



CDL INVESTMENTS
NEW ZEALAND LIMITED

Level 7, 23 Customs Street East
P. O. Box 3248, Auckland 1140, New Zealand
Ph (09) 353 5005 Fax (09) 309 3244 Email: admin@cdli.co.nz

STOCK EXCHANGE ANNOUNCEMENT

Date 28 May 2024

Subject **REMARKS BY CDI BOARD CHAIR TO 2024 ANNUAL MEETING OF SHAREHOLDERS**

On behalf of the Directors, I present the Annual Report and the Statement of Financial Accounts to 31 December 2023. I would like to make a few brief comments about the past year.

While our profit after tax for 2023 was not as high as previous years, the company used the period to build a platform for future growth.

With the purchase of 48.3 hectares of land across various regions in New Zealand, which includes what we settled earlier this year, CDI has additional potential for short and medium-term development and sales.

These acquisitions will be new projects, not associated with existing ones, and broadens our reach to ensure that we have a future development pipeline.

Jason will speak to our projects in more detail in his presentation but I do want to highlight the progress we have made with our Iona Block development in Havelock North.

I am pleased to confirm that we will be starting off-the-plan sales towards the end of Q2 this year with those sales continuing into Q3 and Q4 of this year. The Hastings District and Hawkes Bay Regional Councils are currently processing the Stage 2 resource consent, which is expected to be granted later in the year allowing us to commence development works in Q4 of this year.

This good news along with our unconditional sales in-hand and a positive shift in sales in the first half of the year (to date) from Prestons Park will ensure that our 2024 result will be better than our 2023 result, and will allow sales momentum from the Iona Block to be carried in to our 2025 results.

In the annual report, we noted that interesting opportunities continue to come through to us. That continues to be the case and the Management team has considered a number of opportunities already this year.

Given that the Board invested a good deal of time reviewing and redefining CDI's strategy for the medium term, we will continue to be prudent with our acquisitions and only acquire what we think will deliver appropriate returns for shareholders.

Again, Jason will provide you with an overview of the future strategic direction we are looking to put in place. The Board and Management are absolutely united on the way forward and we are excited as to what CDL Investments can become over the coming years.

I would also like to update shareholders on our wider governance review. While we previously indicated that we were looking to appoint a new independent director prior to this annual meeting, we are still in the recruitment phase and speaking to potential candidates. The board has not made any decision on who to appoint at this stage.

As you will appreciate, we want to appoint someone with suitable skills and expertise and the Board will make an announcement when we have finalised an appointment.



TRUSTED **INNOVATIVE**
RELIABLE **DELIVERY**

40th Annual Meeting of Shareholders
Tuesday 28th May 2024

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WELCOME
to this Hybrid Meeting

This meeting is being held in person and is being webcast

The Meeting Chair is **Desleigh Jameson** | **Independent Director**

Directors attending in person are;

John Henderson (Audit Committee Chair)	Independent Director
Eik Sheng Kwek	Non-Executive Director
Vincent Yeo	Non-Executive Director

Executive Team in attendance include;

Jason Adams	Chief Executive Officer
Boon Pua	Vice President Finance
Jackson Bull	General Manager
Takeshi Ito	Company Secretary/Legal Counsel



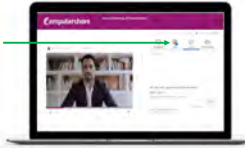
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How to Participate in Virtual/Hybrid Meetings (Q&A)

Shareholder & Proxyholder Q&A Participation

Written Questions: Questions may be submitted ahead of the meeting. If you have a question to submit during the live meeting, please select the Q&A tab on the right half of your screen at anytime. Type your question into the field and press submit. Your question will be immediately submitted.



Help: The Q&A tab can also be used for immediate help. If you need assistance, please submit your query in the same manner as typing a question and a Computershare representative will respond to you directly.




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How to Participate in Virtual/Hybrid Meetings (Voting)


Shareholder & Proxyholder Voting

Once the voting has been opened, the resolutions and voting options will allow voting.

To vote, simply click on the Vote tab, and select your voting direction from the options shown on the screen. You can vote for all resolutions at once or by each resolution.




Your vote has been cast when the tick appears. To change your vote, select 'Change Your Vote'.



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- **Quorum**
- **Proxies**
- **Minutes of the 39th Annual Meeting of Shareholders**
- **Notice of Meeting taken as read**



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Annual Report & Financial Statements

- While our profit after tax for 2023 was not as high as previous years, the company used the period to build a platform for future growth
- With the land purchases in 2023 and 2024, CDI has additional potential for short and medium-term development and sales
- New projects broaden our reach and our future development pipeline
- Iona Block: we will be starting off-the-plan sales towards the end of Q2 this year
- Councils are currently processing the Iona Stage 2 resource consent. When granted, it will allow us to commence development works in Q4 of this year
- Our 2024 result will be better than our 2023 result, and will allow sales momentum to be carried in to our 2025 results



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Annual Report & Financial Statements (cont.)

- In the annual report, we noted that interesting opportunities continue to come through to us. Management team has considered a number of opportunities already this year
- We will continue to be prudent with our acquisitions and only acquire what we think will deliver appropriate returns for shareholders
- Post strategic review, the Board and Management are absolutely united on the way forward and we are excited as to what CDL Investments can become in the future



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Jason Adams

Chief Executive Officer

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2023 Financial Re-cap

Property Sales	2023		2022	
	(\$m)	#Sections	(\$m)	#Sections
Residential Sales	28.1 ↓ \$8.8m 23.8%	53 ↓ 27	36.9	80
Commercial Sales	NIL	NIL	29.0	1
Total Sales Revenue	28.1 ↓ \$9.8m 27.3%			65.9

Rental Income	2023		2022	
	(\$m)	#Properties	(\$m)	#Properties
Rental Income	2.49 ↑ \$1.3m 107%	4	1.2	4

Profit Before Tax	18.7 ↓ \$24.6m 56.8%	43.3
Profit After Tax	13.5 ↓ \$17.8m 56.7%	31.2

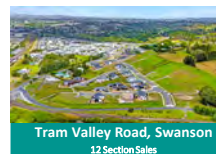


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2023 Financial Re-cap (Cont...)

53 Residential Section Sales from:



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2023 Financial Re-cap (Cont...)

Commercial Warehouses FY(2023):

- Lease Revenue: \$1.87m
- % Total Investment Property Revenue: 77%
- NLA: 16,402m²
- % Leased: 100%
- WALE (Years): 5.92
- Full Occupied Rental: \$2.2m



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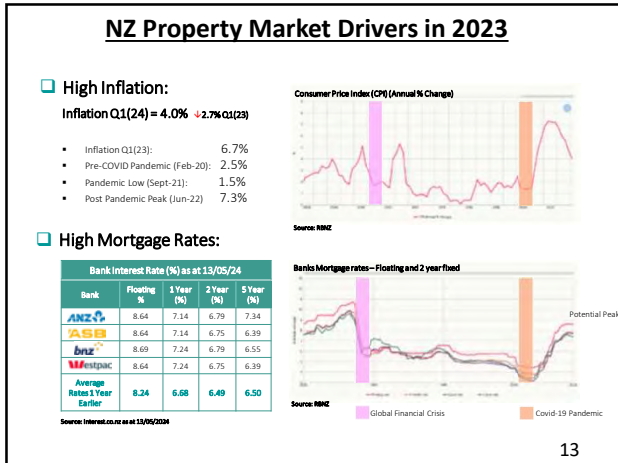
2023 Financial Re-cap (Cont...)

Suburban Retail Centres FY(2023):

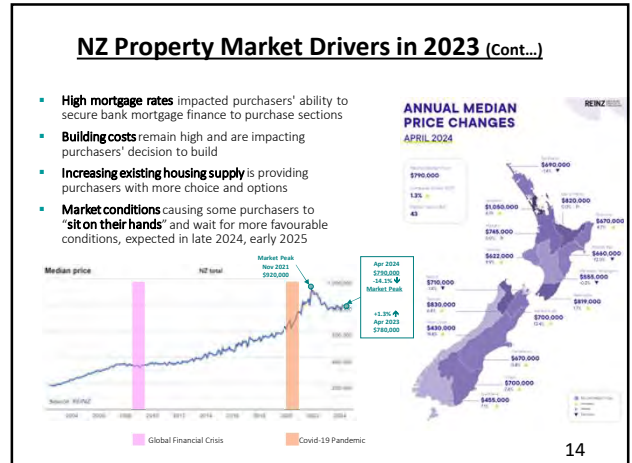
- Lease Revenue: \$0.58m
- % Total Investment Property Revenue: 23%
- NLA: 3,411m²
- % Leased: 66.6%
- WALE (Years): 4.92
- Estimated Full Occupied Rental: \$1.25m



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Completed Developments

Tram Valley Road (Stage 3 & 4), Auckland

- Stage 3 (8 lots) sold Feb 2023
- Stage 4 (10 lots) sold Jun 2023
- Settlements during 2024

Prestons Park (Stage 5), Christchurch

- Sub-stages 5(G & H): Construction completed. Titles issued Dec 2023
- Sub-stage 5(F & J): Construction completed. 224c Compliance Certificate to be issued Jun 2024
- Section sales/settlements during 2024/25

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Completed Developments (Cont...)

Warehouse #1 (Primepac), Wiri Auckland

- Construction completed 2022
- 100% Tenanted

Prestons Park Neighbourhood Centre, Christchurch

- Construction completed 2023
- 10 Tenants Trading
- 1 Unit undergoing fitout. 1 Unit - Pre-lease Agreement
- 4 Units Available

Warehouse #2 (Boundaryline), Wiri Auckland

- Construction completed 2022
- 100% Tenanted

Stonebrook Neighbourhood Centre, Rolleston

- Construction completed 2022/23
- 3 Tenants Trading
- 1 Unit Pre-lease Agreement (Cafe)
- 1 Unit Available

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Work in Progress

Iona, Stage 1, Havelock North Hawkes Bay

- Subdivision consent issued Jul 2023
- Earthworks commenced Oct 2023
- Stage 1 Infrastructure Approval issued Feb 2024
- Stage 1A & 1B (45 lots) titles expected late Nov 2024
- Stage 1C - 1F (80 lots) titles due in 2025

Iona, Stage 3, Havelock North Hawkes Bay

- Master Planning Underway

Iona, Stage 2, Havelock North Hawkes Bay

- Subdivision consent lodged Jun 2023
- Limited Notification anticipated
- Consent expected Q3(2024)
- Earthworks to commence Q4(2024)

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Work in Progress (Cont...)

Iona Stage 1 Scheme Plan

Section Type	# Lots (Nett)	Total # Lots
Standalone Lots	116	116
CRD Lots	7	76*
Existing Houses	2	2
	125	194

*Subject to design and consents

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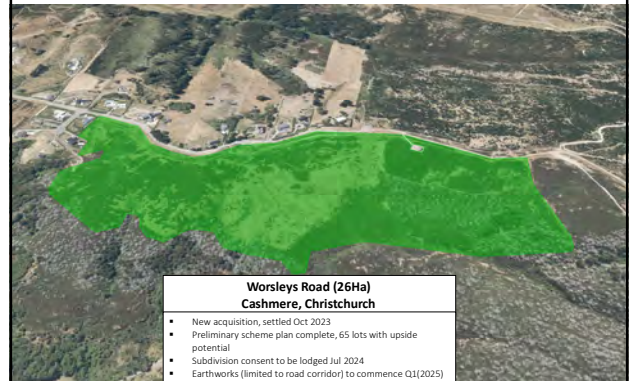
Work in Progress (Cont...)



Iona Stage 1: Construction Progress

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Work in Progress (Cont...)

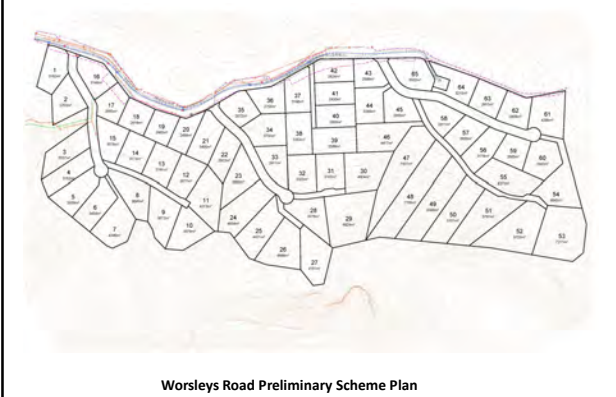


Worsleys Road (26Ha)
Cashmere, Christchurch

- New acquisition, settled Oct 2023
- Preliminary scheme plan complete, 65 lots with upside potential
- Subdivision consent to be lodged Jul 2024
- Earthworks (limited to road corridor) to commence Q1(2025)

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Work in Progress (Cont...)



Worsleys Road Preliminary Scheme Plan

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Work in Progress (Cont...)



Highlands Drive (10.8Ha)
Richmond, Nelson/Tasman

- New acquisition, settled Jan 2024
- Consented development yielding 65 lots
- Upside potential of 12 - 16 lots, subject to new consents
- Commence earthworks Oct 2024

Highlands Drive Aerial

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Work in Progress (Cont...)



Lot 98: Additional 8 - 10 Lots *

Lot 87: Additional 4 - 6 Lots *

* Subject to new Resource Consent

Highlands Drive Consented Scheme Plan

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Work in Progress (Cont...)

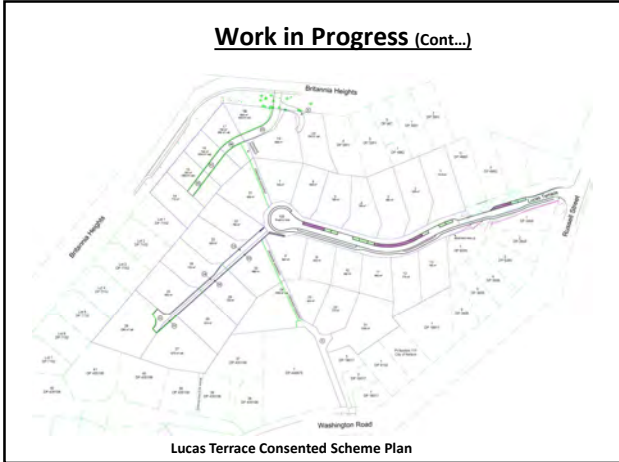


Lucas Terrace (3.2Ha)
Nelson

- New acquisition, settled Dec 2023
- Consented development yielding 34 lots
- Earthworks to commence Oct 2024

Lucas Terrace Aerial

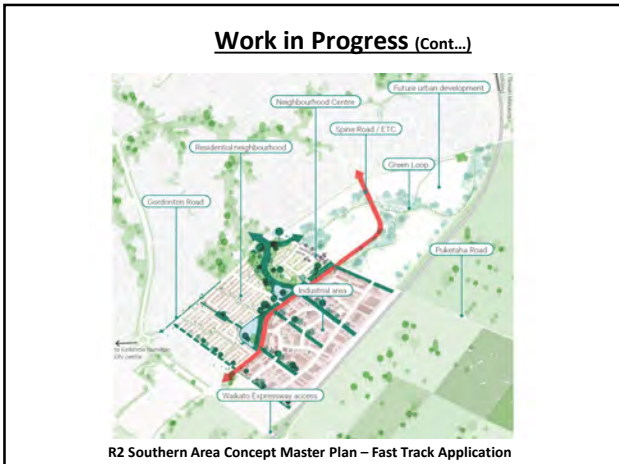
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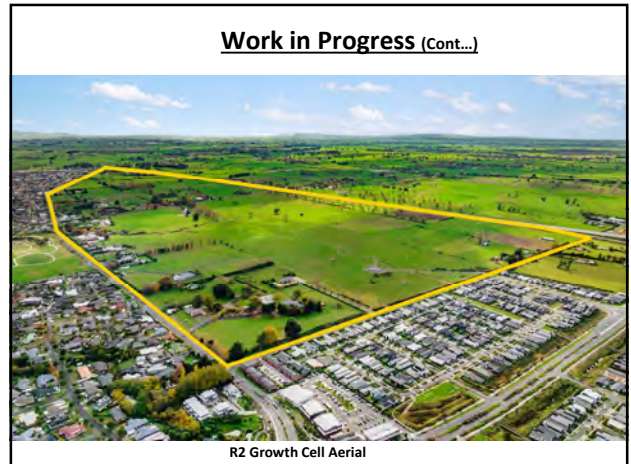
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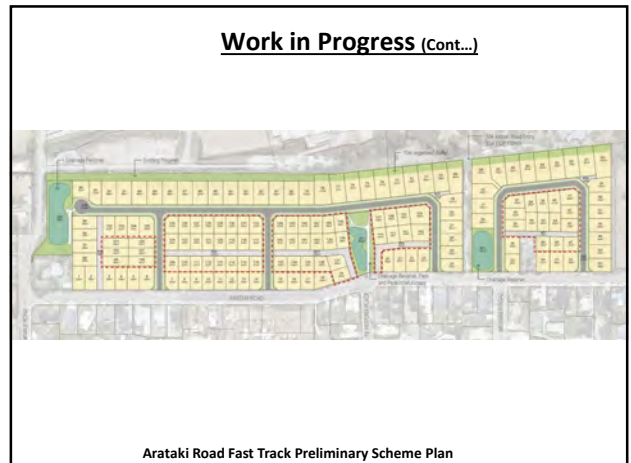
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April 2024 YTD Sales

- 2024 Residential Section Settlements YTD = **\$4.6m**
- Unconditional sales yet to settle in 2024= **\$30.7m**
 - 2024 Sales/Settlements from:
 - Kewa Road, Albany, Auckland
 - Tram Valley Road, Swanson, Auckland
 - Prestons Park, Christchurch
- The residential housing market has bottomed out
- Christchurch is recovering with a surge in sales at Prestons Park (31 YTD)
- Christchurch Market Drivers:
 - Pro's;
 - House prices are affordable (relative to incomes)
 - Inflation and building costs are easing
 - Cons;
 - Mortgage rates and bank lending constraints (CCCFCA)
 - Cost of living remains high
 - Unemployment ticking upwards 4.2% (Mar 2024)

2023/24 Sales Location Map

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CDI Cash Position

- Cash & term deposits: **\$42.0m** (as at 30 April 2024)
(71.0m in 2023)
- Bank borrowings **Nil**

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Our Pipeline

We have a solid Pipeline

- Total land holding **294.2Ha (an increase of 48.3Ha on 2022)**
- Estimated yield circa **3,500 sections***
- Maintained a nationwide geographical spread
- Diverse portfolio, offers flexibility for diversification
- Continually looking to grow our Portfolio

2023/24 Sales Location Map

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Acquisition Opportunities

- The current environment continues to produce a number of interesting acquisition opportunities
- Whilst Vendors' price expectations have come back from Nov 2021 Market Peak, they remain high in the current market
- New legislation introduced during 2020-23 has materially impacted acquisition feasibility – not seen nor accepted by Vendors

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Strategic Direction

Board and Management attended workshop in late 2023 to look at our future strategy for the next 10 years

We looked at a number of concepts and ideas and shared our respected thoughts on how to:

- Grow our business from our existing core
- Expand on our recent project successes
- Further diversify our revenue streams
- Form strategic partnerships with similar minded stakeholders
- Grow shareholder returns and share value

We plan to progress the strategic direction further this year

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2024 Outlook

- High (but easing) inflation, mortgage rates, the general cost of living and growing employment concerns will continue to impact the NZ Property Market for the remainder of 2024
- The residential market is expected to bottom out and gradually improve with momentum building toward the end of the year, flowing over into 2025
- Positive start to the year for CDL, with surge in sales from Prestons Park and high interest shown for Iona Stage 1 sections
- CDL expects to deliver another profitable year (FY2024) bettering our 2023 result
- Planning to progress our new Christchurch, Nelson and Richmond projects
- CDL in a strong financial position for project development and acquisitions
- We are continuing to plan for the future, both operationally and strategically

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ELECTION OF DIRECTORS

- **Resolution #1:**
Re-election of **Vincent Yeo** as a Director





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ELECTION OF DIRECTORS

- **Resolution #2:**
Re-election of **Desleigh Jameson** as a Director





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DIRECTORS REMUNERATION

- **Resolution #3: Directors' Remuneration**
This resolution seeks shareholder approval to increase the total annual remuneration available to all directors of CDI for their services as directors ("fee pool") by \$120,000


The total fee pool is currently \$180,000. The total fee pool was approved by resolution in 1996. This current resolution proposes that the total fee pool increases to \$300,000. This change requires shareholder approval under NZX Listing Rule 2.11.1(a)



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AUDITORS APPOINTMENT & REMUNERATION

- No other nomination received - KPMG are reappointed as the Company's auditors
- **Resolution #4:** that the Directors be empowered to fix the remuneration of the Auditors for the year ending 31 December 2024



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GENERAL BUSINESS



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