



TAXATION ADJUSTMENT MASKS REVENUE AND PROFIT GROWTH AT CDL INVESTMENTS

NZX-listed property development and investment company CDL Investments New Zealand Limited (NZX:CDI) today released its (unaudited) results for the six months to 30 June 2024 and reported an operating profit after tax of \$2.74 million (2023: \$5.02 million) on revenue of \$16.61 million (2023: \$11.97 million). The company improved its operating profit before tax to \$9.21 million (2023 \$6.98 million) on the back of increased property sales.

CDI Board Chair Desleigh Jameson said that the results masked a busy six-month period for the company.

“Operationally, the first half of this year has been good for CDI. That has been reflected in our increased revenue and profit before tax but at the same time we have managed to complete a lot of work across our development sites to ensure that we secure the medium to long term future of the company”, she said.

The company announced last week that its results would be affected by a one-off, non-cash taxation adjustment. The adjustment, amounting to \$3.91 million, resulted from a change in tax legislation that came into effect this year and relates to the depreciation of commercial buildings owned by CDI. It would not affect CDI’s trading profitability or cash flows.

Ms. Jameson also noted CDI’s continued investment and commitment to the Christchurch region.

“We have seen that certain regions are showing more interest and demand and our focus is prioritising those growth areas where we have land. Canterbury is one such region that is out performing the rest of the country and we have been able to capitalise on this at our Prestons Park subdivision in Christchurch. We settled a number of sales for half year and more will come before the end of the year. So, I think we can say that the property markets are past peak trough and showing signs of recovery.”, she said.

“We are therefore delighted that we have entered into an agreement for 10.07 hectares of industrial zone land in Wairakei Road, Harewood which we announced in July. This will give us some more diversification opportunities and will allow us to add to our land development and our investment property portfolios”, she said.

CDI’s CEO Jason Adams also advised that the company was looking to make two applications under the proposed fast track consenting process for land in Hamilton and in Havelock North.

“These are two particular projects for the development of residential and commercial land which align with the existing policies and goals of the respective local areas. It’s absolutely critical to emphasise that neither application has anything to do with conservation or other sensitive land. We fully understand the concern of various parties which are opposed to the process but we believe that the process was intended to look at projects such as ours. These projects are consistent with what we do which is create residential subdivisions and commercial development opportunities for New Zealanders. We strongly believe that both applications will be beneficial to the respective regions”, he said.

Regarding the composition of the Board, Ms. Jameson said that the company was still searching for a new independent director and that an announcement would be made when the process had been completed.

“It’s taken a bit longer than anticipated but the Board feel that we have to get the right person who can add additional skills, knowledge and experience to the company. I believe that we should be able to make an appointment towards the end of Q3 this year”.

ENDS

Issued by CDL Investments New Zealand Limited

Any inquiries please contact:
Jason Adams
CEO
CDL Investments New Zealand Ltd
(09) 353 5077