

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 2022 AND DECLARATION OF A CASH DIVIDEND

Despite the uncertain economic environment and geopolitical instability, Stor-Age continued delivering a strong financial and operating performance for the six months to September 2022 ("the period") with a 6.1% increase in distributable income per share.

HIGHLIGHTS

- Interim dividend of 60.05 cents
- Rental income and net property operating income up 18.6% and 16.5% respectively
- Same-store rental income up 9.0% SA; 11.4% UK
- Portfolio occupancy, including JVs, up 60 100m² (SA 30 300m²; UK 29 800m²)
- Same-store closing occupancy – 89.4% SA; 91.8% UK
- Achieved rental rate growth of 6.8% SA and 8.4% UK in same-store portfolio
- Net investment property value up 23.5% to R9.823 billion
- Tangible net asset value up 10.5% to R14.47 per share
- Loan-to-value ratio of 30.1%¹ and over 85% of net debt subject to interest rate hedging
- Eight new properties (four with each of Nedbank Property Partners and Moorfield in our JV partnerships) scheduled to open over the next 18 months
- Acquired Think Self Storage in Parklands (Cape Town) for R65 million shortly after period end
- SA development pipeline of ten properties (c.R900 million and 60 000m²+ GLA)

GROUP SNAPSHOT

Stor-Age is the largest self storage property fund and most recognisable industry brand in SA. The portfolio comprises 86 self storage properties across both SA (56) and the UK (30). The SA portfolio is valued at R5.1 billion and the UK portfolio – under the brand Storage King – at R5.8 billion (£290 million)².

SA – South Africa; UK – United Kingdom; m² – square metres; JV – joint venture
Same-store – refers to properties trading for six months in both reporting periods

¹ LTV ratio is defined as net debt as a percentage of gross investment property of R10.139 billion less lease obligations relating to leasehold investment property of R316 million

² Includes Think Secure Self Storage, trading properties held in JVs and managed by the group and excludes new properties under development

KEY FINANCIAL RESULTS

	Unaudited 6 months ended 30 September 2022	Unaudited 6 months ended 30 September 2021	Change %
Property revenue (R'000)	513 711	431 164	19.15
Distributable earnings (R'000)	285 003	245 011	16.32
Headline earnings per share (cents)	73.29	54.38	34.77
Earnings per share (cents)	116.05	91.68	26.58
Dividend per share (cents)	60.05	56.60	6.10
Net asset value per share (cents)	1 479.03	1 342.47	10.17

DECLARATION OF A CASH DIVIDEND

Notice is hereby given of the declaration of the gross final dividend (number 14) of 60.05 cents per share for the six months ended 30 September 2022 ("Cash Dividend").

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

Salient dates and times	2022
Last day to trade cum-dividend	Tuesday, 29 November
Shares to trade ex-dividend	Wednesday, 30 November
Record date	Friday, 2 December
Payments to Certificated Shareholders and accounts credited by CSDP or broker of dematerialised Shareholders	Monday, 5 December

Notes:

- Shares may not be dematerialised or rematerialised between commencement of trade on Wednesday, 30 November 2022 and the close of trade on Friday, 2 December 2022, both days inclusive.
- The above dates and times are subject to change. Any changes will be released on SENS.

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 48.04000 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

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/2022/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
15 November 2022

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
- + British citizen

Company secretary

HH-O Steyn

Registered office and business address

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Transfer secretaries

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