

A photograph of a modern building facade with a large, illuminated yellow sign. The sign features the text 'NATIONAL STORAGE' in bold, black, sans-serif font. The building has a dark blue or black facade with large glass windows and yellow structural elements. The sky is a clear, light blue. The overall image has a professional, corporate feel.

**NATIONAL  
STORAGE**

**FY23**  
RESULTS

# DISCLAIMER

This presentation has been prepared by National Storage REIT ("NSR") comprising National Storage Holdings Limited (ACN 166 572 845) and National Storage Financial Services Limited (ACN 600 787 246 and AFSL 475 228) as responsible entity for the National Storage Property Trust (ARSN 101 227 712). You acknowledge and agree that you will rely on your own independent assessment of any information, statements or representations contained in this presentation and such reliance will be entirely at your own risk.

## Summary information

This presentation contains summary information about the current activities of NSR and the entities within the NSR stapled group as at the date of this presentation. The information in this presentation is of a general nature and does not purport to be complete. Statements made in this presentation are, unless otherwise stated, made only as of the date of this presentation and remain subject to change without notice. This presentation should be read in conjunction with NSR's other periodic and continuous disclosure announcements lodged with the ASX, which are available at [www.asx.com.au](http://www.asx.com.au).

## Disclaimer

No member of NSR or any of its related bodies corporate and each of their respective directors, employees, officers, associates, agents, auditors and advisers offer any representation, guarantee or warranty, express or implied, as to the accuracy, completeness, currency or reliability (including as to auditing or independent verification) of any statement, estimate, opinion or other information contained in this presentation. To the maximum extent permitted by law, the members of NSR and each of their related and controlled entities and each of their respective directors, officers, employees and agents disclaim all liability and responsibility (including without limitation any liability arising from fault or negligence) for any

direct or indirect loss or damage which may be suffered through the use, or reliance on, anything contained in, or omitted from, this presentation.

## Not an offer of securities

This presentation is for information purposes only and should not be considered as a solicitation, offer or invitation for subscription, purchase or sale of NSR securities in any jurisdiction.

## Not financial or other advice

Nothing in this presentation constitutes financial, investment, legal, tax or other advice. This presentation has been prepared without taking account of any person's individual investment objectives, financial situation or particular needs. Each recipient of this presentation should consult with, and rely solely upon, the advice of their own legal, tax, business and/or financial advisors in connection with any decision made in relation to the information contained in this presentation.

## Financial data

All references to dollars and cents are in reference to Australian dollars unless otherwise stated and all financial data is presented as at the date of this presentation unless otherwise stated.

## Past performance

The past performance, including past security price performance, of NSR cannot be relied upon as an indicator of, and provides no guidance as to future NSR performance including future security price performance and is given for illustrative purposes only.

## Forward-looking statements

This presentation may contain certain "forward-looking statements", including statements regarding future earnings and distributions. All statements other than statements of historical facts included in this presentation are forward-looking statements.

These forward-looking statements are not guarantees or predictions of future performance and involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of NSR, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct. You are cautioned not to place undue reliance on forward-looking statements, opinions and estimates provided in this presentation as there can be no assurance, and no representation is made, that actual outcomes will not differ materially from these forward-looking statements. Further, no representation is given that the assumptions upon which a forward-looking statement or other forecast may be based is reasonable. Forward-looking statements, opinions and estimates provided in this presentation necessarily involve uncertainties, assumptions, contingencies and other factors, and unknown risks may arise, many of which are outside the control of NSR. Similarly, statements about market and industry trends, which are based on interpretations of current market conditions, should be treated with caution. Such statements may cause the actual results or performance of NSR to be materially different from any future results or performance expressed or implied by such forward-looking statements. Forward-looking statements including projections, guidance on future earnings and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Such forward-looking statements are based on information available to NSR as at the date of this presentation. Except as required by law or regulation (including the ASX Listing Rules), NSR undertakes no obligation to provide any additional, updated or supplementary information whether as a result of new information, future events or results, or otherwise including information that reflect any change in NSR's financial condition, status or affairs

or any change in the events, conditions or circumstances on which a statement is based. To the maximum extent permitted by law, responsibility for the accuracy or completeness of any forward looking statements whether as a result of new information, future events or results or otherwise is disclaimed.

This presentation should not be relied upon as a recommendation or forecast by NSR.

## Accounting standards

NSR's statutory results are prepared in accordance with International Financial Reporting Standards ("IFRS"). This presentation also includes certain non-IFRS measures in presenting NSR's results. Any additional financial information in this presentation which is not included in NSR's 30 June 2023 Financial Statements was not subject to independent audit or review. Investors should be aware that certain financial data included in this Presentation is "non-IFRS financial information" under ASIC Regulatory Guide 230: "Disclosing non-IFRS financial information" published by ASIC and may also be "non-GAAP financial information" within the meaning given under Regulation G of the U.S. Securities Exchange Act of 1934, as amended.

Non-IFRS financial information does not have a standardised meaning prescribed by Australian Accounting Standards ("AAS"). Accordingly, the non-IFRS financial information in this Presentation: (i) may not be comparable to similarly titled measures presented by other entities; (ii) should not be construed as an alternative to other financial measures determined in accordance with AAS; and (iii) is not a measure of performance, liquidity or value under the IFRS. Investors are cautioned, therefore, not to place undue reliance on any non-IFRS financial information included in this Presentation.



Canterbury, VIC



Montrose, TAS



Springfield, QLD



Byford, WA



Moorooka, QLD



Penrith, NSW



Robina, QLD



Manukau, NZ



Mawson Lakes, SA



# AGENDA



- Key Highlights and Financial Results
- Strategy
- Sustainability
- Outlook
- Appendices

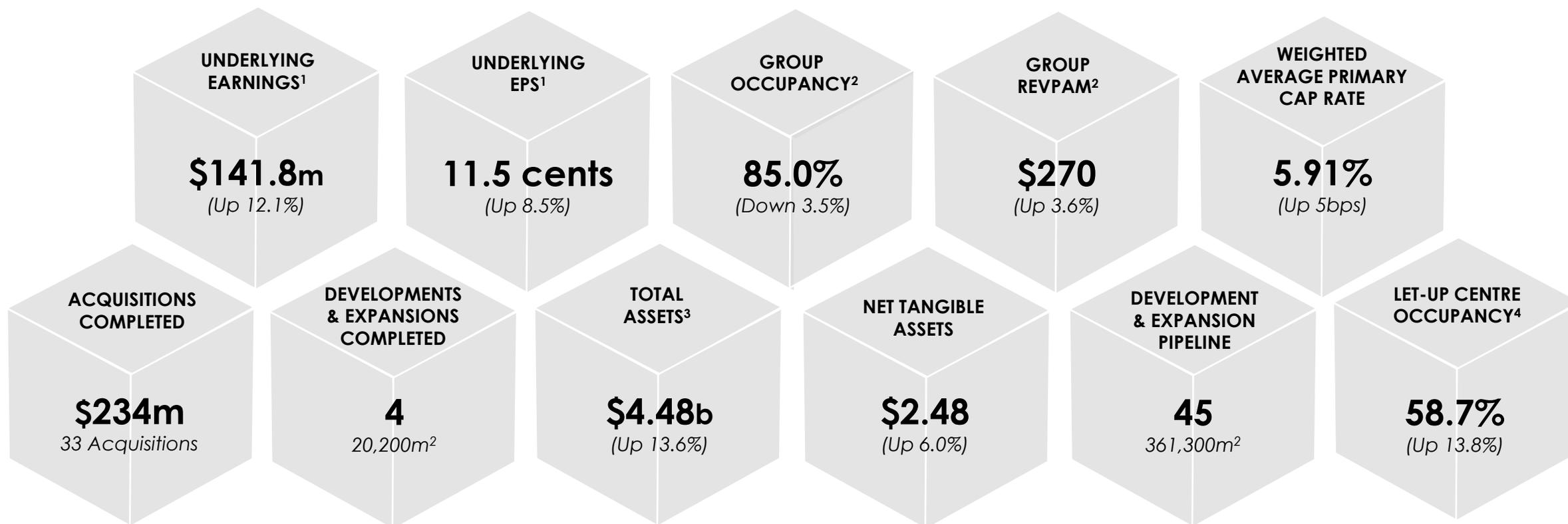


KEY  
HIGHLIGHTS  
AND  
FINANCIAL  
RESULTS

# FY23 HIGHLIGHTS



IFRS profit \$320.4 million (EPS 25.8 cents) | Underlying EPS 11.5 cents



1 – Underlying earnings is a non-IFRS measure (unaudited), see table on slide 8 for reconciliation

2 – Group - Australia and New Zealand (195 centres), as per Centre Numbers, below

3 - Total Assets – Net of lease liability

4 - Let-up centres - 14 centres as at 30 June 2022

Centre Numbers:

- Australia: 169 centres as at 30 June 2021 (excluding Wine Ark, managed centres and let-up centres)

- New Zealand: 26 centres as at 30 June 2022 (excluding let-up centres)

REVPAM – Revenue Per Available Square Metre

\$A/\$NZ = 1.08746

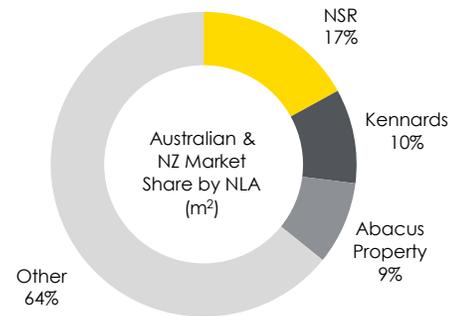
# EXCEPTIONAL PROFILE OF GROWTH AND RETURNS



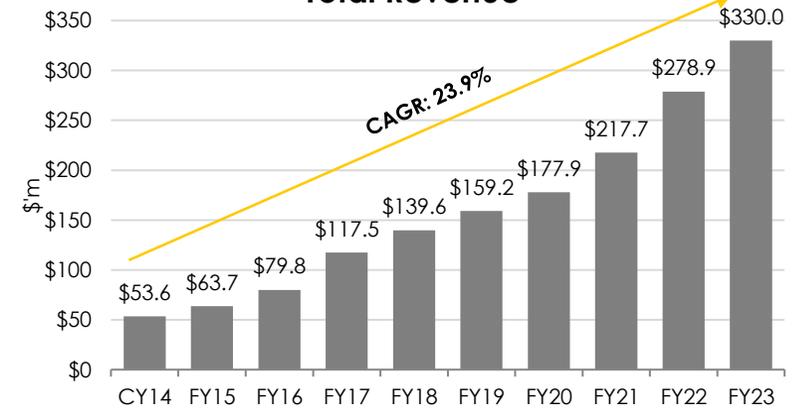
## Track record of strong growth and securityholder returns

- Total securityholder returns of 301% since IPO
  - Outperformed ASX 200 by 162% / ASX 200 A-REIT by 180%
- Consistent revenue and earnings growth trajectory
  - Revenue growth 516%<sup>1</sup>
  - Underlying earnings growth 628%<sup>1</sup>
- Underlying earnings has outpaced revenue growth
  - Scale, operating efficiencies, relatively fixed cost base
- Optimising the rate / occupancy mix to maximise REVPAM
- Market leader: more occupied and built space per centre than any Australasian listed peer

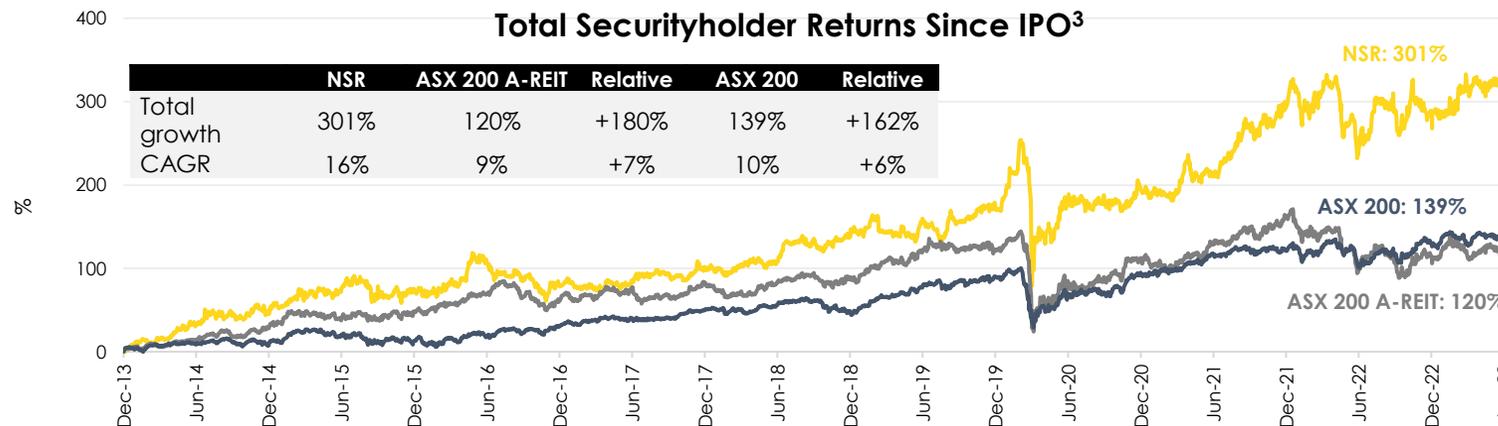
Market share by NLA<sup>2</sup>



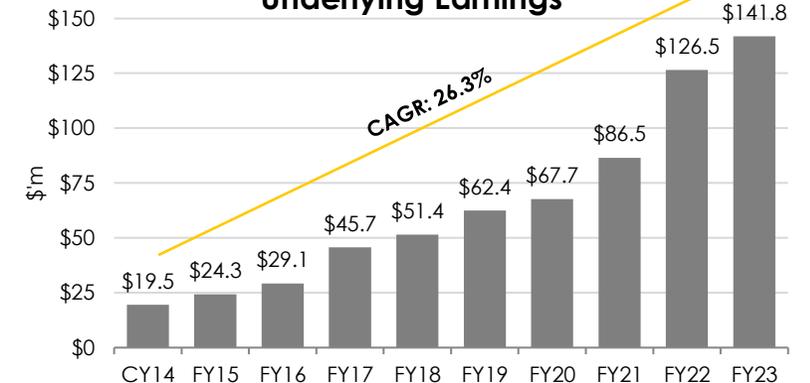
Total Revenue



Total Securityholder Returns Since IPO<sup>3</sup>



Underlying Earnings



1 - Since December 2014

2 - Source: State of the Industry 2022, SSAA. Abacus Property market share reflects 108 trading stores owned / 568,000m<sup>2</sup> NLA at 16 February 2023

3 - Market data as at 30 June 2023

# PROFIT AND LOSS FOR THE YEAR ENDED 30 JUNE 2023



## Strategy delivering superior growth

- FY23 performance
  - Underlying earnings<sup>1</sup> up 12% to \$141.8m
  - Underlying EPS up 8.5% to 11.5cps
  - Storage revenue up 20% - strong rate, REVPAM and portfolio NLA growth
  - Operating Expenses up 13% - impacted by additional centres, higher state and local government charges, technology and cyber security costs, and general inflationary pressures
  - Operating margin increased by 2% to 66%, demonstrating improved operational efficiency
  - Operating profit up 22% to \$211m
- Operational management – increased team capacity to support growth trajectory through the contact centre, operations and property team
- Finance cost reflects increase in floating rates and higher debt balances associated with accretive acquisitions and developments

\$ Million	FY23	FY22	% Change
Storage revenue	302.5	251.9	20%
Sales of goods and services	14.0	14.5	-3%
Other revenue	10.6	10.4	2%
<b>Total Revenue</b>	<b>327.1</b>	<b>276.8</b>	<b>18%</b>
Cost of Goods Sold	5.9	6.7	-12%
<b>Gross Profit</b>	<b>321.2</b>	<b>270.1</b>	<b>19%</b>
<b>Operating Centre Expenditure</b>			
Salaries and employee benefits	32.1	29.2	10%
Lease expense	15.4	14.1	9%
Property rates and taxes	22.9	20.0	15%
Electricity and Insurance	7.4	6.9	7%
IT and telecommunications	6.9	5.5	25%
Marketing	8.9	7.6	17%
Repairs and maintenance	10.1	8.7	16%
Other operating expenses	6.2	5.1	22%
<b>Total Operating Centre Expenditure</b>	<b>109.9</b>	<b>97.1</b>	<b>13%</b>
<b>Operating Profit</b>	<b>211.3</b>	<b>173.0</b>	<b>22%</b>
<b>Operating Margin</b>	<b>66%</b>	<b>64%</b>	<b>2%</b>
Operational management	11.4	8.9	28%
General and administration	23.7	21.8	9%
Finance costs	37.8	19.1	98%
Depreciation and amortisation	1.3	1.9	-32%
<b>Total expenses</b>	<b>184.1</b>	<b>148.8</b>	<b>24%</b>
Other income (Inc share of profit from JV and contracted gains)	(4.7)	(5.2)	-10%
<b>Underlying Earnings<sup>(1)</sup></b>	<b>141.8</b>	<b>126.5</b>	<b>12%</b>
Add / (less) fair value adjustments	188.0	510.4	
Add / (less) diminution of lease asset	8.4	7.0	
Add / (less) other non recurring items & Fx movements	1.4	(5.3)	
Add / (less) non cash interest rate swap amortisation	(5.4)	(7.8)	
<b>Profit / (loss) before income tax</b>	<b>334.2</b>	630.8	
Income tax (expense) benefit	(13.8)	(10.2)	
<b>Profit / (loss) after income tax</b>	<b>320.4</b>	<b>620.6</b>	

<sup>1</sup> – Underlying earnings is a non-IFRS measure (unaudited)

# SUMMARY BALANCE SHEET AS AT 30 JUNE 2023



## NTA uplift and balance sheet gearing provides capacity for growth

- NTA increased by 6.0% to \$2.48 per stapled security (June 2022: \$2.34)
- Value of Investment Properties increased by \$561m to \$4.3b (June 2022: \$3.7b)
  - 30 June 2022 portfolio increased by \$213m with the majority achieved by improved operational performance
  - Primary cap rate softened 5 bps to 5.91% (June 2022: 5.86%)
  - 33 acquisitions settled for \$234m
  - 5 acquisitions<sup>1</sup> settled post 30 June 2023 for a combined \$45.3m
- Successful completion of \$340m capital raise
- Debt drawn \$941m (June 2022: \$972.0m)
- Gearing at 30 June 2023: 20% (June 2022: 23%)
  - Conservative gearing viewed as appropriate in current market
  - Target gearing range 25% - 40%
  - Approximately \$1 billion of investment capacity available within target gearing range

\$ Million	Jun 23	Jun 22	Movement
Cash	67.3	83.7	(16.4)
Investment Properties <sup>1</sup>	4,287.7	3,726.8	560.9
Intangible Assets	47.0	46.8	0.2
Other Assets	78.7	88.1	(9.4)
<b>Total Assets <sup>1</sup></b>	<b>4,480.7</b>	<b>3,945.4</b>	<b>535.3</b>
Debt <sup>2</sup>	941.1	972.0	(30.9)
Distributions Payable	74.2	64.6	9.6
Other Liabilities	78.8	69.9	8.9
<b>Total Liabilities</b>	<b>1,094.1</b>	<b>1,106.5</b>	<b>(12.4)</b>
<b>Net Assets</b>	<b>3,386.6</b>	<b>2,838.9</b>	<b>547.7</b>
Net Tangible Assets	3,339.6	2,792.1	547.5
Units on Issue (m)	1,348.4	1,195.5	152.9
<b>NTA (\$/Security)</b>	<b>2.48</b>	<b>2.34</b>	<b>0.14</b>

1 - Net of Lease Liability

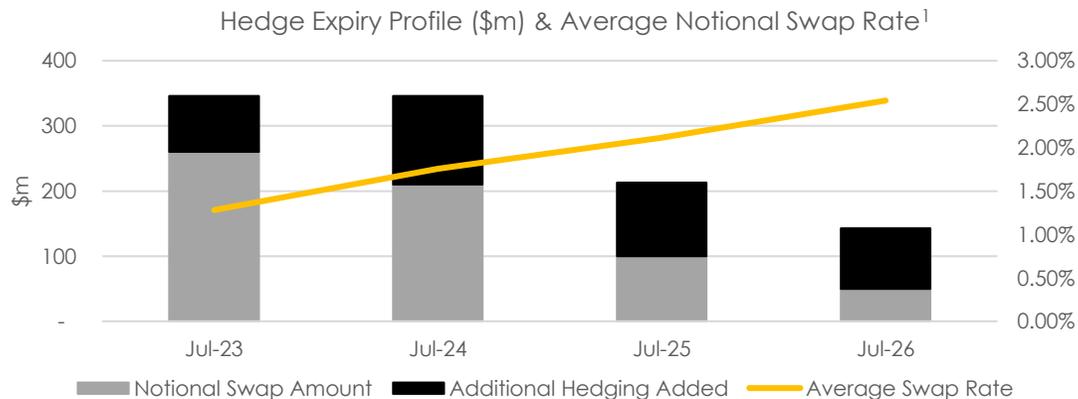
2 - Net of capitalised establishment costs

# CAPITAL MANAGEMENT

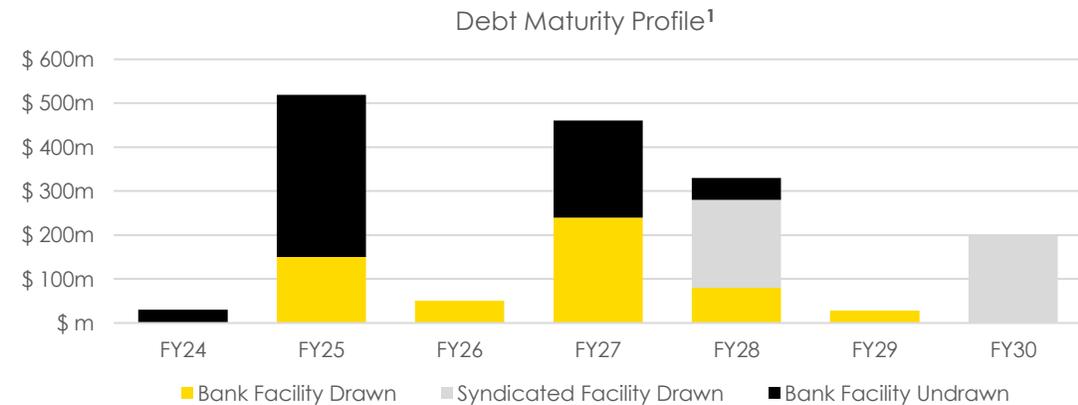


## Investment grade balance sheet

- Robust credit metrics: Gearing 20% | ICR 4.1x
- Total debt facilities \$1,617m
  - Includes highly successful new \$400m 5 and 7 year Asian syndicated facility
  - \$670m undrawn committed facilities
- Weighted average debt maturity: 3.5 years
- Weighted average cost of debt drawn (incl. swaps): 4.94%
- \$346m of debt hedged
- Post 30 June 2023, NSR secured \$150m of new facilities and extended \$30m of existing facilities
- Capacity for accretive growth



Capital Management	Jun-23	Jun-22
Cash balance	\$67.3m	\$83.7m
Total debt facilities	\$1,617m	\$1,283m
Total debt drawn	\$947m	\$975m
Remaining debt capacity (documented facilities)	\$670m	\$308m
Debt term to maturity (years)	3.5	3.3
Gearing ratio (Covenant 55%)	20%	23%
Average cost of debt drawn (incl. swaps)	4.94%	2.75%
Interest coverage ratio (Covenant 2.0x)	4.1x	7.5x
Debt hedged	\$346m	\$360m
% debt hedged	37%	37%



# KEY OPERATIONAL METRICS

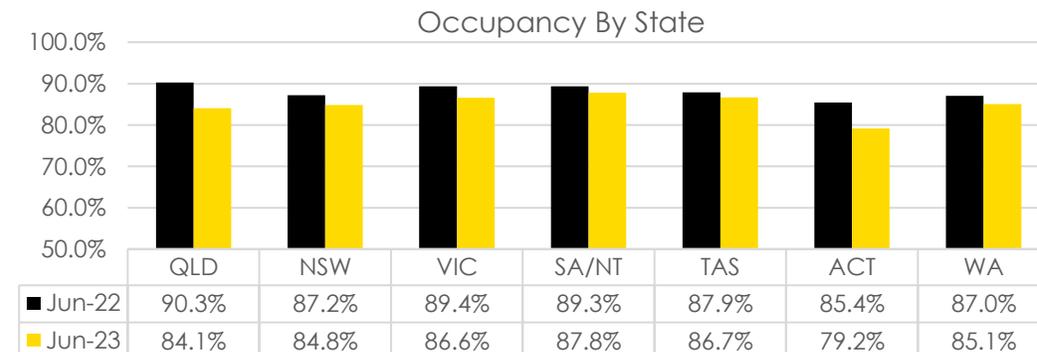
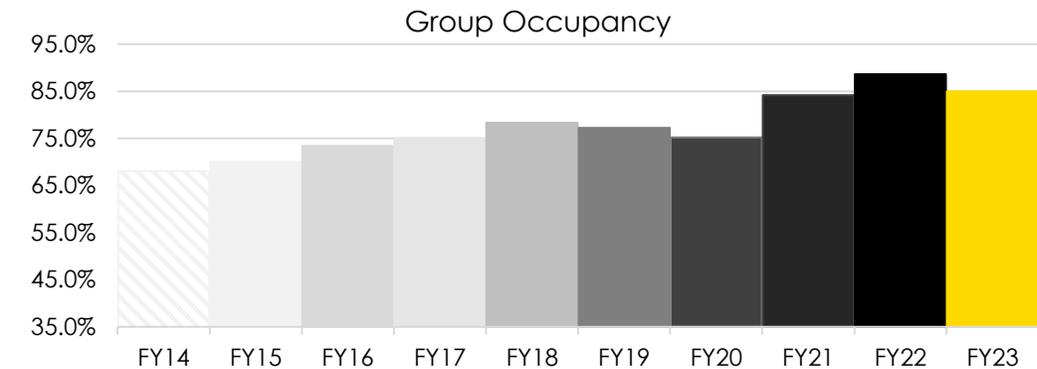
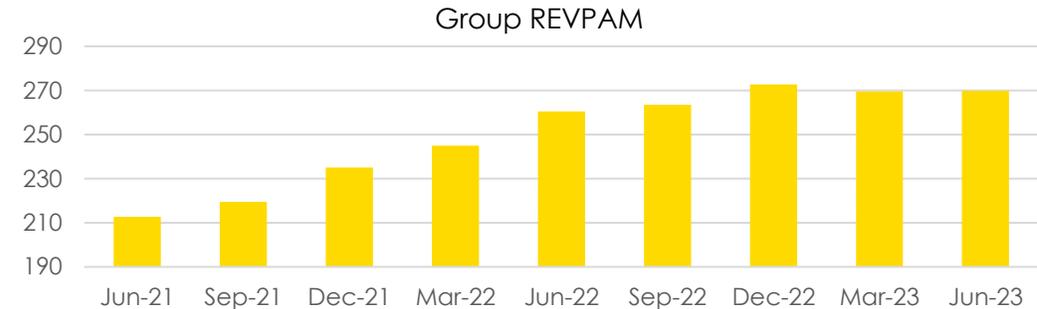


## Active management of occupancy and rate maintains momentum

- Strategy continues to deliver strong financial performance, successfully navigating economic headwinds
- Group REVPAM increased by 3.6% to \$270/m<sup>2</sup>
- Year-on-year average Group REVPAM up 13.8%
- Group rate increased 8.2% to \$319/m<sup>2</sup>
- Group occupancy down 3.5% to 85.0%
- Occupancy across 14 let-up centres operating for the full year, grew 13.8% to 58.7% - contributing positively to ongoing earnings

30 June 2023 (change from 30 June 2022)	Group	Australia	New Zealand
<b>REVPAM</b>	<b>\$270 (+3.6%)</b>	<b>\$278 (+4.2%)</b>	<b>\$211 (-1.1%)</b>
Occupancy	85.0% (-3.5%)	85.1% (-3.7%)	83.9% (-2.6%)
Rate	\$319 (+8.2%)	\$329 (+9.2%)	\$253 (+1.0%)

Group - Australia and New Zealand (195 centres)  
 Australia - 169 centres as at 30 June 2021 (excluding Wine Ark, managed centres and let-up centres)  
 New Zealand - 26 centres as at 30 June 2022 (excluding let-up centres)  
 Let-up centres - 14 centres as at 30 June 2022 and excludes Wine Ark centres



# PORTFOLIO SNAPSHOT



Scale providing material upside potential

Operating Assets	Group <sup>1</sup>	Acquisitions <sup>2</sup>	Let-Up <sup>3</sup> (June 2023)
Assets	195	19	17
Value <sup>4</sup>	\$3,370m	\$215m	\$408m
Net Lettable Area (m <sup>2</sup> )	1,041,600	95,900	126,900
Occupancy	85.0%	84.4%	53.8%
Centre Average Total NLA (m <sup>2</sup> )	5,340	5,050	7,470
Centre Average Occupied NLA (m <sup>2</sup> )	4,540	4,260	4,020
Rate (\$/m <sup>2</sup> ) <sup>5</sup>	\$319	\$263	\$307
REVPAM (\$/m <sup>2</sup> ) <sup>5</sup>	\$270	\$216	\$183
REVPAM Growth (FY23 vs FY22) <sup>5</sup>	+3.6%	+16.2%	+23.5%

Development Pipeline	Developments	Expansions and Redevelopments
Active Projects	34	11
Net Lettable Area (m <sup>2</sup> )	284,000	77,300
Under Construction	9	4
Net Lettable Area Under Construction (m <sup>2</sup> )	72,500	25,300

1 - Group: Australia and New Zealand (195 centres), as per Centre Numbers, below

2 - Centres not included in Centre Numbers, below, excluding managed centres

3 - Let-Up centres: development and expansion centres yet to reach stabilised trading and excludes Wine Ark centres

4 - Net of lease liability

5 - Excludes centres opened and purchased during FY23

Centre numbers:

- Australia: 169 centres as at 30 June 2021 (excluding Wine Ark, managed centres and let-up centres)

- New Zealand: 26 centres as at 30 June 2022 (excluding let-up centres)

REVPAM: Revenue Per Available Square Metre

**NATIONAL STOP & GO**

**BOXSHOP**

**STRATEGY**



# NSR VISION & MISSION



**Our Vision** - To be a world leader in the provision of innovative and sustainable self-storage solutions

**Our Mission** - United as one team, we commit to consistently and responsibly deliver on our four pillars of strategic growth

## ORGANIC GROWTH

Optimising occupancy and rate growth on an individual centre basis, combined with prudent cost management



## ACQUISITIONS, DEVELOPMENTS & EXPANSIONS

Market leading opportunities in combination with delivery capabilities to drive sustained growth



## TECHNOLOGY & AUTOMATION

Leadership in development and implementation of innovative technology and automation



## SUSTAINABILITY

Instilling trust and confidence that we are building a resilient and sustainable business for our stakeholders



# DRIVERS OF ORGANIC GROWTH AND STORAGE DEMAND



Multiple, diverse drivers support ongoing growth trajectory

## Flexible Working Conditions



Conversion of living spaces into home offices as people continue to work from home has driven demand for storage

## Downsizing



Large cohort of individuals and families moving into smaller dwellings or retirement villages requiring storage

## Increased Utilisation



Increased market awareness of self-storage solutions, especially as more millennials age into life events

## Densification of Housing



Smaller dwelling and lot sizes (e.g. increase in apartment living) increasing demand for storage

## Small Business Demand



Growth of e-commerce, small business and online sales requiring additional storage for inventory

## Transitory Workforce



Increasing movement for work across cities domestically and internationally has increased the demand for storage

# BUILT CAPACITY AND PIPELINE



Embedded growth from increasing organic occupancy, rate and development pipeline

## Substantial growth potential within our current built capacity (NLA)

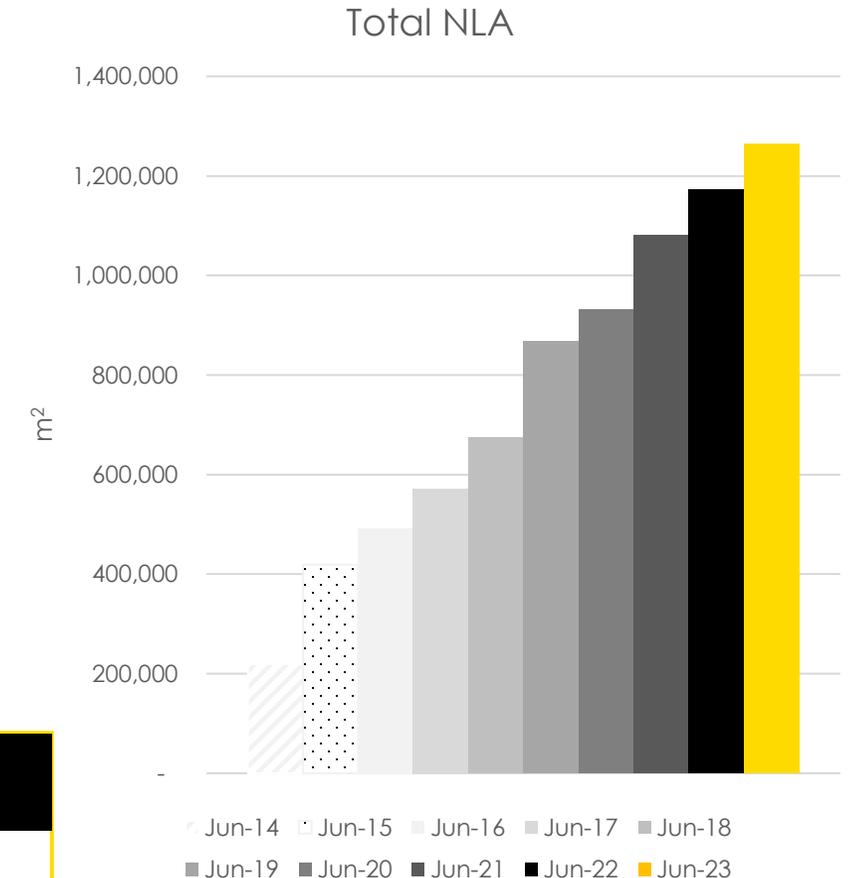
- Australian and New Zealand Portfolio<sup>1</sup> total occupancy: 81.8% / NLA 1,264,000m<sup>2</sup>
- Group occupancy: 85.0% / NLA 1,042,000m<sup>2</sup>
- More space per centre allows greater profitability at stabilised occupancy rates, given relatively fixed cost base
- Increasing total occupancy to 92% would provide an additional 129,000m<sup>2</sup>, generating approximately \$41m (3.1cps)<sup>2</sup> additional revenue at \$320/m<sup>2</sup>

## Development pipeline creates additional built capacity for ongoing organic growth

- 22,200m<sup>2</sup> of additional NLA completed during FY23
- More than 360,000m<sup>2</sup> of additional NLA in design & development phase

## Internally managed model: no fee leakage to external manager

Group <sup>3</sup>	Let-Up Centres <sup>4</sup>	Acquisition <sup>5</sup>
<ul style="list-style-type: none"> <li>▪ Occupancy: 85.0%</li> <li>▪ Centres: 195</li> <li>▪ Available capacity: 73,000m<sup>2</sup> assumes 92% stable occupancy</li> <li>▪ Generates \$23.5m (1.7 cps)<sup>2</sup> additional revenue at \$320/m<sup>2</sup></li> </ul>	<ul style="list-style-type: none"> <li>▪ Occupancy: 53.8%</li> <li>▪ Centres: 17</li> <li>▪ Available capacity: 48,000m<sup>2</sup> assumes 92% stable occupancy</li> <li>▪ Generates \$15.5m (1.1 cps)<sup>2</sup> additional revenue at \$320/m<sup>2</sup></li> </ul>	<ul style="list-style-type: none"> <li>▪ Occupancy: 84.4%</li> <li>▪ Centres: 19</li> <li>▪ Available capacity: 7,000m<sup>2</sup> assumes 92% stable occupancy</li> <li>▪ Generates \$2.3m (0.2 cps)<sup>2</sup> additional revenue at \$320/m<sup>2</sup></li> </ul>



1. Australian & NZ Portfolio as at 30 June 2023 (231 centres) excludes Wine Ark and managed centres
2. Based on securities on issue at 30 June 2023
3. Group - Australia and New Zealand (195 centres)
4. Let-Up centres- 17 centres as at 30 June 2023
5. Acquisition centres - 19 centres as at 30 June 2023

# ACQUISITIONS



Australasia's number 1 acquirer of high-quality, independently owned storage centres

- **Focus remains on “value” accretive acquisitions**

- Targeting multi-centre acquisitions where possible
- Opportunity to add 200–300bp to passing yield over the first 2–3 years of ownership

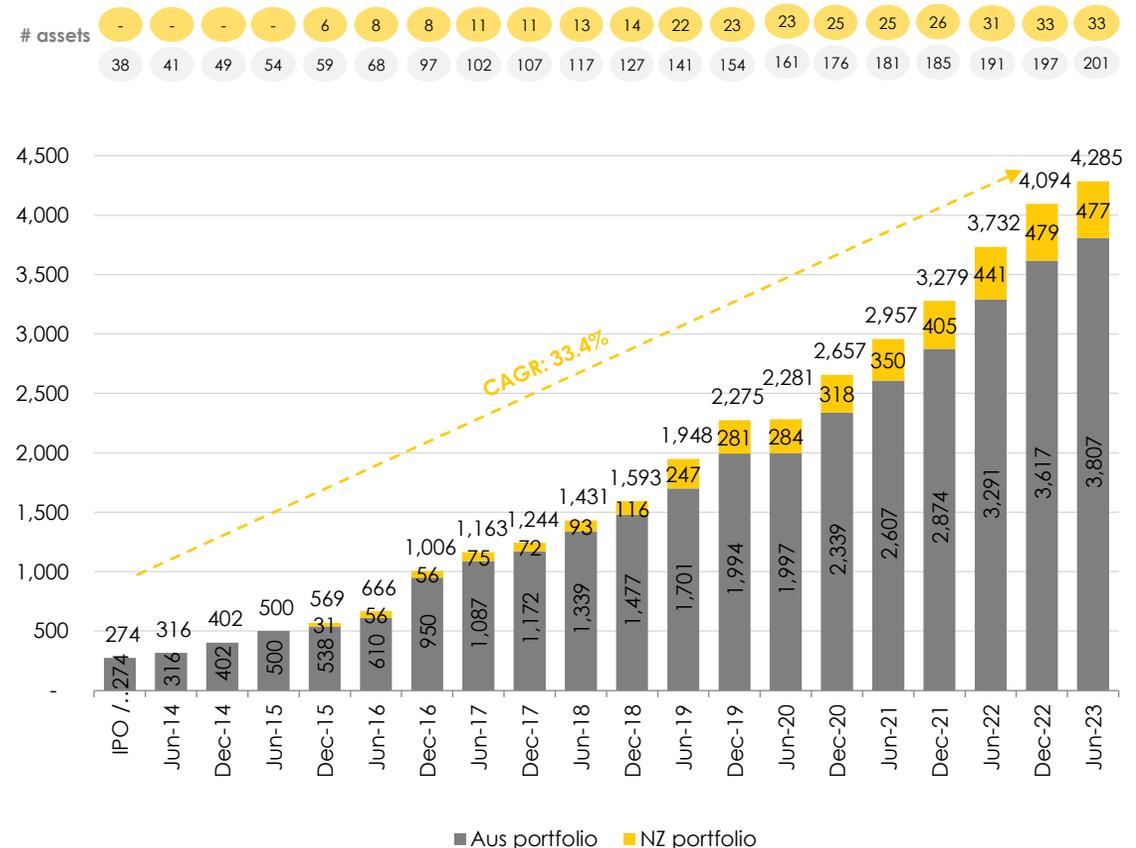
- **NSR remains the acquirer of choice**

- Over 90% of acquisitions are off-market
- Foreign Investment Review Board (FIRB) approval not required
- Typical settlement time six weeks from acceptance of offer

- **Key competitive advantages include**

- NSR is the leading consolidator within the self-storage industry in Australasia with over 165 centres acquired since December 2013
- Highly experienced acquisition and integration teams
- Strong pipeline of future acquisitions based on over 30 years of established industry relationships

PORTFOLIO VALUE (A\$ MILLION)



# ACQUISITIONS



Market remains highly fragmented with significant potential for further consolidation

## 33 acquisitions totalling \$234m transacted in FY23

- NSR remains focused on executing its acquisition strategy
- Transacting high-quality acquisitions across Australia and New Zealand, with a focus on value-upside, rather than targeting stabilised fully-developed assets
- Actively managing vendor expectations in the current interest rate environment
- Acquisitions comprised ten operating storage centres and the freehold of one previous leasehold storage centre
- Acquisition of 22 development sites provides for future NLA, revenue and earnings growth
- Capitalising on the scalability of NSR's operating platform, which continues to drive efficiencies across the business
- Forward-looking acquisition pipeline remains strong

## 5 acquisitions totalling \$45m settled in FY24 YTD

FY23 Acquisitions		
LOCATION / TYPE	NUMBER OF CENTRES	NLA (m <sup>2</sup> )
NSW	2	15,300
QLD	1	6,200
VIC	2	4,000
WA	3	18,700
NZ	2	3,600
<b>Total Centre Acquisitions</b>	<b>10</b>	<b>47,800</b>
Development Sites	22	
Acquisition of Freehold	1	
<b>Total</b>	<b>33</b>	



South Fremantle, WA

# DEVELOPMENTS, EXPANSIONS AND REDEVELOPMENTS



Increasing focus on development, expansion and redevelopment projects



4 projects completed in FY23, adding 22,200m<sup>2</sup> of NLA



20 projects delivering 145,900m<sup>2</sup> of additional NLA under construction or with DA obtained



Total project pipeline with an aggregate NLA in excess of 360,000m<sup>2</sup>



Springfield, QLD

1 - Includes projects undertaken in NSR's own right and by various JV and development arrangements

## Development Strategy

- Combination of turn-key, greenfield / brownfield development and expansion allows NSR to leverage its in-house development expertise
- Locations selected after extensive analysis based on socio-economic demographics and storage demand per-capita analysis
- Provides long-term enhanced earnings and NTA uplift outcomes for NSR
- 22 development sites acquired during FY23

PROJECT PHASE	NUMBER OF PROJECTS <sup>1</sup>	ADDITIONAL NLA (m <sup>2</sup> )
Construction	13	97,800
DA Obtained	7	48,100
Concept Design & Planning	25	215,400
<b>Total</b>	<b>45</b>	<b>361,300</b>

Harnessing new technology and innovation for enhanced business outcomes

## Cyber Security

- Comprehensive program, including the ongoing evolution of key policies and procedures
- Ongoing active management and implementation of a comprehensive cyber security program, focusing on:
  - Governance
  - Technical controls
  - Monitoring, detection and response
- Penetration and other testing, controls and ongoing maturity assessments

## Embedding Technology

- Enhancing scalability efficiencies by implementation of key technologies in new and existing centres
- Wine Ark cellar management trading platform system completed February 2023
- Evolving the business to prepare for the next phase of growth
- Automation and streamlining of systems through the use of enterprise AI and innovative technology

## Process Improvements

- Enhanced contact centre product offerings
- Refined customer analytics to improve marketing, sales and customer experience
- Continuing to evolve our front-facing business applications to streamline internal processes
- Internal development capability to enhance delivery of process improvements



Bluetooth Smart Access

# SUSTAINABILITY



## FOUR PILLARS APPROACH TO SUSTAINABILITY

### STRATEGY

- Sustainability is a core pillar of NSR's strategy
- Economic performance
- Customer experience
- Digital innovation

### ENVIRONMENT

- Environmentally efficient operations
- Sustainable approach to developments
- Low emission business
- Pathway to carbon neutrality underway

### PEOPLE

- Talent attraction and retention
- Employee engagement, development & wellbeing
- Diversity & inclusion
- Community involvement

### GOVERNANCE

- Trust & transparency
- Responding to changing stakeholder expectations
- Risk management

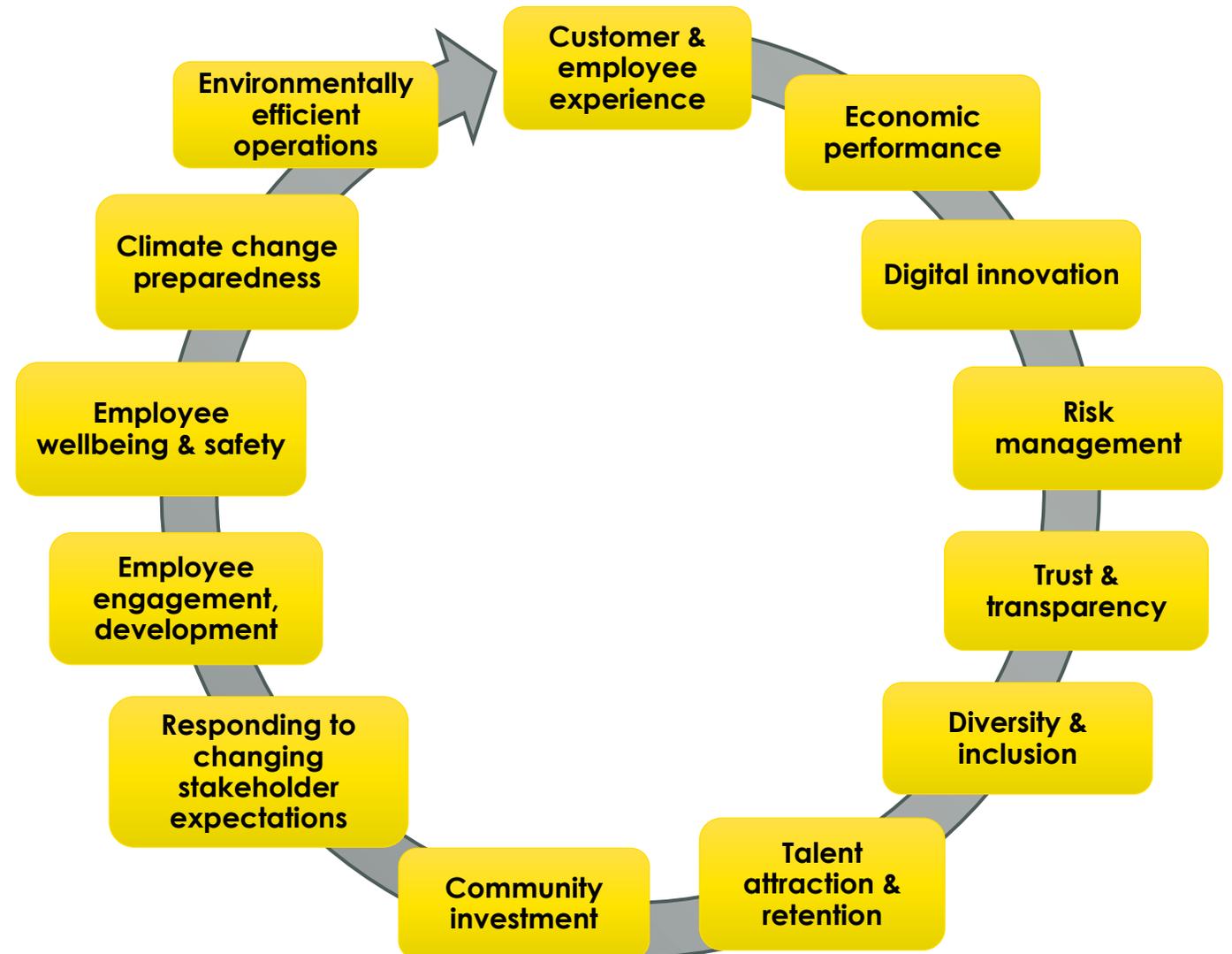


# STRATEGY AND GOVERNANCE



Instilling trust and confidence that we are building a resilient and sustainable business for our stakeholders

- Sustainability is a core pillar of the Group's strategy
  - Incorporating sustainability into every part of our business and every decision we make, including implementing emissions reduction initiatives on our pathway to carbon neutrality
- Strong corporate governance prioritised
  - Standalone ESG Committee, with oversight by the Risk Committee and ultimately the Board
  - Alignment with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and Global Reporting Initiative (GRI)
  - Ongoing climate related risk and opportunity assessments
- Navigating and responding to the evolving sustainability landscape and stakeholder expectations



Focus on fostering wellbeing and professional growth whilst driving technological innovation and enhancing the employment lifecycle and the success of our people

Value Proposition	Wellbeing	Community	Technological Innovation
<ul style="list-style-type: none"><li>Leadership capability and collaboration, creating performance excellence</li><li>"NSX" performance program to attract, engage and retain the best people</li><li>Formation of a succession pipeline for key roles identifies and creates development pathways</li></ul>	<ul style="list-style-type: none"><li>Upgraded benefits for employees and families</li><li>Health and wellbeing training</li><li>Focus on emerging social regulations and guidance</li><li>Implementation and training of best practice policies and procedures</li></ul>	<ul style="list-style-type: none"><li>Longstanding commitment to investment in the community</li><li>NS Cares Program launched August 2022 – 4 charity partnerships, contributing to safer communities</li></ul> 	<ul style="list-style-type: none"><li>Actively exploring technological advancements in rostering, payroll and human resources functionality</li><li>Enhancing oversight, workflows and reporting</li><li>Use of automation and AI to deliver centre operational efficiencies and improved productivity</li></ul>



## Strategy to reduce environmental footprint



NSR is a low emissions business

- Typical storage centre emissions remain low
- Initiatives underway to further reduce landfill and environmental footprint



Material investment in solar and LED

- 8,300m<sup>2</sup> solar panel footprint across more than 110 sites
- Approximately 50% of existing lighting is low-emission LED
- Ongoing assessment and feasibility of battery ready sites



Sustainable approach to developments

- Sustainable design and management techniques applied to developments, expansions and existing assets
- Includes solar, LED lighting, efficient design, and rainwater management



Strategy to guide NSR to carbon neutrality

- Independent study undertaken to assess opportunities to invest in solar, LED and battery storage technology
- Further investment to be made during FY24 to enhance solar capacity and lower energy usage



OUTLOOK

**NATIONAL  
STORAGE**

**NATIONAL  
STORAGE**

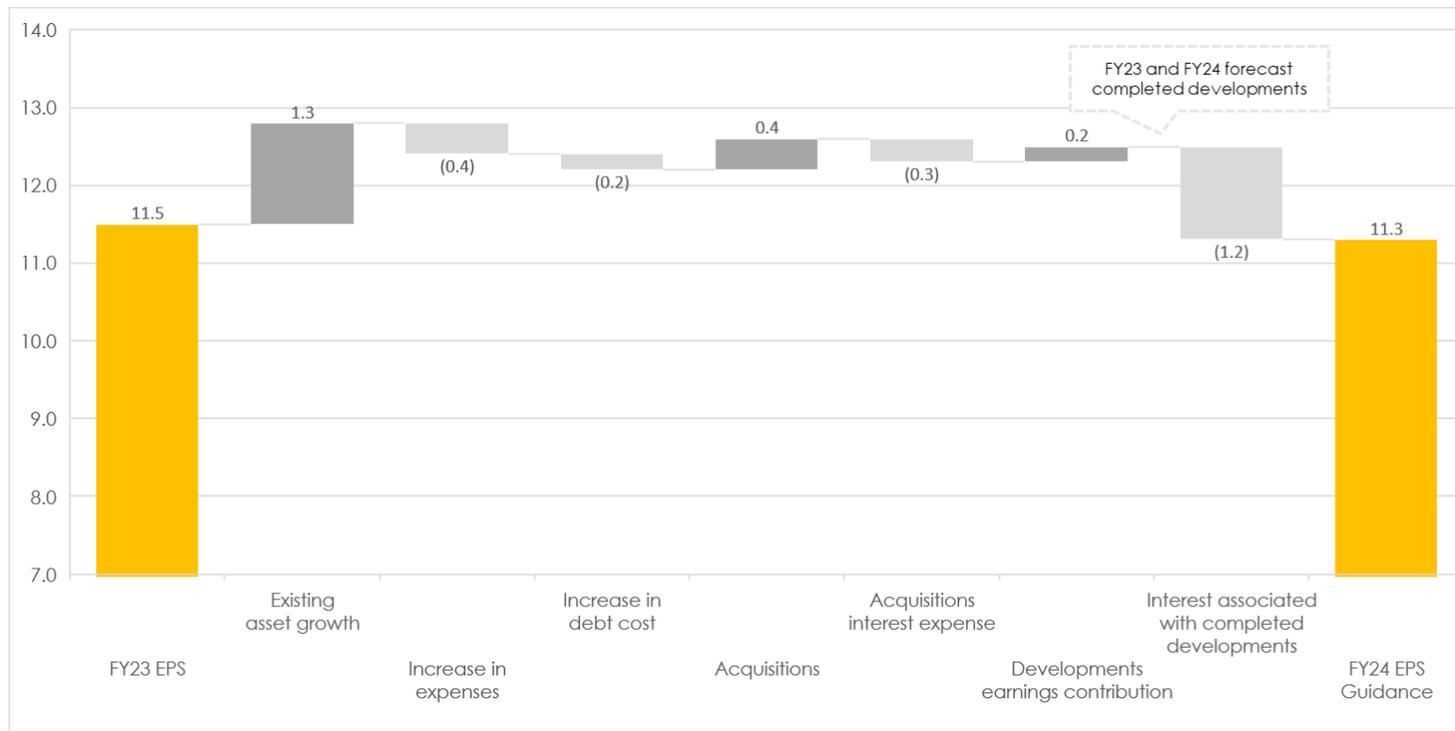


# FY24 GUIDANCE & OUTLOOK<sup>1</sup>



Underlying EPS minimum 11.3cps

EPS Bridge (cps): FY23 to FY24



<b>UNDERLYING EPS</b>	<b>Minimum 11.3 cps</b>
<b>UNDERLYING EARNINGS</b>	<b>Greater than \$154m</b>
<b>DISTRIBUTION GUIDANCE</b>	<b>90%-100% payout of Underlying Earnings</b>

**Key Assumptions:**

- REVPAM growth No less than 4.2%
- Average floating interest rate<sup>2</sup> 4.38%
- Acquisitions \$150m - \$200m

1 - NSR provides this guidance assuming there are no material changes in market conditions or operating environments.  
 2 - On remaining floating rate resets for FY24 – weighted average BBSW and BKBM

THANK YOU

**NATIONAL  
STORAGE**

[invest@nationalstorage.com.au](mailto:invest@nationalstorage.com.au)

[nationalstorage.com.au](http://nationalstorage.com.au)

# APPENDICES



[invest@nationalstorage.com.au](mailto:invest@nationalstorage.com.au)  
[nationalstorage.com.au](http://nationalstorage.com.au)

## Targeted development providing additional unit pipeline in key areas



### Overview

- Target projects providing additional pipeline in key areas:
  - Four projects completed during FY23 (22,200m<sup>2</sup> of NLA)
  - 20 active projects, with 13 projects under construction
  - Aggregate NLA pipeline of approximately 145,900m<sup>2</sup>
- Combination of fully NSR, turnkey and JV development allows NSR to leverage its in-house development expertise
- Provides enhanced revenue and capital outcomes for NSR

### New developments

- Focus on expanding coverage in key target growth areas
- Built to exacting NSR specifications
- Application of new technology such as Bluetooth Smart Access to provide improved efficiency and enhanced customer and employee experience
- Investigation of the newly developed wayfinding concept
- Maximises returns on land within existing portfolio
- Targeting double digit 5-year IRR and 10%+ yield on cost at stabilised revenue

# EXPANSION AND REDEVELOPMENT



Expansion and redevelopment projects providing significant value add potential

## Expansions and Redevelopment – Existing centres

- Strategic expansion of existing sites where occupancy levels are consistently high, and demand exceeds supply
- Optimisation of land parcels acquired over time (hardstand and outdoor area conversions into more intensive storage uses)
- Significant value-add potential (over 70 centres within current portfolio with expansion and redevelopment possibilities)
  - Utilisation of surplus land, building over existing single-level buildings or conversion of warehousing into higher density storage utilisation
- Targeting 10%+ yield on cost at stabilised revenue

Robina – QLD



Before

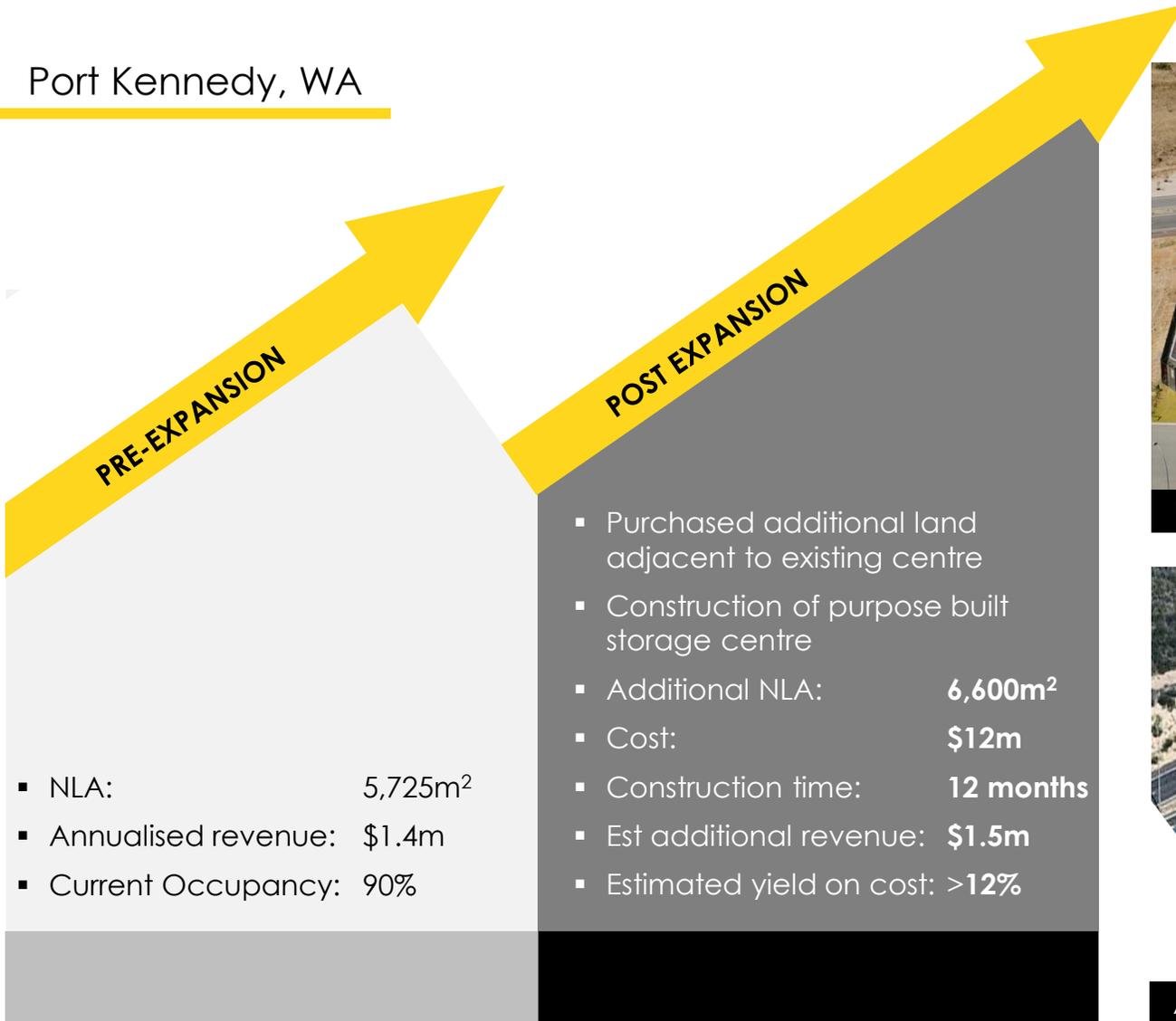


After

# CASE STUDY 1 – EXPANSION



Port Kennedy, WA



- NLA: 5,725m<sup>2</sup>
- Annualised revenue: \$1.4m
- Current Occupancy: 90%

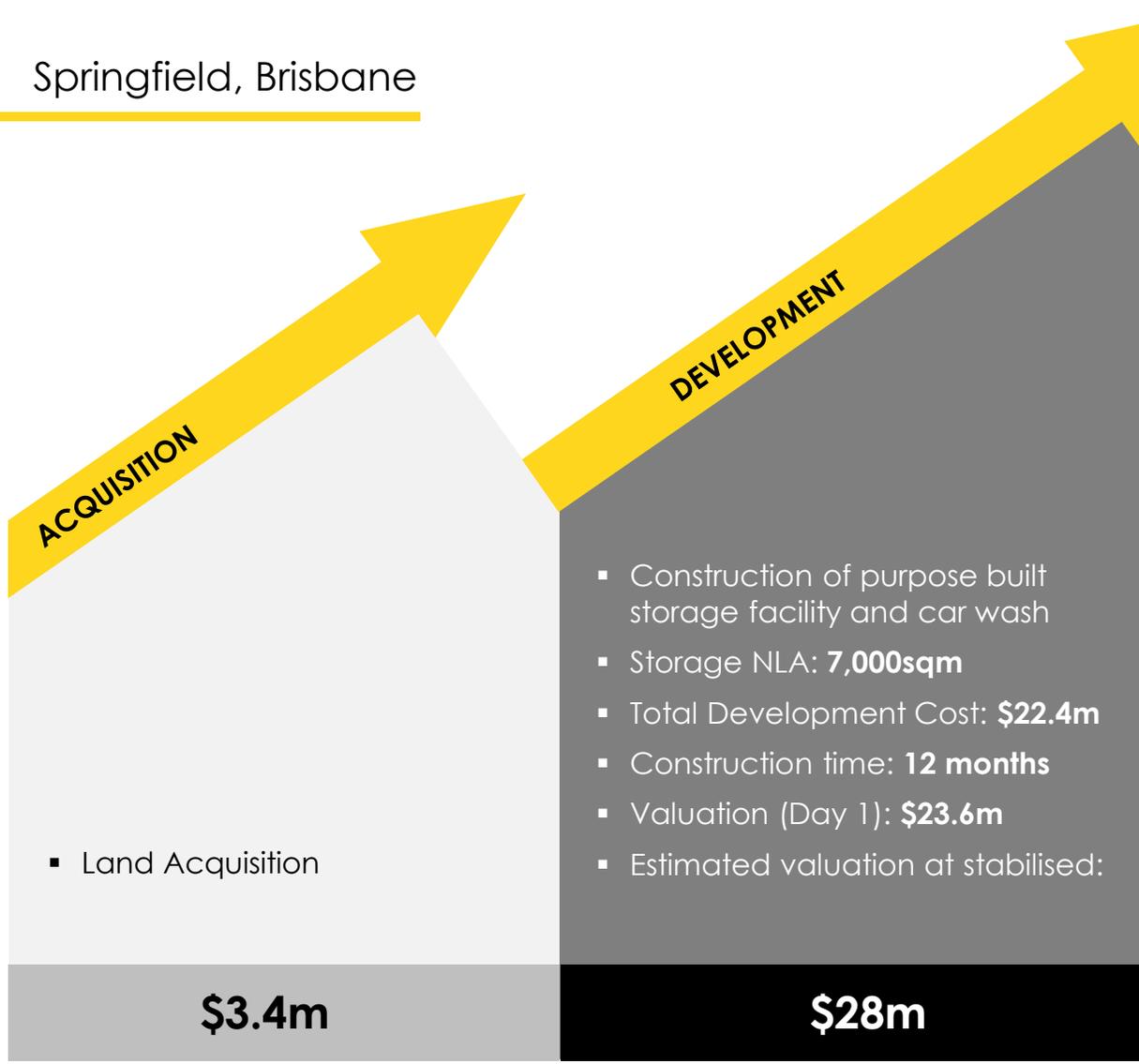
- Purchased additional land adjacent to existing centre
- Construction of purpose built storage centre
- Additional NLA: 6,600m<sup>2</sup>
- Cost: \$12m
- Construction time: 12 months
- Est additional revenue: \$1.5m
- Estimated yield on cost: >12%



# CASE STUDY 2 – MIXED USE DEVELOPMENT



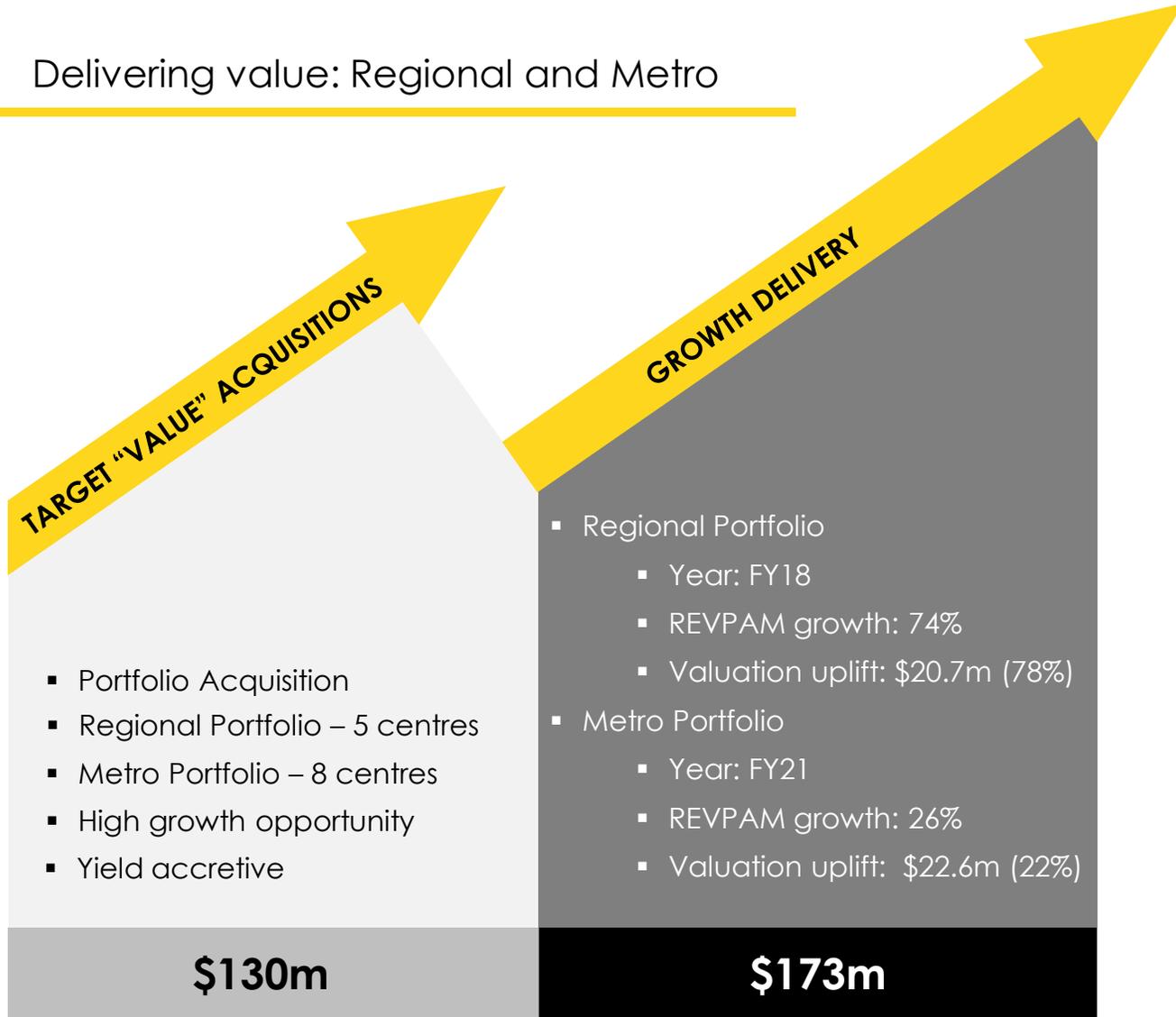
Springfield, Brisbane



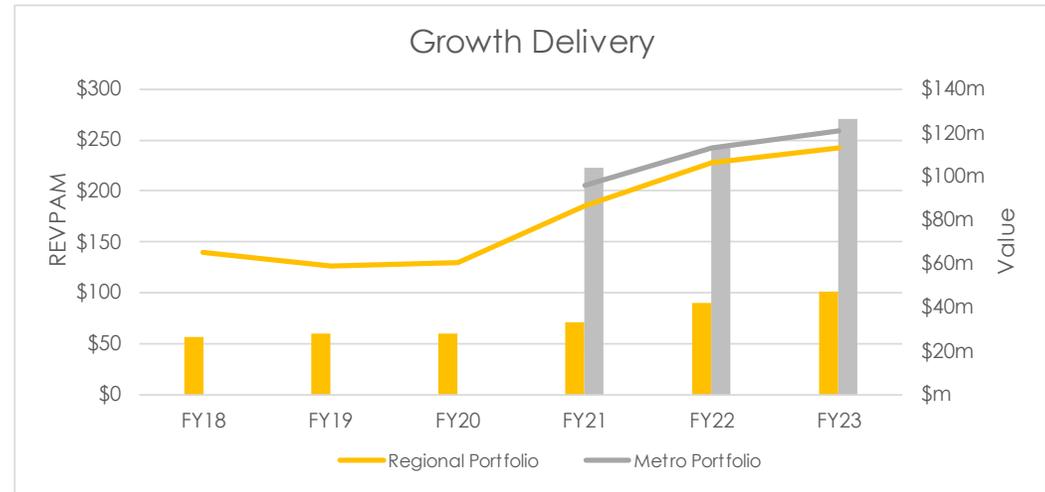
# CASE STUDY 3 – INTEGRATION OF ACQUISITIONS



Delivering value: Regional and Metro



- Track record of delivering value by driving occupancy and rate growth
- Leveraging NSR's scale, enhanced operating efficiencies and marketing and technology platforms
  - Regional (Townsville, ex Storage King) portfolio:
    - 74% REVPAM growth between FY18 and FY23
    - increasing initial acquisition yield by 6.3%
  - Metro:
    - 26% REVPAM growth since acquisition in FY21
    - increasing initial acquisition yield by 1.6%



# CASE STUDY – QUEENSTOWN



Acquisitions focused on value-add opportunities in new and existing markets

- Queenstown centre, acquired July 2023, provides an additional 4,100m<sup>2</sup> of NLA
- Modern two-storey offering plus single level satellite site to meet differing needs of the local market
- Opportunities to leverage NSR's expertise to enhance REVPAM through an enhancement of the rate / occupancy mix
- Future development potential of satellite site

## Queenstown Centre



After

## Satellite Site



Future development potential



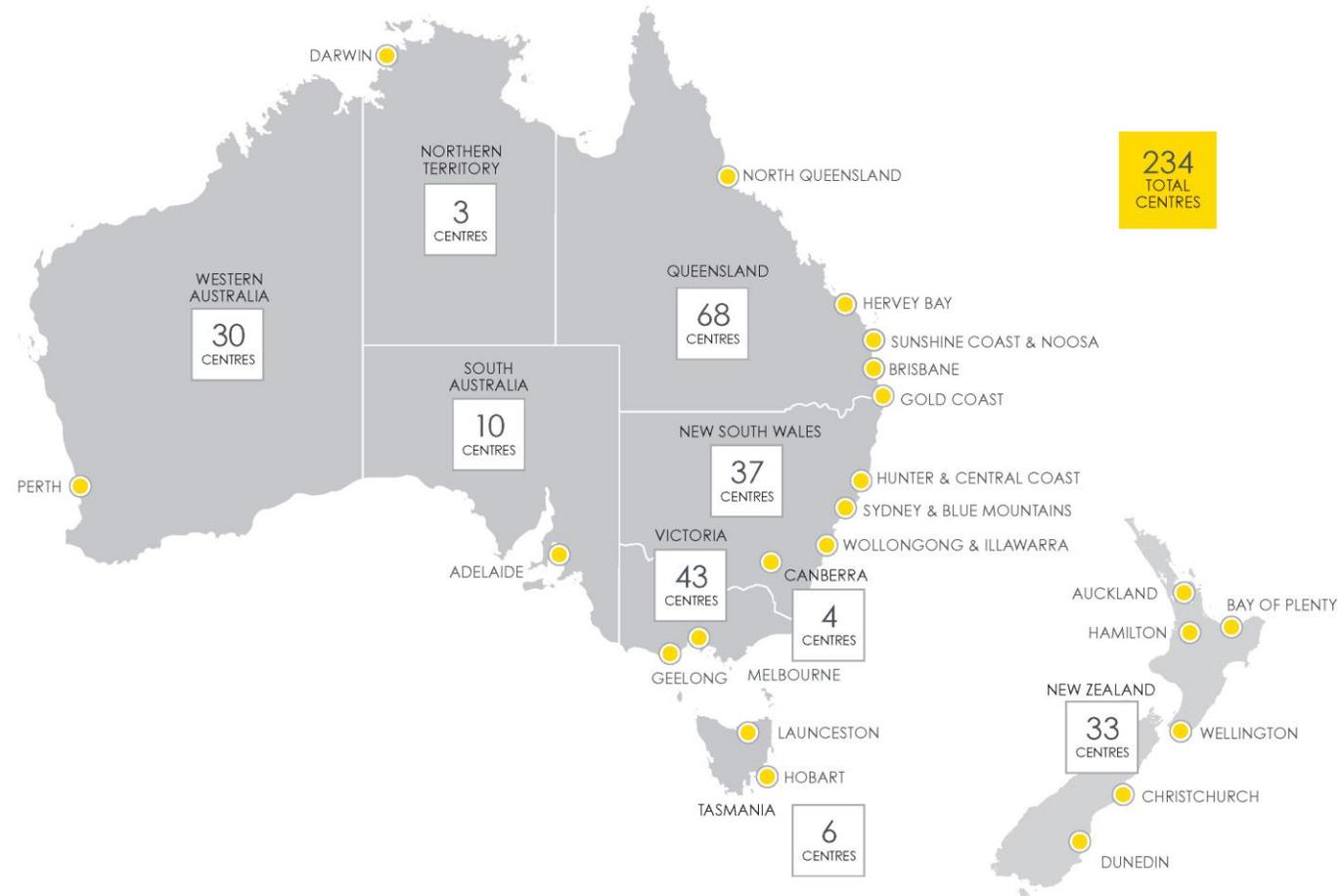
Before

# ASSET PORTFOLIO



Geographically diversified footprint, superior operating systems and management platform

- Largest owner/operator of self-storage in Australasia
- Deeply experienced management team delivering scale over 20 years through organic growth, acquisitions, developments and expansions
- Continuing to deliver efficiencies through:
  - Centralised contact centre
  - Internalised advertising and digital marketing teams
  - In house staffing and recruitment
  - State of the art, scalable management platform
- High quality, well diversified portfolio
  - 201 sites across all Australian States and Territories
  - 33 sites across six New Zealand cities
- In excess of 1,275,000m<sup>2</sup> of NLA
- Approx 90,000 customers
- Over 650 team members across Australia and New Zealand



# PORTFOLIO METRICS



	30 June 2022				30 June 2023			
	AUST	NZ	MGMT	TOTAL	AUST	NZ	MGMT	TOTAL
Freehold Centres	178	33	2	213	188	33	1	222
Leasehold Centres	13	-	-	13	12	-	-	12
<b>Total Centres</b>	<b>191</b>	<b>33</b>	<b>2</b>	<b>226</b>	<b>200</b>	<b>33</b>	<b>1</b>	<b>234</b>
Freehold NLA (sqm)	925,900	171,700	16,000	1,113,600	1,022,300	182,200	14,400	1,218,900
Leasehold NLA (sqm)	68,600	-	-	68,600	60,900	-	-	60,900
<b>Total NLA (sqm)</b>	<b>994,500</b>	<b>171,700</b>	<b>16,000</b>	<b>1,182,200</b>	<b>1,083,200</b>	<b>182,200</b>	<b>14,400</b>	<b>1,279,800</b>
Average NLA (sqm)	5,200	5,200	8,000	5,200	5,400	5,500	14,400	5,500
Storage Units	99,100	16,700	1,600	117,400	103,800	17,300	900	122,000
Investment Properties	\$3,291m	NZ\$488m	N/A	AU\$3,732m	\$3,810m	NZ\$516m	N/A	AU\$4,285m
<b>Weighted Average Primary Cap Rate</b>	<b>5.85%</b>	<b>5.94%</b>	<b>N/A</b>	<b>5.86%</b>	<b>5.90%</b>	<b>5.93%</b>	<b>N/A</b>	<b>5.91%</b>

# BOARD OF DIRECTORS & EXECUTIVE



**Anthony Keane**

*Independent Non-Executive Chairman,  
Chairman of the Nomination Committee  
and member of the Audit and Risk, and  
Remuneration Committees*

**BSc(Maths) GradDIPCorpFin GAICD**



**Howard Brenchley**

*Independent Non-Executive Director,  
Chairman of Audit and Risk Committees  
and member of the Nomination and  
Remuneration Committees*

**BEC**



**Inma Beaumont**

*Independent Non-Executive Director and  
member of the Audit and Risk,  
Nomination and Remuneration  
Committees*

**BA(Mathematics), BA Hons(Economics  
and Commerce), FCCA, GAICD**



**Scott Smith**

*Independent Non-Executive Director,  
Chairman of the Remuneration  
Committee and member of the Audit  
and Risk and Nomination Committees*

**BBus**



**Andrew Catsoulis**

*Managing Director*

**BA LLB Grad Dip Project Mgmt (Hons)**



**Claire Fidler**

*Executive Director and Company Secretary*

**LLB (Hons) Bbus (Intl) GAICD FGIA**



**Stuart Owen**

*Chief Financial Officer*

**B.Bus CPA GAICD**



**Manny Lynch**

*Chief People Officer*

**Dip Prof Couns, Dip WHS**

