company also sold completed stock in its Auburn Square development to buyers who qualified for government housing grants assisting first home buyers.

Climate change has also impacted our projects with delays in construction due to wet weather. These delays had some impact in the timing of the recognition of profits by the Company.

Our joint venture partners play an important role in our business. The delivery of our development investments is driven by the engagement of aligned partners. Our partner relationships are based on delivering mutual benefits to all parties. Our value creation model has a focus on committed partners and enables the delivery of our strategy. Governance frameworks are in place to manage our capital partnerships.

The Company continues to locate and develop sites which are close to existing transport links, ensuring buyers are able to reduce their carbon footprint by having access to public transport.

The Directors and Management are continuing to evaluate the unpredictability of the economy, the impact of inflation and the potential future impact on asset values. TIA is in a solid capital position and has the continuing financial support from Tian An China Investments Company Limited, the company's ultimate parent entity. Despite the economic and financial impacts, the company continues to evaluate investment opportunities to take advantage of the improving Australian property market.

**DIVIDENDS**
No dividends were paid or payable during the year or the previous financial period.

**DIRECTORS' INTERESTS IN THE SHARES OF THE COMPANY**
As at 31 December 2025, Cerena Fu held 557,675 shares in the Company.

**REMUNERATION REPORT – AUDITED**
The remuneration report is set out under the following main headings:

1. Key Management Personnel (**KMP**);
2. Governing Principles;
3. Details of Remuneration;
4. Service Agreements;
5. Share-Based Compensation; and
6. Additional Information.

**1. KEY MANAGEMENT PERSONNEL (KMP)**
The following persons were KMP of the Group during the year:

| Name | Position |
|---|---|
| Peter Curry | Chairman – Non-Executive |
| Marcus Seow | Director – Non-Executive |
| Cerena Fu | Director – Non-Executive |
| Dennis Wong | Financial Controller |

## 2. GOVERNING PRINCIPLES

The Group does not have a formal remuneration committee due to its limited size. The Board of Directors therefore sets the parameters and objectives for the remuneration of the Group's senior executive. The Board may use the services of a remuneration consultant for remuneration advice.

The performance of the Group depends upon the quality of its Directors and senior executives. To prosper, the Group must attract, motivate and retain highly skilled Directors and senior executives. To this end, the Group embodies the following principles in its remuneration framework:

- Provide competitive rewards to attract high calibre senior executives being mindful of the market, position and work required;
- Be acceptable to Shareholders;
- Be linked to and aligned with performance in order to motivate senior executives;
- Ensure the reward is transparent; and
- Ensure the reward only be given after due consideration of the Group's capital management requirements and strategies.

The reward structure has been designed to be aligned with both Shareholder and senior executive interests. To ensure alignment with Shareholder interests, the reward structure:

- Has the Group's short-term strategy in mind;
- Focuses on sustained growth in Shareholder wealth, delivering consistent return on assets;
- Encourages senior executives to focus on non-financial drivers of value; and
- Attracts and retains high calibre senior executives.

To ensure alignment with senior executives' interests, the reward structure:

- Rewards capability, effort and experience;
- Reflects competitive reward for contribution to growth in Shareholder wealth;
- Provides a clear structure for earning rewards;
- Allows senior executives, to a limited extent, to determine how bonuses, if any, shall be received; and
- Provides recognition and reward for contribution.

The framework provides a mix of fixed and variable pay. The base level of senior executive remuneration can take into account the performance of the Group over a number of years, but primarily the current and prior years. However, it can also take into consideration the development pipeline.

### BONUS PAYMENTS

Bonuses can be paid where the Board deems it to be appropriate. There are no specific criteria for bonuses however bonuses are usually paid after achievement of milestones or performance targets by the individuals concerned.

No bonuses were paid in the current year.

### NON-EXECUTIVE DIRECTORS

Fees and payments to Non-Executive Directors reflect the demands which are made on, and the responsibilities of, the Directors. Non-Executive Director fees are not specifically linked to the results of the Group in a particular year. However, in setting Non-Executive Director fees, the Board gives consideration to the overall recent performance of the Directors and the Group as a whole.

Non-Executive Director fees are determined within an aggregate Director fee pool limit, which is periodically recommended for approval by Shareholders. This amount was set at a maximum of $600,000 per annum at a general meeting of Shareholders held on 28 November 2014.

The base remuneration for Non-Executive Directors was reviewed during the 2023 financial year, and the revised remuneration took effect on 1 January 2023. As of that date, Non-Executive Directors of the Company, were paid $44,000 per annum plus statutory superannuation (except where Directors' fees are paid to a corporation). The Board maintained the remuneration of the Chairman to a maximum of $110,000 per annum plus statutory superannuation (except where Directors' fees are paid to a corporation).

Additional remuneration, at arm's length rates, may be paid for specific additional services from time to time as determined by the Board. Further, Non-Executive Directors do not receive retirement benefits or additional fees for being members of Board committees.

No options have been issued to Non-Executive Directors as at 31 December 2025 (2024: None).

# DIRECTORS' REPORT (CONTINUED)





## KMP

The executive pay and reward framework has four components:

- Base pay and benefits;
- Discretionary bonus payments;
- Performance-based (at-risk) remuneration; and
- Other remuneration such as superannuation.

No options were granted during the year ended 31 December 2025 (2024: Nil).

## BASE PAY AND BENEFITS

Executives are rewarded through a base salary and certain non-cash benefits, where they are deemed to be appropriate. Such remuneration is discussed and determined by the Board upon receiving appropriate advice.

KMP salary and superannuation is reviewed in the first few months of every new calendar year where individual performance and the performance of the Group are taken into account when setting the next year's base salary and remuneration.

Benefits paid to KMP may include motor vehicle expenses and payment of any associated fringe benefits tax that may arise.

The following table shows the gross revenue, net profits and dividends paid to Shareholders over the past five reporting years.

| | Year ended 31 December 2025 | Year ended 31 December 2024 | Year ended 31 December 2023 | Year ended 31 December 2022 | Year ended 31 December 2021 |
|---|---|---|---|---|---|
| Revenue | **$84.0m** | $Nil | $Nil | $Nil | $Nil |
| Net profit/(loss) after tax | **$23.4m** | $0.7m | $5.4m | ($20.5m) | ($1.1m) |
| Share price at year end | **$0.35** | $0.19 | $0.21 | $0.21 | $0.29 |
| # of shares on issue at year end | **86.6m** | 86.6m | 86.6m | 86.6m | 86.6m |
| Dividends paid (per share) | **Nil** | Nil | Nil | Nil | Nil |
| Return of capital at a premium to market price | **Nil** | Nil | Nil | Nil | Nil |

## BONUS PAYMENTS

Executives may be eligible for bonuses paid as either cash or non-cash benefits.

Executives currently do not have specific performance criteria in order to receive bonuses and therefore any current bonuses paid are done so at the discretion of the Board. When making decisions with respect to bonuses, the Board closely considers the following factors:

- Overall Group performance and contribution to Shareholder value;
- Attainment of project-specific goals or solutions that may arise in the natural course of the Group's operations;
- Performance of an individual's role relative to the Board's expectations; and
- The individual's ongoing loyalty to the Group.

All executives have regular contact and interaction with the Board, whereby they are able to clearly understand the Board's expectations of their performance. This ensures that the goals attained by executives, and by which their short-term incentives are determined, are in line with the Board and Group's short – and long-term strategies.

## PERFORMANCE-BASED (AT-RISK) REMUNERATION

There is no proportion of total remuneration to KMP which is at risk and only payable on the basis of performance achieving defined outcomes as KMP currently do not have any contracted key performance indicators.

## OTHER REMUNERATION

KMP receive superannuation in line with current superannuation guarantee requirements.

# DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025



### 3. DETAILS OF REMUNERATION

KMP are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including any Director of the Parent Company. The KMP are the same for the Company as for the Group.

Details of the Group's remuneration to KMP during the year, regardless of whether the person was part of KMP for the entire year, are outlined in the tables below:

| Year ended 31 December 2025 | Short-term benefits | | | Post-employment benefits | Long-term benefits | | Share-based payments | |
|---|---|---|---|---|---|---|---|---|
| | Cash, salary and fees $ | Cash bonus $ | Non-cash benefit $ | Superannuation $ | Annual leave $ | Long service leave $ | Options $ | Total $ |
| **Directors** | | | | | | | | |
| Peter Curry | 44,000 | – | – | 5,170 | – | – | – | 49,170 |
| Cerena Fu | 44,000 | – | – | 5,170 | – | – | – | 49,170 |
| Marcus Seow | 44,000 | – | – | 5,170 | – | – | – | 49,170 |
| **Other KMP** | | | | | | | | |
| Dennis Wong | 226,000 | – | – | 26,555 | 1,877 | 6,275 | – | 260,707 |
| **Totals** | **358,000** | **–** | **–** | **42,065** | **1,877** | **6,275** | **–** | **408,217** |

| Year ended 31 December 2024 | Short-term benefits | | | Post-employment benefits | Long-term benefits | | Share-based payments | |
|---|---|---|---|---|---|---|---|---|
| | Cash, salary and fees $ | Cash bonus $ | Non-cash benefit $ | Superannuation $ | Annual leave $ | Long service leave $ | Options $ | Total $ |
| **Directors** | | | | | | | | |
| Cerena Fu | 44,000 | – | – | 4,950 | – | – | – | 48,950 |
| Marcus Seow | 44,000 | – | – | 4,950 | – | – | – | 48,950 |
| Peter Curry | 44,000 | – | – | 4,950 | – | – | – | 48,950 |
| **Other KMP** | | | | | | | | |
| Hai-Young Lu | 347,559 | – | – | 28,350 | (95,382) | (46,971) | – | 233,556 |
| Dennis Wong | 218,000 | – | – | 24,525 | (4,292) | 6,210 | – | 244,443 |
| **Totals** | **697,559** | **–** | **–** | **67,725** | **(99,674)** | **(40,761)** | **–** | **624,849** |

# DIRECTORS’ REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025



## 4. SERVICE AGREEMENTS

### BOARD REMUNERATION

*Non-Executive Chairman*

Pursuant to a Board resolution dated 24 February 2023 the Chairman receives a Director’s fee to a maximum of $110,000 per annum plus statutory superannuation (except where the fee is paid to a corporation). Refer to the table on page 10 for the name of the Chairman.

*Non-Executive Directors*

Pursuant to a Board meeting dated 24 February 2023 the Non-Executive Directors are paid a fee of $44,000 per annum plus statutory superannuation (except where the fee is paid to a corporation). Refer to the table on page 10 for the names of Non-Executive Directors.

*Executive Directors*

The Company currently has no Executive Directors.

### BOARD APPOINTMENT TERMS

*Non-Executive Chairman and Directors*

All Non-Executive Directors, including the Chairman, serve three year terms and compulsorily retire at the end of each term with eligibility for re-appointment. No termination benefits are payable on termination by the Company to the Non-Executive Directors.

### KMP

Contracts with KMP are shown in the table below:

| Name | Key terms | Base salary including superannuation[1] | Termination benefit |
|---|---|---|---|
| Dennis Wong | • Commenced 3 March 2014<br>• Statutory leave entitlements<br>• Termination notice of one month | $251,990 p.a. | – |

[1] Base salary quoted is current at the date of this report

## 5. SHARE-BASED COMPENSATION

### OPTIONS

In the year ended 31 December 2025, the Board did not issue any options to executives. Options, if granted, are on a discretionary basis and do not form part of an overall employee option plan. There were no options on issue to executives or Directors as at 31 December 2025 (2024: Nil).

### SHARES

There were no shares issued as part of compensation during the year (2024: Nil).

# DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025



**6. ADDITIONAL INFORMATION**

CASH BONUS

No bonuses were paid in the current year (2024: Nil).

**ADDITIONAL DISCLOSURE RELATING TO KMP**

SHAREHOLDINGS

The number of shares in the Company held during the year by each Director and other members of the KMP of the Group, including their personally related parties, is set out below:

| | Balance at 31-Dec 2024 | Received as part of remuneration | Additions | Disposals/ other | Balance at 31-Dec 2025 |
|---|---|---|---|---|---|
| **Ordinary shares** | | | | | |
| *Directors* | | | | | |
| Peter Curry | – | – | – | – | – |
| Cerena Fu | 557,675 | – | – | – | 557,675 |
| Marcus Seow | – | – | – | – | – |
| *Other KMP* | | | | | |
| Hai-Young Lu | – | – | – | – | – |
| Dennis Wong | – | – | – | – | – |

OTHER TRANSACTIONS WITH KMP AND THEIR RELATED PARTIES

The Company's largest shareholder, owning 76.7% of its shares, Oasis Star Limited is a 100% held subsidiary of Tian An China Investments Limited. Interest and facility fee payments of $Nil were made in the year (2024: $3,383,000) to Oasis Star Limited. The loan was non-interest bearing from 23 May 2024. The Group entered into an agreement with its major shareholder, Oasis Star, in relation to recharging of personnel costs. The group will charge its major shareholder periodically for the use of resources at a commercial rate. The agreement ceased on 1 January 2025. No Fees were charged during the year (2024: $245,000).

All transactions for 2024 were made on normal commercial terms and conditions and at market rates.

**END OF AUDITED REMUNERATION REPORT**

# DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025



**SHARES UNDER OPTION**
There are no unissued ordinary shares of the Company under option that are unlisted at the date of this report. There are no un-issued ordinary shares of the Company under option that are listed on ASX at the date of this report.

**SHARE ISSUED ON THE EXERCISE OF OPTIONS**
No shares were issued on the exercise of options during the year (2024: Nil).

**AUDIT & RISK COMMITTEE**
The Directors of the Company have formed an Audit & Risk Committee. Audit & Risk Committee members during and subsequent to the year are outlined below:

- Cerena Fu (Chairman)
- Marcus Seow
- Peter Curry

Members are not separately remunerated for their role as members of the Audit & Risk Committee.

The Audit & Risk Committee's responsibilities include:

- Reviewing the annual report and all other financial information published by the Company;
- Reviewing the effectiveness of the organisation's internal control environment;
- Reviewing the risk management framework; and
- Considering the appointment, removal and remuneration of external auditors and reviewing terms of their engagement, scope and quality of the audit.

**INDEMNITY AND INSURANCE OF AUDITOR**
The Company has not, during or since the end of the year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

**INSURANCE OF OFFICERS**
During the year the Parent Entity indemnified the Directors and officers of the Company and its controlled entities.

The liabilities covered are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the Group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage to themselves or someone else or to cause detriment to the Company.

**PROCEEDINGS ON BEHALF OF THE COMPANY**
No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

**SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS**
There were no significant changes in the state of affairs of the Group during the year.

**MATTERS SUBSEQUENT TO THE END OF THE YEAR**
The impact of the economy continues to evolve at the date of this report and therefore the impact on the Group's future financial results remains uncertain and will depend on future developments such as the inflation, interest rates, improvements to the construction supply chains and government policies.

Other than the above, there has not been any matter or circumstance that has arisen since the end of the year that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future years.

# DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025



## NON-AUDIT SERVICES

The Board of Directors, in accordance with advice from the Audit and Risk Committee, is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons:

- All non-audit services have been reviewed by the Audit and Risk Committee to ensure they do not impact the impartiality and objectivity of the auditor; and
- None of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants (including Independence Standards).

The following fees for non-audit services were paid to the external auditors, BDO Audit Pty Ltd, and their affiliated entities during the year ended 31 December 2025 by the Group:

| Service | Year ended 31 December 2025 $ | Year ended 31 December 2024 $ |
|---|---|---|
| Taxation compliance services | **47,790** | 65,145 |
| **Total** | **47,790** | 65,145 |

## AUDITOR'S INDEPENDENCE DECLARATION

The Auditor's Independence Declaration as required by Section 307C of the Corporations Act can be found on page 15.

## ROUNDING

The amounts contained in this report and in the financial statements have been rounded to the nearest $1,000 (where rounding is applicable) under the option available to the Company under ASIC Corporations (Rounding in Financial Directors' Reports) Instrument 2016/191. The Company is an entity to which the Legislative Instrument applies.

## AUDITOR

BDO Audit Pty Ltd continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of Directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the Directors

**Peter Curry**
Chairman

24 February 2026
Sydney

# AUDITOR'S INDEPENDENCE DECLARATION



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Level 25, 252 Pitt Street
Sydney NSW 2000
Australia

**DECLARATION OF INDEPENDENCE BY ELYSIA ROTHWELL TO THE DIRECTORS OF TIAN AN AUSTRALIA LIMITED**

As lead auditor of Tian An Australia Limited for the year ended 31 December 2025, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Tian An Australia Limited and the entities it controlled during the period.

**Elysia Rothwell**
**Director**

**BDO Audit Pty Ltd**
Sydney
24 February 2026

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2025



| | Note | Consolidated<br>Year ended<br>31 December<br>2025<br>$'000 | Year ended<br>31 December<br>2024<br>$'000 |
|---|---|---|---|
| Revenue | | **84,038** | – |
| Costs of land and property developments sold | | **(72,882)** | – |
| Gross profit | | **11,156** | – |
| Other income | 6 | **20,980** | 472 |
| Fair value gain on Investment Property | 12 | **1,308** | – |
| Employee benefits expense | 6 | **(768)** | (979) |
| Commissions | | **(1,399)** | (124) |
| Advertising and marketing | | **(71)** | (150) |
| Net increase in fair value of financial assets at fair value through profit or loss | 11 | **–** | 1,091 |
| Revaluation gain on development projects classified as inventories | 10 | **–** | 4,847 |
| Non-executive directors' fees | | **(148)** | (147) |
| Legal fees | | **(212)** | (96) |
| Consultants' fees | | **(597)** | (88) |
| Rates and taxes | | **(574)** | (279) |
| Repairs and maintenance | | **(31)** | (44) |
| Rental expenses | | **(14)** | (17) |
| Depreciation and amortisation | 6 | **(90)** | (117) |
| Other expenses | 6 | **(433)** | (779) |
| Finance costs | | **(9,551)** | (2,857) |
| **Profit before income tax** | | **19,556** | 733 |
| Income tax benefit | 7 | **3,859** | – |
| **Profit after tax attributable to members for the year** | | **23,415** | 733 |
| **Other comprehensive income for the year, net of income tax** | | **–** | – |
| **Total comprehensive income attributable to members for the year** | | **23,415** | 733 |
| Earnings per share | 19 | | |
| – Basic profit from continuing operations attributable to members for the year | | **27.04** | 0.84 |
| – Diluted profit per share from continuing operations attributable to members for the year | | **27.04** | 0.84 |

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying explanatory notes.

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

| | Note | Consolidated<br>31 December<br>2025<br>$'000 | <br>31 December<br>2024<br>$'000 |
|---|---|---|---|
| **Current Assets** | | | |
| Cash and cash equivalents | 8 | **6,910** | 1.005 |
| Trade and other receivables | 9 | **248** | 293 |
| Inventories | 10 | **33,217** | 98,734 |
| Other assets | 13 | **218** | 236 |
| **Total Current Assets** | | **40,593** | 100,268 |
| **Non-Current Assets** | | | |
| Inventories | 10 | **20,000** | 29,300 |
| Investment Property | 12 | **10,061** | – |
| Financial assets at fair value through profit or loss | 11 | **207,313** | 177,536 |
| Property, plant and equipment | | **72** | 96 |
| Right of use asset | | **71** | 133 |
| Deferred tax assets | 7 | **3,859** | – |
| **Total Non-Current Assets** | | **241,376** | 207,065 |
| **TOTAL ASSETS** | | **281,969** | 307,333 |
| **Current Liabilities** | | | |
| Trade and other payables | | **1,118** | 1,466 |
| Borrowings | 15 | **15,860** | 51,404 |
| Lease liability | | **78** | 140 |
| Provisions | | **75** | 71 |
| **Total Current Liabilities** | | **17,131** | 53,081 |
| **Non-Current Liabilities** | | | |
| Provisions | | **85** | 67 |
| Borrowings | 15 | **170,946** | 186,150 |
| **Total Non-Current Liabilities** | | **171,031** | 186,217 |
| **TOTAL LIABILITIES** | | **188,162** | 239,298 |
| **NET ASSETS** | | **93,807** | 68,035 |
| **EQUITY** | | | |
| Contributed equity | 17 | **290,149** | 290,149 |
| Reserves | | **2,357** | – |
| Accumulated losses | | **(198,699)** | (222,114) |
| **TOTAL EQUITY** | | **93,807** | 68,035 |

The above consolidated statement of financial position should be read in conjunction with the accompanying explanatory notes.

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2025

| Consolidated | Contributed equity $'000 | Reserves $'000 | Accumulated losses $'000 | Total $'000 |
|---|---|---|---|---|
| **Balance at 1 January 2025** | **290,149** | **–** | **(222,114)** | **68,035** |
| Profit for the year | **–** | **–** | **23,415** | **23,415** |
| Other Comprehensive income | **–** | **–** | **–** | **–** |
| **Total comprehensive income for the year** | **–** | **–** | **23,415** | **23,415** |
| Revaluation of interest free borrowing | **–** | **2,357** | **–** | **2,357** |
| **Balance at 31 December 2025** | **290,149** | **2,357** | **(198,699)** | **93,807** |
| **Balance at 1 January 2024** | 290,149 | – | (222,847) | 67,302 |
| Profit for the year | – | – | 733 | 733 |
| Other comprehensive income | – | – | – | – |
| **Total comprehensive income for the year** | – | – | 733 | 733 |
| Revaluation of interest free borrowing | – | – | – | – |
| **Balance at 31 December 2024** | 290,149 | – | (222,114) | 68,035 |

The above consolidated statement of changes in equity should be read in conjunction with the accompanying explanatory notes.

# CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2025



| | Note | Consolidated<br>Year ended<br>31 December<br>2025<br>$'000 | Year ended<br>31 December<br>2024<br>$'000 |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Receipts from customers (inclusive of GST) | | **90,158** | – |
| Receipts from other income | | **304** | 221 |
| Payments to suppliers and employees (inclusive of GST) | | **(19,515)** | (36,483) |
| Interest received | | **273** | 76 |
| Finance costs including interest and other costs of finance paid | | **(644)** | (2,857) |
| **Net cash flows from/(used in) operating activities** | 26 | **70,576** | (39,043) |
| **Cash flows from investing activities** | | | |
| Payments for financial assets | 11 | **(51,373)** | (46,100) |
| Receipts from financial assets | 11 | **23,599** | 10,815 |
| Payments for property, plant and equipment | | **(2)** | (31) |
| **Net cash flows used in investing activities** | | **(27,777)** | (35,316) |
| **Cash flows from financing activities** | | | |
| Proceeds from borrowings | 29 | **47,666** | 77,366 |
| Repayment of borrowings | | **(84,560)** | (5,000) |
| Proceeds from lease liability | | **–** | (54) |
| **Net cash flows from/(used in) financing activities** | | **(36,894)** | 72,312 |
| **Net increase/(decrease) in cash and cash equivalents** | | **5,905** | (2,047) |
| Cash and cash equivalents at the beginning of the financial year | | **1,005** | 3,052 |
| **Cash and cash equivalents at the end of the financial year** | 8 | **6,910** | 1,005 |

The above consolidated statement of cash flows should be read in conjunction with the accompanying explanatory notes.

# EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025



## 1. REPORTING ENTITY

Tian An Australia Limited is a company limited by shares, incorporated and domiciled in Australia. The financial report covers the consolidated entity Tian An Australia Limited and its controlled entities (the Consolidated Entity and/or the Group) as at 31 December 2025.

The financial report of the Group for the year ended 31 December 2025 was authorised for issue in accordance with a resolution of Directors on 24 February 2026.

## 2. STATEMENT OF COMPLIANCE

These financial statements are general purpose financial statements which have been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and Australian Accounting Interpretations.

The consolidated financial statements also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standard Board (IASB). The Company is a for-profit entity for the purpose of preparing these financial statements.

## 3. MATERIAL ACCOUNTING POLICIES

This section sets out the material accounting policies upon which the financial statements are prepared as a whole. Specific accounting policies are described in their respective notes to the financial statements. The accounting policies have been consistently applied, unless otherwise stated.

The principal accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

### (A) BASIS OF PREPARATION

The financial statements are presented in Australian dollars, which is the functional and presentation currency of the Company, and all values are rounded to the nearest thousand dollars ($'000), unless otherwise stated, under the option available to the Company under ASIC Corporations (Rounding in Financial Directors Reports) Instrument 2016/191. The Company is an entity to which this legislative Instrument applies.

### (B) NEW ACCOUNTING STANDARDS AND INTERPRETATIONS

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. There was no material impact on the consolidated entity's financial statements on adoption of these standards and Interpretations.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

### (C) NEW ACCOUNTING STANDARDS AND INTERPRETATIONS NOT YET MANDATORY OR EARLY ADOPTED

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 31 December 2025. The consolidated entity has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

### (D) GOING CONCERN

The directors have prepared the 31 December 2025 financial report on a going concern basis which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

As at 31 December 2025, the Group had cash reserves of $6,910,000 (December 2024: $1,005,000) and net current assets of $23,462,000 (December 2024: $47,187,000), and during the year ended 31 December 2025, the Group had operating cash inflows of $70,576,000 (December 2024: outflows of $39,043,000). However, the future operations and investments of the Group are subject to uncertainty relating to the timing of future cashflows from projects, and subject to economic impacts of rising interest rates, inflation and construction costs.

The Directors believe that it is reasonably foreseeable that the Group will continue as a going concern, and that it is appropriate to adopt the going concern basis in the preparation of the financial report after consideration of the following factors:

- The Directors have received a letter of financial support from its ultimate parent entity, Tian An China Investments Company Limited, confirming that it will not seek repayment of intercompany loans or balances due from the Company, nor request additional funds from the Company, for a period of at least one year from the date of authorisation of the financial report, except to the extent that the Company has available funds to do so. The letter of support also covered the ability of the Group to drawdown further debt facilities should it be necessary for future project cashflows; and

- The Directors have prepared detailed cash flow forecasts for the Group, which estimate a positive cash position over the 12-month period from the date of authorisation of this report, after taking into account additional funding being provided by the ultimate parent entity.

## 4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

In applying the Group's accounting policies management continually evaluates judgements, estimates and assumptions based on experience and other factors, including expectations of future events that may have an impact on the Group. All judgements, estimates and assumptions made are believed to be reasonable based on the most current set of circumstances available to management. Actual results may differ from the judgements, estimates and assumptions. Significant judgements, estimates and assumptions made by management in the preparation of these financial statements are outlined below.

### RECOVERY OF DEFERRED TAX ASSETS

Deferred tax assets are recognised for deductible temporary differences and brought forward tax losses when Directors consider that it is probable that future taxable profits will be available to utilise those temporary differences and losses. See Note 7 for further detail.

### NET REALISABLE VALUE OF INVENTORY

The net realisable value of inventories is calculated using estimated selling prices in the ordinary course of business less costs to complete, less costs to sell. Management use a combination of both internal and external valuations at each reporting date in order to assess the net realisable value of inventories. Both valuation methods are dependent on key judgements, including gross development realisable values, forecasted development profit, planning approvals, discount rates, and comparable properties for direct comparison valuation methods.

In 2024, an analysis of net realisable value of the Group's inventory based on both independent external and internal valuations resulted in a $4,847,000 write back of historic provisions which has been disclosed in the consolidated statement of profit or loss and other comprehensive income. The write back in the year related to the Group's Enfield project as a result of improved sales prices and the imminent completion of the project at the assessment date.

### FAIR VALUE MEASUREMENT HIERARCHY

The Group is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability.

Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective. In determining the fair value of an asset, the Group uses market-observable data to the extent it is available. Where level 1 inputs are not available, the Group engages an independent external valuer to perform the valuation. The Directors work closely with the valuer to establish the appropriate valuation techniques and inputs to the model.

### CLASSIFICATION OF JOINT ARRANGEMENTS

Determining whether a contractual arrangement gives the Group control or joint control of an arrangement requires a degree of judgement. In making this judgement, the Group considers whether the contractual arrangement provides the Group existing rights that give it the power to direct the relevant activities of the arrangement or whether the relevant activities require the unanimous consent of the parties sharing control. When assessing power in accordance with AASB 10, only substantive rights are considered. The holder of these substantive rights needs to have the practical ability to exercise and benefit from them, and that protective rights alone do not give control.

Once the above criteria have been established, the Group accounts for its joint as either a joint venture or joint operation.

Management have made the following significant judgements in respect to the classification of the Group's joint arrangements.

*Auburn Square, Auburn project*

The joint venture agreement in relation to the Group's investment in the Auburn Square project provide the Group the right to participate in the development project through the contributions the Group has advanced to the development project in return for a preferred and residual profit distribution.

The joint venture agreement requires unanimous consent from both TIA and the joint venture partner in respect to certain key decisions and has a secured mortgage over the land in which the development activities will be conducted. The subject of the project and the development activities reside with the joint venture partner.

TIA has concluded that the Group has joint control over the key relevant activities and an asset, being its rights to the future cash flows of the project, therefore the investment is classified as a joint operation in accordance with AASB 11 "Joint Arrangements". The Group has accounted for its rights to the future cash flows of the project as a Financial Asset at Fair Value Through Profit or Loss (FVTPL) as disclosed in Note 11.

## 4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)

CLASSIFICATION OF JOINT ARRANGEMENTS (CONTINUED)

*Hammond Greens, Chatswood 1 project*

The joint venture agreement in relation to the Group's investment in the Hammond Greens, Chatswood Project ('Hammond Greens') provide the Group the right to participate in the development project through the contributions the Group has advanced to the development project in return for a preferred and residual profit distribution.

The joint venture agreement requires unanimous consent from both TIA and the joint venture partner in respect to certain key decisions and has also granted TIA an option to hold a secured mortgage over the land in which the development activities will be conducted. Similar to the Group's Auburn Square, Auburn project, the property, the subject of the project and the development activities reside with the joint venture partner.

TIA has concluded that the Group has joint control over the key relevant activities and an asset, being its rights to the future cash flows of the project, therefore the investment is classified as a joint operation in accordance with AASB 11 "Joint Arrangements". The Group has accounted for its rights to the future cash flows of the project as a Financial Asset at Fair Value Through Profit or Loss (FVTPL) as disclosed in Note 11.

*Hammond Place, Chatswood 2 project*

The joint venture agreement in relation to the Group's investment in the Hammond Place, Chatswood ('Hammond Place') provide the Group the right to participate in the development project through the contributions the Group has advanced to the development project in return for a preferred and residual profit distribution.

The joint venture agreement requires unanimous consent from both TIA and the joint venture partner in respect to certain key decisions and has also granted TIA an option to hold a secured mortgage over the land in which the development activities will be conducted. Similar to the Group's Auburn Square, Auburn and Hammond Greens, Chatswood projects, the property, the subject of the project and the development activities reside with the joint venture partner.

TIA has concluded that the Group has joint control over the key relevant activities and an asset, being its rights to the future cash flows of the project, therefore the investment is classified as a joint operation in accordance with AASB 11 "Joint Arrangements". The Group has accounted for its rights to the future cash flows of the project as a Financial Asset at Fair Value Through Profit or Loss (FVTPL) as disclosed in Note 11.

# EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)





## 5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Financing of the Group's operations is supported by both equity and debt financing.

The Group's principal financial instruments comprise interest bearing loans (borrowings), cash and short-term deposits, financial assets, trade and other receivables and payables. The Group holds the following financial instruments:

| | 31 December 2025 $'000 | 31 December 2024 $'000 |
|---|---|---|
| **Financial assets** | | |
| Cash and cash equivalents | **6,910** | 1,005 |
| Trade and other receivables | **248** | 293 |
| Other assets | **218** | 236 |
| Financial assets at FVTPL | **207,313** | 177,536 |
| | **214,689** | 179,070 |
| **Financial liabilities** | | |
| Trade and other payables | **1,118** | 1,466 |
| Borrowings | **186,806** | 237,554 |
| | **187,924** | 239,020 |

The Group has various financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations. The main purpose of borrowings is to provide finance for the Group's operations.

Financial risk management is overseen by the Board. It is the Group's policy that no trading in financial instruments shall be undertaken.

The main risks arising from the Group's financial instruments are market risk, credit risk and liquidity risk. The Board reviews and agrees policies for managing each of these risks annually as summarised below.

Further details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument, are disclosed within the relevant notes to the financial statements.

### MARKET RISK

*Cash flow interest rate risk*

The Group is exposed to fair value interest rate risk through the impact of variable interest rates on its financial instruments. The Group's cash flow interest rate risk relates primarily to borrowings. The Group's borrowings are issued at floating rates. At the end of the year, the Group's debt facilities were drawn to $200,660,000 (2024: $237,554,000).

The Group's financing is generally split as follows:

- Short-term project finance; and
- Medium-term borrowings used for the funding of the Group's equity contributions into its development projects and working capital.

Project finance provides the funds necessary for ongoing development costs to existing projects and currently involve floating interest rates. The funds available may only be used to fund the specific project for which the facility was granted.

Medium-term borrowings are used to finance the Group's equity contributions into its development projects and working capital and are currently managed by borrowing at floating interest rates. Please refer to Note 15 for further details on the Group's borrowings.

## 5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

MARKET RISK (CONTINUED)

*Interest rate risk Group sensitivity*

For the year ended 31 December 2025 if interest rates had changed by –/+ 100 basis points (the maximum potential change in management's view from the year-end rates with all other variables held constant), profit/(loss) for the year would have been $85,000 lower/higher (year ended 31 December 2024: $884,000 lower/higher), mainly as a result of higher/lower interest expense from borrowings. The Oasis Star loan was non-interest bearing from 23 May 2024.

The Group has two debt facilities available at 31 December 2025. It has a $230,000,000 loan facility with Oasis Star Limited. From 23 May 2024 the terms of loan arrangement changed to become interest free. The weighted average interest rate for the year for the facility in 2024 was 2.02%. It also has a residual stock loan facility with NAB. In 2025 Tian An Enfield entered into a residual stock facility with NAB. The facility was for working and had a limit of $20,000,000. The Interest rate is 1.8% plus BBSY p.a.

In 2023, Tian An Enfield Pty Ltd entered into a loan, overdraft and bank guarantee facility with CBA, to finance the construction of The Henley, Enfield project. The facility had a limit of $58,000,000 and a term of 25 months. The interest rate was approximately 4.47%. The facility was repaid in May 2025.

Refer to Note 15 for further details on the Group's borrowings.

CREDIT RISK

Credit risk is the risk that the counterparty will default on its contractual obligations, resulting in a financial loss to the Group. Credit risk is managed on a Group basis. The maximum exposure to credit risk at 31 December 2025 is the carrying value of financial assets recorded in the financial statements, net of any allowances for losses.

It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances if any, are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

The Group's operations focus on developing and selling lots of land and built-form product. At 31 December 2025, the Group had one unconditional contract for sale outstanding (31 December 2024: Nil), awaiting settlement which under the accounting policies referred to in Note 6 is not recognised until settlement. The Group also had exposure to credit risk through its investments in the Auburn Square and Chatswood projects. The Group has managed the credit through a secured mortgage over the land pertaining to the Auburn Square and the two Chatswood projects.

*Impairment*

At 31 December 2025, the Group had two types of financial assets that are subject to the expected credit loss model:

- Trade receivables for sales of inventory (Note 9); and
- Financial assets measured at fair value (Note 11)

*Trade receivables for sales of inventory*

The Group applies the AASB 9 simplified approach to measuring expected credit losses which uses a 12 month expected loss allowance for all trade receivables. Trade receivables have a low credit risk characteristic with losses incurred in the last 3 years representing less than 1% of trade receivables and is immaterial.

# EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)





## 5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

LIQUIDITY RISK

Liquidity risk reflects the likelihood of cash generating assets providing insufficient cash flow to fund the Group's operation. The Group's objective is therefore to maintain a balance between continuity of equity funding and the use of borrowings. The Group puts in place sufficient committed credit facilities and monitors actual and forecasted cash flows and matches maturity profiles of financial assets and liabilities, such as receivables and loan facilities.

*Financing arrangements*

The Group had access to the following borrowing facility at the reporting date:

| | Consolidated 31 December 2025 $'000 | Consolidated 31 December 2024 $'000 |
|---|---|---|
| Floating rate | | |
| – Expiring within 12 months[1] | **15,860** | 51,404 |
| – Expiring within 36 months[2] | **170,946** | 186,150 |
| **Total** | **186,806** | 237,554 |

1 Facility expires on 31 December 2026.

2 Floating rate to 23 May 2024, Interest free from 23 May 2024 to 31 December 2025 and expires on 31 December 2027.

*Maturities of financial liabilities*

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on the remaining year at the reporting date to the contractual maturity date. Refer to Note 15 for further details on used and unused borrowing facilities and carrying value of assets pledged as security. The amounts disclosed in the table are the contractual undiscounted cash flows and include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

| Consolidated At 31 December 2025 | Weighted average interest rate % | Less than 6 months $'000 | 6 to 12 months $'000 | Between 1 and 2 years $'000 | Between 2 and 5 years $'000 | Over 5 years $'000 | Total contractual cash flows $'000 |
|---|---|---|---|---|---|---|---|
| Loan facility (Oasis Star) | – | – | – | – | 170,946 | – | 170,946 |
| Loan facility (NAB) | 5.85 | 15,860 | – | – | – | – | 15,860 |
| Bank guarantee facility | – | – | – | 1,258 | – | – | 1,258 |
| Trade and other payables | – | 1,196 | – | – | – | – | 1,196 |
| **Total financial Liabilities** | **–** | **17,056** | **–** | **1,258** | **170,946** | **–** | **189,260** |

| Consolidated At 31 December 2024 | Weighted average interest rate % | Less than 6 months $'000 | 6 to 12 months $'000 | Between 1 and 2 years $'000 | Between 2 and 5 years $'000 | Over 5 years $'000 | Total contractual cash flows $'000 |
|---|---|---|---|---|---|---|---|
| Loan facility (Oasis Star) | 2.02 | – | – | – | 186,150 | – | 186,150 |
| Loan Facility (CBA) | 4.47 | 51,404 | – | – | – | – | 51,404 |
| Trade and other payables | – | 1,606 | – | – | – | – | 1,606 |
| **Total financial Liabilities** | **–** | **53,010** | **–** | **–** | **186,150** | **–** | **239,160** |

# EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025



**5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)**

CAPITAL RISK MANAGEMENT

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can continue to provide returns for Shareholders and other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Group considers capital to be a source of funding which will enable it to execute its business model. Due to the nature of the property development industry significant amounts of capital are required before cash inflows are received from sale of finished products. In order to provide for its capital requirements, the Group will use debt and/or equity strategies appropriate at the time and manages its capital requirement on an ongoing basis. The capital risk management policy remains unchanged from the 31 December 2025 financial year.

*Fair value measurement*

Financial assets represent the Group's investments in Auburn Square, Auburn, Chatswood 1 and Chatswood 2 projects which are all classified as Financial Assets at Fair Value Through Profit or Loss (FVTPL). In addition, Financial assets and Investment Property for which fair value are measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 the fair value is calculated using quoted prices in active markets.

Level 2 the fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3 the fair value is estimated using inputs for the asset or liability that are not based on observable market data.

The financial assets and investment property are classified as being in Level 3 of this hierarchy and are measured at their estimated fair value at the reporting date using discounted cash flow analysis and with reference to comparable sales data. The inputs to this valuation process were the estimated cash flows resulting from these investments and the discount rate.

Movements in financial assets held at fair value for the year were:

| | FVTPL-debt instruments (Auburn Square, Auburn) $'000 | FVTPL-debt instruments (Chatswood 1) $'000 | FVTPL-debt instruments (Chatswood 2) $'000 | FVTPL-debt instruments Total $'000 |
|---|---|---|---|---|
| Balance at 31 December 2024 | 75,415 | 50,693 | 51,428 | 177,536 |
| Investments in projects | 2,200 | 4,456 | 46,719 | 53,375 |
| Return from projects | (374) | (43) | (23,182) | (23,599) |
| Change in fair value | – | – | – | – |
| **Balance at 31 December 2025** | **77,241** | **55,106** | **74,965** | **207,312** |
| Current financial assets | – | – | – | – |
| Non-current financial assets | 77,241 | 55,106 | 74,965 | 207,312 |
| **Balance at 31 December 2025** | **77,241** | **55,106** | **74,965** | **207,312** |

**5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)**

CAPITAL RISK MANAGEMENT (CONTINUED)

*Fair value measurement (CONTINUED)*

The unobservable inputs were the discount rate used in discounting the estimated cash flows to their net present value, the expected net cash flows from the investment (post return of initial equity contributions) and the remaining duration of the projects. A change in these inputs would change the fair values of the investment as follows:

| 31 December 2025 | FVTPL Auburn Square, Auburn Profit or loss ($'000) | FVTPL Hammond Greens, Chatswood 1 Profit or loss ($'000) | FVTPL Hammond Place, Chatswood 2 Profit or loss ($'000) |
|---|---|---|---|
| | Increase/(Decrease) | Increase/(Decrease) | Increase/(Decrease) |
| Expected cash flow (increase of 10%) | 7,724 | 5,511 | 7,497 |
| Expected cash flow (decrease of 10%) | (7,724) | (5,511) | (7,497) |
| Discount rates (increase by 5%) | (7,367) | (10,231) | (15,010) |
| Discount rates (decrease by 5%) | 8,461 | 12,959 | 19,231 |
| Remaining duration of project used to calculate NPV (10% delays) | (4,598) | (3,577) | (15,514) |

The management team performs Level 3 valuations for the financial assets and investment properties. The management team reports to the Audit Committee. Valuations are performed every six months to ensure that they are current for the half-year and annual financial statements. Valuations are reviewed and approved by the Audit Committee.

*Fair value of financial instruments that are not measured at fair value on a recurring basis*

The carrying values of current financial assets and liabilities approximate their fair value at reporting date.

The Oasis Star loan was non-interest bearing from 23 May 2024.

The carrying values of current financial assets and liabilities less impairment provision of trade receivables are assumed to approximate their fair values due to their short-term nature.

The fair value of non-current financial liabilities is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial liabilities.

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interest. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified, into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed each reporting date and transfers between levels are determined based on a reassessment of the lowest level input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one year to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

# EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)





## 6. INCOME AND EXPENSES

| | Year ended 31 December 2025 $'000 | Year ended 31 December 2024 $'000 |
|---|---|---|
| **Sales revenue and costs of goods sold** | | |
| Sales revenue | **84,038** | – |
| Cost of goods sold | **(72,882)** | – |
| | **11,156** | – |
| **Other income** | | |
| Gain on modification of Oasis Star loan | **20,403** | – |
| Finance income | **273** | – |
| Other income | **304** | 472 |
| | **20,980** | 472 |

The company's revenue is primarily proceeds from the settlement of residential development property. In 2025, the company recognised the settlements at the Henley, Enfield project. The revenue is measured at the transaction price agreed under the contract.

The company recognised a gain on debt modification from its Oasis Star loan on 13 January 2025. This was the result of the loan changing from interest bearing to interest free. The interest free related party loan was recognised at its initial value, being the present value of all future cashflows discounted at the prevailing market interest rate. The difference between the amount of cash advanced and present value was recorded as other income to reflect the gain on debt modification.

| | | |
|---|---|---|
| **Finance expenses** | | |
| Bank accounts and loan interest expenses | **(457)** | (2,849) |
| Oasis Star loan | **(8,907)** | – |
| Bank guarantee and line fees | **(181)** | |
| Lease interest expense | **(6)** | (8) |
| | **(9,551)** | (2,781) |

During the year the Group incurred borrowing costs of $2,050,000 (2024: $3,383,000). Of the costs, $1,593,000 was capitalised to The Henley, Enfield project (2024: $534,000). The Oasis Star loan became interest free form 23 May 2024. As a result the Oasis star loan balance is fair valued at the reporting date resulting in an expense of $8,907,000 for the year (2024:$Nil)

| | | |
|---|---|---|
| **Employee benefits expense** | | |
| Wages and salaries | **(658)** | (851) |
| Superannuation expense | **(77)** | (100) |
| Other employee benefits expense | **(33)** | (28) |
| | **(768)** | (979) |
| **Depreciation and amortisation** | | |
| Plant and equipment | **(28)** | (56) |
| Display Suite – The Henley, Enfield project | **(62)** | (61) |
| | **(90)** | (117) |
| **Other expenses from continuing operations** | | |
| Audit fees | **(119)** | (127) |
| Insurance | **(57)** | (21) |
| ASX fees | **(36)** | (36) |
| Share registry fees | **(25)** | (21) |
| Travel | **(11)** | (56) |
| Bank charges | **(1)** | (2) |
| Valuation fees | **(45)** | – |
| Withholding tax | **–** | (402) |
| Other | **(139)** | (114) |
| | **(433)** | (779) |

# EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)





## 6. INCOME AND EXPENSES (CONTINUED)

RECOGNITION AND MEASUREMENT

*Land development and apartment sales*

The vast majority of the group's reoccurring revenue relates to the sale of developed land and completed apartments which are recognised upon settlement at which time control of the asset passes to the purchaser. (i.e. title passes to the purchaser).

The revenue is measured at the transaction price agreed under the contract.

*Interest income*

Income is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant year using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

The company recognised a gain on debt modification from its Oasis Star loan on 13 January 2025. This was the result of the loan changing from interest bearing to interest free. The interest free related party loan was recognised at its initial value, being the present value of all future cashflows discounted at the prevailing market interest rate. The difference between the amount of cash advanced and present value was recorded as other income to reflect the gain on debt modification.

*Other income*

The Group receives income from its parent entity Tian An China for recharges of staff personnel. This is a fixed amount billed monthly and is reviewed annually. The agreement has ceased in 2025.

## 7. INCOME TAX

The major components of income tax expense are:

| | Year ended 31 December 2025 $'000 | Year ended 31 December 2024 $'000 |
|---|---|---|
| Current tax | **–** | – |
| Deferred tax | **3,859** | – |
| *Recoupment of prior year tax losses* | **–** | – |
| | **3,859** | – |
| Accounting profit before tax | **19,556** | 733 |
| Income tax expense at the Group's statutory rate of 25% (31 December 2024: 25%) | **4,889** | 183 |
| Non-assessable/non-deductible items | **(3,290)** | (1,609) |
| Tax losses brought/(not brought) to account | **2,259** | 1,426 |
| Adjustment to prior year | **–** | – |
| Expenditure not allowable for income tax purposes | **1** | 1 |
| | **3,859** | – |

# EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)





## 7. INCOME TAX (CONTINUED)

Breakdown of deferred tax assets and liabilities are:

| | Balance at 31 December 2024 $'000 | Charged to Income $'000 | Charged to Directly to Equity $'000 | Balance at 31 December 2025 $'000 |
|---|---|---|---|---|
| **Deferred tax assets** | | | | |
| Tax loss carried forward | 35,068 | (1,965) | – | **33,103** |
| Expenses not deductible until paid | 80 | – | – | **80** |
| Share transaction costs | 69 | – | – | **69** |
| Fair value (gain)/loss on net realisable value write down | 22,148 | – | – | **22,148** |
| Tax losses brought to account | – | 3,859 | – | **3,859** |
| Unrecognised deferred tax assets | (57,365) | 1,965 | – | **(55,400)** |
| | – | 3,859 | – | **3,859** |

### RECOGNITION AND MEASUREMENT

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised.

The Director's have considered that the availability of future tax profits and have recognised $3,859,000 deferred tax credits at the reporting date. Total available tax losses as at 31 December 2025 amount to $132,000,000.

Unrecognised deferred income tax assets are reassessed at each balance date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

*Tax consolidated group*

The Company and its wholly-owned Australian controlled entities have formed a tax consolidated group as of 1 July 2003. The Company is the head entity of the tax consolidated group. The controlled entities in the tax consolidated group continue to account for their own current and deferred tax amounts. The Group has applied the group allocation approach in determining the appropriate amount of current taxes and deferred taxes to allocate to members of the tax consolidated group.

In addition to its own current and deferred tax amounts, the Company also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax consolidated group, when certain recognition criteria are met.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the Group.

Any difference between the amounts assumed and amounts receivable or payable under the tax funding agreement are recognised as a contribution to (or distribution from) wholly owned tax consolidated entities.

# EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)





## 8. CASH AND CASH EQUIVALENTS

| | 31 December 2025 $'000 | 31 December 2024 $'000 |
|---|---|---|
| Cash at bank and on hand | **6,910** | 1,005 |

Cash at bank earns interest at floating rates based on daily bank deposit rates and the balance in the account. The carrying amount of cash and cash equivalents represents fair value. The above cash at bank and on hand reconciles to the statement of cash flows.

During the year, the weighted average interest rate the Group received for its cash and cash equivalents was 3.86% (2024: 3.96%).

## 9. TRADE AND OTHER RECEIVABLES

| | 31 December 2025 $'000 | 31 December 2024 $'000 |
|---|---|---|
| **Current** | | |
| Trade receivables, net of expected credit losses | **3** | 203 |
| Other receivables | **245** | 90 |
| | **248** | 293 |

Details regarding the effective interest rate and credit risk of receivables are disclosed in Note 5.

An allowance for expected credit losses of $2,000 have been raised for 31 December 2025 (2024: $Nil).

### RECOGNITION AND MEASUREMENT

Trade receivables generally have 30-90 day terms.

Collectability of trade receivables is reviewed on an ongoing basis in accordance with the expected credit loss ("ECL") model.

The ECL assessment completed by the Group as at 31 December 2025 has resulted in an immaterial credit loss. A $2,000 expected credit losses has been recognised by the Group (2024: $Nil).

# EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)





## 10. INVENTORIES

The Group's inventories, net of impairments, and the balance of impairment provisions for inventories are shown in tables (a) and (b) below respectively.

| | 31 December 2025 $'000 | 31 December 2024 $'000 |
|---|---|---|
| **(a) Inventories net of impairment** | | |
| **Current** | | |
| *Land held for sale* | | |
| Lower of cost and recoverable value | **1,350** | 1,350 |
| **Total Current** | **1,350** | 1,350 |
| **Current** | | |
| *Land under development* | | |
| Cost of acquisition | **13,876** | 33,299 |
| Development and other costs | **26,038** | 61,676 |
| Capitalised interest | **2,057** | 3,759 |
| Transfer to Investment Property | **(8,753)** | – |
| **Total current** | **33,218** | 98,734 |
| **Non-Current** | | |
| *Land under development* | | |
| Cost of acquisition | **97,496** | 100,547 |
| Development and other costs | **11,443** | 17,130 |
| Capitalised interest | **1,480** | 1,839 |
| Impairment provision | **(90,419)** | (90,216) |
| **Total non-current** | **20,000** | 29,300 |
| **Total inventories net of impairment** | **53,218** | 128,034 |

**(b) Inventory impairment provisions**

| Year ended 31 December 2025 | Land under development $'000 |
|---|---|
| Current | |
| Balance as at 1 January 2025 | – |
| Addition to provision | – |
| **Balance at 31 December 2025** | – |
| Non-current | |
| Balance as at 1 January 2025 | **(90,215)** |
| Reversal of provision | – |
| Addition to provision | **(204)** |
| **Balance at 31 December 2025** | **(90,419)** |
| **Total balance at 31 December 2025** | **(90,419)** |

## 10. INVENTORIES (CONTINUED)

| Year ended 31 December 2024 | Land under development $'000 |
|---|---|
| Current | |
| Balance as at 1 January 2024 | (3,642) |
| Reversal of provision | 3,642 |
| **Balance at 31 December 2024** | – |
| Non-current | |
| Balance as at 1 January 2024 | (91,420) |
| Transfer to current | 3,642 |
| Reversal of provision | 1,701 |
| Additional provision | (496) |
| **Balance at 31 December 2024** | (90,215) |
| **Total balance at 31 December 2024** | (90,215) |

Inventories recognised as expense within cost of sales during the year ended 31 December 2025 amounted to $72,882,000 (2024: $Nil). In 2024, there was a reversal of a previous impairment of $4,847,000 to the Henley, Enfield project.

Write-down of inventory to recoverable amount recognised as an expense during the year ended 31 December 2025 amounted to $204,000 (2024: $496,000). This was the result of expenditure on its Point Grey project which was originally capitalised. The project has then been written down to the fair value of $20,000,000.

### RECOGNITION AND MEASUREMENT

Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

*Land under development and finished apartments*

Land held for sale or under development and apartment projects are measured at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, materials, borrowing costs and holding costs incurred during development. Once development is completed, borrowing costs and holding costs are expensed as incurred.

All land held for sale or under development (including land undergoing the approval process) and apartment projects are regarded as inventory and are classified as such in the statement of financial position. Land and apartments are classified as current only when sales are expected to occur within the next 12 months.

Borrowing costs included in the cost of any land under development and apartment construction projects are those costs that would have been avoided if the expenditure on the acquisition and development of the land, and building of the apartment project, had not been made. Borrowing costs incurred while active development is interrupted for extended years are recognised as an expense.

## 11. FINANCIAL ASSETS MEASURED AT FAIR VALUE

Financial assets measured at fair value represent the Group's investment in Auburn Square, Auburn and Chatswood projects.

Financial assets for which fair value are measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 the fair value is calculated using quoted prices in active markets.

Level 2 the fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3 the fair value is estimated using inputs for the asset or liability that are not based on observable market data.

The financial assets are classified as being in Level 3 of this hierarchy and are measured at their estimated fair value at the reporting date using discounted cash flow analysis. The inputs to this valuation process were the estimated cash flows resulting from these investments, the discount rate applied and the remaining duration of the projects.

Movements for the year were as follows:

| | FVTPL-debt instruments (Auburn Square, Auburn) $'000 | FVTPL-debt instruments (Chatswood 1) $'000 | FVTPL-debt instruments (Chatswood 2) $'000 | FVTPL-debt instruments Total $'000 |
|---|---|---|---|---|
| Balance at 31 December 2024 | 75,415 | 50,693 | 51,428 | 177,536 |
| Investments in projects | 2,200 | 4,456 | 46,719 | 53,375 |
| Return from projects | (374) | (43) | (23,182) | (23,599) |
| Change in fair value | – | – | – | – |
| **Balance at 31 December 2025** | **77,241** | **55,106** | **74,965** | **207,312** |
| Current financial assets | – | – | – | – |
| Non-current financial assets | 77,241 | 55,106 | 74,965 | 207,312 |
| **Balance at 31 December 2025** | **77,241** | **55,106** | **74,965** | **207,312** |

### FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (PYMBLE, AUBURN, HOPE ISLAND AND CHATSWOOD PROJECTS)

Financial assets at fair value through profit or loss (FVTPL) represents debt instrument where the future cash flows do not represent solely payments of principal and interest on the principal amount outstanding. Any gains or losses on these investments measured at FVTPL are recognised in profit or loss in the period in which they arise. Due to the commercial characteristics of the Auburn Square, Auburn and the Chatswood Projects, the investments have been classified as at FVTPL as they do not meet the criteria to be recognised at amortised cost or (FVOCI).

For further information about the methods and assumptions used in determining fair value, refer to note 5. Refer to note 4 in respect to further information pertaining to the key estimates and judgements made by management in determining the appropriate accounting treatment for these investments.

# EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)





## 12. INVESTMENT PROPERTY

Investment property includes real estate properties in The Henley, Enfield, which are held to earn rentals and capital appreciation.

Changes to the carrying amounts are as follows:

| | 31 December 2025 $'000 | 31 December 2024 $'000 |
|---|---|---|
| *Carrying amount 1 January* | **–** | – |
| **Additions:** | | |
| – Through transfer from inventory | **8,753** | – |
| Change in fair value | **1,308** | – |
| Total Investment | **10,061** | – |

Investments properties valued at $10,061,000 are pledged as security for borrowings (2024: $Nil).

Investment properties are either leased to third parties on operating leases or are vacant. The leases are due to commence in 2026 for a term of 6 years. No rental income has been received and no operating expenses have been paid to 31 December 2025.

Fair value of the Group's investment property is estimated by the Directors with reference to recent comparable sales data. The valuation processes and fair value changes are reviewed by the board of directors and audit committee at each reporting date.

The townhouses at The Henley, Enfield was carried out using a market approach that reflects observed prices for recent market transactions for similar sized properties. Although this input is a subjective judgement, management considers that the overall valuation would not be materially affected by reasonably possible alternative assumptions.

## 13. OTHER ASSETS

| | 31 December 2025 $'000 | 31 December 2024 $'000 |
|---|---|---|
| **Current** | | |
| Prepaid expenses | **180** | 197 |
| Other deposits | **38** | 39 |
| | **218** | 236 |

## 14. TRADE AND OTHER PAYABLES

| | 31 December 2025 $'000 | 31 December 2024 $'000 |
|---|---|---|
| **Current** | | |
| *Unsecured* | | |
| Trade creditors | **35** | 169 |
| Other creditors and accruals | **1,083** | 1,297 |
| | **1,118** | 1,466 |

Trade payables are non-interest bearing, unsecured and are normally settled on 30 to 60 day terms. Details regarding the effective interest rate and credit risk of current payables are disclosed in Note 5.

## 15. BORROWINGS

| | 31 December 2025 $'000 | 31 December 2024 $'000 |
|---|---|---|
| **Current** | | |
| CBA development loan | – | 51,404 |
| NAB Enfield residual stock loan | **15,860** | – |
| | | |
| **Non-Current** | | |
| Unsecured loan from parent entity | **170,946** | 186,150 |
| | **186,806** | 237,554 |

The Group has a loan facility with Oasis Star Limited. Oasis Star Limited is Tian An Australia's largest shareholder, owning 76.7% of its shares. Oasis Star Limited is a 100% indirectly owned subsidiary of Tian An China Investments which is 56.94% indirectly held by Allied Properties (H.K.) Limited. The facility increased from $200,000,000 to $230,000,000 in March 2025. The balance of the unused facility funds available to the group at 31 December 2025 was $45,200,000 (2024: $13,850,000). The current face value of the loan is $184,800,000. Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method. The present value of the loan as at 31 December 2025 is $170,946,000.

The Directors obtained a confirmation from Oasis Star Limited to unconditionally extend the availability period and the repayment date of the facility until 31 December 2027. The loan facility with Oasis Star Limited was amended to be interest free from 23 May 2024.

As the related party loan is made at a below market rate of interest, the loan amount will need to be measured at fair value. The Oasis Star loan is measured at the present value of all future cash receipts discounted using the current market rate of interest for a similar instrument. The initial fair value adjustments are brought to account in the other income account. Fair value adjustments are made over the life of the loan.

On 14 April 2023, Tian An Enfield Pty Ltd entered into a loan, overdraft and bank guarantee facility with CBA, to finance the construction of The Henley, Enfield project. The facility has a limit of $58,000,000 and a term of 25 months. The loan and overdraft facility was repaid and closed in May 2025. The company increased its CBA bank guarantee facility from $1,073,348 to $1,258,348 in January 2025, of which $1,223,900 has been utilised. The bank guarantee facility fee is charged 2% per annum. The bank guarantee facility is secured by a term deposit. The balance of the unused facility funds available at 31 December 2025 was $34,100 (2024: $6,596,000).

On 20 June 2025, Tian An Enfield Pty Ltd entered into a loan with NAB, to finance the residual stock of The Henley, Enfield project. The facility has a limit of $20,000,000 and a term of 12 months. It was revised to $15,860,000 following the sale of some townhouses as at 31 December 2025. The balance of the unused facility funds available at 31 December 2025 was $Nil (2024: Nil).

The Enfield NAB loan facility is charged a line fee of 1.8% plus BBSY.

## 16. PROVISIONS

| | 31 December 2025 $'000 | 31 December 2024 $'000 |
|---|---|---|
| Employee benefit current | **75** | 71 |
| Employee benefit non-current | **85** | 67 |
| | **160** | 138 |

### AMOUNTS NOT EXPECTED TO BE SETTLED WITHIN THE NEXT 12 MONTHS

The current provision for employee benefits includes all unconditional entitlements where employees have completed the required year of service and also those where employees are entitled to pro-rata payments in certain circumstances. The entire amount is presented as current, since the Group does not have an unconditional right to defer settlement. However, based on past experience, the Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

The following amounts reflect leave that is not expected to be taken within the next 12 months:

| | 31 December 2025 $'000 | 31 December 2024 $'000 |
|---|---|---|
| Employee benefit obligations expected to be settled after 12 months | **37** | 34 |

## 17. CONTRIBUTED EQUITY

### MOVEMENT IN ORDINARY SHARE CAPITAL

During the year there were no shares issued by the Company.

| | | # of shares | | Value of shares | |
|---|---|---|---|---|---|
| Date | Details | Movement | Balance | Movement $'000 | Balance $'000 |
| **31 December 2024 and 31 December 2025** | | **–** | **86,608,830** | **–** | **290,149** |

Fully paid ordinary shares carry one vote per share and carry the right to receive dividends.

### RECOGNITION AND MEASUREMENT

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

## 18. DIVIDENDS

There were no dividends declared and paid or payable during the year (year ended 2024: $Nil) and no dividends have been proposed since the end of the year.

| | Company 31 December 2025 $'000 | 31 December 2024 $'000 |
|---|---|---|
| **Franking credit balance** | | |
| Franking account balance | **1,106** | 1,106 |

The tax rate at which dividends have been franked is 30% (31 December 2024: 30%).

The above amounts represent the balance of the franking account as at the end of the year, adjusted for:

- franking credits that will arise from the payment of the amount of the provision for income tax at the reporting date, if any;
- franking debits that will arise from the payment of dividends recognised as a liability at the reporting date, if any; and
- franking credits that will arise from the receipt of dividends recognised as receivables at the reporting date, if any.

# EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025



## 19. EARNINGS PER SHARE

Basic loss per share amounts are calculated by dividing net loss for the year attributable to ordinary Shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

| | Year ended 31 December 2025 $'000 | Year ended 31 December 2024 $'000 |
|---|---|---|
| Net profit attributable to Shareholders from continuing operations | **23,415** | 733 |
| | # of shares | |
| Weighted average number of ordinary shares for basic earnings per share | **86,608,830** | 86,608,830 |
| | Cents | Cents |
| Basic profit per share | **27.04** | 0.84 |
| Diluted profit per share | **27.04** | 0.84 |

### RECOGNITION AND MEASUREMENT

Basic profit per share is calculated as net profit attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted profit/loss per share are calculated as net profit/loss attributable to members of the parent, adjusted for:

- costs of servicing equity (other than dividends) and preference share dividends;
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses;
- other non-discretionary changes in revenues or expenses during the year that would result from the dilution of potential ordinary shares, and
- divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

## 20. KEY MANAGEMENT PERSONNEL

Compensation of key management personnel

The key management personnel were identified in the Directors' Report. Details of compensation of the Group's key management personnel are as follows:

| | Year ended 31 December 2025 $ | Year ended 31 December 2024 $ |
|---|---|---|
| Short-term employee benefits | **358,000** | 697,559 |
| Long-term employee benefits | **8,152** | (140,435) |
| Post-employment benefits | **42,065** | 67,725 |
| | **408,217** | 624,849 |

# EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)





## 21. RELATED PARTY DISCLOSURE

### SUBSIDIARIES

The consolidated financial statements include the financial statements of the Company and the subsidiaries listed in the following table.

| Name of Entity | Country of Registration | Equity Interest 2025 % | Equity Interest 2024 % | Investment 2025 $'000 | Investment 2024 $'000 | Tax Residency |
|---|---|---|---|---|---|---|
| CP Development Pty Limited[1] | Australia | **100** | 100 | **2,162** | 2,162 | Australia |
| Wannunup Development Nominees Pty Limited[1,4] | Australia | **100** | 100 | **–** | – | Australia |
| Point Grey Development Company Pty Limited[1,2] | Australia | **100** | 100 | **–** | – | Australia |
| Tian An Real Estate Pty Limited (formerly PBD Realty Pty Ltd)[1,2] | Australia | **100** | 100 | **–** | – | Australia |
| Peel Water Pty Limited[1] | Australia | **100** | 100 | **8,000** | 8,000 | Australia |
| Tian An Funds Management Limited[7] | Australia | **–** | 100 | **–** | 150 | Australia |
| Tian An Pymble Pty Ltd[1,3,5] | Australia | **–** | 100 | **–** | – | Australia |
| Tian An Auburn Pty Ltd[1,3] | Australia | **100** | 100 | **–** | – | Australia |
| Tian An Hope Island Pty Ltd[1,3,6] | Australia | **–** | 100 | **–** | – | Australia |
| Tian An Chatswood Pty Ltd[1,3] | Australia | **100** | 100 | **–** | – | Australia |
| Tian An Chatswood 2 Pty Ltd[1,3] | Australia | **100** | – | **–** | – | Australia |
| Tian An Enfield Pty Limited[1,2] | Australia | **100** | 100 | **–** | – | Australia |
| | | | | **10,162** | 10,312 | |

1 These controlled entities are not required to prepare audited financial statements
2 These entities have a cost of investment of $1, which due to rounding is shown as nil in the above table
3 These entities have a cost of investment of $100, which due to rounding is shown as nil in the above table
4 These entities have a cost of investment of $4, which due to rounding is shown as nil in the above table
5 Deregistered on 13 December 2025
6 Deregistered on 17 December 2025
7 Deregistered on 5 January 2026

### ULTIMATE PARENT

The Company is the ultimate parent company of the wholly owned Australian Group. The wholly owned Australian Group is controlled by Tian An China Investments Company Limited, which is listed on the Stock Exchange of Hong Kong.

### KEY MANAGEMENT PERSONNEL

Disclosures relating to key management personnel are set out in Note 20 and the Remuneration Report in the Directors' Report.

### OASIS STAR

The Group has a loan facility with Oasis Star Limited which has a facility limit of $230,000,000 at 31 December 2025. Oasis Star Limited is Tian An Australia's largest shareholder, owning 76.7% of its shares. Oasis Star Limited is a 100% indirectly owned subsidiary of Tian An China Investments which is 56.94% indirectly held by Allied Properties (H.K.) Limited. Interest and facility fee payments of $Nil were made during the year (2024: $3,383,000) to Oasis Star Limited.

The Group entered into an agreement with its major shareholder, Oasis Star, in relation to recharging of personnel costs. The group will charge its major shareholder periodically for the use of resources at a commercial rate. The agreement ceased on 1 January 2025. No Fees were made during the year (2024: $245,000).

With the exception of the interest free nature of the Oasis Star loan, all other transactions in 2025 were made on normal commercial terms and conditions and at market rates.

# EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025



## 22. REMUNERATION OF AUDITORS

| | Year ended 31 December 2025 $ | Year ended 31 December 2024 $ |
|---|---|---|
| Amounts received or due and receivable by BDO Audit Pty Ltd and their affiliated entities for: | | |
| – an audit and review of the financial report | **138,284** | 132,600 |
| – tax compliance and advice | **47,790** | 65,145 |
| | **186,074** | 197,745 |

## 23. EXPENDITURE COMMITMENTS

| | 31 December 2025 $'000 | 31 December 2024 $'000 |
|---|---|---|
| **Operating lease commitments** | | |
| Future minimum rentals payable under operating leases at 31 December 2025 are: | | |
| Within one year | **7** | 6 |
| After one year but not more than five years | **7** | 13 |
| More than five years | **–** | – |
| | **14** | 19 |

These consolidated entity leases telephony and printing services under agreement. These leases are low-value and therefore have been expenses as incurred and not capitalised as right-of-use assets.

| | 31 December 2025 $'000 | 31 December 2024 $'000 |
|---|---|---|
| **Capital commitments** | | |
| Committed at the reporting date but not recognised as liabilities or payables. | | |
| Investment properties: | | |
| The Henley, Enfield development | **116** | 2,735 |
| Point Grey | **55** | 35 |
| | **171** | 2,770 |

### RECOGNITION AND MEASUREMENT

The capital commitments in relation to The Henley, Enfield development represent construction and development management costs.

# EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)





## 24. CONTINGENCIES

### CONTINGENT LIABILITIES

*The Henley, Enfield*

The Group provided a guarantee of $1,239,900 in 2025 for a strata bond for The Henley, Enfield development. The guarantee provided security with the government authorities in event the development requires remediation. A bank guarantee facility of $1,258,348 was established, secured by cash. None of this guarantee has been used at 31 December 2025 (2024: $Nil).

*Hammond Greens, Chatswood*

The Group provided a guarantee of $25,000,000 in 2022 over the financing facility in place within Chatswood development project. The guarantee provided security in event that the joint venture partner defaulted on its obligations under the financing arrangement. None of this guarantee has been used at 31 December 2025 (2024: $Nil).

*Hammond Place, Chatswood*

The Group provided a guarantee of $40,000,000 in 2025 over the financing facility in place within Hammond Place development project. The guarantee provided security in event that the joint venture partner defaulted on its obligations under the financing arrangement. None of this guarantee has been used at 31 December 2025 (2024: $Nil).

## 25. SEGMENT INFORMATION

### RECOGNITION AND MEASUREMENT

In accordance with AASB 8 "Operating Segments", the Group has assessed for the year ended 31 December 2025 what information is necessary to enable users of its financial statements to evaluate the nature and financial effects of the business activities in which it engages and the economic environments in which it operates.

Based upon this assessment, the Audit Committee of the Group determined that it operated one business segment of property development in Australia. Operating results of the property development business segment are regularly reviewed by the Board to make decisions about resource allocation to the business and assess its performance. The Board assess the performance of the operating segment based on net profit after income tax.

| | Property Development | |
|---|---|---|
| | Year ended 31 December 2025 $'000 | Year ended 31 December 2024 $'000 |
| Revenue from external customers | **84,038** | – |
| Profit before income tax | **19,556** | 733 |
| Income tax benefit | **3,859** | – |
| Profit after income tax | **23,415** | 733 |
| The following items are included in the net loss after income tax: | | |
| Depreciation and amortisation | **(90)** | (117) |
| Finance costs | **(9,551)** | (2,857) |
| | **(9,641)** | (2,974) |
| Total segment assets include: | | |
| Financial assets | **207,313** | 177,536 |
| Total segment assets | **281,969** | 307,333 |
| Total segment liabilities | **(188,162)** | (239,298) |
| | **93,807** | 68,035 |

# EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025



## 26. NOTES TO STATEMENT OF CASH FLOWS

| | Year ended 31 December 2025 $'000 | Year ended 31 December 2024 $'000 |
|---|---|---|
| **Reconciliation of net loss to net cash flows used in operations** | | |
| Profit after income tax expense | **23,415** | 733 |
| *Adjustments for:* | | |
| Depreciation and amortisation | **90** | 119 |
| Reversal of impairment | **–** | (4,847) |
| Fair value gain on financial asset | **–** | (1,091) |
| Fair value gain on investment property | **(1,308)** | – |
| Gain on modification of Oasis Star loan | **(20,403)** | |
| Amortisation on modification of debt | **8,907** | – |
| *Changes in assets and liabilities* | | |
| (Increase)/decrease in trade and other receivables | **45** | (175) |
| (Increase)/decrease in inventories | **66,063** | (32,129) |
| (Increase)/decrease in other assets | **16** | (31) |
| Increase/(decrease) in trade and other payables | **(410)** | (1,493) |
| (Decrease)/increase in provisions | **22** | (129) |
| Movement in financial asset | **(2,002)** | – |
| Non-cash income tax | **(3,859)** | – |
| Net cash flows used in operating activities | **(70,576)** | (39,043) |

# EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)





## 27. DEED OF CROSS GUARANTEE

At 31 December 2025 the following entities within the Group were parties to a deed of cross guarantee (**Deed**):

- Tian An Australia Limited; and
- Tian An Enfield Pty Limited.

By entering into the Deed, the wholly owned entities have been relieved from the requirement to prepare a financial report and Directors' Report under ASIC Corporations (wholly-owned companies) Instrument 2017/785.

| | Year ended 31 December 2025 $'000 | Year ended 31 December 2024 $'000 |
|---|---|---|
| (A) STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME | | |
| Revenue | **84,311** | – |
| Cost of land and property developments sold | **(72,882)** | – |
| **Gross Profit** | **11,429** | – |
| Other income | **20,732** | – |
| FV Gain/Loss on Investment Property | **1,308** | – |
| Advertising and Marketing | **(71)** | – |
| Employee benefits expense | **(474)** | – |
| Non-executive Director fees | **(148)** | – |
| Commissions | **(1,399)** | – |
| Finance costs | **(9,551)** | – |
| Repairs and maintenance | **(31)** | – |
| Rental expenses | **(14)** | – |
| Rates and taxes | **(265)** | – |
| Depreciation and amortisation | **(90)** | – |
| Consulting fees | **(349)** | – |
| Legal fees | **(225)** | – |
| Impairment expense | **–** | – |
| Other expenses | **(397)** | – |
| **Gain before income tax** | **20,455** | – |
| Income tax benefit | **3,859** | – |
| **Gain after tax from continuing operations** | **24,314** | – |
| **Total comprehensive gain** | **24,314** | – |
| Accumulated profit at the beginning of the year | **–** | – |
| Gain for the year | **24,314** | – |
| **Accumulated profit at the end of the year** | **24,314** | – |

# EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)





## 27. DEED OF CROSS GUARANTEE (CONTINUED)

| | Year ended 31 December 2025 $'000 | Year ended 31 December 2024 $'000 |
|---|---|---|
| Set out below in (b) is a consolidated statement of financial position as at 31 December 2025 and 31 December 2024 for the entities that were parties to the Deed at these dates. | | |
| (B) STATEMENT OF FINANCIAL POSITION | | |
| **Current Assets** | | |
| Cash and cash equivalents | **6,910** | – |
| Trade and other receivables | **239** | – |
| Inventories | **31,867** | – |
| Other financial assets | **239,219** | – |
| Other assets | **3,916** | – |
| Investment property | **10,061** | – |
| **Current Assets** | **282,151** | – |
| **Non-Current Assets** | | |
| Property, plant and equipment | **73** | – |
| Right of use asset | **71** | – |
| **Total Non-Current Assets** | **144** | – |
| **TOTAL ASSETS** | **282,295** | – |
| **Current Liabilities** | | |
| Trade and other payables | **1,170** | – |
| Short term borrowings | **15,860** | – |
| Provisions | **75** | – |
| **Total Current Liabilities** | **17,105** | – |
| **Non-Current Liabilities** | | |
| Long term borrowings | **170,946** | – |
| Provisions | **85** | – |
| **Total Non-Current Liabilities** | **171,031** | – |
| **TOTAL LIABILITIES** | **188,136** | – |
| **NET ASSETS** | **94,159** | – |
| **EQUITY** | | |
| Contributed equity | **290,149** | – |
| Reserves | **2,357** | – |
| Accumulated losses | **(198,347)** | – |
| **TOTAL EQUITY** | **94,159** | – |

# EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)





## 27. DEED OF CROSS GUARANTEE (CONTINUED)

During 2025 the following entities within the Group were parties to a deed of cross guarantee (**Deed**):

- Tian An Australia Limited;
- CP Development Pty Limited; and
- Wannunup Development Nominees Pty Limited.

By entering into the Deed, the wholly owned entities have been relieved from the requirement to prepare a financial report and Directors' Report under ASIC Corporations (wholly-owned companies) Instrument 2017/785.

The Deed ceased in 2025.

| | Year ended 31 December 2025 $'000 | Year ended 31 December 2024 $'000 |
|---|---|---|
| (A) STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME | | |
| Other revenue | – | 66 |
| **Revenue** | – | 66 |
| Other income | – | 10,014 |
| Cost of goods sold | – | – |
| Advertising and Marketing | – | – |
| Employee benefits expense | – | (439) |
| Non-executive Director fees | – | (147) |
| Commissions | – | – |
| Finance costs | – | (8) |
| Repairs and maintenance | – | (26) |
| Rental expenses | – | (17) |
| Rates and taxes | – | (14) |
| Depreciation and amortisation | – | (77) |
| Consulting fees | – | (96) |
| Legal fees | – | (48) |
| Impairment expense | – | – |
| Other expenses | – | (761) |
| **Gain/(loss) before income tax** | – | 8,447 |
| Income tax expense | – | – |
| **Gain/(loss) after tax from continuing operations** | – | 8,447 |
| **Total comprehensive gain/(loss)** | – | 8,447 |
| Accumulated losses at the beginning of the year | – | (225,521) |
| Gain/(loss) for the year | – | 8,447 |
| **Accumulated losses at the end of the year** | – | (217,074) |

## 27. DEED OF CROSS GUARANTEE (CONTINUED)

| | Year ended 31 December 2025 $'000 | Year ended 31 December 2024 $'000 |
|---|---|---|
| Set out below in (b) is a consolidated statement of financial position as at 31 December 2025 and 31 December 2024 for the entities that were parties to the Deed at these dates. | | |
| (B) STATEMENT OF FINANCIAL POSITION | | |
| **Current Assets** | | |
| Cash and cash equivalents | – | 785 |
| Trade and other receivables | – | 143 |
| Inventories | – | 1,350 |
| Intercompany loans | – | 257,086 |
| Other assets | – | 81 |
| Assets classified as held-for-sale | – | – |
| **Current Assets** | – | 259,445 |
| **Non-Current Assets** | | |
| Property, plant and equipment | – | 42 |
| Right of use asset | – | 133 |
| **Total Non-Current Assets** | – | 175 |
| **TOTAL ASSETS** | – | 259,620 |
| **Current Liabilities** | | |
| Trade and other payables | – | 257 |
| Provisions | – | 71 |
| **Total Current Liabilities** | – | 328 |
| **Non-Current Liabilities** | | |
| Borrowings | – | 186,150 |
| Provisions | – | 67 |
| **Total Non-Current Liabilities** | – | 186,217 |
| **TOTAL LIABILITIES** | – | 186,545 |
| **NET ASSETS** | – | 73,075 |
| **EQUITY** | | |
| Contributed equity | – | 290,149 |
| Accumulated losses | – | (217,074) |
| **TOTAL EQUITY** | – | 73,075 |

## 28. PARENT ENTITY FINANCIAL INFORMATION

| | Year ended 31 December 2025 $'000 | Year ended 31 December 2024 $'000 |
|---|---|---|
| (A) SUMMARY FINANCIAL INFORMATION | | |
| **Summarised statement of financial position** | | |
| Current assets | **270,519** | 269,139 |
| Non-current assets | **107** | 175 |
| **Total assets** | **270,626** | 269,314 |
| Current liabilities | **106** | 313 |
| Non-current liabilities | **184,885** | 186,217 |
| **Total liabilities** | **184,991** | 186,530 |
| **Net assets** | **85,635** | 82,784 |
| **Equity** | | |
| Contributed equity | **290,149** | 290,149 |
| Accumulated losses | **(204,514)** | (207,365) |
| **Total equity** | **85,635** | 82,784 |
| **Summarised statement of profit or loss and other comprehensive income** | | |
| Profit/(Loss) after income tax for the year | **2,851** | 8,473 |
| **Total comprehensive income/(loss) for the year** | **2,851** | 8,473 |

### (B) GUARANTEES

The Company has provided no financial guarantees as at 31 December 2025 (31 December 2024: $Nil).

There are cross guarantees given by the Company and Tian An Enfield Pty Ltd as described in Note 27.

The Company did not have a deficiency in assets as at 31 December 2025 or 31 December 2024. There were deficiencies of assets in CP Development Pty Limited and Wannunup Development Nominees Pty Limited as at 31 December 2024.

With respect to the asset deficiencies of CP Development Pty Limited and Wannunup Development Nominees Pty Limited, the Company recorded nil impairment provisions at 31 December 2024.

### (C) CONTRACTUAL COMMITMENTS FOR THE ACQUISITION OF PROPERTY, PLANT OR EQUIPMENT

The Company did not have any contractual commitments for the acquisition of property, plant or equipment at 31 December 2025 or 31 December 2024.

### (D) SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Company are consistent with those applied by the Group other than the interests in subsidiaries which are carried at cost rather than fair value as disclosed in the respective notes to the financial statements.

## 29. NON-CASH INVESTING AND FINANCING ACTIVITIES

In 2025, $468,533 was drawn from the Auburn Square project proceeds and paid invoices for the Hammond Greens, Chatswood and other projects (2024: $4,656,491). $2,085,000 was drawn from the Henley project proceeds and paid invoices for Hammond Greens and Hammond Place, Chatswood and other projects (2024: $Nil)

## 30. EVENTS OCCURRING AFTER THE REPORTING YEAR

The impact of the economy continue to evolve at the date of this report and therefore the impact on the Group's future financial results remains uncertain and will depend on future developments such as the inflation, interest rates, improvements to the construction supply chains and government policies.

Other than the above, there has not been any matter or circumstance that has arisen since the end of the year that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future years.

# CONSOLIDATED ENTITY DISCLOSURE STATEMENT

AS AT 31 DECEMBER 2025



| Name of Entity | Country of Registration | Equity Interest 2025 % | Equity Interest 2024 % | Investment 2025 $'000 | Investment 2024 $'000 | Tax Residency |
|---|---|---|---|---|---|---|
| CP Development Pty Limited | Australia | **100** | 100 | **2,162** | 2,162 | Australia |
| Wannunup Development Nominees Pty Limited | Australia | **100** | 100 | **–** | – | Australia |
| Point Grey Development Company Pty Limited | Australia | **100** | 100 | **–** | – | Australia |
| Tian An Real Estate Pty Limited (formerly PBD Realty Pty Ltd) | Australia | **100** | 100 | **–** | – | Australia |
| Peel Water Pty Limited | Australia | **100** | 100 | **8,000** | 8,000 | Australia |
| Tian An Funds Management Limited | Australia | **–** | 100 | **–** | 150 | Australia |
| Tian An Pymble Pty Ltd | Australia | **–** | 100 | **–** | – | Australia |
| Tian An Auburn Pty Ltd | Australia | **100** | 100 | **–** | – | Australia |
| Tian An Hope Island Pty Ltd | Australia | **–** | 100 | **–** | – | Australia |
| Tian An Chatswood Pty Ltd | Australia | **100** | 100 | **–** | – | Australia |
| Tian An Chatswood 2 Pty Ltd | Australia | **100** | – | **–** | – | Australia |
| Tian An Enfield Pty Limited | Australia | **100** | 100 | **–** | – | Australia |
| | | | | **10,162** | 10,312 | |

Tian An Australia Limited (the 'head entity') and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime.

# DIRECTORS' DECLARATION



In the Directors' opinion:

1. the attached financial statements and notes thereto comply with the Corporations Act 2001, the Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

2. the attached financial statements and notes thereto comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in the financial statements;

3. the attached financial statements and notes thereto give a true and fair view of the Group's financial position as at 31 December 2025 and of its performance for the year then ended;

4. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and

5. at the date of this declaration, there are reasonable grounds to believe that the members of the Closed Group will be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the deed of cross guarantee described in Note 27 to the financial statements.

6. the information disclosed in the attached consolidated entity disclosure statement is true and correct.

The Directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of Directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the Directors:

**Peter Curry**
Chairman

24 February 2026
Sydney

# INDEPENDENT AUDITOR'S REPORT

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Australia



**INDEPENDENT AUDITOR'S REPORT**

To the members of Tian An Australia Limited

**REPORT ON THE AUDIT OF THE FINANCIAL REPORT**

OPINION

We have audited the financial report of Tian An Australia Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

(i) Giving a true and fair view of the Group's financial position as at 31 December 2025 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

BASIS FOR OPINION

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to audits of the financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

# INDEPENDENT AUDITOR'S REPORT (CONTINUED)



## KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

*Carrying value of financial assets*

| Key audit matter | How the matter was addressed in our audit |
|---|---|
| As at 31 December 2025, the Group recognised financial assets of $207,312,000 which comprised $77,241,000 in respect of the Auburn Square Project, $55,106,000 in respect to the Chatswood 1 Project and $74,965,000 in respect to the Chatswood 2 project as disclosed in note 11.<br><br>These financial assets were considered a key audit matter given the significant judgements made by management in determining the appropriate accounting treatment, the overall value of these assets in the Consolidated Statement of Financial Position, and the complexities involved in determining the appropriate fair value of the projects. | In order to address this key audit matter, our audit procedures included, amongst others:<br><br>• Together with BDO IFRS specialists, evaluating and assessing the accounting policies adopted by management against the requirements of Australian Accounting Standards.<br><br>• Obtaining management's discounted cash flow ('DCF') models and performing the following audit procedures:<br><br>– Assessing the reasonableness of the key variables (as disclosed in note 5 and note 11) included in the DCF models which included validating these to external, publicly available information and current market data (where available).<br><br>– Together with BDO valuation specialists, assessing the reasonableness of the discount rates applied by management.<br><br>– Performing sensitivity analysis on the key inputs applied to the DCF models to assess the impact minor changes in the assumptions would have on the carrying value. |

# INDEPENDENT AUDITOR'S REPORT (CONTINUED)



*Valuation of inventory*

| Key audit matter | How the matter was addressed in our audit |
|---|---|
| As at 31 December 2025, the Group recognised inventory of $53,218,000 which primarily consisted of the Point Grey Development Project of $20,000,000 and the Enfield Project of $31,868,000 as disclosed in note 10. The Group classifies property held for development and resale as inventories which are measured at the lower of cost and net realisable value ('NRV').<br><br>The valuation of these development projects was considered a key audit matter due to the significant value of these assets in the Consolidated Statement of Financial Position and the key estimates and assumptions applied in the consideration of their net realisable values at reporting date. | In order to address this key audit matter, our audit procedures included, amongst others:<br><br>• Assessing the competence, capability and objectivity of the external valuation experts which included considering their experience and qualifications.<br><br>• Obtaining and reviewing the external valuation reports and Management's feasibility reports, as appropriate, and performing the following audit procedures:<br><br>– Discussing project feasibility with Management to develop an understanding of the project status including current and anticipated development plans and Management's expectation of the forecast potential realisable value.<br><br>– Critically analysing the key inputs within the reports and comparing these to external market data (where available) in addition to discussing key estimates and assumptions with management.<br><br>– Obtaining an understanding of any underlying changes in the project development approval status and market prices and conditions.<br><br>• Testing a sample of development expenses capitalised during the year to ensure these costs were appropriately treated with reference to the Australian Accounting Standards.<br><br>• Recalculating the value of cost of sales to be recognised during the year with consideration to the settlements of Enfield units during the year. |

# INDEPENDENT AUDITOR'S REPORT (CONTINUED)



## OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information contained in the Group's Annual Report for the year ended 31 December 2025, but does not include the financial report and our auditor's report thereon, which we obtained prior to the date of this auditor's report, and the Letter from the Chairman, which is expected to be made available to us after that date.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors and will request that it is corrected. If it is not corrected, we will seek to have the matter appropriately brought to the attention of users for whom our report is prepared.

## RESPONSIBILITIES OF THE DIRECTORS FOR THE FINANCIAL REPORT

The directors of the Company are responsible for the preparation of:

a) the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and

b) the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001, and for such internal control as the directors determine is necessary to enable the preparation of:

   i) the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

   ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error. In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

# INDEPENDENT AUDITOR'S REPORT (CONTINUED)



## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL REPORT

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at: https://www.auasb.gov.au/media/bwvjcgre/ar1_2024.pdf.

This description forms part of our auditor's report.

## REPORT ON THE REMUNERATION REPORT

### OPINION ON THE REMUNERATION REPORT

We have audited the Remuneration Report included in pages 7 to 12 of the directors' report for the year ended 31 December 2025.

In our opinion, the Remuneration Report of Tian An Australia Limited, for the year ended 31 December 2025, complies with section 300A of the *Corporations Act 2001*.

### RESPONSIBILITIES

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

**BDO Audit Pty Ltd**

BDO

Rothwell

**Elysia Rothwell**
*Director*

Sydney, 24 February 2026

# SHAREHOLDER INFORMATION



## TIAN AN AUSTRALIA LIMITED

**Top Holders (Ungrouped) As of 31/12/2025**

### RANGE OF SHAREHOLDERS

| RANGE | TOTAL HOLDERS | UNITS | % UNITS |
|---|---|---|---|
| 1–1,000 | 921 | 103,861 | 0.12% |
| 1,001–5,000 | 99 | 260,093 | 0.30% |
| 5,001–10,000 | 14 | 114,242 | 0.13% |
| 10,001–100,000 | 42 | 1,106,075 | 1.28% |
| 100,001 Over | 21 | 85,024,559 | 98.17% |
| Rounding | | | 0.00% |
| **Total** | **1,097** | **86,608,830** | **100.00%** |

### UNMARKETABLE PARCELS

| | MINIMUM PARCEL SIZE | HOLDERS | UNITS |
|---|---|---|---|
| Minimum $500.00 parcel at $0.3500 per unit | 1,429 | 938 | 124,416 |

### TOP 20 SHAREHOLDERS

| RANK | INVESTOR NAME | UNITS | % UNITS |
|---|---|---|---|
| 1 | Oasis Star | 66,432,267 | 76.70% |
| 2 | Mr Xu Haohao | 3,000,000 | 3.46% |
| 3 | Katong Assets | 1,910,821 | 2.21% |
| 4 | Eminent Star Ventures | 1,900,000 | 2.19% |
| 5 | Ahead Capital | 1,513,412 | 1.75% |
| 6 | Heritage Riches | 1,225,653 | 1.42% |
| 7 | Mr Liang Zhen Lin | 1,167,469 | 1.35% |
| 8 | He Wenbo | 1,000,000 | 1.15% |
| 9 | Yue Wang | 1,000,000 | 1.15% |
| 10 | Mr Colin Sim | 933,333 | 1.08% |
| 11 | Future Rise Investments | 867,929 | 1.00% |
| 12 | Ms Cerena W Fu | 557,675 | 0.64% |
| 13 | Mr Shuping Huang & Mrs Hui Wang | 500,000 | 0.58% |
| 14 | Chen Hao | 400,000 | 0.46% |
| 15 | Dr Nagahara Akihiro | 350,000 | 0.40% |
| 16 | Mrs Tew H Cameron | 297,809 | 0.34% |
| 17 | BH Equities | 186,667 | 0.22% |
| 18 | Mr & Mrs Graham Leaver | 182,073 | 0.21% |
| 19 | Mr & Mrs Geoffrey F Brown | 180,000 | 0.21% |
| 20 | Mdm Ruihua Wang | 178,100 | 0.21% |
| **TOTALS: TOP 20 HOLDERS OF ORDINARY FULLY PAID SHARES** | | **83,783,208** | **96.74%** |
| **REMAINING HOLDERS BALANCE** | | **2,825,622** | **3.26%** |

### SUBSTANTIAL SHAREHOLDERS

| SHAREHOLDER | UNITS | % UNITS |
|---|---|---|
| Oasis Star | 66,432,267 | 76.70% |

# CORPORATE DIRECTORY



ABN 12 009 134 114

**DIRECTORS**
Peter Curry
Cerena Fu
Marcus Seow

**COMPANY SECRETARY**
Hai-Young Lu (retired 6 January 2025)
Robert Lees (appointed 7 January 2025)

**REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS**
Level 6
99 Macquarie Street
Sydney NSW 2000

Telephone: (02) 8243 9700
Website: www.tianan.com.au
Email: admin@tianan.com.au

**SHARE REGISTRY**
Computershare Registry Services Pty Ltd
Level 4
60 Carrington Street
Sydney NSW 2000
GPO Box 2975
Melbourne VIC 3001

Telephone: 1300 850 505

**SOLICITORS**
Piper Alderman
Level 23, Governor Macquarie Tower
1 Farrer Place
Sydney NSW 2000

Addisons
Level 10
2 Park Street
Sydney NSW 2000

**AUDITOR**
BDO Audit Pty Ltd
Level 25
252 Pitt Street
Sydney NSW 2000

**BANKERS**
Commonwealth Bank of Australia
Level 8, 11 Harbour St
Sydney NSW 2000

National Australia Bank
292 Pitt Street
Sydney NSW 2000

**ASX LISTING**
Tian An Australia Limited's shares are listed on ASX (ASX code: TIA)

**CORPORATE GOVERNANCE STATEMENT**
Refer to the governance page of Tian An Australia Limited's website.

TIAN AN AUSTRALIA