



Stor-Age at our core – put simply, Stor-Age exists because we solve people’s and businesses’ space problems.

Our primary objective is to actualise within a number of dimensions simultaneously for maximum value creation. Stor-Age aims for purpose and profit; continuity and change; freedom to innovate; and responsibility. We strive to respect our colleagues, our customers, ourselves and the organisation, which is greater than the sum of its parts.

Our four core values guide and inspire every single thought, action and decision: Excellence, Sustainability, Relevance and Integrity.

Read more about how our core values drive our thinking on page 31.

OUR BUSINESS

WHAT WE DO

STORAGE KING

HOW WE DO IT

OUR GROWTH STRATEGY

CASE STUDY: SANTA SHOEBOX PROJECT

OUR BUSINESS

WHAT WE DO

Our portfolio comprises 71 self storage properties across South Africa and the UK, with a combined value of R7.0 billion.

Stor-Age rents space to the public, both individuals and businesses, on a short-term flexible lease basis. Across our portfolio of 71 properties, we manage more than 34 000 tenants. We experienced a churn rate of between 5.0% and 5.5% in South Africa, with more than 1 500 new tenants moving in on average each month. In the UK, we experienced a churn rate of 8.0% to 8.5%, with over 700 new tenants moving in on average every month.

Our average unit size in the UK (6.5 m²) is considerably smaller than our average size in South Africa (12.5 m²). The smaller average unit size in the UK contributes directly to the higher churn rate.

DEVELOPING AND ACQUIRING PROPERTIES

ACQUISITION CAPABILITY

Our leading corporate platform, skilled operational management team, industry relationships and specialist sector experience ensure that Stor-Age is well-positioned to identify and capitalise on strategic acquisition and development opportunities with attractive growth potential. This is evidenced by our successful acquisition and development track record since listing.

Our ability to close transactions and integrate trading stores seamlessly onto our operating platform has also

been consistently demonstrated. Since the start of 2017, we successfully completed 11 transactions to complement our ongoing success in the South African and UK markets. This includes significant multiproperty transactions, three of these being the offshore acquisition of Storage King in November 2017, the acquisition of the Managed Portfolio in South Africa in October 2018 and the recent five-property Flexi Store acquisition in December 2019.

We continue to improve our operating platform and infrastructure to maximise revenue, reduce costs and ultimately deliver enhanced returns. At a property level, our people and the high-quality, secure and convenient space offered by our portfolio attract and retain a diverse customer base.

DEVELOPMENTS

Stor-Age develops investment-grade self storage properties in visible, convenient and accessible locations where there are favourable demographics and where suitable acquisitions are not available. The decision is based on the cost of development versus the cost of acquisition, the demographic market analysis and the existence of barriers to entry. Our model for rolling out new properties and expanding existing ones is well-developed with clearly defined key success criteria.



During the period the acquisition of the five-property Flexi Store portfolio was concluded. The properties are located in Dudley, Nottingham, Shrewsbury, Warrington and West Bromwich.

WHAT WE DO (continued)

During the year, we opened a high-profile Big Box property in Craighall that will offer 6 500 m² GLA on full fit-out and we commenced construction of new properties in Tygervalley and Cresta. Craighall was developed using the Certificate of Practical Completion (CPC) model. On completion of Tygervalley and Cresta, the properties will offer an estimated combined 14 500 m² GLA on full fit-out.

ENERGY GENERATION CAPABILITY

All 50 properties in South Africa are fitted with generators. In the event of an outage, power is seamlessly generated to support the following systems at our stores:

- on-site operating system and server;
- telephone lines and internet connectivity;
- access control and security system;
- electric fence and perimeter beams;
- fire system;
- emergency lighting; and
- the lifts and hoists.

Generation capacity of up to 110 kilovolt-ampere per property allows us to continue operations without major disruption during load shedding or supply cuts.

BARRIERS TO ENTRY AND THE DEFENSIVE NATURE OF OUR PORTFOLIO

The barriers to new supply in key target nodes are significant. The industry was historically positioned in industrial or urban-edge areas. As a result, there are limited premium-grade self storage assets in prime urban and suburban nodes, where population density and average household income are key.

Town planning presents a major challenge with long lead times required to gain planning consents. This, in addition to the long lease-up period (financing cost implications) required to reach stabilised occupancy at new stores, is a significant barrier to entry and contributes to the defensive nature of our portfolio.

OUR PROPERTY PORTFOLIO IN SOUTH AFRICA

Our South African portfolio is predominantly purpose-built with a national footprint. The 58 properties comprise 50 trading properties and eight new developments in our pipeline. Our 50 trading properties will offer an estimated 368 700 m² GLA once fully fitted out. Our pipeline of eight new properties offers further GLA of 53 000 m² on full build-out.

In defining our property strategy in South Africa, we identified the four main cities on which to focus and then the specific suburbs (including arterial routes) where we would like to establish a presence. This is not a restrictive or instructive strategy, rather a guide that supports our full business growth strategy.



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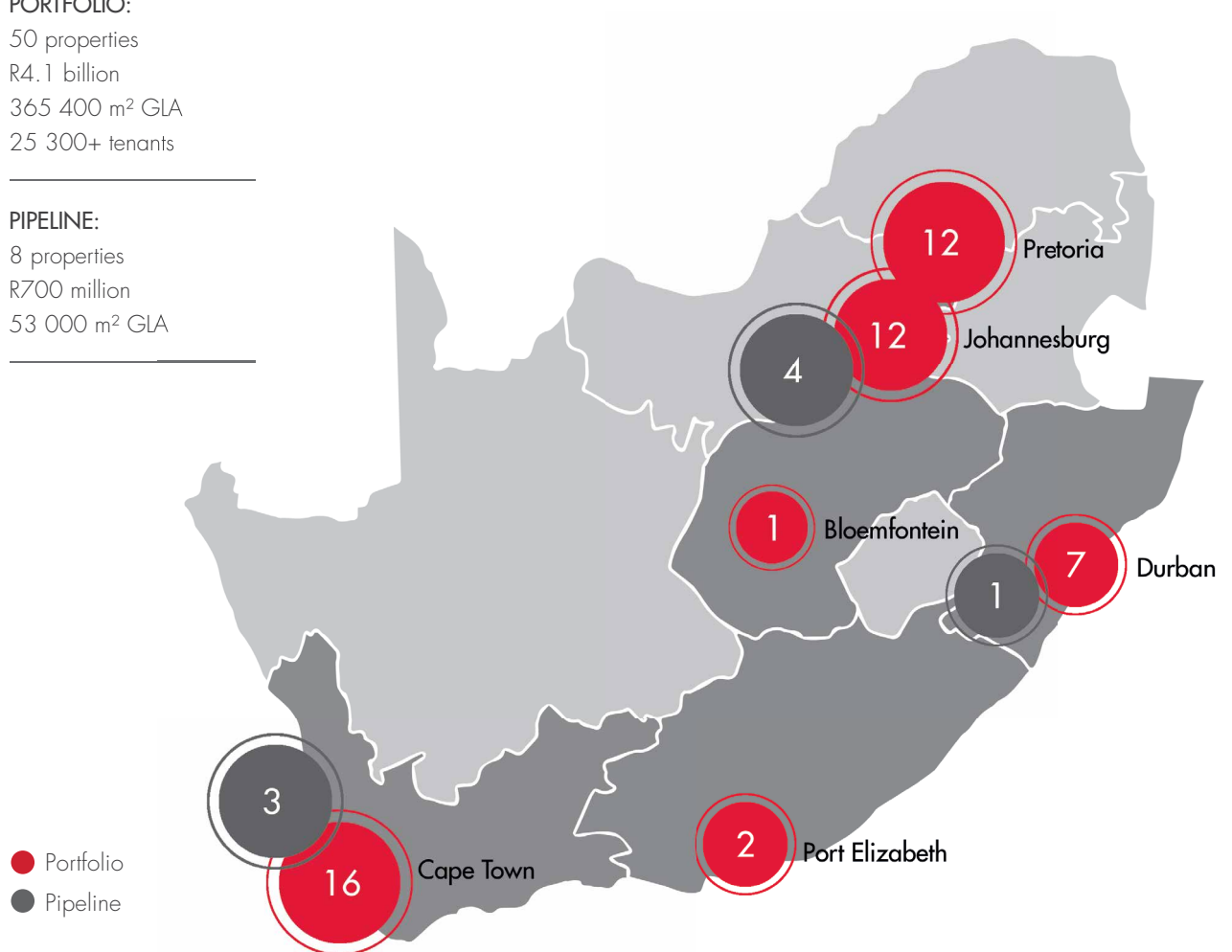
Our portfolio of stores is unrivalled in South Africa, and comprises 50 properties across an extensive national network.

PORTFOLIO:

50 properties
R4.1 billion
365 400 m² GLA
25 300+ tenants

PIPELINE:

8 properties
R700 million
53 000 m² GLA



MAINTAINING OUR PROPERTIES

As a customer-facing real estate business, it is paramount to maintain the quality of our assets by investing in a rolling programme of preventative maintenance, store cleaning and the repair and replacement of essential equipment.

We have a bespoke, online-based Facilities Management System for store-based employees to log, track and manage all maintenance requests until closed. In conjunction with our store-based employees and area managers, our national facilities manager and city-based regional facilities managers oversee property maintenance with the assistance of dedicated facilities teams in each city.

STORAGE KING

During the year, Stor-Age continued to successfully capitalise on its strategic entry into the UK via its ownership of Storage King, the sixth largest self storage brand in the country.

The acquisition in November 2017 represented an opportunity to acquire a portfolio of well-located properties and a growth platform with well-invested infrastructure and an experienced management team. The team has considerable industry experience and a track record of demonstrable operational management,

evidenced in the two and a half year period since acquisition, with Storage King increasing both the number of properties in its portfolio and the total GLA by more than 60%. In this period, the number of properties has increased from 13 to 21 and the total GLA from 543 000 sq. ft to 892 000 sq. ft.

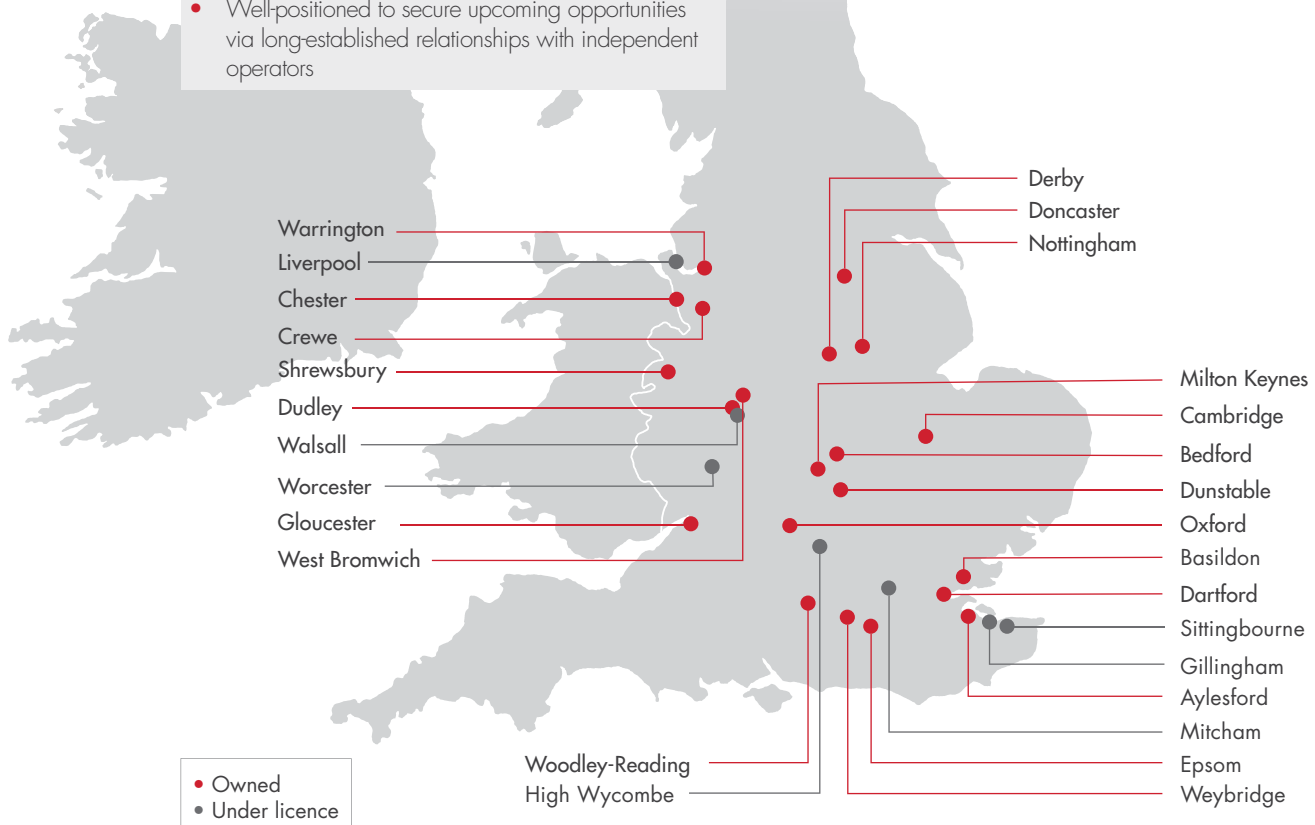
Overview of Storage King

- Sixth largest operator in the UK by number of stores
- Owns 21 properties – 13 freehold and eight leasehold, with an average 14-year unexpired lease term
- A further seven properties trade under licence of the Storage King brand, generating licence and management fee revenue
- Highly scalable, well-invested infrastructure and experienced management
- Additional upside growth potential – operational cost savings and revenue enhancement
- Well-positioned to secure upcoming opportunities via long-established relationships with independent operators

28 Storage King operates 28 well-located properties throughout England.

UK PORTFOLIO:

21 properties
£2.9 billion
82 800 m² GLA
9 400+ tenants



Portfolio overview

- Well-located, with a bias towards the south east and east
- Near key market towns and major arterial roads
- GLA 892 000 sq. ft
- Occupancy 78.8%
- Average rental rate £21.22 per sq. ft p.a.
- Average store size² 42 500 sq. ft

¹ 892 000 sq. ft = 82 800 m² GLA

² 42 500 sq. ft = 3 950 m² GLA

Exceptional platform opportunity

- Established management team in place, with significant on-the-ground experience
- Established operating platform, high-quality property portfolio and pipeline of opportunities

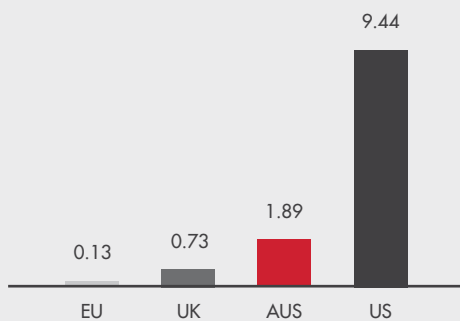
“The UK and Europe represents a significant growth opportunity relative to the US and Australian markets.”

Despite the uncertainty created by Brexit, Storage King and the UK self storage industry continued to trade robustly. Further details of Storage King’s performance are set out in the Financial Review section on page 40.

UK self storage industry¹

1 900 Self storage properties, includes 563 container operators	76.2% Occupancy on current lettable area	49 million sq. ft Total space available
78.5% Occupancy where there has been no expansion in the last two years	0.73 sq. ft Space per person	
£22.44 Average rate per sqf per annum	41% The UK holds 41% of the total European self storage market	£33.79 Average rate per sqf per annum in London; up 22% year-on-year
Population 66 million		

AVERAGE SQ. FT OF AVAILABLE SPACE PER PERSON



The UK and Europe represents a significant growth opportunity relative to the US and Australian markets

ACQUISITIONS

In December 2019, Storage King acquired the five-property Flexi Store portfolio (190 000 sq. ft² maximum lettable area) at a purchase consideration of £13.4 million. Management leveraged a long-established relationship with the seller to secure the acquisition. This demonstrates the ability to successfully identify, negotiate and close acquisitions in a competitive environment.

The acquired properties were in line with the stated growth and investment strategy and represented an excellent opportunity to acquire self storage properties in locations which complement the existing portfolio. Located in Dudley, Nottingham, Shrewsbury, Warrington and West Bromwich, the properties trade into dense catchment areas and boast attractive trading histories.

¹ Source: The Self Storage Association UK annual industry report, 2020.

² 190 000 sq. ft = 17 650 m² GLA.

HOW WE DO IT

OUR SOPHISTICATED OPERATIONS PLATFORM

We have invested significantly to develop a sophisticated and scalable management platform that provides centralised services and support across the portfolio. This offers economies of scale and cost efficiencies.

Our web-based tenant management system provides real-time information on the operating and financial performance of each property. The system has a unique built-in customer relationship management (CRM) tool.

This tool enables all enquiries to be logged and tracked until closed, with management able to remotely monitor employees' efforts in this process. During the period, we dealt with over 110 000 enquiries across both markets.

Pricing is dynamic and varies according to unit size, demand, the stage of lease-up and location. Internal space across all properties can be reconfigured to produce variations of unit sizes in order to meet the demand profile and optimise the revenue streams from the property.

Operationally, Stor-Age consists of two elements: systems and people. Our approach to each is summarised below:

1 Systems, including processes, controls and responsibilities

- Defined in operating standards across the business to ensure consistency and continuously updated for improvements in operating capability
- Increasing use of technology and automation for continuous improvement and improved efficiency
- Increased enhancements to our layered network security systems to strengthen defences

2 People

- Strategic focus from inception
- Significant emphasis on recruiting the right people and training, developing and managing employees to achieve their highest potential
- E-learning platform, Edu-Space, complements key face-to-face learning programmes
- Incentivise outperformance at all levels

DEVELOPING OUR BRAND STRENGTH

Developing Stor-Age into the leading South African self storage brand has been a key strategic objective since inception. We have successfully achieved this through our focus on the location, visibility and quality of our properties, underpinned by excellent customer service and a leading online platform.

Our brand strategy is founded on big branding at properties in high-visibility locations on key arterials in densely populated residential suburbs with adjacent commercial and business corridors. Our Big Box properties are especially impactful in this regard.

Given the innate complexity and cost of online sales, our effective and innovative internet technology and digital marketing have enhanced our brand reach across our growing national and local store base, and allow us to spread our marketing costs over a growing platform. This continues to raise the barrier to entry for competition.

During the period we actively pursued mutually beneficial, strategic commercial partnerships to increase brand visibility among residential and business target audiences. These partnerships will enable us to enhance our marketing efforts and engage in cost-effective campaigns that improve enquiry generation through new and existing channels. Commercial partners include financial institutions, removals companies, coworking spaces, e-commerce platforms, key sporting events, charitable organisations and many others.

INDUSTRY LEADING SALES, MARKETING AND E-COMMERCE

Leveraging our industry experience and digital capability we continue to outperform our competitors in terms of new customer acquisition. We continue to innovate and improve the customer experience through ongoing review and refinement of our digital and in-store customer touchpoints. This process results in a cohesive brand experience for our customers, cementing loyalty and increasing sales.

Through ongoing management and optimisation of our online platforms, we maintained our leading rankings for the most popular search terms related to self storage in South Africa and the UK. We continued to execute our strategy of hyper-segmenting our potential customer userbase and delivering customised messages across various digital channels in both markets. This relevancy-based and targeted strategy enabled us to continuously create bespoke advertising media (video, animations and static images) that directs users to customised landing pages relevant to their behaviour.

As an accredited Google and Facebook partner, we have benefitted from access to beta products through their technical and creative teams, which has enabled us to strengthen and present optimal messaging to the relevant audience on the platforms where they are most active. This has resulted in positive demand generation despite persistent challenging macro conditions in South Africa and the UK.

Our interactive and responsive websites continue to be refined and updated. This enables ongoing traction and encourages web prospects to enter into our digital sales funnels and be converted into a sale.

As a significant percentage of total web enquiries originates from smartphones and tablets, our websites are accordingly designed to be simple and uncluttered. We improved our websites by enhancing security and the user experience and enabling continued deeper integration between our South African and UK platforms.

During the year we tested a new digital move-in platform that supports a smartphone-driven and paperless on-boarding process. Testing was brought forward due to COVID-19, and we successfully incorporated this platform into our daily operations within the first few days of the national lockdown. This platform has allowed us to align our on-boarding process to other digital efficiencies within the business.





Our e-commerce platform comprises of an online reservation system, live customer engagement and a real-time pricing module. This enables our online customers to seamlessly transition from obtaining a quote to moving in, thereby enhancing their user experience and reducing move-in time for improved productivity.

We also introduced a revenue management tool to further streamline our pricing management process. This tool is fully integrated into our operating system. It uses multiple signal modelling, which assists us in making pricing adjustments as required.

¹ Acquired in March 2019 and integrated in financial year ended March 2020.

“ We continue to innovate and find new ways of using data analytics to acquire customers, enhance revenue and reduce our operating expenses, while providing a high-quality experience for our customers. ”

CONTACT CENTRE PERFORMANCE

	61 000+ Calls answered
	17 000+ Online enquiries responded to
	66 000 m²+ Space reserved
	8 Full-time employees support our sales strategy

The operational strength and local market knowledge of Storage King's management team is complemented by our digital marketing and e-commerce expertise. During the year we successfully incorporated the Flexi Store, Storage Pod (Weybridge)¹ and Viking Self Storage (Bedford)¹ acquisitions into our operations platform. All properties were also incorporated onto our web platform and benefitted from our in-house digital marketing capability. This resulted in an increase in enquiries, web page visits and a lower cost of acquisition.

During the year, we continued to successfully implement our digital marketing strategy for Storage King resulting in a 45% increase in advert clicks, a 100% increase in referral traffic and a 74% increase in blog traffic, which has driven a valuable uptick in overall enquiries in the UK market.

HOW WE DO IT (continued)

Social media remains a key advertising, consumer engagement and CRM medium for the group. We are mainly active on Facebook (91 000+ followers as at 31 March 2020, ranking us as the third most followed self storage business in the world) and Instagram, but also on Twitter, Pinterest, LinkedIn and YouTube. Through specific call-to-action buttons, we are able to engage with our customers in real time.

“Throughout the year we have further developed our in-house digital marketing capabilities which, combined with our Google and Facebook partner accreditation, has allowed us to remain at the forefront of online enquiry generation.”

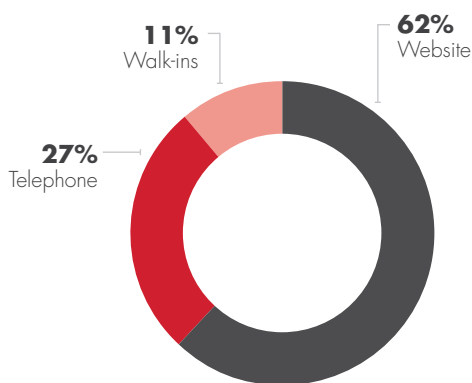
We further use our social media presence and influence to support various community projects. This includes supporting the Santa Shoebox Project and assisting various organisations

in their relief efforts for communities impacted by the COVID-19 pandemic and subsequent national lockdown – read more about this from page 83. Refer to the social sustainability section on page 81 for additional detail on our other corporate social investment initiatives.

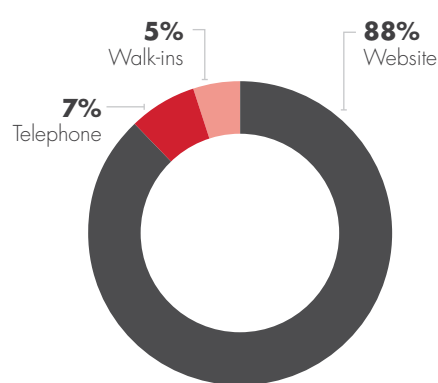
The Stor-Age website, whether accessed by desktop, tablet or smartphone, accounts for 62% of all enquiries. The telephone accounts for 27% of enquiries as the first point of contact. Walk-in enquiries, where we have had no previous contact with a customer, account for 11%.

In the UK, 88% of all enquiries are made through the Storage King website while 7% are via the telephone. During the period, walk-in enquiries amounted to 5%.

ENQUIRIES – SOUTH AFRICA



ENQUIRIES – UK



MEASURING CUSTOMER SATISFACTION

In South Africa we measure customer service standards through our mystery shopper programme, Google reviews and customer satisfaction surveys using our in-house My Experience Surveys portal. In the UK we make use of both Google reviews and TrustPilot (a third-party review platform).

The mystery shopper programme in South Africa entails in-store visits, and telephone calls, to gauge the quality of our sales process. The scoring of each call focuses on customer satisfaction, closing the deal and the flow of the call according to the Stor-Age sales process. These practices ensure that we maintain a consistent user experience across our brands.

We continue to actively engage with customers on all digital review platforms including, but not limited to, Google My Business reviews. Through various engagement tactics, we encourage these reviews to both drive organic search performance and to foster brand credibility. We are encouraged by our average review rating of 4.5 in South Africa and 4.7 in the UK out of 5.

In South Africa we continued to use the NPS feedback survey as a key measure of our customers' overall perception of the brand. We received over 23 500 responses to these surveys during the period. The welcome survey received a response rate of 66% while the exit survey response rate was 67%.

We experienced a significant increase in these responses in the current year as a result of having incorporated the completion of the NPS feedback survey into our move-in and move-out process.

Our overall NPS for the year was 77*, up from 69 achieved during the previous year. This indicates that our customer-centric approach is excellent when compared to global NPS standards and other consumer-facing businesses.

Results and feedback from our customer satisfaction surveys drive our employee learning, development and training programme – read more about this from page 85.

OUR PEOPLE

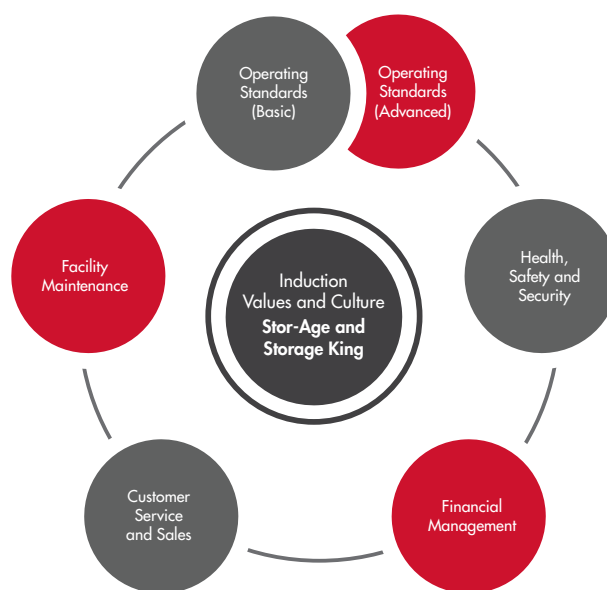
Across both of our brands in South Africa and the UK we have a flat operational structure that recognises our store-based teams as pivotal to achieving our strategic objectives. This includes driving occupancy, revenue and cash flow growth in the portfolio. To foster a partnership culture within the business, management spends significant time at the properties and is accessible to all employees.

Our bespoke e-learning platform (Edu-Space) continues to provide additional benefits to the business across both South Africa and the UK, such as increased flexibility, efficiency and productivity, as well as reduced costs. To support our Edu-Space platform, we continue to make use of LinkedIn Learning as an on-demand online education resource for senior managers and functional teams.

During the year we introduced annual off-site facilitated half-year and full-year planning workshops for our combined senior management teams from South Africa and the UK. Our South African-based management committee (manco) structure, introduced from the beginning of our 2019 financial year, continues to enhance our management planning capability and foster the growth of senior middle managers in key portfolios across the business. Strategic planning across the business continues to be implemented through quarterly meetings of the manco, where key objectives and goals are identified.

“Our learning, development and training programme, delivered online and in person, develops core and soft skills. Together with our performance management system of regular appraisals and feedback sessions, our staff are given the best opportunity for personal growth.”

E-LEARNING FRAMEWORK



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New online courses designed in 2020



750+

Hours of online training completed in 2020

* Above 50 is "excellent" and above 70 is considered "world class".

HOW WE DO IT (continued)

ENSURING SECURE STORAGE

We aim to provide the ultimate in secure storage. This includes ensuring our customers' peace of mind when it comes to their personal security and the security of their possessions.

Given the greater security risk in South Africa, we continue to work with a third-party security company for remote monitoring of our security camera surveillance systems as well as licence plate recognition technology at new and existing stores. These systems are considered complementary to our existing systems and improve our ability to actively manage our on-site security infrastructure. Properties have been selected based on an internal risk matrix, which takes into account various property and operational related features at each store in the portfolio. At year end, 26 properties were fitted with these systems with an additional 12 properties in progress.

To enhance physical security features, we previously developed a bespoke self storage door alarm and monitoring system in South Africa. All newly developed properties are fitted with this system, with a total of eight stores now fully operational. In the UK, 15 of the 21 stores are fitted with door alarms and we plan to complete the installation at the balance of the stores in the medium-term.

As part of our security measures, we continue to perform weekly and month-end padlock counts of every storage unit at our properties. This is a digitised process in South Africa, where the status of each unit (occupied, vacant, overlocked in the case of a debtor) is recorded by the store's operations manager on tablets using an application developed internally. The reconciliation of the padlock count to the tenant management system is automated and produces an exception report. An additional feature enables senior management visiting our stores to perform synchronised counts that overlap with existing reports.

While improving employee efficiency, the digitised process also improves transparency and the accuracy of results. During the year we began the process of making this feature available for Storage King and have begun the process of integrating with the UK management database.

Access to our properties is automated and requires personal verification by means of an electronic tag in South Africa and a personal identification number in the UK. Strategically located cameras provide CCTV surveillance, which is bolstered by alarm systems and in South Africa, electrified perimeter fencing and infrared beams at certain stores as well.

ENHANCING OUR CYBER SECURITY

In response to the global increase of ransomware and other cyber security attacks, we continue to enhance our layered network security systems to strengthen defences.

We partner with reputable, specialist service providers to ensure cyber security measures are maintained at the highest level. Together with a cloud-based approach for essential services, our information communication and technology objectives of employing effective redundancy measures, enhancing security and ensuring continuity, remain strategic priorities. At the same time, we continue to communicate with all staff across the business to share best practice when it comes to vigilance and cybercrime awareness.

Our users are continuously monitored to ensure the most effective use of resources and to limit opportunities to breach the company's cyber defences. Our cyber security strategy, suppliers and network design are reviewed regularly to stay abreast of leading best practice and remain relevant in the use of technology.









OUR GROWTH STRATEGY

With deep product understanding and experience in emerging and first-world markets, Stor-Age boasts a successful track record of developing, acquiring and managing self storage assets. The business benefits from outstanding real estate expertise, an excellent dual-market operations platform, leading digital marketing capability and an established global peer network.

OUR GROWTH STRATEGY FOR THE SOUTH AFRICAN MARKET

We conduct our strategic growth planning in five-year cycles. We are in the final year of the current cycle ending 2020, and have undertaken strategic and meticulous planning for the next five-year period. This includes committing significant resources to research projects that informed our growth strategy to 2025. A key focus remains our digital transformation strategy which significantly influences our business strategy. Read more about our new strategy in our Chairman's letter on page 7.

We intend to continue growing the portfolio and enhancing performance and investor returns by:

	extracting organic growth through active revenue management, developing additional GLA and optimising the unit mix at properties
	leveraging our tenant management software platform to unlock value, drive cost efficiencies and entrench our competitive advantage
	pursuing acquisitions , and consolidating our position as the leading and largest self storage brand in the South African market
	developing new properties in prominent high barrier to entry locations in our core markets
	opportunistically leveraging the platform through our operations and digital capability, as well as our real estate expertise
	managing financial risk through prudent capital management policies

The strategy seeks to maintain Stor-Age's position as the leading and largest self storage property fund and brand in South Africa:

- Largest store footprint
- Quality stores in high-profile and convenient locations
- Prominent and easily accessible
- The benchmark for modern, urban self storage development

To inform our strategic cycle to 2025, we revisited the four major research projects completed in 2015 with a specific focus on supply levels, anticipated demand,

customer profiling and consumer demographics. These projects give us key insights which inform and optimise our growth strategy, allowing us to better understand our residential and business customers, and anticipate future demand.

Based on our research, we believe that there are approximately 400+ self storage properties across South Africa. While we see an opportunity to acquire existing properties, our new development strategy is detailed, with a focus on high barrier to entry areas in our core markets. Our plan to 2025 includes growing the portfolio to 70+ properties.

OUR GROWTH STRATEGY (continued)

OUR GROWTH STRATEGY FOR THE UK MARKET

Our business plan for Storage King is guided by our strategic and long-term focus on growing and optimally positioning our UK property portfolio.

During the year, we continued to focus on key high-impact foundational areas to position Storage King optimally for future growth. We continued to make significant progress in integrating key South African-based head office support services into the Storage King platform. In addition to the property strategy outlined below, we continued to see the positive impact on enquiry generation during the year as a result of successfully leveraging our digital marketing capability into the UK.

Key features of the medium-term growth plan include:

Acquiring existing self storage properties that meet Storage King's acquisition criteria:

- Good locations in strategic and regional cities
- Within/close to attractive urban or suburban nodes
- Ideally within/close to a retail corridor
- Ideally located with main road frontage to passing traffic
- 35+ operators identified
- Minimum requirements targeted
 - 30 000+ sq. ft maximum lettable area (MLA)
 - 75 000+ population, 20-minute drive time

Our five-year strategy for the UK market to 2025 seeks to grow the portfolio through a combination of acquiring existing self storage properties, developing new properties in key target areas and adding trading properties to our third-party management platform – Management 1st. We have identified a growth target of an average of two to four properties per annum. Read more about our third-party management platform below and in the CEO's report on page 33.

Developing investment-grade self storage properties in prominent, visible, convenient and accessible locations:

- Key locations in strategic and regional cities
- Big Box (greenfield) – high-density retail or commercial type nodes, within attractive urban/suburban areas and with main road frontage to passing traffic (typically multistorey, three+ floors)
- Conversions (brownfield) – conversion of existing buildings in retail or commercial type nodes in close proximity to dense urban areas
- Minimum requirements targeted
 - 45 000+ sq. ft MLA
 - 100 000+ population, 20-minute drive time

STORAGE KING DEVELOPMENT JV

During the year we entered a Heads of Terms with a UK-based specialist private equity real estate group to form a joint venture ("JV"), with a target to develop a five to seven property portfolio of high profile big box self storage properties in prime locations in London and the South East over the medium-term.

The JV will include the following elements:

- Equity contributions to the JV are anticipated to be in the ratio of 25:75, with Storage King contributing 25%
- All newly developed properties will be branded and managed by Storage King on behalf of the owners of the JV under the Storage King Management 1st offering
- Storage King will earn management fees from the JV for developing and managing the assets
- Storage King will have a pre-emptive right to acquire all newly developed assets once certain pre-defined operating criteria have been met

- A target has been set to achieve approximately 50% loan to cost for new developments
- An initial JV equity contribution of £25million

LEASEHOLD OWNERSHIP

Storage King maintains a flexible approach to leasehold and freehold property ownership, which enables it to grow the business, secure prime locations and position the portfolio optimally.

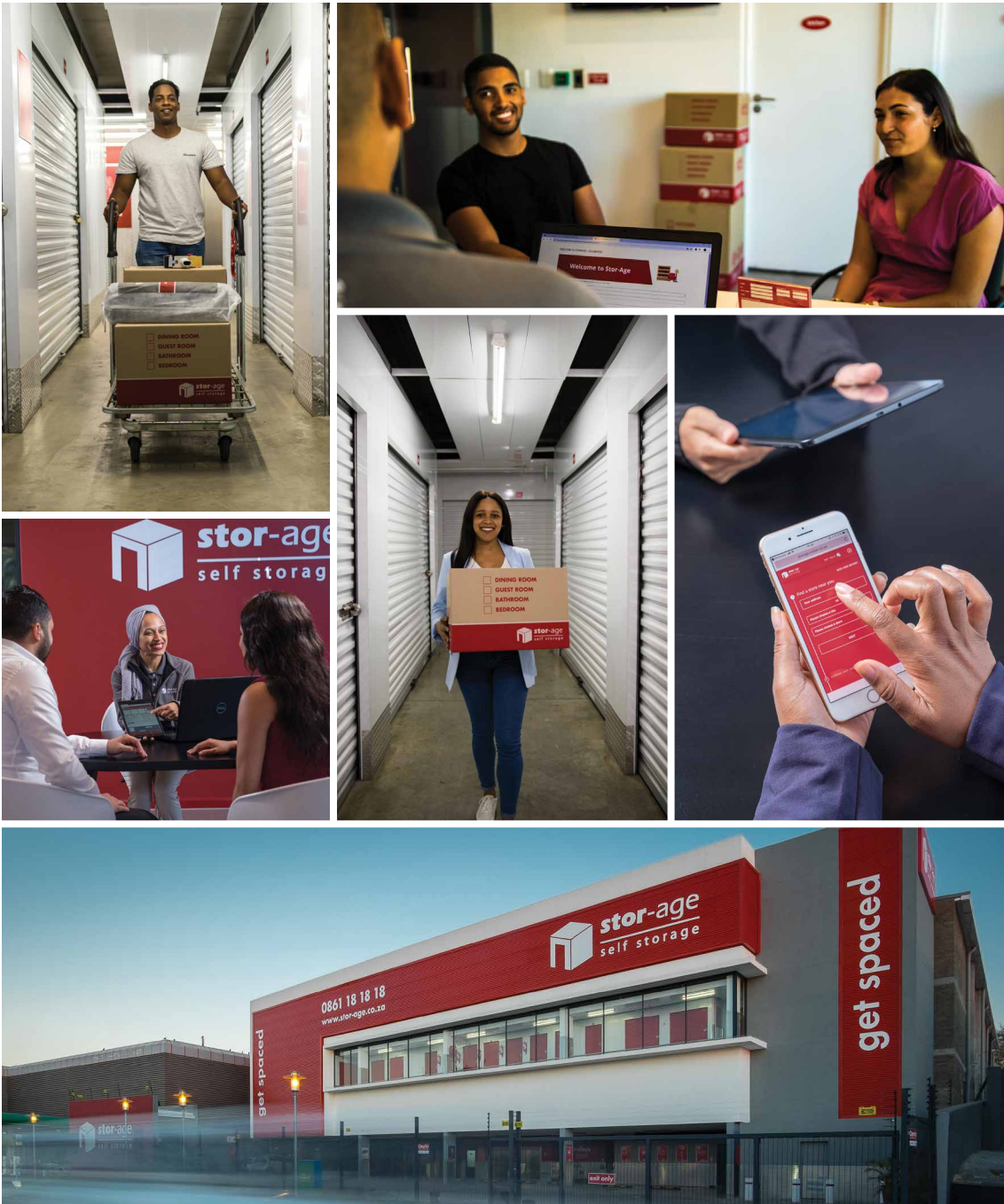
While Storage King's approach to leasehold property valuation is based conservatively on future cash flows until the next contractual lease renewal date, it has a demonstrable track record of successfully regearing leases several years before renewal. Storage King benefits from the Landlord and Tenant Act, which protects its right of renewal except in the case of redevelopment.

In addition, the vast majority of Storage King's leasehold properties are located in retail parks and/or have building characteristics that make their current usage either the optimal or best use of the property.

Furthermore, as property investors, Storage King's landlords value the quality of Storage King as a tenant and often extend the length of the leases in their portfolios. This enables Storage King to maintain favourable terms.

Ultimately, maintaining a flexible approach to leasehold ownership as part of a broader portfolio assembly strategy has allowed Storage King to operate from properties that would otherwise have been unavailable.

Our brand has been positioned at the quality end of the market and is well-defined, distinctive and differentiated.



CASE STUDY: SANTA SHOEBOX PROJECT

GETTING INVOLVED, MAKING A DIFFERENCE

Each year, the Santa Shoebox Project collects and distributes gifts for underprivileged children throughout South Africa and Namibia. In 15 years it has grown significantly, with the number of Santa Shoeboxes donated now totalling over 950 000. The success of the project is largely due to its personal nature, where donors prepare shoeboxes filled with gifts for children of whose names, ages and genders they are informed.

As the leading self storage company in South Africa, Stor-Age once again assisted the Santa Shoebox Project by making our resources available to help support and contribute towards its significant success.

During the year, we helped the Santa Shoebox Project in the following ways:

- We produced empty Santa Shoeboxes for the public to collect from any of our stores nationwide. Once packed with gifts, the public could drop their completed Santa Shoebox off at our stores where we stored them until the big drop-off dates. Our employees also assisted at various drop-off events across South Africa.
- We assisted the project with the introduction of team pledges for the 2019 campaign, where shoeboxes were made available to companies, organisations and groups of individuals at no cost.

- We devoted significant resources toward promoting the project via various digital platforms as well as in print and broadcast media. We also involved celebrities and influencers to further help promote the project.
- We produced a Santa Shoebox Project commercial which was featured on broadcast media and online. The commercial created awareness of the initiative to drive team and public pledges.
- We provided the project with complimentary self storage at various stores across the country to assist with their operational needs.
- We made use of Stor-Age vans to help distribute Santa Shoeboxes to underprivileged children nationwide.

WHAT THIS CAMPAIGN MEANT FOR STOR-AGE

The partnership with the Santa Shoebox Project gives Stor-Age significant brand exposure to consumers and businesses across South Africa. Not only did we receive extensive coverage in print, broadcast and digital media, but approximately 15 000 people visited our stores to collect and drop-off their Santa Shoeboxes during the year. This gave South Africans an opportunity to experience our product and high level of service. In addition, each person who collected or dropped off a Santa Shoebox was presented with a complimentary month off self storage, promoting the trial and use of the Stor-Age product.

“ Our involvement in the Santa Shoebox Project unites our employees behind a common cause, whether they participate in the big drop-off events or engage with businesses and communities through the initiative. ”



BRINGING OUR CORE VALUES TO LIFE

We believe in striving for excellence in everything we do – in our thoughts, our decision-making, and our actions.

We were able to make a significant impact on the Santa Shoebox Project's success through purposeful collaboration with the organisation's team and our own determination to achieve excellence in every aspect of our involvement.

We believe that every action taken today will have a direct impact on the actions we can take tomorrow.

The Santa Shoebox Project positively impacts the lives of the future leaders of tomorrow and we are incredibly fortunate to be able to assist projects like these, now and into the future.



We aim to be relevant in everything that we do.

The Santa Shoebox Project gives us the opportunity to be active in the communities in which we operate and make a difference in the lives of underprivileged children across South Africa.

We feel strongly about doing the right thing the first time, all the time.

As a company, we have always put a lot of effort into having a positive impact in communities throughout South Africa. Being able to help bring joy to underprivileged children during the festive season is an absolute privilege for us.

