



CDL INVESTMENTS NEW ZEALAND RECORDS SOLID PROFIT AFTER A “DISCOMBOBULATING” 2020

NZX-listed residential property developer CDL Investments New Zealand Limited (NZX: CDI) today reported its results for the year ended 31 December 2020.

Reflecting on what he called a “discombobulating” year, Managing Director Mr. BK Chiu said that CDI’s 2020 results, which included a profit after tax of \$30.1 million, was “very creditable”.

“Considering that we were able to continue to trade even through the six-week lockdown, the fact that we mirrored our 2019 results reflects well on the quality and desirability of our products, our business and our people”, he said.

Unusually buoyant market conditions allowed CDI to record property sales and other income of \$88.8 million, a slight reduction from 2019.

“Overall, we recorded positive sales across our developments. We were very pleased with the level of sales at our Auckland subdivisions at Dominion Road, Papakura and Kewa Road, North Shore. The demand was very high at our Magellan Heights (Hamilton) and Northwood (Hastings) subdivisions, which saw us sell out these developments during the year. Our Prestons Park development in Christchurch continues to sell well with demand presently exceeding supply”, said Mr. Chiu.

CDI announced that in the past year, an additional 1.4 hectares of land had been acquired and that additional acquisitions would be considered in 2021 to bolster the company’s development stock in growth areas. Its commercial development at Stonebrook (Rolleston) was now complete with tenants moving in shortly and construction of the commercial centre at Prestons Park had also commenced.

CDI also announced that it had entered into a Design Build & Lease agreement for one of its sites in Wiri (Auckland) with construction of the warehouse / office complex to commence later this month.

“Where we can add additional value by building or developing commercial units, we will do so”, said Mr. Chiu. “These commercial developments are very positive and important steps in diversifying our activities and supplement our core business of residential development”.

CDI’s Board resolved to maintain its dividend at 3.5 cents per share fully imputed which would be paid to shareholders on 14 May 2021. The Record Date would be 30 April 2021 and the Dividend Reinvestment Plan would apply.

Speaking to future trading conditions, Mr. Chiu said that CDI was looking to make the most of the current positivity in the market for selling and buying land.

“We have clear short-term and long-term goals for CDI. Short term, our aim is to meet demand in 2021 and 2022 at our existing developments. We have land in Auckland and Hamilton which can be developed into new residential sections right now. But, like other land and housing development companies, we need councils and central government to cut through the regulatory red tape and stop the delays and help us help them tackle the current shortage of residential land across New Zealand. There is a lot that local authorities can do immediately and we are optimistic that the reform promised by central government to planning and resource management laws will assist everyone further”.

“Longer term, we are looking to make acquisitions to secure CDI’s future as a profitable property developer. Those acquisitions will position CDI beyond property cycles and after what we experienced in 2020, it is even more important to do that”, he said.

Summary of results:

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| • Property sales & other income | \$88.8 million (2019: \$91.8 million) |
| • Profit before tax | \$41.8 million (2019: \$47.4 million) |
| • Profit after tax | \$30.1 million (2019: \$34.1 million) |
| • Shareholders’ funds | \$257.1 million (2019: \$235.5 million) |
| • Total assets | \$265.0 million (2019: \$240.7 million) |
| • Net tangible asset value (at book value) | 91.7 cents per share (2019: 84.5cps) |
| • Earnings per share | 10.75 cents per share (2019: 12.26cps) |

About CDL Investments New Zealand Limited:

CDL Investments New Zealand Limited (NZX:CDI) has a proud track record of acquiring and developing residential sections in New Zealand for over two decades. With a focus on creating and developing a range of high-quality residential sections to New Zealanders, CDI has successfully completed numerous subdivision projects in Auckland, Hamilton, Tauranga, Hastings, Havelock North, Taupo, Nelson, Christchurch, Rolleston (Canterbury) and Queenstown. CDI is a majority-owned subsidiary of NZX-listed Millennium & Copthorne Hotels New Zealand Limited.

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