



NATIONAL STORAGE REIT ASX ANNOUNCEMENT

11 September 2024

A\$300 MILLION GUARANTEED EXCHANGEABLE NOTES OFFERING

National Storage REIT (**NSR**) (ASX:NSR), through its wholly-owned subsidiary, National Storage Finance Pty Ltd (the **Issuer**), today launches an offering of A\$300 million direct, unconditional, unsubordinated and unsecured guaranteed exchangeable notes due 2029.¹ (**Notes**) (the **Offering**). The Notes are exchangeable at the option of the holder into NSR stapled securities, each comprising one unit in National Storage Property Trust (**NSPT**) and one ordinary share in National Storage Holdings Limited (**NSH**) (each credited as fully paid) (**Stapled Securities**). The Issuer has the right to choose to cash settle the Notes if exchanged.

ABOUT THE GUARANTEED EXCHANGEABLE NOTES

- The Notes will be guaranteed by NSH, and National Storage Financial Services Limited as Responsible Entity of NSPT
- The net proceeds² are intended to be used for the repayment of existing financial indebtedness, to provide financial flexibility to fund further growth and for general corporate purposes
- NSR will apply for the Notes to be listed on the Official List of Singapore Exchange Securities Trading Limited (SGX-ST)
- The Offering is being marketed to eligible investors with the final terms of the Notes to be determined via a bookbuild process expected to be completed prior to market open on 12 September 2024
- Concurrent with the Offering, a delta placement of existing NSR stapled securities (the **Delta Placement**) will be executed to facilitate some or all of the hedging activity of investors in relation to the Notes. The clearing price of the Delta Placement will determine the Reference Stapled Security Price³ to be applied to the Exchange Premium³ of the Notes
- The Delta Placement clearing price will be a minimum of \$2.37, representing a 3.3% discount to the 11 September 2024 close price of \$2.45
- Other details on the key terms of the Notes are provided below

Founder and Managing Director Andrew Catsoulis said: "The Notes offering allows NSR to diversify our funding sources and take advantage of the attractive debt terms to reduce our funding costs, while also providing additional balance sheet flexibility to continue to execute on our strategic initiatives".

NSR also advises that Moody's Investor Service has assigned a Baa2 issuer rating with a stable outlook to NSR and that the Notes will hold the same rating.

The Offering is subject to completion of pricing, settlement and satisfaction of customary conditions precedent. NSR will provide further updates as required.⁴

¹ Investors in the Notes have a put option on or about 19 September 2027.

² After transaction costs

³ Refer to key terms of the Notes section below.

⁴ All dates and times in this announcement are indicative only and NSR reserves the right to amend any or all dates and times or to withdraw the Offering, subject to the Corporations Act 2001 (Cth), the ASX Listing Rules and other applicable laws and regulations. All times and dates are references to the time and date in Sydney, Australia.

Citigroup Global Markets Limited, Jefferies (Australia) Pty Ltd, and J.P. Morgan Securities Plc are acting as Joint Lead Managers (**JLMs**) on the Offering.

FINANCIAL IMPACT

The issuance of the Notes and repayment of outstanding indebtedness is not expected to have a material impact on NSR's gearing. Taking into account the impact of the Notes, NSR reaffirms its FY25 underlying earnings guidance of a minimum of 11.8cps⁵.

KEY TERMS OF THE GUARANTEED EXCHANGEABLE NOTES]

Issuer	National Storage Finance Pty Ltd, a wholly owned subsidiary of National Storage REIT
Guarantors	National Storage Holdings Limited, and National Storage Financial Services Limited as Responsible Entity of National Storage Property Trust
Rating of NSR	Baa2 by Moody's
Notes Rating	Baa2 by Moody's
Use of Proceeds	Repayment of existing financial indebtedness, to provide financial flexibility to fund further growth and for general corporate purposes
Currency	Australian Dollars (AUD)
Issue Size	A\$300 million
Ranking	Direct, unsubordinated, unconditional and (subject to the terms and conditions of the Notes) unsecured
Maturity Date	On or about 19 September 2029 (5 years)
Investor Put Option	On or about 19 September 2027 (At the end of year 3)
Issue Price	100.00% of the principal amount
Coupon / Yield	3.125 - 3.625% p.a. payable quarterly in arrears
Put/Maturity Price	100.00% of the principal amount
Exchange Premium	30.0 - 35.0% above the Reference Stapled Security Price
Reference Stapled Security Price	Concurrent Delta Placement price
Delta Placement	The JLMs will run a bookbuilding process to facilitate some or all of the hedging activity by investors in the Notes

⁵ NSR provides this guidance assuming there are no material changes in market conditions or operating environments.

NATIONAL STORAGE REIT (NSR)

National Storage Holdings Limited (ACN 166 572 845)

National Storage Financial Services Limited (ACN 600 787 246 AFSL 475 228) as responsible entity for National Storage Property Trust (ARSN 101 227 712)

	<p>The clearing price of the Delta Placement will be used as the Reference Stapled Security Price to determine the initial exchange price of the Notes</p> <p>The Delta Placement clearing price will be a minimum of \$2.37, representing a 3.3% discount to the 11 September 2024 close price of \$2.45</p> <p>The manner of conducting the Delta Placement will be determined by the JLMs in consultation with NSR</p>
Exchange Period	Exchangeable at any time on or after 41 days from the Settlement Date until 10 Sydney and London business days prior to the Maturity Date, unless previously redeemed, exchanged, or repurchased and cancelled (excluding closed periods)
Distribution Protection	Exchange price adjustment for all distributions paid on NSR Stapled Securities
Exchange Price Adjustment	<p>Standard anti-dilutive adjustments including Exchange Price adjustment for all distributions paid by NSR</p> <p>The extent to which the Exchange Price is reduced following a change of control is variable, dependent on the time period between the change of the control and the final Maturity Date of the Notes (Distribution Protection).</p>
Cash Alternative Election	The Issuer may, in full or in part, elect to make payment of the relevant Cash Alternative Amount (as defined in the Terms and Conditions) to exchanging holders of the Notes in lieu of delivering Stapled Securities
Cash Alternative Amount	If applicable, the relevant Cash Alternative Amount will be calculated based on the volume weighted average price of the Stapled Securities over a 20 trading day period
Issuer Soft Call	Yes, at any time after 3 October 2027, the Issuer may redeem in whole but not in part of the Notes at 100% of the principal amount together with any interest accrued but unpaid to but excluding the relevant date fixed for redemption, if the closing price of the Stapled Securities for each of at least 20 dealing days in any period out of 30 consecutive dealing days, the last of which occurs not more than 5 dealing days prior to the date upon which notice of such redemption is published, is at least 130% of the applicable Exchange Price
Clean Up Call	Yes, the Issuer may redeem in whole but not in part of the Notes at 100% of the principal amount together with any interest accrued but unpaid to but excluding the relevant date fixed for redemption, if at least 85% in principal amount of the Notes have been exchanged, redeemed or purchased and cancelled
Tax Call	Yes, the Issuer may redeem all and not some only of the Notes, at their principal amount plus accrued and unpaid interest to but excluding the relevant date fixed for redemption, if additional amounts in respect of payments on the Notes are payable as a result of any change in the laws or regulations of the Commonwealth of Australia. Noteholders have the right to elect

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	for their Notes not to be redeemed but with no entitlement to any additional amounts
Listing	SGX-ST
Selling Restrictions	<p>Standard selling restrictions for Australia, Japan, Hong Kong, Singapore, Switzerland, UK</p> <p>Reg S (Cat 1) only</p> <p>No sales permitted into the European Economic Area (except for the United Kingdom). National Storage REIT may be construed as an Alternative Investment Fund pursuant to the Alternative Investment Fund Managers Directive. Filings have been made in the United Kingdom with the FCA</p>

Authorised by the Board of National Storage Holdings Limited.

ENDS

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ABOUT

National Storage is the largest self-storage provider in Australia and New Zealand, with over 250 centres providing tailored storage solutions to over 97,000 residential and commercial customers. NSR is the first independent, internally managed and fully integrated owner and operator of self-storage centres to be listed on the Australian Securities Exchange (ASX).

DISCLAIMER

No offer

This announcement does not constitute or form part of any offer to purchase, a solicitation of an offer to purchase, an offer to sell or an invitation or solicitation of an offer to sell, issue or subscribe for any securities.

Neither this announcement nor any copy hereof may be taken into or distributed in the United States or any jurisdiction where to do so is unlawful.

The information contained in this announcement is not for distribution, directly or indirectly, in or into the United States. This announcement does not constitute or form a part of any offer or solicitation to purchase or subscribe for securities in the United States or any jurisdiction where to do so is unlawful. The Stapled Securities and Notes mentioned herein have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (**Securities Act**), and may not be offered or sold in the United States except pursuant to registration or an exemption from the registration requirements of the Securities Act. No public offering of the Stapled Securities or Notes will be made in the United States or any jurisdiction where to do so is unlawful.

A number of figures, amounts, percentages, estimates, calculations of value and other fractions used in this announcement are subject to rounding. All references to \$ are to Australian dollars.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or contained in this announcement.

Future performance and forward-looking statements

This announcement contains certain forward-looking statements. The words 'anticipate', 'believe', 'aim', 'estimate', 'expect', 'intend', 'may', 'plan', 'project', 'will', 'should', 'seek' or other similar words are intended to identify forward-looking statements. Indications of, and guidance on, future earnings, distributions, financial position and performance are also forward-looking statements.

These forward-looking statements are based on assumptions and contingencies that are subject to change without notice and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of NSR and its related bodies corporate and affiliates and each of their respective directors, securityholders, officers, employees, partners, agents, advisers and management. This includes any statements about market and industry trends, which are based on interpretations of market conditions.

Investors are strongly cautioned not to place undue reliance on forward looking statements, particularly in light of the current economic climate and the significant volatility, uncertainty and disruption caused by the geopolitical tensions such as the Russian-Ukrainian and Gaza conflicts.

Forward-looking statements are provided as a general guide only and should not be relied on as an indication or guarantee of future performance. Actual results, performance or achievements may differ materially from those expressed or implied in those statements and any projections and assumptions on which these statements are based.

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To the maximum extent permitted by law, no guarantee, representation or warranty, express or implied, is made as to the fairness, accuracy, reliability, likelihood of achievement or reasonableness of any forecasts, prospects, returns, statements or tax treatment in relation to future matters contained in this announcement. The forward-looking statements are based on information available to NSR as at the date of this announcement. Except as required by applicable laws or regulations, none of NSR, its representatives or advisers undertakes to provide any additional information or revise the statements in this announcement, whether as a result of a change in expectations or assumptions, new information, future events, results or circumstances.

No investment or financial product advice

This announcement has been prepared by NSR and the Issuer to provide you with general information only. In preparing this announcement, NSR and the Issuer have not taken into account the investment objectives, financial position or needs of any particular individual. Before making an investment decision, investors should consider the appropriateness of the information (including but not limited to the assumptions, uncertainties and contingencies which may affect future operations of NSR and the values and the impact that different future outcomes may have on NSR) having regard to their own investment objectives, financial situation and needs and should seek legal, accounting and taxation advice appropriate to their jurisdiction. NSR and the Issuer are not licensed to provide investment or financial product advice in respect of their respective securities. Cooling off rights do not apply to the Notes or to any Stapled Securities issued pursuant to the exchange of Notes contemplated in this announcement.

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