



# MILLENNIUM

HOTELS AND RESORTS

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## MILLENNIUM & COPTHORNE HOTELS NEW ZEALAND LIMITED

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### STOCK EXCHANGE ANNOUNCEMENT

#### **2022 ANNUAL SHAREHOLDER MEETING – REMARKS BY THE MEETING CHAIR**

On behalf of the Directors, I present the Annual Report and the Statement of Financial Accounts to 31 December 2021.

#### **Review of 2021:**

In our annual report, I said that the effort put in by our team members in 2021 was no extraordinary than in 2020 and I meant it.

The last two years have been nothing short of an existential crisis for tourism and accommodation globally and while many companies have struggled to keep going and have had to exit these industries, we have survived.

That is a testament to the dedication and resilience our people have shown and continue to show every day. On behalf of the Board and all MCK shareholders, I would like to offer my sincere thanks to all of our employees at both our hotels and our corporate offices.

While the announcement earlier this month that the international borders will reopen from the end of July is very welcome, we still remain cautious.

What we have learned over the last two years is that the situation can change very rapidly. At the same time, we have learned to react to such changes very quickly.

Despite a highly vaccinated population in New Zealand and the majority of developed countries, we know that a new surge of cases could see the re-imposition of restrictions on gatherings and on travel.

If that happens, and we hope it doesn't, we will likely see yet another round of cancellations and a consequential impact on our revenue and forward bookings.

We know what the likely impact of that lost business will be but the reality is that each time we try to build back our business is usually more difficult than the last.



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In our 2021 annual report, I noted that 2022 would be another difficult year and this is proving to be the case. Mr. Chiu will provide more detail about our trading to date in his presentation but I note that our half year results for the hotel operations will reflect the ongoing challenges all accommodation and tourism providers continue to face.

We do, however, feel there is light at the end of the tunnel. Our land development operations through CDL investment are doing well, the reopening of the international border will help our performance towards the end of this year and we are working on refurbishments to key properties.

Major sporting events will be coming to New Zealand soon such as the Women's Rugby World Cup later this year and the FIFA Women's World Cup in late 2023. We are really looking forward to welcoming supporters from across the globe to New Zealand for those events and we believe that they will be well attended and well supported.

To sum up, we thank all of our shareholders for the continued confidence in this company. As a Board, we want to convey our belief that we have great confidence in MCK and its people across all our hotels and other business divisions now and into the future.

We remain well positioned for recovery and we expect things to improve over the next few years as New Zealand tourism starts to grow once again. The demand for travel remains strong globally and New Zealand remains a very desirable destination.

We look forward to having you join us on our recovery journey and to your future support both as shareholders and as guests at our Millennium, Grand Millennium, M Social, Copthorne and Kingsgate hotels across New Zealand. You can be assured of a warm and friendly welcome at any of our hotels.

## **Managing Director succession:**

BK, as this is your last annual meeting, on behalf of the Board and, I am sure on behalf of all MCK shareholders, I would like to thank you for your service to the Company over the past seventeen years.

You have led our group through very interesting and challenging times, not least after the GFC and after the Canterbury Earthquakes as well as during the pandemic. You have provided the Management Team with excellent leadership and I know that your presentations at these annual meetings are something that our shareholders have looked forward to.



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I'm sure that everyone will want me to thank you on their behalf and wish you well for the future.

We are pleased to have appointed Stuart Harrison as the new Managing Director and I am told that he will be a familiar face to some of you here today. Stuart's appointment has been warmly welcomed by our operational and corporate office teams and the Board is looking forward to working with him when he starts with us fully in June.