

CDL INVESTMENTS
NEW ZEALAND LIMITED



ANNUAL REPORT 2021





CONTENTS

Directors' Review	2
Development Profiles	3–8
Board of Directors	9
Corporate Governance Statement	10–14
Trend Statement & Financial Summary	15
Financial Statements	16–33
Independent Auditor's Report	34–36
Regulatory Disclosures & Statutory Information	37–43
Subdivision Location Map	44

The Directors of CDL Investments New Zealand Limited are pleased to present the Annual Report of the Company for the year ended 31 December 2021.

Signed for and on behalf of the Board of Directors:



Colin Sim
Chairman

25 March 2022



BK Chiu
Managing Director



This booklet is printed using vegetable inks on certified forest paper.



WOOD FIBRE FROM
SUSTAINABLE FOREST



ISO 14001
CERTIFIED



CHLORINE FREE

DIRECTORS' REVIEW

FINANCIAL PERFORMANCE

The Board of CDL Investments New Zealand Limited ("CDI") is pleased to report that the company recorded a profit after tax of \$31.3 million in 2021 (2020: \$30.1 million). The result reflects another very positive year of sales despite the ongoing pandemic and reinforces the continued strong demand for high quality subdivisions.

CDI's 2021 profit before tax was \$43.4 million (2020: \$41.8 million). Property sales & other income totaled \$92.1 million (2020: \$88.8 million).

At 31 December 2021, CDI's shareholders' funds increased to \$286.4 million (2020: \$257.1 million) and total assets also increased to \$297.6 million (2020: \$265.0 million). Net tangible assets per share (at book value) also increased to 99.6 cents (2020: 91.7 cents).

As at 31 December 2021, the independent market value of CDI's property holdings was \$359.7 million (2020: \$292.8 million) which reflects the acquisitions made in 2021. At cost, the portfolio was valued at \$209.1 million (2020: \$164.8 million) in line with CDI's accounting policies.

DEVELOPMENT PORTFOLIO

2021 was a busy and exciting year across CDI's developments.

In 2021, CDI acquired a total of 69.25 hectares of land in the Hawkes Bay region. Following on from our December 2021 update, the application for stage 1 resource consent will be submitted to Council in March 2022. Obtaining resource consent will allow stage 1 development works to proceed and we are targeting completion of those works by March 2023.

We were pleased to have sold all of our available sections at Dominion Road (Papakura, South Auckland) and are encouraged by the continued demand for sections at our Kewa Road subdivision (North Shore, Auckland) after completion and titling of the final stage. Our residential development in Swanson, West Auckland is nearly complete and ready for sale, and has already attracted much interest from potential buyers. These sections will be sold during the course of 2022.

Also as stated in our December 2021 update, additional stages will be constructed at Prestons Park (Christchurch) to meet increased demand and these will be sold over the course of 2022 and 2023. We look forward to the completion and tenancing of the commercial area in Q1 2022 which will add another income stream for CDI. Prestons Park is and will continue to be a strategically important development for the company and for Christchurch as a whole.

Additional acquisitions are likely in 2022 to ensure that the company has sufficient development stock in areas where we forecast demand to remain high and which can be developed and sold over the short to medium term.

In addition, the company has commenced construction of the first of two warehouses at its commercially-zoned site in Wiri, South Auckland. This is a very positive step for CDI's diversification strategy with completion of the first warehouse/office scheduled in May 2022, and the second warehouse scheduled to be completed in August 2022. Both warehouses are fully leased.

Post balance date, the sale of land at Jerry Green Street, Wiri which we announced in April 2021, settled in January 2022.

CDI did not apply for assistance from the government Wage Subsidy programme during 2021.

DIVIDEND ANNOUNCEMENT

The Board has resolved to maintain its fully imputed ordinary dividend at 3.5 cents per share payable on 13 May 2022. The Board believes the amount is fair and reasonable given the profit achieved and ensures that CDI has sufficient cash resources to continue its development work and seek additional acquisitions without taking on debt.

The record date will be 29 April 2022. The Dividend Reinvestment Plan will apply to this dividend.

SUMMARY AND OUTLOOK

The Board is pleased with the overall performance and results from 2021. These have also laid the groundwork for additional stages for sale in the coming twelve months and beyond.

While 2021 was not as disruptive as 2020, the lockdowns, especially in Auckland caused some delays as consultants and work teams were not able to effectively complete work on sites. Fortunately, time has either been made up or the effects of the delays did not negatively affect development progress to a material extent.

Over the next two to three years, CDI is in a solid position to balance its returns from its commercial land holdings and its future residential property development sites. Management will be looking to extract maximum gains from each and will look at the best possible options including leveraging or sale, if warranted, so as to ensure it is in a position to acquire new land when the right opportunities emerge.

This year will also see the conclusion of our Managing Director BK Chiu's time with the company. On behalf of the Board, I would like to take this opportunity to thank BK for his leadership of CDI over the course of sixteen-plus years. CDI has come a very long way since he assumed his role and both the Board and Management are grateful for his stewardship of the company and the results he has helped to achieve.



Colin Sim
Chairman
18 February 2022



KEWA ROAD (North Shore, Auckland)

Perched on top of the northern hills of the Oteha Valley, our Kewa Road development on the North Shore of Auckland has views of Rangitoto Island to the east and the Waitakere Ranges to the west.

The 92-lot development has offered a wide range of section sizes from 500m² to 4,600m² and its convenient location close to Westfield Albany and the Oteha Valley Park & Ride has made it very popular with buyers over the past two years.

We expect to sell the remaining sections at Kewa Road by the end of 2022.





Our 48-section development at Tram Valley Road, Swanson is nearing completion and sales of the first stage will commence shortly.

Located very close to the Swanson train station and Swanson Village, the area is close to native bush and the Waitakere Ranges.

We have already received expressions of interest from a number of potential purchasers and we expect that the majority of these sections will be under contract by the end of the year.



DOMINION ROAD (Auckland)

Located in South Auckland and close to public transport links and motorway access, the Dominion Road development exceeded expectations ever since sections first went on sale.

With sections sized between 400m^2 to 493m^2 , demand was exceptional and 2021 saw the completion of all [90 ?] sections sold.



COMMERCIAL DEVELOPMENTS



Commercial developments represent an exciting new phase of CDL Investments' strategy across multiple projects. 2022 will see the completion of a number of projects commenced over the past few years which fulfil our aim to complement our existing residential developments or design and build to meet demand.

In Auckland, two new warehouses in Wiri are almost complete and are already fully tenanted to meet the ongoing demand for space and facilities.

In Rolleston, our five unit retail development at Stonebrook has also been completed and is also tenanted.

We have also completed and opened a 15 unit commercial centre at Prestons Park which complements the existing 800 sections.

Picture below: new Auckland warehouses



PRESTONS PARK

Located only a few minutes from the centre of Christchurch, our highly sought after Prestons Park offers a great lifestyle for all in a thriving community.

It's a world away, yet close to the action. The Palms and Northlands are close by and the beach is only eight minutes' drive away. Two great golf courses lie less than five minutes away. And, if you have school-aged children, the state-of-the-art Marshlands School caters for students in Years 1 to 8.





IONA BLOCK (Hawke's Bay)

CDL Investments has a history going back over seventeen years in the Hawke's Bay with projects in Mahora, Hastings (Northwood) and Havelock North (Brookfield Estate).

The 69 hectare Iona Block, acquired in 2021, will allow us to continue our successful track record of residential development in this high-growth region.

We're already working hard to create our master planning schemes for this land. The initial stages of the development will be for 120 residential lots which expect will be highly sought after and we are targeting completion of the stage 1 development works by March 2023.

Our development will incorporate elements of modern urban design appropriate to the surrounding natural landscape and the Havelock North area generally.



BOARD OF DIRECTORS

COLIN SIM

(Chairman & Non-Executive Director)

Mr. Sim is the executive chairman of the East Quarter Group of companies (East Quarter Hurstville, EQ Projects and EQ Constructions) (EQ) in Australia. EQ is involved in the development and construction of residential, commercial and industrial projects across New South Wales. Mr. Sim is also an executive director of Waterbrook Lifestyle Resorts (Waterbrook); an award-winning creator, developer and operator of luxury resort lifestyles for retirees. Mr. Sim has strong analytical skills and extensive experience in construction and property development/investment in Australia. He studied Mechanical Engineering in London and has lived in Sydney, Australia for the last 40 years.

Mr. Sim was elected as a director at the 2021 annual meeting of shareholders.

B K CHIU

(Managing Director / Member of the Audit Committee)

Mr Chiu is also the Managing Director of Millennium & Copthorne New Zealand Limited. Prior to joining the company, Mr. Chiu was Regional Vice - President and Managing Director, Asia of Merisant Company. He holds a Masters degree in agricultural economics and marketing from Massey University, Palmerston North.

Mr. Chiu was last elected as a director at the 2021 annual meeting of shareholders. In November 2021, the company announced that he will be leaving the company in July 2022.

JOHN HENDERSON

(Independent Non-Executive Director / Member of the Audit Committee)

Mr. Henderson is currently the Managing Director of John Henderson Resources Limited and an Independent Director of Te Hoiere Asset Holding Company Limited, Maara Moana Limited and Ding Bay Limited. In 2015, he was appointed by NZ Department of Conservation to the Waipu Cove Reserve Board and was elected Board Chair. Previously, Mr. Henderson had a 28 year career with the Starwood Hotels and Resorts Group holding various senior corporate management positions across Asia Pacific, Europe, and North America.

Mr. Henderson was last elected as a director at the 2019 annual meeting of shareholders.

DESLEIGH JAMESON

(Independent Non-Executive Director / Chair of the Audit Committee)

Ms. Jameson is currently the Chief Executive and Owner of Gubb & Hardy Limited, a wholesale contributory mortgage company. She has extensive senior managerial experience as the former Chief Executive / Executive Director of e-commerce firms Instra Corporation and CentralNic plc and governance experience as the former Chair of the charity Starjam and board member of the Industry Training Federation for several years. She is a current member of the Institute of Directors and holds an Executive MBA from the University of Auckland.

Ms. Jameson was elected as a director at the 2021 annual meeting of shareholders.

EIK SHENG KWEK

(Non-Executive Director)

Mr. Kwek is currently the Group Chief Operating Officer of City Developments Limited ("CDL") having been CDL's Group Chief Strategy Officer since 2018. Mr. Kwek joined CDL in 2009, covering Business Development for overseas projects before being appointed as Head of Corporate Development. He was appointed as Chief Strategy Officer in 2014 and was additionally appointed Head, Asset Management in April 2016. Prior to joining CDL, he was with the Hong Leong Group of companies in Singapore specialising in corporate finance roles since 2006.

He is also Executive Director of Millennium & Copthorne Hotels Limited, previously listed on the London Stock Exchange as Millennium & Copthorne Hotels plc. He holds a Bachelor of Engineering in Electrical and Electronics Engineering from Imperial College of Science, Technology and Medicine and a Master of Philosophy in Finance from Judge Business School, Cambridge University.

Mr. Kwek was elected as a director at the 2020 annual meeting of shareholders.

VINCENT YEO

(Non-Executive Director)

Mr. Yeo is Chief Executive Officer and Executive Director of M&C REIT Management Limited. From 1993 to 1998, he was Managing Director of CDL Hotels New Zealand Limited (now Millennium & Copthorne Hotels New Zealand Limited) and CDL Investments New Zealand Limited. He previously also served as an Executive Director of Millennium & Copthorne Hotels plc in London and President, Millennium & Copthorne Hotels Asia Pacific Region.

Mr. Yeo was last elected as a director at the 2021 annual meeting of shareholders.

CORPORATE GOVERNANCE

CDL Investments New Zealand Limited is committed to maintaining strong corporate governance in line with best practice at all times. Its corporate governance framework, set out below, complies materially with the NZX Corporate Governance Code (the NZX Code[®]) as well as the Financial Markets Authority Corporate Governance Principles and Guidelines (the FMA Principles).

PRINCIPLE 1 – ETHICAL BEHAVIOUR

Directors should set high standards of ethical behaviour, model this behaviour and hold Management accountable for these standards being followed throughout the organisation.

All of CDI's directors are bound by the Board's Code of Ethics which is as follows:

- Directors shall undertake their duties with due care and diligence at all times and will conduct themselves honestly and with integrity. Directors shall not do anything, or cause anything to be done, which may or does bring CDI or the Board into disrepute.
- All Directors must act in the best interests of the company and exercise independent and unfettered judgement. All Directors must carry out their duties with integrity and honesty and participate in open and constructive discussions.
- To the best of their ability, Directors will use reasonable endeavours to ensure that CDI's records and documents (including its financial reports) are true and complete and comply with the requisite reporting standards and controls.
- So that the Board may determine a Director's independence and to ensure that there are no conflicts of interest, all Directors shall disclose all relevant business and / or personal interests they may have to the Board forthwith as well as any relationships they may have with CDI.
- All Directors shall ensure that they do not support any organisation other than in a personal capacity without the prior written approval of the Chairman.
- Directors shall not accept any gifts or personal benefits from external parties if it could be perceived that this could compromise or influence any decision by the Board or by CDI.
- All Directors shall maintain and protect the confidentiality of all information about CDI at all times except where disclosure is permitted or required by law.
- All Directors shall ensure that they do not use company information and / or property for personal gain or profit. All Directors shall use and / or retain Company information and property only for business purposes in their capacity as Directors of CDI or to meet legal obligations.
- All Directors shall comply with the laws and regulations that apply to CDI;
- All Directors shall immediately report any illegal or unethical behaviour of which they become aware to the Chairman of the Board and to the Chairman of the Audit Committee.

All of CDI's employees are expected to act in the best interests of CDI and to enhance the reputation of the company. CDI also has a number of operational policies which must be followed by employees and the CDI Code of Conduct forms part of each employee's employment agreement.

CDI also believes in fair dealing with its customers and suppliers, shareholders, employees and other stakeholders and external third parties.

CDI revised its Share Trading Policy in 2018 which applies to Directors and Officers. It also has a global Whistleblowing Policy which extends to all management and employees. The Whistleblowing Policy facilitates the disclosure and impartial investigation of any serious wrongdoing. This policy advises employees of their right to disclose serious wrongdoing, and sets out the Company's internal procedures for receiving and dealing with such disclosures. The policy is consistent with, and facilitates, the Protected Disclosures Act 2000 and is supported by the Board.

PRINCIPLE 2 – BOARD COMPOSITION AND PERFORMANCE

To ensure an effective Board, there should be a balance of independence, skills, knowledge, experience and perspectives

CDI's Board has responsibility, control and oversight of the business activities, strategic direction and the governance of CDI and its subsidiary companies. It looks at how the company is operating, how risk and compliance are managed, approving financial and other reports and capital expenditure and reporting to CDI's shareholders. The Board approves CDI's budgets and business plans as well as significant projects and has statutory obligations for other matters such as the payments of dividends and the issue of shares. The Board is accountable to CDI's shareholders for the company's performance.

Certain powers are delegated to Board Committees and Subcommittees. The role of the Committees is detailed under Principle 3.

Day-to-day management is delegated to the Managing Director and senior management. The levels of authority are approved by way of a Delegated Authorities Manual which is reviewed by the Audit Committee and ultimately approved by the Board.

Appointments to the Board are considered by the Board and the Board takes into account the skills required to allow it to carry out its functions and governance role. The Board does not impose a restriction on the tenure of any Director as it considers that such a restriction may lead to the loss of experience and expertise from the Board.

CDI's Constitution specifies a minimum number of three directors and a maximum number of nine directors at any one time. Two directors must ordinarily be living in New Zealand. In line with the NZX Main Board Listing Rules, CDI is required to have at least two Independent Directors. Currently, CDI has determined that its Chair Colin Sim, John Henderson and Desleigh Jameson are Independent Directors as none of them have a Disqualifying Relationship (as that term is defined in the NZX Main Board Listing Rules) or Substantial Product Holders. Messrs Chiu, Kwek and Yeo are not considered by the Board to be Independent Directors.

Board meetings are generally held quarterly with additional meetings convened when required. The table below details directors' attendances during 2021.

DIRECTOR	MEETINGS ATTENDED
Colin Sim	3/3
BK Chiu	3/3
Roy Austin*	2/2
John Henderson	3/3
Desleigh Jameson**	2/2
Eik Sheng Kwek	3/3
Vincent Yeo	3/3

* Mr. Austin retired from the Board at the conclusion of the 2021 annual meeting of shareholders in May.

** Ms. Jameson was appointed from 1 May 2021.

In 2018, the Board devised its own Skills Matrix to demonstrate the skills, experience and diversity of its Board. The Board reviewed its Skills Matrix in 2021.

SKILL / ATTRIBUTE	RELEVANT DIRECTOR
Sales, marketing and brand experience	Chiu, Jameson, Yeo
Governance experience	Chiu, Henderson, Jameson, Kwek, Sim, Yeo
Large enterprise / Multinational business or leadership experience	Chiu, Henderson, Jameson, Kwek, Sim, Yeo

CORPORATE GOVERNANCE – continued

Accounting / Finance / Tax experience	Jameson, Kwek
Business strategy experience	Chiu, Henderson, Jameson, Kwek, Sim, Yeo
Property development / management experience	Chiu, Jameson, Kwek, Sim, Yeo

The Board encourages all directors to undertake their own continuous education so that they can perform their duties as directors and provide maximum benefit to the Board and to shareholders.

In 2018, CDLI adopted a Diversity Policy with the following principles:

- We encourage diversity and inclusion in the workplace, not just because it is best practice, but also because it makes good business sense.
- We create a working environment free of harassment, victimisation and unlawful discrimination and have a whistleblowing policy in place. We promote dignity and respect for all employees where individual differences and their contributions are recognised and valued.
- These principles apply to our own staff, suppliers and stakeholders and we aim to apply them in our local communities as well.

OUR FRAMEWORK FOR EMBRACING DIVERSITY:

- Talent Recruitment & Selection Process
 - All positions at CDLI are to be filled on the basis of merit and qualifications.
 - We recognise the importance of having a diverse workforce and thus encouraging people from all backgrounds to apply to work with our team
- Learning & Development
 - CDLI seeks to develop our employees and to hone their technical, management and leadership skills.
 - Management staff will receive training around Diversity and EEO awareness.

REVIEW OF POLICY

The company will:

- undertake periodic reviews of its Diversity Policy and its deliverables;
 - obtain diversity metrics from other organisations and compare them with sector and best practice guidelines;
- and
- produce a report on diversity for CDI's Board and Senior Management annually.

With the appointment of Ms. Jameson, the Board considers that it has met its initial gender diversity target for female board representation to be at least 20% of the Board by 2023. The Board will look to update its diversity targets in the course of 2022.

In terms of CDI's permanent staff, 50% are male and 50% are female.

PRINCIPLE 3 – BOARD COMMITTEES

The Board should use committees where this will enhance its effectiveness in key areas while still retaining board responsibility.

Committees help the Board in carrying out its responsibilities and CDI currently has one standing committee being its Audit Committee. The current members of the Audit Committee are Desleigh Jameson (Chair), John Henderson and BK Chiu.

The table below reports attendance of the Audit Committee members during 2021:

DIRECTOR	MEETINGS ATTENDED
Roy Austin (Chair)	1/1
BK Chiu	2/2
John Henderson	2/2
Desleigh Jameson**	1/1

* Mr. Austin retired from the Board at the conclusion of the 2021 annual meeting of shareholders in May.

** Ms. Jameson was appointed from 1 May 2021.

The Board also forms subcommittees as and when required.

The Audit Committee recently reviewed and revised its charter which will be published shortly. The charter outlines the Committee's membership, role and responsibilities which include receiving reports from the internal and external auditors, make recommendations about the audit services, oversee those audit services and reviewing and recommending the Company's financial statements (half-year and full year) and corporate governance policies.

CDI formed a Nominations Committee of the Board then comprising Messrs. Austin and Chiu in 2020. The Committee did not meet in 2021.

CDI does not currently have a Remuneration Committee. The Board as a whole deals with the issues that would normally be dealt with by these committees and conducts periodic reviews of its fees and the remuneration of the Managing Director and senior management. Vacancies and appointments to the Board are considered by the Board as a whole. For those reasons, CDI does not consider it necessary to form and maintain either Committee at this time.

The Board has not established a protocol which sets out procedures to be followed in the event of a takeover offer being received by the Company. This is because the Board considers that receipt of a takeover offer to be a very unlikely event in light of Millennium & Copthorne Hotels New Zealand Limited's long-term majority shareholding in the Company. CDI is also the owner of property assets including "sensitive land" (as defined under the Overseas Investment Act 2015) which, if the subject of an overseas takeover offer, would require regulatory and / or government approvals for their acquisition.

CDI's Board believes that the Company would have sufficient time to adopt protocols and procedures necessary to respond to any such offer when received and to communicate those to shareholders. CDI's Board therefore believes that it is reasonable and appropriate for the Company not to follow Recommendation 3.6 of the Code at this time but agrees with the principles behind Recommendation 3.6.

PRINCIPLE 4 – REPORTING & DISCLOSURE

The Board should demand integrity in financial and non-financial reporting and in the timeliness and balance of corporate disclosures.

As an NZX-listed entity, CDI recognises the need to ensure that it is fully compliant in terms of reporting and disclosure and has in place a Continuous Disclosure Policy (CDP) which applies to CDI, its subsidiaries ("Group"), and all their respective directors and employees. The Board has appointed the Chairman, the Chairman of the Audit Committee, the Managing Director, the Company Secretary and the Vice President Finance to act as CDI's Continuous Disclosure Committee (the **Disclosure Committee**). A quorum of the Disclosure Committee shall consist of no less than three (3) of these persons.

The Disclosure Committee is responsible for:

- Determining what information amounts to material information and must be disclosed;
- Determining the timing of disclosure of any information in accordance with the CDP;

CORPORATE GOVERNANCE – continued

- Approving the content of any disclosure to NZX (including matters not directly covered by the CDP);
- Ensuring that all employees and directors within the Group whom the Committee considers appropriate receive a copy of the CDP and appropriate training with respect to it;
- Developing mechanisms designed to identify potential material information (e.g. agenda item on management meetings); and
- Liaising with legal advisers in respect of CDI's compliance with its continuous disclosure obligations.

The key points from the CDP are:

- No person may release material information concerning CDI to any person who is not authorised to receive it without the approval of the Disclosure Committee.
- The Board will consider at each Board meeting whether there is any information that may require disclosure in accordance with the CDP, and will note any disclosures made subsequent to the prior meeting. Any employee or director of CDI must inform a member of the Disclosure Committee as soon as practicable after that person becomes aware of any material information.
- The CDP includes a list of incidents which should be disclosed to a member of the Disclosure Committee. The Disclosure Committee must confer, decide whether disclosure is required, and coordinate disclosure of any material information in a form specified by the Listing Rules as soon as practicable after it becomes aware of the existence of material information, unless it determines:
 - a) a reasonable person would not expect the information to be disclosed; and
 - b) the information is confidential and its confidentiality is maintained; and
 - c) one or more of the following applies:
 - i) it would breach the law to disclose the information; or
 - ii) the information concerns an incomplete proposal or negotiation; or
 - iii) the information comprises matters of supposition or is insufficiently definite to warrant disclosure; or
 - iv) the information is generated for internal management purposes of CDI or its subsidiaries; or
 - v) the information is a trade secret.

The Disclosure Committee will ensure that all Board members, not already aware of the information, are promptly provided with it.

- The Disclosure Committee is responsible for CDI's obligations under the Listing Rules to release material information to NZX to the extent necessary to prevent development or subsistence of a market for its listed securities which is materially influenced by false or misleading information emanating from the issuer or any associated person of the issuer; or other persons in circumstances in each case which would give such information substantial credibility.
- All employees of CDI, as soon as practicable after becoming aware of a rumour or speculation that is "generally available to the market", must disclose the existence of that rumour or speculation to a member of the Disclosure Committee.
- The Disclosure Committee is also responsible for co-ordinating CDI's responses to leaks and inadvertent disclosures. Even in the event that leaked or inadvertently disclosed information is not price sensitive, the Disclosure Committee should consider whether the information should be released to NZX via its market announcement platform in order to provide investors with equal access.

- All external communications by CDI must comply with the CDP, any media policy and the Company's rules with respect to confidential information. No material information is to be disclosed to such persons before it is released to NZX.
- Slides and presentations used in briefings should be released to NZX for immediate release to the market.

Prior to approval and release of CDI's half year and full year results, the Vice President Finance and Company Secretary are required to provide a letter of representation to the Board (or its nominated subcommittee) that the financial statements have been prepared in accordance with generally accepted accounting practice and are correct in all material respects.

Copies of annual reports and key corporate governance documents and policies are available at https://cdlinvestments.co.nz/corporate_profile/.

PRINCIPLE 5 – REMUNERATION

The remuneration of directors and executives should be transparent, fair and reasonable.

The total pool for Directors' Fees is capped at \$180,000 and was last approved by shareholders in 1996. All non-executive directors receive a base fee of NZ\$30,000 per annum. The Chair of the Audit Committee receives a further NZ\$5,000 per annum. Executive Directors do not receive Directors' or Committee fees.

Employee (including the Managing Director and senior management) remuneration is made up of two primary components being a fixed component and a short term incentive. Remuneration is determined with reference to market information as well as the responsibilities of the position, experience and overall performance. Short term incentives are designed to reward high performing employees with appropriate incentives which are measured on key performance indicators which are reviewed and monitored regularly and company performance. The Company reserves the right to suspend or adjust incentives if targets are not met. CDI does not currently have an employee share plan or a long term incentive scheme.

PRINCIPLE 6 – RISK MANAGEMENT

Directors should have a sound understanding of the material risks faced by the issuer and how to manage them. The Board should regularly verify that the issuer has appropriate processes that identify and manage potential and material risks.

CDI's Board, Audit Committee and Management Team all have a role in identifying areas of risk and understanding their impact on the Company as well as how these areas are to be mitigated.

CDI's Management Team is responsible for the day-to-day identification, assessment and management of risks applicable to the Company as well as the implementation of appropriate controls, processes and policies to manage such risks. Management also ensures that there are training programmes in place to identify, mitigate or eliminate hazards and risks in the workplace.

The Audit Committee's role is to review and report to the Board on the adequacy of Management's oversight and implementation of risks with particular regard to financial and operational risks.

The Board is ultimately responsible for the oversight and implementation of the Company's responses to risk management.

CDI's Board has identified four main risks areas being Market, Operational, Financial and Global Risks. Market Risks may arise through changes in demand from customers, competitor pricing development trends and external events. Operational Risks may arise from changes to the regulatory environment such as district or local plan changes, health and safety issues, material changes to CDI's subdivisions and development plans or strategy, overseas investment legislation, key personnel changes and other such events. Financial Risks may arise where earnings or cashflow change or are

CORPORATE GOVERNANCE – continued

affected in some way due to adverse customer demand or other market conditions or events within or outside CDI's control. Global Risks refer to situations like a global catastrophe, natural disaster or crisis event which is beyond CDI's control but have an impact on its earnings and / or operations.

CDI's Board has also identified the risk of climate change on its business. With the passing of the Financial Sector (Climate-related Disclosures and Other Matters) Amendment Act 2021, CDI will need to undertake annual reporting of climate related disclosures such as the climate statements required under the statutory framework. CDI has begun the process of assessing how it will report against the new framework and will publish future updates on any changes to its risk management framework which are associated with climate change.

CDI has a series of internal controls in place covering such areas as financial monitoring and reporting, human resources and risk management. The primary responsibility for monitoring and reporting against internal controls and remedying any deficiencies lies with Management.

CDI also keeps current insurances appropriate to its business with reputable global insurers.

PRINCIPLE 7 – AUDITORS

The Board should ensure the quality and independence of the external audit process.

External Audit plays a critical role in ensuring the integrity of financial reporting. The role of the external auditor is to plan and carry out an audit of CDI's annual financial reports and review the half-yearly reports. The Audit Committee reviews the performance and independence of the external auditors.

CDI has in place an External Auditor Independence Policy which deals with the provision of services by the CDI's external auditors, auditor rotation and the relationships between the external auditor and the Company. The policy states that:

The Audit Committee shall only recommend to the Board a firm to be external auditor if that firm:

- would be regarded by a reasonable investor, with full knowledge of all relevant facts and circumstances, as capable of exercising objective and impartial judgment on all issues encompassed within the auditor's engagement;
- audit partners are members of Chartered Accountants Australia New Zealand (CAANZ);
- has not, within two years prior to the commencement of the audit, had as a member of its audit engagement team CDI's Managing Director, Vice President Finance, Group Accounting Manager, or any member of the Company's Management who acts in a financial oversight role.
- does not allow the direct compensation of its audit partners for selling non-audit services to CDI.

The general principles to be applied in assessing non-audit services are as follows:

- a) the external auditor should not have any involvement in the production of financial information or preparation of financial statements such that they might be perceived as auditing their own work. This includes the provision of bookkeeping and payroll services as well as valuation services where such valuation forms an input into audited financial information;
- b) the external auditor should not perform any function of management, or be responsible for making management decisions;
- c) the external auditor should not be responsible for the design or implementation of financial information systems; and
- d) the separation between internal audit and external audit should be maintained.

CDI's Audit Committee shall pre-approve all audit and related services that are to be provided by the auditor. Aside from core external audit services, it is appropriate for the CDI's auditors to provide the following services:

- due diligence (except valuations) on proposed transactions;
- review of financial information where third party verification is required or deemed necessary (outside the normal audit process);
- completion audits / reviews;
- financial model preparation or review;
- accounting policy advice;
- listing advice;
- accounting/technical training; and
- taxation services of an assurance nature.

It is not considered appropriate for CDI's external auditors to provide:

- book keeping services related to accounting records or financial statements;
- tax planning and strategy services unless specifically approved by the Audit Committee;
- appraisal / valuation services including opinions as to fairness;
- provision of payroll services;
- the design or implementation of financial information systems;
- outsourced internal audit and risk management services;
- legal services;
- management functions;
- broker / dealer / investment adviser / investment banking services;
- advocacy for the Company;
- actuarial services; and
- assistance in the recruitment of senior management.

These prohibitions apply to all offices of the audit firm, including overseas offices and affiliates.

The billing arrangements for services provided by CDI's external auditors should not include any contingent fees.

CDI expects that its external auditors will rigorously comply with their own internal policies on independence and all relevant professional guidance, including independence rules and guidance issued by CAANZ.

The nature of services provided by CDI's auditors and the level of fees incurred should be reported to the Audit Committee Chairman semi-annually (or sooner where requested) to enable the Committee to perform its oversight role and report back to the Board. This policy does not prescribe any particular ratio of non-audit service fees to audit fees but the Committee shall monitor the fees and ratio.

The continued appointment of CDI's external auditors is confirmed annually by the Board on recommendation from the Audit Committee.

Rotation of the lead audit partner or firm will be required every five years. Lead audit partners who are rotated will be subject to a 2 year cooling off period (i.e. 2 years must expire between the rotation of an audit partner and that partner's next engagement with the Company).

The hiring by CDI of any former lead audit partner or audit manager must first be approved by the Chairman of the Audit Committee. There are no other restrictions on the hiring of other staff from the audit firm.

KPMG are currently CDI's external auditor and the lead external audit engagement partner was rotated in 2018.

The Audit Committee monitors local and overseas practice on auditor

CORPORATE GOVERNANCE – continued

independence regularly to ensure that this policy remains consistent with best practice and meets CDI's requirements.

CDI's external auditors also attend the Company's Annual Meeting to answer any questions from shareholders as to the audit and the content of the Annual Report.

PRINCIPLE 8 – SHAREHOLDER RIGHTS & COMMUNICATION

The Board should respect the rights of shareholders and foster constructive relationships with shareholders that encourage them to engage with the issuer.

CDI is committed to providing shareholders and stakeholders with timely information on its activities and performance. CDI does this through a number of channels including:

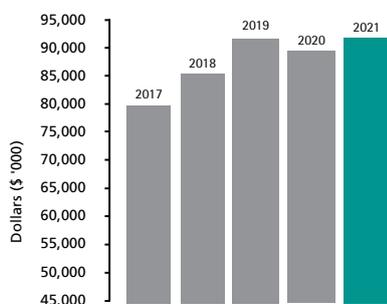
- announcements in accordance with continuous disclosure as required under the Listing Rules;
- publication of the company's annual and interim reports which are sent to all shareholders; and
- encouraging shareholders to attend the Annual Meeting in May of each year to hear the Chairman and the Managing Director provide updates on the company's performance, ask questions of the Board and vote on the resolutions to be determined at the meeting. Resolutions at shareholder meetings are usually determined by poll where each ordinary shareholder has one vote per share.

Relevant communications, copies of annual reports and key corporate governance documents and policies are now available on a dedicated webpage https://cdlinvestments.co.nz/corporate_profile/.

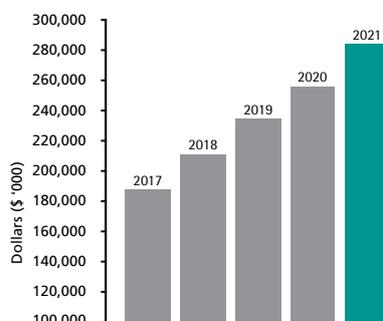
TREND STATEMENT

For the year ended 31 December 2021

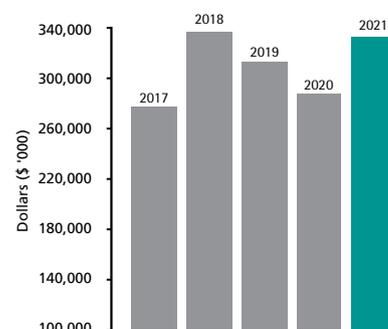
Property Sales & Other Income



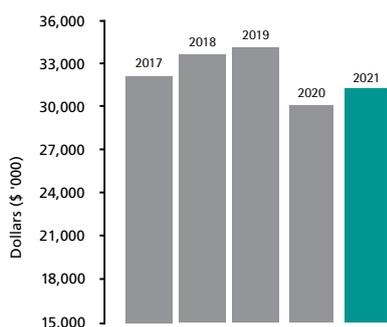
Group Equity



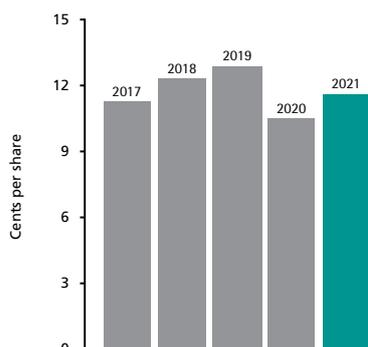
Development Property Fair Value



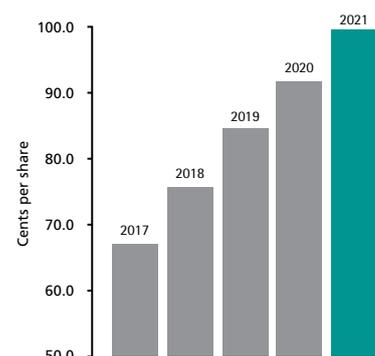
Profit for the Year



Earnings Per Share



Asset Backing Per Share (Before Distribution)



FINANCIAL SUMMARY

For the year ended 31 December 2021

In thousands of dollars (unless otherwise stated)	2017	2018	2019	2020	2021
Property sales & other income	78,667	85,030	91,794	88,778	92,142
Profit before income tax	44,668	46,719	47,426	41,811	43,423
Profit for the year	32,161	33,641	34,140	30,099	31,264
Earnings per share	11.60c	12.10c	12.26c	10.75c	10.96
Dividends per share	3.50c	3.50c	3.50c	3.50c	3.50c
Percentage of dividends per share over earnings per share	30.2%	28.9%	28.5%	32.6%	31.9%
Asset backing per share (before distributions)	67.1c	75.7c	84.5c	91.7c	99.6c
Development property fair value	276,316	337,765	315,620	286,380	334,135
Investment property fair value	-	-	-	6,430	25,520
Total assets	191,706	217,614	240,700	265,005	297,622
Group equity	186,112	210,594	235,510	257,131	286,380



CDL INVESTMENTS
NEW ZEALAND LIMITED

FINANCIAL STATEMENTS – CONTENTS

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	17
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	18
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	19
CONSOLIDATED STATEMENT OF CASH FLOWS	20-21
NOTES TO THE FINANCIAL STATEMENTS	22-33
INDEPENDENT AUDITOR'S REPORT	34-36

REGULATORY DISCLOSURES & STATUTORY INFORMATION – CONTENTS

REGULATORY DISCLOSURES	37-38
STATUTORY INFORMATION	39-43

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2021

In thousands of dollars	Note	GROUP	
		2021	2020
Revenue		91,893	88,633
Cost of sales		(44,902)	(43,290)
Gross Profit		46,991	45,343
Other income		249	145
Administrative expenses	3, 4	(345)	(256)
Property expenses		(367)	(417)
Selling expenses		(2,264)	(2,541)
Other expenses	3, 4	(1,453)	(1,499)
Results from operating activities		42,811	40,775
Finance income	5	616	1,038
Finance costs	5	(4)	(2)
Net finance income		612	1,036
Profit before income tax		43,423	41,811
Income tax expense	6	(12,159)	(11,712)
Profit for the period		31,264	30,099
Total comprehensive income for the period		31,264	30,099
Profit attributable to:			
Equity holders of the parent		31,264	30,099
Total comprehensive income for the period		31,264	30,099
Earnings per share (cents per share)	13	10.96	10.75

The accompanying notes form part of, and should be read in conjunction with these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2021

In thousands of dollars	Note	GROUP		
		Share Capital	Retained Earnings	Total Equity
Balance at 1 January 2020		55,374	180,136	235,510
Total comprehensive income for the period				
Profit for the period		-	30,099	30,099
Total comprehensive income for the period		-	30,099	30,099
Transactions with owners of the Company				
Shares issued under dividend reinvestment plan	13	1,280	-	1,280
Dividend to shareholders	13	-	(9,758)	(9,758)
Supplementary dividend		-	(286)	(286)
Foreign investment tax credits		-	286	286
Balance at 31 December 2020		56,654	200,477	257,131
Balance at 1 January 2021		56,654	200,477	257,131
Total comprehensive income for the period				
Profit for the period		-	31,264	31,264
Total comprehensive income for the period		-	31,264	31,264
Transactions with owners of the Company				
Shares issued under dividend reinvestment plan	13	7,800	-	7,800
Dividend to shareholders	13	-	(9,815)	(9,815)
Supplementary dividend		-	(194)	(194)
Foreign investment tax credits		-	194	194
Balance at 31 December 2021		64,454	221,926	286,380

The accompanying notes form part of, and should be read in conjunction with these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2021

GROUP

In thousands of dollars	Note	2021	2020
SHAREHOLDERS' EQUITY			
Issued capital	13	64,454	56,654
Retained earnings		221,926	200,477
Total Equity		286,380	257,131
Represented by:			
NON CURRENT ASSETS			
Property, plant and equipment		43	23
Development property	8	164,589	119,096
Investment property	9	23,332	3,325
Investment in associate		2	2
Total Non Current Assets		187,966	122,446
CURRENT ASSETS			
Cash and cash equivalents	12	53,025	10,111
Short term deposits	14	30,000	86,620
Trade and other receivables	11	5,479	3,486
Development property	8	21,152	42,342
Total Current Assets		109,656	142,559
Total Assets		297,622	265,005
NON CURRENT LIABILITIES			
Deferred tax liabilities	10	74	59
Lease liability		18	3
Total Non Current Liabilities		92	62
CURRENT LIABILITIES			
Trade and other payables		7,297	3,932
Employee entitlements		71	52
Income tax payable		3,771	3,821
Lease liability		11	7
Total Current Liabilities		11,150	7,812
Total Liabilities		11,242	7,874
Net Assets		286,380	257,131

For and on behalf of the Board



D JAMESON, DIRECTOR, 18 February 2022



BK CHIU, MANAGING DIRECTOR, 18 February 2022

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2021

In thousands of dollars	Note	GROUP	
		2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash was provided from:			
Receipts from customers		90,011	89,391
Interest received		754	871
Cash was applied to:			
Payment to suppliers		(17,800)	(21,979)
Payment to employees		(590)	(546)
Purchase of development land		(56,258)	(1,260)
Income tax paid		(12,000)	(11,690)
Net Cash Inflow from Operating Activities		4,117	54,787
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash was provided from:			
Short term deposits		86,620	19,620
Cash was applied to:			
Development of investment property		(15,594)	(3,325)
Purchase of plant and equipment		(3)	(6)
Short term deposits		(30,000)	(86,620)
Net Cash Inflow/(Outflow) From Investing Activities		41,023	(70,331)
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash was applied to:			
Dividend paid		(2,015)	(8,478)
Principal repayment of lease liability		(17)	(16)
Supplementary dividend paid		(194)	(286)
Net Cash Outflow from Financing Activities		(2,226)	(8,780)
Net Increase/(Decrease) in Cash and Cash Equivalents		42,914	(24,324)
Add Opening Cash and Cash Equivalents		10,111	34,435
Closing Cash and Cash Equivalents	12	53,025	10,111

The accompanying notes form part of, and should be read in conjunction with these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS – continued

For the year ended 31 December 2021

In thousands of dollars	Note	GROUP	
		2021	2020
RECONCILIATION OF PROFIT FOR THE PERIOD TO CASH FLOWS FROM OPERATING ACTIVITIES			
Net Profit after Taxation		31,264	30,099
Adjusted for non cash items:			
Depreciation of investment property		71	-
Depreciation of plant & equipment		2	1
Depreciation of right-of-use assets		13	14
Income tax expense	6	12,159	11,712
Transfer of development properties to investment properties	9	(4,484)	-
Adjustments for movements in working capital:			
(Increase)/Decrease in receivables		(1,993)	446
(Increase)/Decrease in development property		(24,303)	21,241
Increase in payables		3,388	2,964
Cash generated from operating activities		16,117	66,477
Income tax paid		(12,000)	(11,690)
Cash Inflow from Operating Activities		4,117	54,787

The accompanying notes form part of, and should be read in conjunction with these financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2021

SIGNIFICANT ACCOUNTING POLICIES

REPORTING ENTITY

CDL Investments New Zealand Limited (the "Company") is a company domiciled in New Zealand, registered under the Companies Act 1993 and listed on the New Zealand Stock Exchange. The Company is a FMC Reporting Entity in terms of the Financial Markets Conduct Act 2013 and the Financial Reporting Act 2013.

The financial statements of the Company for the year ended 31 December 2021 comprises the Company and its subsidiary (together referred to as the "Group").

The principal activity of the Group is the development and sale of residential land properties.

(a) Statement of compliance

The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP"). They comply with New Zealand equivalents to International Financial Reporting Standards ("NZ IFRS") and other applicable Financial Reporting Standards, as appropriate for Tier 1 profit-oriented entities. The financial statements also comply with International Financial Reporting Standards ("IFRS").

The financial statements were authorised for issuance on 18 February 2022.

(b) Basis of preparation

The financial statements are presented in New Zealand Dollars (\$), which is the Company's functional currency. All financial information presented in New Zealand dollars has been rounded to the nearest thousand.

The financial statements have been prepared on the historical cost basis.

The preparation of financial statements in conformity with NZ IFRS requires management to make judgements, estimates and assumptions that affect the application of company policies and reported amounts of assets and liabilities, income and expenses. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future period affected.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are described in Note 2 – Accounting Estimates and Judgements.

(c) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities controlled by the Company. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

(ii) Subsidiaries

Intragroup balances and any unrealised gains and losses or income and expenses arising from intragroup transactions, are eliminated in preparing these consolidated financial statements.

(d) Property, plant and equipment

Items of property, plant and equipment are stated at cost less accumulated depreciation. The cost of purchased property, plant and equipment is the value of the consideration given to acquire the assets and the value of other directly attributable costs, which have been incurred in bringing the assets to the location and condition necessary for their intended service. Depreciation on assets is calculated using the straight-line method to allocate cost to their residual values over their estimated useful lives, as follows:

Plant and equipment	3 - 10 years
---------------------	--------------

(e) Trade and other payables

Trade and other payables are stated at cost.

(f) Revenue

Revenue represents amounts derived from land and property sales, and is recognised when the customer obtains control of the property and is able to direct and obtain the benefits from the property. The customer gains control of the property when the Company receives full and final consideration for the property and the Company transfers over the Certificate of Title.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS – continued

For the year ended 31 December 2021

SIGNIFICANT ACCOUNTING POLICIES – continued

(g) New standards and interpretations not yet adopted

The following new standards and amendments to standards are not yet effective for the year ended 31 December 2021, and have not been applied in preparing these consolidated financial statements:

- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to NZ IAS 37)
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to NZ IAS 12)
- COVID-19 Related Rent Concessions beyond 30 June 2021 (Amendment to NZ IFRS 16)
- Annual Improvements to IFRS Standards 2018-2020
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to NZ IAS 16)
- Reference to Conceptual Framework (Amendments to NZ IFRS 3)
- Classification of Liabilities as Current or Non-current (Amendments to NZ IAS 1)
- NZ IFRS 17 Insurance Contracts and Amendments to NZ IFRS 17 Insurance Contracts
- Disclosure of Accounting Policies (Amendments to NZ IAS 1 and NZ IFRS Practice Statement 2)
- Definition of Accounting Estimates (Amendments to NZ IAS 8)

The Group has assessed the new standards and the adoption of these standards is not expected to have a material impact on the Group's financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS – continued

For the year ended 31 December 2021

1. SEGMENT REPORTING

Operating segments

The operating segments of the Group consists of property operations, comprising the development and sale of residential land sections and rental income from investment properties. There is no segmental disclosure for the rental activity from investment properties as the results are not material for the year.

The Group has determined that its chief operating decision maker is the Board of Directors on the basis that it is this group which determines the allocation of resources to segments and assesses their performance.

An operating segment is a distinguishable component of the Group:

- that is engaged in business activities from which it earns revenues and incurs expenses,
- whose operating results are regularly reviewed by the Group's chief operating decision maker to make decisions on resource allocation to the segment and assess its performance, and
- for which discrete financial information is available.

Geographical segments

Segment revenue is based on the geographical location of the segment assets. All segment revenues are derived in New Zealand.

Segment assets are based on the geographical location of the development property. All segment assets are located in New Zealand.

The Group has no major customer representing greater than 10% of the Group's total revenues.

2. ACCOUNTING ESTIMATES AND JUDGEMENTS

Management discussed with the Audit Committee the development, selection and disclosure of the Group's critical accounting policies and estimates and the application of these policies and estimates.

Key sources of estimation uncertainty

In Note 15, detailed analysis is given of the interest rate and credit risk exposure of the Group and risks in relation thereto. The Group is also exposed to a risk of impairment to development properties should the carrying value exceeds the market value due to market fluctuations in the value of development properties. However, there is no indication of impairment as the market value determined by an independent registered valuer significantly exceeds the carrying value of development properties.

3. ADMINISTRATIVE AND OTHER EXPENSES

The following items of expenditure are included in administrative and other expenses:

In thousands of dollars	Note	GROUP	
		2021	2020
Auditors' remuneration			
- Audit fees		61	55
- Tax compliance & tax advisory fees		4	4
Depreciation		86	15
Directors' fees	17	130	130
Rental payments		66	66

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS – continued

For the year ended 31 December 2021

4. PERSONNEL EXPENSES

In thousands of dollars	GROUP	
	2021	2020
Wages and salaries	517	480
Employee related expenses and benefits	70	64
Increase in liability for long-service leave	3	2
	590	546

The Group's net obligation in respect of long-term service benefits, is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated using their expected remunerations and an assessment of likelihood the liability will arise.

5. NET FINANCE INCOME

In thousands of dollars	GROUP	
	2021	2020
Interest income	616	1,038
Finance income	616	1,038
Interest expense	(4)	(2)
Finance costs	(4)	(2)
Net finance income	612	1,036

Finance income comprises interest receivable on funds invested that are recognised in profit or loss. Interest income is recognised in profit or loss as it accrues, using the effective interest method.

Finance costs comprises interest costs on lease liabilities that are recognised in the income statement.

6. INCOME TAX EXPENSE

Recognised in the statement of comprehensive income	GROUP	
	2021	2020
In thousands of dollars		
Current tax expense		
Current year	12,144	11,711
Adjustments for prior years	-	5
	12,144	11,716
Deferred tax expense		
Origination and reversal of temporary differences	15	(4)
	15	(4)
Total income tax expense in the statement of comprehensive income	12,159	11,712

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS – continued

For the year ended 31 December 2021

6. INCOME TAX EXPENSE – continued

Reconciliation of effective tax rate

In thousands of dollars	GROUP	
	2021	2020
Profit before income tax	43,423	41,811
Income tax using the company tax rate of 28% (2020: 28%)	12,159	11,707
Adjusted for:		
Under provided in prior years	-	5
	12,159	11,712
Effective tax rate	28%	28%

Income tax for the year comprises current and deferred tax. Income tax is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised in equity or in other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The temporary differences relating to investments in subsidiaries are not provided for to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

7. IMPUTATION CREDITS

In thousands of dollars	GROUP	
	2021	2020
Imputation credits available for use in subsequent reporting periods	84,322	75,946

8. DEVELOPMENT PROPERTY

In thousands of dollars	GROUP	
	2021	2020
Expected to settle greater than one year	164,589	119,096
Expected to settle within one year	21,152	42,342
Development property	185,741	161,438

Development property is carried at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, and holding costs such as interest. Interest and other holding costs incurred after completion of development are expensed as incurred. All holding costs are written off through profit or loss in the year incurred with the exception of interest holding costs which are capitalised during the period when active development is taking place. No interest (2020: nil) has been capitalised during the year. Development property includes deposits paid on unconditional contracts for development land.

The Group's inventory of development property is reviewed at each balance date to ensure its carrying amount is recorded at the lower of its cost and net realisable value. The net realisable value of the development property is the estimated selling price in the ordinary course of business less the estimated costs of completion and costs necessary to make the sale. The determination of net realisable value of inventory involves estimates taking into consideration prevailing market conditions, current prices and expected date of commencement and completion of the project, the estimated future selling price, cost to complete projects and selling costs. An impairment loss is recognised in the income statement to the extent that the carrying value of development property exceeds its estimated net realisable value.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS – continued

For the year ended 31 December 2021

9. INVESTMENT PROPERTY

In thousands of dollars	GROUP			Total
	Freehold Land	Buildings	Work in Progress	
Cost				
Balance at 1 January 2020	-	-	-	-
Acquisitions	265	2,873	187	3,325
Balance at 31 December 2020	265	2,873	187	3,325
Balance at 1 January 2021	265	2,873	187	3,325
Acquisitions	-	180	15,414	15,594
Transfers from development properties	394	-	4,090	4,484
Balance at 31 December 2021	659	3,053	19,691	23,403
Depreciation and impairment losses				
Balance at 1 January 2020	-	-	-	-
Balance at 31 December 2020	-	-	-	-
Balance at 1 January 2021	-	-	-	-
Depreciation charge for the year	-	(71)	-	(71)
Balance at 31 December 2021	-	(71)	-	(71)
Carrying amounts				
Balance at 1 January 2020	-	-	-	-
Balance at 31 December 2020	265	2,873	187	3,325
Balance at 1 January 2021	265	2,873	187	3,325
Balance at 31 December 2021	659	2,892	19,691	23,332

Investment properties consist of commercial warehousing at Roscommon Road in Auckland, retail shops at Prestons Park in Christchurch, of which both are under construction at balance date, and retail shops at Stonebrook in Rolleston which are fully operational.

Investment properties are properties held either to earn rental income or capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods and services, or for administrative purposes.

Investment properties are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the investment properties. Costs of self-constructed investment properties include costs of materials and direct labour, any other costs directly attributable to bringing the investment properties to a working condition for their intended use and capitalised borrowing costs. Gains and losses on disposal of investment properties (calculated as the difference between the net proceeds from disposal and the carrying amounts of the investment properties) are recognised in the profit and loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS – continued

For the year ended 31 December 2021

10. DEFERRED TAX ASSETS AND LIABILITIES

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

In thousands of dollars	GROUP					
	Assets		Liabilities		Net	
	2021	2020	2021	2020	2021	2020
Plant and equipment	-	-	(30)	-	(30)	-
Development property	-	-	(108)	(116)	(108)	(116)
Employee benefits	55	50	-	-	55	50
Trade and other payables	9	7	-	-	9	7
Net tax assets/(liabilities)	64	57	(138)	(116)	(74)	(59)

Movement in deferred tax balances during the year

In thousands of dollars	GROUP		
	Balance 1 Jan 2020	Recognised in profit or loss	Balance 31 Dec 2020
Development property	(118)	2	(116)
Employee benefits	48	2	50
Trade and other payables	7	-	7
	(63)	4	(59)

In thousands of dollars	GROUP		
	Balance 1 Jan 2021	Recognised in profit or loss	Balance 31 Dec 2021
Plant and equipment	-	(30)	(30)
Development property	(116)	8	(108)
Employee benefits	50	5	55
Trade and other payables	7	2	9
	(59)	(15)	(74)

11. TRADE AND OTHER RECEIVABLES

In thousands of dollars	GROUP	
	2021	2020
Trade receivables	94	86
Other receivables and prepayments	5,385	3,400
Trade and other receivables	5,479	3,486

None of the trade and other receivables are impaired.

Trade and other receivables are stated at their cost less impairment losses. The Group applies the simplified approach to providing for expected credit losses prescribed by NZ IFRS 9, which permits the use of the lifetime expected credit loss provision for all trade receivables. The allowance for doubtful debts on trade receivables are either individually or collective assessed based on number of days overdue. The Group takes into account the historical loss experience and incorporate forward looking information and relevant macroeconomic factors.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS – continued

For the year ended 31 December 2021

12. CASH AND CASH EQUIVALENTS

In thousands of dollars	GROUP	
	2021	2020
Bank balances	3,025	6,111
Call deposits	50,000	4,000
Cash and cash equivalents	53,025	10,111

Cash and cash equivalents comprise cash balances and call deposits with an original maturity of three months or less.

13. CAPITAL AND RESERVES

Share capital	PARENT			
	2021 Shares '000s	2021 \$000's	2020 Shares '000s	2020 \$000's
Shares issued 1 January	280,435	56,654	278,806	55,374
Issued under dividend reinvestment plan	7,078	7,800	1,629	1,280
Total shares issued and outstanding	287,513	64,454	280,435	56,654

All shares carry equal rights and rank pari passu with regard to residual assets of the Company and do not have a par value. At 31 December 2021, the authorised share capital consisted of 287,513,023 fully paid ordinary shares (2020: 280,435,135).

Dividend Reinvestment Plan

In 1998, the Company adopted a Dividend Reinvestment Plan pursuant to which shareholders may elect to receive ordinary dividends in the form of either cash or additional shares in the Company. The additional shares are issued at the weighted average market price for the shares traded over the first five business days immediately following the Record Date.

Accordingly, the Company issued 7,077,888 additional shares under the Dividend Reinvestment Plan on 14 May 2021 (2020: 1,629,555) at a strike price of \$1.1020 per share issued (2020: \$0.7854).

Dividends

The following dividends were declared and paid during the year 31 December:

In thousands of dollars	PARENT	
	2021	2020
3.5 cents per qualifying ordinary share (2020: 3.5 cents)	9,815	9,758
	9,815	9,758

After 31 December 2021 the following dividends were declared by the directors. The dividends have not been provided for and there are no income tax consequences. It is anticipated that a portion of the dividends declared will be paid by way of shares through the Dividend Reinvestment Plan.

In thousands of dollars	PARENT
3.5 cents ordinary dividend per qualifying ordinary share	10,063
3.5 cents total dividend per qualifying ordinary share	10,063

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS – continued

For the year ended 31 December 2021

13. CAPITAL AND RESERVES – continued

Basic and diluted earnings per share

The basic earnings per share and the diluted earnings per share are the same. The calculation of basic and diluted earnings per share at 31 December 2021 was based on the profit attributable to ordinary shareholders of \$31,264,000 (2020: \$30,099,000); and weighted average number of ordinary shares outstanding during the year ended 31 December 2021 of 285,154,000 (2020: 279,892,000), calculated as follows:

Profit attributable to ordinary shareholders (basic & diluted)	GROUP	
	2021	2020
In thousands of dollars		
Profit for the period	31,264	30,099
Profit attributable to ordinary shareholders	31,264	30,099

Weighted average number of ordinary shares

	PARENT	
	2021 Shares '000s	2020 Shares '000s
Issued ordinary shares at 1 January	280,435	278,806
Effect of 7,077,888 shares issued in May 2021	4,719	-
Effect of 1,629,555 shares issued in May 2020	-	1,086
Weighted average number of ordinary shares at 31 December	285,154	279,892

14. FINANCIAL INSTRUMENTS

The Group only holds non-derivative financial instruments which comprise trade and other receivables, cash and cash equivalents, short term deposits, and trade and other payables.

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs. Subsequent to initial recognition nonderivative financial instruments are measured as described below.

Financial assets are derecognised if the Group's contractual rights to the cash flows from the financial assets expire or if the Group transfer the financial asset to another party without retaining control or substantially all risks and rewards of the asset. Financial liabilities are derecognised if the Group's obligations specified in the contract expire or are discharged or cancelled.

In thousands of dollars	Note	GROUP	
		2021	2020
Financial Assets			
Cash and cash equivalents	12	53,025	10,111
Short term deposits		30,000	86,620
Trade and other receivables	11	5,479	3,486
Financial Liabilities			
Trade and other payables		7,297	3,932

Exposure to credit and interest rate risks arises in the normal course of the Group's business.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS – continued

For the year ended 31 December 2021

14. FINANCIAL INSTRUMENTS – continued

Credit risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. The Group does not require collateral in respect of financial assets.

The key factor in managing risk is that the Certificate of Title is only transferred to the purchaser when all cash is received in full upon settlement.

The Group's exposure to credit risk is mainly influenced by its customer base. As such it is concentrated to the default risk of its industry. However, geographically there is no credit risk concentration.

Cash, cash equivalents, and term deposits are allowed only in liquid securities and only with counterparties that have a credit rating equal to or better than the Group. Given their high credit ratings, management does not expect any counterparty to fail to meet its obligations.

At the balance date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset.

Interest rate risk

The Group has no exposure to interest rate risk as there are no funding facilities (2020: nil). However, the Group is exposed to movements in interest rates on short-term investments which is explained in the Sensitivity analysis. Interest income is earned on the cash and cash equivalent balance and the short term deposits balance.

Sensitivity analysis

The Group manages interest rate risk by maximising its interest income through forecasting its cash requirements and cash inflows. Over the longer-term, however, permanent changes in interest rates will have an impact on profit.

A decrease of one percentage point in interest rates would have decreased the Group's profit before income tax by \$794,000 (2020: \$579,000) in the current period.

Effective interest and repricing analysis

In respect of income earning financial assets, the following tables indicate the effective interest rates at the balance sheet date and the periods in which they reprice.

GROUP

In thousands of dollars	Note	Effective interest rate	2021			Effective interest rate	2020		
			Total	6 months or less	6-12 months		Total	6 months or less	6-12 months
Cash and cash equivalents	12	0.00% to 0.79%	53,025	53,025	-	0.00% to 0.62%	10,111	10,111	-
Short term deposits		0.56% to 1.20%	30,000	20,000	10,000	0.50% to 1.70%	86,620	86,500	120
			83,025	73,025	10,000		54,055	53,935	120

Liquidity risk

Liquidity risk represents the Group's ability to meet its contractual obligations. The Group evaluates its liquidity requirements on an ongoing basis. In general, the Group generates sufficient cash flows from its operating activities to meet its obligations arising from its financial liabilities. It is the Group's policy to provide credit and liquidity enhancement only to wholly owned subsidiaries.

The following table sets out the contractual cash flows for all financial liabilities that are settled on a gross cash flow basis:

GROUP

In thousands of dollars	2021			2020		
	Balance Sheet	6 months or less	6-12 months	Balance Sheet	6 months or less	6-12 months
Trade and other payables	7,297	7,297	-	3,932	3,932	-
	7,297	7,297	-	3,932	3,932	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS – continued

For the year ended 31 December 2021

14. FINANCIAL INSTRUMENTS – continued

Estimation of fair values

The following summarises the major methods and assumptions used in estimating the fair values of financial instruments reflected in the above tables.

- (a) Cash, accounts receivable, accounts payable and related party receivables. The carrying amount for these balances approximate their fair value because of the short maturities of these items.

Capital management

The Group's capital includes share capital and retained earnings.

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The impact of the level of capital on shareholders' return is also recognised and the Group recognises the need to maintain a balance between the higher returns that might be possible with greater gearing and the advantages and security afforded by a sound capital position.

The Group is not subject to any external imposed capital requirements.

The allocation of capital is, to a large extent, driven by optimisation of the return achieved on the capital allocated.

The Group's policies in respect of capital management and allocation are reviewed regularly by the Board of Directors.

There have been no material changes in the Group's management of capital during the period.

15. CAPITAL AND LAND DEVELOPMENT COMMITMENTS

As at 31 December 2021, the Group had entered into contractual commitments for development expenditure and purchases of land.

Contractual agreements for the purchase of land are subject to a satisfactory outcome of the Group's due diligence process, board approval, and OIO approval. Development expenditure represents amounts contracted and forecast to be incurred in 2022 in accordance with the Group's development programme.

In thousands of dollars	GROUP	
	2021	2020
Development expenditure	20,858	19,696
Land purchases	20,300	56,258
	41,158	75,954

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS – continued

For the year ended 31 December 2021

16. RELATED PARTIES

Identity of related parties

The Company has a related party relationship with its subsidiary as well as a fellow subsidiary of its parent (see Note 17), and with its Directors and executive officers.

Transactions with key management personnel

None of the Directors of the Company and their immediate relatives have control of the voting shares of the Company. Key management personnel include the Board comprising non-executive directors and executive directors.

The total remuneration and value of other benefits earned by each of the Directors of the Company for the year ending 31 December 2021 was:

GROUP

In thousands of dollars	2021	2020
C Sim	35	35
VWE Yeo	30	30
ES Kwek	-	-
KS Tan	-	-
R Austin (retired: 25 May 2021)	15	35
D Jameson (appointed: 1 May 2021)	20	-
J Henderson	30	30
Total for non-executive directors	130	130
BK Chiu	-	-
Total for executive directors	-	-
	130	130

Non-executive directors receive director's fees only. The executive directors do not receive remuneration or any other benefits as a director of the Parent Company or of the Company's subsidiary.

Total remuneration of non-executive directors is included in "administrative and other expenses" (see Note 3).

17. GROUP ENTITIES

Control of the Group

CDL Investments New Zealand Limited is a subsidiary of Millennium & Copthorne Hotels New Zealand Limited by virtue of Millennium & Copthorne Hotels New Zealand Limited owning 66.29% (2020: 65.87%) of the Company and having three out of six of the Directors on the Board. Millennium & Copthorne Hotels New Zealand Limited is 70.79% (2020: 70.79%) owned by CDL Hotels Holdings New Zealand Limited (computed on voting shares), which is a wholly owned subsidiary of Millennium & Copthorne Hotels plc in the United Kingdom. The ultimate holding company is Hong Leong Investment Holdings Pte Ltd in Singapore.

During the year CDL Investments New Zealand Limited has reimbursed its parent, Millennium & Copthorne Hotels New Zealand Limited, \$323,000 (2020: \$323,000) for expenses incurred by the parent on behalf of the Group.

During 2021, CDL Investments New Zealand Limited issued 5,866,859 additional shares (2020: nil) to its parent, Millennium & Copthorne Hotels New Zealand Limited, under the Dividend Reinvestment Plan (see Note 13). The total shares on issue to Millennium & Copthorne Hotels New Zealand Limited is 190,591,297 (2020: 184,724,438).

18. CONTINGENT LIABILITIES

CDL Investments New Zealand Limited has a bank guarantee in place as a requirement of being listed on the New Zealand Stock Exchange. The maximum value of this guarantee is \$75,000 (2020: \$195,000).

The Group has been named as respondents in a High Court judicial review proceeding which has been brought by the Applicant, Winton Property Investments Limited, in relation to a recent decision relating to the Group's acquisition of land in Havelock North which was advised to the market on 21 July 2021 and which has settled. The Applicant is seeking, inter alia, an order setting aside the decision of the Overseas Investment Office in respect of the approval and/or a declaration that Ministers erred at law in making their decision to grant consent. The Group will vigorously defend its position and consider the likelihood of the applicant being successful as low. It is not possible to determine what the financial effect would be, if any, should the application be successful.



Independent Auditor's Report

To the shareholders of CDL Investments New Zealand Limited

Report on the audit of the consolidated financial statements

Opinion

In our opinion, the accompanying consolidated financial statements of CDL Investments New Zealand Limited (the 'company') and its subsidiaries (the 'group') on pages 17 to 33:

- i. present fairly in all material respects the Group's financial position as at 31 December 2021 and its financial performance and cash flows for the year ended on that date; and
- ii. comply with New Zealand Equivalents to International Financial Reporting Standards and International Financial Reporting Standards.

We have audited the accompanying consolidated financial statements which comprise:

- the consolidated statement of financial position as at 31 December 2021;
- the consolidated statement of comprehensive income, changes in equity and cash flows for the year then ended; and
- notes, including a summary of significant accounting policies and other explanatory information.



Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) ('ISAs (NZ)'). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the group in accordance with Professional and Ethical Standard 1 International Code of Ethics for Assurance Practitioners (Including International Independence Standards) (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ('IESBA Code'), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Our responsibilities under ISAs (NZ) are further described in the auditor's responsibilities for the audit of the consolidated financial statements section of our report.

Our firm has also provided other services to the group in relation to taxation compliance and taxation advisory. Subject to certain restrictions, partners and employees of our firm may also deal with the group on normal terms within the ordinary course of trading activities of the business of the group. These matters have not impaired our independence as auditor of the group. The firm has no other relationship with, or interest in, the group.



Materiality

The scope of our audit was influenced by our application of materiality. Materiality helped us to determine the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and on the consolidated financial statements as a whole. The materiality for the consolidated financial statements as a whole was set at \$2 million determined with reference to a benchmark of group profit before tax. We chose the benchmark because, in our view, this is a key measure of the group's performance.



Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements in the current period. We summarise below those matters and our key audit procedures to address those matters in order that the shareholders as a body may better understand the process by which we arrived at our audit opinion. Our procedures were undertaken in the context of and solely for the purpose of our statutory audit opinion on the consolidated financial statements as a whole and we do not express discrete opinions on separate elements of the consolidated financial statements

The key audit matter

How the matter was addressed in our audit

Capitalisation and Allocation of Development costs

Refer to note 8 of the consolidated financial statements.

The group's development property comprises land and costs incurred to develop land into subdivisions and individual properties for sale. At 31 December 2021 development properties amounted to \$185.7 million representing 64.8% of net assets in the consolidated statement of financial position.

Determining whether to capitalise or expense costs relating to development of the land is subjective as it depends whether the costs enhance the land or maintain the current value. In addition, there is significant judgement in determining how to allocate the costs to individual properties.

To assess the capitalisation of development costs we examined the operating effectiveness of the Group's process to capitalise and record development costs. We then obtained invoices for a sample of capitalised costs to check whether the nature of the expense met the capitalisation criteria in the accounting standards. We found no exceptions.

Our procedures over the allocation of these development costs involved considering the costs capitalised to properties sold versus costs capitalised to the remaining properties in the portfolio, and in comparison to realised value upon sale. We also checked for consistency in approach between periods. The evidence we obtained demonstrated the allocation of costs was in line with our expectations.



Other information

The Directors, on behalf of the group, are responsible for the other information included in the entity's Annual Report. Other information includes the Director's Review, disclosures relating to corporate governance, the trend statement and financial summary and the other information included in the Annual Report. Our opinion on the consolidated financial statements does not cover any other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have received the Directors' Review and have nothing to report in regards to it. The Annual Report is expected to be made available to us after the date of this Independent Auditor's Report and we will report the matters identified, if any, to those charged with governance.



Use of this independent auditor's report

This independent auditor's report is made solely to the shareholders as a body. Our audit work has been undertaken so that we might state to the shareholders those matters we are required to state to them in the independent auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the shareholders as a body for our audit work, this independent auditor's report, or any of the opinions we have formed.



Responsibilities of the Directors for the consolidated financial statements

The Directors, on behalf of the company, are responsible for:

- the preparation and fair presentation of the consolidated financial statements in accordance with generally accepted accounting practice in New Zealand (being New Zealand Equivalents to International Financial Reporting Standards) and International Financial Reporting Standards;
- implementing necessary internal control to enable the preparation of a consolidated set of financial statements that is fairly presented and free from material misstatement, whether due to fraud or error; and
- assessing the ability to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate or to cease operations, or have no realistic alternative but to do so.



Auditor's responsibilities for the audit of the consolidated financial statements

Our objective is:

- to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error; and
- to issue an independent 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 ISAs NZ will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They 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 these consolidated financial statements.

A further description of our responsibilities for the audit of these consolidated financial statements is located at the External Reporting Board (XRB) website at:

<http://www.xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/audit-report-1/>

This description forms part of our independent auditor's report.

The engagement partner on the audit resulting in this independent auditor's report is Aaron Woolsey.

For and on behalf of



KPMG
Auckland

18 February 2022

REGULATORY DISCLOSURES

20 LARGEST SHAREHOLDERS (as at 1 March 2022) (Listing Rule 3.7.1c)

Rank	Shareholder	Number of Securities	% of Issued Capital
1.	MILLENNIUM & COPTHORNE HOTELS NEW ZEALAND LIMITED	190,591,297	66.29
2.	ADRIAN HO	22,047,756	7.67
3.	ACCIDENT COMPENSATION CORPORATION - NZCSD	13,173,620	4.58
4.	CITIBANK NOMINEES (NEW ZEALAND) LIMITED - NZCSD	4,029,717	1.40
5.	CHRISTINA SEET	2,511,881	0.87
6.	HSBC NOMINEES (NEW ZEALAND) LIMITED - NZCSD	2,061,008	0.72
7.	MFL MUTUAL FUND LIMITED - NZCSD	2,046,338	0.71
8.	FARO EQUITIES LIMITED	1,940,000	0.67
9.	CUSTODIAL SERVICES LIMITED	1,862,038	0.65
10.	HUGH GREEN LIMITED	1,243,772	0.43
11.	GEOK LOO GOH	1,079,834	0.38
12.	ROGER PARKER	801,032	0.28
13.	NEW ZEALAND DEPOSITORY NOMINEE LIMITED	782,270	0.27
14.	STEVEN CHEONG KWOK WING	619,064	0.22
15.	CALIBER TRUSTEE COMPANY LIMITED	591,573	0.21
16.	ROBERT WONG & CHRISTEIN JOE WONG	450,000	0.16
17.	MICHAEL ROBERT MAYGER & ELEANOR MARGARET MAYGER	438,649	0.15
18.	SIMON HUGH BERRY	431,095	0.15
19.	TEA CUSTODIANS LIMITED CLIENT PROPERTY TRUST ACCOUNT - NZCSD	378,699	0.13
20.	ALAN DAVID WHITE	376,472	0.13

NZCSD provides a custodial depository service to its clients and does not have a beneficial interest in the shares held in its name.

HOLDINGS SIZE (as at 1 March 2022)

Range	Number of shareholders	Number of shares	% of Issued Capital
1 - 499	55	10,250	0.00
500 - 999	45	30,669	0.01
1,000 - 1,999	359	487,303	0.17
2,000 - 4,999	971	2,981,672	1.04
5,000 - 9,999	542	3,807,948	1.32
10,000 - 49,999	669	13,618,549	4.74
50,000 - 99,999	100	6,764,737	2.35
100,000 - 499,999	82	14,430,695	5.02
500,000 - 999,999	4	2,793,939	0.97
1,000,000 Over	11	242,587,261	84.37
Rounding			0.01
Total	2,838	287,513,023	100.00

REGULATORY DISCLOSURES – continued

DOMICILE OF SHAREHOLDERS (as at 1 March 2022)

	Number of shareholders	Number of shares	% of Issued Capital
New Zealand	2,728	255,325,686	88.80
Australia and overseas	110	32,187,337	11.19
Rounding			0.01
Total	2,838	287,513,023	100.00

ADOPTION OF NEW NZX LISTING RULES

No waivers were sought from NZX in 2021.

SUBSTANTIAL PRODUCT HOLDERS

According to notices given to the Company under the Financial Markets Conducts Act 2013, as at 1 March 2022, the substantial product holders in the Company are noted below:

	Securities	Class	%
Millennium & Cophorne Hotels New Zealand Limited	184,724,438	Ordinary Shares	66.26
Adrian Ho	22,047,756	Ordinary Shares	7.67

As at 1 March 2022, the total number of issued voting securities of CDL Investments New Zealand Limited (all of which are ordinary shares) was 287,513,023.

STATUTORY INFORMATION

DIRECTORS (section 211(1)(l) Companies Act 1993)

As at 31 December 2021, the Company's Directors were Messrs. C Sim, BK Chiu, RJ Austin, JH Henderson, ES Kwek and VWE Yeo. Mr. RJ Austin retired as a director on 25 May 2021 and Ms DJ Jameson was appointed on 1 May 2021.

The gender breakdown of the Board is 5 male directors and 1 female director (2020: 6 male directors and 0 female directors). CDI currently has 1 female and 3 male officers (2020: 1 female and 3 male officers).

INTERESTS REGISTER (sections 189(1)(c) and 211(1)(e), Companies Act 1993)

The Company maintains an Interests Register as required under the Companies Act 1993. For the period under review, the following entries were recorded:

USE OF COMPANY INFORMATION (section 145, Companies Act 1993)

During the year, the Board did not receive any notices from any Directors of the Company requesting the use of company information which they would have received in their capacity as Directors which would not otherwise have been available to them.

SHARE DEALING (section 148, Companies Act 1993)

No share dealings by Directors occurred during the year.

DIRECTORS' AND ASSOCIATED PERSONS SHAREHOLDINGS (as at 31 December 2021)

Director	2020	2021
C Sim	Nil	Nil
BK Chiu	Nil	Nil
RJ Austin	Nil	Nil
J Henderson	Nil	Nil
DJ Jameson	Not applicable	Nil
ES Kwek	Nil	Nil
VWE Yeo	Nil	Nil

REMUNERATION (sections 161 and 211(1)(f), Companies Act 1993)

The total remuneration and value of other benefits earned received by each of the Directors of the Company for the year ending 31 December 2021 was:

Director	Remuneration
C Sim	\$35,000
BK Chiu	Nil [*]
RJ Austin	\$15,000
J Henderson	\$30,000
DJ Jameson	\$20,000
ES Kwek	Nil [*]
VWE Yeo	\$30,000

^{*} Mr ES Kwek, being the Executive Director of Millennium & Copthorne Hotels Limited, did not receive any fees as Chairman or as a Director of the Company. Mr. BK Chiu, being the Managing Director of Millennium & Copthorne Hotels New Zealand Limited did not receive any fees as Chairman or as a Director of the Company or its subsidiary.

INDEMNITY AND INSURANCE (section 162, Companies Act 1993)

In accordance with the Company's constitution, the Company has insured all its Directors and the Directors of its subsidiary against liabilities to other parties (except the Company or a related party of the Company) that may arise from their positions as Directors. The insurance does not cover liabilities arising from criminal actions.

STATUTORY INFORMATION – continued

GENERAL DISCLOSURES OF INTEREST (section 140(2), Companies Act 1993)

As at 31 December 2021, the Directors of the Company have made general disclosures of interest in the following companies:

Colin Sim

Chairman/Director of:

Millennium Et Copthorne Hotels New Zealand Limited

Director of:

Autocaps (Aust) Pty Ltd

Autocaps Vogue Pty Limited

Builders Recycling Properties Pty Ltd

CS Investments No. 1 Pty Ltd

Desert Rose Holdings Pty Limited

East Quarter Group Pty Ltd

EQ Constructions Pty Ltd

EQ Finance Services Pty Limited

EQ Projects Pty Ltd

EQ Property Holdings Pty Ltd

EQ Riverside Pty Ltd

EQ Zetland Finance Pty Ltd

Lenruk Pty Ltd

New Dale Sim Pty Ltd

PCC DevCo 1 Pty Limited

Preslite Drive Technologies Pty Limited

SSK Investments Pty Ltd

SSK Investments O/S Pty Ltd

Waterbrook Bayview Pty Ltd

Waterbrook Bayview Village Management Pty Ltd

Waterbrook Bowral Investment Pty Ltd

Waterbrook Brand Pty Ltd

Autocaps Pastoral Division Pty Limited

Bathurst Range Investments Pty Limited

Builders Recycling Operations Pty Ltd

Desert Rose Group Pty Limited

DMM Investments (NSW) Pty Ltd

East Quarter Hurstville Pty Limited

EQ Equity Pty Ltd

EQ Gosford Pty Ltd

EQ Projects Holdings Pty Ltd

EQ Revesby Pty Ltd

EQ Zetland Pty Ltd

Hurstville NSW Pty Limited

Naxta Pty Ltd

PBD Phoenix Pty Limited

Phoenix Palm Developments Pty Limited

Proactive Management Systems Pty Ltd

SSK Investments No 2 Pty Ltd

TECH5 Australia Pty Ltd

Waterbrook Bayview Investment Pty Ltd

Waterbrook Bowral Pty Ltd

Waterbrook Bowral Village Management Pty Ltd

West Quarter Hurstville Pty Limited

BK Chiu

Chairman/Director of:

Quantum Limited

Waitangi Resort Joint Venture Committee

Director of:

All Seasons Hotels Et Resorts Limited

CDL Land New Zealand Limited

Hospitality Group Limited

Hospitality Services Limited

Millennium Et Copthorne Hotels Limited

QINZ Holdings (New Zealand) Limited

CATG Limited

Context Securities Limited

Hospitality Leases Limited

Kingsgate Hotels Et Resorts Limited

Millennium Et Copthorne Hotels New Zealand Limited

QINZ (Anzac Avenue) Limited

J Henderson

Director of:

Ding Bay Limited

Maara Moana Limited

John Henderson Resources Limited

Te Hoiere Asset Holding Company Limited

D J Jameson

Director of:

Ampio Limited

Gubb Et Hardy Limited

GH Securities Trustee Limited

Milford Haven Limited

ES Kwek

Chairman / Director / President of:

Director and Chairman of the Board:

Millennium Hotels Palace Management S.r.l

President and Director of:

Director / President of:

Managing Director of:

ATOS Holding GmbH

Director of:

125 OBS (Nominees 1) Limited

125 OBS GP Limited

Adelais Properties Limited

Adelphia Holdings Limited

Allsgate Properties Limited

Androgate Properties Limited

Archyfield Limited

Ascent View Holdings Pte. Ltd

Aston Properties Pte. Ltd

Beaumont Properties Limited

Bellevue Properties Pte. Ltd

Bloomshine Holdings Limited

Bop Luxembourg (125 Obs) 2 SARL

Barvocate Holdings SARL

Canvey Developments Pte. Ltd

Grand Plaza Hotel Corporation

Millennium Hotels Italy Holdings S.r.l

Millennium Hotels Property S.r.l

Five Star Assurance Inc

The Philippine Fund Limited

Tara Hotels Deutschland GmbH

125 OBS (Nominees 2) Limited

Actas Holdings Pte. Ltd

Adelanto Investments Pte. Limited

Allinvest Holding Pte. Ltd

Alphagate Holdings Limited

Aquarius Properties Pte. Ltd

Asbury Holdings Pte. Ltd

Aster Land Development Pte Ltd

Baynes Investments Pte Ltd

Beijing Fortune Hotel Co. Ltd

Bestro Holdings Limited

Bloomsville Investments Pte Ltd

Branbury Investments Ltd

Camborne Developments Pte. Ltd

CDL Acquisitions Pte. Ltd

STATUTORY INFORMATION – continued

GENERAL DISCLOSURES OF INTEREST (section 140(2), Companies Act 1993) – continued

CDL Aquila Pte. Ltd	CDL Australia Pte. Ltd
CDL Constellation Pte. Ltd	CDL Crestview Holdings Pte. Ltd
CDL Crown REIT Management Pte. Ltd	CDL Entertainment & Leisure Pte. Ltd
CDL Evergreen Pte. Ltd	CDL Hotels (Chelsea) Ltd
CDL Hotels (Korea) Ltd	CDL Hotels (Labuan) Ltd
CDL Hotels (Malaysia) Ltd	CDL Hotels (U.K.) Ltd
CDL Infinity Pte. Ltd	CDL Hotels Japan Pte. Ltd
CDL Land Pte. Ltd	CDL Libra Commercial Pte. Limited
CDL Libra Pte. Limited	CDL Management Services Pte. Ltd
CDL Netherlands Investments BV	CDL Orion Investment Holdings Pte. Ltd
CDL Pegasus Pte. Ltd	CDL Perseus Pte. Ltd
CDL Pisces Comercial Pte. Ltd	CDL Pisces Serviced Residences Pte. Ltd
CDL Pro Star Development Pty Ltd	CDL Properties BV
CDL Real Estate Asset Managers Pte Ltd	CDL Real Estate Investment Managers Pte Ltd
CDL Regulus Pte. Ltd	CDL Suzhou Investment Pte. Ltd
Central Mall Pte. Ltd	Centro Investment Holding Pte Ltd
Centro Property Holding Pte Ltd	Chania Holdings Limited
Chestnut Avenue Developments Pte Ltd	Cideco Pte Ltd
City Boost Pte. Ltd	City Century Pte. Ltd
City Condominiums Pte. Ltd	City Connected Communities Pte. Ltd
City Delta Pte. Ltd	City Developments Investments Pte. Ltd
City Developments Realty Ltd	City Elite Pte. Ltd
City Gemini Pte. Ltd	City Hotels Pte. Ltd
City Ikonik Pte. Ltd	City Lux Pte. Ltd
City Montage Pte. Ltd	City Platinum Holdings Pte. Ltd
City REIT Management Pte. Ltd	City Ridgeview Pte. Ltd
City Sceptre Holdings Pte. Ltd	City Sceptre Investments Pte. Ltd
City Services Offices Pte. Ltd	City Strategic Equity Pte. Ltd
City Sunshine Holdings Pte. Ltd	Citydev Investments Pte. Ltd
Citydev Properties Pte. Ltd	Citydev Real Estate (Singapore) Pte. Ltd
Citydev Venture Holdings Pte. Ltd	Cityzens Developments Pte Ltd
Copthorne Aberdeen Limited	Copthorne Hotel (Birmingham) Limited
Copthorne Hotel (Cardiff) Limited	Copthorne Hotel (Effingham Park) Limited
Copthorne Hotel (Gatwick) Limited	Copthorne Hotel (Manchester) Limited
Copthorne Hotel (Merry Hill) Construction Limited	Copthorne Hotel (Merry Hill) Limited
Copthorne Hotel (Newcastle) Limited	Copthorne Hotel (Plymouth) Limited
Copthorne Hotel (Slough) Limited	Copthorne Hotel Holdings Limited
Copthorne Hotels Limited	Copthorne Orchid Hotel Singapore Pte Ltd
Crescent View Developments Pte Ltd	Darien Properties Investment Limited
Delfi One Investments Pte Ltd	Delfi Three Investments Pte Ltd
Delfi Two Investments Pte Ltd	Diplomat Hotel Holding Company Limited
Eastwest Portfolio Pte Ltd	Easy Thrive Ventures Limited
Eccott Pte Ltd	Edeva Holdings Limited
Educado Company Limited	Elishan Investments Pte Ltd
Elite Holdings Private Limited	Elite Hotel Management Services Pte Ltd
Ellinois Management Services Pte Ltd	Euroform (S) Pte Ltd
Faber-Rhine Properties Pte Ltd	Fairsteps Properties Pte. Ltd
Ferguson Hotel Holdings Limited	Ferguson Investment Corp
Finite Properties Investment Limited	First Platinum Holdings Pte. Ltd
Freshview Developments Pte Ltd	Glades Properties Pte. Ltd
Grand Isle Holdings Pte Ltd	Grand Strategic Pte. Ltd
Grand Terre Properties Pte Ltd	Grange 100 Pte Ltd
Granmill Holdings Pte Ltd	Greystand Holdings Limited
Guan Realty (Private) Limited	Harbour Land Corporation
Harbour View Hotel Pte Ltd	Harrow Entertainment Pte Ltd
Heritage Pro International Limited	Highline Holdings Limited
Highline Investments GP Limited	Hong Bee Hardware Company Sd. Berhad
Hong Leong Enterprises Pte Ltd	Hong Leong Foundation
Hong Leong Hotel Development Limited	Hong Leong International Hotel (Singapore) Pte Ltd
Hong Leong Properties Pte Limited	Hospitality Holdings Pte Ltd
Hospitality Ventures Pte Ltd	Hotel Liverpool Limited
Hotel Liverpool Management Limited	Iconique Tokutei Mokuteki Kaisha
Impac Holdings Pte Ltd	Iselin Limited
Island Glades Developments Pte Ltd	Jayland Properties Limited
Keygate Holdings Limited	King's Tanglin Shopping Pte Ltd
Kwek Holdings Pte Ltd	Kwek Hong Png Investment Pte Ltd
Landco Properties Limited	Le Grove Management Pte Ltd
Legend Commercial Pte Limited	Legend Commercial Trustee Pte Ltd
Legend Investment Holdings Pte Ltd	Legend Quay Pte Ltd
Lightspark Holdings Limited	Lingo Enterprises Limited
London Britannia Hotel Limited	London Tara Hotel Limited
Lukestone Properties Limited	M&C (CB) Limited
M&C (CD) Limited	M&C Finance (1) Limited

STATUTORY INFORMATION – continued

GENERAL DISCLOSURES OF INTEREST (section 140(2), Companies Act 1993)

M&C Management Holdings Limited
 M&C Reservations Services Limited
 M&C Asia Holdings (UK) Limited
 M&C Holdings (Thailand) Limited
 M&C Hotels Holdings Japan Pte Limited
 M&C Hotels Japan Pte Limited
 M&C Singapore Finance (UK) Limited
 M&C Sponsorship Limited
 Merivale JV Pty Limited
 Millennium & Copthorne (Jersey Holdings) Limited
 Millennium & Copthorne Hotels Management (Shanghai) Limited
 Millennium & Copthorne International Limited
 Millennium Hotel Holdings EMEA Limited
 Millennium Hotels (West London) Limited
 Millennium Hotels Europe Holdings Limited
 Millennium Hotels London Limited
 New Synergy Investments Pte Ltd
 New Vista Realty Pte Ltd
 Novel Developments Pte Ltd
 Paradise Investments Limited
 Qaiser Holdings Limited
 Queensway Hotel Limited
 Redvale Investments Pte Ltd
 Republic Iconic Hotel Pte Ltd
 Reselton Properties Limited
 Richview Holdings Pte Ltd
 Rogo Realty Corporation
 Scottsdale Properties Pte Ltd
 Siena Commercial Development Pte Ltd
 Siena Trustee Pte Ltd
 Singapura Developments (Private) Limited
 South Beach International Hotel Management Pte Ltd
 Sparkland Holdings Pte Ltd
 Sunmaster Holdings Pte Ltd
 Sunshine Plaza Pte Ltd
 Tempus Platinum Investments Tokutei Mokuteki Kaisha
 Treasure Realm Limited
 Trentworth Properties Limited
 Tucana Properties Pte Ltd
 U-Paragon Holdings Limited
 Verspring Properties Pte Ltd
 Vinemont Investments Pte Ltd
 White Haven Properties Pte Ltd
 Zatrio Pte Ltd

M&C NZ Limited
 M&C Asia Finance (UK) Limited
 M&C Capital Pte. Limited
 M&C Hotel Investments Pte Limited
 M&C Hotels Holdings Limited
 M&C New York Finance (UK) Limited
 M&C Singapore Holdings (UK) Limited
 Melvale Holdings Limited
 Millennium & Copthorne (Australian Holdings) Limited
 Millennium & Copthorne Hotels Limited
 Millennium & Copthorne Hotels New Zealand Limited
 Millennium & Copthorne Share Trustees Limited
 Millennium Hotels & Resorts Services Limited
 Millennium Hotels (West London) Management Limited
 Millennium Hotels Limited
 New Empire Investments Pte Ltd
 New Unity Holdings Ltd
 Newbury Investments Pte Ltd
 Palmerston Holdings Sdn. Bhd.
 Pinenorth Properties Limited
 Queensway Hotel Holdings Limited
 Redvale Developments Pte Ltd
 Redvale Properties Pte Ltd
 Republic Plaza City Club (Singapore) Pte Ltd
 Richmond Hotel Pte Ltd
 Rogo Investments Pte Ltd
 Scentview Holding Limited
 Serangoon Green Pte Ltd
 Siena Residential Development Pte Ltd
 Silkparc Holdings Limited
 South Beach Consortium Pte Ltd
 Southwaters Investment Pte Ltd
 Summit Vistas Pte Ltd
 Sunny Vista Developments Pte Ltd
 TC Development Pte Ltd
 TOSCAP Limited
 Trentwell Management Pte Ltd
 Tucana Commercial Pte Ltd
 Tucana Residential Pte Ltd
 Ventagrand Holdings Limited
 Verwood Holdings Pte Ltd
 Welland Investments Limited
 Whitehall Holdings Limited

VWE Yeo

Executive Director / Chief Executive Officer of:

M&C Business Trust Management Limited

M&C REIT Management Limited

Director / Managing Director of:

CDLHT Oceanic Maldives Private Limited

CDL HBT Oceanic Maldives Pvt Ltd

Sanctuary Sands Maldives Private Limited

Director of:

CDL HBT Cambridge City Pte. Ltd

CDL HBT Cambridge City (UK) Ltd

CDL HBT Cambridge City Hotel (UK) Ltd

CDL HBT Hanei Pte. Ltd

CDL HBT Investments (I) Limited

CDL HBT Investments (I) Operations Limited

CDL HBT Investments (I) Property Limited

CDL HBT Investments (I) Pte Limited

CDL HBT North Ltd

CDL HBT Oceanic Holdings Pte Ltd

CDL HBT Sun Pte. Limited

CDL HBT Sun Four Pty Limited

CDL HBT Sun Three Pty Limited

CDLHT CFM One Pte Ltd

CDLHT CFM Two Pte Ltd

CDLHT CFM III BV

CDLHT CFM III SRL

CDLHT Hanei One Pte.Ltd

CDLHT Hanei Two Pte.Ltd

CDLHT Munich One Pte Ltd

CDLHT Munich Two Pte Ltd

CDLHT MTN Pte. Ltd

CDLHT Oceanic Holdings Pte Ltd

CDLHT Two Ltd

Gemini Two Pte Ltd

Hospitality Holdings Pte Ltd

Munich Furniture BV

NKS Hospitality I BV

NKS Hospitality III SRL

Sunshine Hotels Australia Pty Ltd

The Lowry Hotel Ltd

Board Member / Honorary Treasurer of:

Singapore Hotel Association

STATUTORY INFORMATION – continued

EMPLOYEE REMUNERATION (section 211(1)(g), Companies Act 1993)

The number of employees or former employees of the Company and its subsidiary who received remuneration and any other benefits in their capacity as employees, the value of which was or exceeded \$100,000 per annum are as follows:

Remuneration and value of other benefits	Number of employees
140,001 – 150,000	1
350,001 – 360,000	1

DONATIONS (sections 211(1)(h) and 211(2), Companies Act 1993)

The Company made no donations during the year.

AUDIT FEES (sections 211(1)(j) and 211(2), Companies Act 1993)

During the period under review, the following amounts were payable to the external auditors KPMG:

In thousands of dollars	2020	2021
Annual Audit	55	61
KPMG Other Services	4	4

SUBSIDIARY COMPANY AND DIRECTORS (section 211(2), Companies Act 1993)

The Company's subsidiary and its directors as at 31 December 2021 are listed below:

Name	Directors	Ownership	Activity
CDL Land New Zealand Limited	BK Chiu, JC Adams JB Pua	100.00%	Development & Sale of Residential Land Sections

The directors of CDL Land New Zealand Limited did not receive any remuneration or other benefits as directors.

SUBDIVISION LOCATION MAP



CORPORATE DIRECTORY

BOARD OF DIRECTORS

Colin Sim (Independent Director and Chair)
BK Chiu (Managing Director)
John Henderson (Independent Director and Member of the Audit Committee)
Desleigh Jameson (Independent Director and Chair of the Audit Committee)
Kwek Eik Sheng (Non-Executive Director)
Vincent Yeo (Non-Executive Director)

MANAGEMENT TEAM

Jason Adams (General Manager and Executive Director, CDL Land New Zealand Ltd)
Natasha Hood (Group Accounting Manager)
Takeshi Ito (Company Secretary / Legal Counsel)

REGISTERED OFFICE & CONTACT DETAILS

Level 13, 280 Queen Street, Auckland, New Zealand
P O Box 3248, Shortland Street, Auckland 1140, New Zealand
Telephone: +64 9 353 5077 Facsimile: +64 9 353 5098
Website: www.cdlinvestments.co.nz

AUDITORS

KPMG, Auckland

BANKERS

ANZ Bank New Zealand Limited, Auckland

SOLICITORS

Bell Gully (Auckland)
Anthony Harper (Christchurch)

SHARE REGISTRAR

Computershare Investor Services Limited
Level 2, 159 Hurstmere Road, Takapuna
Private Bag 92119, Auckland 1142, New Zealand
Telephone: +64 9 488 8700 Facsimile: +64 9 488 8787
Email: enquiry@computershare.co.nz

STOCK EXCHANGE LISTING

New Zealand Exchange (NZX)
Company Code: CDI





CDL INVESTMENTS
NEW ZEALAND LIMITED