MILLENNIUM & COPTHORNE HOTELS NEW ZEALAND LIMITED

STOCK EXCHANGE ANNOUNCEMENT

2026 ANNUAL SHAREHOLDER MEETING – REMARKS BY MCK'S CHAIRMAN

Looking back at 2025

Given everyone's focus on what is going on around the world right now, I do want to take a little time to reflect on the previous year which was a positive one for MCK. Stuart will speak to the current and future forecasts in more detail.

As we said in our results release, 2025 was another set of strong results from our key Hotels business. The results were a validation of our strategic execution and allowed us to transition into the Thrive phase.

We continued to deliver growth for shareholders in two ways – we grew the value of our portfolio through acquisitions and through ongoing refurbishment at key hotels. Having the additional inventory at the right time delivered a timely boost to our results.

The acquisition of The Mayfair Hotel in Christchurch, now proudly part of the Leng's Collection of exclusive boutique hotels, in January 2025 was a very important strategic acquisition and strengthened our positioning in the South Island. It is continuing to perform well in a competitive market.

Our 50% interest in the Sofitel Brisbane Central, has performed above expectations, reflected in increased contributions to our bottom line of $2.64 million. The hotel continues to be busy with corporate and conference bookings in particular, reflecting the increased activity in Brisbane as they approach some major international events.

As a result, our overall hotel revenue grew by 19.5% year-on-year to $130.9 million, reflecting the increased demand from international travellers plus an element of recovery in the corporate and domestic markets up until now. That also allowed us to record our highest revenue result in five years, with a 6% year-on-year increase to $186.7 million.

Despite the fall in operating profit due to CDI's lower contribution, MCK continues to maintain a strong balance sheet.

Our total book value of assets increased to $800.5 million with the fair market value of hotel and properties assessed at $1.1 billion as at 31 December 2025 which translates to a net market asset value of $5.24 per share. With minimal current bank debt, MCK is well positioned for whatever comes next.

Outlook for 2026

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Outlook for 2026

When we released our 2025 results, we did signal cautious optimism. That was based on what we knew and saw at the time.

Recent events have only served to increase our caution. For 2026, I think it is fair to say that (almost) anything could happen globally at any time!

At our Board Meeting yesterday, Directors asked Management a lot of questions as to how MCK has been meeting recent challenges such as price increases and market trends. We came away satisfied that the Management team is very much aware of what is going on and is able to react quickly to changes.

Much of this hard work is taking place behind the scenes. I would like to thank all of our hotel and support office teams for being agile and responsive over the last three months in particular as it has not been easy. As a Board, we appreciate the work that has gone in from everyone so far.

We are all assessing the impact of the daily and weekly changes and we are all making sure the impact on employees and guests can be minimised where we can.

That is probably the right time to hand over to MCK's Managing Director, Stuart Harrison.

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2026 ANNUAL SHAREHOLDER MEETING – REMARKS BY MCK'S MANAGING DIRECTOR

Ladies and Gentlemen, Shareholders,

E ngā mana, E ngā waka, E ngā reo,

Ko Stuart Harrison ahau E rau Rangitira ma

Tēnā koutou Tēnā koutou Tēnā koutou katoa

Thank you all for joining our meeting today especially at a time where the costs of getting around is not cheap.

I am glad to see familiar faces and thank those shareholders both in the room and online for your loyalty to MCK. We appreciate the continued support you show our company.

Welcome to Hani Daher

Before I take you through an overview of our hotels and other business units, I would like to pause briefly to acknowledge a change in our leadership team.

At the conclusion of last year's Annual Meeting, I paid tribute to the outstanding contribution of our outgoing Vice President Operations, Ken Orr. Today, I am very pleased to formally welcome Hani Daher, who joined us late last year as our new Vice President Operations.

Hani's appointment followed an extensive search across the Asia-Pacific region for an experienced hotelier with deep operational expertise and exposure to a wide range of property types, guest segments and markets. We were fortunate to attract someone of his calibre.

In the relatively short time Hani has been with us, he has already begun to make a tangible impact. He is a highly hands-on leader and has spent considerable time on site, working closely with our Hotel General Managers and operational teams. The improvement we have seen in our first-quarter performance in part reflects the early benefits of the work he has started with the business.

We are very fortunate to have added someone with Hani's experience and leadership style at what is a critical time for the Company, and I am delighted to be strengthening my leadership team with his appointment.

I encourage you to say hello to Hani at the conclusion of the meeting and take the opportunity to get to know him.

Colin has already spoken to our FY2025 financial results, so rather than repeat those numbers, I want to focus on the broader picture: how we have started 2026, the market conditions we are operating in, how we are responding, and how we continue to position the business for long-term value creation.

Current Trading and Start to 2026

I am pleased to begin by saying that the opening months of 2026 has started strongly for the Hotels division of the Group.

Our first quarter's results continued the positive momentum we saw in 2025, with our Hotels showing improved occupancy across the network and increases in both revenue and gross profit. This performance reflects not only solid underlying demand in the early part of the year and continued pricing discipline across our hotels, but also the benefit of refurbished rooms and previously unavailable rooms returning to sale.

Having that improved product back online has allowed us to capture demand more effectively, lift average yields, and convert revenue into profit at a stronger rate. As a result, the opening quarter represents one of the stronger starts to our Hotel operations we have seen in the past five years.

That strong start will be evident in our half-year results, and it demonstrates the progress that has been made over the past two years in strengthening our product offering, improving commercial execution, tightening cost control, and lifting overall hotel profitability.

However, while 2026 began well, it would be unrealistic to expect that level of momentum to continue unchanged throughout the remainder of the year. Even before recent global events, we anticipated some moderation in demand with the usual seasonal impacts in the second and third quarters and planned accordingly. Current conditions have simply reinforced the importance of that disciplined and cautious approach.

Global Market Conditions and Tourism Outlook

Turning to global market conditions.

Over the past several months, geopolitical disruption has added a new layer of uncertainty to an already complex global market. While these events have now been unfolding for some time, it is increasingly clear that their effects will extend through the rest of this year and into next year.

Global travel patterns are changing. Airline capacity is tightening, fuel costs are elevated, and supply chains remain under pressure. Most of us will have noticed this personally through significantly higher airfares.

Airlines in our region have already begun reducing services to manage fuel security and operational risk. While the full impact of those capacity adjustments has yet to be felt, the trend is evident and unlikely to reverse quickly.

The International Air Transport Association has described recent events as exposing deep vulnerabilities in jet fuel security. Carriers with significant exposure to affected regions have cancelled large numbers of services and have yet to return to full pre-disruption schedules.

For our business, this has been felt most directly through reduced aircrew travel and cancellations from passengers transiting through impacted hubs.

That said, the picture is not uniform.

Demand from North America remains resilient, with travellers adapting their routing choices rather than cancelling travel entirely. European traffic has similarly adjusted. Across much of Asia, demand remains broadly within expectations, with some moderation but no widespread collapse in key markets.

For our hotels, the effects have not yet been of a scale that requires material changes to our forecasts, but we are realistic that lag effects will flow through over coming quarters. Compounding this, many suppliers have advised of price increases driven by fuel and freight costs—costs that were not embedded in our original budgets for 2026.

Until hostilities ease and supply chains normalise, these pressures will remain. Our focus is on minimising the impact on our guests and our people, while preserving the flexibility needed to respond quickly as conditions change.

How We Are Responding

In this environment, planning and discipline matter more than ever.

Management teams across the business are actively monitoring forward bookings, business on the books, and emerging demand patterns. Drawing on the hard-won experience of the pandemic, we have modelled a range of potential scenarios—not because we expect disruption, but because we want to be prepared rather than reactive.

We have examined the tempo of our operations, potential shifts in market mix, and how we would adapt marketing strategies—both domestically and internationally—should conditions deteriorate or improve.

I want to be clear on one point: this is a planning exercise only. We do not intend to take pre-emptive action based on speculation or rumour. However, should conditions change materially, we want to be positioned to respond, and we will keep the market appropriately informed.

Encouragingly, our sales teams continue to see strong longer-term interest in New Zealand as a destination. Over the past six months, members of the sales team have been active across North America, Europe, Japan, South Korea and China. While short-term conditions may fluctuate, it is important to continue to promote New Zealand and the desire to visit New Zealand remains strong, which gives us confidence in the medium-term outlook.

For Winter 2026, we are placing renewed emphasis on the domestic market—encouraging New Zealanders and Australian to holiday closer to home, support local businesses and explore regions they may not yet have visited.

Investment in Product and Guest Experience

Investment in our product continues to be a critical driver of performance.

Over the past two years, completing key refurbishment projects has been a priority. During that time, we have refurbished almost six hundred rooms [specific quantity ~589 excl GMA] across the portfolio, improving both guest satisfaction and staff pride.

As Colin mentioned earlier, returning those rooms to inventory was a contributor to the nearly 20 percent uplift in rooms revenue in FY2025. That is clear evidence that disciplined capital investment delivers measurable returns.

At Copthorne Hotel Wellington Oriental Bay, the temporary closure of the Bay Wing is disappointing but necessary. It gives us the opportunity to revisit the strengthening requirements for that asset for the long term. 63 rooms (53%) of the hotel is still open and brand loyalty to the hotel remains strong, reinforcing our confidence in the long-term demand for high-quality accommodation in the capital.

Food and beverage also remains an important part of our guest offering. Our Signature Dish Competition last year highlighted the talent across our kitchens, and we continue to review our restaurant to ensure they remain relevant and commercially sustainable.

A recent example is this hotel, M Social, recently received recognition from ICONIC EATS, with one of their dishes making it into the Top 100, marking the second year achieving this milestone, selected from over 2,400 dishes. A special congratulations to Chef Top and the M Social team for this fantastic accomplishment and striving to deliver high quality food and exceptional experiences for our guests.

We are lucky to have some very talented chefs working for us throughout our network and I would strongly encourage you and your friends to dine with us and support our local talent. [and Yes you don’t need to be a hotel guest to dine at our restaurants]

Portfolio Management and Capital Discipline

Alongside operating performance, the Board and management continue to take a disciplined approach to portfolio management. We have a network of 15 owned hotels in New Zealand having a Market Value of $575m as at 31 December 2025 and along with an additional 4 managed or franchised properties gives us a total of 2,579 rooms to fill. Our portfolio remains strategically positioned in many of New Zealand's key tourism and gateway destinations.

We continually review our portfolio and surplus land across the network to ensure capital is deployed where it delivers the best long-term returns. In some cases, this may involve redevelopment; in others, potential divestment – as is currently being considered at Copthorne Rotorua and land at Copthorne Palmerston North.

At M Social Auckland, the proposed Downtown Carpark redevelopment is progressing through the Fast Track process. We support the regeneration of this part of the Auckland CBD and have been engaging proactively with Precinct Properties and the relevant authorities.

The scale and duration of the development will require us to carefully consider its impact on the hotel and the opportunities available during the redevelopment period. That work is ongoing, and we will update shareholders as matters progress.

On acquisitions more broadly, New Zealand hotels continue to attract strong interest from global investors. While we remain open to opportunities that meet our criteria, we are approaching acquisitions cautiously in the current environment. The strength of our balance sheet gives us the flexibility to act when timing and strategy align—not before.

Australia

In Australia, our joint-venture interest in the Brisbane Sofitel Hotel has now completed two full years of operation. The hotel traded strongly in 2025, benefitting from major demand drivers including the British & Irish Lions Rugby Tour and the Ashes cricket series, and delivered a profit contribution of $2.64 million to the Group after tax.

That level of performance gives us confidence that the contribution is sustainable, with potential upside as Brisbane and Queensland prepare to host a number of major events in the period ahead.

Importantly, we are now commencing planning on a refurbishment program for the property, with the intention that mock-up rooms will be completed during this year. This work will be funded from accumulated cashflow from the hotel over the past few years, and will allow us to test and refine future room concepts, while ensuring that any investment continues to enhance the hotel's market positioning and long-term earnings capability.

At Zenith Apartments in Sydney, we completed 16 apartment sales in 2025, and have sold a further two in 2026 which leaves only four remaining. We are reasonably confident these will be sold before year-end, bringing to a close an investment in the property that began in the 1990s and has delivered long-term value to the Company.

I would also like to take this opportunity to formally recognise Joshua Tan, who has been a major contributor to our Sydney operations for over 30 years. Joshua has played an important role in the development and success of our Sydney business throughout its life, and his deep knowledge, commitment and professionalism have been invaluable to the Group.

Joshua will be retiring in July 2026, and I want to acknowledge his outstanding service and extend our sincere thanks for the contribution he has made over three decades. On behalf of the Board, management and his colleagues, I wish him every success and happiness in his retirement.

The Mayfair

Closer to home, The Mayfair Hotel in Christchurch completed its first full year under our ownership in 2025 and made a meaningful contribution to the Company's overall revenue and profitability.

From the outset, we have been careful to preserve the strong reputation that the hotel created since it opened. It was clear that The Mayfair enjoyed powerful brand recognition as a boutique hotel and a distinctive loyalty within the Christchurch market. Preserving that identity has been central to our stewardship of the property.

I am therefore particularly pleased that The Mayfair has now joined the exclusive Leng's Collection within Millennium Hotels & Resorts. This is a special achievement for the hotel and its operational team. Properties within Leng's Collection are personally selected by our Group Executive Chairman, Mr Kwek.

Mr Kwek paid an unannounced visit to the hotel last year, and its inclusion in Leng's Collection reflects the unique character of the property, its high-quality design, and the consistently strong standard of service delivered by the team. Preserving The Mayfair's boutique identity and inclusion in Leng's Collection is a significant endorsement of the property and its team.

CDL Investments

Turning briefly to CDL Investments New Zealand, our 65% owned subsidiary.

As you saw from our results announcement, CDI's performance did have a dampening effect on MCK's overall results in 2025, and its outlook for 2026 remains challenging. That will continue to weigh on MCK's FY26 performance and is a key reason why management remains focused on strengthening hotel profitability in the immediate term, where we have greater ability to influence outcomes.

That said, the view of CDI has not changed, which invests with a long-term horizon and a clear focus on value creation. Property markets are inherently cyclical, and CDI's current performance is a direct reflection of where we sit in the cycle today.

Planning work is continuing with two 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 their ability to respond when demand returns. Their diversified portfolio continues to provide resilience. Residential development remains the cornerstone of the business, but retail and industrial assets are providing additional earnings resilience through the property cycle.

CDI's fundamental strengths remain intact, and we are confident that, as market conditions normalise, it will once again make a meaningful contribution to MCK's group revenues and profitability in the years ahead.

Sustainability

MCK continues to make a measured and practical progress on sustainability across the business. In 2025, we achieved a number of important milestones.

In early 2026, we completed our greenhouse gas inventory and achieved Toitū Carbonreduce certification for the third consecutive year in March, reinforcing an externally verified emissions baseline.

Our focus is now shifting from foundational work towards embedding a more structured sustainability framework and clear strategic direction.

Using the global Millennium & Copthorne "Green Path" as our guiding framework, we have defined a set of sustainability priorities and initial KPIs for our hotels. These have been shared with the Leadership Team and Hotel Managers with the next phase focused on implementation at the property level and within the support office to drive measurable improvement across the portfolio.

We are also about to release our FY25 Sustainability and Climate Report, which will provide further detail on our 2025 emissions profile, our forward-looking strategy, and our key metrics and targets.

While MCK is no longer required to produce a mandatory report, we consider it important to continue voluntary disclosure. This ensures our shareholders, employees, and wider stakeholders remain informed of our progress and commitments in this important area. The report will be available on our Investor Website.

Conclusion

In closing, there is no question that 2026 will be remembered as a year shaped by external uncertainty.

However, I remain confident in our people, our planning, and our ability to adapt. Our focus remains unchanged: delivering outstanding hospitality, protecting and growing asset value, and generating sustainable returns for shareholders.

I look forward to standing here next year and reporting that, despite the challenges, we did some of our strongest work yet.

Thank you.