Q1 Forecast Review - AU & NZ
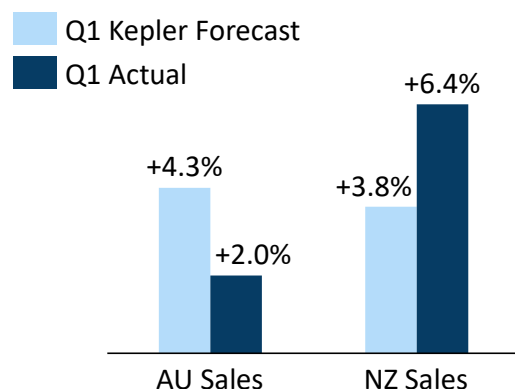
Kepler Analytics

[17th April, 2023]

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Q1 AU & NZ Retail Sales 2023 vs 2022

Q1 Kepler Forecast
Q1 Actual

+4.3%
+2.0%
+3.8%
+6.4%

AU Sales   NZ Sales

- Q1 Sales growth expectation in NZ well exceeding expectations at +6.8%.
- Meanwhile AU grew by only +2.0% falling with in both February and March

Kepler 2023 metrics forecasts in line with actuals 2023

- AU Outside traffic has struggled relying on improved shopfront conversion to maintain inside traffic levels.
- AU Sales conversion and Average Transaction Values forecast similar to Kepler forecasts

AU Metrics	Q1 Actual	Q1 Forecast
Sales	**2.0%**	4.3%
Outside	**-3.0%**	1.3%
Inside	**2.1%**	3.3%
Shopfront Conversion	**5.2%**	2.0%
Sales Conversion	**2.9%**	4.2%
Average Transaction Value	**-3.0%**	-3.1%

- NZ overall traffic is in healthy state
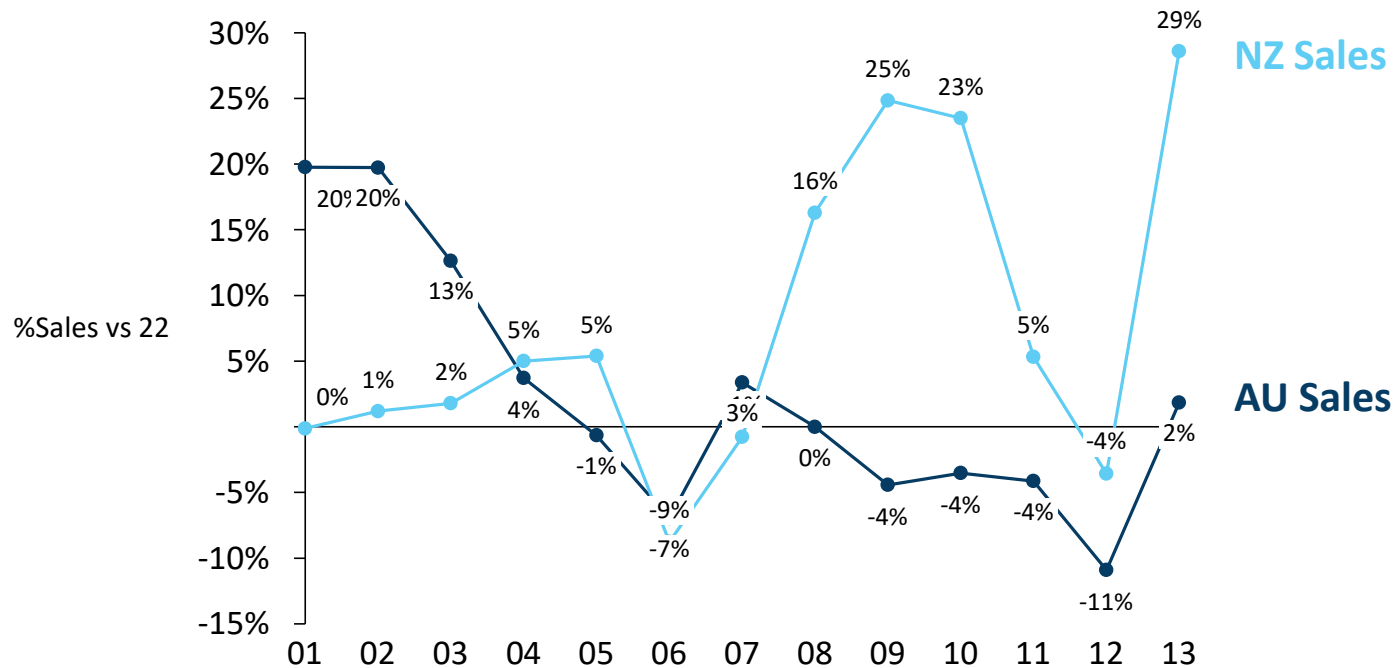- NZ Average Transaction Values are flat which is favourable to our original negative estimates

NZ Metrics	Q1 Actual	Q1 Forecast
Sales	**6.4%**	3.8%
Outside	**-0.3%**	0.7%
Inside	**3.4%**	2.7%
Shopfront Conversion	**3.4%**	2.7%
Sales Conversion	**2.8%**	4.2%
Average Transaction Value	**0.2%**	-3.1%

However – the trajectory of AU & NZ are very different

Q1 Weekly Retail Sales 2023 vs 2022

- NZ Sales trajectory significantly improved from week 8 and sustained this increase.

- AU Sales hovering below -5% since Feb and consistent

- Majority of this Sales impact for both AU and NZ is traffic related

Thank You

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