

MILLENNIUM & COPTHORNE HOTELS NEW ZEALAND RECORDS A PROFIT DESPITE “TOUGH” 2022

Millennium & Copthorne Hotels New Zealand Limited (**NZX: MCK**) announced its 2022 results earlier today having recorded a profit after tax and non-controlling interests of \$21.7 million.

“2022 was another tough year for everyone in the tourism and accommodation sectors and our results reflected that. Unlike last year, there were no one-off gains or events to help our results so as in 2021, the contribution to our profit came from property development activities”, said MCK Chair Colin Sim.

He noted that while the New Zealand hotel operations recorded a loss for the year, that result was not a true reflection of the work done to address the multiple challenges that the company had to face over the past twelve months.

“Staffing remains our biggest challenge and we asked a lot of our people last year. We had to overcome tremendous challenges in 2022 especially during those times during our high season when parts of New Zealand were still very much under Covid restrictions. Many of those challenges are still here but we believe that we are over the worst of it and can work towards profit and revenue growth once more”, he said.

MCK declared a dividend for 2022 of 3 cents per share payable on 12 May.

“The Board felt that we should reward our shareholders for sticking with us especially in tough times and sharing our belief that better days are ahead”, said Mr. Sim.

MCK also signaled that it had started 2023 positively but like a lot of New Zealand it has been affected by recent weather events in Northland and Auckland. Its hotels had escaped serious physical damage but had received multiple cancellations which would affect its February revenues. Despite these unforeseen events, MCK said that it was looking forward to increased business from events such as the FIFA Women’s World Cup and an uptick in conferencing and the return of international visitors later in the year

“We’re seeing good demand in key market segments and we are looking to add as much business as we can sustain in our hotels which have the right facilities”, said MCK Managing Director Stuart Harrison. “With our refurbishment programme well underway, we are very excited to welcome guests to our new rooms at Millennium Hotel Queenstown and in the near future to our new rooms at Millennium Hotel Rotorua and Copthorne Hotel & Resort Bay of Islands. We are also working on our programmes for other hotels which we are planning to commence later this year”, he said.

Summary of results:

• Profit after tax and non-controlling interests	\$21.7 million	(2021: \$40.0 million)
• Profit before tax and non-controlling interests	\$44.8 million	(2021: \$64.6 million)
• Group revenue	\$144.2 million	(2021: \$164.8 million)
• Shareholders’ funds excluding non-controlling interests	\$531.0 million	(2021: \$514.2 million)
• Total assets	\$709.2 million	(2021: \$680.8 million)
• Earnings per share (cents per share)	13.72 cents	(2021: 25.31 cents *)

* Amount includes one-off gain from sale of land

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About Millennium & Copthorne Hotels New Zealand Limited

Millennium & Copthorne Hotels New Zealand Limited (NZX:MCK) is the only NZSX listed hotel owner – operator with 18 owned / leased / franchised hotels based in New Zealand under the Millennium, Grand Millennium, M Social, Copthorne and Kingsgate brands. As part of the Millennium & Copthorne Hotels group, we are proud to be part of a global network of over 120 properties in gateway cities across Asia, Europe, North America, the Middle East and New Zealand. MCK is also the majority shareholder in land developer CDL Investments New Zealand Limited (NZX:CDI) and also has property interests in Australia through its Kingsgate Group subsidiaries.

For more information, visit our website: www.millenniumhotels.co.nz