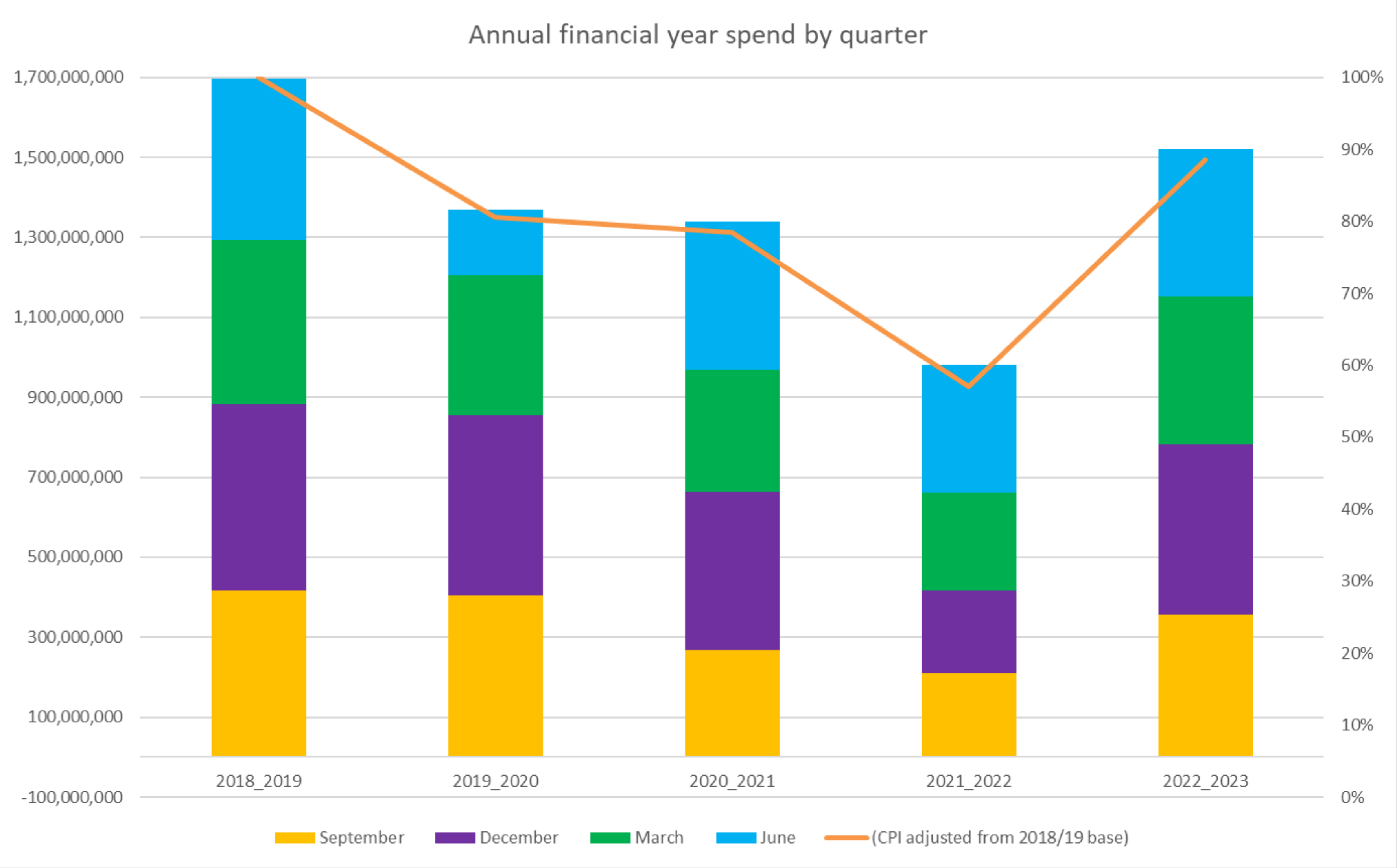
City Centre Quarterly Insights – June 2023

HEART OF THE CITY™ AUCKLAND

Spend



The June 2023 quarter results show spending in the Heart of the City has edged closer to pre-COVID levels (2019). Inflation adjusted figures for the year end June 2023 were 89% of year end June 2019 (or down 11%).

Source: Marketview. Not for reproduction.

HEART OF THE CITY™ AUCKLAND

Spend

91%
June 2023 quarter
of
June 2019 quarter

94%
June 2023
of
June 2019

89%*
Year ending June 2023
of
Year ending June 2019

+55%
Year ending June 2023
vs.
Year ending June 2022

+19%
# of transactions
June 2023 quarter vs. June 2022
quarter

$481m
Value of night-time spend
July 2022 - June 2023
(32% of total spend)
vs. $510m in 2019

Spend was 91% of the June 2019 quarter, with the month of June recording 94% of June 2019 spending. At year end June 2023, spend was +55% vs the prior year end June 2022.

Inflation Adjusted:
When looking at inflation adjusted figures, the July 2022-June 2023 retail sales were down 11% compared to the June 2018 -July 2019 year (or 89% of 2019 spend). Spending trends for 2023 compared to 2022 in real terms are heading closer to 2019 value than in 2021 or 2022.

Declining CPI (Consumer Price Index) rates in 2023 March and June quarters suggest real retail sales in 2023 will continue to exceed 2022 in total and narrow the gap compared to the 2019 year.

Night-time spending
Growing the nighttime economy is a key opportunity for the city centre. For the June quarter, there was an 11% increase over the March quarter. The overall night-time spend (6 am – 6 pm) for the year ending June 2023 was close to pre-COVID levels, with a value of $481m and 32% of overall spend.

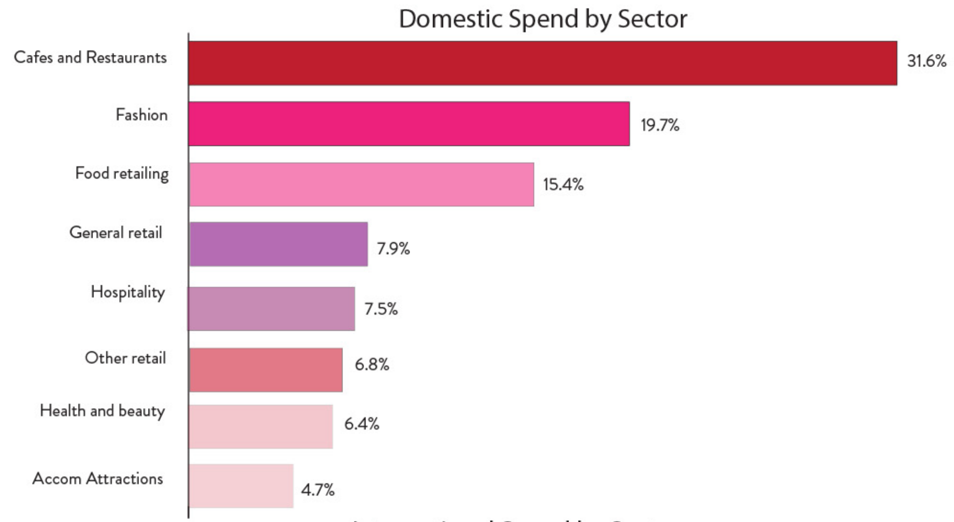
Transactions
The overall number of transactions grew in the June quarter compared to the June 2022 quarter, with the average value declining over the same period.

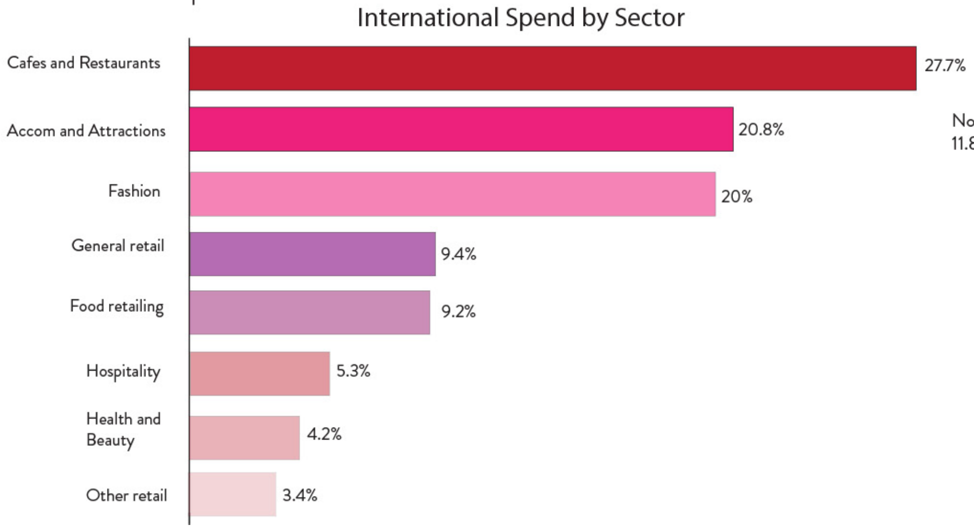
Number of transactions (June 2023 quarter vs. June 2022 quarter)
- HOTC: +19%
- Competitors: +9

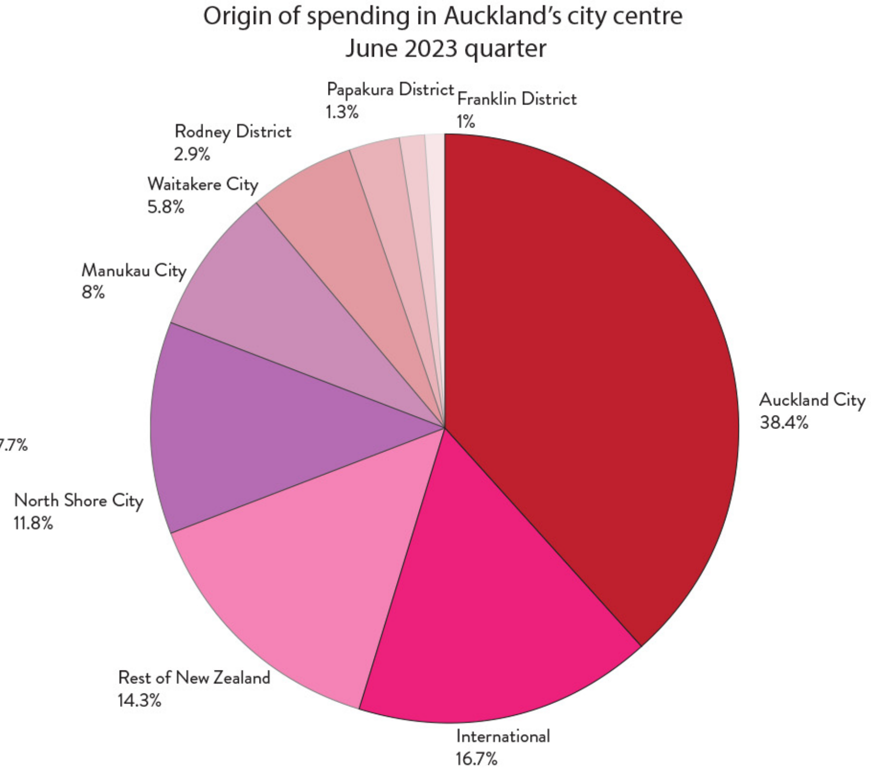
Average value of transactions (June quarter vs. June 2022 quarter)
- HOTC: -4%
- Competitors –6%

Source: Marketview. Not for reproduction
* Adjusted for inflation

Who's spending from where and on what?







People residing in the Auckland City area (the old boundaries of the Auckland City Council) make up the biggest share of city centre spending (38%).

International spending dropped in the June 2023 quarter compared to the previous quarter (16.7% vs. 27%), with the shift from the peak to the shoulder tourism season.

Both *Cafes and Restaurants* and the *Fashion* categories had the biggest spends across both domestic and international sectors, with accommodation and attractions also pulling in international spending.

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Pedestrian Counts

+2%

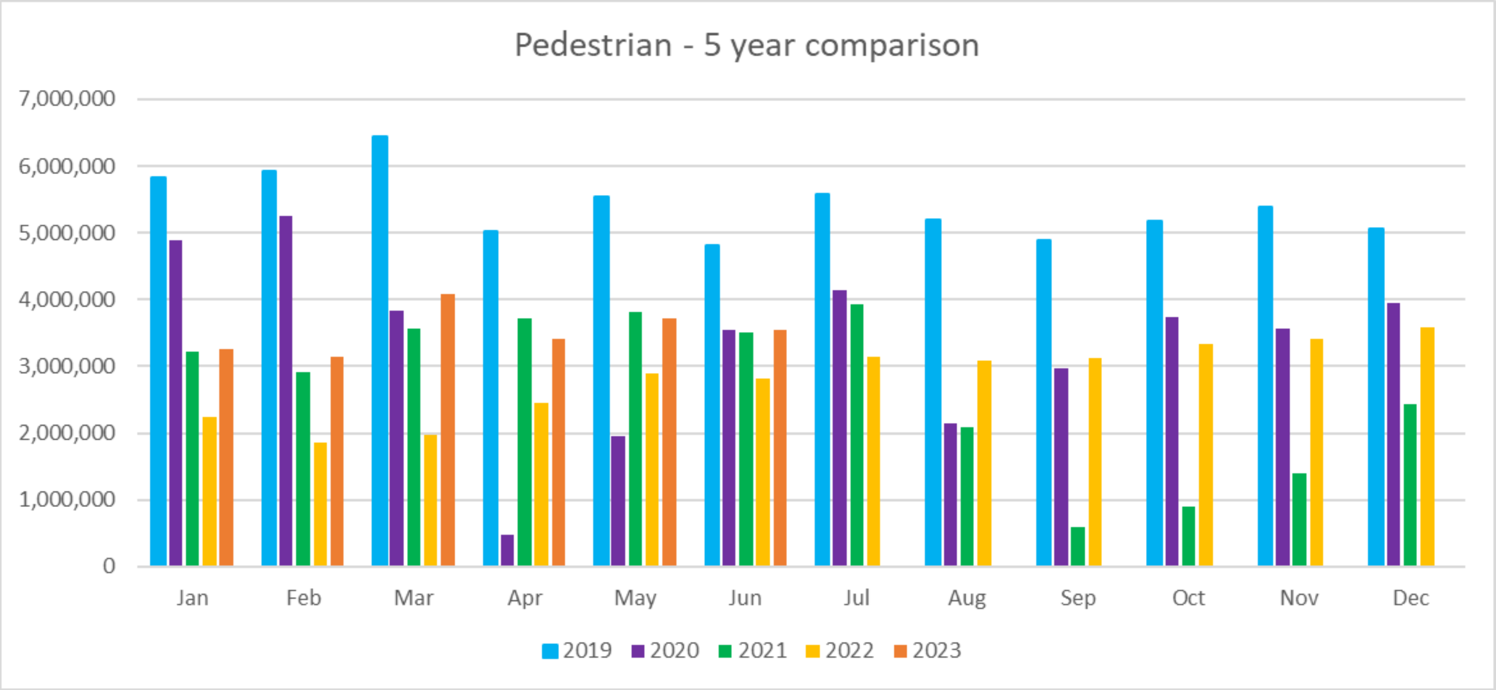
June 2023 quarter
vs.
March 2023 quarter

+31%

June 2023 quarter
vs.
June 2022 quarter

70%

of June 2019 quarter



Foot traffic remains static

The number of people passing our pedestrian counters remains relatively static compared to the previous quarter, at around 70% of pre-COVID levels. Friday and Saturday continue to be the busiest days for foot traffic in the city centre.

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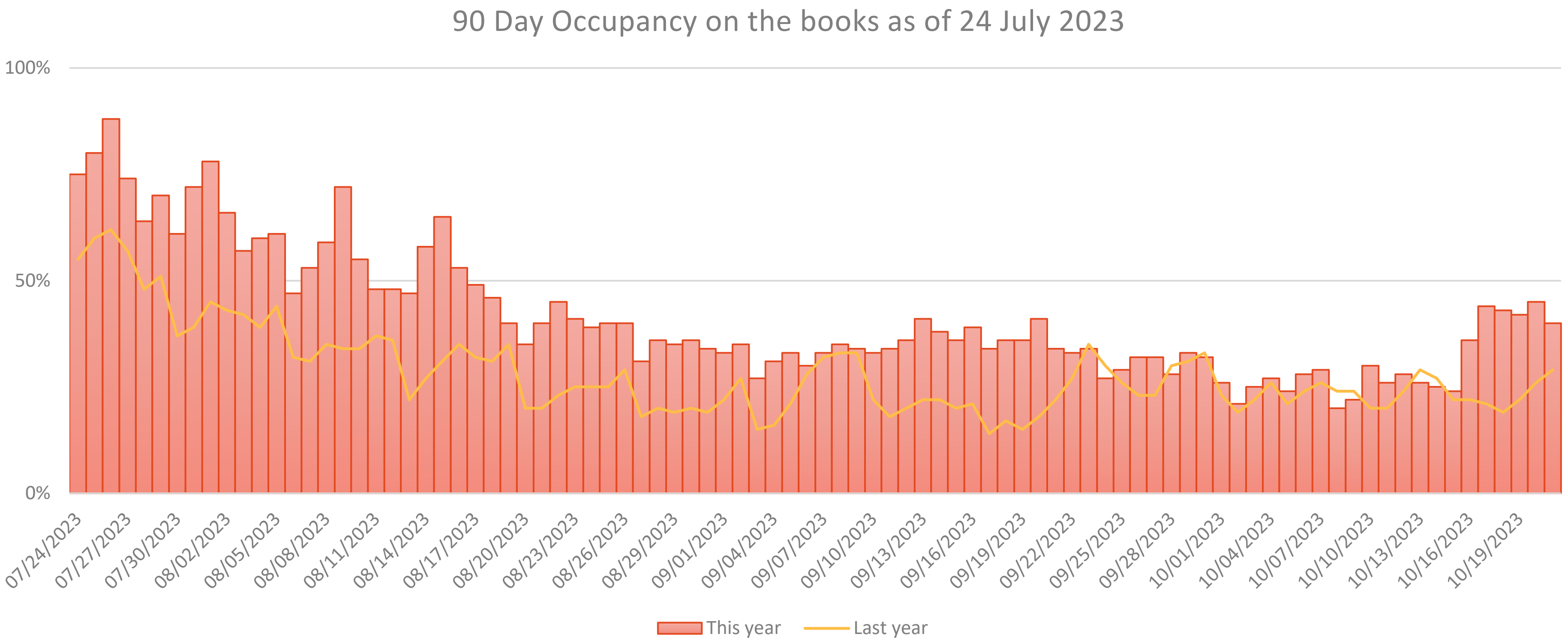
Source: Heart of the City Pedestrian Counts. Not for reproduction.

Accommodation Forward Bookings



Looking ahead

Events play an important role in driving up hotel occupancy. The full effect of the FIFA Women's World Cup™ will not be known until the conclusion of the tournament at the end of August. Despite concerns about a slow pick up for accommodation across NZ during the event, the opening of the FIFA Women's World Cup™ on Thursday 20 July saw a pick up of occupancy rates at Auckland city centre hotels – showing the potential benefit of major events on visitation.

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Source: STR as of 24 July 2023. Not for reproduction·