



CDL INVESTMENTS LOOKING TO OVERCOME “DIFFICULT” TRADING ENVIRONMENT

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 2022 and reported an operating profit after tax of \$22.90 million (2021: \$20.75 million) on revenue of \$47.81 million (2021: \$61.27 million).

“The last six months have seen a dramatic change in the trading environment”, said CDI’s Chair Colin Sim. “The irony is that those changes have been caused by external factors totally outside of our control and have nothing to do with our performance or financial position”, he said.

CDI continued to record sales of its residential sections in Auckland and Canterbury and had also acquired a 4.85 hectare parcel of land in north-east Hamilton in the first half of the year. It also reported completion of one of its warehousing projects in South Auckland with the second not far from being finished.

“The warehousing projects have been the highlight of the year so far”, said CDI’s new Managing Director Jason Adams. “They’ve been built on time and to budget and our tenants are thrilled with the end product, as are we”, he said.

Mr. Adams also said that CDI’s commercial local centre developments in Canterbury were also well occupied and making an impact in their locations.

“We’re pleased that our local centres in Stonebrook (Rolleston) and Prestons Park have made the impact that we thought they would in their respective locations and the knowledge we’ve gained here will be used for our future development projects”, he said.

At our AGM the company said that its target for the full year was to try and match its 2021 performance. This would not be easy given that the easing property market conditions being experienced now were likely to stay the same well in to 2023. Interest rate increases, tighter bank mortgage lending criteria, resource and material supply constraints and abnormally high inflation caused by global pressures will likely continue to be felt well in to 2023.

“It’s a realistic goal but to make that target we will need new sales. This year, those sales will come from Auckland at Christian Road and from new sales at Prestons Park”, said Mr. Adams.

CDI also noted that the current trading environment might provide opportunities for the company going forward.

“We are not under the same pressures as some other developers and owners and this difficult environment will present unique opportunities for us. Our investment and development timelines have always been focused on the medium to long term and the Board has therefore asked Management to position CDI in such a way that it can benefit from those opportunities should they arise”, said Mr. Sim.

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Issued by CDL Investments New Zealand Limited

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