

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

CONDENSED UNAUDITED CONSOLIDATED INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2024 AND DECLARATION OF A CASH DIVIDEND

Stor-Age is pleased to present its trading results for the six months to 30 September 2024 ("the period").

HIGHLIGHTS

- Distributable income per share of 63.51 cents, up 3.5% year-on-year
- Interim dividend of 57.16 cents per share based on a 90% payout ratio
- Same-store operating metrics:
 - Rental income up 10.8% SA and 6.8% UK
 - Net property operating income up 12.0% SA and 7.4% UK
 - Achieved rental rate up 8.2% SA and 2.4% UK
 - Occupancy up 12 200m² (SA 8 900m²; UK 3 300m²)
- Closing occupancy 90.5% (92.0% SA; 85.3% UK)
- Net investment property value up 5.4% to R11.458 billion
- Property portfolio comprises 107 trading stores (owned, JV and third-party managed properties) – growth of ten stores over 12 months
- Loan-to-value ratio of 31.3% and 81.2% of net debt subject to interest rate hedging
- Two new properties (Kramerville and Century City) in SA completed in our JV structures
- Four properties in the UK added to our third-party management platform
- Successful R500 million debt auction concluded in April 2024
- Acquisition of Extra Attic in SA in September 2024
- Phase 1 of Leyton development (UK) commenced trading in October 2024

GROUP SNAPSHOT

Stor-Age is the largest self storage property fund and most recognisable brand in SA. The portfolio comprises 107 trading properties across SA (63) and the UK (44), providing storage to over 52 800 customers. The combined value of the portfolio, including properties managed in our JV partnerships, was R17.4 billion (SA – R6.4 billion; UK – £478 million) at 30 September 2024 with the maximum lettable area, including the pipeline and ongoing developments, exceeding 680 000m². The group employs more than 500 staff across SA and the UK. Stor-Age has been listed on the Johannesburg Stock Exchange since November 2015.

KEY FINANCIAL RESULTS

	Unaudited 6 months ended 30 September 2024	Unaudited 6 months ended 30 September 2023	Change %
Property revenue (R'000)	649 278	600 462	8.1
Distributable earnings (R'000)	275 302	292 160	(5.8)
Headline earnings per share (cents)	139.85	51.04	174.0
Earnings per share (cents)	181.46	76.45	137.4

Dividend per share (cents)	57.16	61.36	(6.8)
Net asset value per share (cents)	1 685.54	1 556.68	8.3

DECLARATION OF A CASH DIVIDEND

Notice is hereby given of the declaration of the gross interim dividend (number 18) of 57.16 cents per share for the six months ended 30 September 2024 ("Cash Dividend"). The dividend has been declared from income reserves.

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

Salient dates and times	2024
Last day to trade cum-dividend	Tuesday, 26 November
Shares to trade ex-dividend	Wednesday, 27 November
Record date	Friday, 29 November
Payments to Certificated Shareholders and accounts credited by CSDP or broker of dematerialised Shareholders	Monday, 2 December

Notes:

- Shares may not be dematerialised or rematerialised between commencement of trade on Wednesday, 27 November 2024 and the close of trade on Friday, 29 November 2024, 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 45.72800 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 condensed unaudited consolidated interim results (“full announcement”), which may be downloaded from:
<https://senspdf.jse.co.za/documents/2024/jse/isse/SSSE/Interims.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.

OUTLOOK

We are well positioned – from a strategic, financial and operational perspective – as we approach the second half of FY25. We expect our SA portfolio to continue its positive growth trajectory for the remainder of the financial year and we remain cautiously optimistic that our UK portfolio will deliver a robust set of results for the full financial year. Although competitive move-in pricing dynamics remain prevalent in the UK market, we are satisfied with our operating performance to date and remain confident in our ability to navigate the challenges that lie ahead.

The board expects distributable income per share (before applying a payout ratio) to be approximately 122 to 126 cents for FY25.

This guidance is based on the following assumptions:

Specific assumptions

- Demand levels for self storage remain in line with expectation

- Occupancy and rental rate growth is in line with management's forecast
- Third-party management revenue streams increase in line with management's forecast

Macroeconomic assumptions

- There is no unforeseen and / or significant deterioration in the macroeconomic environment or other factors that are beyond our control
- The recent improvement in energy supply and lower levels of load-shedding is maintained
- No further increases in interest rates in FY25
- The GBP/ZAR exchange rate remains materially unchanged

This guidance is provided in good faith, however there is no guarantee that management's expectations, projections or assumptions will be achieved. This guidance has not been reviewed or reported on by the company's auditors and is the responsibility of the directors.

By order of the Board **11 November 2024**

GA Blackshaw (Chairman)*, GM Lucas (CEO)*, JAL Chapman#, KM de Kock#, SJ Horton*, AA Koranteng#, SC Lucas*+, AC Menigo#, MPR Morojele#, A Varachhia#

- Non-executive
- # Independent non-executive
- * Executive
- + British citizen

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

Equity Sponsor

Investec Bank Limited
100 Grayston Drive
Sandton 2196

Debt Sponsor

Nedbank Corporate and Investment Banking, a division of Nedbank Limited
135 Rivonia Road
Sandton 2196

SA – South Africa
UK – United Kingdom
GLA – gross lettable area
m² – square metres
JV – joint venture
FY25 – financial year ending 31 March 2025