OUR PERFORMANCE

CEO'S REPORT

FINANCIAL REVIEW

CEO'S REPORT

Stor-Age delivered a strong trading performance over the past 12 months. We opened eight new properties across South Africa and the UK, expanding our portfolio of prime self storage assets to 107 trading stores with a combined value of more than R18.5 billion[1].

A DECADE OF PERFORMANCE

With 2025 marking the ten-year anniversary since the business listed on the JSE, as we reflect back on the past decade we recognise a period defined by strategic growth, operational strength and a clear focus on creating long-term value. Since the listing in November 2015, we have grown the portfolio significantly, increasing the listing value of R1.4 billion to R13.4 billion[2], the portfolio from 24 to 107 properties and the lettable area from 181 000 m² to 616 600 m². During this time the Company has demonstrated its resilience, strengthened its market-leading position and consistently delivered robust financial and operational performance.

The growth in our property portfolio included three new developments completed in our JV partnerships (two in South Africa and one in the UK), four properties in the UK added to our third-party management platform and the acquisition of Extra Attic in South Africa. We also increased same-store rental income in both markets, up 10.2% and 6.5% in South Africa and the UK respectively. We sustained this momentum despite the challenging macroeconomic environment, including a sluggish UK economy, once again demonstrating the resilience of our business model and our ability to capitalise on the highly defensive nature of the self storage sector.

OUR DIVERSIFIED AND GROWING PORTFOLIO

Our strategy to grow our portfolio is multi-dimensional, focusing on new developments (including JV partnerships), acquisitions and third-party management. This flexibility enables us to acquire, develop, operate and manage properties across multiple locations and generate favourable investment returns.

We continued to work with our JV partners to assess future acquisition, development and redevelopment opportunities, and our JV properties performed well in both markets with occupancy gains of 11 000m² and 8 200 m² in South Africa and the UK respectively. Importantly, these JVs significantly mitigate the financial impact of the lease-up for new developments and support a value accretive long-term return on invested capital.

In South Africa, we completed our Kramerville property in our Nedbank JV and our Century City property in our Rabie JV. Together, these properties added 11 400 m² to the portfolio. To capitalise on the exceptionally strong trading performance and healthy demand levels we see along the West Coast, we also announced plans to expand our Sunningdale property in our Garden Cities JV. The planned expansion will add approximately 4 700 m² GLA, including a substantial number of commercial drive-up units which are in high demand.

Our development pipeline remains healthy, equating to approximately 83 000 m² with 18 projects at various stages of planning and completion. Pleasingly, after five years of town planning, we received approval to develop our Rosebank property in Johannesburg.

In our owned portfolio we continued with the significant expansion of our Parklands property in Cape Town, which is expected to be completed in August 2025. We also acquired Extra Attic in Airport Industria, which sits close to Cape Town International Airport. This property supports a broad residential customer base from across the greater Cape Town area and a well-established commercial customer base, aligning with our strategy of acquiring and developing new properties in locations complementary to the existing portfolio.

[1] *Includes properties in joint ventures. Excludes Acton which opened for trading in June 2025.*
[2] *As at 31 March 2025. Total investment property value, including proportionate share of JV investment properties.*

In the UK we completed the development of our Leyton property in East London in our Nuveen JV. Post year end, in June 2025, the development of our Acton property in West London in our Moorfield JV opened for trading. These JVs ensure we are well-positioned to continue strengthening Storage King's brand profile and operational competitiveness, underpinned by the strategic positioning of our third-party management platform within the UK self storage sector.

In particular, third-party management enables us to generate revenue with minimal capital investment by leveraging our highly sophisticated and specialised operating platform and skillset. It also allows us to increase our market share and scale while providing a potential acquisition pipeline should our partners choose to exit.

At the end of FY25, we had 26 properties operating on our third-party management platform. This includes eight properties in South Africa and 18 in the UK. In line with the growth in our third-party management platform, our management fees increased by 12.6% to R71.0 million, up from R63.1 million in FY24. Pleasingly, we made good progress assisting Hines with growing their exposure to the UK self storage sector. In addition to the three-property Kent Space portfolio that closed in May 2024 and joined the Storage King brand, we are working with Hines on five additional development projects in the UK.

Our third-party digital services offering, Digital First, delivered consecutive year-on-year revenue growth, up 47% to R17.0 million. We also increased the number of properties operating on the platform from 126 to 153, comprising 28 independent operators across 16 countries and in 11 languages. Digital enquiry generation remains the lifeblood of any self storage business. Our digital enquiry skillset provides a key competitive advantage in accessing and converting prospective customers. We will continue to grow this area of our business, supported by careful management of and investment in our teams and resources.

ONGOING INVESTMENT IN OUR SUCCESS DRIVERS

Our performance in FY25 reaffirms our ability to acquire, develop and manage self storage properties in prime locations that deliver high occupancy and rental rate growth. Our success is driven by our brand strength, sophisticated operational platform, sector specialisation and ongoing focus on leveraging technology as a business enabler.

We continue to invest in data analytics, AI and automation tools to optimise our pricing strategies, marketing campaigns and digital and in-store customer touchpoints. This includes using generative AI tools to assist with content creation and delivering targeted customer messaging, enabling us to increase head office productivity. We continue exploring how to further automate day-to-day store operations to drive efficiencies and cost control.

Another focus area is using mainstream 'big tech' digital platforms such as Google and Meta to improve prospect engagement, ultimately enhancing staffing efficiencies and sales performance.

While we have used many of these tools for some time as early adopters, we continue to embrace and actively encourage new ways of harnessing digital technology within our operating platform. We also continually expand our knowledge to keep pace with the rapid deployment of technology and to maintain our competitive peer advantage. Critically, this requires ongoing vigilance to ensure our systems can stand up against increasing ransomware and cyber-attacks globally. We therefore ensure that our ICT infrastructure, systems and controls remain resilient and strongly governed, underpinned by a well-defined framework and a robust and secure network.

Beyond our investment in technology, our employees are fundamental to our ongoing success. Recognising this, we conduct an annual employee Net Promoter Score (NPS) survey in both markets to understand key aspects of our employees' engagement. Our FY25 survey results showed that in South Africa and the UK, over 90% of our employees are proud to be a part of the Stor-Age team. Our employee NPS score is categorised as 'good', indicating a positive level of employee satisfaction and loyalty within the business. Ongoing investment in our people remains critical, recognising the clear link between employee engagement and business performance.

OUR GROWTH STRATEGYY

FY25 marks the end of the current five-year strategic growth plan and the start of our new five-year plan to 2030. Now in its fourth iteration, our multi-year real estate strategy reflects careful long-term planning that, in our view, is critical given that we operate in a niche subsector of the real estate market with a significant, highly specialised operational overlay. The drivers of demand are also almost entirely different to traditional real estate subsectors such as office, retail and industrial. Strategic planning ensures that our property portfolio is optimally positioned across both markets and our business well-placed to capitalise on suitable opportunities as they arise.

The South African and UK self storage markets are at vastly different stages of their relative maturity cycles. These differences are clear in areas such as the quality and sophistication of the entrepreneur's driving growth, the location, style and relative quality of the underlying properties or portfolios, the level of peer competition in specific nodes, and the range and depth of private and public capital invested in the sector. Holding a deep understanding and proprietary view of these sector components – and how we believe they will play out over three to five years – directly informs the strategic decisions we take today to ensure we are optimally positioned for sustained, long-term financial success.

In the past five years, properties in the portfolio have increased from 71 to 107, total available space has increased from 448 200 m^2 to 616 600 m^2 and our portfolio value has grown from R7.0 billion to R18.5 billion. We have also seen rapid growth in Storage King, with our portfolio of branded and managed properties more than doubling, increasing from 21 to 44 over the five-year period. This significant progress demonstrates the value and success of adopting a disciplined approach to executing a well-defined multi-year growth plan in a structured manner.

As with previous iterations, our new strategic plan is informed by real estate fundamentals such as existing supply levels, underlying customer demographics, and current and anticipated future demand. It targets specific cities, towns, and suburbs and the arterial routes where we would like to place or acquire properties. While we remain opportunistic in our overarching outlook for South Africa and the UK, our growth strategy also considers the potential of entering a new market or markets in Europe as we seek to leverage the experience we have gained as a world-class dual-market self storage business with a 100+ property portfolio.

As mentioned in my message last year, our in-place capital light growth strategy remains critical in our quest to drive continued growth and improved operating margins. We have identified the ongoing strengthening of our third-party management platform, market positioning and management performance as key elements that will support our capital light strategy. In the South African market, direct self storage property ownership by large, local financial institutions remains an exciting medium-term prospect that we continue to explore.

OUTLOOK AND THANKS

Thank you to our talented, committed and hard working store staff, head office and management teams for enabling the Group to deliver another resilient performance. Thank you also to my executive team, board and shareholders for your ongoing support.

Looking ahead we remain confident in our ability to navigate the complex and rapidly evolving macroenvironment, buoyed by our highly defensive business model and deep sector specialisation. We expect our South African portfolio to continue its positive growth trajectory and remain cautiously optimistic that our UK portfolio will deliver another resilient performance. Importantly, there remains an undersupply of high-quality self storage properties across South Africa and the UK, which provides an excellent opportunity to expand our presence in both markets and pursue sustainable value creation.

Gavin Lucas
CEO

31 July 2025

FINANCIAL REVIEW

INTRODUCTION

The Group reported a 4.1% increase in distributable income per share for the year to 123.01 cents.

Our South African portfolio delivered another strong performance with same-store rental income and net property operating income increasing by 10.2% and 11.1% respectively compared to the prior year. Average occupancy and rental rates increased by 2.1% and 7.9% respectively with occupancy in our same-store portfolio of owned properties growing by 7 500 m^2 year-on-year.

Following a challenging FY24 in the UK, we are pleased to report a strong performance for the year. Rental income increased by 6.5% with average occupancy and rental rates up 3.5% and 2.9% year-on-year respectively. Occupancy in our owned portfolio increased by 1 700 m^2 year-on-year and net property operating income was up 5.0% compared to the prior year.

Net property operating profit increased by 8.3% year-on-year on a CER basis reflecting strong revenue growth, effective cost control and improved operating margins. Management fees increased by 12.6% to R71.0 million of which approximately 70% are recurring. Net finance costs were higher than the prior year reflecting primarily the impact of our JV funding commitments to new developments. We also benefited from a reduced tax charge on UK earnings following the Storage King group's conversion to UK REIT status.

The number of trading properties (owned and managed) in our portfolio increased from 99 to 107 during the year. This growth included three newly completed developments in our JV partnerships (SA – Century City and Kramerville; UK – Leyton), four new third-party managed properties in the UK, and the acquisition of Extra Attic in South Africa.

In June 2025 our new Acton store in West London, located in a mixed residential and commercial area, commenced trading. The property was co-developed with Moorfield at a cost of £25 million, bringing the total number of trading properties in the portfolio to 108.

Over the past two years, we have completed 12 new developments (six in each market) in our JV structures. We continue to evaluate new on-balance sheet developments (including extensions to existing properties) and exploring opportunities to partner with institutional and private equity capital. These partnerships may take the form of joint ventures or turnkey developer-operator models, in which we contribute development and operational expertise and are compensated via fee-based arrangements. This flexible approach has proven successful in the UK where the portfolio has expanded from 27 properties three years ago to 45 (including Acton), enabling us to acquire, develop, operate and manage assets across multiple locations.

KEY FINANCIAL AND OPERATIONAL HIGHLIGHTS

	31 March 2025	31 March 2024	+ / -	+ / - CER
Property operating revenue[1]				
Group (R million)	**1 306.8**	1 210.8	+7.9%	+8.6%
SA (R million)	**676.0**	607.3	+11.3%	
UK (£ '000)	**27 128**	25 634	+5.8%	
Net property operating income (NPOI)[2]				
Group (R million)	**965.2**	893.4	+8.0%	+8.7%
SA (R million)	**524.7**	468.6	+12.0%	
UK (£ '000)	**18 944**	18 042	+5.0%	
NPOI margin[3]				
Group	**73.9%**	73.8%	+0.1pp	
SA	**77.6%**	77.2%	+0.4pp	
UK	**69.8%**	70.4%	-0.6pp	
Net property operating profit[4]				
Group (R million)	**843.8**	783.9	+7.6%	+8.3%
SA (R million)	**436.3**	395.2	+10.4%	
UK (£ '000)	**17 527**	16 511	+6.2%	
Number of properties – owned portfolio	**81**	80	+1	
Number of properties – owned and managed	**107**	99	+8	
Closing occupancy m² – owned portfolio				
Group	**469 700**	453 700	+3.5%	
SA	**375 300**	361 000	+4.0%	
UK	**94 400**	92 700	+1.8%	
Closing occupancy % – owned portfolio[5]				
Group	**91.8%**	90.2%	+1.6pp	
SA	**94.0%**	92.1%	+1.9pp	
UK	**83.8%**	83.5%	+0.3pp	
Closing average rental rate[5]				
SA (R/m²)	**151.2**	140.7	+7.5%	
UK (£/sq. ft)	**27.2**	26.2	+3.8%	
Investment property value (including JVs)[6]				
Group (R million)	**13 404**	12 623	+6.2%	
SA (R million)	**6 259**	5 727	+9.3%	
UK (£ '000)	**300.9**	289.4	+4.0%	
Weighting of property assets[6]				
SA	**46.7%**	45.4%	+1.3pp	
UK	**53.3%**	54.6%	-1.3pp	
NAV per share[7]	**17.04**	16.14	+5.6%	
Loan-to-value ratio	**31.3%**	31.4%	-0.1pp	

[1] *Property operating revenue comprises revenue from operating our properties including rental income (self storage and other, net of bad debts), ancillary income and sundry income.*
[2] *Net property operating income (NPOI) is calculated as property operating revenue less direct operating costs.*
[3] *NPOI margin is calculated as NPOI divided by property operating revenue and measures the operational performance and efficiencies of our properties.*
[4] *Net property operating profit comprises Group earnings before interest, tax, depreciation and amortisation, excluding fair value adjustments to investment property and financial instruments.*
[5] *Excludes managed properties. UK rental rate quoted on an annual basis.*
[6] *Includes proportionate share of JV investment property values.*
[7] *Calculated in accordance with SA REIT Best Practices Recommendations.*
pp – percentage points calculated as the absolute difference between 2025 and 2024.

Where applicable, the performance measures set out above are classified as non-IFRS Accounting Standards measures and are not intended as substitutes to financial measures prepared in accordance with IFRS Accounting Standards.

OPERATIONAL REVIEW

OCCUPANCY SUMMARY – OWNED PORTFOLIO

	31 March 2025			31 March 2024			
	GLA m²	Occupied m²	%	GLA m²	Occupied m²	%	Growth m²
SA							
Same-store	**391 500**	**368 500**	**94.1%**	391 900	361 000	92.1%	7 500
Non same-store	**7 600**	**6 800**	**89.8%**	–	–	–	6 800
Total SA	**399 100**	**375 300**	**94.0%**	391 900	361 000	92.1%	14 300
UK							
Same-store	**112 500**	**94 400**	**83.9%**	111 000	92 700	83.5%	1 700
Total group	**511 600**	**469 700**	**91.8%**	502 900	453 700	90.2%	16 000

GLA and occupied space rounded to the nearest hundred.

Portfolio analysis	Number of properties	% of property valuation	% of NPOI	% of GLA
SA				
Freehold	**52**	**97.2%**	**95.6%**	**95.9%**
Leasehold	**3**	**2.8%**	**4.4%**	**4.1%**
Total	**55**	**100.0%**	**100.0%**	**100.0%**
UK				
Freehold	**18**	**93.1%**	**71.3%**	**74.3%**
Leasehold	**8**	**6.9%**	**28.7%**	**25.7%**
Total	**26**	**100.0%**	**100.0%**	**100.0%**
Total – owned properties	**81**	**100.0%**	**100.0%**	**100.0%**
Freehold	**70**	**94.5%**	**83.7%**	**91.0%**
Leasehold	**11**	**5.5%**	**16.3%**	**9.0%**
Managed properties	**26**			
SA	**8**			
UK	**18**			
Total trading properties	**107**			
SA	**63**			
UK	**44**			
Under development	**1**			
SA	**–**			
UK^	**1**			
Total including properties under development	**108**			
SA	**63**			
UK	**45**			

^ *Relates to Acton which was under development at 31 March 2025 and commenced trading in June 2025.*

CUSTOMER PROFILE

	31 March 2025		31 March 2024	
	SA	UK	SA	UK
Number of customers	**34 100**	**21 400**	31 700	19 700
Commercial	**34%**	**24%**	37%	24%
Residential	**66%**	**76%**	63%	76%
Average length of stay – months (existing customers)	**26.3**	**32.8**	25.5	32.1
Average length of stay – months (customers vacating during the year)	**14.5**	**9.5**	14.1	10.6

Commercial and residential split analysed by area. Includes owned and managed properties.

FINANCIAL RESULTS

The tables below set out the group's operating performance in its owned portfolio:

All stores	SA FY25 R million	UK FY25 £'000	SA FY24 R million	UK FY24 £'000	% change SA	% change UK
Rental income						
Self storage	**639.2**	**23 789**	575.4	22 335	11.1%	6.5%
Other	**11.6**	**741**	10.9	891	6.0%	(16.8)%
Ancillary income	**27.4**	**2 429**	23.7	2 295	15.8%	5.8%
Sundry income	**2.0**	**264**	1.7	199	15.7%	32.7%
Bad debt	**(4.2)**	**(95)**	(4.4)	(86)	4.2%	(10.5)%
Direct operating costs	**(151.3)**	**(8 184)**	(138.7)	(7 592)	(9.1)%	(7.8)%
Net property operating income	**524.7**	**18 944**	468.6	18 042	12.0%	5.0%
Bad debt as a % of rental income	**0.66%**	**0.40%**	0.77%	0.39%		

Same-stores	SA FY25 R million	UK FY25 £'000	SA FY24 R million	UK FY24 £'000	% change SA	% change UK
Rental income						
Self storage	**634.0**	**23 789**	575.4	22 335	10.2%	6.5%
Other	**11.4**	**741**	10.9	891	4.6%	(16.8)%
Ancillary income	**27.3**	**2 429**	23.7	2 295	15.6%	5.8%
Sundry income	**2.0**	**264**	1.7	199	13.7%	32.7%
Bad debt	**(4.1)**	**(95)**	(4.4)	(86)	7.3%	(10.5)%
Direct operating costs	**(150.0)**	**(8 184)**	(138.7)	(7 592)	(8.2)%	(7.8)%
Net property operating income	**520.6**	**18 944**	468.6	18 042	11.1%	5.0%
Bad debt as a % of rental income	**0.65%**	**0.40%**	0.77%	0.39%		

Consolidated – all stores	SA FY25 R million	UK FY25 R'000	Total R'000	SA FY24 R million	UK FY24 R'000	Total R'000	Total % change
Rental income							
Self storage	**639.2**	**553.2**	**1 192.4**	575.4	525.8	1 101.2	8.3%
Other	**11.6**	**17.2**	**28.8**	10.9	21.0	31.9	(9.7)%
Ancillary income	**27.4**	**56.5**	**83.9**	23.7	54.0	77.7	8.0%
Sundry income	**2.0**	**6.1**	**8.1**	1.7	4.7	6.4	26.9%
Bad debt	**(4.2)**	**(2.2)**	**(6.4)**	(4.4)	(2.0)	(6.4)	0.5%
Direct operating costs	**(151.3)**	**(190.3)**	**(341.6)**	(138.7)	(178.7)	(317.4)	(7.6)%
Net property operating income	**524.7**	**440.5**	**965.2**	468.6	424.8	893.4	8.0%
Bad debt as a % of rental income	**0.66%**	**0.40%**	**0.54%**	0.77%	0.39%	0.59%	

Net property operating income (NPOI) is calculated as property operating revenue less direct operating costs. NPOI measures the financial and operating performance of our properties.

Bad debt is disclosed as "expected credit losses recognised on tenant receivables" in the statement of profit or loss and other comprehensive income.

The Group defines same-store as properties that traded for the full 12 months in both reporting periods. Properties not classified as same-store in either reporting period are referred to as non same-store. Same-store results and information are important metrics used to analyse the underlying trading performance of the Group, excluding the impact of acquisitions or new developments.

The performance measures set out above are classified as non-IFRS Accounting Standards measures and are not intended as substitutes to financial measures prepared in accordance with IFRS Accounting Standards.

The table below shows the reconciliation between the Group's operating performance set out in the performance table above and the consolidated statement of profit or loss and other comprehensive income ("statement of profit or loss"):

	31 March 2025 R'000	31 March 2024 R'000
Reconciliation of rental income		
Performance table:		
Rental income – self storage	**1 192 390**	1 101 246
Rental income – other	**28 811**	31 896
Rental underpin – SA	**–**	536
Insurance claim proceeds relating to loss of revenue – SA	**6 061**	10 548
Rental income – Statement of profit or loss	**1 227 262**	1 144 226
Reconciliation of other income		
Performance table:		
Ancillary income	**83 885**	77 687
Sundry income	**8 131**	6 433
Other income – Statement of profit or loss	**92 016**	84 120

The commentary below relates to the group's operating performance set out in the above tables.

Self storage rental income increased by 8.3% to R1.192 billion (2024: R1.101 billion). Excluding the impact of foreign currency fluctuations, self storage rental income increased by 8.9% on a CER basis.

In SA, self storage rental income rose by 10.2% on a same-store basis, driven by a year-on-year increase in average occupancy and rental rates of 2.1% and 7.9% respectively. In the UK, strong occupancy gains during the year resulted in a 6.5% increase in self storage rental income with average occupancy and rental rates increasing by 3.5% and 2.9% respectively.

Other rental income (SA: R11.6 million; UK: £0.7 million) primarily relates to parking and the rental of office space at certain properties within the portfolio.

Ancillary income is derived from the sale of merchandise (such as packaging materials and padlocks) and other income related to our self storage operations (administration fees, late fees and insurance income in the UK). While this revenue stream represents a relatively small proportion of total income, each component makes a meaningful contribution to earnings with minimal capital investment.

Ancillary income increased by 8.0% to R83.9 million for the year (2024: R77.7 million). There is typically a direct correlation between higher occupancy levels, increased move-in activity and ancillary income. In SA, ancillary income increased by 15.6% on a same-store basis while the UK reflected an increase of 5.8%.

Bad debt as a percentage of rental income was 0.54% for the Group reflecting an improvement compared to the prior year (0.59%).

Direct operating costs for the year amounted to R341.6 million (2024: R317.4 million), reflecting a 7.6% year-on-year increase. The largest cost components are property rates, staff costs, insurance, repairs and maintenance, utilities and marketing

SA	31 March 2025 R million	31 March 2024 R million	% change	% of costs
Property rates	**48.7**	45.4	7.4%	32%
Staff costs	**44.9**	41.5	8.0%	30%
Insurance	**15.2**	12.4	22.7%	10%
Repairs and maintenance	**14.4**	12.2	18.2%	10%
Utilities	**8.0**	7.8	2.8%	5%
Marketing	**4.8**	4.6	5.1%	3%
ICT costs	**4.7**	4.6	2.2%	3%
Security	**4.0**	3.6	10.1%	3%
Other	**6.6**	6.6	–%	4%
Total	**151.3**	138.7	9.1%	100%

UK	31 March 2025 £'000	31 March 2024 £'000	% change	% of costs
Property rates	**2 589**	2 175	19.0%	32%
Staff costs	**2 093**	1 962	6.7%	26%
Marketing	**977**	944	3.5%	12%
Insurance	**594**	733	(19.0%)	7%
Utilities	**581**	657	(11.6%)	7%
Repairs and maintenance	**755**	549	37.5%	9%
ICT costs	**322**	297	8.4%	4%
Security	**40**	38	5.3%	–%
Other	**233**	237	(1.7%)	3%
Total	**8 184**	7 592	7.8%	100%

In SA, direct operating costs increased by 8.2% on a same-store basis, slightly above our forecasted rise of 7.0%. This increase was primarily due to higher repairs and maintenance and insurance costs.

In the UK, the increase was mainly driven by higher business rates, which reflected the impact of completed store extensions, the unwinding of taper relief from the 2023 listing, and a 6.7% increase in the multiplier (based on the September 2023 CPI). While maintenance costs were also higher, this was offset by a lower electricity expense compared to the peaks of the prior year. Insurance costs were reduced following changes to the customer insurance programme, where VAT is now levied on the sale of insurance to customers, replacing insurance premium tax which was previously accrued for and expensed.

Group NPOI increased by 8.0% to R965.2 million (2024: R893.4 million). Adjusting for CER, NPOI rose by 8.7%.

The commentary below relates to disclosures set out in the consolidated statement of profit or loss and other comprehensive income.

Management fees comprise the following:

	31 March 2025 R million	31 March 2024 R million
Recurring fees:		
Property management fees	**32.4**	23.0
Digital First	**17.0**	11.6
Total – recurring fees	**49.4**	34.6
Non-recurring fees:		
JV development fees – SA	**3.6**	6.2
JV development fees – UK	**9.2**	10.1
JV acquisition fees – UK	**5.7**	12.2
JV one-off recovery of administrative services – UK	**3.1**	–
Total – non-recurring fees	**21.6**	28.5
Total recurring and non-recurring fees	**71.0**	63.1

Total management fees for the year amounted to R71.0 million, with 70% classified as recurring. The Group currently manages 27 properties (including JV properties) through its third-party management platform. Although non-recurring fees of R21.6 million are one-off in nature, they highlight the value of the platform when undertaking developments or acquisitions with external capital providers.

Administration expenses totalled R198.5 million (2024: R183.7 million). After adjusting for the Conditional Share Plan charge of R21.6 million (2024: R18.2 million), we saw an increase of 9.2% in SA and 3.0% in the UK (in GBP terms).

The fair value adjustment to investment properties of R443.3 million (2024: R251.1 million) reflects an increase in their carrying value. Further details are set out in the Investment Property section. Fair value adjustments to financial instruments of R19.7 million (2024: R69.9 million) relate to mark-to-market revaluations of derivative hedging instruments.

Interest income comprises the following:

	31 March 2025 R million	31 March 2024 R million
Share purchase scheme loans	–	5.7
Cross currency interest rate swaps	–	6.1
Loans to JVs	**10.0**	11.4
Money market and deposit balances	**11.7**	8.0
Total	**21.7**	31.2

The share purchase scheme loans were settled in full in FY24. The Group also closed out its remaining cross currency interest rate swaps in FY24.

Interest expense for the period was R288.9 million (2024: R235.7 million), primarily comprising interest on bank borrowings.

Interest expense increased by 22.6% compared to the prior year, reflecting a rise in borrowings of R233 million. This increase primarily relates to funding investments in JVs and other capital expenditure across the property portfolio. The full year impact of capital committed to our JV structures in FY24 also contributed and we capitalised R7.7 million less interest to properties held for development. The decline in interest rates during the year had a limited impact, as interest rate hedges that matured were re-hedged at higher rates. Additional details on borrowings are provided in the Capital Structure section.

The normal tax charge of R22.8 million (2024: R46.0 million) represents a provision for UK corporation tax relating to Storage King. The decrease is due to the classification of the Storage King Group of companies as a UK REIT, effective from 6 June 2024.

UK REIT STATUS

The election to classify the Storage King group of companies as a UK REIT was finalised on 6 June 2024.

UK REITs are exempt from corporation tax on profits derived from their UK property rental business and from capital gains on the disposal of UK properties or shares in property-rich companies engaged in UK property rental activities. Income and gains not derived from qualifying rental activities (such as merchandise sales, insurance income, and property management fees) fall within the "residual business" and remain subject to corporation tax at 25%.

Dividends declared by a UK REIT from profits of its property rental business to an SA holding company are subject to a 20% UK withholding tax. However, under the double tax treaty between the UK and SA, a 5% reduction may be claimed, provided the relevant treaty conditions are met.

For the period prior to 6 June 2024, the Storage King Group was subject to UK corporation tax at 25%. From that date onward, corporation tax applies only to residual business income. No withholding tax was accounted for as of 31 March 2025 as dividends declared in FY25 comprised of pre-REIT profits. Since pre-REIT profits have already been taxed, they are not subject to additional withholding tax.

JOINT VENTURE PARTNERSHIPS

The Group has established several JV partnerships to acquire and develop new self storage properties.

Partner	Equity interest	Number of properties	GLA m² on full fit-out	Property valuation (million)	Total investment (R million)
SA					
Nedbank Property Partners	**50.0%**	**5**	**28 500**	**R515.3**	**90.8**
Garden Cities	**50.0%**	**1**	**6 300**	**R120.0**	**30.2**
Rabie Property Group	**50.0%**	**1**	**6 100**	**R100.0**	**14.8**
UK					
Moorfield Group	**24.9%**[1]	**9**	**56 100**	**£148.1**	**460.4**
Nuveen Real Estate[2]	**10.0%**	**5**	**25 800**	**£94.8**	**115.2**

[1] *Except for Acton in which the Group has a 15.0% equity interest.*

[2] *Nuveen Real Estate is classified as an associate for IFRS Accounting Standards purposes. The Group holds 10% of the equity in SK Enterprise JV Limited. Stor-Age has the right to appoint one of the four directors of the entity. All shareholders must agree on certain matters which affect the relevant activities of the company. The Group has classified its interest as an associate under IFRS Accounting Standards. For the purposes of the commentary accompanying the results, the Group's investment in Nuveen is included under the general description of "joint ventures" and "investment in joint ventures".*

In the consolidated statement of financial position, the Group's investment in JVs and associates (Nuveen) are disclosed as equity-accounted investments.

OCCUPANCY SUMMARY – JV PORTFOLIO

	31 March 2025			31 March 2024			
	GLA m²	Occupied m²	%	GLA m²	Occupied m²	%	Growth m²
SA							
Same-store	**24 200**	**20 000**	**82.7%**	20 400	13 200	64.7%	6 800
Non same-store	**8 700**	**4 200**	**48.1%**	–	–	–	4 200
Total SA	**32 900**	**24 200**	**73.5%**	20 400	13 200	64.7%	11 000
UK							
Same-store	**68 200**	**44 600**	**65.3%**	66 300	37 600	56.8%	7 000
Non same-store	**3 900**	**1 200**	**30.6%**	–	–	–	1 200
Total UK	**72 100**	**45 800**	**63.4%**	66 300	37 600	56.8%	8 200

INVESTMENT PROPERTY

The table below summarises the increase in investment property for the year:

	SA R million	UK £ million	UK R million	Total R million
Balance at 31 March 2024	**5 461.7**	**260.7**	**6 211.7**	**11 673.4**
Acquisitions	**72.6**	**–**	**–**	**72.6**
Capital expenditure on:				
Existing properties	**65.2**	**1.4**	**35.4**	**100.6**
Properties under construction	**45.3**	**–**	**–**	**45.3**
Properties held for development	**10.2**	**–**	**–**	**10.2**
Remeasurement of leasehold assets	**3.5**	**4.0**	**92.4**	**95.9**
Revaluation gain	**285.4**	**6.7**	**157.9**	**443.3**
Exchange rate fluctuations	**–**	**–**	**(21.2)**	**(21.2)**
Balance at 31 March 2025	**5 943.9**	**272.8**	**6 476.2**	**12 420.1**
Lease obligations relating to leasehold investment property	**(53.0)**	**(15.8)**	**(374.1)**	**(427.1)**
Investment property net of lease obligations	**5 890.9**	**257.0**	**6 102.1**	**11 993.0**

Investment properties are valued using the DCF method to determine fair value. The valuation of freehold and long leasehold properties is based on a DCF of the net operating income over a 10-year period and a notional sale of the asset at the end of the 10th year. The same DCF methodology is used for short leasehold properties, except that the cash flows reflect only the unexpired lease period from the valuation date.

In line with the Group's policy, 50% of the SA portfolio is valued at each reporting date (31 March and 30 September). Accordingly, 28 of the 55 trading properties in the SA portfolio were independently valued for financial statement purposes. The remaining properties were valued internally using the same methodology applied by the external valuers.

In the UK, the entire portfolio was valued independently at 31 March 2025 for financial statement purposes. Further details of the valuation assumptions are set out in the Group financial statements.

The table below summarises the breakdown of investment property at 31 March 2025:

SA	% of portfolio	Valuation R million
Leasehold	2.8%	167.6
Gross value		217.9
Lease obligations		(50.3)
Freehold	97.2%	5 723.3
Investment property net of lease obligations	100.0%	5 890.9
Trading	97.1%	5 718.6
Held for development	2.1%	127.0
Under construction	0.8%	45.3
Investment property net of lease obligations	100.0%	5 890.9

Stor-Age Tokai comprises both a freehold (7 480 m² GLA) and leasehold (620 m² GLA) component. For the purposes of the above analysis, the property is reflected as freehold.

UK	% of portfolio	Valuation £ million	Valuation R million
Leasehold	6.9%	17.8	421.8
Gross value		33.6	795.9
Lease obligations		(15.8)	(374.1)
Freehold and long leasehold	93.1%	239.2	5 680.3
Investment property net of lease obligations	100.0%	257.0	6 102.1

All UK investment properties are classified as trading properties.
Freehold includes two properties with 999 year peppercorn leases which are classified as virtual freeholds.

	Average value per m² (R)	Discount rate	Exit cap rate
SA – Trading properties	14 347	14.31%	8.73%

	Average value per sq. ft (£)	Discount rate	Exit cap rate
UK – Trading properties	212.4	8.93%	5.80%

Exit cap rate relates to freehold and long leasehold properties only.
Average value per m² and sq. ft based on fully fitted-out GLA and net investment property values.

The table below summarises the Group's net investment property and investment property held in JVs:

	SA R million	UK £ million	UK R million	Total R million
Own portfolio:				
Trading	5 718.6	257.0	6 102.1	11 820.7
Under development	127.0	–	–	127.0
Under construction	45.3	–	–	45.3
Moorfield:				
Trading	–	123.9	2 940.4	2 940.4
Under development	–	24.2	573.5	573.5
Nuveen – trading	–	94.8	2 251.2	2 251.2
Nedbank – trading	515.3	–	–	515.3
Sunningdale – trading	120.0	–	–	120.0
Rabie – trading	100.0	–	–	100.0
Total including 100% of JV properties	6 626.2	499.9	11 867.2	18 493.4
Trading	6 453.9	475.7	11 293.7	17 747.6
Under development	127.0	24.2	573.5	700.5
Under construction	45.3	–	–	45.3
Total including proportionate share of JV properties	6 258.5	300.9	7 145.4	13 403.9

Trading properties held in JVs are independently valued at their respective year end reporting dates (31 December for UK JVs and 31 March for SA JVs, except for Sunningdale which has a 28 February reporting date).

CAPITAL STRUCTURE

Details of the Group's borrowing facilities are set out below:

	ZAR facilities R million	GBP facilities £ million	GBP facilities R million	Total facilities R million
Total debt facilities	**2 375.0**	**113.5**	**2 694.3**	**5 069.3**
Undrawn debt facilities	**511.2**	**10.2**	**243.0**	**754.2**
Gross debt	**1 863.8**	**103.3**	**2 451.3**	**4 315.1**
– Secured	**1 363.8**	**92.4**	**2 193.6**	**3 557.4**
– Unsecured	**500.0**	**10.9**	**257.7**	**757.7**
Cash on hand	**241.0**	**4.0**	**96.0**	**337.0**
Net debt	**1 622.8**	**99.3**	**2 355.3**	**3 978.1**
Hedge cover	**1 451.6**	**80.0**	**1 899.0**	**3 350.6**
– Interest rate derivatives	**1 300.0**	**59.0**	**1 400.5**	**2 700.5**
– Fixed rate loans	**–**	**21.0**	**498.5**	**498.5**
– Interest bearing loans to JVs	**151.6**	**–**	**–**	**151.6**
% hedge cover on:				
– Gross debt	**77.9%**	**77.5%**	**77.5%**	**77.6%**
– Net debt	**89.4%**	**80.6%**	**80.6%**	**84.2%**
Effective interest rate	**9.30%**	**4.97%**	**4.97%**	**6.84%**
Investment property (net of lease obligations)	**5 890.9**	**257.0**	**6 102.1**	**11 993.0**
Carrying value of joint ventures	**135.8**	**24.2**	**575.6**	**711.4**
LTV ratio	**26.9%**	**35.3%**	**35.3%**	**31.3%**
Weighted average expiry of debt (years)	**2.7**	**2.0**	**2.0**	**2.3**
Weighted average expiry of hedge cover (years)	**1.2**	**1.8**	**1.8**	**1.5**

LTV ratio is defined as net debt as a percentage of the sum of net investment property and investment in JVs.
Weighted average expiry of hedge cover excludes interest bearing loans to JVs.

Asset and debt ratios:

	31 March 2025	31 March 2024
LTV ratio	**31.3%**	31.4%
Unencumbered assets	**R2.269 billion**	R1.049 billion
Unencumbered asset ratio	**18.9%**	9.3%
Unsecured debt ratio	**18.1%**	12.2%
Ratio of secured borrowings to encumbered assets	**33.11%**	35.4%
Ratio of unsecured borrowings to unencumbered assets	**33.4%**	42.8%

At 31 March 2025, the Group's cash position stood at R337.0 million with total undrawn borrowing facilities of R754.2 million. The average cost of debt for the Group was 6.8%. On a net debt basis, 84.2% of borrowings were subject to interest rate hedging. Net debt amounted to R3.978 billion with a loan-to-value (LTV) ratio of 31.3% (as defined above). The LTV ratio calculated in accordance with the SA REIT Best Practice Recommendations for financial reporting was 31.0%.

On 17 April 2024, Stor-Age raised R500 million across three-year and five-year listed notes in a bond auction which attracted bids in excess of R1.3 billion. The three-year (R300 million) and five-year (R200 million) notes placed at a clearing margin of 132 basis points and 154 basis points over three-month Jibar respectively, below price guidance.

In March 2025, GCR Ratings affirmed Stor-Age's national scale long-term rating as A+(za) and its national scale short-term as A1(za), with a stable outlook.

DIVIDEND

A final dividend of 53.56 cents per share was declared by the board, bringing the total dividend for FY25 to 110.72 cents per share. This equates to a payout ratio of 90% of distributable income per share for FY25. Previously 100% of distributable income was declared as a dividend.

Shareholder engagements regarding the proposal to reduce the payout ratio from 100% to 90% were overwhelmingly supportive. This adjustment brings Stor-Age into closer alignment with its UK and European self storage REIT peers and supports more sustainable, long-term shareholder returns.

The Group has carried forward assessed tax losses of approximately R376.9 million, largely originating before Stor-Age's listing on the JSE in 2015. These losses help to minimise potential tax leakage. Under UK REIT regulations, at least 90% of property rental profits must be distributed as dividends. We do not anticipate any material adverse UK tax implications from retaining the remaining 10%, subject to ongoing compliance with the REIT rules.

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