

INTERIM REPORT 2026



Iona Stage 2, Havelock North, Hawke's Bay



CDL INVESTMENTS
NEW ZEALAND LIMITED



DIRECTORS' REVIEW

FINANCIAL PERFORMANCE

For the six-month period ended 30 June 2026, CDL Investments New Zealand Limited (**NZX: CDI**) recorded an unaudited profit for the period of \$3.39 million (2025: \$3.57 million). CDI reported profit before income tax of \$4.71 million (2025: \$5.05 million) and recorded property sales, rental and other income for the period of \$12.55 million (2025: \$13.81 million). The Company's net asset backing at cost was 110 cents per share (2025: 107 cents per share).

The result reflects the challenging residential property market conditions signalled at the Annual Shareholder Meeting in May 2026, when the Board noted that 2026 earnings were expected to be considerably lower than 2025, with the first half result tracking broadly in line with that expectation.

While lower interest rates have provided some support, purchaser confidence remains cautious. Cost-of-living pressures, employment uncertainty, interest rate volatility, elevated building costs and broader economic and geopolitical conditions continue to influence purchaser decisions and development costs.

PORTFOLIO AND DEVELOPMENT ACTIVITY

During the first half of 2026, CDI continued to advance its active and future development programme while maintaining disciplined capital allocation and careful management of development expenditure. Management's focus remained on securing the last remaining sales at Prestons Park, Christchurch and sales at Iona, Havelock North, preserving cash flow and progressing the development pipeline to support future product availability and diversification.

Key development activity included infrastructure and civil works at the residential development at Iona, Havelock North; earthworks at the light industrial development at Wairakei Road, Christchurch; preparations to commence earthworks at the residential development at Arataki Road, Havelock North; and preparation of the submission of the substantive Fast-track application for the mixed residential, retail and light industrial development at Ruakura, Hamilton. We were also pleased to receive Fast-track referral approval for the Middle Road residential development in Havelock North and have made substantial progress on the preparation of the substantive Fast-track application for the site.

DIVERSIFIED PORTFOLIO AND BALANCE SHEET STRENGTH

CDI's diversified portfolio continues to support resilience through the property cycle. While residential development remains the cornerstone of the business, the Company's industrial and retail assets continue to provide additional income and flexibility during periods of subdued residential activity.

OUTLOOK

The Board remains cautious but measured about the near-term outlook. Construction cost pressures, interest rate volatility and the gradual pace of recovery mean the final outcome for 2026 remains subject to market conditions over the balance of the year. CDI remains focused on disciplined execution, adding value to its property portfolio and leveraging its balance sheet prudently so that it is ready to capitalise on an upturn in the property market.

While conditions remain challenging, the Board remains confident in CDI's long-term fundamentals, experienced Board and management team, and development pipeline that supports sustainable long-term value creation for shareholders.



DESLEIGH JAMESON
BOARD CHAIR

10 August 2026



CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED 30 JUNE 2026 (UNAUDITED)

IN THOUSANDS OF DOLLARS	NOTE	GROUP	
		UNAUDITED 6 MONTHS TO 30/06/26	UNAUDITED 6 MONTHS TO 30/06/25
Property sales		10,603	12,017
Rental income		1,945	1,742
Revenue		12,548	13,759
Cost of sales		(4,697)	(6,157)
Gross profit		7,851	7,602
Other income		-	49
Administrative expenses		(597)	(686)
Property expenses		(675)	(484)
Selling expenses		(434)	(378)
Other expenses		(1,589)	(1,291)
Results from operating activities		4,556	4,812
Finance income		161	241
Finance costs		(5)	(3)
Net finance income		156	238
Profit before income tax		4,712	5,050
Income tax expense	5	(1,320)	(1,485)
Profit for the period		3,392	3,565
Total comprehensive income for the period		3,392	3,565
Profit attributable to:			
Equity holders of the parent		3,392	3,565
Total comprehensive income for the period		3,392	3,565
Basic and Diluted Earnings per share (cents per share)	3	1.16	1.22

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

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 30 JUNE 2026 (UNAUDITED)

IN THOUSANDS OF DOLLARS	NOTE	GROUP		
		UNAUDITED SHARE CAPITAL	UNAUDITED RETAINED EARNINGS	UNAUDITED TOTAL EQUITY
Balance at 1 January 2025		68,041	251,611	319,652
Total comprehensive income for the period				
Profit for the period		-	3,565	3,565
Total comprehensive income for the period		-	3,565	3,565
Transactions with owners of the Company				
Shares issued under dividend reinvestment plan	2	674	-	674
Dividend to shareholders	2	-	(10,214)	(10,214)
Supplementary dividend		-	(229)	(229)
Foreign investment tax credits		-	229	229
Balance at 30 June 2025		68,715	244,962	313,677
Balance at 1 January 2026		68,715	252,463	321,178
Total comprehensive income for the period				
Profit for the period		-	3,392	3,392
Total comprehensive income for the period		-	3,392	3,392
Transactions with owners of the Company				
Shares issued under dividend reinvestment plan	2	214	-	214
Dividend to shareholders	2	-	(2,927)	(2,927)
Supplementary dividend		-	(66)	(66)
Foreign investment tax credits		-	66	66
Balance at 30 June 2026		68,929	252,928	321,857

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

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

FOR THE HALF YEAR ENDED 30 JUNE 2026 (UNAUDITED)

		GROUP	
IN THOUSANDS OF DOLLARS	NOTE	UNAUDITED AS AT 30/06/26	UNAUDITED AS AT 31/12/25
SHAREHOLDERS' EQUITY			
Issued capital		68,929	68,715
Retained earnings		252,928	252,463
Total equity		321,857	321,178
REPRESENTED BY:			
NON-CURRENT ASSETS			
Property, plant and equipment		146	87
Development property		250,876	257,854
Investment property		35,184	35,525
Investment in associate	7	2	2
Total non-current assets		286,208	293,468
CURRENT ASSETS			
Cash and cash equivalents		5,579	13,440
Short-term deposits		484	484
Trade and other receivables		3,611	6,613
Income tax receivable		-	-
Development property		32,648	17,620
Total current assets		42,322	38,157
Total Assets		328,530	331,625
NON-CURRENT LIABILITIES			
Deferred tax liabilities		4,434	4,432
Lease liability		67	26
Total non-current liabilities		4,501	4,458
CURRENT LIABILITIES			
Trade and other payables		1,789	4,860
Employee entitlements		155	152
Income tax payable		178	947
Lease liability		50	30
Total current liabilities		2,172	5,989
Total liabilities		6,673	10,447
Net assets		321,857	321,178

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

CONDENSED INTERIM STATEMENT OF CASH FLOWS

FOR THE HALF YEAR ENDED 30 JUNE 2026 (UNAUDITED)

IN THOUSANDS OF DOLLARS	NOTE	GROUP	
		UNAUDITED 6 MONTHS TO 30/06/26	UNAUDITED 6 MONTHS TO 30/06/25
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash was provided from:			
Receipts from customers		15,438	17,529
Interest received		161	243
Cash was applied to:			
Payment to suppliers		(17,627)	(10,009)
Payment to employees		(971)	(812)
Purchase of development land		-	(14,811)
Income tax paid		(2,020)	(4,370)
Net cash (outflow)/inflow from operating activities		(5,019)	(12,230)
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash was provided from:			
Short-term deposits		-	484
Cash was applied to:			
Development of investment property		(32)	(383)
Purchase of plant and equipment		(5)	-
Short-term deposits		-	(483)
Net cash outflow from investing activities		(37)	(382)
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash was applied to:			
Dividend paid	2	(2,713)	(9,540)
Principal repayment of lease liability		(26)	(19)
Supplementary dividend paid		(66)	(229)
Net cash outflow from financing activities		(2,805)	(9,788)
Net increase in cash and cash equivalents		(7,861)	(22,400)
Add opening cash and cash equivalents		13,440	32,803
Closing cash and cash equivalents		5,579	10,403

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

CONDENSED INTERIM STATEMENT OF CASH FLOWS - CONTINUED

FOR THE HALF YEAR ENDED 30 JUNE 2026 (UNAUDITED)

IN THOUSANDS OF DOLLARS	NOTE	GROUP	
		UNAUDITED 6 MONTHS TO 30/06/26	UNAUDITED 6 MONTHS TO 30/06/25
RECONCILIATION OF PROFIT FOR THE PERIOD TO CASH FLOWS FROM OPERATING ACTIVITIES			
Net profit after taxation		3,392	3,565
Adjusted for non cash items:			
Depreciation of investment property		283	275
Depreciation of plant & equipment		5	5
Depreciation of right-of-use assets		20	15
Loss on sale of fixed assets		3	-
Income tax expense		1,320	1,485
Adjustments for movements in working capital:			
Decrease/(increase) in receivables		2,888	(3,736)
Increase in development property		(8,050)	(20,392)
Decrease in payables		(2,860)	(3,451)
Cash consumed from operating activities		(2,999)	(7,860)
Income tax paid		(2,020)	(4,370)
Cash outflow from operating activities		(5,019)	(12,230)

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

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 JUNE 2026 (UNAUDITED)

1. SIGNIFICANT ACCOUNTING POLICIES

REPORTING ENTITY

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

The condensed interim financial statements of the Company as at and for the half year ended 30 June 2026 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 NZ IAS 34 *Interim Financial Reporting*. The condensed interim financial statements do not include all of the information required for full annual financial statements.

The accounting policies applied by the Group in these condensed financial statements are the same as those applied by the Group in its consolidated financial statements for the year ended 31 December 2025.

The condensed interim financial statements were authorised for issuance on 7 August 2026.

(B) NZ IFRS 18 - PRESENTATION AND DISCLOSURE IN FINANCIAL STATEMENTS

NZ IFRS 18, which is effective for annual reporting periods beginning on or after 1 January 2027, has not yet been adopted by the Group. The Group continues to assess the impact of the standard. Based on work performed to date, the Group expects the standard to primarily affect the presentation and disclosure of information in the financial statements, including the structure of the statement of profit or loss and related disclosures. The assessment remains ongoing and the Group has not yet quantified the full impact of adoption.

2. CAPITAL & RESERVES

SHARE CAPITAL

Under the Company's Dividend Reinvestment Plan, an additional 331,259 shares were issued on 15 May 2026 (2025: 848,744) at a strike price of \$0.6467 (2025: \$0.7947).

At 30 June 2026, the authorised share capital consisted of 293,003,555 fully paid ordinary shares (2025: 292,672,296).

DIVIDENDS

The following dividends were declared and paid during the period ending 30 June:

IN THOUSANDS OF DOLLARS	2026	2025
Cash - 1.0 cents per qualifying ordinary share (2025: 3.5 cents)	2,713	9,540
Dividend reinvestment plan - 1.0 cents per qualifying ordinary share (2025: 3.5 cents)	214	674
	2,927	10,214

3. EARNINGS PER SHARE

The calculation of basic and diluted earnings per share at 30 June 2026 of 1.16 cents (2025: 1.22 cents) was based on the profit attributable to ordinary shareholders of \$3,392,166 (2025: \$3,564,686); and weighted average number of shares of 292,893,135 (2025: 292,389,381) on issue in the period.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 JUNE 2026 (UNAUDITED)

4. 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 development properties and 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.

	RESIDENTIAL LAND DEVELOPMENT		INVESTMENT PROPERTY		GROUP	
IN THOUSANDS OF DOLLARS	6 MONTHS TO 30/06/26	6 MONTHS TO 30/06/25	6 MONTHS TO 30/06/26	6 MONTHS TO 30/06/25	6 MONTHS TO 30/06/26	6 MONTHS TO 30/06/25
External revenue	10,824	12,279	1,724	1,529	12,548	13,808
Earnings before interest, depreciation, amortisation & tax	3,141	3,590	1,724	1,519	4,865	5,109
Finance income	161	241	-	-	161	241
Finance expense	(6)	(6)	-	-	(6)	(6)
Depreciation and amortisation	(5)	(4)	(283)	(275)	(288)	(279)
Depreciation of right-of-use assets	(20)	(15)	-	-	(20)	(15)
Profit before income tax	3,271	3,806	1,441	1,244	4,712	5,050
Income tax expense	(917)	(1,137)	(403)	(348)	(1,320)	(1,485)
Profit after income tax	2,354	2,669	1,038	896	3,392	3,565
Investment property expenditure	-	-	32	383	32	383
Residential land development expenditure	12,746	11,737	-	-	12,746	11,737
Purchase of land for residential land development	-	14,811	-	-	-	14,811

IN THOUSANDS OF DOLLARS	AS AT 30/06/26	AS AT 31/12/25	AS AT 30/06/26	AS AT 31/12/25	AS AT 30/06/26	AS AT 31/12/25
Cash and cash equivalents & short-term bank deposits	6,063	13,924	-	-	6,063	13,924
Investment in associates	2	2	-	-	2	2
Other segment assets	287,281	282,174	35,184	35,525	322,465	317,699
Total assets	293,346	296,100	35,184	35,525	328,530	331,625
Segment liabilities	(2,062)	(5,068)	-	-	(2,062)	(5,068)
Tax liabilities	(78)	(884)	(4,533)	(4,495)	(4,611)	(5,379)
Total liabilities	(2,140)	(5,952)	(4,533)	(4,495)	(6,673)	(10,447)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 JUNE 2026 (UNAUDITED)

4. SEGMENT REPORTING - CONTINUED

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.

5. INCOME TAX EXPENSE

RECOGNISED IN THE STATEMENT OF COMPREHENSIVE INCOME

IN THOUSANDS OF DOLLARS	GROUP	
	6 MONTHS TO 30/06/26	6 MONTHS TO 30/06/25
Current tax expense		
Current year	1,318	1,379
Under/(over) provided for prior years	-	46
	1,318	1,425
Deferred tax expense		
Origination and reversal of temporary differences	2	59
Changes in treatment of building depreciation	-	-
	2	59
Total income tax expense in the statement of comprehensive income	1,320	1,485

RECONCILIATION OF EFFECTIVE TAX RATE

IN THOUSANDS OF DOLLARS	GROUP	
	6 MONTHS TO 30/06/26	6 MONTHS TO 30/06/25
Profit before income tax	4,712	5,050
Income tax using the company tax rate of 28% (2025: 28%)	1,320	1,414
Changes in treatment of building depreciation	-	-
Non-deductible expenses	-	25
Under/(over) provided for prior years	-	46
	1,320	1,485
Effective tax rate	28%	29%

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 JUNE 2026 (UNAUDITED)

6. RELATED PARTY TRANSACTIONS

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 65.05% (2025: 65.12%) of the Company and having one out of five of the Directors on the Board. Millennium & Copthorne Hotels New Zealand Limited is 86.39% (2025: 86.39%) owned by CDL Hotels Holdings New Zealand Limited (computed on voting shares), which is a wholly owned subsidiary of Millennium & Copthorne Hotels Ltd in the United Kingdom. The ultimate holding company is Hong Leong Investment Holdings Pte Ltd in Singapore.

During the six-month period ending 30 June 2026 CDL Investments New Zealand Limited and its subsidiary has incurred costs from its parent, Millennium & Copthorne Hotels New Zealand Limited of \$147,073 (2025: \$114,000) for shared office expenses, insurance premiums and recoverable recharges passed through at cost. As of 30 June 2026, \$33,652 of these related party transactions had been settled and \$113,420 are yet to be invoiced by MCK and are included within accrued trade payables (2025: \$Nil).

SUBSIDIARY	PRINCIPAL ACTIVITY	% HOLDING BY CDL LAND NEW ZEALAND LIMITED	BALANCE DATE
CDL Land New Zealand Limited	Property Investment and Development	100.00	31 December

ASSOCIATE	PRINCIPAL ACTIVITY	% HOLDING BY CDL LAND NEW ZEALAND LIMITED	BALANCE DATE
Prestons Road Limited	Service Provider	33.33	31 March

7. SUBSEQUENT EVENTS

Subsequent to the Group's half year interim reporting period 30 June 2026, the Group entered into a new \$20.0 million flexible credit facility with ANZ Bank New Zealand Limited. The facility was established in August 2026 for a term of 24 months and provides additional funding flexibility for the Group's property portfolio requirements. As the facility was established after the interim reporting period, it has been treated as a non-adjusting subsequent event and has not been recognised in the condensed interim financial statements. The Directors are not aware of any material events subsequent to the interim reporting period that require adjustment or disclosure.





Arataki Road, Havelock North, Hawke's Bay
Fast-track Approved Scheme Plan



CDL INVESTMENTS
NEW ZEALAND LIMITED