

ASX RELEASE

17 NOVEMBER 2023

2023 ANNUAL GENERAL MEETING

Abacus Storage King (ASX: ASK) advises that the Annual General Meeting will be held today, Friday, 17 November 2023 at 11.30am AEDT at Level 13, 77 Castlereagh Street, Sydney NSW 2000.

Attached are the Chair, Managing Director and Fund Manager addresses and presentation to be given at the 2023 Annual General Meeting.

END

Investor & Media Enquiries

Cynthia Rouse
Executive General Manager Investor Relations and Corporate Communications
+61 2 9253 8600

Authorised for release by Lucy Spenceley, Company Secretary ASX:ASK

ABACUS STORAGE KING 2023 AGM CHAIR ADDRESS - JOHN O’SULLIVAN SYDNEY, 17 NOVEMBER 2023

Good morning everyone. My name is John O’Sullivan and I am the Chair and an Independent Non-Executive Director of Abacus Storage King.

On behalf of the Board of Directors, it is my pleasure to welcome you to the first Annual General Meeting of Abacus Storage King securityholders.

I will chair today’s meeting, which is being recorded.

This meeting has been convened in accordance with the Corporations Act. As it is past the appointed time of 11.30am and a quorum of Securityholders is present, I declare the meeting open.

This meeting comprises the extraordinary general meetings of the members of:

- Abacus Storage Operations Limited

in conjunction with the meeting of the members of:

- Abacus Storage Property Trust

I am joined today by my fellow Abacus Storage King Directors - our independent non-executive directors Stephanie Lai and Karen Robbins, non-executive director Mark Bloom, our Executive Director, Steven Sewell and our Fund Manager Nikki Lawson. We are also joined by members of the Abacus Group and Abacus Storage King management team and the Abacus Group’s auditor, Anthony Ewan from Ernst & Young.

De-staple

Post balance date, Abacus Property Group held an Extraordinary General Meeting with 99.97% of securityholders voting in favour of the de-stapling proposal to create two new ASX listed REITs to be referred to as Abacus Group and Abacus Storage King. The completion of the de-stapling was a significant milestone in our evolution and positions Abacus Storage King for future growth with its own cost of capital as a standalone entity.

As previously announced, Abacus Group will be the manager of Abacus Storage King and has retained a strategic minority interest of 19.9% in Abacus Storage King.

The two entities will provide separate results from the first half of financial year 2024. To assist our stakeholders, we have provided a range of pro forma FY23 metrics for Abacus Storage King in our AGM presentation. This AGM will focus on Abacus Storage King, which was formerly the Self Storage segment of Abacus Property Group. Post de-staple, this segment is now a standalone entity,

and is the owner, operator and manager of the Storage King operating platform, and a \$3.1 billion Investment Portfolio including 131 Self Storage Properties and Other Investments as at 30 June 2023.

Given the de-staple occurred after balance date, today's meeting will be to consider some matters that are being presented in relation to Abacus Property Group as at 30 June 2023 and therefore consideration of the Annual Financial Statements of Abacus Property Group and the adoption of the Abacus Group Remuneration Report both relate to the Abacus Property Group prior to de-stapling.

Before we move to the formal voting on the resolutions, Steven and I will provide a brief business update, as well as a trading update from the fund manager, Nikki Lawson. There will also be time for you to ask any questions in relation to the Resolutions during the meeting and any other general questions you may have at the end of the meeting.

FY23 Platform Metrics

FY23 presented significant challenges across various real estate sub sectors due to a rapid global increase in interest rates, marking the quickest rate hike cycle in several decades. This change in monetary policy setting has had adverse effects on valuations and share prices throughout the REIT sector. Nevertheless, the Self Storage segment demonstrated its resilience, driven by robust demand stemming from population growth, housing density, and the increasing adoption of e-commerce. These underlying drivers were a positive force against the macroeconomic and geopolitical backdrop during the period.

The Group's Self Storage portfolio of 131 assets, delivered 19% growth in net property rental income contribution to Funds From Operations (FFO), reaching \$147.5 million. This robust performance can be attributed to the diversified nature of our portfolio and customer base, as well as the strength of the Storage King brand. During the financial year, Abacus successfully acquired 12 new Self Storage assets, opened four new stores, and completed two expansions from our development pipeline, all of which have enhanced our portfolio quality and are expected to underpin long term sustainable income growth for securityholders.

Following the de-stapling of Abacus Group and Abacus Storage King, we remain confident in the growth trajectory for Abacus Storage King. Our multi-pronged growth strategy, inclusive of our 18 new store development pipeline over the short to medium term, across high quality locations, positions the business for continued growth in FY24 and beyond.

Acknowledging that external pressures are currently influencing capital flows and market sentiment, we remain committed to our multi-pronged growth strategy. This strategy is supported by the robust brand recognition of Storage King, Australia and New Zealand's most widely recognised Self Storage brand, positioning us favourably for future organic growth. Moreover, we believe Abacus Storage King is well positioned to capitalise on the prevailing themes and tailwinds driving the Self Storage sector, including the surge in online retail and the increasing significance of last-mile distribution.

FY23 ESG Focus

As a newly listed entity, Abacus Storage King recognises the importance of strong governance and is committed to a high standard of both corporate governance and compliance. Abacus Storage King's

governance practices have been guided by Abacus Group, with a robust governance framework implemented with a majority independent Board, to ensure we support the objectives of the business in line with the values of Abacus Storage King.

Our ongoing commitment to the communities we operate in, is reflected in our charitable initiatives, which raised approximately \$100,000 in FY23 for noteworthy causes, including the McGrath Foundation, Steptember, Good360, and Blue September. We are focused on our people and were pleased to have achieved an average employee engagement score of 82% during the period, highlighting our commitment to having a motivated and dedicated workforce.

From an environmental perspective, we are pleased to report that over 60% of our Self Storage trading stores now have behind-the-metre solar installations to offset store consumption.

Looking ahead, we are actively developing a standalone Environmental, Social, and Governance Strategy for Abacus Storage King and look forward to updating the market on our progress throughout FY24.

MANAGING DIRECTOR ADDRESS – STEVEN SEWELL

Attractive Fundamentals

In the face of a more challenging economic environment, we maintain our confidence in Abacus Storage King's ability to leverage its core strengths and deliver income growth and long term value creation. With increasing inflation and restrictive monetary policy settings in place, our focus remains resolute and disciplined, directing capital toward assets that will support these objectives.

We believe the Self Storage sector is demonstrating resilience through this cycle, attributed to its diverse customer base and the various macroeconomic factors currently supporting growth. We attribute the demand for Self Storage to a combination of economic, demographic, and social factors, including population growth, discretionary spending, housing turnover and density, and the ongoing growth of e-commerce.

The Self Storage sector is a rapidly maturing market, characterised by increasing awareness, usage, consolidation, and institutionalisation. In recent years we have witnessed a robust increase in customer demand, resulting in a scarcity of available supply. Currently, there is only ~0.20 square metres per capita of Self Storage space available in Australia and 0.25 square metres per capita in New Zealand, in contrast to the ~0.7 square metres per capita in the United States. As the Self Storage market continues to mature in Australia and New Zealand, we anticipate that Self Storage usage will gradually increase from the current levels.

ASK Store Network

Abacus Storage King now stands as a fully integrated, owner, operator, and manager of the Storage King platform, with a strategically curated portfolio valued at \$3.1 billion, encompassing 131 assets and an additional five assets exchanged but not settled as at balance date. Notably, two-thirds of these stores are located in the top three significant urban areas in Australia and our portfolio represents a total land area of 1.1 million square metres. This is a significant metro landbank, located within easy

reach of the vast majority of the Australian population, and which underpins the asset backing of the business.

From an operational perspective, FY23 was a strong year for our Self Storage business. Revenue per available metre (revPAM) grew by 9.2% to \$319, with strong occupancy levels maintained at 91.3% and an average rate of \$349 per square metre.

In addition to the above organic growth, we continued to expand Abacus Storage King's portfolio in FY23, with a development pipeline expected to deliver 18 new stores in the short to medium term, contributing an additional 117,000 square metres to our portfolio. Although increased costs in the building supply chain impacted the economic feasibility of various developments during FY23, we are anticipating these costs will stabilise and given the inherent flexibility in our development pipeline, we expect the majority of the 18 stores to be completed over the medium term. On the acquisition front, our strategy remains disciplined, focusing on securing high quality assets in locations identified by our network mapping.

Development Pipeline

Slide 10 illustrates the visual appeal of our newly developed stores, effectively serving as prominent advertising billboards for the Storage King brand. The large, conspicuous logos are highly visible to passers-by. This initiative is particularly valuable to the Storage King brand, considering our strong presence in urban and suburban locations, often in areas with high population density and substantial foot and motor traffic, providing significant marketing exposure.

Abacus Storage King's portfolio is well positioned for earnings growth in the years ahead, through delivery of its development pipeline. It is important to point out that we will continue to recycle our development pipeline, and as projects reach completion and fresh greenfield and brownfield opportunities emerge, we will continue to replenish the pipeline and in turn continue to enhance our portfolio.

Capital Management

Turning now to capital management. Post balance date and as part of the de-staple we raised \$225 million of equity in Abacus Storage King. As a result, we are comfortable with our current balance sheet capacity to fund growth initiatives over the medium term and will remain disciplined on directing capital towards assets that provide potential for enhanced income growth and the creation of medium to long term value.

As at 30 June 2023, our pro forma balance sheet was 26.2% geared, with a weighted average debt maturity of 3.3 years. As previously mentioned at our FY23 result, while we anticipate a rise in the cost of debt moving forward, we believe this will be offset by the income growth from the addition of 117,000 square metres of net lettable area, creating long term value and income growth for our securityholders.

FUND MANAGER ADDRESS – NIKKI LAWSON

Trading Update

Overall, trading conditions across our portfolio remained strong.

Looking at our Established Portfolio, the base of our business which now reflects the results of 86 established stores and starting with our key measure revPAM, we achieved revPAM of \$319 which was an increase of 5% compared to the first quarter of FY23, an increase of 3.6% on the FY23 average and an increase of 2.2% when compared to the fourth quarter of FY23. While the dynamic of average rent and occupancy are playing out differently across states, apart from ACT which was down & South Australia which was virtually flat, all markets experienced positive revPAM growth in the first quarter of FY24 relative to the prior fourth quarter of FY23. Western Australia, New Zealand and New South Wales were the top performing regions.

These revPAM results have primarily been driven by average rent per square metre which continues to edge up. The Established portfolio achieved a \$353 average rental per square metre, growing 5.7% on the first quarter of FY23, growing 3.5% on the FY23 average and also displaying 2.1% growth when compared to the fourth quarter of FY23. Again, when comparing the first quarter of FY24 to the fourth quarter of FY23 by state, the strongest average rent growth was in WA, followed by NZ and then NSW.

Established portfolio occupancy was 90.4% in the first quarter of FY24, while this is down 60 basis points relative to the first quarter of FY23, it is flat compared to the FY23 full year average and up 10 basis points when compared to the fourth quarter of FY23. As at 30 September 2023, NZ holds our highest occupancy at around 93% with the strongest first quarter occupancy growth coming from NSW and WA achieving occupancy growth of over 50 basis points compared to the fourth quarter of FY23. Occupancy in the ACT and Queensland have been our biggest challenge in the first quarter with both regions softening slightly compared to the fourth quarter of FY23.

As a result we remain positive on the outlook for our portfolio and expect the dynamic of rate and occupancy to continue to drive higher revPAM, with moderate rate increases on existing customers a key driver during the remainder of FY24.

Turning now to developments, our stabilising and acquisitions portfolios continue to grow at rates well ahead of the established base and in line with our forecasts. Most pleasingly the four stores opened during FY23 (Epping, Prestons, Gregory Hills and Deagon) were all above break even at the end of the first quarter '24 with Prestons achieving an impressive 53% occupancy. We anticipate our three developments under construction to open later this financial year adding an additional 22,000 net lettable area to our income producing assets.

Following the deployment of capital into developments, the settlement of acquisitions and payment of the FY23 distribution, quarter end gearing was 29.1% up 290 basis points from 26.2% as at FY23, well within our target gearing range of 25-35%. With minimal debt expiring in the medium term we are confident the balance sheet positions us well to deliver on our objectives.

Turning now to the outlook, our portfolio continues to demonstrate resilience despite a challenging consumer backdrop. As forecast, we are maintaining strong occupancy rates in what is now a more normalised market compared to recent years that were dramatically impacted by COVID.

In summary, we have seen positive momentum continue in the portfolio in FY24 and remain confident we can deliver on the assumptions made in the Transaction Booklet.

Subject to no material deterioration in current business conditions, Abacus Storage King is pleased to reaffirm FY24 distribution guidance of 6.0 cents per security, with a payout ratio expected to be within 90% - 100% of FFO.

END



ABACUS STORAGE KING ANNUAL GENERAL MEETING

17 NOVEMBER 2023



CHAIR ADDRESS

JOHN O'SULLIVAN





ABACUS STORAGE KING
ACKNOWLEDGES THE
TRADITIONAL OWNERS
OF THE LAND ON WHICH OUR
BUSINESS OPERATES, AND WE
PAY OUR RESPECT TO ELDERS
PAST, PRESENT AND EMERGING

ESTABLISHMENT OF PURE PLAY STORAGE VEHICLE

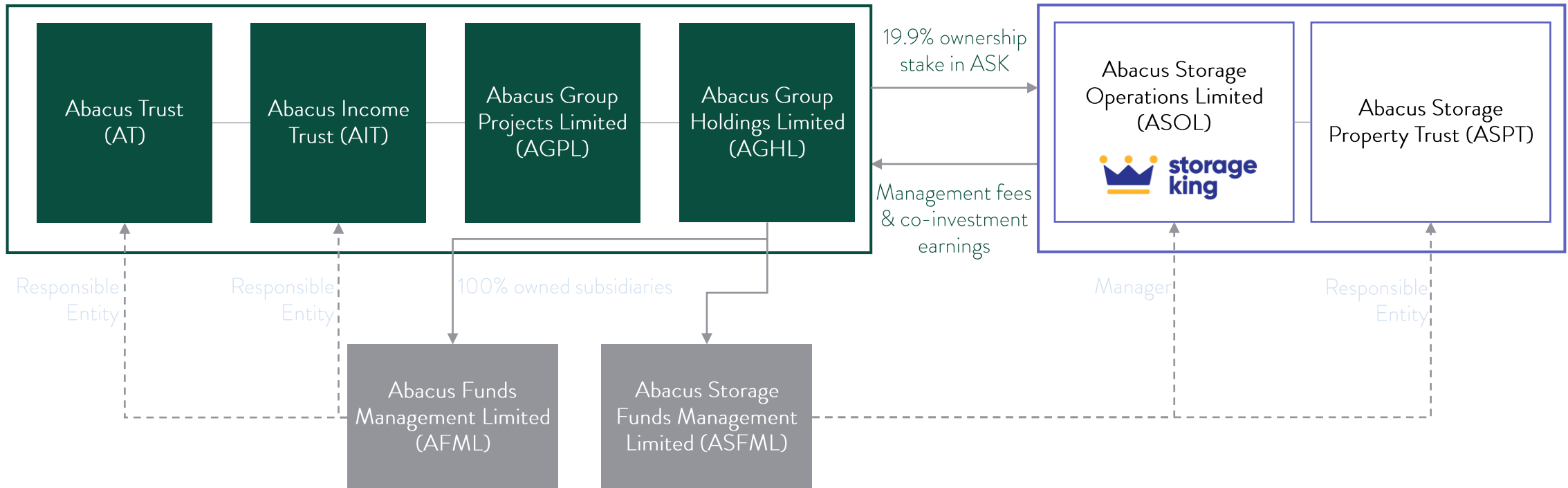


Post de-staple structure of Abacus Group (ASX:ABG) and Abacus Storage King (ASX:ASK) separately listed on the ASX

ABACUS

Abacus Group (ASX:ABG)

Stapled structure of four entities



Note: The diagram above should be read in conjunction with, and is qualified by reference to, the Transaction Booklet released on the ASX on 19 June 2023.

FY23 PLATFORM METRICS



	STATUTORY PROFIT	FFO	FFO PER SECURITY	DPS
ABP (Statutory)	\$25.5m ↓ 95.1% on FY22	\$175.0m ↑ 8.8% on FY22	19.6cps ↑ 3.0% on FY22	18.4cps ↑ 2.2% on FY22
ABG (Pro forma)	\$2.9bn	5.71%	28.3%	\$2.11ps
ASK (Pro forma)	\$3.1bn	5.57%	26.2%	\$1.56ps
	TOTAL ASSETS	WACR ¹	GEARING	NET TANGIBLE ASSETS

1. Cap rate applied to ABG investment properties of \$2,169 million and ASK investment properties of \$2,432 million.

FY23 ESG FOCUS



	Environmental	Social	Governance
Progress to date	<ul style="list-style-type: none"> 4.7 star Office NABERS energy rating 4.5 star Office NABERS water rating 34% reduction in Scope 1 & 2 GHG Emissions Intensity compared to FY19 baseline 62.5% of Self Storage stores have behind the meter solar to offset consumption Board approved Net Zero Target of 2030 for Scope 1 & 2 emissions¹ 	<ul style="list-style-type: none"> Engagement score from employee survey <ul style="list-style-type: none"> - 83% Abacus Group - 82% Storage King Abacus employees volunteered for over 400 hours supporting: The Infants Home and Good 360 Storage King community initiatives raised c.\$100k for charities including: McGrath Foundation, STEPTEMBER and Good360 46% of Abacus Group employees are female 	<ul style="list-style-type: none"> Introduced a Modern Slavery questionnaire as a pre-qualification before engaging contractors Abacus has implemented a program of work to strengthen cyber security in line with industry best practice Implemented governance framework for ASK, with a majority independent Board Reinforcing zero tolerance to Sexual Harassment in the workplace by updating a standalone policy
Current focus	<p>Reducing our emissions</p> <ul style="list-style-type: none"> • Scope 1 - capital expenditure upgrades • Scope 2 - Greenpower contracts • Battery testing to capture solar generated electricity <p>Climate Active Carbon Neutral Certification</p> <ul style="list-style-type: none"> • Strategy to pursue for identified assets by 2030 	<p>Supporting our people</p> <ul style="list-style-type: none"> • Employee benefits focusing on health and wellbeing • Enhancing Storage King leave and benefits programs to support gender equality • Establishment of Abacus Gender Equality, Diversity, and Inclusion (GEDI) committee <p>Developing our People</p> <ul style="list-style-type: none"> • Enhancing our learning and development framework 	<p>Risk Management</p> <ul style="list-style-type: none"> • Assess and manage existing and emerging risks • Framework aligned to Board risk appetite • Employee education and training <p>Climate related financial disclosures</p> <ul style="list-style-type: none"> • Business preparedness for reporting

1. Office assets owned and managed by Abacus.



MANAGING DIRECTOR ADDRESS

STEVEN SEWELL



ATTRACTIVE FUNDAMENTALS



Drivers of Self Storage demand



Population growth

With sustained population growth, the overall market size will increase, creating demand for self storage units



Discretionary spending

An increase in discretionary spending, increases the need for additional storage space over time



Housing turnover

Moving residences increases demand for self storage (36% of customer usage is for temporary storage)¹



Housing density

Rising density results in a higher concentration of dwellings and less available space per household for storage



Rise of e-commerce

Supply chain challenges, online retail sales and the growing importance of last-mile distribution are opportunities for storage

1. Self Storage Association Australasia's State of the Industry 2022 report.

ASK STORE NETWORK¹

Strategically curated portfolio with a metro focus and a pipeline of new developments



1.1 million

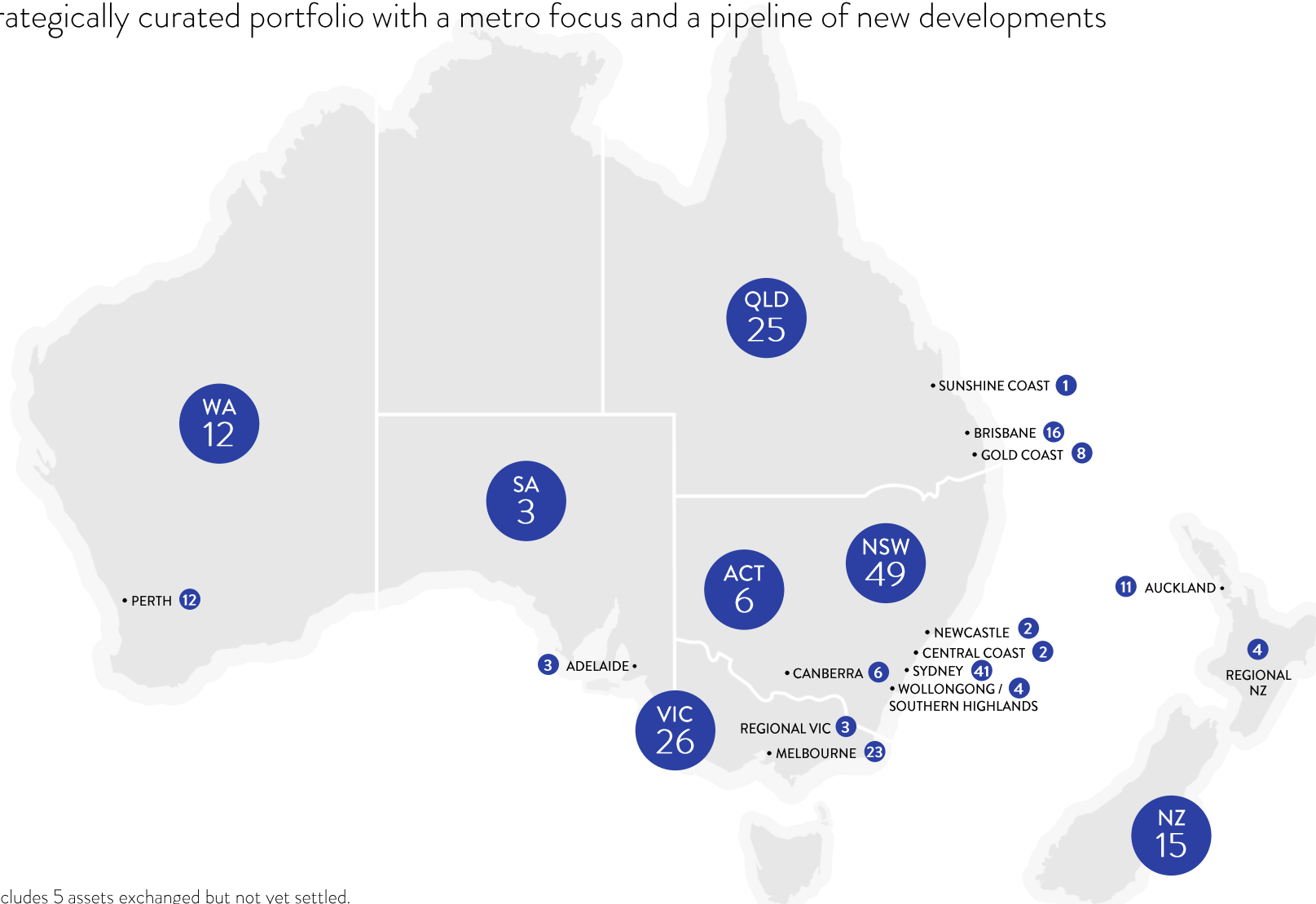
Total land area (sqm)

136

Assets owned by Abacus Storage King
113 trading stores
23 future stores

66%

of Australian Self Storage assets located in Top 3 Significant Urban Areas²



1. Includes 5 assets exchanged but not yet settled.

2. Significant Urban Areas, as defined by the Australian Bureau of Statistics. Top 3 markets by population are Sydney, Melbourne and Brisbane.

DEVELOPMENT PIPELINE



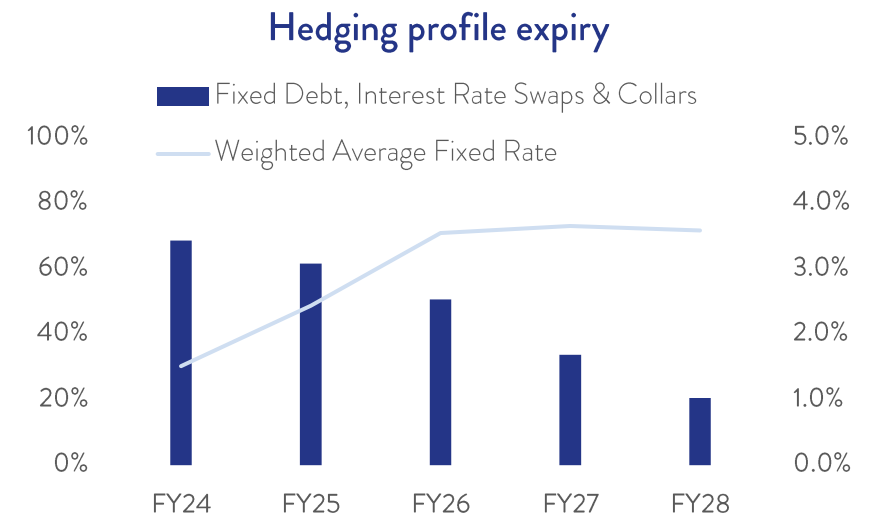
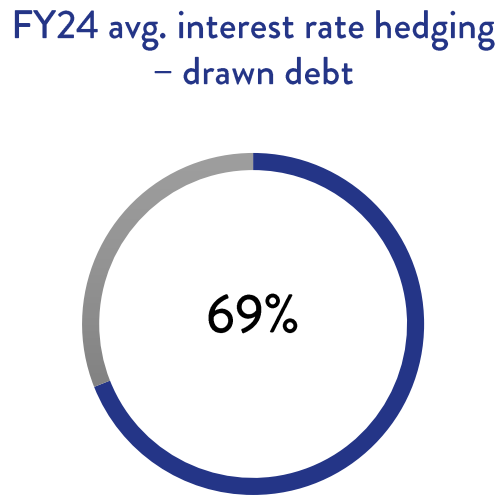
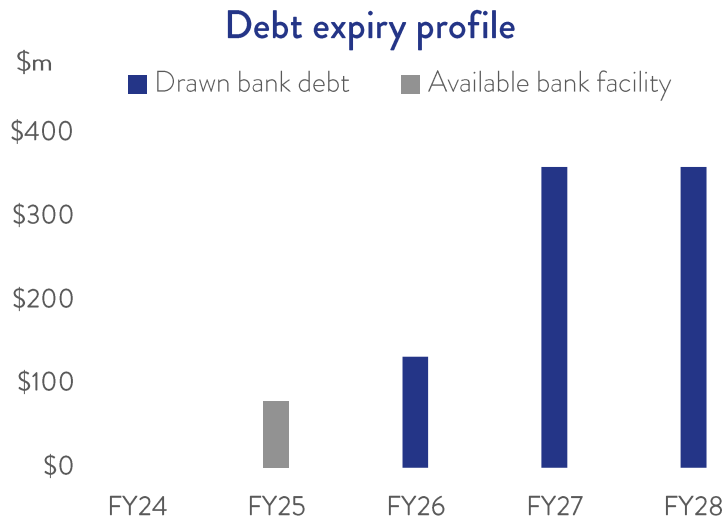
Design concepts of future stores



CAPITAL MANAGEMENT: ASK PRO FORMA¹



NTA	ASK total assets	Acquisition capacity ²	FY24 anticipated avg. cost of drawn debt ³	Gearing	Debt term to maturity
\$1.56ps	\$3.1bn	\$408m	3.6%	26.2%	3.3yrs



1. As at 30 June 2023.
 2. Based on ASK target gearing of up to 35%.
 3. Assumes average floating rate of 4.1%.



FUND MANAGER ADDRESS

NIKKI LAWSON





TRADING UPDATE



Established Portfolio¹ key operating metrics

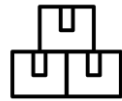
	1Q24	1Q23 ²	FY23 ²	1Q24 vs. 1Q23	1Q24 vs. FY23	1Q24 vs. 4Q23
Average Occupancy ¹	90.4%	91.0%	90.4%	-60bps	+7bps	+10bps
Average rent psm ¹	\$353	\$334	\$341	+5.7%	+3.5%	+2.1%
RevPAM ¹	\$319	\$304	\$308	+5.0%	+3.6%	+2.2%

1. Established portfolio: 86 stores trading since FY22.
 2. FY23 and 1Q23 have been restated for comparison purposes.



TRADING UPDATE

For the quarter ended 30 September 2023



Operating Update

- Trading conditions remain strong, with average rent in the Established Portfolio of \$353psm. Rental yield growth has been the strongest in WA, with solid growth also exhibited in New Zealand, Victoria and New South Wales
- Occupancy in the established portfolio remains strong at 90.4%. New Zealand momentum has continued with the highest average occupancy in the portfolio at ~93%
- Established Portfolio RevPAM of \$319 has increased by 5.0% compared to the pcp, driven by higher rental yields
- New developments continue to lease up at rates well ahead of the pre-COVID average



Reconfirming FY24 Guidance

- Abacus Storage King FY24 distribution guidance of 6.0 cents per security, targeting a distribution payout ratio in the range of 90%-100% of FFO
- Our guidance is predicated on no material deterioration in current business conditions



Balance Sheet Update

- Gearing of 29.1% (FY23: 26.2%), maintaining a solid balance sheet



BUSINESS OF MEETING

JOHN O'SULLIVAN



PROXY RESEARCH RECOMMENDATIONS



Resolution	CGI Glass Lewis	ISS	Ownership Matters	ACSI
1: Adoption of Remuneration Report	For	For	For	For
2: Re-election of Mark Bloom	For	For	For	For



THANK YOU

