

Stor-Age Property REIT Limited  
Registration number: 2015/168454/06  
Approved as a REIT by the JSE  
Share code: SSS ISIN: ZAE000208963  
("Stor-Age" or "the group" or "the company")

## **CONDENSED UNAUDITED CONSOLIDATED INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2021, DECLARATION OF A CASH DIVIDEND AND POSTING OF CIRCULAR**

Stor-Age has delivered an excellent set of results with an 8.85% increase in dividend per share for the six months to September 2021 ("the period") compared to the prior year.

### **HIGHLIGHTS**

- Dividend up 8.85% to 56.60 cents
- Rental income and net property operating income up 13.1% and 20.1% respectively<sup>1</sup>
- Like-for-like rental income up 11.6% SA; 23.8% UK
- Like-for-like net property operating income up 16.8% SA; 34.7% UK
- Portfolio occupancy up 18 000m<sup>2</sup> on a like-for-like basis (SA 7 600m<sup>2</sup>; UK 10 400m<sup>2</sup>)<sup>2</sup>
- Total occupancy – SA 86.8%; UK 94.1%
- Net investment property value up 9.3% to R7.953 billion<sup>3</sup>
- Loan-to-value ratio of 25.0%<sup>4</sup>
- Completed restructuring of GBP debt facilities including seven-year £21 million sustainability-linked loan from Aviva Investors
- Acquired three trading self storage properties – Blackpool in the UK for £3.6 million and two properties in SA for R108 million aggregated
- Developments at Sunningdale and Tyger Valley completed in May 2021 and first phase of Cresta in October 2021
- Moorfield JV – completed acquisition of a site in Hounslow (UK) to develop a new store – two further opportunities to be completed shortly
- Announced development JV with Nedbank to develop new properties in SA
- SA development pipeline of ten properties (c.R850 million and 59 200m<sup>2</sup> GLA)

### **GROUP SNAPSHOT**

Stor-Age is the largest self storage property fund and most recognisable industry brand in South Africa. The portfolio comprises 76 self storage properties<sup>5</sup> across both SA (54) and the UK (22). The SA portfolio is valued at R4.8 billion and the UK portfolio – under the brand Storage King – at R3.2 billion. In the UK a further seven properties trade under the licence of the Storage King brand and generate licence and management fee revenue for the group (totalling 29 properties trading under the Storage King brand).

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*Like-for-like – refers to properties trading for the full six months in both reporting periods*

*SA – South Africa*

*m<sup>2</sup> – square metre*

*UK – United Kingdom*

*JV – joint venture*

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<sup>1</sup> Rental income refers to self storage rental income excluding rental guarantee and rental underpin

<sup>2</sup> Excludes impact of looting at Waterfall

<sup>3</sup> Net of leasehold obligations

<sup>4</sup> Loan-to-value ratio is defined as net debt as a percentage of gross investment property of R8.251 billion less lease obligations relating to leasehold investment property of R293.3 million

<sup>5</sup> Includes 50% share of Sunningdale, Cresta (commenced trading in October 2021) and Silver Park Self Storage (acquired November 2021)

## KEY FINANCIAL RESULTS

	Unaudited 6 months ended 30 September 2021	Unaudited 6 months ended 30 September 2020	Change %
Property revenue (R'000)	431 164	390 869	10.3
Distributable earnings (R'000)	245 011	220 290	11.2
Headline earnings per share (cents)	54.38	44.66	21.8
Earnings per share (cents)	91.68	149.18	(38.5)
Dividend per share (cents)	56.60	52.00	8.9
Net tangible asset value per share (cents)	1 309.72	1 210.12	8.2

## DECLARATION OF A CASH DIVIDEND WITH THE OPTION TO RE-INVEST THE CASH DIVIDEND IN RETURN FOR STOR-AGE SHARES

Notice is hereby given of the declaration of the gross interim dividend (number 12) of 56.60 cents per share for the six months ended 30 September 2021 ("Cash Dividend").

Shareholders of Stor-Age ("Shareholders") will be entitled, in respect of all or part of their shareholdings, to elect to re-invest the Cash Dividend in return for Stor-Age shares ("Share Alternative"). Those Shareholders who do not elect the Share Alternative will receive the Cash Dividend. A circular providing further information in respect of the Cash Dividend and Share Alternative ("the Circular") will be posted to Shareholders on Tuesday, 16 November 2021.

The salient dates and times in relation to the Cash Dividend and Share Alternative are as follows:

### Salient dates and times

**2021**

Record date for Shareholders to be registered in the company's Securities Register in order to be entitled to receive the Circular	Friday, 5 November
Circular and form of election posted to Shareholders and announced on SENS	Tuesday, 16 November
Last date for Stor-Age to withdraw the entitlement for Shareholders to elect to participate in the Share Alternative before the publication of the announcement of the Share Alternative issue price and finalisation information on SENS	Friday, 19 November
Announcement of Share Alternative issue price and information published on SENS ("Finalisation Announcement")	Tuesday, 23 November
Last day to trade ("LDT") cum-dividend or Share Alternative	Tuesday, 30 November
Shares to trade ex-dividend or Share Alternative	Wednesday, 1 December
Listing of maximum possible number of Share Alternative Shares commences on the JSE	Friday, 3 December
Last day to elect to receive the Share Alternative (no late forms of election will be accepted) at 12:00 (South African time)	Friday, 3 December
Record date	Friday, 3 December
Announcement of results of Cash Dividend and Share Alternative published on SENS	Monday, 6 December

Cheques posted to Certificated Shareholders and accounts credited by CSDP or brokers of Dematerialised Shareholders electing the Cash Dividend on

Monday, 6 December

Share certificates posted to Certificated Shareholders and accounts credited by CSDP or brokers of Dematerialised Shareholders electing the Share Alternative on

Wednesday, 8 December

Adjustment to the maximum number of Shares listed on or about

Friday, 10 December

**Notes:**

- **Shareholders electing the Share Alternative are alerted to the fact that the new Shares will be listed on LDT + 3 and that these new Shares can only be traded on LDT + 3, due to the fact that settlement of the Shares will be three days after Record Date, which differs from the conventional one day after Record Date settlement process.**
- Shares may not be dematerialised or rematerialised between commencement of trade on Wednesday, 1 December 2021 and the close of trade on Friday, 3 December 2021.

**TAX IMPLICATIONS**

As the company has REIT status, Shareholders are advised that the dividend meets the requirements of a “qualifying distribution” for the purposes of section 25BB of the Income Tax Act (No. 58 of 1962), as amended, (“Income Tax Act”). The dividend on the shares will be deemed to be a dividend, for South African tax purposes, in terms of section 25BB of the Income Tax Act.

**South African tax residents**

The dividend received by or accrued to South African tax residents must be included in the gross income of such Shareholders and will not be exempt from income tax (in terms of the exclusion to the general dividend exception, contained in paragraph (aa) of section 10(1)(k)(i) of the Income Tax Act) because it is a dividend distributed by a REIT.

The dividend is exempt from dividend withholding tax in the hands of South African tax resident Shareholders, provided that the South African resident Shareholders provide the following forms to the CSDP or broker in respect of uncertificated shares, or to the company, in respect of certificated shares:

- a) a declaration that the dividend is exempt from dividend tax; and
- b) a written undertaking to inform the CSDP, broker or the company, should the circumstances affecting the exemption change or the beneficial owner cease to be the beneficial owner,

both in the form prescribed by the Commissioner for the South African Revenue Service.

Shareholders are advised to contact their CSDP, broker or the company to arrange for the abovementioned documents to be submitted prior to payment of the dividend, if such documents have not already been submitted.

**Non-resident Shareholders**

Dividends received by non-resident Shareholders will not be taxable as income and instead will be treated as an ordinary dividend which is exempt from income tax in terms of the general dividend exemption in section 10(1)(k)(i) of the Income Tax Act. It should be noted that up to 31 December 2013 dividends received by non-residents from a REIT were not subject to dividend withholding tax. Since 1 January 2014, any dividend received by a non-resident from a REIT will be subject to dividend

withholding tax at 20%, unless the rate is reduced in terms of any applicable agreement for the avoidance of double taxation ("DTA") between South Africa and the country of residence of the shareholder concerned. Assuming dividend withholding tax will be withheld at a rate of 20%, the net dividend amount due to non-resident Shareholders is 45.28000 cents per share. A reduced dividend withholding rate in terms of the applicable DTA may only be relied on if the non-resident shareholder has provided the following form to their CSDP or broker in respect of uncertificated shares, or the company, in respect of certificated shares:

- a) a declaration that the dividend is subject to a reduced rate as a result of the application of DTA; and
- b) a written undertaking to inform their CSDP, broker or the company, should the circumstances affecting the reduced rate change or the beneficial owner cease to be the beneficial owner,

both in the form prescribed by the Commissioner for the South African Revenue Service. Non-resident Shareholders are advised to contact their CSDP, broker or the company to arrange for the abovementioned documents to be submitted prior to payment of the dividend, if such documents have not already been submitted.

The company's tax reference number is: 9027205245

The distribution of the Circular and/or any accompanying documents and the right to elect the Share Alternative in jurisdictions other than the Republic of South Africa may be restricted by law and a failure to comply with any of these restrictions may constitute a violation of the securities laws of such jurisdictions. The Shares have not been and will not be registered for the purposes of the Share Alternative under the securities laws of the United Kingdom, European Economic Area, Canada, United States of America, Japan or Australia, and accordingly are not being offered, sold, taken-up, re-sold or delivered directly or indirectly to recipients with registered addresses in such jurisdictions.

The board of directors ("the Board") in its discretion may withdraw the Share Alternative should market conditions warrant such actions and such withdrawal will be communicated to Shareholders via SENS.

This short-form announcement is the responsibility of the Board and does not include full or complete details. Any investment decision should be based as a whole on the preliminary summarised consolidated annual financial results ("full announcement"), which may be downloaded from:

<https://senspdf.jse.co.za/documents/2021/jse/isse/SSSE/Finals.pdf>

The full announcement is available for inspection at the registered offices of the company at no charge, during office hours for a period of 30 calendar days following the date of this announcement. The full announcement is also available on the company's website at: <https://investor-relations.storage.co.za/sens>

The short-form announcement has not been audited or reviewed by the company's external auditors.

**By order of the Board**  
**16 November 2021**

GA Blackshaw (Chairman)\*, GM Lucas (CEO)\*, JAL Chapman#, KM de Kock#, SJ Horton\*, SC Lucas\*+, P Mbikwana#, MPR Morojele#, A Varachhia#

- Non-executive
- # Independent non-executive
- \* Executive

**Company secretary**  
HH-O Steyn

**Registered office and business address**  
216 Main Road, Claremont, 7708

**Transfer secretaries**

Computershare Investor Services Proprietary Limited  
2nd Floor, Rosebank Towers  
15 Biermann Avenue, Rosebank 2196

**Sponsor**

Investec Bank Limited  
100 Grayston Drive  
Sandown, Sandton 2196