



Boyuan Holdings Limited

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BHL REPORTS FULL YEAR RESULTS

Continued progress in developing strong and diversified growth platform

Property group Boyuan Holdings Limited (**ASX: BHL**) today announced its full-year financial results for the year-ended 31 December 2017.

BHL reported a profit after tax of \$1,270,000 compared to a profit after tax of \$261,000 for the prior year.

The major contributing factors to the financial result included the profit on sale of the Company's Chinese operations offset by losses in the Australian business related to property acquisition costs and continued investment in growth initiatives as BHL builds its development pipeline and asset portfolio.

Losses in the Australian operations of \$4,897,000 (\$550,000 FY16) were in line with the Company's expectations and attributable to ongoing investments to grow the business in addition to acquisition and transaction costs related to the strengthening of BHL's development and asset portfolio. Group revenue from continuing operations increased to \$7.0m from \$0.6m in the prior year.

In October 2017, BHL shareholders approved the sale of the Company's residential and commercial mixed-use development in the Jiaying Zhejiang Province in China (Jiaying Project) which realised a gain on sale of \$6,433,000.

The sale of the Jiaying Project has enabled the Company to focus on its Australian business, where it is developing a strong pipeline of quality development opportunities and property assets for future growth across the business.

These transactions include acquisitions relating to the Company's Hotels and Hospitality, and Lifestyle Living portfolios.

In *Hotels and Hospitality*, the Company acquired the Peachtree Inn Hotel in Penrith, Western Sydney for \$15.5 million in October 2017.

In *Lifestyle Living*, BHL acquired the Broadland Gardens sites (Muswellbrook, Harrington, Tamworth and Green Point) for \$63.0 million (excluding costs) in December 2017 and the Armidale Tourist Park for \$7.4 million (excluding costs) in October 2017.

BHL Chief Executive Officer, Caden Wan, said the financial result reflected the significant investments BHL had made over the year in growing its existing Australian operations together with costs associated with strategic asset acquisitions to deliver future growth.

"Our strategy to focus on the Australian market has been significantly enhanced over the past year and as a result, BHL now has a stronger and more diversified development pipeline and asset portfolio to deliver growth for shareholders," Mr Wan said.

“We continue to advance our key property developments in the south west and north-west growth corridors of Sydney, including Bringelly, Marsden Park and Austral.

“We further improved and diversified our income stream with strategic acquisitions in the hospitality and fast-growing retirement and lifestyle community’s sectors.

“Meanwhile, we continue to strengthen our operational platform to identify and consolidate on growth opportunities across our portfolio, supported by strong financial and funding capacity.

“BHL continues to create a stronger platform for growth to deliver value for shareholders over the longer term,” Mr Wan said.

About BHL

Boyuan Holdings Limited is an ASX-listed property development company (**ASX: BHL**). In addition to its assets and operations in the lifestyle living sector, BHL is committed to creating communities and is focused on developing residential sites at Pokolbin and Austral and residential/commercial sites at Bringelly and Marsden Park. BHL also owns and operates the Peachtree Hotel in Penrith, NSW, and a portfolio of Lifestyle Living and Retirement assets on the Central Coast and in New England region of New South Wales

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