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Tian An Australia Limited

(Comprising **Tian An Australia Limited** ABN 12 009 134 114 and its controlled entities)

Appendix 4D and Financial Report for the half-year ended 30 June 2026

This half-year financial report constitutes the Appendix 4D prepared in accordance with ASX Listing Rules and the *Corporations Act 2001*. This half-year financial report does not include all of the notes of the type normally included in an annual financial report. Accordingly, this half-year financial report is to be read in conjunction with the annual financial report for the year ended 31 December 2025 and any public announcements made by Tian An Australia Limited during the intervening period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

Tian An Australia Limited

Tian An Australia Limited ABN 12 009 134 114 (**TIA, Company or Parent**) comprises TIA and its controlled entities (**Group**).

Appendix 4D

for the half-year ended 30 June 2026

(previous corresponding period being the half-year ended 30 June 2025)

RESULTS FOR ANNOUNCEMENT TO THE MARKET

	\$'000	Up / (Down)	% movement
Revenue	11,097	(67,435)	(86%)
Profit/loss after tax attributable to Shareholders*	(3,872)	(33,124)	(113%)

There were no dividends proposed or declared by TIA to Shareholders since the end of the previous financial year.

Additional information	30 June 2026	30 June 2025
Net tangible assets (NTA) per Share – cents	101	110*

TIA recorded statutory loss of \$3.9 million against a \$29.3 million profit in the prior comparative period.

The statutory loss for the year ended 30 June 2026 is comprised of the following items:

- The settlement of 7 townhouses at The Henley, Enfield project resulting in \$11.1m (June 2025: \$78.5m) in net sales for the 6 months to June 2026. This resulted in gross profit of \$1.5m for the company.
- The fair value adjustment on the interest free loan from Oasis Star resulted in an effective interest expense of \$3.4m (June 2025: \$3.2m). Please refer to page 3 of the financial statements.
- Bank interest and commission sale costs of \$0.6 million

TIA reported an underlying loss of \$0.5 million against an underlying profit of \$12.1 million in the prior comparative period.

Additional Appendix 4D disclosure requirements can be found in the attached notes to the 30 June 2026 half-year financial report.

*restated due to the modification of the Oasis Star loan



Robert Lees
Company Secretary

Sydney
14 August 2026

Tian An Australia Limited

30 June 2026 Half-Year Financial Report

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GENERAL INFORMATION

The financial statements cover the Group. The financial statements are presented in Australian dollars, which is the Group's functional and presentation currency.

TIA is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 6, 99 Macquarie Street
Sydney NSW 2000

Principal Activities

The principal activity of the Group during the half 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 in the Mandurah / Peel Region of Western Australia.

A review of the Group's operations is included in the Directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 14 August 2026.

The Directors present their report on the Group, consisting of Tian An Australia Limited ('TIA') and its controlled entities (the 'Group') for the half-year ended 30 June 2026 and the Independent Auditor's Review Report thereon.

DIRECTORS

The Directors of TIA during the half-year and up until the date of this report are as follows:

Director	Position	Period of Directorship
Peter Curry	Chairman, Non-Executive Director	Full half-year
Cerena Fu	Independent Non-Executive Director	Full half-year
Marcus Seow	Independent Non-Executive Director	Full half-year

REVIEW AND RESULTS OF OPERATIONS

The Company continues to sell down our completed stock at Auburn Square, Auburn and The Henley, Enfield. Construction on Stage 2 of the Auburn Square project has commenced. The Company is currently seeking approvals at its Point Grey project, and Hammond Place, Chatswood projects. The Company is currently in the process of amending the SSDA for Hammond Greens, Chatswood. Directors and Management are continuing to evaluate the economic environment and the potential future impact on asset values. TIA is in a sound capital position and has the continuing financial support from Tian An China Investments Company Limited, the company's ultimate parent entity. TIA will continue to seek opportunities within its investment targets.

During and since the half-year, key events of the Group included:

- Continued sell down of the remaining townhouses at the Henley, Enfield.
- Commenced construction of Stage 2 Auburn Square, Auburn. Continued Stage 1 sales and settlements and presales of stage 2.
- Modifying the SSDA approval for Hammond Greens, Chatswood.
- Attained HDA recommendation for the site at Hammond Place, Chatswood
- Lodgement of the amendment to the local structure plan for the Point Grey site.

For the half-year ended 30 June 2026, the Group reported a statutory loss after tax of \$3,872,000 (2025: profit of \$29,252,000¹). The Group's underlying loss for the period was \$456,000 (2025: profit of \$12,080,000).

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

	Consolidated	
	Half-Year ended 30 June 2026	Restated Half- Year ended 30 June 2025
	\$'000	\$'000
Statutory profit/(loss) attributable to members after tax	(3,872)	29,252
Oasis Star present value gain	-	(20,403)
Amortisation of Oasis Star loan	3,416	3,231
Underlying profit/(loss) after tax	(456)	12,080

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 review by the Company's auditor.

A prior period adjustment was recognised following the debt modification of the Oasis Star loan from interest bearing to interest free. The company recognised a gain on debt modification from its Oasis Star loan on 13 January 2025. As a result, the Group has made a prior period adjustment and restated the 30 June 2025 income statement to include a \$20,403,000 uplift in other income to reflect the fair value modification gain of its Oasis Star loan. There is also interest expense of \$3,231,000 that has been recognised for the 30 June 2025 period.

The Group has recognised \$Nil additional deferred tax assets in 2026 (\$3,859,000 in 2025 relating to a portion of the company's available carried forward tax losses on its Statement of Financial Position). The tax losses may be utilised against any tax liability arising as a result of any future profits, which is dependent on meeting the requirements of the tax legislation.

¹ restated due to the modification of the Oasis Star loan

Portfolio Update*Western Australia*Point Grey and Peel Water, Point Grey, WA (Point Grey)

Management have lodged the amendment to the local structure plan for the Point Grey site. Management continue to engage with relevant government agencies and other stakeholders to address outstanding technical matters, including bushfire planning, secondary access and servicing requirements. Management is targeting approval of the amended local structure plan within the next 6-9 months.

Lot 370, Port Bouvard, Dawesville, WA (Lot 370)

Lot 370 currently is available for sale.

*Eastern Seaboard*The Henley, Enfield, NSW (The Henley)

The project is completed. There remains a limited number of townhouses currently unsold. Management is focussing on the sale of the remaining stock.

Auburn Square, Auburn, NSW (Auburn Square)

Our completed stock at Stage 1 at Auburn Square is largely sold. Sales at stage 2 is progressing well. The construction of Stage 2 has commenced and is expected to be completed in 2028. We are continuing to market the remaining stock.

Hammond Greens, Chatswood, NSW (Hammond Greens)

The SSDA approval was attained on 31 October 2025. Currently, the team is investigating some modifications. A DA modification is likely to be lodged later this year.

Hammond Place, Chatswood, NSW (Hammond Place)

Management have completed the acquisition of the land for the project. The project remains in the planning and design phase, with management continuing to progress the State Significant Development Application (SSDA), while also pursuing the Housing Delivery Authority (HDA) pathway in relation to a potential higher-yield scheme. Subsequently the project was recommended under the HDA pathway and declared State Significant Development by the Minister on 22 June 2026, the earlier SSDA scheme has now been superseded by the HDA scheme and management will continue through the concurrent rezoning and planning assessment process.

Short Term Outlook

TIA will focus on identifying residential developments that meet its investment strategy and criteria.

MATERIAL BUSINESS RISKS

The Australian economy has slowed following several interest rate rises over the past 6 months. There still exists some uncertainty from the local and wider global economy, the Company is well supported by its shareholders.

There still exists a lack of new construction of housing resulting in a housing shortage in Australia. The Australian property market has moderated following many years of strong growth, following the recent tax changes. The company has several projects which meet the needs of buyers by including affordable housing in its projects.

Our joint venture partners play an important role in our business. The delivery of our developments 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 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 and take advantage of the medium to longer term prospects within the Australian property market.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Other than those items disclosed in the review of operations and portfolio update above, there were no significant changes in the state of affairs of the Group during the financial half-year.

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

In Australia, prices continued to rise in 2026. At this stage, further impact on our business, development projects and results is uncertain. In determining the value of our assets, it is necessary to make assumptions in relation project cashflows, the timing of these cashflows and the discount rates. There may be future delays in construction as well as projected timing of sales forecasted.

Other than the above, no other matters or circumstances have arisen since the end of the half-year and up until the date of this report, which significantly affect or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in subsequent periods.

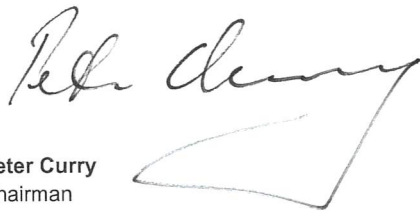
AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

TIA has obtained the Auditor's Independence Declaration, which is set out on page 7.

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 2026/183. The Company is an entity to which the Legislative Instrument applies.

Signed in accordance with a resolution of the Directors:



Peter Curry
Chairman
Sydney
14 August 2026

DECLARATION OF INDEPENDENCE BY MARTIN COYLE TO THE DIRECTORS OF TIAN AN AUSTRALIA LIMITED

As lead auditor for the review of Tian An Australia Limited for the half-year ended 30 June 2026, 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 review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

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

A handwritten signature in black ink, appearing to be 'Martin Coyle', written over a horizontal line.

Martin Coyle
Director

BDO Audit Pty Ltd

Sydney, 14 August 2026

	Note	Group	
		Half year ended 30 June 2026	Restated Half year ended 30 June 2025
		\$'000	\$'000
Revenue		11,097	78,532
Cost of land and property developments sold		(9,646)	(68,108)
Gross Profit		1,451	10,424
Other income	8	107	20,697 ²
Advertising and marketing		(61)	(53)
Employee benefits		(425)	(392)
Non-executive director fees		(74)	(74)
Commissions and discounts		(228)	(1,004)
Depreciation and amortisation		(40)	(49)
Rates and taxes		(270)	(265)
Repairs and maintenance		(19)	(15)
Consultants and legal fees		(435)	(442)
Rental expenses		(23)	(7)
Net increase in fair value of financial assets at fair value through profit or loss	6	-	-
Other expenses		(184)	(195)
Operating profit/(loss)		(201)	28,625
Finance income		104	22
Finance costs		(3,775)	(3,254) ²
Net finance costs		(3,671)	(3,232)
(Loss)/profit before income tax		(3,872)	25,393
Income tax benefit		-	3,859
(Loss)/profit after income tax for the half-year attributable to the owners of TIA		(3,872)	29,252
Other comprehensive income for the period, net of tax		-	-
Total comprehensive income for the half-year attributable to the owners of TIA		(3,872)	29,252
Earnings per share (cents per share)			
Basic (loss)/earnings per share		(0.04)	33.77
Diluted (loss)/earnings per share		(0.04)	33.77

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

² Prior period adjustment following the debt modification of the Oasis Star loan. The company recognised a gain on debt modification from its Oasis Star loan on 13 January 2025. As a result, the Group has made a prior period adjustment and restated the 30 June 2025 income statement to include a \$20,403,000 uplift in other income to reflect the fair value modification gain of its Oasis Star loan. There is also interest expense of \$3,231,000 which has been recognised for the 30 June 2025 period. This gain on debt modification was reflected in the annual 2025 financial statements. Refer to Note 8 for more information.

	Note	Group 30 June 2026 \$'000	Group 31 December 2025 \$'000
Current assets			
Cash and cash equivalents		3,701	6,910
Trade and other receivables		320	248
Inventories	2	23,613	33,217
Other assets		112	218
Other financial assets		1,258	-
Total current assets		29,004	40,593
Non-current assets			
Inventories	2	20,000	20,000
Investment Property	7	10,061	10,061
Financial assets at fair value through profit or loss	6	230,126	207,313
Property, plant and equipment		63	72
Right of use asset		40	71
Deferred tax asset		3,859	3,859
Total non-current assets		264,149	241,376
TOTAL ASSETS		293,153	281,969
Current liabilities			
Trade and other payables		1,094	1,118
Borrowings	8	10,767	15,860
Lease liability		-	78
Provisions		94	75
Total current liabilities		11,955	17,131
Non-current liabilities			
Borrowings	8	190,122	170,946
Provisions		100	85
Total non-current liabilities		190,222	171,031
TOTAL LIABILITIES		202,177	188,162
NET ASSETS		90,976	93,807
Equity			
Contributed equity	3	290,149	290,149
Reserves		3,398	2,357
Accumulated losses		(202,571)	(198,699)
TOTAL EQUITY		90,976	93,807

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

	Note	Contributed equity	Reserves	Accumulated losses	Total
		\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2025		290,149	-	(222,114)	68,035
Restated Profit for the period		-	-	29,252	29,252
Restated Revaluation of interest free borrowing	8	-	1,745	-	1,745
Restated Balance at 30 June 2025		290,149	1,745	(192,862)	99,032
Balance at 1 January 2026		290,149	2,357	(198,699)	93,807
Loss for the period		-	-	(3,872)	(3,872)
Revaluation of interest free borrowing	8	-	1,041	-	1,041
Balance at 30 June 2026		290,149	3,398	(202,571)	90,976

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

	Note	Group	
		Half year ended 30 June 2026 \$'000	Half year ended 30 June 2025 \$'000
Cash flows from operating activities			
Receipts from customers		11,025	72,163
Receipt from other income		107	294
Payments to suppliers and employees (inclusive of GST)		(1,722)	(9,710)
Interest received		104	22
Finance costs including interest and other costs of finance paid		(359)	(23)
Net cash from operating activities		9,155	62,746
Cash flows from investing activities			
Payments for property, plant and equipment		-	(2)
Payments for financial assets – Hammond Greens	6	(2,310)	(1,145)
Payments for financial assets – Hammond Place	6	(3,893)	(15,060)
Payments for financial assets – Auburn Square	6	(16,610)	-
Receipts from financial assets – Hammond Greens	6	-	27
Receipts from financial assets – Hammond Place	6	-	73
Payment for other financial assets		(1,258)	-
Net cash flows used in investing activities		(24,071)	(16,107)
Cash flows from financing activities			
Proceeds from borrowings	8	16,801	20,663
Repayment of borrowings	8	(5,094)	(65,417)
Net cash flows from/ (used in) financing activities		11,707	(44,754)
Net (decrease)/ increase in cash and cash equivalents		(3,209)	1,885
Cash and cash equivalents at the beginning of the period		6,910	1,005
Cash and cash equivalents at the end of the period		3,701	2,890

The above consolidated statement of cashflow should be read in conjunction with the accompanying note.

1. STATEMENT OF MATERIAL ACCOUNTING POLICIES

Tian An Australia Limited (**TIA**) is domiciled and incorporated in Australia. Its registered office and principal place of business is Level 6, 99 Macquarie Street, Sydney, New South Wales. The half-year financial report of TIA consists of the financial statements of TIA and its controlled entities (**Group**). The financial report is presented in Australian dollars.

The material accounting policies adopted in the preparation of the half-year financial report are set out below. These policies have been consistently applied to all periods presented, unless otherwise stated.

(a) Basis of preparation

These general purpose financial statements for the half-year reporting period ended 30 June 2026 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the *Corporations Act 2001*, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standards IAS 34 'Interim Financial Reporting'.

These general purpose financial statements for the half-year do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the period ended 31 December 2025 and any public announcements made by TIA during the half-year reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

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 2026/183. The Company is an entity to which this legislative Instrument applies.

The material accounting policies adopted are consistent with those of the previous financial year and corresponding half-year reporting period, unless otherwise stated.

(b) Use of judgements and estimates

In preparing these interim financial statements, management has made judgements and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual financial statements, unless otherwise stated.

(c) New, revised or amending Accounting Standards and Interpretations adopted

The Group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

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

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group.

1. STATEMENT OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(d) Going concern

The directors have prepared the 30 June 2026 half-year 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 30 June 2026, the Group had cash reserves of \$3,701,000 (December 2025: \$6,910,000), net current assets of \$17,049,000 (December 2025: \$23,462,000) and during the year ended 30 June 2026, the Group had operating cash inflows of \$9,155,000 (June 2025 operating cash inflows: \$62,746,000). 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 half-year financial report, except to the extent that the Company has available funds to do so. The letter of support also covers 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 half-year financial report, after taking into account additional funding being provided by the ultimate parent entity.

2. INVENTORIES

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

All land held for sale or under development (including land undergoing the approvals process) and apartment construction 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 and construction is interrupted for extended periods are recognised as an expense.

	Group	
	30 June 2026	31 December 2025
	\$'000	\$'000
Current		
<i>Land held for sale</i>		
Lower of cost and recoverable value	1,350	1,350
Total current	1,350	1,350

2. INVENTORIES (CONTINUED)

	Group	
	30 June 2026	31 December 2025
	\$'000	\$'000
Current		
<i>Land under development</i>		
Cost of acquisition	8,213	13,876
Development and other costs	14,273	26,038
Capitalised interest	1,127	2,057
Transfer to Investment Property	-	(8,754)
Total current	23,613	33,217
Non-current		
<i>Land under development</i>		
Cost of acquisition	97,496	97,496
Development and other costs	6,949	11,443
Other Costs	4,535	-
Capitalised interest	1,480	1,480
Impairment provision	(90,460)	(90,419)
Total non-current	20,000	20,000
Total inventories net of impairment	43,613	53,217

As at 30 June 2026, an analysis of net realisable value of the Group's inventory resulted in no additional impairments during the period (30 June 2025: \$Nil) on properties for development.

3. CONTRIBUTED EQUITY

	Group	
	30 June 2026	31 December 2025
	\$'000	\$'000
Issued capital		
Ordinary share capital	290,149	290,149
Movements in ordinary share capital		
Balance at the beginning of the period	290,149	290,149
Shares issued	-	-
Transactions costs	-	-
Balance at the end of the period	290,149	290,149

4. DIVIDENDS

There were no dividends proposed or declared by the Group to Shareholders during the period.

5. SEGMENT INFORMATION

In accordance with *AASB 8 Operating Segments*, the Group has assessed for the half-year reporting period ended 30 June 2026 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 Board of Directors of the Group determined that it operated in only one business segment, being residential property development in Australia. Operating results of the residential property development business segment are regularly reviewed by the Board to make decisions about resource allocation to that business and assess its performance.

6. FINANCIAL ASSETS MEASURED AT FAIR VALUE

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 those protective rights alone do not give control.

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).

Hammond Greens, Chatswood project

The joint venture agreement in relation to the Group's investment in the Hammond Greens, Chatswood Project ('the development 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 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.

6. FINANCIAL ASSETS MEASURED AT FAIR VALUE (CONTINUED)

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).

Hammond Place, Chatswood 2 project

The joint venture agreement in relation to the Group's investment in the Hammond Place, Chatswood 2 Project ('the development 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 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).

Measurement of financial assets

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 the 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 and the discount rate used to present value these cash flows.

6. FINANCIAL ASSETS MEASURED AT FAIR VALUE (CONTINUED)

Movements for the half-year were:

	FVTPL (Auburn Square)	FVPTL (Hammond Greens)	FVPTL (Hammond Place)	TOTAL
	\$'000	\$'000	\$'000	\$'000
1 January 2026	77,241	55,106	74,966	207,313
Investments in projects	16,610	2,310	3,893	22,813
Return from projects	-	-	-	-
30 June 2026	93,851	57,416	78,859	230,126
Non-current financial assets	93,851	57,416	78,859	230,126
30 June 2026	93,851	57,416	78,859	230,126

During the half year, the Group made additional contributions to Auburn Square, Auburn project, Hammond Greens and Hammond Place, Chatswood projects.

The Group is not expected to receive any proceeds from the Auburn Square, Auburn project, Hammond Greens and Hammond Place, Chatswood projects within 12 months and therefore the entire balance has been classified in non-current assets.

(i) Valuation inputs and relationships to fair value

The unobservable inputs were the discount rate used in discounting the estimated cash flows to their net present value and the expected net cash flows 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 investments as follows:

30 June 2026

	Auburn Square Profit or loss (\$'000)	Hammond Greens Profit or loss (\$'000)	Hammond Place Profit or loss (\$'000)
	Increase/ (Decrease)	Increase/ (Decrease)	Increase/ (Decrease)
Expected cash flow (increase of 10%)	7,496	5,308	6,751
Expected cash flow (decrease of 10%)	(7,496)	(5,308)	(6,751)
Discount rates (increase by 5%)	(8,992)	(10,222)	(20,457)
Discount rates (decrease by 5%)	10,602	12,735	26,273
Remaining duration of project used to calculate NPV (10% delays)	(3,475)	(3,512)	(4,798)

6. FINANCIAL ASSETS MEASURED AT FAIR VALUE (CONTINUED)

(ii) Valuation processes

The main level 3 inputs used by the group in measuring the fair value of financial instruments are derived and evaluated as flows:

- Discount rates: these are determined using both internal management reviews and external valuers which reflect the current market assessment of the time value of money and the risk associated with the asset.
- Expected cash flow: these are based on the expected costs of development, construction and financing activities as well as the proceeds from the sales of the projects assets. These estimates are based on the Group's knowledge of the development, and how the current economic environment is likely to impact the demand for residential accommodation over the life of the project.

7. 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:

	30 June 2026	31 December 2025
	\$'000	\$'000
<i>Carrying amount 1 January</i>	10,061	-
Additions:		
- Through transfer from inventory	-	8,753
Change in fair value	-	1,308
Total Investment	10,061	10,061

Investments properties valued at \$10,061,000 are pledged as security for borrowings (2025: \$10,061,000).

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. The Group has received \$117,000 in rental income to 30 June 2026.

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 fair value of 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.

8. BORROWINGS

	Group	
	30 June 2026	31 December 2025
	\$'000	\$'000
Loan from parent entity	190,122	170,946
NAB Enfield residual stock loan	10,767	15,860
Total borrowings	200,889	186,806

(a). Loan from parent entity

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 30 June 2026 was \$28,400,000 (Dec 2025: \$45,200,000).

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 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. The current face value of the loan is \$201,600,000. 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 30 June 2026 is \$190,122,000.

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. Fair value adjustments are made over the life of the loan.

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.

(b). Prior Period Restatement

The company recognised a gain on debt modification from its Oasis Star loan on 13 January 2025. As a result, the Group has made a prior period adjustment and restated the 30 June 2025 income statement to include a \$20,403,000 uplift in other income to reflect the fair value modification gain of its Oasis Star loan. There is also interest expense of \$3,231,000 which has been recognised for the 30 June 2025 period. 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. As the impact of this modification was reflected in the annual 2025 financial report, there was no statement of financial position impact.

(c). NAB Enfield residual stock loan

In April 2023, the Group entered into a loan facility with CBA for The Henley, Enfield project. The total facility was \$58,000,000 and was interest bearing and repayable within 25 months from the first drawdown date. The loan was repaid in full in May 2025. There remains a bank guarantee facility in place for \$1,258,000.

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 \$10,767,000 following the sale of some townhouses as at 30 June 2026. The balance of the unused facility funds available at 30 June 2026 was \$Nil (2025: Nil).

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

As of 30 June 2026, there is \$2,528,048 in term deposit with NAB which is used as a guarantee for the Chatswood 2 joint venture loan.

9. EVENTS AFTER BALANCE SHEET DATE

In Australia, inflation continued to increase in 2026. At this stage, further impact on our business, development projects and results is uncertain. In determining the value of our assets, it is necessary to make assumptions in relation project cashflows, the timing of these cashflows and the discount rates. There may be future delays in construction as well as projected timing of sales forecasted.

Other than the above, no other matters or circumstances have arisen since the end of the half-year and up until the date of this report, which significantly affect or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in subsequent periods.

10. RELATED PARTY TRANSACTIONS

The Group has a loan facility of \$230,000,000 loan with Oasis Star Limited. The facility expires on 31 December 2027. The loan was non-interest bearing from 23 May 2024. Oasis Star Limited is Tian An Australia's largest shareholder, owning 76.7% of its shares. Oasis Star Limited is a 100% owned subsidiary of Tian An China Investments Company Limited which is 56.94% indirectly held by Allied Properties (H.K.) Limited.

In the opinion of the Directors of Tian An Australia Limited:

- the attached Financial Statements and Notes thereto of the Group comply with the *Corporations Act 2001*, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached Financial Statements and Notes thereto of the Group give a true and fair view of the Group's financial position as at 30 June 2026 and of its performance for the half-year ended on that date; and
- there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors made pursuant to section 303(5)(a) of the Corporations Act 2001.



Peter Curry
Chairman
Sydney
14 August 2026

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Tian An Australia Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Tian An Australia Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2026, 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 half-year ended on that date, material accounting policy information and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- i. Giving a true and fair view of the Group's financial position as at 30 June 2026 and of its financial performance for the half-year ended on that date; and
- ii. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review 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 the audit of the annual financial report 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 the same terms if given to the directors as at the time of this auditor's review report.

Responsibility of the directors for the financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act*

2001 and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 30 June 2026 and its financial performance for the half-year ended on that date and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

BDO Audit Pty Ltd

A stylized, handwritten-style logo of the letters 'BDO' in blue ink.A handwritten signature in blue ink, appearing to read 'Martin Coyle'.

Martin Coyle
Director

Sydney, 14 August 2026