



CDL INVESTMENTS
NEW ZEALAND LIMITED

ANNUAL REPORT 2024



Iona Block, Havelock North

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The Directors of CDL Investments New Zealand Limited are pleased to present the Annual Report of the Company for the year ended 31 December 2024.

Signed for and on behalf of the Board of Directors:



DESLEIGH JAMESON
BOARD CHAIR

28 March 2025



JOHN HENDERSON
INDEPENDENT DIRECTOR



2024 FINANCIAL SUMMARY

\$49.1M

REVENUE &
OTHER INCOME

\$26.8M

PROFIT
BEFORE TAX

\$15.4M

PROFIT
AFTER TAX

\$328.6M

TOTAL
ASSETS

110 CPS

NET TANGIBLE
ASSET

\$319.6M

SHAREHOLDERS'
FUNDS

5.28 CPS

EARNINGS
PER SHARE

\$422.8M

MARKET
VALUATION

\$357.8M*

RESIDENTIAL
VALUATION

\$65.1M*

COMMERCIAL
VALUATION

\$ NIL

DEBT

\$32.8M

CASH
AT BANK

*Values are based on independent external valuations.

Prestons Park, Christchurch

CDL Investments New Zealand Limited | 3

CHAIR'S REVIEW

FINANCIAL PERFORMANCE

For the period ended 31 December 2024 CDL Investments New Zealand Limited ("CDI") recorded a profit after tax of \$15.4 million for 2024 (2023: \$13.5 million). Our overall net profit before tax reflected significant improvements in our operational performance for the year, however, these gains were impacted by the a one-off non-cash deferred tax adjustment of \$3.9 million due to the change of government policy on the depreciation of commercial buildings.

Taking advantage of these more favourable market conditions, CDI saw its profit before tax increase to \$26.8 million (2023: \$18.7 million). The increase came as a result of higher property sales and other income which totalled \$49.1 million (2023: \$31.2 million). These results confirm that property markets in New Zealand are showing signs of improvement and there is now a positive momentum shift with lower interest rates, improved access to bank lending and easing inflation.

At 31 December 2024, CDI's shareholders' funds increased to \$319.6 million (2023: \$313.7 million) and total assets also increased to \$328.6 million (2023: \$319.2 million). Net tangible assets per share (at book value) also increased to 109.5 cents (2023: 107.9 cents).

The market value of CDI's property holdings at year end as independently valued was \$422.8 million (2023: \$412.6 million), comprising \$357.7 million (2023: \$349.9 million) for its development property and \$65.1 million (2023: \$62.7 million) for its investment property portfolios. At cost, the portfolio was valued at \$287.7 million (2023: \$260.4 million) in line with CDI's accounting policies.

PROPERTY PORTFOLIO

We recorded a total of 92 residential section sales during 2024, notably from Prestons Park (Christchurch) which performed above expectations along with contributions from our Kewa and Tram Valley Road subdivisions in Auckland, which are now sold out. Pre-titled sales have begun at our Iona development in Havelock North and we expect both Prestons Park and Iona to continue to be strong sellers in 2025.

In addition to the 10.8 hectares of land in Nelson that was settled during January 2024, we acquired a further 10.08 hectares of industrial-zoned land located in Wairakei Road in Harewood, Christchurch. These acquisitions are in line with our long term strategic objectives to ensure that we have a sufficient pipeline of land to maintain residential sales over the medium to long term. Our commercially zoned land will also help ensure that we are able to continue growing an investment property portfolio with additional design, build and lease warehousing projects to add value to our portfolio.

As announced in October 2024, we were pleased to have our R2 Growth Cell (Hamilton) and Arataki Road (Havelock North) projects be included in the Fast-track Approvals legislation, which was enacted on 23 December 2024.

The CDL Land team are presently progressing both projects and we look forward to providing further updates during the course of the year as we progress these exciting two developments.

Post balance date, the purchase of 6.5 hectares of land in Hamilton was settled during January 2025.

DIVIDEND ANNOUNCEMENT

The Board has resolved to maintain its fully imputed ordinary dividend at 3.5 cents per share payable on 16 May 2025. Once again, the Board has balanced the call from shareholders to be rewarded for improved performance against the company's need to retain cash to fund development works and acquisitions. The effect of the deferred tax adjustment, while a non-cash item, was also taken into consideration.

The record date will be 2 May 2025. The Dividend Reinvestment Plan will apply to this dividend.

SUMMARY AND OUTLOOK

Economic indicators are expected to remain stable within the property markets both for residential and industrial development and we are looking to advance our development works across our key sites, particularly our two fast track projects in Hamilton and the Hawke's Bay.

From a residential perspective, with a number of pre-titled section sales from our Iona and Prestons Park developments in-hand and work already underway developing additional stages, these developments will be critical to our results and successes in 2025. Planning works at our two Nelson/Tasman sites and Worsley Road site in Cashmere, Christchurch, will also be advanced to ensure that initial earthworks can start as quickly as possible after consents are received. We will also be looking to progress our fast-track applications as soon as feasibly possible.

From a commercial point of view, we are keen to advance development of our industrial-zoned land at Wairakei Road, Christchurch which we acquired this year. Planning works for this land have commenced and we are looking to prioritise development of this land to meet current demand.

Having strengthened the Board once more with the appointment of Janie Elrick, a highly experienced and knowledgeable independent director, the Board is confident that good progress will continue across our developments, current sales and development pipeline, as we look to again improve on last year's performance during 2025.

On behalf of the Board, I would like to thank Jason and the Management team for their efforts in 2024 and our shareholders for their continued loyalty to CDI once again.



DESLEIGH JAMESON
BOARD CHAIR

24 February 2025

CEO'S REVIEW

Last year, I mentioned that 2024 was CDI's 30th year of operations under its current name. I also used three words to describe our future plan for the company, namely "innovative", "positive" and "profitable". I am happy to report that we have managed to live up to all three.

Starting with "profitable", we were pleased to get back on track in 2024 with our results reflecting an improvement in the residential property market, influenced by lower inflation and interest rates, producing an uptick in sales especially in areas like Christchurch where demand and growth was highest. Moving forward, management is focused on boosting sales in 2025 where we can to continue our current tempo as well as ensuring that we are developing land in regions to meet demand.

"Positive" describes our current attitude and approach towards our development projects and acquisitions. Market data suggests that sales volumes are rising across the country as the residential property markets improve. While easing inflation and falling interest rates are likely to boost residential demand, we are conscious that the cost of living in NZ remains high and there are still challenges ahead for a number of business sectors. That said, the government's focus on growth is positive and we expect this will support the wider property market and section sales in areas where economic growth is strongest.

Increasing our residential and commercial development pipeline was our priority last year and I am pleased to report we have done just that by settling 20.8 hectares of land in Nelson/Tasman and Christchurch, with a further 9.6 hectares in Hamilton and Havelock North under agreement. I am particularly pleased with our industrial-zoned land acquisition in Christchurch, as it remains a strategic region for us. As well as generating a healthy percentage of our overall sales in 2024, we have reinforced our commitment to Christchurch by acquiring land at Worsley Road where preliminary works will commence later this year and at our industrial-zoned land at Wairakei Road in Harewood we are looking to lodge resource consent applications for infrastructure development works in the near future. The mix of residential and industrial projects will benefit CDI over the short to medium term and will generate inventory for additional sales in the next few years as well as allowing us to continue our commercial development projects, which add further diversity to our portfolio.

Our key development at Iona Road (Havelock North) is progressing very well with the completion of construction of the first three stages. Pre-titled sales have already commenced and are due to settle before the end of the year. Other remaining sub-stages in stage 1 are being developed and these are targeted for completion and release in the third quarter of 2025.

Opportunities for further growth still exist and we are actively investigating a number of current opportunities to acquire land in areas where we have existing holdings as well as re-entering areas where we have not conducted development for some time. The Board has given the Management team clear directions on how to execute the company's medium to long term strategies and to look for opportunities that will allow the company to grow and flourish over the next two decades. We are therefore determined to ensure that all shareholders can continue to be rewarded for their investment in the company over the medium to long term.

We see our "innovation" coming through new ways to advance our projects and in 2024 this was reflected in getting our Arataki Road (Havelock North) and R2 (Hamilton) Growth Cell Projects into the Fast-track approvals legislation, which was a significant step for us. As we said when announcing the inclusion of our two projects in the Fast Track process, both were assessed independently by a Projects Advisory Group and two ministers who resolved each project demonstrated substantial housing benefits in their respective regions by delivery of over 1500 dwellings and 35 hectares of commercial land between them.

During 2024 we expanded the CDI team with the addition of a new Accountant/ Financial Controller and Sustainability Advisor who will assist the Board and Management with the company's strategy and growth over the next few years.

We are looking forward to another year of being "innovative", "positive" and "profitable" in 2025. We have much to be excited about and I look forward to sharing the journey with you.



JASON ADAMS
CDI CHIEF EXECUTIVE

RESIDENTIAL

2024 SNAPSHOT



Kewa Road, Auckland



Tram Valley Road, Auckland

\$46.0M

SALES
REVENUE

93.8%

TOTAL
REVENUE

92

SECTIONS
SOLD

\$357.8M*

RESIDENTIAL
PORTFOLIO VALUE

11

TOTAL #
DEVELOPMENTS

20.8 HA

LAND
ACQUIRED



Iona Terraces, Havelock North

*Values are based on independent external valuations.

COMMERICAL LEASING

\$3.01M

LEASE REVENUE

4

OF PROPERTIES

\$65.1M*

COMMERCIAL
PORTFOLIO VALUE

3.1 HA

COMMERCIAL
PORTFOLIO AREA

COMMERICAL LAND DEVELOPMENT

2

OF DEVELOPMENTS

10.08 HA

LAND
ACQUIRED



Prestons Retail Centre, Canterbury

WAREHOUSES

\$2.06M

LEASE REVENUE

2

OF PROPERTIES

16,402 M²

NETT LETTABLE AREA

100%

LEASED

5 YEARS

WEIGHTED AVERAGE
LEASE EXPIRY

RETAIL

\$0.69M

LEASE REVENUE

2

OF PROPERTIES

3,411 M²

NETT LETTABLE AREA

80%

LEASED

4.62 YEARS

WEIGHTED AVERAGE
LEASE EXPIRY



Primepac, Roscommon Road, Auckland

BOARD OF DIRECTORS



DESLEIGH JAMESON

Board Chair, Independent
Non-Executive Director & Member
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.

Ms. Jameson was elected as Board Chair on 15 March 2024 following Mr Sim's resignation.



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 re-elected as a director at the 2023 Annual Meeting of Shareholders.



JANIE ELRICK

Independent Non-Executive Director
& Chair of the Audit Committee

Ms. Elrick is a highly skilled governor and senior executive who brings deep strategic and financial expertise combined with strong commercial acumen to the organisations she works with.

She is a seasoned professional who provides sound counsel from an experience base of deal structuring, tax, banking, law and multiple CFO roles including Downer Construction, Steel & Tube Ltd, Synlait, and Zespri. She is highly principled and passionate about creating commercial success.

Currently she is a director and Chair of the Audit Committee of Inframax Construction Ltd, Trustee and Chair of the Audit and Risk Committee of Community Living Trust, and Chair and shareholder of Door Solutions (2021) Ltd.

She is a member of the Institute of Directors, and is a Chartered Accountant.



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.



JOHN HENDERSON

Independent Non-Executive Director
& Member of the Audit Committee

Mr. Henderson is currently Managing Director of John Henderson Resources Limited and Ding Bay Limited. From 2015-2020, 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 2022 Annual Meeting of Shareholders.

CDL TEAM



JASON ADAMS

Chief Executive Officer

CDL Investments & CDL Land



JACKSON BULL

General Manager & Senior
Development Manager

CDL Land



MELISSA CROWE

Development Manager

CDL Land



NATASHA HOOD

Group Accounting Manager

CDL Investments & CDL Land



SIMONE CROMHOUT

Administrator

CDL Investments & CDL Land



GEOFF DONLEY

Accountant/Financial Controller

CDL Investments & CDL Land



SIAN CAMP

Sustainability Manager

CDL Investments & CDL Land



TAKESHI ITO

Company Secretary

CDL Investments & CDL Land



ANAND RAMBHA

Vice President Finance

CDL Investments & CDL Land

CORPORATE GOVERNANCE STATEMENT

This Corporate Governance Statement summarises the approach of CDL Investments New Zealand Limited (CDI) to applying the principles and recommendations outlined in the NZX Corporate Governance Code dated 1 April 2023 (the **NZX Code**), including where our practice differs from the recommendations under the Code. This Corporate Governance Statement reports on CDI's corporate governance matters in respect of the financial year ending 31 December 2024 and is current as at 31 December 2024. It has been approved by the board of directors of CDI.

In late 2023 financial year and early 2024, we undertook a review of our key corporate governance documentation (including committee charters and key policies and procedures) (the **Corporate Governance Review**). Following the completion of the Corporate Governance Review, in February and March 2024 the Board resolved to approve and adopt updated versions of the relevant documentation.

The Company's constitution, the Board and committee charters, any of the other charters or other governance documents referred to in this statement are available to view on our website at www.cdlinvestments.co.nz.

PRINCIPLE 1 ETHICAL STANDARDS

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

Following completion of the Corporate Governance Review, in February 2024 the Board adopted an updated version of the Code of Ethics that applies to directors and employees of CDI. The Code of Ethics outlines internal reporting procedures for any breach of ethics, and describes CDI's expectations about behaviour. A copy of the Code of Ethics is available on the Company's website.

The updated Code of Ethics has been communicated to all directors and employees of the Company. CDI regularly conducts training on compliance with the Code of Ethics with its directors and employees.

In addition to the Code of Ethics, CDI has a Code of Conduct which applies to all of CDI's employees. 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.

From 1 January 2024 until the updated version of the Code of Ethics was adopted in February 2024, CDI did not comply with recommendation 1.1 of the NZX Code in respect of the requirement for the Code of Ethics to apply to all employees. Instead, the Code of Conduct applied to all of CDI's employees. While the Code of Conduct addressed a number of the factors set out in recommendation 1.1 of the NZX Code, it did not address all of the relevant factors. No alternative governance practice was adopted in lieu of the recommendation during that period. As noted above, following the Corporate Governance Review CDI's Code of Ethics now applies to all of CDI's employees.

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

All Directors have access to the Company Secretary at any time as well as independent legal, financial or other professional advice at the expense of the company as may be required.

CDI has a 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.

CDI has a financial product trading policy which applies to all employees and directors. Our financial product trading policy was updated in March 2024 as part of the Corporate Governance Review. Our share trading policy is available on the Company's website.

PRINCIPLE 2 BOARD COMPOSITION AND PERFORMANCE

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

BACKGROUND

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.

The Board adopted a written charter in March 2024 as part of the Corporate Governance Review. The Board Charter sets out the roles and responsibilities of the Board. The Board Charter is available on the Company's website. From 1 January 2024 until the written board charter was adopted in March 2024, CDI did not comply with the requirement under recommendation 2.1 of the NZX Code to have a written board charter. CDI did not follow this recommendation because CDI had previously considered this requirement to have been satisfied by the relevant section of the Corporate Governance Statement itself and the roles and responsibilities of the Board set out in the Constitution. Given this, no alternative governance practice was adopted in lieu of the recommendation during that period.

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 Chief Executive Officer 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.

NOMINATION PROCESS

Appointments to the Board are generally considered by the Board as a whole, and the Board takes into account the skills required to allow it to carry out its functions and governance role. If necessary, a Board subcommittee will be formed to assess nominees.

As part of the appointment process, checks are completed which include the nominee's business experience, qualifications and good character. If appointed, a director will receive a letter formalising their appointment. The letter confirms the key terms and conditions of appointment and is signed by both the Chair and the director.

ASSESS DIRECTOR, BOARD AND COMMITTEE PERFORMANCE

The Board's procedure for regularly assessing director, board and committee performance is set out in the Board Charter, which was adopted in March 2024 as part of the Corporate Governance Review. From 1 January 2024 until the Board Charter was adopted in March 2024, CDI did not comply with the requirement under recommendation 2.7 of the NZX Code to have a formal procedure for assessing such performance. CDI did not follow this recommendation because the procedure was previously conducted on an informal basis. Given this, no alternative governance practice was adopted in lieu of the recommendation during that period.

BOARD COMPOSITION

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.

INDEPENDENCE DETERMINATIONS

As part of the Corporate Governance Review, the Board decided to make certain changes to its size and composition - which resulted in Messrs Sim and Adams resigning from the Board in March 2024. The Board currently comprises Desleigh Jameson (Chair), Janie Elrick (Chair of the Audit Committee) John Henderson, Eik Sheng Kwek and Vincent Yeo.

CDI has determined that its Chair Desleigh Jameson, Janie Elrick and John Henderson are Independent Directors for the purposes of the NZX Listing Rules. Messrs Kwek and Yeo are not considered by the Board to be Independent Directors.

When assessing independence, the Board holistically considers the interests and relationships of a director that could affect the determination, including having regard to (but not limited to) the factors set out in Table 2.4 of the NZX Code.

The Board considers John Henderson to be an Independent Director for the purposes of the NZX Listing Rules despite him being a director of CDI for more than 12 years. Mr Henderson was first appointed to the CDI Board in 2006. The Board believes that the length of time Mr Henderson has been a director of CDI has not impacted his ability to act objectively or adequately monitor management. Mr Henderson is due to retire by rotation at CDI's 2025 annual meeting of shareholders and has said that he will not be seeking re-election at that meeting.



Highlands Drive, Richmond

CORPORATE GOVERNANCE STATEMENT – CONTINUED

From 1 January 2024 until when Janie Elrick was appointed in November 2024, CDI did not comply with recommendation 2.8 of the Code. That recommendation requires a majority of the Board to be Independent Directors for the purposes of the NZX Listing Rules. CDI did not follow this recommendation because its largest shareholder holds more than 50% of the shares in the Company and had believed that it is reasonable for Independent Directors to not comprise a majority of the directors in those circumstances. The Company notes that non-Independent Directors equally did not comprise a majority of the directors (only 50%), the Chair is an Independent Director and the Chair has a casting vote. Given these matters, no alternative governance practice was adopted in lieu of the recommendation during that period.

CDI's Chair is an Independent Director and is not the CEO.

BOARD MEETINGS

Board meetings are generally held quarterly, with additional meetings convened when required. The table below details directors' attendances during 2024.

DIRECTOR	MEETINGS ATTENDED IN 2024
Desleigh Jameson (Chair)	5/5
Vincent Yeo	5/5
Eik Sheng Kwek	5/5
John Henderson	5/5
Janie Elrick(*)	1/1
Colin Sim (Chair to March 2024)	2/2
Jason Adams (Managing Director to March 2024)	1/2

SKILLS

In 2022, the Board revised its Skills Matrix to demonstrate the skills, experience and diversity of its Board. The Skills Matrix for 2024 is:

SKILL/ATTRIBUTE	RELEVANT DIRECTOR
Retail, marketing, brand and sales experience	Jameson, Yeo
Governance experience	Elrick, Henderson, Jameson, Kwek, Yeo
Large enterprise/multinational business or leadership experience	Elrick, Henderson, Jameson, Kwek, Yeo
Accounting/finance/tax experience	Elrick, Jameson, Kwek
Business strategy experience	Elrick, Henderson, Jameson, Kwek, Yeo
Property development/management experience	Jameson, Kwek, Yeo

TRAINING

The directors undertake their own training to remain current on how to best perform their duties as directors of CDI. Under the Board Charter CDI adopted in February 2024 as part of the Corporate Governance Review, CDI will provide specific training to directors as required.

DIVERSITY AND INCLUSION POLICY

In 2018, CDI adopted a Diversity and Inclusion Policy. The key elements of CDI's Diversity and Inclusion Policy are to maintain a culture of ownership and trust, ensuring that our leaders are good role models for other and demonstrate behaviours and actions that match our values and adhere to them throughout our business.

The Board is satisfied that CDI's current practices are in line with the Diversity and Inclusion Policy.

We are also looking to review and refresh our training around diversity issues in the workplace. As measurable metrics for furthering diversity and inclusion are established, performance against these agreed metrics will be referenced in subsequent annual reports.

Based on the above, the Board's assessment is that CDI has complied with its Diversity and Inclusion Policy for 2024.

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 the Audit Committee.

CDI does not currently have a Remuneration Committee because the Board as a whole deals with remuneration matters, including conducting periodic reviews of its fees and the remuneration of the Managing Director and senior management.

CDI does not currently have a Nominations Committee because nominations and appointments are generally considered by the Board as a whole. The process for appointing directors is set out under Principle 2.

The Board also forms other subcommittees as and when required to address specific issues that arise.

AUDIT COMMITTEE

The Audit Committee is comprised with a majority of Independent Directors and has an Independent Director (who is not the Board Chair) as Chair. The current members of the Audit Committee are: John Henderson (Chair to December 2024), Janie Elrick (Chair from December 2024), Desleigh Jameson and Eik Sheng Kwek.

The Audit Committee operates under a written charter. The Audit Committee Charter is available on the Company's website.



Boundary Line, Roscommon Road, Auckland

The table below reports attendance of the Audit Committee members during 2024:

DIRECTOR	MEETINGS ATTENDED IN 2024
Janie Elrick (Chair from December 2024)	1/1
John Henderson (Chair until December 2024)	3/3
Desleigh Jameson	3/3
Kwek Eik Sheng	2/2
Jason Adams (until March 2024)	Nil

From 1 January 2024 until when Mr Adams (CDI's Managing Director) resigned as a director (and ceased to be an Audit Committee member), CDI did not comply with Recommendation 3.1 of the NZX Code. That recommendation states that the Audit Committee should comprise solely of non-executive directors. CDI did not follow this recommendation because it believed that it was preferable to have an executive director on the Audit Committee as this provides a direct insight into Management's perspective rather than a director who is associated with the majority shareholder or the Chair of the Board (being the only options available to CDI given the size and composition of the Board at the time). Given this, no alternative governance practice was adopted in lieu of the recommendation during that period.

In March 2024, Mr. Adams retired from the Board and became Chief Executive Officer at which time Mr. Kwek was appointed to the Audit Committee. CDI therefore complied with Recommendation 3.1 of the NZX Code from that point.

Employees, including the Chief Executive Officer after he ceased to be a member of the Audit Committee in March 2024, attend meetings of the Audit Committee at the invitation of the Committee only.

TAKEOVER PROTOCOLS

In February 2024 as part of the Corporate Governance Review, the Board adopted written protocols that set out the procedure to be followed if there is a takeover offer for the Company (the **Takeover Protocols**). From 1 January 2024 until the Takeovers Protocols were adopted in February 2024, CDI did not have established takeover protocols and therefore did not comply with recommendation 3.6 of the NZX Code. CDI did not follow this recommendation because the Board had previously considered receipt of a takeover offer to be an unlikely event given Millennium & Copthorne Hotels New Zealand Limited's long-term majority shareholding in the Company and that if Millennium & Copthorne Hotels New Zealand Limited was to approach the Company in relation to a control transaction it should have sufficient time in which to organise its response. Given this, no alternative governance practice was therefore adopted in lieu of the recommendation during that period.

CORPORATE GOVERNANCE STATEMENT – CONTINUED

PRINCIPLE 4 REPORTING AND DISCLOSURE

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

CONTINUOUS DISCLOSURE POLICY

As an NZX-listed entity, CDI recognises the need to ensure that it is fully compliant with its reporting and disclosure obligations 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 Chair, the Chair 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;
- 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 CDP was updated as part of the Corporate Governance Review and is available in the Corporate Governance Policies section (under Corporate Profile) of the Company's website.

KEY GOVERNANCE DOCUMENTS ON WEBSITE

As mentioned at the start of this Corporate Governance Statement, the Company's key governance documents are available on the Company's website.

PRINCIPLE 5 REMUNERATION

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

DIRECTOR REMUNERATION

The total pool for directors' fees was increased by shareholder resolution at the 2024 annual meeting of shareholders. The fee pool is now capped at \$300,000.

After review by the Board, non-executive directors are now each entitled to receive a base fee of NZ\$35,000 per annum. The Board Chair receives a total fee of \$49,000 and the Chair of the Audit Committee receives a further NZ\$7,000 per annum in addition to the base fee. No retirement benefits are paid to Directors. Reasonable travel and other costs associated with company business are reimbursable or met by CDI.

Details of the actual director remuneration for the 2024 financial year is set out in the Statutory Information section of our 2024 Annual Report.

The Board adopted a director remuneration policy in March 2024 as part of the Corporate Governance Review. The director remuneration policy is available on the Company's website. From 1 January 2024 until the remuneration policy was adopted in March 2024, CDI did not comply with the requirement under recommendation 5.1 of the NZX Code to have a written director remuneration policy. CDI did not follow this recommendation because this had been dealt with on an informal basis given the length of time since the fee pool had been increased. Given this, no alternative governance practice was adopted in lieu of the recommendation during this period.

EMPLOYEE REMUNERATION

Employee remuneration (including that of the Chief Executive Officer and senior management) is made up of two primary components being a fixed component and a short term incentive. The fixed component comprises a base salary and other benefits such as Kiwisaver, a contribution to health insurance and, in some cases, use of a company vehicle. The fixed component 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 based solely on company performance. These include meeting budget or revenue targets. 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.

All employees participate in performance and development reviews, with end-of-year review outcomes informing decisions regarding remuneration adjustments in accordance with company policy.

The Board adopted an executive remuneration policy in March 2024 as part of the Corporate Governance Review. The executive remuneration policy is available on the Company's website. From 1 January 2024 until the remuneration policy was adopted in March 2024, CDI did not comply with the requirement under recommendation 5.2 of the NZX Code to have a written executive remuneration policy. CDI did not follow this recommendation because executive remuneration had been dealt with on a case-by-case basis with the relevant executive. Given this, no alternative governance practice was adopted in lieu of the recommendation during that period.

CHIEF EXECUTIVE'S REMUNERATION

	FY2023	FY2024
Base Salary (a)	\$400,822	\$405,862
Benefits (b)	\$15,622	\$15,470
Short Term Incentives (c)	Nil	\$150,000
Total	\$416,444	\$571,332

a) The figure is the actual amount paid inclusive of holiday pay.
The agreed base salary under the employment agreement is \$400,000.

b) Benefits include company vehicle and medical insurance.

c) Includes short term incentive for FY2022 and FY2023.

The Chief Executive Officer is entitled to receive up to 30% of his base salary under the short-term incentive arrangements in respect of a financial year. Payment is based on achieving certain key performance indicators. The key performance indicators are based on company financial and overall business performance. These include meeting budget or certain revenue targets.

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.

While risks are a part of doing business, they do need to be monitored and addressed. 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 managed and mitigated in accordance with CDI's risk management framework.

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, manage, 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.

Descriptions of the material risks facing CDI's business are set within this Annual Report.

CDI has a detailed health and safety risk and reporting framework which comprises policies which detail such matters as hazard identification and mitigation, accident reporting procedures and general safety measures in the workplace. The policies comprising the framework are reviewed regularly and training on the policies and health & safety issues is provided to employees. CDI has a Health & Safety Committee at its head office and it meets regularly. In addition, each of CDI's development sites has a site specific Health & Safety Management Plan, which is prepared by external consultants/ contractors prior to the award of the Contract Works. Prior to the commencement of construction at CDI development sites all site attendees must complete a site specific induction workshop, where all hazards and risks are identified, and reporting and emergency processes are outlined. Weekly records of hazard identification, site incidents/ accidents are kept onsite and recorded in the weekly meeting minutes by the Site Engineer. Site meeting minutes are provided to the senior management team and the Board is updated as incidents/ accidents occur and at quarterly Board Meetings. The information is used to monitor any significant trends and variations, to identify any particular areas where there is higher risk and to allocate training and other resources to those areas where new or higher risks are present. CDI considers that it manages health and safety risks to an acceptable standard and in compliance with its legal obligations.

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 including directors and officers liability policies and public liability policies with reputable global insurers.

CORPORATE GOVERNANCE STATEMENT – CONTINUED



Lucas Terrace, Nelson

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 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 Chief Executive Officer, Vice President Finance, Group Accounting Manager, or any member of the Company's Management who acts in a financial oversight role; and
- 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 (or equivalent processes) 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 2023. The current audit partner is Geoff Lewis.

The Audit Committee monitors local and overseas practice on auditor 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.

INTERNAL AUDIT

CDI does not currently have an internal audit function but does maintain a detailed set of processes and procedures covering its operations and financial controls which are reviewed and updated regularly.

PRINCIPLE 8 SHAREHOLDER RIGHTS AND 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 (either in person or online) 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 available on CDI's website www.cdlinvestments.co.nz.

Shareholders have the option to receive communications from the issuer electronically.

SUSTAINABILITY GOVERNANCE AND STRATEGY

OVERVIEW

CDL Investments New Zealand Limited (CDI) has developed sections across New Zealand for nearly three decades with a residential profile that spans Auckland, Hamilton, Tauranga, Taupo, Havelock North, Hastings, Nelson, Canterbury and Queenstown. Our recent commercial developments are located in the Canterbury and Auckland regions.

CDI prides itself in long-standing relationships across our supply chain and we strive to be a reliable and trustworthy developer. We are committed to forming the foundations for sustainable communities through responsible development and do this by applying a long-term view for each of our developments to build for generations to come.

We are also aware of the environmental impact that our work may have on both a short and long-term basis and have taken necessary steps to both assess and measure our impact, and start planning for adaptation to maintain a sustainable value chain through our operations.

GOVERNANCE

CDI's Board oversees Sustainability, which includes environmental, social and governance, which is commonly referred to as ESG. Their scope also includes climate related risk and opportunities, climate-related financial impacts, and transition planning for climate change adaptation. The Board is responsible for setting sustainability targets and ensuring progress against climate-related goals.

CDL Land New Zealand Limited (CDL), the 100% wholly owned operational subsidiary of CDI, has recently on-boarded a Sustainability Advisor (Ms Sian Camp) to support with preparing, monitoring, assessing and reducing the potential impact that CDL's activity may have on the climate and wider environment. As a team, CDL's Sustainability Advisor, Development Managers, General Manager, and CEO will:

- Monitor and assess climate and environmental impact
- Report on impacts and progress against sustainability targets
- Manage and implement the sustainability strategy and associated goals and targets



Arataki Road, Havelock North

STRATEGY

In 2024, CDI adopted the United Nations Sustainable Development Goals (UN SDGs) as a reference for developing our Sustainability Strategy. We have outlined key SDGs that are currently relevant to our business and how our work aligns below:









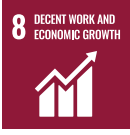



UN SDG	CDI focus/impact area	UN SDG	CDI focus/impact area
 4: Quality education <ul style="list-style-type: none"> Talent attraction, development and retention 		 11: Sustainable cities and communities <ul style="list-style-type: none"> Responsible investment Local community impact 	
 5: Gender equality <ul style="list-style-type: none"> Equal opportunity employer Promotion of diversity Talent attraction, development and retention 		 12: Responsible consumption and production <ul style="list-style-type: none"> Responsible supply chain and sourcing Water management and efficiency Supplier engagement 	
 6: Clean water and sanitation <ul style="list-style-type: none"> Water management and efficiency Erosion and sediment control 		 13: Climate action <ul style="list-style-type: none"> Emissions reduction Water management and efficiency Renewable energy 	
 7: Affordable and clean energy <ul style="list-style-type: none"> Climate change Energy efficiency Renewable energy 		 14: Life below water <ul style="list-style-type: none"> Water management and efficiency Erosion and sediment control 	
 8: Decent work and economic growth <ul style="list-style-type: none"> Economic contribution to society Workplace safety 		 15: Life on land <ul style="list-style-type: none"> Responsible supply chain and sourcing 	
 9: Industry, innovation and infrastructure <ul style="list-style-type: none"> Climate change Responsible investment Design and innovation 		 15: Peace, justice and strong institutions <ul style="list-style-type: none"> Business ethics and anti-corruption Cyber security and data governance 	

Table 1: United Nations Sustainable Development Goals

Heading into 2025, CDI has identified the following material topics to focus on:

- Streamlining inventory collection, improvements in capturing sources and analysis of yearly trends
- Supplier and contractor engagement to help facilitate inventory improvements
- Emissions reduction
- Inclusion of climate-related risks and opportunities in decision making

We have been measuring our emissions footprint since 2023, where we joined the Toitū Envirocare Carbon Reduce programme and have completed the requirements to become a Toitū Carbon Reduce certified organisation for both 2023 and 2024.

Over this time, CDI has been improving our methodology to include capturing wider emission sources and improving our accuracy of data collection. CDI has a relatively small direct emissions footprint which is reflected in the size of the organisation. With two years of data, we are still early in the process but are progressing interim targets to quantify progress against our 2023 baseline going forward. Capturing our scope 3 emissions is one of the goals for 2025 and these are expected to increase the size of our emissions footprint.

For 2025, CDI will be focussing on capturing more of our emissions coming from our supply chain, and will do this through supplier (i.e. external consultant and contractor) engagement. Once we have a clearer understanding of our scope 3 profile, we will be able to set reasonable and achievable GHG emissions targets that address our organisations wider impact.

SUSTAINABILITY GOVERNANCE AND STRATEGY

MEASURING EMISSIONS

CDI began measuring our climate change emissions in 2023 and this has formed our base-year or baseline. Table 2 shows progress made against this baseline for 2024.¹ We have had an overall reduction in emissions, however, it should be noted that some of these reductions are a result of changing our organisation boundary approach from an “equity share” to “operational control” approach to better reflect our business activity.

For the reporting period 1 January 2024 to 31 December 2024 our greenhouse gas emission inventory was prepared in accordance with the GHG Protocol Corporate Accounting and Reporting Standard and ISO 14064-1:2018 standard.

CDI's FY24 GHG inventory (scope 1 and 2 emissions) will be subject to independent limited assurance. The limited assurance conclusion once finalised will be included in the FY24 Climate Statement, in accordance with the Aotearoa New Zealand Climate Standards. The Climate Statement will expand on GHG inventory development and rationale and include Climate Related disclosures for FY2024 (see section Climate Related Financial Disclosures).

Our FY24 Climate Statement can be found on the CDL website at https://cdlinvestments.co.nz/corporate_profile/

GHG Subcategory	ISO Category	Description	FY23 tCO ₂ e	FY24 tCO ₂ e
Scope 1: Direct emissions			10.80 tCO₂e	
	1	Mobile combustion (including company owned or leased vehicles)	12.19	10.80
	1	Fugitive emissions (from use of refrigerants in air-conditioning)	2.00	0
Scope 2: Indirect emissions from purchased electricity			1.65 tCO₂e	
	2	Imported electricity consumption (location-based)	1.41	1.60
	2	Imported electricity for EVs (location-based)	0	0.05
Scope 3: Indirect emissions from value chain			30.94 tCO₂e	
C1	4	Purchased goods and services - potable water supply (only)	0.06	<0.0
C3	4	Fuel and energy-related activities - transmission and distribution (T&D) losses from purchased electricity and offsite EV charging	0.12	0.12
C5	4	Waste generated in operations - disposal of solid waste - landfilled	0.67	1.72
C5	4	Waste generated in operations - solid waste not landfilled recycling and composting	0.11	0.29
C6	3	Business travel - transport (non-company owned vehicles) - air travel, rental vehicles and taxi	32.62	28.81
Total			49.19	43.40

Table 2: FY2024 Emissions Summary



Toitū Carbon Reduce certified organisation: CDL Investments New Zealand Limited. Toitū Carbon Reduce certified means measuring emissions to ISO 14064-1:2018 and Toitū requirements; and managing and reducing against Toitū requirements.

Reference

¹ Note numbers are subject to change following limited assurance engagement.

CLIMATE RELATED FINANCIAL DISCLOSURES

CDI is a climate reporting entity (CRE) under the Financial Sector (Climate-related Disclosures and Other Matters) Amendment Act 2021. CDI reported under the Aotearoa New Zealand Climate Standards, for the first time in our FY23 Annual Report.

For FY24 and beyond, CDI will publish mandatory climate-related disclosures separately to its Annual Report (using an FMA exemption available for this financial year). This will be in the form of a **Climate Statement** outlining business practices across governance, strategy, risk management, targets and metrics. This statement will contain the FY2024 greenhouse gas inventory, climate-related risks and opportunities, current climate-related financial impacts and other requirements.

Our FY24 Climate Statement can be found on the CDL website at https://cdlinvestments.co.nz/corporate_profile/



Iona Terraces, Havelock North

OUTLINE OF MATERIAL RISKS

MARKETS AND COMPETITION

Although it is well spread geographically within New Zealand, CDI competes in a narrow sector of the economy namely the property market for residential sections. It is a competitive market with several different participants in each geographic market and a failure to meet the market or remain competitive could affect CDI's operational and financial position as it loses sales and market share to its competitors, thus affecting its revenues and potentially its ability to make necessary investments in its business for the future.

In order to mitigate market risks, we constantly monitor market trends and pricing and develop strategies to respond to changing market conditions. We regularly speak with our land agents to ensure that our service delivery and sections remain attractive and competitive in the marketplace and we make changes where necessary. We mitigate our exposure to the various markets we trade in by adjusting our sales strategies and our marketing to maximize demand and therefore sales from developments where demand is highest. We will also adjust the timing of our developments to meet/anticipate demand.

CLIMATE CHANGE

Climate impact is expected to affect the property sectors in a variety of ways. It is imperative to review our operations and developments to see what how they will be impacts and whether we can make climate-positive improvements. Our locations are likely to be affected by climate change in some way. Severe weather incidents have the potential to affect our operations with impacts to the land and development works themselves as well as access to and from our developments.

CDI has been very conscious about its environmental impact resulting from its property development activities. While it outsources the vast majority of the activity which generates the most emissions to other contractors, with the mandatory climate-related financial disclosures regime now in place it is looking to see what additional measures it can take to improve its operations even further. Having set 2023 as its baseline year for reporting purposes and having appointed Toitū Envirocare to assist with the analysis of emissions and other carbon data, CDI is looking to set targets for carbon reduction using a science-based target in the near future.

We set 2023 as our baseline year for reporting purposes and appointed Toitū Envirocare to assist with the analysis of emissions and other carbon data. In early 2025 we appointed a dedicated Sustainability Consultant. Having achieved Toitū Carbon Reduce certification for FY2023 which we have retained for FY2024, we are now looking to set targets for emissions reduction using a science-based target in 2025. CDI will also look for opportunities to include more environmentally friendly technologies across its developments.

We completed and filed our first Climate Statement in 2024 and this can be found at https://cdlinvestments.co.nz/corporate_profile/. Our 2024 Climate Statement will be published and submitted in April 2025. Later in 2025, additional work will include analysis of our supply chain and work to report Scope 3 emissions.

REPUTATIONAL

Over the last thirty years, CDI has worked hard to develop a reputation as a trustworthy and competent developer which delivers results to its customers in a timely and cost effective way. As a small company compared to its competitors, it is very conscious that a loss of reputational risk will harm its business.

We engage in dialogue with our stakeholders and customers in an open and transparent way. We monitor customer feedback by checking traditional and social media platforms, responding to and managing any complaints which may be received whether directly or through our agents.

We aim to avoid any situations that could result in a negative impact on our reputation and brand.

LIQUIDITY/SOLVENCY

Financial risks could affect CDI arise in many ways, both due to external and internal causes. For example, they could arise from a lower level sales of its sections and due to external events over which CDI has little or no control over. CDI's ability to trade depends on its ability to manage its financial situation optimally to ensure that it has sufficient liquidity and solvency to maintain its business.

CDI manages its financial and solvency risks by continuously monitoring its financial performance and cashflow and ensures that it maintains sufficient financial resources to carry out its operations and any projects that are undertaken.

CDI also takes a conservative approach to its capital management and taxation planning.



Wairake Road, Harewood, Canterbury

WORKFORCE

As a small business which requires highly skilled personnel, CDI faces significant risk if it is unable to employ sufficiently qualified people to maintain its operations. An inability to retain talented staff would result in a loss of historic/collective knowledge.

While CDI has historically sought to outsource key functions of its business, with the current level of development it has chosen to increase its in-house capabilities and recruited several new development managers to oversee and manage key projects. Finding suitably qualified and experienced people remains challenging and CDI is constantly looking at how it can attract and retain suitably qualified and experienced personnel across its operations.

Remuneration is benchmarked and reviewed to ensure that it is competitive.

HEALTH AND SAFETY

Ensuring the health and safety of our employees and customers is essential for our business to succeed. The nature of our business means that there are numerous risks across our business which might result in harm to an employee or guest.

We have a comprehensive set of health and safety policies and risk registers in place that identify and categorise risks in the workplace.

We also monitor health and safety incidents and results at each development alongside our contractors. We also have an employee assistance programme through EAP Services Limited to help with employee's mental health and counselling where required.

BUSINESS DISRUPTION

A local or global event which affects the movement of people (both employees and guests) has the potential to be highly disruptive to our business. The impact of such an event, sustained or not, could impact on our operations, revenue and cashflow and our reputation.

CDI has a range of policies across its business which would be used to respond to an emergency situation or natural disaster. Training of staff to respond to incidents is also conducted periodically.

CDI also has insurance cover for its buildings and for loss of (rental) income.

PROJECT MANAGEMENT

Risks arise in some of the following ways: schedule delay, cost overrun, building defects contractor's performance, as well as contract disputes, that could impact our operations and sales.

CDI manages this risk by ensuring that there is sufficient oversight and review of all projects. This can take the form of oversight by its Project Managers or engaging external assistance where necessary. Together with external consultants such as engineers and quantity surveyors, CDI imposes an assessment and monitoring process to identify and manage the key risks for each project. Stringent evaluation and tendering procedures apply to all projects to ensure that the best-qualified vendors are appointed. Regular site visits are also conducted to closely monitor the progress of projects and manage potential risks of delays, defects and cost overruns.

TECHNOLOGY

Technology is a critical element to ensuring that CDI is able to operate its business effectively. The risks to CDI include compromise of those business-critical systems, cybersecurity incidents, maintaining data it holds securely, ensuring that its systems remain fit for purposes and adapt to business and customer needs.

To mitigate these and other risks, CDI (through its majority shareholder MCK) invests in its hardware and software platforms across its network. CDI uses the resources of MCK's dedicated Information Technology team which also supports CDI's networks and operations and deals with cybersecurity threats.

Disaster recovery planning and penetration testing is done to ensure the security and resilience of our network and systems. External experts and partners are engaged as required to improve our system resiliency.

LEGAL, REGULATORY AND COMPLIANCE

CDI is subject to political and policy risks, such as new or amended public policies, statutory and regulatory requirements. CDI is exposed to legal and reputational damage resulting from breach of law or civil actions.

MCK manages these risks by monitoring changes to laws and regulations and engaging with Government or regulatory bodies on such changes. It frequently lodges submissions on new legislation and regulations and will meet with government and local authority officials as part of the consultation process.

CDI manages legal risk by monitoring and reporting significant litigation and disputes to the Board and seeking advice from our external lawyers. Insurers will be involved where necessary.



CDL INVESTMENTS
NEW ZEALAND LIMITED

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2024

IN THOUSANDS OF DOLLARS	NOTE	GROUP	
		2024	2023
Property sales		46,049	28,063
Rental income		3,010	2,716
REVENUE		49,059	30,779
Cost of sales		(19,274)	(10,926)
GROSS PROFIT		29,785	19,853
Other income		28	397
Administrative expenses	3, 4	(1,070)	(1,433)
Property expenses		(712)	(527)
Selling expenses		(1,291)	(720)
Other expenses	3, 4	(2,351)	(2,373)
RESULTS FROM OPERATING ACTIVITIES		24,389	15,197
Finance income	5	2,381	3,514
Finance costs	5	(9)	(12)
NET FINANCE INCOME		2,372	3,502
PROFIT BEFORE INCOME TAX		26,761	18,699
Income tax expense	6	(11,380)	(5,236)
PROFIT FOR THE PERIOD		15,381	13,463
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		15,381	13,463
Profit attributable to:			
Equity holders		15,381	13,463
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO: EQUITY HOLDERS		15,381	13,463
Basic and diluted earnings per share (cents per share)	13	5.28	4.64

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 2024

IN THOUSANDS OF DOLLARS	NOTE	GROUP		
		SHARE CAPITAL	RETAINED EARNINGS	TOTAL EQUITY
Balance at 1 January 2023		65,829	243,052	308,881
Total comprehensive income for the period				
Profit for the period		-	13,463	13,463
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		-	13,463	13,463
Transactions with owners of the Company				
Shares issued under dividend reinvestment plan	13	1,489	-	1,489
Dividend to shareholders	13	-	(10,108)	(10,108)
Supplementary dividend	13	-	(211)	(211)
Foreign investment tax credits	13	-	211	211
BALANCE AT 31 DECEMBER 2023		67,318	246,407	313,725
Balance at 1 January 2024		67,318	246,407	313,725
Total comprehensive income for the period				
Profit for the period		-	15,381	15,381
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		-	15,381	15,381
Transactions with owners of the Company				
Shares issued under dividend reinvestment plan	13	723	-	723
Dividend to shareholders	13	-	(10,177)	(10,177)
Supplementary dividend	13	-	(221)	(221)
Foreign investment tax credits	13	-	221	221
BALANCE AT 31 DECEMBER 2024		68,041	251,611	319,652

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 2024

		GROUP	
IN THOUSANDS OF DOLLARS	NOTE	2024	2023
SHAREHOLDERS' EQUITY			
Issued capital	13	68,041	67,318
Retained earnings		251,611	246,407
TOTAL EQUITY		319,652	313,725
Represented by:			
NON CURRENT ASSETS			
Property, plant and equipment		70	114
Development property	8	222,077	203,034
Investment property	9	36,301	35,834
Investment in associate		2	2
TOTAL NON CURRENT ASSETS		258,450	238,984
CURRENT ASSETS			
Cash and cash equivalents	12	32,803	2,159
Short term deposits		484	50,000
Trade and other receivables	11	7,517	6,578
Development property	8	29,368	21,507
TOTAL CURRENT ASSETS		70,172	80,244
TOTAL ASSETS		328,622	319,228
NON CURRENT LIABILITIES			
Deferred tax liabilities	10	4,354	284
Lease liability		23	57
TOTAL NON CURRENT LIABILITIES		4,377	341
CURRENT LIABILITIES			
Trade and other payables		2,154	3,820
Employee entitlements		151	138
Income tax payable		2,254	1,165
Lease liability		34	39
TOTAL CURRENT LIABILITIES		4,593	5,162
TOTAL LIABILITIES		8,970	5,503
NET ASSETS		319,652	313,725

For and on behalf of the Board



D JAMESON, DIRECTOR
24 February 2025



J ELRICK, DIRECTOR
24 February 2025

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

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2024

IN THOUSANDS OF DOLLARS	NOTE	GROUP	
		2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash was provided from:			
Receipts from customers		48,007	29,469
Interest received		2,850	3,509
Cash was applied to:			
Payment to suppliers		(27,317)	(14,088)
Payment to employees		(1,286)	(1,280)
Deposits paid on unconditional contracts for development land	19	(663)	(662)
Purchase of development land		(23,720)	(20,407)
Income tax paid		(6,000)	(6,850)
NET CASH OUTFLOW FROM OPERATING ACTIVITIES		(8,129)	(10,309)
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash was provided from:			
Short term deposits		50,000	40,075
Cash was applied to:			
Development of investment property		(1,017)	(386)
Purchase of plant and equipment		(2)	(14)
Short term deposits		(484)	(50,000)
NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES		48,497	(10,325)
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash was applied to:			
Dividend paid		(9,454)	(8,619)
Principal repayment of lease liability		(49)	(44)
Supplementary dividend paid		(221)	(211)
NET CASH OUTFLOW FROM FINANCING ACTIVITIES		(9,724)	(8,874)
Net increase/(decrease) in cash and cash equivalents		30,644	(29,508)
Add opening cash and cash equivalents		2,159	31,667
CLOSING CASH AND CASH EQUIVALENTS	12	32,803	2,159

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 2024

IN THOUSANDS OF DOLLARS	NOTE	GROUP	
		2024	2023
RECONCILIATION OF PROFIT FOR THE PERIOD TO CASH FLOWS FROM OPERATING ACTIVITIES			
Net Profit after Taxation		15,381	13,463
Adjusted for non cash items:			
Depreciation of investment property		550	933
Depreciation of plant and equipment		8	7
Depreciation of right-of-use assets		39	34
Income tax expense	6	11,380	5,236
Interest expense		9	12
Adjustments for movements in working capital:			
Increase in receivables		(939)	(4,251)
Increase in development property		(26,904)	(21,393)
Increase/(decrease) in payables		(1,653)	2,500
CASH CONSUMED FROM OPERATING ACTIVITIES		(2,129)	(3,459)
Income tax paid		(6,000)	(6,850)
CASH OUTFLOW FROM OPERATING ACTIVITIES		(8,129)	(10,309)

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 2024

MATERIAL 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 2024 comprises the Company and its subsidiary (together referred to as the "Group"). The registered office is located at Level 7, 23 Customs Street East, Auckland, New Zealand.

The principal activities of the Group are the development and sale of residential land properties and rental income from the ownership of development properties and investment properties comprising commercial warehousing and retail shops.

(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 24 February 2025.

(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, unless otherwise indicated.

The financial statements have been prepared on the historical cost basis and on a going concern 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.

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) TRADE AND OTHER PAYABLES

Trade and other payables are stated at amortised cost.

(E) 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:

• Buildings	50 years
• Building surfaces and finishes	30 years
• Building services	20 - 30 years
• Plant and equipment	3 - 10 years

No residual values are ascribed to building surfaces and finishes. Residual values ascribed to building core depend on the nature, location and tenure of each property. Depreciable values of 10% are ascribed to building core.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

For the year ended 31 December 2024

MATERIAL ACCOUNTING POLICIES - CONTINUED

(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.

Rental income from investment properties under operating leases is recognised on a straight-line basis over the term of the lease to the extent that future rental increases are known with certainty. Lease incentives granted are recognised as an integral part of the total rental income.

The Group grants settlement terms of up to 12 months on certain sections as part of the agreement for sale and purchase for unconditional sales. In some instances, the acquirers are permitted access to the residential sections for building activities prior to settlement. However, the acquirer does not obtain substantially all of the remaining benefits of the asset until final settlement of the land and the title has passed.

(G) NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

A number of amendments to standards are effective for annual periods beginning after 1 January 2025 and earlier application is permitted. The Group has not early adopted the amended standards in preparing the consolidated financial statements. The Group will be adopting the amended standards from 1 January 2025.

The Group is in the process of finalising the evaluation of impact from the following new and amended standards, including changes in the Presentation and Disclosure in Financial Statements in line with NZ IFRS 18. The Group does not expect material financial impact from these new and amended standards but note this may change the presentation and disclosures of the consolidated financial statements.

1. *Amendments to NZ IAS21 Lack of Exchangeability.*
2. *Amendments to NZ IFRS 9 and NZ IFRS 7 Classification and Measurement of Financial Instruments.*
3. *Annual Improvements to NZ IFRS Accounting Standards - Volume 11.*
4. *NZ IFRS 18 Presentation and Disclosure in Financial Statements.*
5. *IAFRS 19 Subsidiaries without Public Accountability: Disclosures.*
6. *Amendments to NZ IFRS 10 and NZ IAS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture.*

(H) NEW CURRENTLY EFFECTIVE STANDARDS

The Group adopted all amended standards that became effective during the reporting period, specifically FRS- 44 New Zealand Additional Disclosures of Fees for Audit Firms' Services. However, these new standards did not have any impact on the financial position, performance and cash flows of the Group.

The Group has adopted the International Tax Reform - Pillar Two Model Rules - Amendments to NZ IAS 12 approved by the New Zealand External Reporting Board from the issuance date of 10 August 2023. The amendments provide a temporary mandatory exception from deferred tax accounting and require new disclosures in the annual financial statements in relation to the implementation of the Pillar Two Model Rules published by the Organisation for Economic Co-operation and Development. The Group has applied the exception with immediate effect. The mandatory exception applies retrospectively. The group has a presence in jurisdictions that have enacted or substantively enacted legislation in relation to the Pillar Two model rules. The ultimate parent of the group also being captured under the said rule in their country of operation. Refer to income tax note 6 for detail discussion.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

For the year ended 31 December 2024

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.

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.

IN THOUSANDS OF DOLLARS	RESIDENTIAL LAND DEVELOPMENT		INVESTMENT PROPERTY		GROUP	
	2024	2023	2024	2023	2024	2023
External revenue	46,313	28,285	2,746	2,494	49,059	30,779
Earnings before interest, depreciation, amortisation & tax	22,255	13,698	2,731	2,473	24,986	16,171
Finance income	2,381	3,514	-	-	2,381	3,514
Finance costs	(9)	(12)	-	-	(9)	(12)
Depreciation and amortisation	(8)	(7)	(550)	(933)	(558)	(940)
Depreciation of right-of-use assets	(39)	(34)	-	-	(39)	(34)
Profit before income tax	24,580	17,159	2,181	1,540	26,761	18,699
Income tax expense	(6,852)	(4,805)	(4,528)	(431)	(11,380)	(5,236)
PROFIT AFTER INCOME TAX	17,728	12,354	(2,347)	1,109	15,381	13,463
Cash & cash equivalents and short term bank deposits	33,287	52,159	-	-	33,287	52,159
Investment in associates	2	2	-	-	2	2
Other segment assets	259,032	229,456	36,301	35,834	295,333	265,290
TOTAL ASSETS	292,321	281,617	36,301	35,834	328,622	317,451
Segment liabilities	(2,362)	(2,277)	-	-	(2,362)	(2,277)
Tax liabilities	(2,229)	(1,449)	(4,379)	-	(6,608)	(1,449)
TOTAL LIABILITIES	(4,591)	(3,726)	(4,379)	-	(8,970)	(3,726)
Plant and equipment expenditure	2	57	-	-	2	57
Investment property expenditure	-	-	1,017	386	1,017	386
Residential land development expenditure	22,458	10,135	-	-	22,458	10,135
Purchase of land for residential land development	23,720	20,407	-	-	23,720	20,407

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS – CONTINUED

For the year ended 31 December 2024

2. ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below:

- Determining the net realisable value of development property to identify any impairment.
- The impairment test for investment properties (refer to note 9 for key assumptions and estimates used).

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

The Group is exposed to a risk of impairment to development properties should the carrying value exceed the net realisable value due to market fluctuations in the value of development properties. However, there is no indication of impairment as the net realisable value determined by an independent registered valuer exceeds the carrying value of development properties (see Note 8).

The valuer adopts the Sales Comparison Approach to determine rates per hectare/per square metre for block land holdings in addition to recent section sales to derive the gross realisation values. The net realisable values are determined from gross realisation values after deducting appropriate selling costs.

For residential land under development or is due to commence development in the short term, the valuer adopts the Residual Subdivision Approach. This approach considers the gross realisation values of the sections less costs associated with development including GST, sales commissions, legal fees, civil and development costs including Council contributions, professional fees, and contingency allowances. In addition, holding costs are deducted for the estimated timing of development and sell down periods.

In both valuation approaches, the valuer makes assumptions relating to section prices, sell down periods, consumer confidence, unemployment rates, interest rates, and external economic factors. These assumptions are sensitive to economic factors such as net migration, Official Cash Rate set by the Reserve Bank, inflation, residential market activity, and business confidence.

The Group is also exposed to a risk of impairment to investment properties should the carrying value exceed the recoverable amount due to market fluctuations in the value of investment properties. However, there is no indication of impairment as the recoverable amount determined by an independent registered valuer exceeds the carrying value of investment properties (see Note 9). In determining the recoverable amount, the valuer adopted primarily the income capitalisation approach with discounted cash flow and depreciated replacement cost approaches used to corroborate. The income capitalisation approach assessed market rent for each asset is capitalised in perpetuity from the valuation date at an appropriate capitalisation rate. The adopted capitalisation rate reflects the nature, location, and tenancy profile of the property together with current market investment criteria as evidenced by recent sales. The recoverable amount is sensitive to movements in the adopted capitalisation rate and the market rent.

CLIMATE-RELATED DISCLOSURE

The Group continues to assess the impact of climate change on its business and its tangible assets. Climate change poses significant risks and challenges for the land development industry (residential and commercial), as it affects the physical, operational, and financial aspects of land development. Extreme weather events, such as floods, storms, heatwaves, and droughts, can damage existing infrastructure, disrupt the supply chain, reduce the ability to conduct and complete works, and increase the insurance and development and acquisition costs. While property developers and landowners are increasingly cognisant of the climate-related impacts on their properties, the investment community have yet to price in the climate-related impacts on asset values. This means that the current market value of residential and commercial land may not reflect the potential losses or gains associated with their exposure to climate risks or their adoption of sustainability measures, decarbonisation initiatives, and sound environmental stewardship. While valuers have made no explicit adjustments to the recoverable amount of the selected properties in respect of climate change matters, it is anticipated that climate change may have a greater influence on valuations in the future as investment markets place a greater emphasis on climate change and a property's environmental resilience and credentials. Known climate risks are reflected in the adopted capitalisation and discount rates.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

For the year ended 31 December 2024

3. ADMINISTRATIVE AND OTHER EXPENSES

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

		GROUP	
IN THOUSANDS OF DOLLARS	NOTE	2024	2023
Fees incurred for services received from audit firm			
• Audit fees current year		104	91
• Out of scope audit fees relating to prior year		6	-
• Tax compliance		4	4
• Greenhouse gas reporting assurance		26	-
• Strategy support advisory services		-	74
Depreciation		597	974
Directors' fees	16	126	130
Rental payments		90	90

4. PERSONNEL EXPENSES

IN THOUSANDS OF DOLLARS	GROUP	
	2024	2023
Wages and salaries	1,045	1,129
Employee related expenses and benefits	236	145
Increase in liability for long-service leave	5	6
	1,286	1,280

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	
	2024	2023
Finance income	2,381	3,514
Finance costs	(9)	(12)
NET FINANCE INCOME	2,372	3,502

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

For the year ended 31 December 2024

6. INCOME TAX EXPENSE

Recognised in the statement of comprehensive income

IN THOUSANDS OF DOLLARS	GROUP	
	2024	2023
Current tax expense		
Current year	7,336	5,105
Adjustments for prior years	(26)	-
	7,310	5,105
Deferred tax expense		
Origination and reversal of temporary differences	4,070	131
	4,070	131
TOTAL INCOME EXPENSE IN THE STATEMENT OF COMPREHENSIVE INCOME	11,380	5,236

Reconciliation of effective tax rate

IN THOUSANDS OF DOLLARS	GROUP	
	2024	2023
Profit before income tax	26,761	18,699
Income tax using the company tax rate of 28% (2023: 28%)	7,493	5,236
Removal of deductibility of tax depreciation for industrial and commercial buildings	3,913	-
Over provided in prior years	(26)	-
	11,380	5,236
EFFECTIVE TAX RATE (EXCLUDING OFF-ONE CHANGES ON TAX DEPRECIATION IMPACT)	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.

REMOVAL OF TAX DEPRECIATION ON COMMERCIAL AND INDUSTRIAL BUILDINGS

From the 2020/21 tax year, the Group has been depreciating its commercial and industrial buildings on a 2% diminishing value basis, following the reinstatement of tax depreciation for buildings with a useful life of 50 years or more as part of the government's COVID-19: Economic Response Package.

Effective from 1 April 2024, the tax depreciation rate reverted to 0%, impacting the tax value of buildings held from the 2024/25 tax year onwards. The Group recognises deferred tax on temporary differences at the tax rates expected to apply when these differences reverse, using the tax rates enacted or substantively enacted at the balance sheet date. The change in tax legislation effective from 1 April 2024 eliminates the tax base of commercial and industrial buildings, thereby creating a temporary difference that leads to a deferred tax liability. This liability is recognised unless the initial recognition exemption (IRE) under NZ IAS 12 applies, which precludes the recognition of deferred tax on initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction affects neither accounting nor taxable profit and is a non-cash item.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

For the year ended 31 December 2024

6. INCOME TAX EXPENSE - CONTINUED

DEFERRED TAX ON BUILDINGS

The impact of the removal of tax depreciation on commercial and industrial buildings, which reduced the tax base to nil creating a significant taxable temporary difference for all the Group's hotel assets and commercial buildings, classified as either Property, Plant and Equipment or investment properties, irrespective of their date of acquisition. The recognition of this temporary difference as a deferred tax liability depends on whether the buildings were acquired through business combination and whether the initial recognition exception (IRE) in NZ IAS 12 was previously applied.

The change in tax legislation effective from 1 April 2024 eliminates the tax base for these assets, thereby creating a temporary difference that leads to a deferred tax liability (DTL). As part of recognising the DTL, a one-off tax expense of \$3.9m has been recognised within the year ended 31 December 2024.

PILLAR 2

The ultimate parent of the Group operates in multiple jurisdictions, some of which have enacted or substantively enacted tax legislation to implement the Pillar Two Model Rules from a date commencing on or after 1 January 2024. As the Pillar Two Model Rules are not effective in New Zealand, for the current financial year, there is no current tax impact in the Group's financial statements for the year ended 31 December 2024. The Group has applied a temporary mandatory exception from deferred tax accounting in respect of the Pillar Two Model Rules and will account for any top-up tax liabilities arising from the application of the rules as a current tax when it is incurred. Under the Pillar Two Model Rules, the Group will be required to pay a top-up tax if the effective tax rate per jurisdiction (calculated using the prescribed approach) is below the 15% minimum rate.

The group continues to monitor and evaluate the domestic implementation of the Pillar Two rules in the jurisdictions in which it operates. The group's potential exposure to Pillar Two taxes, based on legislation that is enacted or substantively enacted, is not expected to be material.

7. IMPUTATION CREDITS

IN THOUSANDS OF DOLLARS	GROUP	
	2024	2023
IMPUTATION CREDITS AVAILABLE FOR USE IN SUBSEQUENT REPORTING PERIODS	98,506	96,243

8. DEVELOPMENT PROPERTY

IN THOUSANDS OF DOLLARS	GROUP	
	2024	2023
Expected to settle greater than one year	222,077	203,034
Expected to settle within one year	29,368	21,507
DEVELOPMENT PROPERTY	251,445	224,541

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 (2023: nil) has been capitalised during the year.

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.

The fair value of development property held at 31 December 2024 was determined by an independent registered valuer, DM Koomen SPINZ of Extensor Advisory Limited. The fair value is determined to estimate the net realisable value. The net realisable value as determined by the independent registered valuer, exceeds the carrying value of development property.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

For the year ended 31 December 2024

9. INVESTMENT PROPERTY

	GROUP			
IN THOUSANDS OF DOLLARS	FREEHOLD LAND	BUILDINGS	WORK IN PROGRESS	TOTAL
Cost				
Balance at 1 January 2023	659	36,331	-	36,990
Additions	-	-	386	386
Transfers between categories	-	386	(386)	-
Balance at 31 December 2023	659	36,717	-	37,376
Balance at 1 January 2024	659	36,717	-	37,376
Additions	-	-	1,017	1,017
Balance at 31 December 2024	659	36,717	1,017	38,393
Depreciation and impairment losses				
Balance at 1 January 2023	-	(609)	-	(609)
Depreciation charge for the year	-	(933)	-	(933)
Balance at 31 December 2023	-	(1,542)	-	(1,542)
Balance at 1 January 2024	-	(1,542)	-	(1,542)
Depreciation charge for the year	-	(550)	-	(550)
Balance at 31 December 2024	-	(2,092)	-	(2,092)
Carrying amounts				
Balance at 1 January 2023	659	35,722	-	36,381
BALANCE AT 31 DECEMBER 2023	659	35,175	-	35,834
Balance at 1 January 2024	659	35,175	-	35,834
BALANCE AT 31 DECEMBER 2024	659	34,625	1,017	36,301

Investment properties consist of commercial warehousing at Wiri in Auckland, retail shops at Prestons Park in Christchurch, and retail shops at Stonebrook in Rolleston which are fully operational. The fair value of investment properties held at 31 December 2024 was determined by an independent registered valuer, DM Koomen SPINZ of Extensor Advisory Limited as \$65.1 million (2023: \$62.7 million). The fair value measurement was categorised as Level 3 (highest of the fair value hierarchy) based on the inputs to the valuation methodology used i.e. primarily the income capitalisation approach with discounted cash flow and depreciated replacement cost approaches used to corroborate.

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. Depreciation on the investment properties is computed by asset classes using the policy disclosed in Note (e). 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.

IMPAIRMENT

Annual reviews of the carrying amounts of investment properties are undertaken for indicators of impairment. Where indicators of impairment were identified, the recoverable amounts were estimated based on internal or external valuations undertaken. The cash generating units (CGU) are individual properties. The recoverable amounts of the investment properties, being the higher of the fair value less costs to sell and value-in-use, were predominantly determined using the fair value less costs to sell basis and were estimated using primarily the income capitalisation approach with discounted cash flow and depreciated replacement cost approaches used to corroborate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

For the year ended 31 December 2024

9. INVESTMENT PROPERTY - IMPAIRMENT - CONTINUED

During the year, management identified two (2023: two) properties with a carrying value of \$14.5 million (2023: \$13.7 million) that had indicators of impairment. Average market capitalisation rates appropriate to the properties range from 6.25% to 7.25% (2023: 6.50% to 7.00%). Average market rent per square metre rates appropriate to the properties range from \$318 to \$396 (2023: \$341 to \$358). There is no impairment expense recognised in the period (2023: no impairment).

OPERATING LEASES

The Group leases out its investment property. The Group has classified these leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets.

Rental income recognised by the Group during 2024 was \$2.7 million (2023: \$2.5 million).

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date:

IN THOUSANDS OF DOLLARS	GROUP	
	2024	2023
Within 1 year	2,745	2,665
More than 1 year but within 2 years	2,793	2,675
More than 2 years but within 3 years	2,835	2,722
More than 3 years but within 4 years	2,784	2,760
More than 4 years but within 5 years	1,947	2,668
After 5 years	708	2,553
	13,812	16,043

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

For the year ended 31 December 2024

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	ASSETS		LIABILITIES		NET	
	2024	2023	2024	2023	2024	2023
Investment property	-	-	(4,379)	(345)	(4,379)	(345)
Development property	-	-	(81)	(81)	(81)	(81)
Employee benefits	106	142	-	-	106	142
NET TAX ASSETS/(LIABILITIES)	106	142	(4,460)	(426)	(4,354)	(284)

MOVEMENT IN DEFERRED TAX BALANCES DURING THE YEAR

IN THOUSANDS OF DOLLARS	GROUP	
	BALANCE AT 1 JAN 2023	RECOGNISED IN PROFIT OR LOSS
Investment property	(156)	(189)
Development property	(81)	-
Employee benefits	84	58
	(153)	(131)
		(284)

MOVEMENT IN DEFERRED TAX BALANCES DURING THE YEAR

IN THOUSANDS OF DOLLARS	GROUP	
	BALANCE AT 1 JAN 2024	RECOGNISED IN PROFIT OR LOSS
Investment property	(345)	(4,034)
Development property	(81)	-
Employee benefits	142	(36)
	(284)	(4,070)
		(4,354)

Refer note 6 for the deferred tax impact of the removal of tax depreciation on commercial and industrial build.

11. TRADE AND OTHER RECEIVABLES

IN THOUSANDS OF DOLLARS	GROUP	
	2024	2023
Trade receivables	672	325
Other receivables and prepayments	6,845	6,253
TRADE AND OTHER RECEIVABLES	7,517	6,578

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 2024

12. CASH AND CASH EQUIVALENTS

IN THOUSANDS OF DOLLARS	GROUP	
	2024	2023
Bank balances	32,803	2,084
Call deposits	-	75
CASH AND CASH EQUIVALENTS	32,803	2,159

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	COMPANY			
	2024 SHARES '000S	2024 \$000'S	2023 SHARES '000S	2023 \$000'S
Shares issued 1 January	290,785	67,318	288,808	65,829
Issued under dividend reinvestment plan	1,039	723	1,977	1,489
TOTAL SHARES ISSUED AND OUTSTANDING	291,824	68,041	290,785	67,318

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 2024, the authorised share capital consisted of 291,823,552 fully paid ordinary shares (2023: 290,784,833).

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 1,038,719 additional shares under the Dividend Reinvestment Plan on 16 May 2024 (2023: 1,977,136) at a strike price of \$0.6961 per share issued (2023: \$0.7530).

DIVIDENDS

The following dividends were declared and paid during the year 31 December 2024:

IN THOUSANDS OF DOLLAR	COMPANY	
	2024	2023
3.5 cents per qualifying ordinary share (2023: 3.5 cents)	10,177	10,108
	10,177	10,108

The following dividends were declared by the directors on 20 February 2025. 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 DOLLAR	COMPANY
	2024
3.5 cents ordinary dividend per qualifying ordinary share	10,214
3.5 CENTS TOTAL DIVIDEND PER QUALIFYING ORDINARY SHARE	10,214

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

For the year ended 31 December 2023

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 2024 was based on the profit attributable to ordinary shareholders of \$15,381,000 (2023: \$13,463,000); and weighted average number of ordinary shares outstanding during the year ended 31 December 2024 of 291,477,000 (2023: 290,126,000), calculated as follows:

PROFIT ATTRIBUTABLE TO ORDINARY SHAREHOLDERS (BASIC & DILUTED)

IN THOUSANDS OF DOLLARS	GROUP	
	2024	2023
Profit for the period	15,381	13,463
PROFIT ATTRIBUTABLE TO ORDINARY SHAREHOLDERS	15,381	13,463

WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES

	COMPANY	
	2024 SHARES '000S	2023 SHARES '000S
Issued ordinary shares at 1 January	290,785	288,808
Effect of 1,038,719 shares issued in May 2024	692	-
Effect of 1,977,136 shares issued in May 2023	-	1,318
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES AT 31 DECEMBER	291,477	290,126

EARNINGS PER SHARE (BASIC & DILUTED)

	GROUP	
	2024	2023
BASIC AND DILUTED EARNINGS PER SHARE (CENTS PER SHARE)	5.28	4.64

SUPPLEMENTARY DIVIDEND AND FOREIGN INVESTMENT TAX CREDIT

The Company pays a supplementary dividend to portfolio non-resident investors to offset non-resident withholding tax payable on imputed dividends from the Company. Under the foreign investor tax credit (FITC) rules, the Company receives a tax credit equal to the supplementary dividend paid. The supplementary dividend is based on the amount of imputation credit attached to the dividend.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

For the year ended 31 December 2024

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 non-derivative financial instruments are measured as described below.

On initial recognition, a financial asset is classified as subsequently measured at: Amortised cost; FVOCI- debt investment; FVOCI- equity investment; or FVTPL. Financial liabilities are classified as measured at amortised cost or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and not designated at FVTPL:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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	
		2024	2023
Financial Assets			
Cash and cash equivalents	12	32,803	2,159
Short term deposits		484	50,000
Trade and other receivables	11	7,517	6,578
Financial Liabilities			
Trade and other payables		2,154	3,820

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

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 as the Company spreads the risk by operating in three regions in the North Island and one region in the South Island.

Cash, cash equivalents, and term deposits are allowed only in liquid securities and only with counterparties (minimum rating of Moody's Aa3) 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 debt (2023: nil) and is only 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.

An increase of one percentage point in interest rates would have increased the Group's profit before income tax by \$473,000 (2023: \$641,000) in the current period. Conversely, a decrease of one percentage point in interest rates would have decreased the Group's profit before income tax by \$473,000 (2023: \$641,000) in the current period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

For the year ended 31 December 2024

14. FINANCIAL INSTRUMENTS - CONTINUED

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.

IN THOUSANDS OF DOLLARS	NOTE	GROUP				GROUP			
		2024			6-12 MONTHS	2023			6-12 MONTHS
		EFFECTIVE INTEREST RATE	TOTAL	6 MONTHS OR LESS		EFFECTIVE INTEREST RATE	TOTAL	6 MONTHS OR LESS	
Cash and cash equivalents	12	0.00% to 4.25%	32,803	32,803	-	0.00% to 5.77%	2,159	2,159	-
Short term deposits		5.24% to 5.46%	484	75	409	5.79% to 6.05%	50,000	45,000	5,000
			33,287	32,878	409		52,159	47,159	5,000

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:

IN THOUSANDS OF DOLLARS	GROUP					
	2024			2023		
	BALANCE SHEET	6 MONTHS OR LESS	6-12 MONTHS	BALANCE SHEET	6 MONTHS OR LESS	6-12 MONTHS
Trade and other payables	2,154	2,154	-	3,820	1,625	2,195
	2,154	2,154	-	3,820	1,625	2,195

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

For the year ended 31 December 2024

15. CAPITAL AND LAND DEVELOPMENT COMMITMENTS

As at 31 December 2024, the Group had entered into contractual commitments for development expenditure and unconditional purchases of land. Development expenditure represents amounts contracted and forecast to be incurred in 2025 in accordance with the Group's development programme.

IN THOUSANDS OF DOLLARS	GROUP	
	2024	2023
Development expenditure	24,269	19,743
Land purchases	13,261	6,620
	37,530	26,363

16. RELATED PARTIES

IDENTITY OF RELATED PARTIES

The Company has a related party relationship with its wholly owned subsidiary, CDL Land New Zealand Limited, as well as a fellow subsidiary of its parent (see Note 17), and with its Directors and executive officer.

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, executive director and executive officer.

The total remuneration and value of other benefits earned by each of the Directors of the Company for the year ending 31 December 2024 was:

IN THOUSANDS OF DOLLARS	GROUP	
	2024	2023
Non-executive directors	126	130
Executive director	86	413
Executive officer	482	-
	694	543

Non-executive directors receive director's fees only. The executive director and executive officer receive short-term employee benefits which include a base salary and an incentive plan. They do not receive remuneration or any other benefits as a director of the Company or its subsidiary.

Total remuneration of non-executive directors is included in "administrative and other expenses" (see Note 3) and total remuneration of executive director and executive officer is included in "personnel expenses" (see Note 4).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

For the year ended 31 December 2024

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 65.31% (2023: 65.54%) of the Company and having one out of five of the Directors on the Board. Millennium & Copthorne Hotels New Zealand Limited is 75.86% (2023: 70.79%) owned by CDL Hotels Holdings New Zealand Limited (computed on voting shares), which is a wholly owned subsidiary of Millennium & Copthorne Hotels Limited 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, \$431,000 (2023: \$427,000) for shared office expenses incurred by the parent on behalf of the Group and reimbursed its parent for its portion of insurance premiums of \$254,000 (2023: \$199,000).

During 2024, CDL Investments New Zealand Limited issued no additional shares (2023: 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 (2023: 190,591,297).

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 (2023: \$75,000).

19. SUBSEQUENT EVENTS

Post balance date, the purchase of 6.5 hectares of land for \$13.3 million in Hamilton was settled during January 2025. The settlement will be recognised as an increase in land classified as development property in 2025.

On 20 February 2025, an ordinary dividend of 3.5 cents per qualifying share was declared by the Directors (see Note 13).



Independent Auditor's Report

To the shareholders of CDL Investments New Zealand Limited (**Group**)

Report on the audit of the consolidated financial statements

Opinion

We have audited the accompanying consolidated financial statements which comprise:

- the consolidated statement of financial position as at 31 December 2024;
- the consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended; and
- notes, including material accounting policy information and other explanatory information.

In our opinion, the accompanying consolidated financial statements of CDL Investments New Zealand Limited (the **Company**) and its subsidiaries (the **Group**) on pages 25 to 45 present fairly in all material respects:

- the Group's financial position as at 31 December 2024 and its financial performance and cash flows for the year ended on that date;
- In accordance with New Zealand Equivalents to International Financial Reporting Standards (**NZ IFRS**) issued by the New Zealand Accounting Standards Board and the International Financial Reporting Standards issued by the International Accounting Standards Board.



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 CDL Investments New Zealand Limited 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**), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with Professional and Ethical Standards 1 and the IESBA Code.

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

Our firm has provided other services to the Group in relation to tax compliance, taxation advisory and limited assurance services in respect of Green House Gas Emissions reporting. 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 \$2m determined with reference to a benchmark of the Group's total assets. 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 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 to the financial statements.

The group's development property comprises land and development costs incurred to develop land into subdivisions and individual properties for sale. The development property portfolio represents 77% of total assets on the consolidated statement of financial position.

The capitalisation and allocation of development costs is a key audit matter as determining whether to capitalise or expense costs relating to development of the land is subjective, as it depends on whether the costs enhance the land or maintain the current value. In addition, there is significant judgement in determining whether obligations exist for future costs and how to allocate capitalised development costs to individual properties or stages.

The key judgements used in this determination are:

Our audit procedures included:

- Evaluating the group's accounting policy for capitalisation of development costs using the criteria in the accounting standard.
- Developing an understanding of the key controls over the cost capitalisation and allocation process.
- Agreeing a sample of capitalised development costs to supporting documentation. For each selected transaction we:
 - considered the nature of the costs capitalised and evaluated whether they are eligible for capitalisation under the relevant accounting standard.
 - assessed the appropriateness of allocation to the individual project stages and land lots.
- Agreeing a sample of land acquisitions to sales and purchase agreements, settlement document and cash payment.
- Performing analytical procedures in relation development property costs of sales to assess that margins recognised between periods were appropriate, including considering alternative methods of allocation.
- Performing a retrospective review of the forecast costs and cost of sales to ensure the reasonableness of forecast cost estimation.

The key audit matter

How the matter was addressed in our audit

- Whether costs are eligible for capitalisation under the relevant accounting standards
- the allocation of capitalised costs to the individual projects, stages and land lots and the associated recognition of cost of sales
- Whether a capitalised cost and the associated liability for future obligations should be recorded under the relevant accounting standard.

- Evaluating the reasonableness of the group's judgement to record liabilities for future obligations and that these have been appropriately measured and recorded in accordance with the applicable accounting standard.
- Assessing disclosures included in the consolidated financial statements in respect of the development properties using our understanding obtained from our testing and against the requirements of the accounting standards.

Our testing did not identify any material exceptions related to capitalised development costs, the allocation of those costs to individual project stages and the recognition of future development cost obligations.

Other information

The Directors, on behalf of the group, are responsible for the other information included in the entity's Annual Report and Annual Climate Statement (prepared in accordance with the Aotearoa New Zealand Climate Standards). Other information in the Annual Report may include the Directors' Review, disclosures relating to Corporate Governance, Portfolio information, Financial Summary, and the other information included in the Annual Report. The Annual Climate Statement discloses information about the effects of climate change on the entity's business. 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 Annual Report and Annual Climate Statement when they become available and consider whether the other information it contains is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit, or otherwise appear 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 regard to it.

The Annual Report and Annual Climate Statement are 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. 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, none of KPMG, any entities directly or indirectly controlled by KPMG, or any of their respective members or employees, accept or assume any responsibility and deny all liability to anyone other than the shareholders for our audit work, this independent auditor's report, or any of the opinions we have formed.



Responsibilities of directors for the consolidated financial statements

The directors, on behalf of the Group, are responsible for:

- the preparation and fair presentation of the consolidated financial statements in accordance with NZ IFRS issued by the New Zealand Accounting Standards Board and the International Financial Reporting Standards issued by the International Accounting Standards Board;
- implementing the necessary internal control to enable the preparation of a consolidated set of financial statements that is free from material misstatement, whether due to fraud or error; and
- assessing the ability of the Group 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 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 it 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 the consolidated financial statements.

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

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

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

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

For and on behalf of:

KPMG

Auckland

24 February 2025

REGULATORY DISCLOSURES

20 LARGEST SHAREHOLDERS (as at 3 March 2025)

RANK	SHAREHOLDER	NUMBER OF SECURITIES	% OF ISSUED CAPITAL
1.	Millennium & Cophorne Hotels New Zealand Limited	190,591,297	65.31
2	Adrian Ho	23,832,598	8.17
3	Accident Compensation Corporation - NZCSD	13,244,925	4.54
4	Citibank Nominees (New Zealand) Limited - NZCSD	4,844,727	1.66
5	NZX WT Nominees Limited	3,185,201	1.09
6	Christina Seet	2,851,740	0.98
7	Faro Equities Limited	2,100,000	0.72
8	MFL Mutual Fund Limited - NZCSD	1,441,196	0.49
9	Hugh Green Limited	1,412,055	0.48
10	Custodial Services Limited	1,280,328	0.44
11	Geok Loo Goh	1,079,834	0.37
12	HSBC Nominees (New Zealand) Limited - NZCSD	848,698	0.29
13	Graeme Stuart Lord & Lisa Anne Lord	817,499	0.28
14	New Zealand Depository Nominee Limited	755,826	0.26
15	Steven Cheong Kwok Wing	702,823	0.24
16	Roger Parker	697,116	0.24
17	Caliber Investments (2011) Limited	693,573	0.24
18	Michael Robert Mayger & Eleanor Margaret Mayger	679,710	0.23
19	BNP Paribas Nominees (NZ) Limited - NZCSD	638,460	0.22
20	NZX WT Nominees Limited	598,924	0.21

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 3 March 2025)

SIZE OF SHAREHOLDING	NUMBER OF SHAREHOLDERS	NUMBER OF SHARES	% OF ISSUED CAPITAL
1-499	58	9,999	0.00
500-999	39	27,053	0.01
1,000-1,999	326	446,890	0.15
2,000-4,999	861	2,647,376	0.91
5,000-9,999	453	3,172,667	1.09
10,000-49,999	589	11,987,717	4.11
50,000-99,999	82	5,570,330	1.91
100,000-499,999	82	15,158,498	5.19
500,000-999,999	10	6,939,121	2.38
1,000,000 Over	11	245,863,901	84.25
ROUNDING			0.00
TOTAL	2,511	291,823,552	100.00

REGULATORY DISCLOSURES - CONTINUED

DOMICILE OF SHAREHOLDERS (as at 1 March 2025)

	NUMBER OF SHAREHOLDERS	NUMBER OF SHARES	% OF ISSUED CAPITAL
New Zealand	2400	255,670,013	87.61
Australia and overseas	111	36,153,539	12.39
TOTAL	2511	291,823,552	100.00

SUBSTANTIAL PRODUCT HOLDERS

According to notices given to the Company under the Financial Markets Conducts Act 2013, as at 1 March 2025, the substantial product holders in the Company are noted below:

	SECURITIES	CLASS	%
Millennium & Copthorne Hotels New Zealand Limited	190,591,297	Ordinary Shares	65.31
Adrian Ho	23,832,598	Ordinary Shares	8.17

As at 1 March 2025, the total number of issued voting securities of CDL Investments New Zealand Limited (all of which are ordinary shares) was 291,823,552.

STATUTORY INFORMATION

DIRECTORS (section 211(1)(I), Companies Act 1993)

As at 31 December 2024, the Company's Directors were Messrs. JE Elrick, JH Henderson, DJ Jameson, ES Kwek and VWE Yeo.

The gender breakdown of the Board is 3 male directors, 2 female directors and 0 gender diverse directors (2023: 5 male directors, 1 female director, 0 gender diverse directors). CDI currently has 1 female and 3 male officers and 0 gender diverse officers (2023: 1 female officer, 3 male officers and 0 gender diverse 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 2024)

DIRECTOR	2023	2024
J Elrick	Not applicable	Nil
J Henderson	Nil	Nil
DJ Jameson	Nil	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 2024 was:

DIRECTOR	REMUNERATION
Colin Sim (to March 2024)	\$7,192
J Elrick (from November 2024)	\$6,125
J Henderson	\$37,000
DJ Jameson	\$43,167
ES Kwek	Nil [^]
VWE Yeo	\$32,917

[^] 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. Jason Adams, in his capacity as Managing Director of the Company to March 2024 did not receive any fees 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 2024, the Directors of the Company have made general disclosures of interest in the following companies:

J E ELRICK

Director of:

Community Living Limited
Inframax Construction Limited

Crown Irrigation Limited
Jandrew Investments Limited

Door Solutions (2021) Limited
Janie Elrick Limited

Trustee of:

Community Living Trust

J H HENDERSON

Director of:

Ding Bay Limited

John Henderson Resources Limited

D J JAMESON

Director of:

Ampio Limited
Milford Haven Limited

GH Securities Trustee Limited

Gubb & Hardy Limited

ES KWEK

Chairman/Director/President of:

Grand Plaza Hotel Corporation;

Chairman and Director of:

Millennium Hotels Italy Holdings srl

Millennium Hotels Palace Management srl

Millennium Hotels Property srl

Director/President of:

Five Star Assurance Inc.

The Philippine Fund Limited

Managing Director of:

ATOS Holdings GmbH

President of:

Chalon Heritage Hotel Holdings SAS

Director of:

125 OBS (Nominees 1) Limited
58 High Street Pty Ltd
Allinvest Holding Pte. Ltd
Androgate Properties Limited
Ascent View Holdings Pte. Ltd
Atlasgate SG Holdings Pte. Ltd
Baynes Investments Pte Ltd
Bellevue Properties Pte. Ltd
BOP Luxembourg (125 Obs) 2 SARL
Bridge North Limited
Canterbury Riverside Propco Limited
CDL Acquisitions Pte. Ltd
CDL Centroid Pte Ltd
CDL Commercial REIT Management Pte. Ltd
CDL Crestview Holdings Pte. Ltd
CDL Evergreen Pte. Ltd

125 OBS (Nominees 2) Limited
Actas Holdings Pte. Ltd
Allsgate Properties Limited
Aquarius Properties Pte. Ltd
Aster Land Development Pte Ltd
Atlasgate UK Holdings Pte. Ltd
Beaumont Properties Limited
Bestro Holdings Limited
Branbury Investments Ltd
Camborne Developments Pte. Ltd
Canvey Developments Pte. Ltd
CDL Aquila Pte. Ltd
CDL CityInd Pte Ltd
CDL Conservo Pte Ltd
CDL Crown REIT Management Pte. Ltd
CDL Galliard Grand GP Limited

125 OBS GP Limited
Adelanto Investments Pte. Limited
Alphagate Holdings Limited
Archyfield Limited
Aston Properties Pte. Ltd
Atlasgate UK Holdings Limited
Beijing Fortune Hotel Co. Ltd
Bloomshine Holdings Limited
Bravogate Holdings SARL
Canterbury Riverside Opco Limited
CDL Ace Pte Ltd
CDL Australia Holdings Pty. Ltd
CDL Cityscape Pte Ltd
CDL Constellation Pte. Ltd
CDL Entertainment & Leisure Pte. Ltd
CDL Hotels (Chelsea) Ltd

STATUTORY INFORMATION - CONTINUED

GENERAL DISCLOSURES OF INTEREST (Section 140(2), Companies Act 1993) - CONTINUED

As at 31 December 2024, the Directors of the Company have made general disclosures of interest in the following companies:

ES KWEK - CONTINUED

Director of:

CDL Hotels (Korea) Ltd	CDL Hotels (Malaysia) Sdn. Bhd	CDL Hotels (U.K.) Ltd
CDL Hotels Australia Holdings (SG) Pte Ltd	CDL Hotels Australia Holdings Pty Ltd	CDL Hotels Holdings New Zealand Limited
CDL Hotels Japan Pte. Ltd	CDL Infinity Pte. Ltd	CDL Investments New Zealand Limited
CDL Kingtse Pte Ltd	CDL Land Pte. Ltd	CDL Libra Commercial Pte. Ltd
CDL Libra Pte. Ltd	CDL Management Services Pte. Ltd	CDL Netherlands Investments BV
CDL Pavona Pte Ltd	CDL Pegasus Pte. Ltd	CDL Perseus Pte. Ltd
CDL Pisces Commercial Pte. Ltd	CDL Pisces Services Residences Pte. Ltd	CDL Pro Star Development Pty Ltd
CDL Properties BV	CDL Queensray Pte Ltd	CDL Real Estate Asset Managers Pte Ltd
CDL Real Estate Investment Managers Pte Ltd	CDL Regulus Pte. Ltd	CDL Sakura Pte Ltd
CDL Shanghai Holdings 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	City Apex Pte. Ltd	City Bonsai 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 Limited	City Elite Pte. Ltd	City Gemini Pte Ltd
City Grand Investments Limited	City Hotels Pte Limited	City Ikonik Pte. Ltd
City Leo Pte Ltd	City Lux Pte. Ltd	City Montage Pte. Ltd
City Oasis Pte. Ltd	City Orchard Pte. Ltd	City Platinum Holdings Pte. Ltd
City REIT Management Pte. Ltd	City Resyde Pte. Ltd	City Sceptre Investments Pte. Ltd
City Serviced Offices Pte. Ltd	City Sol Luna Holdings Pte. Ltd	City Sol Pte. Ltd
City Strategic Equity Pte. Ltd	City Sunshine Holdings Pte. Ltd	City Symphony Pte. Ltd
City Thrive Pte. Ltd	Citydev Real Estate (Singapore) Pte. Ltd	Citydev Venture Holdings Pte. Ltd
CityNexus (UK) Limited	CityNexus Pte. Ltd.	Cityview Place Holdings Pte. Ltd
Cityzens Developments Pte Ltd	Cophthorne (Nominees) Limited	Cophthorne Aberdeen Limited
Cophthorne Hotel (Birmingham) Limited	Cophthorne Hotel (Cardiff) Limited	Cophthorne Hotel (Effingham Park) Limited
Cophthorne Hotel (Gatwick) Limited	Cophthorne Hotel (Manchester) Limited	Cophthorne Hotel (Merry Hill) Construction Limited
Cophthorne Hotel (Merry Hill) Limited	Cophthorne Hotel (Newcastle) Limited	Cophthorne Hotel (Plymouth) Limited
Cophthorne Hotel (Slough) Limited	Cophthorne Hotel Holdings Limited	Cophthorne Hotels Limited
Cophthorne Orchid Hotel Singapore Pte Ltd	Cophthorne Orchid Hotel Penang Sd. Bhd.	Crescent View Developments Pte Ltd
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
Educado Company Limited	Elite Hotel Management Services Pte Ltd	Ellinois Management Services Pte Ltd
Euroform (S) Pte Ltd	Ferguson Hotels Holdings Limited	Ferguson Investment Corp.
Finite Properties Investment Limited	First Platinum Holdings Pte. Ltd	Freshview Developments Pte Ltd
Friars Road Manco Limited	GHL CDL Morden Limited	Glades Properties Pte. Ltd
Grande Strategic 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	Highline Properties GP Limited
Hoko Fitzroy Pty Ltd	Hoko Kenmore Pty Ltd	Hoko Macaulay Pty Ltd
Hoko Mina Pty Ltd	Hoko Spencer Pty Ltd	Hoko Toowong Pty Ltd
Hong Bee Hardware Company Sdn 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	HSRE Crosslane (Coventry) Limited	HSRE Crosslane (Leeds) Limited
HSU JV Holdco Limited	HThree City Jade Pte Ltd	Iconique Tokutei Mokuteki Kaisha

STATUTORY INFORMATION - CONTINUED

Infinity Properties Limited	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 Ltd	Legend Commercial Trustee Pte Ltd
Legend Investment Holdings Pte Ltd	Legend Quay Pte Ltd	Lingo Enterprises Limited
Lingo Enterprises Limited (Singapore Branch)	London Britannia Hotel Limited	London Tara Hotel Limited
Lukestone Properties Limited	M&C (CB) Limited	M&C (CD) Limited
M&C Finance (I) Limited	M&C Management Holdings Limited	M&C NZ Limited
M&C Reservations Services Limited	M&C Asia Finance (UK) Limited	M&C Asia Holdings (UK) Limited
M&C Business Trust Management Limited (as trustee-manager of CDL Hospitality Business Trust, stapled together with CDL Real Estate Investment Trust as CDL Hospitality Trusts)		
M&C Capital Pte Ltd	M&C Galian Holdings Limited	M&C Holdings (Thailand) Limited
M&C Hotel Investments Pte Limited	M&C Hotels Holdings Japan Pte Limited	M&C Hotels Holdings Limited
M&C Hotels Holdings USA Limited	M&C Hotels Japan Pte Limited	M&C New York Finance (UK) Limited
M&C REIT Management Limited (manager of CDL Hospitality Real Estate Investment Trust, stapled together with CDL Hospitality Business Trust as CDL Hospitality Trusts)		
M&C Restaurants (London) Limited	M&C Sakura Holdings Pte Ltd	M&C Sakura Hotel Pte Ltd
M&C Sakura TMK	M&C Singapore Finance (UK) Limited	M&C Singapore Holdings (UK) Limited
M&C Sponsorship Limited	Marquee Brisbane Hotel 2 Pty Limited	Marquee Brisbane Hotel Pty Limited
Marquee Hotel Holdings Pty Limited	Max Office (SKD) General Partner Limited	Melvale Holdings Limited
Millennium & Copthorne (Australian Holdings) Limited	Millennium & Copthorne (Jersey Holdings) Limited	Millennium & Copthorne Hotels Limited
Millennium & Copthorne Hotels Management (Shanghai) Limited		Millennium & Copthorne Hotels New Zealand Limited
Millennium & Copthorne International Limited	Millennium & Copthorne Share Trustees Limited	Millennium Hotel Holdings EMEA Limited
Millennium Hotels & Resorts Services Limited	Millennium Hotels (West London) Limited	Millennium Hotels (West London) Management Limited
Millennium Hotels Europe Holdings Limited	Millennium Hotels Limited	Millennium Hotels London Limited
Morden Wharf Limited	MPG St Katharine Finance Limited	MPG St Katharine GP Limited
MPG St Katharine Limited	MPG St Katharine LP Limited	MPG St Katharine Nominee Limited
MPG St Katharine Nominee Two Limited	New Bath Court (Opco) Limited	New Bath Court Limited
New Empire Investments Pte Ltd	New Unity Holdings Ltd.	New Vista Realty Pte Ltd
Newbury Investments Pte Ltd	Newmarket Property Holdings Limited	Northgate Investments Limited
Novel Developments Pte Ltd	Palmerston Holdings Sdn. Bhd.	Paradise Investments Limited
Pavo Properties Pte Ltd	Pinenorth Properties Limited	Qaiser Holdings Limited
Queensway Hotel Holdings Limited	Queensway Hotel Limited	Rainbow North Limited
Redvale Developments Pte Ltd	Redvale Investments Pte Ltd	Redvale Properties Pte Ltd
Rehi Normanby Pty Limited	Republic Hotels and Resorts Limited	Republic Iconic Hotel Pte Ltd
Republic Plaza City Club (Singapore) Pte Ltd	Reselton Properties Limited	Richmond Hotel Pte Ltd
Richview Holdings Pte Ltd	Rogo Investments Pte Ltd	Rogo Realty Corporation
Scentview Holding Limited	Scottsdale Properties Pte Ltd	Serangoon Green Pte Ltd
Siena Commercial Development Pte Ltd	Siena Residential Development Pte Ltd	Siena Trustee Pte Ltd
Silkparc Holdings Limited	Singapura Developments (Private) Limited	SKD Marina Limited
SKIL Four Limited	SKIL Three Limited	Sonic Investment Pte. Limited
South Beach International Hotel Management Pte Ltd	Southwaters Investment Pte Ltd	Sparkland Holdings Pte Ltd
Summervale Properties Pte Ltd	Summit Vistas Pte Ltd	Sunmaster Holdings Pte Ltd
Sunny Vista Developments Pte Ltd	Sunshine Plaza Pte Ltd	Sycamore House Manco Limited
TC Development Pte Ltd	TOSCAP Limited	Treasure Realm Limited
Trentwell Management Pte Ltd	Trentworth Properties Limited	Verwood Holdings Pte Ltd
Vinemont Investments Pte Ltd	Welland Investments Limited	White City Investments Limited
Whitehall Holdings Limited	Zatrio Pte Ltd	

STATUTORY INFORMATION - CONTINUED

GENERAL DISCLOSURES OF INTEREST (Section 140(2), Companies Act 1993) - CONTINUED

As at 31 December 2024, the Directors of the Company have made general disclosures of interest in the following companies:

ES KWEK - CONTINUED

General Manager of:

M&C Hotels France SAS

Manager of:

M&C Hotels France Management SARL

Chalon Heritage Hotel SNC

Alternate Director of:

Mount V Development Pte Ltd

South Beach Consortium Pte Ltd

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 Ltd

CDL HBT Oceanic Maldives Pvt Ltd

Sanctuary Sands Maldives Private Limited

Director of:

CDL HBT Cambridge City Pte. Ltd

CDL HBT Hanei Pte. Ltd

CDL HBT Investments (I) Pte. Ltd

CDL HBT Investments (III) Pte. Ltd

CDL HBT Investments (IV) Pte. Ltd

CDL HBT Oceanic Holdings Pte Ltd

CDL HBT Sun Pte Ltd

CDL HBT Sun Four Ltd

CDL HBT Sun Three Ltd

CDLHT CFM One Pte Ltd

CDLHT CFM Two Pte Ltd

CDLHT CFM III BV

CDDLHT 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 Pte 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

TK Yeo (Private) Limited

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
\$190,001-\$200,000	1
\$220,001-\$230,000	1
\$270,001-\$280,000	1
\$570,001-\$580,000	1

DONATIONS (Sections 211(1)(H) and 211(2), Companies Act 1993)

The Company made donations totalling \$2,000 in 2024.

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	2023	2024
Fees incurred for services received from audit firm		
• Audit fees current year	91	104
• Out of scope audit fees relating to prior year	-	6
• Tax compliance	4	4
• Greenhouse gas reporting assurance	-	26
• Strategy support advisory services	74	-

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

The Company's subsidiary and its directors as at 31 December 2024 are listed below:

NAME	DIRECTORS	OWNERSHIP	ACTIVITY
CDL Land New Zealand Limited	JC Adams, T Ito	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

AUCKLAND PROJECTS

- Kewa Road, Albany
- Christian Road, Swanson
- Roscommon Road Warehousing, Wiri
- Trig Road, West Harbour

HAMILTON PROJECTS

- R2 Growth Cell, Puketaha

HAWKE'S BAY PROJECTS

- Arataki Road, Havelock North
- Iona Block, Havelock North

AUCKLAND 

HAMILTON 

 HAVELOCK NORTH
HAWKE'S BAY

 NELSON/TASMAN

ROLLESTON, SELWYN  CHRISTCHURCH

NELSON/TASMAN

- Lucas Terrace, Nelson
- Highland Drive, Richmond
- Pelorus Sound, Marlborough

CHRISTCHURCH

- Prestons Park
- Prestons Park Retail Centre
- Worsleys Road, Cashmere
- Wairakei Road, Harewood

ROLLESTON, SELWYN

- Stonebrook, Rolleston
- Stonebrook Retail Centre

CORPORATE DIRECTORY

BOARD OF DIRECTORS

Desleigh Jameson (Independent Director, Board Chair from March 2024 and Member of the Audit Committee)

John Henderson (Independent Director, Member of the Audit Committee)

Janie Elrick (Independent Director, Chair of the Audit Committee from 1 November 2024)

Kwek Eik Sheng (Non-Executive Director)

Vincent Yeo (Non-Executive Director)

MANAGEMENT TEAM

Jason Adams (CEO and Executive Director, CDL Land New Zealand Limited)

Jackson Bull (General Manager and Senior Development Manager, CDL Land New Zealand Limited)

Natasha Hood (Group Accounting Manager)

Takeshi Ito (Company Secretary/Legal Counsel)

Geoff Donley (Accountant/Financial Controller from December 2024)

Sian Camp (Sustainability Manager from December 2024)

REGISTERED OFFICE AND CONTACT DETAILS

Level 7, 23 Customs Street East, Auckland, New Zealand

P O Box 3248, Shortland Street, Auckland 1140, New Zealand

Telephone: +64 9 353 5077

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