



HY24 RESULTS PRESENTATION

16 FEBRUARY 2024



Artist's Impression: Storage King Granville, NSW Australia

ABACUS STORAGE KING HY24 RESULTS



Agenda

01

**Introduction and
HY24 highlights**

Steven Sewell,
Managing Director

02

**Finance metrics and
capital structure**

Evan Goodridge,
CFO

03

**Investment portfolio
performance**

Nikki Lawson,
GGM Self Storage
Fund Manager ASK

04

Platform initiatives

Nikki Lawson,
GGM Self Storage
Fund Manager ASK

05

Outlook & guidance

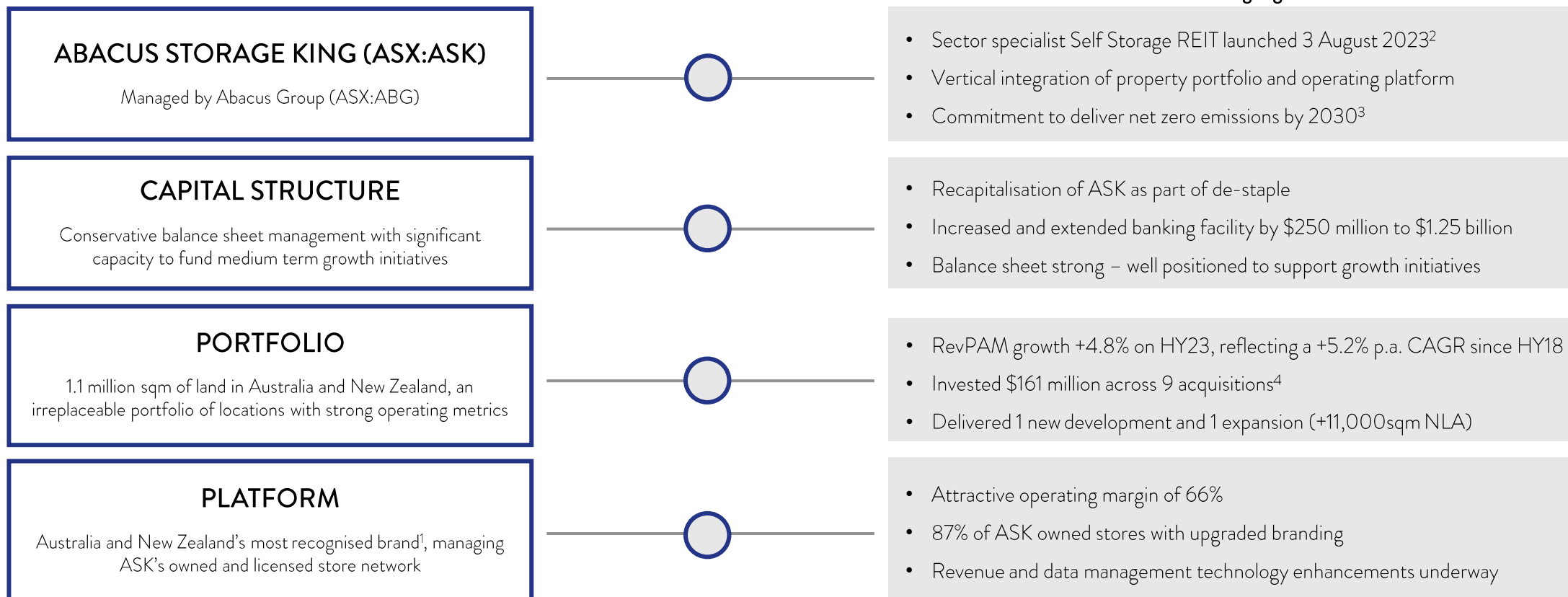
Steven Sewell,
Managing Director

INTRODUCING ABACUS STORAGE KING



VISION: To be the undisputed leader in the Self Storage industry by being the most **respected**, **responsive**, and **recognised** owner, operator and manager

HY24 Highlights



1. Self Storage Association Australasia’s State of the Industry 2022 report.
2. ASK was listed on the ASX on 1 August 2023 conditional upon the de-stapling from ABG which was implemented on 3 August 2023.

3. Scope 1 & 2 greenhouse gas emissions for ASK owned stores assuming access to green power remaining a feasible option, if required.
4. Including 4 properties acquired from Abacus Group as part of the de-stapling for \$84m.

HY24 BUSINESS METRICS



TOTAL ASSETS

\$3.1bn

WACR¹

5.67%

↑ 10bps on FY23

GEARING

29.3%

NET TANGIBLE ASSETS

\$1.52ps

NET ZERO

2030

ESTABLISHED²
OCCUPANCY

90.4%

↓ 10bps on HY23

ESTABLISHED²
REVPAM

\$324

↑ 4.8% on HY23

FUNDS FROM
OPERATIONS (FFO)

\$37.6m

FFO PER SECURITY

3.0cps

DISTRIBUTION PER
SECURITY

3.0cps

1. Cap rate applied to investment properties of \$2,691.4m.

2. Average over last 6 months (by area) of 86 mature stores open as at 1 July 2022.



HY24 FINANCIAL METRICS

EVAN GOODRIDGE



HY24 OPERATING EARNINGS SUMMARY



Strong revenue growth and attractive operating margin of 66%

Performance metrics (\$m) ¹	HY24	HY23 ⁵	Change %
Storage revenue	96.4	87.4	10.3
Leased tenancy and fee revenue (net)	6.8 ²	6.2	9.7
Operating revenue	103.2	93.6	10.3
Salaries & employee benefits	(15.8)	(13.2)	19.7
Other property expenses	(19.7)	(18.1)	8.8
Operating expenses	(35.5)	(31.3)	13.4
Operating profit	67.7	62.3	8.7
Operating margin	66%	67%	
General & administration	(10.9) ³		
Finance costs	(16.0)		
Movement in lease liabilities	(0.5)		
Net change in fair value of investments derecognised	(3.0)		
Tax	(4.1)		
Other income (inc. share of JV profit)	4.4 ⁴		
Funds from operations (FFO)	37.6		

HY24 Performance

- Growth in operating revenue of 10.3%, driven by:
 - Established portfolio growth of 5.3%
 - Acquisition portfolio growth of 15.6%
 - Stabilising portfolio growth of 119.8%
- Operating expenses up 13.4%, primarily impacted by:
 - Wages (increased compulsory superannuation guarantee, minimum wage rises and added 6 additional stores)
 - Land tax and insurance costs
- Ability to further strengthen operating margin through:
 - Revenue and data technology
 - Driving returns on acquisition and stabilising portfolios
 - New store creation from existing development pipeline

1. FFO is defined on slide 24 and incorporates normalisation adjustments relating to the de-staple.

2. Includes \$2.3m rental income from commercial tenancies, \$8.9m fee income less \$4.4m of recoverable admin.

3. Includes 40bps ABG management fee.

4. Includes \$0.3m income from equity accounted investments and \$4.1m of other income from distributions.

5. Reflects the operating performance of ASK properties which formed part of Abacus Property Group until August 2023 (ASX: ABP).

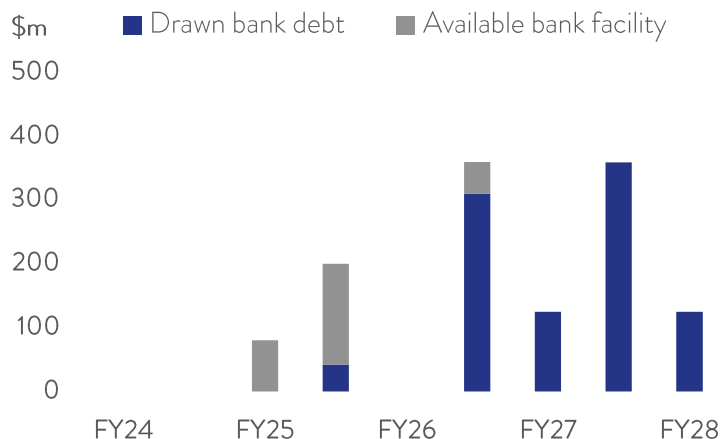
CAPITAL MANAGEMENT



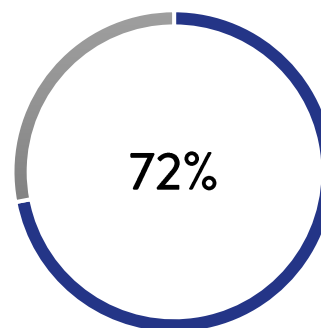
Significant capacity to fund growth initiatives

NTA ¹	ASK total assets	Acquisition capacity ²	Avg. cost of drawn debt ³	Gearing ⁴	Debt term to maturity
\$1.52ps	\$3.1bn	~\$250m	3.3%	29.3%	3.2yrs

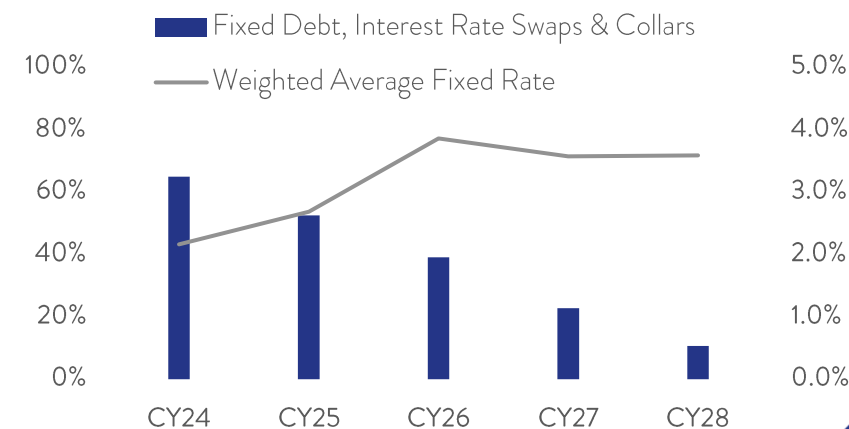
Debt expiry profile



Interest rate hedging – drawn debt



Hedging profile expiry



1. NTA calculated as: net assets (\$2,023.9m) less goodwill (\$72.5m) plus DTL (\$42.0m) divided by total securities as at 31 December 2023.

2. Based on 35% gearing (top of target 25%-35% gearing range).

3. FY24 guidance for avg. cost of drawn debt 3.6% assuming average floating rate of 4.5%.

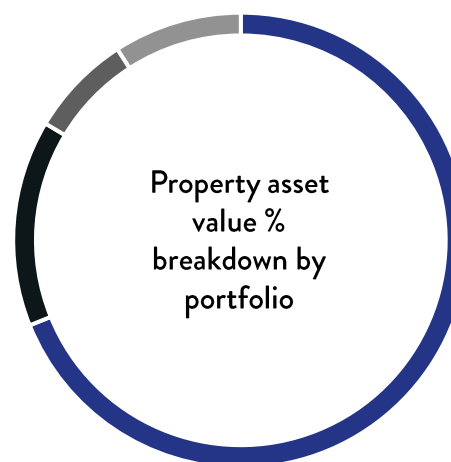
4. Calculated as bank debt (\$961.4m) less cash (\$70.5m) divided by total assets less cash (\$3,036.4m).

BALANCE SHEET

Strong balance sheet with the ability to deliver continued growth

31 December 2023

Investment properties	\$2,691.4m
PP&E and equity accounted investments	\$53.1m
Goodwill and intangibles	\$72.5m
Cash and cash equivalents	\$70.5m
Other assets	\$219.4m
Total assets	\$3,106.9m
Interest bearing liabilities	\$961.4m
Distributions payable	\$39.4m
Other liabilities	\$82.2m
Total liabilities	\$1,083.0m
Net assets	\$2,023.9m
Net tangible assets	\$1,993.4m
Total securities	1,314.1m
NTAps	\$1.52

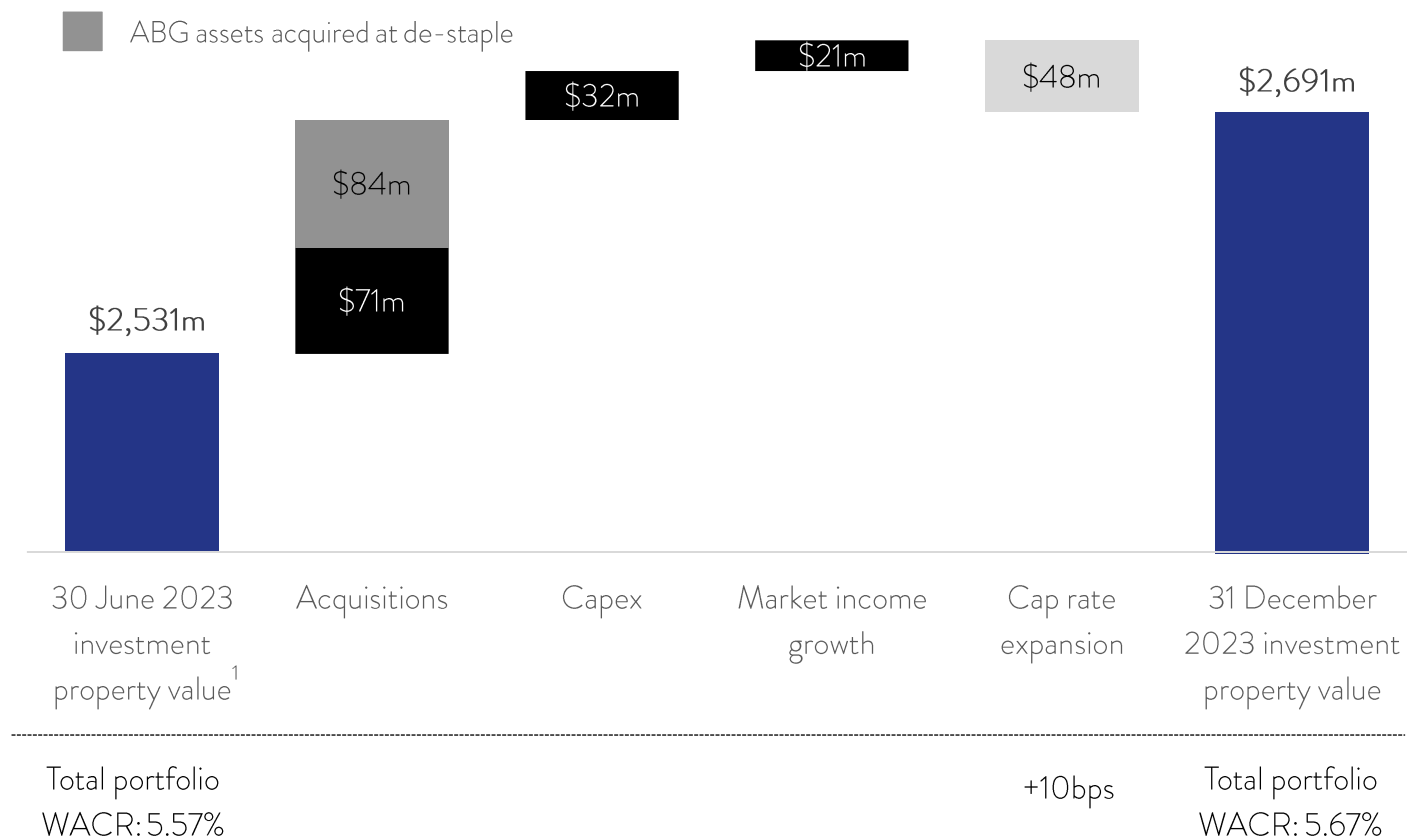


Growth drivers

- Established 69% → Organic growth from structural demand drivers. Cyclical factors remain supportive. Underpinned by market leading operating platform.
- Acquisition 15% → Acquisition opportunities in a fragmented sector. Capital structure to support ~\$250m of acquisition capacity.
- Stabilising 7% → Ability to create value and drive revenue in newly completed stores.
- Development 9% → Strong pipeline in metro locations providing future store creation.

VALUATION UPDATE

Resilient property values supported by income growth and structural sector drivers



Note: this slide is based on 134 investment properties as at 31 December 2023.

1. FY23 comparative period reflects the discontinued Self Storage operations of Abacus Property Group (ASX: ABP) excluding four assets acquired by ASK as part of the de-staple in HY24.





PORTFOLIO OPERATING PERFORMANCE

NIKKI LAWSON

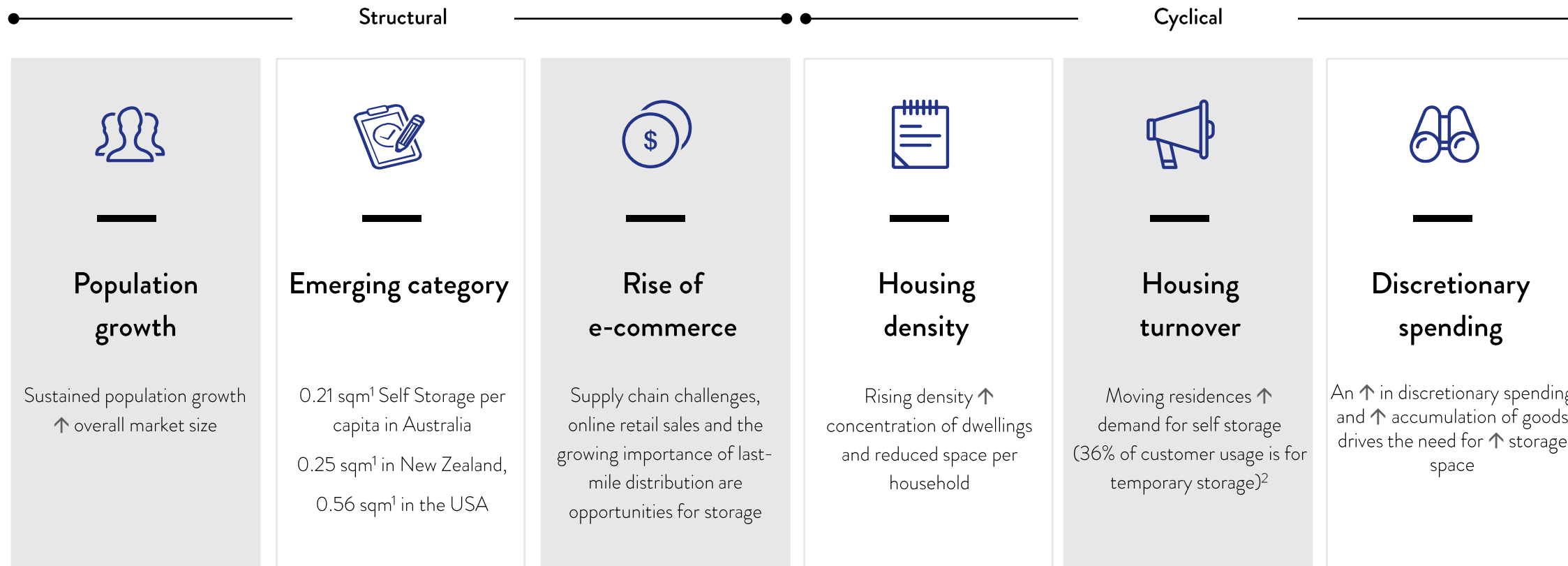


Storage King Robina, QLD Australia

SELF STORAGE – POSITIVE DRIVERS



A range of demand and supply drivers support sector resilience



1. Self Storage Association Australasia's State of the Industry 2023 report.
2. Self Storage Association Australasia's State of the Industry 2022 report.

HY24 REVENUE GROWTH



The established portfolio has consistently delivered RevPAM growth in recent years

Rental Rate
CAGR (HY18-HY24)

4.7% p.a.

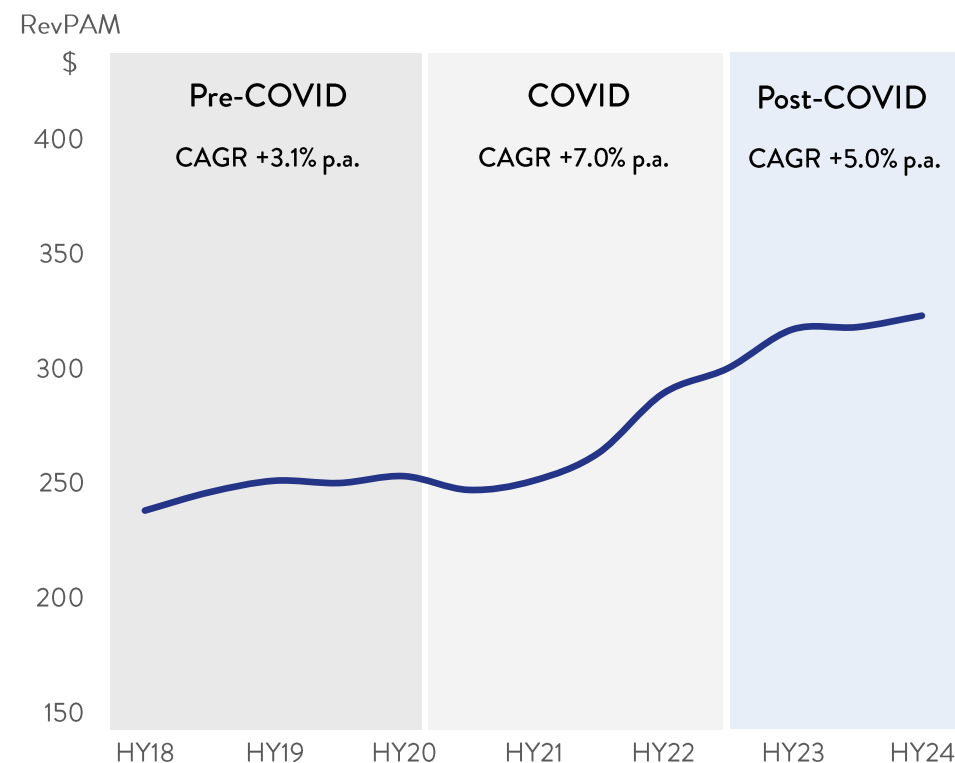
Occupancy Growth
(HY18-HY24)

↑2.1%

RevPAM
CAGR (HY18-HY24)

5.2% p.a.

Growth in established portfolio RevPAM – structurally higher post-COVID due to increasing consumer awareness¹



1. Established portfolio is at a point in time.

HY24 PORTFOLIO SNAPSHOT



Stabilising portfolio and development sites account for 16% of property asset value

Segment	Operating Stores			
	Established portfolio	Acquisition portfolio	Stabilising portfolio	Development sites
Definition	Mature stores open at 1 July 2022	Mature stores acquired post 1 July 2022	Trading stores in stabilisation phase	Not actively operating self storage stores
Assets	86 (↑ 10 on FY23)	21 (↑ 2 on FY23)	8 (↓ 8 on FY23)	21 (↑ 1 on FY23)
Value ¹	\$1,888m	\$402m	\$200m	\$250m
HY24 WACR	5.71%	5.54%	5.54%	n/a
Net lettable area	454,600 sqm	109,900 sqm	51,700 sqm	n/a
Occupancy ²	90.4%	90.9%	57.9%	n/a
Average rent psm ²	\$358	\$350	\$309	n/a
RevPAM ²	\$324	\$318	\$179	n/a
RevPAM growth ^{2,3}	4.8%	n/a	n/a	n/a

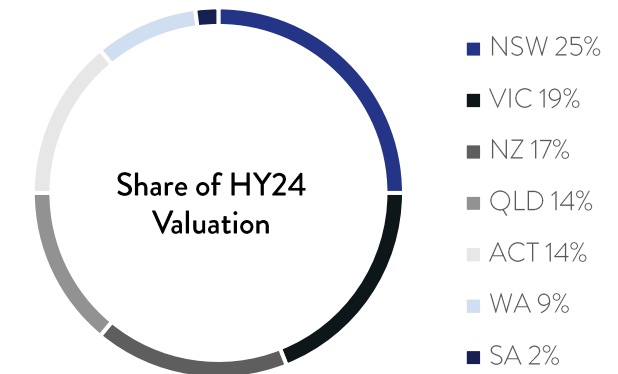
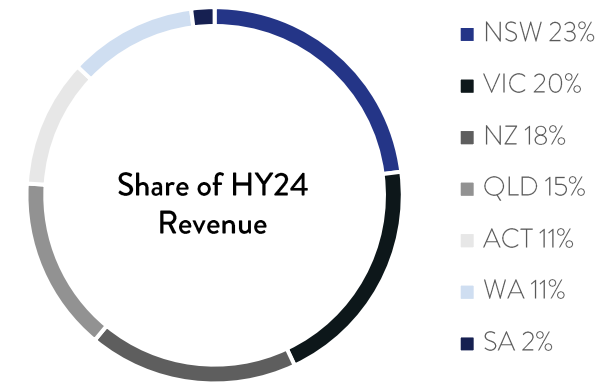
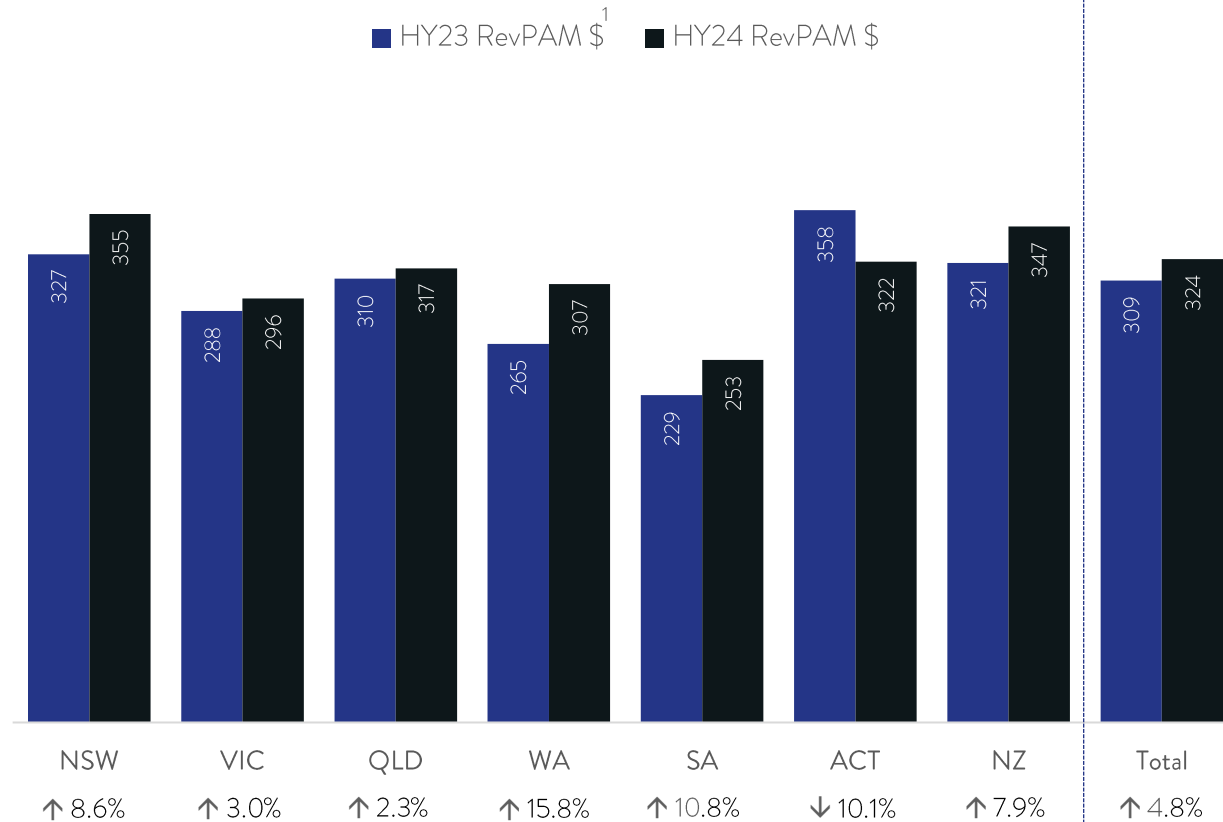
1. As at HY24. Includes PP&E and equity accounted investments. Excludes \$367m of investments in cash and other assets.

2. Average over last 6 months (by area) excluding 1 acquisition store due to mixed site use composition.

3. Year-on-year growth compared to HY23.

STORE OPERATING TRENDS BY REGION – ESTABLISHED

WA and SA fastest growing regions

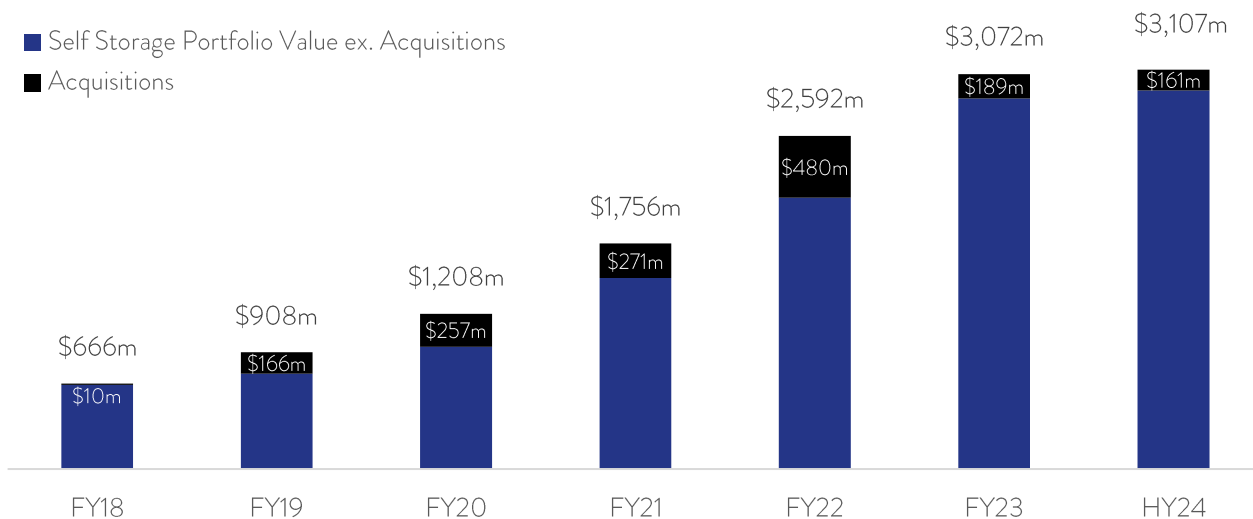


1. HY23 established stores have been restated to include 86 mature stores as at 1 July 2022 for comparison purposes.

HY24 ACQUISITIONS

Acquisition opportunities in a fragmented sector support portfolio growth

- \$161 million invested in HY24 acquisitions including \$84 million acquired as part of the de-staple from ABG, \$67 million on three operating stores and \$10 million on two development sites
- Added 16,600 sqm NLA from external acquisitions¹ in HY24
- A further \$24 million has been exchanged across three assets that are expected to settle in 2H24²



Note: FY18-FY23 reflects the Self Storage assets of Abacus Property Group (ASX:ABP).

1. Balcatta, Bentley, Coburg North. No NLA from development sites.

2. One operating store and two development sites.



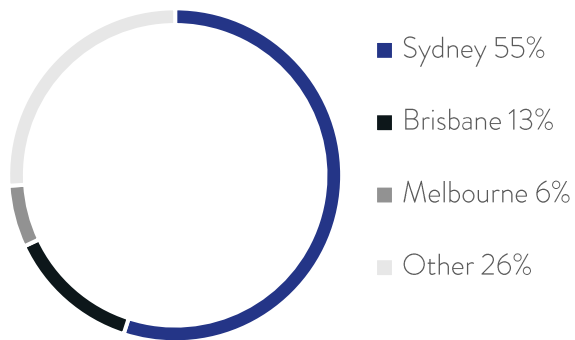
DEVELOPMENT PIPELINE



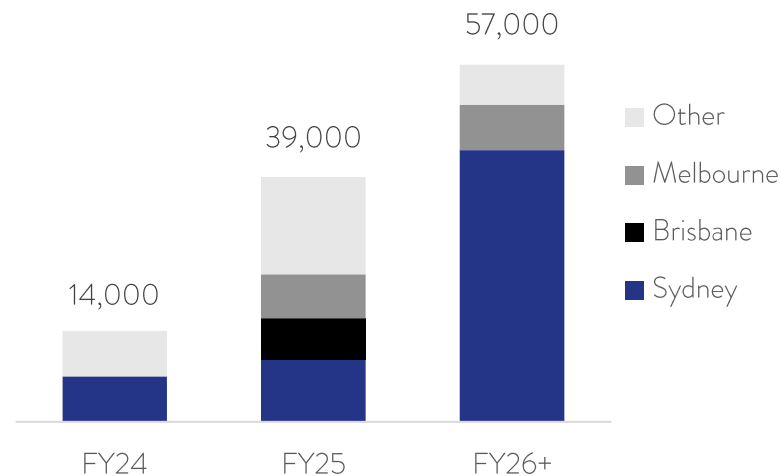
Set to deliver 18¹ developments (110,000 NLA) and 5 expansions (15,500 NLA) in the short to medium term



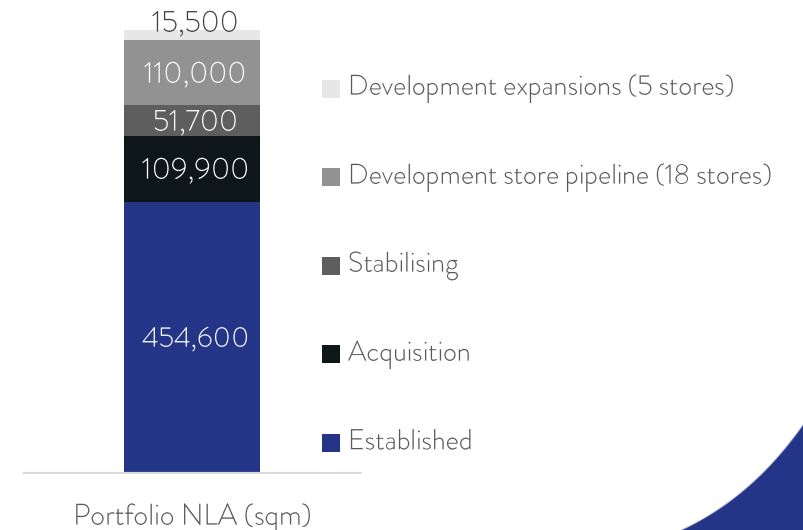
NLA breakdown by market



NLA development pipeline (sqm)



Forecast Portfolio NLA



1. Includes two development sites exchanged as at 31 December 2023 and expected to settle post balance date.
 2. Includes development management fees payable to Abacus Group.



PLATFORM

NIKKI LAWSON



Storage King St Lukes, New Zealand

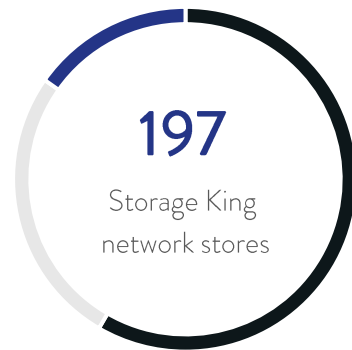
STORAGE KING – LEADING PLATFORM



Focused approach to long term brand management



rated most recognised Self Storage brand in Australia



- 115 ASK owned stores
- 52 Licensed and managed stores
- 30 Licensed stores

100,000+

Total units⁴

70,000+

Customer agreements⁴

3.1 years

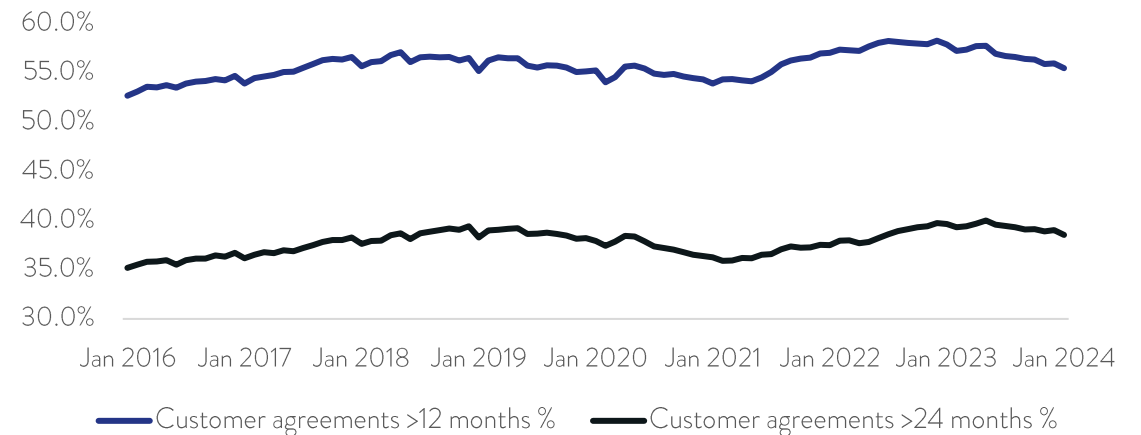
Average length of stay⁵

BRANDED SEARCH¹
#1 IN CATEGORY

TOTAL ENQUIRIES²
+4%

CUSTOMER NPS³
66

Length of tenant stay has been gradually increasing since 2016⁴



1. Storage King is the most searched self storage brand via Google search engine.

2. Growth in ASK owned established store enquiries HY24 vs. HY23.

3. Average NPS from exit surveys.

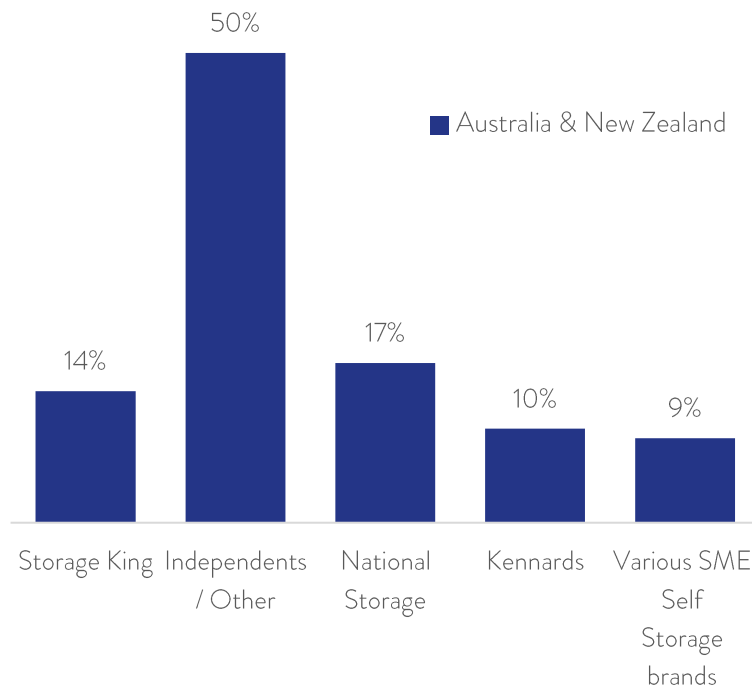
4. All ASK owned and managed stores as at 31 December 2023.

5. ASK owned established stores as at 31 December 2023.

PLATFORM OPTIMISATION

Operating margin enhancement potential over the medium to longer term

Market Share by NLA highlights the fragmentation¹



Economies of scale

ASK is well placed to capitalise on industry consolidation and achieve economies of scale. Opportunity for platform growth through additional licensees



Technology applications

Operating platform enhancements include further use of technology in stores and ensuring best practice for customer conversion throughout the network



Dynamic pricing

Enabling individual stores to adjust pricing in response to changes in demand, thereby optimising RevPAM



Understanding our customer

Enhanced use of customer data will enable better customer engagement and in turn retention and conversion



1. Self Storage Association Australasia's State of the Industry 2023 report.

ASK ESG INITIATIVES TO DRIVE INCOME AND VALUE



Net zero emissions by 2030¹

- Governance**
 Board 60% independent, 40% female.
 Risk Management Framework successfully operationalised.
- Diversity & Inclusion**
 Employees 50% female, 50% male.
- Waste Management & Recycling**
 At least 85% recycled material in boxes.
- Energy Efficiency**
 97% stores with LED lights.
- Carbon Reduction**
 62% of all stores with solar.

- Water Recycling**
 Low flow tap fitting standard on new developments.
 Rainwater catchment for use as irrigation in testing phase.
- Community Engagement**
 ~\$700k donated in goods, charitable donations and space.
- Employee Engagement**
 93% employees proud to be associated with brand.
 Reward, recognition and benefits program launched.
- Customer Experience**
 Digital sign-in process and access solutions.
 Advanced CCTV security and smart technology.
- Retail Refresh**
 87% of ASK owned company stores rebranded. Bold exterior, modern customer centric retail space and amenity.



1. Scope 1 & 2 greenhouse gas emissions for ASK owned stores assuming access to green power remaining a feasible option, if required.



OUTLOOK & GUIDANCE

STEVEN SEWELL



OUTLOOK & GUIDANCE



Outlook

Underpinned by our multi-pronged growth strategy, namely:

- **Organic** – positive sector drivers, supported by sector leading SK operating platform
- **Acquisitions** – fragmented sector provides acquisition opportunities
- **New store creation** – substantial development pipeline and experienced expert delivery managed by Abacus Group
- **Platform** – enhancements include: technology, data, revenue management and ESG initiatives

We remain confident that ASK is well positioned to leverage our key enablers and deliver recurring income and value creation over the medium to long term



FY24 Guidance

- Reaffirming ASK FY24 distribution guidance of 6.0 cents per Abacus Storage King Security
- Distribution payout ratio expected in range of 90%-100% of FFO

Our guidance is predicated on no material deterioration in current business conditions



APPENDICES

STATUTORY EARNINGS RECONCILIATION	SLIDE 24
FFO EARNINGS SUMMARY	SLIDE 25
OPERATING PROFIT RECONCILIATION	SLIDE 26
BALANCE SHEET ALLOCATION	SLIDE 27
CAPITAL METRICS	SLIDE 28
INVESTMENT PORTFOLIO METRICS	SLIDE 29
STORAGE KING NETWORK	SLIDE 30
GLOSSARY	SLIDE 31
IMPORTANT INFORMATION	SLIDE 32



STATUTORY EARNINGS RECONCILIATION



Performance metrics (\$m)	HY24
Net profit attributable to ASK securityholders	0.4
Fair value adjustments	41.3
Depreciation on owner occupied PP&E	2.3
Other	(0.3)
Net tax expense on non-FFO item	(6.1)
Funds from operations (FFO)	37.6
Net change in fair value of investments derecognised	3.0
Tax expense on FFO items	4.1
Underlying earnings	44.7

TERM	DEFINITION
Funds from operations (FFO)	FFO is in line with the PCA's definition and comprises net profit/loss after tax attributable to stapled security holders, calculated in accordance with Australian Accounting Standards and adjusted for: property revaluations, impairments and reversal of impairments, derivative and foreign exchange mark-to-market impacts, fair value movements on investment properties accounted for at fair value, fair value of interest bearing liabilities, amortisation of tenant incentives, gain/loss on sale of certain assets, straight line rent adjustments, non-FFO tax expenses, certain transaction costs, one-off significant items, amortisation of intangible assets, movements in right-of-use assets and lease liabilities, rental guarantees and coupon income.

FFO EARNINGS SUMMARY



Performance metrics (\$m) ¹	HY24	HY23 ³	Comments
Rental income	96.8	87.5	Increase by \$9.3m (\$5.1m from acquisitions ⁴ & stabilising assets)
Merchandise income	1.9	2.2	Income from merchandise sales at ASK owned stores
Fee income	8.9	8.8	Fees derived from revenue of 82 licensed stores (HY23: 87)
Share of profit from equity accounted investments	0.3	0.1	Reflects full year ownership of JV entity
Other income	4.1	6.2	Reflects distributions from investment
Total FFO revenue	112.0	104.8	
Expenses	(19.7)	(18.1)	Increase by \$1.6m (\$1.1m from acquisitions ⁴ & stabilising assets)
Segment FFO before corporate overheads	92.3	86.7	
Administrative and other expenses	(31.6)		Includes: \$4.4m staff costs at third party licensed stores, \$15.8m at ASK owned stores and support staff, and \$11.4m in management fees and other expenses
EBIT	60.7		
Net finance costs	(16.0)		WACD 3.3%
Net change in fair value of investments derecognised	(3.0)		Transactional losses from investments
Tax expense	(4.1)		
Funds from operations (FFO)	37.6		
Weighted average securities as at December 2023²	1,238,284,952		

1. FFO is defined on slide 24 and incorporates normalisation adjustments relating to the de-staple.

2. Weighted average securities used in FFO/security calculation.

3. Reflects the operating performance of ASK properties which formed part of Abacus Property Group until August 2023 (ASX: ABP).

4. Excludes four assets acquired by ASK as part of the de-staple in HY24.

OPERATING PROFIT AND FFO RECONCILIATION



Performance metrics (\$m) ¹	HY24	Comments
Storage revenue	96.4	Comprises \$94.5m rental income associated with stores and \$1.9m of merchandise income
Leased tenancy and fee revenue (net)	6.8	Comprises \$2.3m rental income associated with commercial tenancies, \$8.9m fee income less \$4.4m recoverable administrative and other expenses
Operating revenue	103.2	
Salaries & employee benefits	(15.8)	Comprises administrative and other expenses associated with ASK owned stores and operations
Other property expenses	(19.7)	
Operating expenses	(35.5)	
Operating profit	67.7	
Operating margin	66%	
General & administration	(10.9)	Comprises administrative and other expenses associated with management fees and other expenses
Net finance costs	(16.0)	
Movement in lease liabilities	(0.5)	Comprises administrative and other expenses associated with movement in lease liabilities
Net change in fair value of investments derecognised	(3.0)	
Tax expense	(4.1)	
Other income (inc. share of JV profit)	4.4	Comprises \$0.3m share of profit from equity accounted investments and \$4.1m other income
Funds from Operations (FFO)	37.6	

1. FFO is defined on slide 24 and incorporates normalisation adjustments relating to the de-staple.

HY24 BALANCE SHEET ALLOCATION



\$3.1bn 31 December 2023

Total Assets

80% OPERATING STORES \$2.5bn	Established stores	\$1,888m
	Acquisition stores	\$402m
	Stabilising stores	\$200m
8% DEVELOPMENT STORES \$0.2bn	Un-zoned council land	\$147m
	Council approved	\$15m
	Under construction	\$88m
12% OTHER \$0.4bn	Listed securities	\$173m
	Cash and cash equivalents	\$71m
	Non-investment property assets ¹	\$123m

1. Includes goodwill (\$72.5m), receivables and derivatives.

CAPITAL METRICS



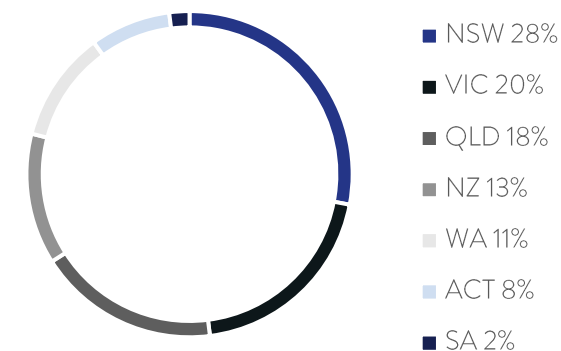
Capital management metrics as at 31 December 2023		Comments
Total bank debt facilities	\$1,250m	Increased and extended banking facility by \$250 million to \$1.25 billion
Total bank debt drawn	\$961m	
Term to maturity	3.2yrs	
Interest rate hedging	72%	
Weighted average hedge maturity	2.6yrs	
HY24 average cost of debt – drawn	3.3%	
HY24 average cost of debt – fully drawn	3.2%	
Group gearing	29.3%	Calculated as bank debt less cash divided by total assets less cash
Look through gearing	29.3%	

INVESTMENT PORTFOLIO METRICS

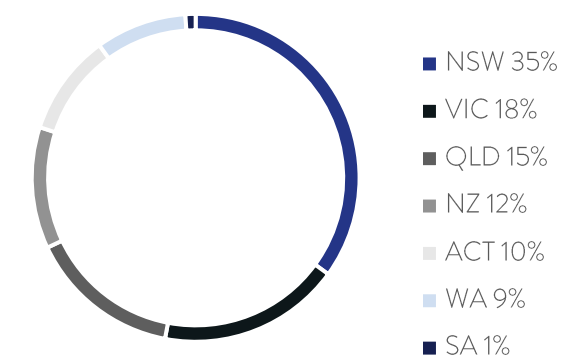


Performance metrics	Australia	New Zealand	HY24	HY23
No. of assets	120	16	136	127
NLA (sqm)	538,489	77,666	616,155	570,205
Occupancy ¹ (%)	89.9	92.7	90.4	90.5
Rental rate ¹ (\$ psm)	355	374	358	341
RevPAM ¹ (\$)	319	347	324	309
WACR (%)	5.62 ²	6.00 ²	5.67 ³	5.54 ³
Value (\$m)	2,784	324	3,108	2,843

% NLA Breakdown by State



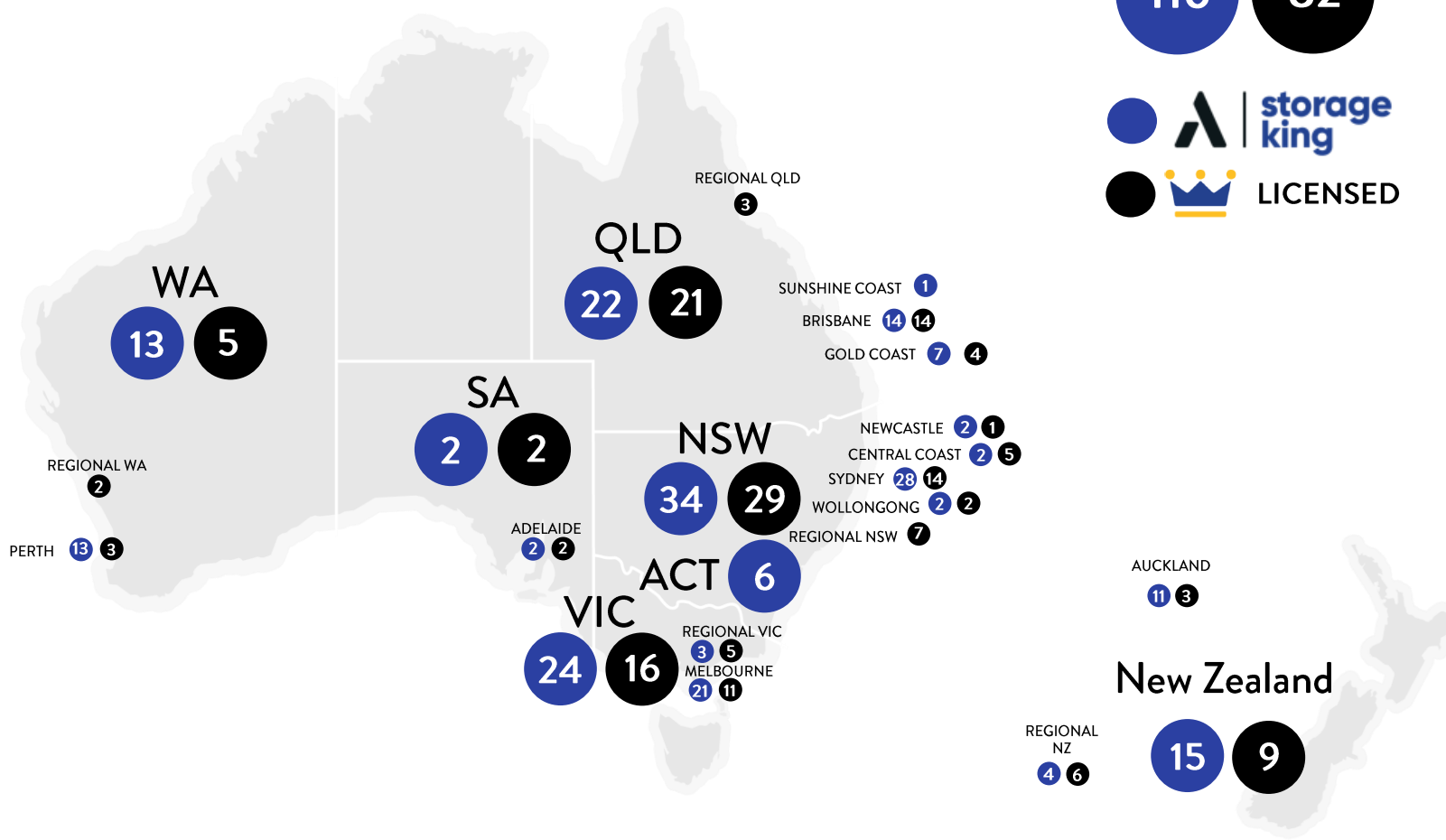
% Value Breakdown by State



1. Average over last 6 months (by area) of all established assets.
 2. Cap rate applied to investment properties of \$2,691m in HY24 (Aus: \$2,379m and NZ: \$312m).
 3. Cap rate applied to investment properties of \$2,447m in HY23.

STORAGE KING NETWORK¹

198 operating stores across Australia & New Zealand



1.1 million

Total land area (sqm) on Abacus Storage King stores

139

Assets owned by Abacus Storage King
116 operating stores¹
23 development sites²

66%

of Abacus Storage King Australian Self Storage assets located in Top 3 Significant Urban Areas³

1. All Abacus owned stores, including 1 operating store exchanged but not yet settled as at 31 December 2023.
2. All Abacus owned stores, including 2 development sites exchanged but not yet settled as at 31 December 2023.
3. Significant Urban Areas, as defined by the Australian Bureau of Statistics. Top 3 markets by population are Sydney, Melbourne and Brisbane.

GLOSSARY



TERM	DEFINITION	TERM	DEFINITION
ABG	Abacus Group	NLA	Net lettable area
AIFRS	Australian Equivalents to International Financial Reporting Standards	NTA	Net tangible assets
ASK	Abacus Storage King	NPS	Net promoter score
ASX	Australian Securities Exchange	PCA	Property Council Australia
CAGR	Compound annual growth rate	PP&E	Property, plant and equipment
CPS	Cents per stapled security	PS	Per stapled security
CY	Calendar year	PSM	Per square metre
DTL	Deferred tax liabilities	REIT	Real estate investment trust
ESG	Environmental, Social and Governance	RevPAM	Revenue per available square metre
FFO	Funds from Operations (refer to slide 24 for full definition)	SME	Small medium enterprise
FY	Financial year	SQM	Square metre
HY	First half of financial year	WACD	Weighted average cost of debt
JV	Joint venture	WACR	Weighted average capitalisation rate

IMPORTANT INFORMATION



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Indications of, and guidance on, future earnings and financial position and performance are “forward-looking statements”. Due care and attention has been used in the preparation of forward looking statements. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, and other factors, many of which are beyond the control of ASK / ABG, that may cause actual results to differ materially from those expressed or implied in such statements. There can be no assurance that actual outcomes will not differ materially from those expressed or implied in such statements. There can be no assurance that actual outcomes will not differ materially from these statements.