



Stor-Age Property REIT Limited
 Incorporated in the Republic of South Africa

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 Approved as a REIT by the JSE

(“Stor-Age”, the “group” or the “Company”)

BUSINESS AND TRADING UPDATE

Stor-Age, South Africa’s leading and largest self storage property fund, is pleased to provide the following business update.

Trading update

Key operating metrics for the 11-month period to 28 February 2023 reflect a resilient trading performance in both the SA and UK markets, showing growth in both occupancy and average rental rates.

FY23 saw a return to a more normalised cycle of trading in line with pre-pandemic seasonality trends. Typically the Company experiences some occupancy losses in the winter months offset by strong trading activity in the spring and summer months. Demand levels remain robust with enquiry levels in line with expectation. Churn (customers moving out each month as a percentage of starting occupancy) remains lower than pre-pandemic levels, providing further support to occupancy. In both markets, we continue to carefully manage occupancy levels, rental rates and promotions to maximise revenue.

In SA, total occupancy increased by 17 100m² year-to-date (“YTD”) to finish at 90.5%. On a same store basis, the average rental rate increased by 7.3% YoY, whilst average occupancy increased by 2.1% YoY. Occupancy in the same-store portfolio closed at 91.7%. Stor-Age completed the acquisition of Think Secure Self Storage in December 2022 adding a further 3 300m² of GLA (6 900m² on full fit-out) with a further 5 300m² of lettable area added at other properties in the portfolio in FY23.

In the UK, total occupancy increased by 3 200m² YTD. On a same store basis, the average rental rate increased by 8.3% YoY, whilst average occupancy increased by 1.0% YoY. Occupancy in the same-store portfolio closed at 86.7%, reflecting the additional capacity of 5 200m² from our recently completed extensions (primarily Doncaster, Bedford, and Chester). A further 5 700m² of lettable area was added to properties in the non same-store portfolio.

The tables below summarise the closing occupancy and YTD occupancy growth at 28 February 2023:

SA	GLA	Occupied	% occupied	Occupancy
	Feb-23	Feb-23	Feb-23	growth YTD m ²
Own portfolio	387 100	350 200	90.5%	15 300
JV portfolio	6 300	5 800	92.5%	1 800
Total	393 400	356 000	90.5%	17 100
Same-store	360 800	330 800	91.7%	8 300
Non same-store	32 600	25 200	77.4%	8 800

UK	GLA	Occupied	% occupied	Occupancy growth YTD
	Feb-23	Feb-23	Feb-23	m ²
Own portfolio	106 600	92 100	86.4%	2 800
JV portfolio	25 200	17 600	69.9%	400
Total	131 800	109 700	83.3%	3 200
Same-store	94 200	81 700	86.7%	1 500
Non same-store	37 600	28 000	74.6%	1 700

Acquisition and development activity

Acquisition

Think Self Storage

Think Secure Self Storage in Parklands, a suburb located on Cape Town's west coast, was acquired in November 2022 for a purchase consideration of R65 million.

Well located on the corner of Sandown and Koeberg Roads in Parklands – servicing the broader Parklands, Sunningdale and Table View areas, the property's location is highly complementary to the existing Stor-Age Sunningdale and Table View properties. Post acquisition the property has traded in line with forecasts.

The purpose-built multi-storey property offers an existing total potential of 4 000m² GLA, while also benefiting from significant additional bulk. A planning application was submitted to expand the property by an additional estimated 2 900m² GLA, translating into approximately 6 900m² GLA in total on completion.

Rebranding of the property is largely complete, with the retail store fit out still underway and scheduled for completion in the first quarter of FY24.

Developments

New developments and major expansions are currently underway across 11 properties in South Africa and the UK (SA 5: UK 6), which are scheduled to bring on line an additional estimated 55 000m² of space in FY24.

South Africa

Stor-Age's secured development pipeline in South Africa comprises ten properties with an approximate total development cost of R900 million, and which will add an estimated 60 000m² + GLA to the portfolio.

The table below summarises developments in progress:

Property	Status	Estimated development cost	Estimated GLA
Morningside	Nearing completion – external facades and works currently in progress; internal fit-out is well advanced. Scheduled to open for trading in the second quarter of FY24.	R125m	7 400m ²
Bryanston	External envelope of the building is complete, with the internal fit-out works currently in progress. Scheduled to open for trading in the first quarter of FY24.	R75m	4 700m ²
Pinelands	Brownfield conversion. Internal concrete works substantially complete. Scheduled to open for trading in the second quarter of FY24.	R97m	7 300m ²
Paarden Eiland	Brownfield conversion. Vertical extension of the building (two additional floors) is currently underway, with the fit-out	R75m	4 700m ²

	of the lower floors in progress. Scheduled to open for trading in the second quarter of FY24.		
Century City	Greenfield development. Bulk earthworks complete and piling underway. Scheduled to open for trading in the first quarter of FY25.	R96m	6 100m ²

All properties are being developed in our JV with Nedbank, with the exception of Century City, which is being developed in a JV with Rabie Property Group.

UK

An additional property was secured in the UK development pipeline in West London (zone 3) in February 2023. Stor-Age's secured development pipeline in the UK now comprises five properties with an approximate total development cost of £64 million, and which will add an estimated 270 000sqf GLA to the portfolio.

Our new developments are being completed in the Moorfield JV.

The table below summarises developments in progress:

Property	Status	Estimated development cost	Estimated GLA
Heathrow	Greenfield development. External envelope is complete with the internal fit-out works currently in progress. Scheduled to open in the second quarter of FY24.	£13.8m	61 000sqf (5 700m ²)
Bath	Brownfield conversion. Internal fit out is well advanced. Scheduled to open for trading in the first quarter of FY24.	£11.7m	46 000sqf (4 300m ²)
Canterbury	Greenfield development. Steel structure is complete with the roof and external cladding in progress. Scheduled to open for trading in the third quarter of FY24.	£9.8m	54 000sqf (5 000m ²)
West Bromwich	Brownfield conversion. Construction work has begun on site. Will also offer approximately 3 500sqf of office space and 13 000sqf of bulk storage space. Scheduled to open for trading in the third quarter of FY24.	£12.0m	64 000sqf (5 900m ²) excluding bulk and office space
Site 5	Contracts exchanged in February 2023 for the purchase of an existing building for conversion in west London for £11.75 million (zone 3, approximately 55 000sqf of gross building area) with completion scheduled for April 2023. Investigations are currently underway to extend the building vertically (two floors). Brownfield conversion.	To be confirmed	To be confirmed

Portfolio expansion

Milton Keynes

An estimated 21 000sqf GLA expansion, comprising a three floor extension to the existing property, including the conversion of a portion of existing office space to self storage, began on site in February 2023.

The building works are scheduled to be completed in the third quarter of FY24.

Crewe

The building adjacent to the existing property was acquired in August 2022 at a cost of £2.6 million. On completion, the newly acquired property is forecast to compromise of an estimated 16 300sqf of self storage space and 2 700sqf of office space.

The three-floor conversion of the newly acquired building and the addition of ancillary office space is scheduled for completion in the second quarter of FY24.

Portfolio expansion – town planning applications

We continue to seek opportunities to unlock value in the existing portfolio. Accordingly, a number of town planning applications are currently either in hand and approved, or have recently been submitted as follows:

- Huddersfield – a planning application is currently in progress for an estimated 22 000sqf GLA expansion
- Wakefield – a planning application is currently in progress for an estimated 7 000sqf GLA expansion
- Blackpool – a planning application is currently in progress for an estimated 23 000sqf GLA expansion

Definitions

SA – South Africa

UK – United Kingdom

GLA – gross lettable area

JV – joint venture

FY – Financial Year

YTD – year-to-date

YoY – year-on-year

m² – square metres

sqf – square feet

Same-store – refers to properties trading for the full year in FY23 and FY22

Non same-store – includes acquisitions and new developments

Any forward looking statements have not been reviewed by the group's external auditors.

Cape Town, 28 March 2023

Sponsor

Investec Bank Limited