

ASX RELEASE

12 NOVEMBER 2024

2024 ANNUAL GENERAL MEETING

Abacus Storage King (ASX:ASK) advises that the Annual General Meeting will be held today, Tuesday, 12 November 2024 at 12.00pm 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 2024 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

For personal use only

ABACUS STORAGE KING 2024 AGM SYDNEY, 12 NOVEMBER 2024 CHAIR ADDRESS – JOHN O’SULLIVAN

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 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 12 o’clock 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:

- Karen Robbins, independent non-executive director, Chair of the Remuneration Committee and a member of the Audit & Risk and Nomination Committees.
- Mark Bloom, non-executive director, member of the Audit & Risk, Remuneration and Nomination Committees.
- Sally Herman, independent non-executive director, Chair of the Audit & Risk Committee and a member of the Remuneration and Nomination Committees.
- Steven Sewell, Executive Director, and also
- Nikki Lawson, Fund Manager of ASK.

We are also joined by members of the Abacus Group and Abacus Storage King management team and the Abacus Storage King’s auditor, Anthony Ewan from Ernst & Young.

Before we move to the formal voting on the resolutions, Steven and I will provide a brief review of how the business performed in FY24, and we will hear a first quarter trading update from the Fund Manager, Nikki Lawson. There will 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.

Following on from the de-stapling in August 2023, Abacus Storage King has delivered strong results, executing on its strategy and demonstrating its resilience amid broader macroeconomic conditions.

The vehicle now comprises \$3.2bn in assets, located on over 1.2 million square meters of land across Australia and New Zealand, and together with our more than 500 Storage King team members, we welcome over 70,000 customers through our store network and digital platforms each year.

Our vision is to be the undisputed leader in the Self Storage industry by seeking to be the most respected, responsive, and recognised owner, operator and manager. To support this vision, our strategy is focused on providing securityholders with exposure to an investment portfolio of Self Storage assets managed by our Storage King operating platform. We target superior income and capital growth by maintaining a high quality strategically located portfolio, optimising operational performance and continuing to drive occupancy and rate per square metre with a focused and disciplined approach to our multi-pronged growth levers including delivery of our development pipeline and enhancement of our operating platform.

We were pleased to deliver Funds From Operation for FY24 of \$81.1 million and a full year statutory profit of \$138.2 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.

We also delivered on our guidance with a distribution of 6.0cps reflecting an FFO payout ratio of 94% within our targeted range of 90-100%, which was particularly pleasing given the rising cost of debt and other inflationary pressures we are currently seeing in the market.

This year we issued our first standalone sustainability report. The report presented Abacus Storage King's sustainability strategy centred around three key pillars; connect to people, care for the planet and commit to do the right thing.

We understand the importance of addressing the environmental, social, and governance impacts of our business operations and through our sustainability initiatives roadmap, seek to address both the risks and opportunities that may impact our ability to operate sustainably and create long-term value. Steven will talk more about our sustainability highlights shortly.

MANAGING DIRECTOR ADDRESS – STEVEN SEWELL

Key highlights

As we reported at our FY24 results, Abacus Storage King had a strong year, demonstrating the continued strength of our sector leading real estate portfolio. Operating metrics were particularly pleasing, delivering year on year RevPAM growth of 4.6%, driven by both higher rental rates and a modest increase in occupancy to 91%.

One of our key growth drivers, our development pipeline, delivered three newly created strategically located stores, in Brendale and Currumbin in QLD and Granville in NSW. Pleasingly, lease up of these stores is tracking above our internal forecasts. This strong performance reflects our metropolitan locations and is further supported by a range of positive industry demand drivers which I will touch on shortly.

As we announced as part of our year end results, we transitioned our existing \$1.25 billion banking facility to an unsecured debt platform, providing us with lower margins, increased tenor and additional flexibility to fund our growth initiatives. Our gearing sits at the lower end of the target range and Abacus Storage King has funding capacity of over \$350 million which will help fund new acquisitions and developments and support continued investment in the platform.

This year also saw Storage King saying farewell to its CEO and co-founder Michael Tate after 25 years. As a result of Michael retiring, we recently appointed a new Chief Operating Officer reporting to Nikki Lawson our Fund Manager. The COO will take strategic carriage of the operating platform, focused on process and systems to support business growth initiatives. Michael's energy and passion has been instrumental in elevating Storage King into the industry's most recognised brand, transforming it into a household name for Self Storage solutions and on behalf of the entire Board and Management of Abacus Storage King, I would like to thank Michael for his dedicated leadership and contribution.

Demand drivers

The Self Storage sector has benefitted in recent years from a rapidly maturing market in Australia and New Zealand, supported by increased awareness and usage throughout the COVID period. Despite the high interest rate environment and pressure on consumer discretionary spending, Self Storage market capitalisation rates have remained resilient, reflecting the robust demand for Self Storage which is supported by drivers including increasing housing density, population growth, rise of e-commerce and housing turnover – for both rentals and new dwellings.

This financial year we have seen our portfolio continue to grow, supported by a range of structural and cyclical factors. Benefiting from these sector demand drivers is our market leading platform comprised of 126 Abacus Storage King owned and managed stores and 75 licensed stores, coupled with Abacus Storage King's scale, expertise and acquisition capacity this positions us well for ongoing portfolio growth.

Sustainability initiatives

As John mentioned earlier, this year we worked to develop our sustainability strategy, producing our materiality matrix and from this our sustainability initiative roadmap which provides a framework for resource prioritisation and monitoring progress on our sustainability journey.

Our key environmental highlight this year, included our net zero commitment by 2030 and a 6.2% reduction in GHG emission intensity and to achieve this we have a number of initiatives underway focused on maximising solar power and green energy usage across the business.

We are committed to our people and currently focused on several initiatives designed to support our people in both the working environment and in a personal capacity. We strongly believe this supports our employees in their delivery of an unrivalled customer experience which in turn will deliver superior returns for our securityholders.

We recognise the impact we have as a business on the stakeholders around us and the importance of managing that impact through an effective sustainability framework. By ensuring effective oversight we commit as a business to operate ethically, with transparency, and accountability. We provided more detail on these initiatives in our first standalone sustainability report which I encourage you all to read.

Multi-pronged growth drivers

We continue to focus on our multi-pronged growth drivers to expand our portfolio net lettable area along with returns.

Enhancing the portfolio's organic growth are our acquisition, development, and platform strategies.

Our FY24 acquisitions were sourced in majority from the Storage King network, acquiring eight operating stores and three development sites for \$137 million, adding 35,100 square meters of NLA (or 5% of the portfolio).

Our development pipeline delivered three new, strategically located stores valued at \$81 million, adding 22,000 square meters of NLA (or 3% to the portfolio). ASK has a significant development pipeline expected to deliver 18 new stores with an estimated NLA of 103,000 square meters (~16% of ASK's current NLA) over the short to medium term.

We continue to see value in our development pipeline, and it is anticipated that these next generation Self Storage assets in prime metropolitan locations, will enhance the average RevPAM across the established portfolio over the medium term.

Our operating platform, Storage King remained the number one most Google searched Self Storage brand in Australia in FY24, an important lead indicator for future enquiries. Pleasingly, operating margins remained resilient at 65% despite the inflationary environment. A number of initiatives are being actively pursued, such as investing in revenue and data management technology which are expected to expand margins over the longer term and support

our vision to be the undisputed leader in the Self Storage industry by being the most respected, responsive, and recognised owner, operator and manager.

In closing, I would like to thank the entire team for their hard work and commitment and the Board for their guidance, and of course to you our securityholders for your continued commitment to Abacus Storage King.

FUND MANAGER ADDRESS – NIKKI LAWSON

Trading update

Overall, trading conditions across our portfolio remained strong during the first quarter ended 30 September 2024.

Looking at our Established Portfolio, the base of our business which now comprises 103 stores, we achieved an average RevPAM of \$339psm¹, reflecting an increase of 5.6% compared to 1Q24, and an increase of 3.7% compared to our average FY24 RevPAM².

Pleasingly, we have delivered this year-on-year RevPAM growth in 1Q25 in all Australian states, with New Zealand being the only softer region, where RevPAM declined marginally by 1.1%. WA, NSW and VIC were the top performing regions, with all three states exhibiting both occupancy and rental rate growth year-on-year.

Average rent per square metre in the Established Portfolio continued to edge up during the quarter, with an average rental rate of \$372psm¹, growing 4.5% on 1Q24 and 3.7% on the average FY24 rate. All regions grew rental rate year-on-year other than the ACT, which continues to recover. Pleasingly, in the ACT we managed to grow RevPAM year-on-year despite the slight reduction in rental rate. Rental rate growth has been strongest in WA and NSW.

The Established Portfolio average occupancy was 91.0%¹ in the first quarter of FY25, up 90 basis points from 1Q24 and flat compared to the FY24 average occupancy. As at 30 September 2024, WA holds our highest average occupancy at around 92%, with the strongest 1Q25 occupancy growth coming from the ACT and NSW, with both states achieving year-on-year growth of over 180 basis points.

Trading update (continued)

Turning now to developments, we remain on track to deliver four new stores in FY25, representing an additional 23,000 square meters of net lettable area to our income producing operating stores. Pleasingly, our recently developed stores at Granville, Currumbin and Brendale continued to lease up in 1Q25 at a rate faster than pre-COVID levels.

Following the deployment of capital into our development pipeline, post balance date settlements and payment of the FY24 distribution, quarter end gearing was 28.9%, down 20 basis points from 29.1% as at FY24 and well within our target gearing range of 25-35%. With minimal debt expiring in the medium term, we remain confident the balance sheet positions us well to deliver on our strategic growth objectives.

Turning now to the outlook, our portfolio of right sized, urban locations combined with our sector leading operating platform, Storage King continues to demonstrate resilience despite a challenging consumer backdrop. With the ongoing momentum seen in our first quarter trading update, Abacus Storage King is pleased to upgrade FY25 distribution guidance to 6.2 cents per security (previously 6.1 cents per security), with a payout ratio expected to be within 90% - 100% of FFO. Our guidance is subject to no material deterioration in current business conditions.

END

¹ Average (by area) excluding two stores due to mixed use composition and fire-damage.

² FY24 metrics have been restated for comparison purposes.



ABACUS STORAGE KING ANNUAL GENERAL MEETING

12 NOVEMBER 2024

For personal use only



For personal use only

CHAIR ADDRESS

JOHN O'SULLIVAN



FY24 BUSINESS METRICS

Resilient operating metrics underpin performance

For personal use only

TOTAL ASSETS

\$3.2b

TOTAL LAND AREA

1.2m sqm

STATUTORY PROFIT

\$138.2m

FUNDS FROM
OPERATIONS (FFO)

\$81.1m

FFO PER
SECURITY

6.36cps

DISTRIBUTION PER
SECURITY

6.0cps





MANAGING DIRECTOR ADDRESS

STEVEN SEWELL



Artist's Impression: Storage King Mascot, NSW Australia

For personal use only

FY24 HIGHLIGHTS

Multi-pronged growth strategy with an irreplaceable portfolio of assets, in a fragmented sector

For personal use only



Operating performance¹

4.6% RevPAM growth, to \$327 psm
3.8% rent growth, to \$360 psm
91.0% occupancy, up 60bps

Strong balance sheet supports strategic priorities

27.5%²

Pro forma gearing

Developments

Delivered 3 new operating stores, valued at \$81 million, adding 22,000 sqm of NLA (3% of portfolio)

Platform

Storage King remains #1 most Google searched Self Storage brand³



Credit approved underwriting commitment for new \$1.25 billion unsecured syndicated loan facility

Acquisitions

Acquired eight operating stores and three development sites for \$137 million, adding 35,100 sqm of NLA (5% of portfolio)



1. Established portfolio metrics FY24 vs FY23 (FY23 established portfolio has been restated for comparison purposes).
2. Pro forma includes impact of listed peer divestment as per announcement on 17 July 2024 and settlement of five properties post year end.
3. Storage King is the most searched Self Storage brand via Google search engine in Australia in FY24.

SELF STORAGE DEMAND DRIVERS



For personal use only



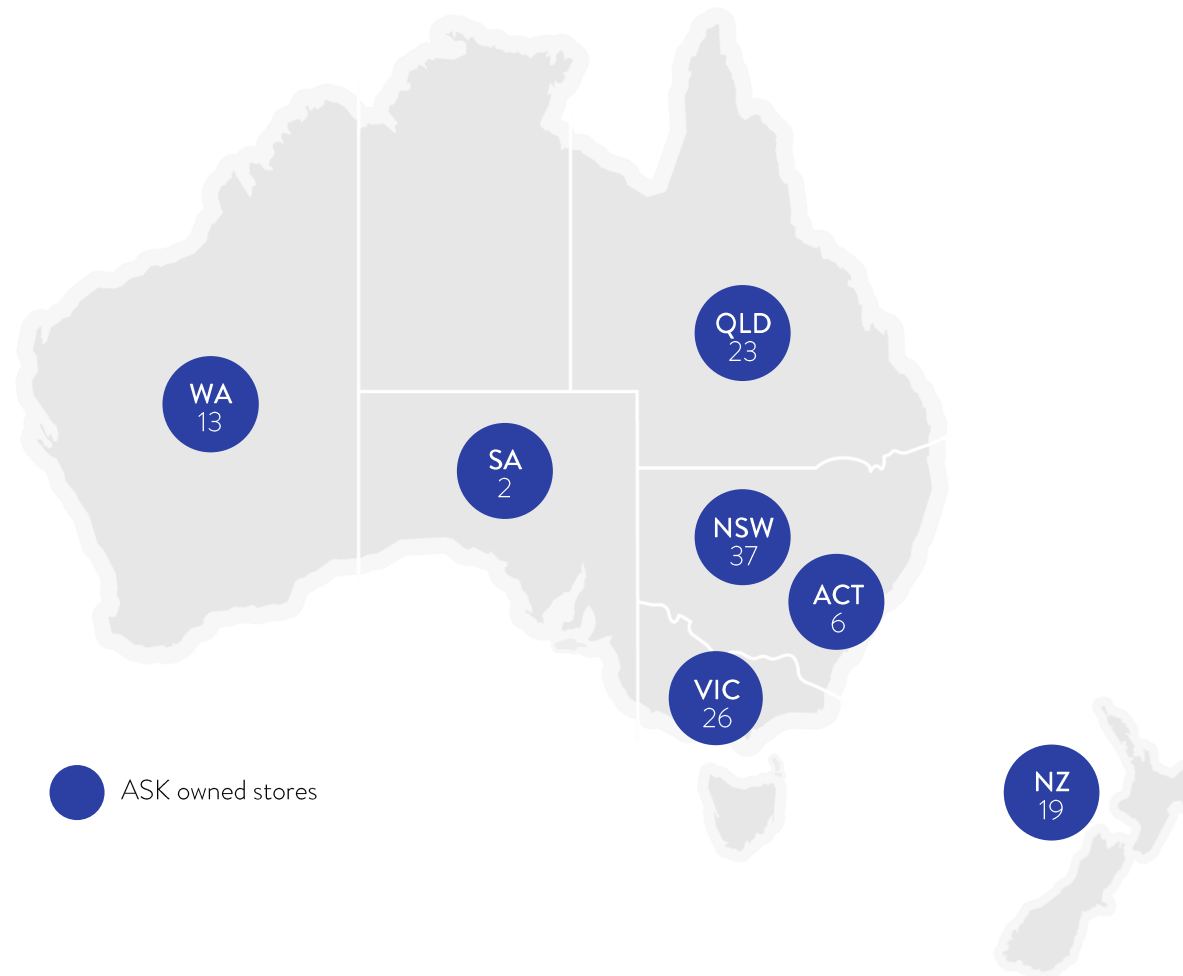
Population growth



Housing density



Emerging category



Housing turnover



Rise of e-commerce



Discretionary spending




ASK owned stores


SUSTAINABILITY HIGHLIGHTS & INITIATIVES





For personal use only





- 

Net zero by 2030 Scope 1 and 2 GHG¹:
Board approved target for company owned stores
- 

Emission intensity:
6.2% reduction in scope 1 and 2 GHG emissions intensity (compared to FY23)
- 

Installed solar:
76 stores 1,900kW (FY23: 70 stores, 1,619 kW)
- 

Board independence and diversity:
Independent Chair and 60% Independent Directors, 40% female
- 

Gender pay gap:
Average gender pay gap of 3.4%², a 290bps improvement from FY23
- 

Customer experience:
65 NPS score (FY23: 62 NPS score)

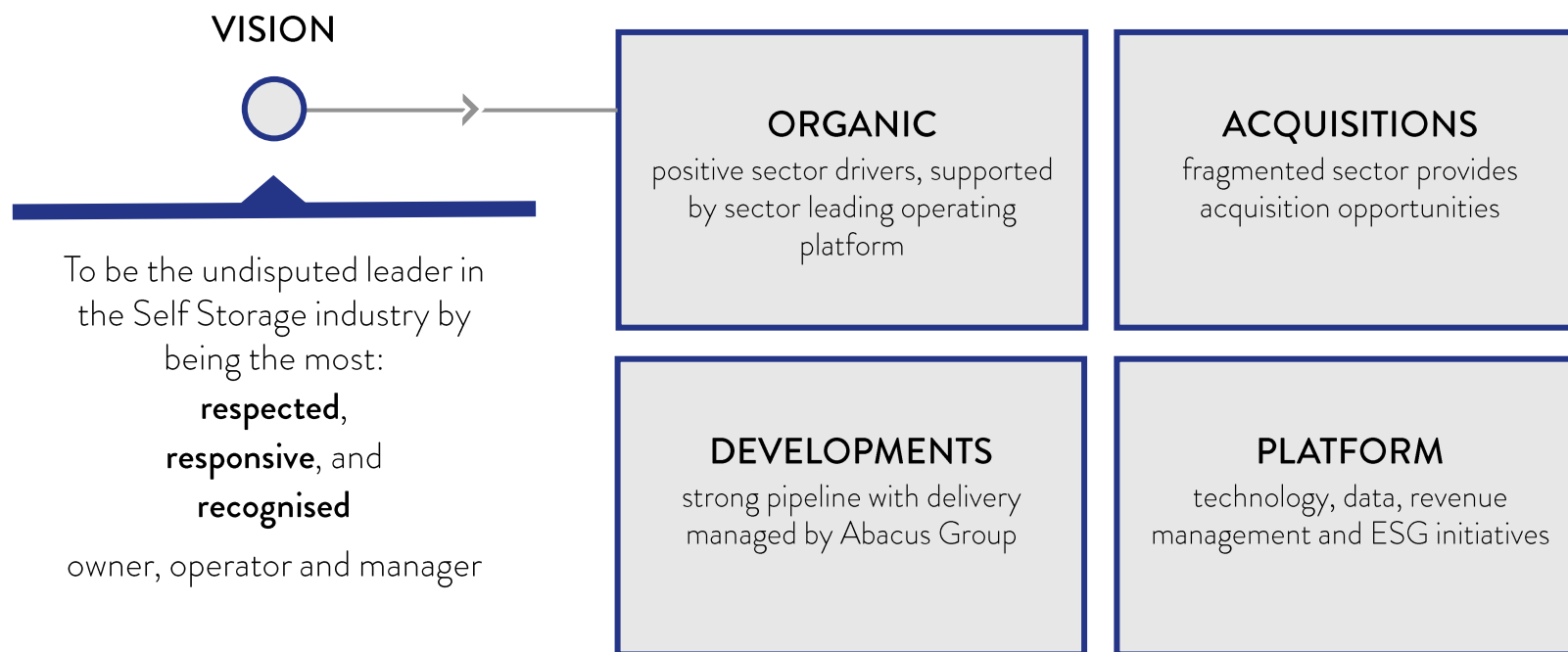
1. Scope 1 and 2 GHG for ASK owned stores assuming access to green power remaining a feasible option, if required.
2. Average total remuneration of 390 employees at Storage King Management Pty Ltd.

MULTI PRONGED GROWTH STRATEGY



Supporting growth profile

For personal use only





For personal use only

FUND MANAGER ADDRESS

NIKKI LAWSON



TRADING UPDATE

Established Portfolio¹ key operating metrics

	1Q25	1Q24	FY24	1Q25 vs. 1Q24	1Q25 vs. FY24	1Q25 vs. 4Q24
Average Occupancy ²	91.0%	90.1%	91.0%	+90bps	-	-50bps
Average rent psm ²	\$372	\$356	\$359	+4.5%	+3.7%	+1.6%
RevPAM²	\$339	\$321	\$327	+5.6%	+3.7%	+1.1%

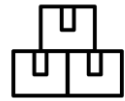
1. Established portfolio: 103 stores trading since FY23.

2. Average (by area) excluding two stores due to mixed use composition and fire-damage. Note 1Q24, FY24 and 4Q24 stores have been restated for comparison purposes.



TRADING UPDATE (CONTINUED)

For the quarter ended 30 September 2024



Operating Update

- 1Q25 trading conditions were robust, with average rent in the Established Portfolio of \$372psm. Rental rate growth has been the strongest in WA, with solid growth also exhibited in New South Wales, Victoria and South Australia
- 1Q25 occupancy in the Established Portfolio remained solid at 91.0% on FY24. Momentum has continued in the ACT, with average occupancy of 89.4%, up 391bps YoY¹. New Zealand occupancy softened by 219bps YoY, however it remains strong at 90.5%
- Our three ASK developed stores that opened in FY24 (Brendale QLD, Currumbin QLD and Granville NSW) continue to lease up strongly and ahead of internal forecasts



FY25 Guidance

- Upgrading FY25 distribution guidance to 6.2 cents per security (previously 6.1 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 28.9% (FY24: 29.1%), maintaining a solid balance sheet



1. Year on year.



For personal use only

BUSINESS OF MEETING

JOHN O'SULLIVAN



PROXY RESEARCH RECOMMENDATIONS



For personal use only

Resolution	CGI Glass Lewis	ISS	Ownership Matters	ACSI
1: Adoption of Remuneration Report	For	For	For	For
2: Election of Sally Herman	For	For	For	For



THANK YOU

For personal use only