

## **MCK interim results for six months to 30 June 2025**

New Zealand hotel owner and operator, Millennium & Copthorne Hotels New Zealand Limited (MCK), has today announced its unaudited results for the six months to 30 June 2025.

The Hotel business continued to perform strongly, with positive gains offset by a softer result from CDL Investments, which reported reduced property sales as a result of market conditions which have been more subdued than anticipated.

Hotel revenue grew by 15% year on year, driven by increased room availability as a result of the long term refurbishment plan and from increasing demand from international travellers. The year on year uplift was despite softer domestic and corporate travel, and further gains are expected when these market recover.

Property sales were impacted by the cool down in the property market (with sales revenue down 51% YOY), resulting in a 7% decrease in total revenue to \$79.3m (FY24: 85.3m).

One sale at the Zenith Residences was also recorded in this half year. We are aiming to exit our remaining units within the next 12 months, subject to favourable market conditions.

The reduced contribution from CDL was the primary driver for MCK's lower profit result, with profit before tax of \$11.35m (FY24: 21.53m).

MCK has a robust balance sheet, providing resilience to navigate through the current cycle and optionality for growth. Bank facilities were utilised for the acquisition of the Mayfair Hotel in January 2025, with bank debt increasing to \$30m as at 30 June 2025.

MCK's Managing Director, Stuart Harrison, noted the positive performance of MCK's recently acquired hotels.

"Both the Mayfair Hotel Christchurch and Sofitel Brisbane Central hotel continue to perform above our expectations. The Mayfair Hotel Christchurch's contribution to our revenue and profit in this half year has been positive and Sofitel Hotel Brisbane saw an increase in their average rate and occupancy and their contribution to profit has increased. We expect that both hotels will continue to do well in the second half of the year. "

"2025 has also seen more progress with our refurbishment and upgrade works. We have completed room upgrades at Copthorne Hotel & Resort Bay of Islands and Copthorne Hotel Palmerston North this year and guest feedback has been very positive at both hotels. That has translated into improved guest satisfaction scores. We will shortly have more rooms including suites back from refurbishment at Millennium Hotel Queenstown just in time for the peak of the winter season".

MCK's majority owned property development subsidiary, CDL Investments New Zealand Limited (CDI), has been impacted by the subdued New Zealand housing market which affected half year revenue and profit. CDI has not yet seen the effects of recent reductions in bank lending rates being translated to increased activity in housing and other property markets within New Zealand.

### Results snapshot

Six months to 30 June	1H25	1H24
Average hotel occupancy across the Group	70.0%	69.0%
Group revenue	\$79.30m	\$ 85.32m
Profit before income tax	\$11.35m	\$21.53m
Profit/(Loss) after tax attributable to equity holders of parent	\$6.65m	\$ (11.75m)
Profit/(Loss) after tax attributable to equity holders of parent (excluding one-off tax adjustment)		\$12.57m
Earnings per share (cents per share)	4.20c	-7.42 cps
Earnings per share (adjusted for one-off tax adjustment)		7.94 cps

### Outlook

We expect that challenging trading conditions will continue into Q3 2025 across all business segments, with some growth expected from domestic and international business in Q4 2025. The company continues to monitor global events closely as travel patterns are changing rapidly in response to unexpected events and policy changes.

CDI's priority for the rest of this year will be optimising the sale of its sections where demand is highest. It is expecting a pick up in the residential property markets in 2026 as a result of reduced interest rates and also due to economic growth in areas of New Zealand which are currently doing well.

Stuart Harrison commented: "Economic headwinds are continuing, both in New Zealand and around the world, impacting on travel numbers and spend. Our focus is on ensuring that we have the best people and product in place, for both the current market and as visitor numbers grow. This will drive our revenue, our profit and value for our shareholders.

"We are engaging the market with more targeted marketing and clever management of our inventories and revenue. Our strong relationships with our key clients and customers are the key to our success and we will be looking to drive occupancies and revenues across our hotels as much as possible."

He concluded: "As the global Millennium & Copthorne group celebrates its 30<sup>th</sup> anniversary of excellence in operations, we are also looking to mark the occasion appropriately. We are already looking forward to the next 30 years and to creating new memories through exceptional hospitality".

### **ENDS**

Issued by Millennium & Copthorne Hotels New Zealand Limited  
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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 19 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 including a 50% ownership interest in the Sofitel Hotel Brisbane Central through a joint venture. For more information, visit our website: [www.millenniumhotels.co.nz](http://www.millenniumhotels.co.nz)