



CDL INVESTMENTS
NEW ZEALAND LIMITED

Level 7, 23 Customs Street East, Auckland
P. O. Box 3248, Auckland 1140, New Zealand
Ph (09) 353 5077 Email: admin@cdli.co.nz

STOCK EXCHANGE ANNOUNCEMENT

Date 26 May 2026

REMARKS BY CDL INVESTMENTS NEW ZEALAND LIMITED (“CDI”) BOARD CHAIR TO 2026 ANNUAL MEETING OF SHAREHOLDERS

On behalf of the Directors, I present the Annual Report and the Statement of Financial Accounts to 31 December 2025. I would like to make a few brief comments about the past year before Jason provides a more detailed operational update.

2025 was a challenging year for the residential property sector. While inflation and mortgage interest rates eased during the year, market confidence remained subdued. Cost-of-living pressures and broader economic uncertainty continued to influence purchaser decisions, with many buyers taking a cautious, wait-and-see approach.

Against this backdrop CDI recorded a profit after tax of \$11.1 million, compared with \$15.4 million in the previous year, with property sales and other income of \$38.1 million. While below the prior year, this result was achieved in a market where residential sales activity across the sector remained soft.

This was part of a wider environment of caution affecting many sectors and businesses, not only property. In this environment CDI remained focused on the fundamentals: protecting value, maintaining financial strength, keeping our development pipeline moving, and preparing for future demand.

During the year, CDI continued to advance our consented and active developments. As Jason will explain in his update, we were pleased to complete our Prestons Park development in Christchurch, a significant project which began following the Canterbury earthquakes and has delivered more than 1,000 residential sections over its life. Good progress was also made at Iona in the Hawkes Bay and at our Wairakei Road industrial development, in Christchurch.

We also continued to advance our medium and longer-term pipeline. The Fast-track consent for Arataki Road in Havelock North, was approved earlier this year. The Fast-track process is expected to save approximately two years in consenting time compared with conventional Resource Management Act processes. Planning work is also continuing on our two other Fast-track projects in Hamilton and Havelock North, with both applications likely to be lodged before the end of the year. These projects are important to CDI’s future and support our ability to respond when demand returns.

Our diversified portfolio continues to prove a sound strategy. Residential development remains the cornerstone of the business, but our retail and industrial assets provide additional earnings resilience through the property cycle.

CDI is also conscious of the impact our activities have on the environment and the communities in which we operate. For us, sustainability is not separate from the business - it is part of being a responsible land developer and taking a long-term view. While CDI is no longer subject to mandatory climate-related reporting, we have continued to voluntarily measure and report our greenhouse gas emissions and have maintained our Toitū certification. This supports transparency, continuous improvement and independent verification.

Our view is to take a practical and proportionate approach to sustainability, to align the scale of our business, to take measures that are responsible from an environmental perspective, and that also make good business sense.

Looking ahead, uncertainty persists. This is not unique to CDI or the property sector, nor is it confined to New Zealand. Businesses both domestically and globally continue to navigate shifting market, policy, economic, and geopolitical conditions. In this context, the critical differentiator is the degree to which a company is prepared to respond effectively.

Given the current economic climate and prevailing geopolitical uncertainties, we expect earnings for 2026 to be considerably lower than those reported in 2025. Importantly, CDI enters this period from a position of strength. The Company maintains a robust balance sheet, supported by an experienced Board and management team, and a well-prepared development pipeline. The Board is satisfied that management has adopted a disciplined approach to planning, cost management, and capital allocation. CDI has sufficient flexibility to adapt as conditions evolve and to capitalise when the economy improves.

The property sector is inherently cyclical, and with more than 30 years of operating experience, CDI has successfully navigated such cycles in the past. While we remain mindful of current challenges, we are confident in the Company's long-term fundamentals. Our focus continues to be on disciplined execution, prudent capital management, and the delivery of sustainable long-term value for shareholders.

Jason will now provide a more detailed overview of the current business and our key developments.