12 June 2024

Safestore Holdings plc
("Safestore", "the Company" or "the Group")

Interim results for the 6 months ended 30 April 2024

Robust performance in the first half, building on strong foundations, with continued strategic progress

Key Measures	6 months ended 30 April 2024	6 months ended 30 April 2023	Change[1]	Change-CER[2]
Underlying and Operating Metrics- total				
Revenue[3]	£109.2m	£110.1m	(0.8%)	(0.3%)
Underlying EBITDA[4]	£67.1m	£69.7m	(3.7%)	(3.3%)
Closing Occupancy (let sq ft- million)[5]	6.129	6.124	0.1%	n/a
Closing Occupancy (% of MLA)[6]	74.4%	76.7%	(2.3ppts)	n/a
Average Storage Rate[7]	£30.16	£30.58	(1.4%)	(0.8%)
REVPAF (£)[8]	£26.74	£28.28	(5.4%)	(4.9%)
Adjusted Diluted EPRA Earnings per Share[9]	21.2p	23.7p	(10.5%)	n/a
Free Cash flow[10]	£41.0m	£31.9m	28.5%	n/a
EPRA NTA per Share[11]	£10.03	£9.12	10.0%	n/a
Underlying and Operating Metrics- like-for-like[12]				
Revenue	£107.0m	£107.9m	(0.8%)	(0.3%)
Storage Revenue	£90.6m	£92.1m	(1.8%)	(1.2%)
Ancillary Revenue	£16.4m	£15.8m	4.2%	4.6%
Underlying EBITDA	£66.7m	£69.0m	(3.3%)	(2.8%)
Closing Occupancy (let sq ft- million)	5.949	6.049	(1.6%)	n/a
Closing Occupancy (% of MLA)	76.9%	78.5%	(1.6ppts)	n/a
Average Occupancy (let sq ft- million)	5.960	6.055	(1.6%)	n/a
Average Storage Rate	30.55	30.70	(0.5%)	0.1%
REVPAF (£)	£27.86	£28.24	(1.3%)	(0.8%)
Statutory Metrics				
Operating Profit[13]	£186.3m	£114.9m	62.1%	n/a
Profit before Income Tax[13]	£173.7m	£103.4m	68.0%	n/a
Diluted Earnings per Share	71.5p	42.7p	67.4%	n/a
Dividend per Share	10.0p	9.9p	1.0%	n/a
Cash Inflow from Operating Activities	£45.4m	£36.3m	25.1%	n/a
Basic net assets per share	£9.35	£8.48	10.2%	n/a

Highlights

Resilient Financial performance

- Group revenue down 0.8% and in CER down 0.3%
- H1 2023 revenue included £1.0m of insurance premium tax relating to the sale of customer goods insurance not repeated in 2024. Excluding this, revenue at CER grew 0.7%.
- Group like-for-like revenue in CER down 0.3%
- Adjusted Diluted EPRA EPS, down 10.5% at 21.2p (H1 2023: 23.7p)
- Dividend increase to 10.0p (H1 2023: 9.9p)

- Investment property value increased 5.8%, with net gain of £121.7m (H1 2023: gain of £47.3m)
- Strong cash generation with free cash flow increase of 28.5% to £41.0m (H1 2023: £31.9m)
- Statutory profit before income tax of £173.7m up from £103.4m in H1 2023
- Adjusted Diluted EPRA Earnings per Share for the full year expected to be in the lower half of the range of consensus estimates

Operational and Strategic Progress

- Consistent like-for-like operational performance driven by continued rate growth
    - Like-for-like revenue down 0.3% in CER
        - UK down 1.5%
        - Paris up 1.4%
        - Spain up 2.4%
        - Benelux up 13.5%
    - Like-for-like industry leading 7.4% increase in REVPAF over the last 3 years.
    - Like-for-like average storage rate for the period up 0.1% in CER
        - UK down 0.2% to £30.45 (H1 2023: £30.51)
        - Paris down 0.6% to €41.78 (H1 2023: €42.02)
        - Spain down 0.8% to €36.71 (H1 2023: €37.00)
        - Benelux up 10.2% to €22.37 (H1 2023: €20.28)
    - Like-for-like closing occupancy down 1.6ppts at 76.9% (H1 2023: 78.5%)
        - UK down 2.6ppts at 75.6% (H1 2023: 78.2%)
        - Paris up 1.0ppts at 81.1% (H1 2023: 80.1%)
        - Spain up 3.6ppts at 77.7% (H1 2023: 74.1%)
        - Benelux up 2.5ppts to 80.0% (H1 2023: 77.5%)
- Enquiries for the Group consistently well above pre-covid levels in all markets, with 39% enquiry growth over the last five years
- Openings of 259,700 sq ft in the year to date and post-period end of new capacity across six stores (including satellite stores) in Eastleigh, London- Paddington Park West, Madrid- South 2, Almere, Aalsmeer, and Rotterdam
- Continue to expand portfolio of stores with a focus on key metropolitan areas with development and extension pipeline of 30 stores and 1.5m sq ft representing c. 18% of the existing portfolio
- New development or extension sites in the period secured in London / SE England and the Netherlands adding 263,250 sq ft of future MLA at London– Kingston, Welwyn Garden City, St Albans, Hemel Hempstead and Randstad- Utrecht
- Acquired the freehold interests of two stores in Utrecht and London- Paddington Park West and lease extensions completed for one store in London- Bermondsey

Strong and Flexible Balance Sheet

- 5.8% increase in property valuation (including investment properties under construction)
- 5.4% increase in EPRA basic NTA per share to £10.03 (FY 2023: £9.52)
- On 30 April 2024, the Group completed the financing of its RCF accordion option for £100m. This increased the facility to £500m
- Group loan-to-value ratio ("LTV"[14]) at 25.7% (FY 2023: 25.4%) and interest cover ratio ("ICR"[15]) at 5.0x (FY 2023: 6.7x)
- Ample liquidity with unutilised bank facilities of £245.4m at 30 April 2024 (FY 2023: £197.0m)
- 68% of debt at fixed interest rates with weighted average term of 4.7 years following refinancing of €51m USPP in May 2024

Frederic Vecchioli, Safestore's Chief Executive Officer, commented:

"We have delivered robust operating performance in difficult market conditions and have continued to demonstrate the value of our strategy of focusing on REVPAF to optimise returns from our assets.

Our track record has delivered market leading returns with revenue growing 49.3% since pre-pandemic as we grew occupied space by 31.8% and increased rental rates by 14.7% and ancillary revenue by 33.3% across all of our markets. During the period our central pricing approach has meant that we have been able to adapt our approach across our different markets to enable optimisation of revenue.

In the UK, despite a challenging economic backdrop, we have seen solid like-for-like revenue performance with broadly flat average storage rates and a small occupancy decline. We have delivered strong like-for-like revenue growth in our other markets demonstrating the value of our diversified approach led by our Benelux markets with 13.5% like-for-like revenue increases.

In addition, we continue to grow income through our store development programme. In the period new stores and developments, generated an additional £2.2m of revenue, with particularly strong performance in Spain as we leverage the Oh My Box! operating platform.

So far this year we opened six new stores from our development programme, adding 3% to our available rental area. The programme has a further 30 stores, including six in the second half of 2024, which will add 1.5m sq ft of new space when open. These development projects are concentrated, like our existing stores, in the major metropolitan areas in our markets with 94% in the largest cities such as London, Paris, Amsterdam / Randstad, Barcelona and Madrid. We have a clear track record of delivering 10%+ cash returns on new stores and so we are confident that this programme will be accretive on stabilisation after a short period where earnings are impacted.

Overall, we remain confident in our operating model and believe the market across Europe continues to have favourable supply / demand dynamics as reflected in the increase in value of our properties of 5.8% since the October year end.

The business continues to be highly cash generative with free cash flow of £41.0m in the period enabling us to both partially finance our development programme and to declare a 10.0p per share interim dividend to be paid in August.

As we look forward to the rest of the year, we expect to see trading move back into growth in the UK, notwithstanding the current short-term economic uncertainties, with continued growth in Europe leading to overall EPS for the full year in the lower half of consensus forecasts.

Finally, I would like to thank all of our colleagues across our stores and head office whose hard work and customer focus has enabled our results and continued success.

<u>Notes</u>

We prepare our financial statements using IFRS. However, we also use a number of adjusted measures in assessing and managing the performance of the business. These measures are not defined under IFRS and they may not be directly comparable with other companies' adjusted measures and are not intended to be a substitute for, or superior to, any IFRS measures of performance. These include like-for-like figures, to aid in the comparability of the underlying business as they exclude the impact on results of purchased, sold, opened or closed stores; and constant exchange rate (CER) figures are provided in order to present results on a more comparable basis, removing FX movements. These metrics have been disclosed because management review and monitor performance of the business on this basis. We have also included a number of measures defined by EPRA, which are designed to enhance transparency and comparability across the European Real Estate sector, see notes 9 and 11 below and "Non-GAAP financial information" in the notes to the financial statements.

1 – Where reported amounts are presented either to the nearest £0.1m or to the nearest 10,000 sq ft, the effect of rounding may impact the reported percentage change.

2 – CER is Constant Exchange Rates (Euro denominated results for the current period have been retranslated at the exchange rate effective for the comparative period. Euro denominated results for the comparative period are translated at the exchange rates effective in that period. This is performed in order to present the reported results for the current period on a more comparable basis).

3 – H1 2023 Revenue included £1.0m of insurance premium tax relating to the sale of customer goods insurance not repeated in FY 2024 due to a change in the way customer goods protection is provided in the UK. Excluding this, revenue at CER grew 0.7%. Cost of goods sold in H1 2023 included 1.0m of additional costs similarly not repeated in FY 2024

4 – Underlying EBITDA is defined as Operating Profit before exceptional items, share-based payments, corporate transaction costs, change in fair value of derivatives, gain/loss on investment properties, variable lease payments, depreciation and the share of associate's depreciation, interest and tax. Underlying EBITDA therefore excludes all leasehold rent charges. Underlying profit before tax is defined as underlying EBITDA less leasehold rent, depreciation charged on property, plant and equipment and net finance charges relating to bank loans and cash.

5 – Occupancy excludes offices but includes bulk tenancy. As at 30 April 2024, closing occupancy includes 18,000 sq ft of bulk tenancy (30 April 2023: 18,000 sq ft).

6 – MLA is Maximum Lettable Area. At 30 April 2024, Group MLA was 8.23m sq ft (30 April 2023: 7.99m sq ft).

7 – Average Storage Rate is calculated as the revenue generated from self-storage revenues divided by the average square footage occupied during the period in question.

8 – Revenue per Available Square Foot ("REVPAF") is an alternate performance measure used by the business and is considered by management as the best KPI of economic performance of a mature self-storage asset as it is the net outcome of the occupancy/rate mix plus ancillary sales. It is calculated by dividing revenue for the period by weighted average available square feet for the same period.

9 – Adjusted Diluted EPRA EPS is based on the European Public Real Estate Association's definition of Earnings and is defined as profit or loss for the period after tax but excluding corporate transaction costs, change in fair value of derivatives, gain/loss on investment properties and the associated tax impacts. The Company then makes further adjustments for the impact of exceptional items, IFRS 2 share-based payment charges, exceptional tax items, and deferred tax charges. This adjusted earnings is divided by the diluted number of shares. The IFRS 2 cost is excluded as it is written back to distributable reserves and is a non-cash item (with the exception of the associated National Insurance element). Therefore, neither the Company's ability to distribute nor pay dividends are impacted (with the exception of the associated National Insurance element). The financial statements will disclose earnings on a statutory, EPRA and Adjusted Diluted EPRA basis and will provide a full reconciliation of the differences in the financial year in which any LTIP awards may vest.

10 – Free cash flow is defined as cash flow before investing and financing activities but after leasehold rent payments.

11 – EPRA's Best Practices Recommendations guidelines for Net Asset Value ("NAV") metrics are EPRA Net Tangible Assets ("NTA"), EPRA Net Reinstatement Value ("NRV") and EPRA Net Disposal Value ("NDV"). EPRA NTA is considered to be the most relevant measure for the Group's business which provides sustainable long term progressive returns and is now the primary measure of net assets. The basis of calculation, including a reconciliation to reported net assets, is set out in note 14.

12 – Like-for-like adjustments remove the impact of the 2024 openings and post-period end openings at Eastleigh, South Madrid 2, Almere, Aalsmeer, and Rotterdam, the 2023 acquisition of Apeldoorn and the 2023 openings of Wigan, London-Morden, Ellesmere Port, North Barcelona, South Barcelona, Central Barcelona 3, South Madrid, North Madrid, East Madrid, and Amersfoort.

13 – Operating profit increased by £71.4m to £186.3m (30 April 2023: £114.9m) compared to last year, principally as a result of an increase the gain on Investment properties of £74.4m to £121.7m (30 April 2023: £47.3m).

14 – LTV ratio is Loan-to-Value ratio, which is defined as net debt (excluding lease liabilities) as a proportion of the valuation of investment properties and investment properties under construction (excluding lease liabilities). At 30 April 2024, the Group LTV ratio was 25.7%. (31 October 2023: 25.4%)

15 – ICR is interest cover ratio and is calculated as the ratio of underlying EBITDA after leasehold rent to underlying finance charges.

16 – As at the date of publication, the consensus of 12 analysts' forecasts of Adjusted EPRA EPS was 46.1p.

Reconciliations between underlying metrics and statutory metrics can be found in the financial review and financial statements sections of this announcement.

Summary

Following three years of market outperformance during which like-for-like revenue increased by 26.9% and REVPAF by 7.4%, we have delivered a robust financial performance in the first half of the financial year, against a backdrop of challenging economic conditions, particularly in the UK, resulting in revenue down slightly by 0.8% to £109.2m (H1 2023: £110.1m). This was driven by broadly stable like-for-like revenue at CER (down 0.3%), the negative impact of adverse currency exchange rate (0.6%), increases in revenue from new stores and developments (1.0%) less the impact of changes in customer goods protection and insurance in the UK (1.0% impact).

Profit before income tax increased to £173.7m from £103.4m in 2023 as a result of a gain on the revaluation of investment properties of £126.1m (H1 2023: gain of £51.7m) partially offset by a decrease in underlying trading performance of £2.6m.

Our operational performance across the UK has been resilient in the current economic environment with like-for-like revenue of £78.6m, down 1.5% from £79.8m in the prior period. Average storage rate, driven by our industry leading digital marketing platform, enquiry generation and store team conversion, has again performed well, particularly considering the strength of the prior year performance, maintaining a steady like-for-like rate of £30.45 (H1 2023: £30.51). Like-for-like closing occupancy at the period-end was down 2.6ppts at 75.6% (H1 2023: 78.2%). New stores and developments contributed a further incremental £0.3m of revenue in the period.

In Paris, our trading performance was steady with like-for-like revenue growing by 1.4%. This was driven by our like-for-like average occupancy increasing by 1.1% compared to the prior year with closing occupancy growing by 1.0ppts to 81.1% (H1 2023: 80.1%). Average like-for-like storage rate was down 0.6% at €41.78 (H1 2023: €42.02).

Our Spanish business, which was acquired in December 2019, contributed €2.0m of like-for-like revenue, up 2.4% compared to the prior year. This was driven by like-for-like average occupancy growth of 1.1% compared to the prior year despite the impact of our neighbouring new store openings in Barcelona, offset by a reduction in the average like-for-like storage rate of 0.8% to €36.71 (H1 2023: €37.00) but with growth in ancillary revenue a continued focus. Closing like-for-like occupancy was up 3.6ppts at 77.7% (H1 2023: 74.1%). We continue to grow our Spanish business and new stores and developments added an incremental €0.8m of revenue in the period. We have 12 stores in Spain including post-period end openings with a further four in the pipeline bringing benefits of additional operational leverage.

Our Belgium and Netherlands (together “Benelux”) businesses, which were acquired in 2022, contributed €6.0m of like-for-like revenue, up 13.5% compared to the prior year. This was driven by like-for-like average rate growth of 7.0% in the Netherlands and 13.5% in Belgium compared to the prior year, with the average like-for-like storage rate increasing to €21.14 and €23.60 respectively (H1 2023: €19.76 and €20.80) coupled with an increase in like-for-like average occupancy of 2.1%. Closing like-for-like occupancy was up 1.6ppts in the Netherlands up 3.4ppts in Belgium at 80.6% and 79.3% respectively (H1 2023: 79.0% and 75.9%). We now have 20 stores in the Benelux including post-period end openings with a further three in the pipeline.

Group underlying EBITDA of £67.1m decreased 3.3% at CER on the prior year and 3.7% on a reported basis, reflecting the impact of the 2.1% strengthening of the average Sterling to Euro exchange rate, compared to the prior period, on the profit earned on our Paris, Spain and Benelux businesses. Adjusted diluted EPRA EPS decreased by 10.5% in the period to 21.2p (H1 2023: 23.7p).

During the year to date we have opened 259,700 sq ft of new space across six stores, including post-period end openings. We continue to expand our portfolio of stores with a focus on key metropolitan areas and have a pipeline of 1.5m sq ft of new stores and developments which will add 18% to our existing asset base.

Our property portfolio valuation (excluding investment properties under construction) has increased by £157.7m since October 2023 to £2,838.8m. The increase comprises a revaluation gain of £129.5m (equivalent to 4.8% of the valuation at October 2023), £46.0m of additions and reclassifications, less an unfavourable currency impact of £17.8m. The Group’s external valuers, Cushman & Wakefield Debenham Tie Leung Limited ("C&W"), valued 30% of the portfolio at April 2024 with a Directors’ valuation being carried out, with the assistance of C&W, on the remaining 70%.

Reflecting the Group's solid trading performance, the Board is pleased to recommend an interim dividend of 10.0p per share (H1 2023 9.9p).

Outlook

We remain focused on further optimising the Group's operational performance and continuing to grow in all of our geographies. Our development pipeline represents 18% of our existing MLA and our balance sheet strength and flexibility provide us with the opportunity to consider further self-funded selective development and acquisition opportunities in all of our markets.

As disclosed in our 2023 full year results, we expect the development pipeline and associated financing to be dilutive to earnings in the 2024 financial year before becoming highly accretive in future years as the stores stabilise. We believe that, on stabilisation, an incremental £30-£35 million of EBITDA will be added by the 30 projects in the pipeline together with the stores opened in the last 18 months.

Our business model has proven to be highly resilient as we navigate the current economic backdrop. We believe the Group is strongly positioned with low leverage at 25.7% LTV, 68% fixed-rate debt, strong operating margins and the potential for material earnings growth through the opening of our pipeline space together with our existing stores, all supported by our 25-year track record of delivering market leading operational performance.

Since 30 April 2024, UK trading has been slightly improving with domestic like for like occupancy now flat year-on-year and business occupancy improving 0.90ppts since 30 April 2024 to (3.6%) year-on-year, with Paris, Spain and Benelux trading consistently with the first half. New store openings are trading in line with expectations.

Notes to Editors
For further information, please contact:

Safestore Holdings PLC	
Frederic Vecchioli, Chief Executive Officer	020 8732 1500
Simon Clinton, Chief Financial Officer	

www.safestore.com

Instinctif Partners	
Guy Scarborough	020 7457 2020
Bryn Woodward	

A conference call for analysts will be held at 9:30am today.

For dial-in details of the presentation please contact:

Guy Scarborough (guy.scarborough@instinctif.com or telephone on 07917 178920).

- Safestore is the UK's largest self-storage group with 192 stores on 30 April 2024, comprising 135 wholly owned stores in the UK (including 74 in London and the South East with the remainder in key metropolitan areas such as Manchester, Birmingham, Glasgow, Edinburgh, Liverpool, Sheffield, Leeds, Newcastle, and Bristol), 29 wholly owned stores in the Paris region, 11 stores in Spain, 11 stores in the Netherlands and 6 stores in Belgium.

- Safestore operates more self-storage sites inside the M25 and in central Paris than any competitor providing more proximity to customers in the wealthiest and more densely populated UK and French markets.

- Safestore was founded in the UK in 1998. It acquired the French business "Une Pièce en Plus" ("UPP") in 2004 which was founded in 1998 by the current Safestore Group CEO Frederic Vecchioli.

- Safestore has been listed on the London Stock Exchange since 2007. It entered the FTSE 250 index in October 2015.

- The Group provides storage to over 90,000 personal and business customers.

- As at 30 April 2024, Safestore had a maximum lettable area ("MLA") of 8.230 million sq ft (excluding the expansion pipeline stores) of which 6.129 million sq ft was occupied.

- Safestore employs around 750 people in the UK, Paris, Spain, the Netherlands and Belgium.

Our Strategy

The Group intends to continue to deliver on its proven strategy of leveraging its well-located asset base, management expertise, infrastructure, scale and balance sheet strength and further increase its Earnings per Share by:

- Optimising the trading performance of the existing portfolio;
- Maintaining a strong and flexible capital structure; and
- Taking advantage of selective portfolio management and expansion opportunities in our existing markets and, if appropriate, in attractive new geographies either through a joint venture or in our own right.

In addition, the Group's strategy is pursued whilst maintaining a strong focus on Environmental, Social and Governance ("ESG") matters and a summary of our ESG strategy is provided further on.

Optimisation of Portfolio

With the opening of 35 new stores since August 2016 including post period openings, in addition to the acquisitions of 47 existing trading stores, we have established and strengthened our market-leading portfolio in the UK and Paris and have entered the Spanish, Netherlands and Belgium markets. We have a high quality, fully invested estate in all geographies and, of our 192 stores as at 30 April 2024, 103 are in London and the South East of England or in Paris, with 61 in the other major UK cities and 28 in Spain and the Benelux region. In the UK, we now operate 51 stores within the M25, which represents a higher number of stores than any other competitor.

Our MLA has increased to 8.2m sq ft at 30 April 2024 (FY 2023: 8.1m sq ft). At the current occupancy level of 76.9% on a like-for-like basis, we have 2.1m sq ft of fully invested unoccupied space (3.8m sq ft including the development pipeline and post-period end openings), of which 1.5m sq ft is in our UK stores, 0.3m sq ft is in Paris and 0.3m sq ft is in Spain and Benelux. In total, unlet space at our existing stores is the equivalent of c. 53 empty stores located across the estate and provides the Group with significant opportunity to grow further. We have a proven track record of filling our vacant space at efficiently managed rates, so we view this availability of space with considerable optimism. We will also benefit from the operational leverage from the fact that this available space is fully invested, and the related operating costs are essentially fixed and already included in the Group cost base. Our continued focus will be on ensuring that we drive occupancy to utilise this capacity at carefully managed rates. From full year 2013 to half year 2024, occupancy of the stores in the portfolio in 2013 that remain in the Group today has increased from 63.1% to 77.8%, i.e. an average of 1.3ppts per year and equivalent to a total of c. 1.0m sq ft.

There are three elements that are critical to the optimisation of our existing portfolio:

- Enquiry generation through an efficient marketing operation;
- Strong conversion of enquiries into new lets; and
- Disciplined central revenue management and cost control.

Digital Marketing Expertise

Awareness of self-storage remains relatively low with half of the UK population either knowing very little or nothing about self-storage (source: SSA Annual Report 2024). In the UK, many of our new customers are using self-storage for the first time and it is largely a brand-blind purchase. Typically, customers requiring storage start their journey by conducting online research using generic keywords in their locality (e.g. "storage in Borehamwood", "self-storage near me") which means that geographic coverage and search engine prominence remain key competitive advantages.

We believe there is a clear benefit of scale in the generation of customer enquiries. The Group has continued to invest in technology and in-house expertise which has resulted in the development of a leading digital marketing platform that has generated 39% enquiry growth for the Group over the last five years, an annual growth of 7%. Our in-house expertise and significant annual budget have enabled us to deliver strong results.

The Group's online strength came to the fore during the various Covid-19 lockdowns and has since continued to be the predominant channel for customer acquisition. Online enquiries in the first half of this year made up 89% of all our enquiries in the UK (H1 2023: 89%), with 85% in France (H1 2023: 84%). The majority of our online enquiries now originate from a mobile device (69% share in UK for H1 2024, H1 2023: 65%), highlighting the need for continual investment in our responsive web platform for a "mobile-first" world. We continue to invest in activities that promote a strong search engine presence to grow enquiry volume whilst managing efficiency in terms of overall cost per enquiry and cost per new let. Group marketing costs for the half year as a percentage of revenue were in line with the previous year at 4.0% (H1 2023: 3.6%).

During the period and post-period end, the Group demonstrated its ability to integrate newly developed and acquired stores into its marketing platform with successful new openings at Eastleigh, South Madrid, Almere, Aalsmeer, and Rotterdam in the Netherlands; and the satellite store at London Paddington Park West Place. We have clearly demonstrated that our marketing platform is transferrable into multiple overseas geographies.

Motivated and effective store teams benefiting from investment in training and development

Training, People and Performance Management

In what is still a relatively immature and poorly understood market, customer service and selling skills at the point of sale remain essential in earning the trust of the customer and in driving the appropriate balance of volumes and unit price in order to optimise revenue growth in each store.

Our enthusiastic, well-trained, and customer-centric sales team remains a key differentiator and a strength of our business. Understanding the needs of our customers and using this knowledge to develop trusted in-store advisors is a fundamental part of driving revenue growth and market share.

Safestore has been an Investors in People ("IIP") accredited organisation since 2003 and we passionately believe that our continued success is dependent on our highly motivated and well-trained colleagues. Following the award of a Bronze accreditation in 2015, a Gold accreditation in 2018, and a Platinum accreditation in 2021, we were delighted to be awarded the "we invest in people" Platinum accreditation again in March 2024. Platinum is the highest accolade in the Investors in People scale and achieving Platinum twice is a fantastic achievement placing us as an employer of choice.

IIP is the international standard for people management, defining what it takes to lead, support, and engage people effectively to achieve sustainable results. Underpinning the standard is the Investors in People framework, reflecting the latest workplace trends, essential skills and effective structures required to outperform in any industry. Investors in People enables organisations to benchmark against the best in the business on an international scale. We are proud to have our colleagues recognised to such a high standard.

We are committed to growing and rewarding our people and we tailor our development, reward and recognition programmes to reflect this. Our IIP recognised coaching programme, launched in 2018 and upgraded every year since, continues to be a driving force behind the continuous performance improvement demonstrated by our store colleagues.

Our online learning portal, combined with the energy and flexibility of our store colleagues, allows us to deliver our award-winning development programmes.

All new recruits to the business benefit from enhanced induction and training tools that have been developed in-house and enable us to quickly identify high-potential individuals and increase their speed to competency. They receive individual performance targets within four weeks of joining the business and are placed on the "pay-for-skills" programme that allows accelerated basic pay increases dependent on success in demonstrating specific and defined skills. The key target of our programme remains that we grow our talent through our internal Store Manager Development ("SMD") programme, and we are pleased with our progress to date.

Our SMD programme has been in place since 2016 and is a key part of succession planning for future Store Managers. All eleven participants of our 2023 SMD programme successfully completed their Level 3

Management and Leadership apprenticeship, and we're delighted that ten of those participants were awarded distinctions.

In January 2024, we commenced our seventh SMD programme. Funded by the Apprenticeship Levy this programme provides the opportunity to complete a Level 3 Management and Leadership apprenticeship, with the additional opportunity to complete an Institute of Leadership and Management ("ILM") qualification.

Our Senior Leadership Development programme ("LEAD") focuses on developing our high performing Store Managers, aimed at preparing them for more senior roles within the business. We are proud that all nine participants of our Senior Leadership Development programme (LEAD Academy) successfully completed their Level 5 Management and Leadership apprenticeship; six of those participants were awarded Distinctions.

Our performance dashboard allows our store and field teams to focus on the key operating metrics of the business providing an appropriate level of management information to enable swift decision making. Reporting performance down to individual colleague level enhances our competitive approach to team and individual performance. We continue to reward our store colleagues for their performance with bonuses of up to 50% of basic salary based on their achievements against individual targets for new lets, occupancy, and ancillary sales. In addition, our Values and Behaviours framework is overlaid on individuals' performance in order to assess performance and development needs on a quarterly basis.

Our "Make the Difference" people forum, launched in 2018, enables frequent opportunities for us to hear and respond to our colleagues. Our network of 15 "People Champions" collects questions and feedback from their peers across the business and put them to members of the Executive Committee. We drive change and continuous improvement in responding to the feedback we receive for "Our Business, Our Customers and Our Colleagues".

People Champions:

- Consult and collect the views and suggestions of all colleagues that they represent;
- Engage in the bi-annual "Make the Difference" people forum, raising and representing the views of their colleagues; and
- Consult with and discuss feedback with management and the leadership team at Safestore.

Our values are authentic, having been created by our people. They are core to the employment life cycle and bring consistency to our culture. Our leaders have high values alignment enabling us to make the right decisions for our colleagues and our customers.

Our customers continue to be at the heart of everything we do, whether it be in store, online or in their communities. Our commitment to our customers mirrors that of our commitment to our colleagues.

Technological Developments

After delivering the appropriate technology the Group recently opened a further two fully automated, unmanned, satellite self-storage centre in Eastleigh and London Paddington Park West having opened its first in Christchurch in FY 2023. Utilising industry leading automated technology, along with in-house created communication and control technologies, customers can securely enter the building and their storage unit from a simple app on their mobile phone. Several additional unmanned satellite stores are currently under various stages of development in the UK.

Our customers also have the option to complete a booking and contract for a self-storage unit online for any UK store location. The Group's belief is that its multi-channel sales strategy utilising, full automation, colleague interaction through our store sales teams or our specialist call centre and National Accounts team provide each type of customer with the most tailored and easy way to buy self-storage at Safestore.

Customer Satisfaction

In February 2024, Safestore UK won the Feefo Platinum Trusted Service award for the fifth time. The award is given to businesses which have achieved Gold standard for three consecutive years. It is an independent mark of excellence that recognises businesses for delivering exceptional experiences, as rated by real customers. In addition to using Feefo, Safestore invites customers to leave a review on a number of review platforms, including Google and Trustpilot. Our ratings for each of these three providers in the UK are between 4.7 and 4.9 out of 5. In France, Une Pièce en Plus uses Google and Trustpilot to obtain independent customer reviews and In H1 2024, achieved a 4.7 out of 5 and a "TrustScore" of 4.6 out of 5 respectively. In Spain, OMB collects customer feedback via Google reviews and has attained a score of 4.9 out of 5.

Central Revenue Management and Cost Control

We continue to pursue a balanced approach to revenue management. We aim to optimise revenue per available space ("REVPAF") by improving the utilisation of the available space in our portfolio at carefully managed rates. Our central pricing team is responsible for the management of our dynamic pricing policy, which is set weekly at the granular level of store / unit size, together with the implementation of promotional offers and the identification of additional ancillary revenue opportunities. Whilst prices are managed centrally, where it is appropriate the store sales teams have the ability to offer discretionary discounts or a Lowest Price Guarantee in the event that a local competitor is offering a lower price in order to optimise REVPAF.

Average rates are predominantly influenced by:

- The store location and catchment area;
- The volume of enquiries generated online and available space;
- The store team skills at converting these enquiries into new lets at the expected price; and
- The very granular pricing policy and the confidence provided by analytical capabilities and systems that smaller players might lack.

We believe that Safestore has a very strong proposition in each of these areas.

Costs are managed centrally with a lean structure maintained at Head Office. Enhancements to cost control are continually considered and, particularly in the context of the current inflationary environment, the cost base is challenged on an ongoing basis.

Strong and Flexible Capital Structure

We believe that our capital structure is appropriate for our business, with a strong position which provides us with the flexibility to take advantage of carefully evaluated development and acquisition opportunities.

The Group finances its operations through a combination of equity and debt. As at 30 April 2024, the Loan to Value ("LTV") ratio for the Group was 25.7% (H1 2023: 25.3%) which is well below the 40% maximum policy rate which the Board considers appropriate.

Both this LTV and the interest cover ratio of 5.0x for the twelve-month period ended 30 April 2024 provides us with significant headroom compared to our banking covenants (LTV of 60% and ICR of 2.4:1).

At 30 April 2024, the Group's weighted average cost of debt was 3.77% (3.35% after capitalised interest) and 68% of our drawn debt was incurred a fixed rate of interest (FY 2023: 2.97% and 73% respectively). The weighted average maturity of the Group's drawn debt was 4.5 years (FY 2023: 4.1 years) with this increasing to 4.7 years following the repayment of the 2024 USPP in May 2024.

We have ample liquidity with £245.4 million of undrawn bank facilities at 30 April 2024 following the exercise of an additional £100 million accordion option on our revolving credit facility which takes total funds available under our committed RCF to £500m. In addition, the Group's operations are strongly cash generative and produce sufficient free cash flow to fund our progressive dividend policy together with the development of three to four new stores per annum depending on location and cost of land.

The ongoing market for self-storage is supporting investor demand which has led to increased valuations. In the period ending 30 April 2024, valuations on a constant currency basis of the standing store portfolio (excluding additions and reclassifications) grew £130.2m to £2,811.3m (FY 2023: £2,681.1m) demonstrating the underlying strength of the balance sheet.

Recent refinancing

On 30 April 2024, the Group exercised the RCF's accordion option to increase the committed facility by £100m to £500m. The facility currently has a term to November 2027 with an option for us to extend by a further year.

The Group pays interest on the RCF at a margin of 125bps plus SONIA or Euribor depending on both Sterling and Euro drawn amounts. The margin on the facility is also linked to ESG targets, enabling a reduction in the margin of up to 5bps to 120bps when certain targets are met.

The 2024 tranche of US Private Placement notes matured at the end of May 2024 and were repaid utilising existing facilities. The Euro denominated borrowings provide a natural hedge against the Group's investment in the Paris, Spain and Benelux businesses.

The main covenants under all of the Group's borrowings are a Group Loan-to-value ("LTV") covenant of 60% and an Interest Cover Ratio covenant of 2.4x. At 30 April 2024, all covenants have been comfortably met.

ESG Strategy

ESG: Sustainable Self-Storage

Our purpose - *to add stakeholder value by developing profitable and sustainable spaces that allow individuals, businesses and local communities to thrive* – is supported by the "pillars" of our sustainability strategy: our people, our customers, our community and our environment. In addition, the Group and its stakeholders recognise that its efforts are part of a broader movement and we have, therefore, aligned our objectives with the UN Sustainable Development Goals ("SDGs"). We reviewed the significance of each goal to our business, their importance to our stakeholders and assessed our ability to contribute to each of them. Following this materiality exercise, we have chosen to focus our efforts in the areas where we can have a meaningful impact. These are "Decent work and economic growth" (goal 8), "Sustainable cities and communities" (goal 11), "Responsible consumption and production" (goal 12) and "Climate action" (goal 13).

Sustainability is embedded into day-to-day responsibilities at Safestore and, accordingly, we have opted for a governance structure which reflects this. Two members of the Executive Management team co-chair a cross-functional sustainability group consisting of the functional leads responsible for each area of the business.

In 2018, the Group established medium-term targets in each of the "pillars" towards which the Group continued to progress in H1 2024.

Our people: Safestore was awarded the prestigious Investors in People ("IIP") Platinum accreditation in both 2021 and 2024. Platinum is the highest level of accreditation possible to achieve on our We invest in people accreditation.

It means policies and practices around supporting people are embedded in every corner of Safestore. And in a platinum company, everyone knows they have a part to play in the company doing well and are always looking for ways to improve.

Our customers: the Group's brands continue to deliver a high-quality experience, from online enquiry to move-in. This is reflected in customer satisfaction scores on independent review platforms (Trustpilot, Feefo, Google) of over 90% in each market. The introduction of digital contracts during the pandemic offers both customer convenience and a reduction in printing, saving an estimated 44,000 pieces of paper each month.

Our community: we remain committed to being a responsible business by making a positive contribution within the local communities wherever our stores are based. We continue to do this by developing brownfield sites and actively engaging with local communities when we establish a new store, identifying and implementing greener approaches in the way we build and operate our stores, helping charities and communities to make better use of limited space, and creating and sustaining local employment opportunities directly and indirectly through the many small and medium-sized enterprises which use our space. During FY

2023, the space occupied by local charities in 184 units across 104 stores was 20,941 sq ft and worth £0.9 million.

Our environment: we are committed to ensuring our buildings are constructed responsibly and their ongoing operation has a minimal impact on local communities and the environment. It should be noted that the self-storage sector is not a significant consumer of energy when compared with other real estate subsectors. As a result, operational emissions intensity tends to be far lower. According to a 2023 report by KPMG and EPRA, self-storage generates the lowest greenhouse gas emissions intensity (4 kg/m^2 for scope 1 and 2) of all European real estate sub-sectors. Reflecting the considerable progress made on energy mix, efficiency measures and waste reduction to date, our emissions intensity is considerably than the self-storage subsector average.

In H1 2024, the Group continued progress towards achieving operational carbon neutrality (target 2035) by implementing key elements of the transition plan, specifically removal of gas-burning appliances from a further six stores in the UK estate and ensuring all new openings meet or exceed minimum energy performance standard of a ‘B’ rating and include energy solar PV installations where viable.

In addition to the IIP award and the customer satisfaction ratings, the Group has received recognition for its sustainability progress and disclosures in the last twelve months. Safestore has been given a Silver rating in the 2023 EPRA Sustainability BPR awards. The Global ESG Benchmark for Real Assets (“GRESB”) has once again awarded Safestore an “A” rating in its 2023 Public Disclosures assessment. MSCI has also awarded Safestore its second-highest rating of “AA” for ESG. The Group has also been awarded the highest rating of five stars by Support the Goals.

Portfolio Management

Our approach to store development and acquisitions in the UK, Paris, Spain, the Netherlands, Belgium and, through our joint venture with Carlyle, in Germany, continues to be pragmatic, flexible and focused on the return on capital.

Our experienced and skilled property teams in all geographies continue to seek investment opportunities in new sites to add to the store pipeline. However, investments will only be made if they comply with our disciplined and strict investment criteria. Our preference is to acquire sites that are capable of being fully operational within 18-24 months from completion.

Since 2016, the Group has opened 35 new stores in the UK (17), Paris (5), Spain (8) and the Netherlands (5) adding 1,677,000 sq ft of MLA.

In addition, the Group has acquired 47 existing stores through the acquisitions of Space Maker, Alligator, Fort Box, Salus and Your Room in the UK, OhMyBox! in Barcelona, the Lokabox and M3 group from our Benelux JV acquisition, and Apeldoorn in the Netherlands. These acquisitions added a further 1,890,000 sq ft of MLA and revenue performance has been enhanced in all cases under the Group’s ownership.

In the same period, we have also completed the revenue enhancing extensions and refurbishments of eleven stores adding a net 141,000 sq ft of fully invested space to the estate. All of these stores are performing in line with or ahead of their business plans.

The Group’s current pipeline of new developments and store extensions (see below) has grown significantly over the last year and now constitutes c. 1,486,000 sq ft of future MLA. The pipeline is equivalent to c. 18% of the existing portfolio. The outstanding capital expenditure of £170 million is expected to be funded from the Group’s existing resources.

Property Pipeline

Openings of New Stores and Extensions

Opened YTD 2024	FH/LH	MLA	Development Type
New Developments			
Eastleigh	LH	14.0	Conversion, Satellite
London- Paddington Park West	FH	13.0	Conversion, Satellite
Madrid- South 2	FH	68.8	Conversion
Randstad- Aalsmeer	FH	48.4	New build
Randstad- Almere	FH	44.5	Conversion
Randstad- Rotterdam	FH	71.0	New build
Total New Developments Opened H1 2024 and post-period end		**259.7**	

In the period we opened two stores in the UK with a further four in Spain (1) and the Netherlands (3) opened early in H2 2024, adding in total 259,700 sq ft of MLA to our portfolio contributing significantly to our operational scale in our growing EU markets. The new stores include two new satellite stores, adding capacity in high-demand locations whilst leveraging the existing cost base and customer relationships.

Development Sites

Opening H2 2024	FH/LH	Status*	MLA	Development Type
Redevelopments and Extensions				
London- Holloway	FH	C, UC	9.5	Extension
Paris- Poissy	FH	C, UC	25.0	Extension
Paris- Pyrenees	LH	C, UC	15.4	Extension
Total Redevelopments and Extensions H2 2024			**49.9**	
New Developments				
London- Lea Bridge	FH	C, UC	80.9	New build
St Albans	FH	C, UC	56.0	Conversion
Paris- South Paris	FH	C, UC	55.0	New build
Total New Developments H2 2024			**191.9**	
Total Opening H2 2024			**241.8**	
Opening 2025				
New Developments				
London- Walton	FH	C, PG	20.7	Conversion
London- Wembley	FH	C, PG	55.0	New build
London- Watford	FH	CE, PG	57.5	New build
London- Woodford	FH	C, PG	68.7	New build
Paris- La Défense	FH	C, UC	44.0	Mixed use facility
Paris- West 3	FH	C, UC	58.0	New build
Paris- East 1	FH	C, PG	60.0	Conversion
Paris- North West 1	FH	C, PG	54.0	Conversion
Paris- West 1	FH	C, PG	56.0	New build
Paris- West 4	FH	CE, PG	53.0	New Build
Barcelona- Central 2	LH	C, UC	20.4	Conversion
Madrid- North East	FH	C, UC	57.0	Conversion
Madrid- South West	FH	C, UC	45.4	Conversion
Pamplona	FH	C, PG	60.7	Conversion
Randstad- Amsterdam	FH	C, PG	65.4	New build
Randstad- Utrecht	FH	C, PG	50.0	Conversion
Brussels- Zaventem	FH	C, PG	47.4	New build
Total New Developments 2025			**873.2**	
Opening Beyond 2025				
New Developments				
London- Bermondsey	FH	C, STP	50.0	New build
London- Old Kent Road	FH	C, STP	75.6	New build
London- Romford	FH	C, STP	41.0	New build
Shoreham	FH	CE, PG	47.0	New build
Hemel Hempstead	FH	CE, STP	51.3	New build
London- Kingston	FH	CE, STP	55.0	New build
Welwyn Garden City	FH	CE, STP	51.0	New build
Total New Developments Beyond 2025			**370.9**	
Total Pipeline			**1,485.9**	

**C = completed, CE = contracts exchanged, STP = subject to planning, PG = planning granted, UC = under construction*

We have three redevelopments and extensions and a further three new stores under construction with expected completion dates in H2 2024. These will add 241,800 sq ft of new space and are all located in London and its surroundings and in Paris.

Our pipeline of new store developments continues with 30 projects identified which will deliver an additional 1,486,000 sq ft of new space. The developments are located in all of our markets and are focused in the key cities London (11 stores, 565,000 sq ft), Paris (9 stores, 420,000 sq ft), Barcelona and Madrid (3 stores, 123,000 sq ft), the Randstad in the Netherlands (2 stores, 115,000 sq ft), Brussels (1 store, 47,000 sq ft) and other regional cities (4 stores, 216,000 sq ft).

The pipeline is expected to deliver 873,200 sq ft of new space opening in FY 2025 and 370,850 in later years. All property projects require planning permission and of the projects 75% are projects with planning granted and 25% of projects are still subject to planning. Typically, we aim to structure our development opportunities to minimise planning risk and working capital by making completion on contracts for opportunities to also be subject to planning.

Of the development projects two (7%) are leasehold sites where the city-centre locations have limited freehold development opportunities but are where we believe there is strong customer demand.

Portfolio Summary

The self-storage market has been growing consistently for over 20 years across many European countries, but few regions offer the unique characteristics of London and Paris, both of which consist of large, wealthy and densely populated markets. In the London region, the population is 13 million inhabitants with a density of 5,200 inhabitants per square mile in the region, 11,000 per square mile in central London and up to 32,000 per square mile in the densest boroughs.

The population of the Paris urban area is 10.7 million inhabitants with a density of 9,300 inhabitants per square mile in the urban area but 54,000 per square mile in the City of Paris and first belt, where 69% of our French stores are located and which has one of the highest population densities in the western world. 85% of the Paris region population live in central parts of the city versus the rest of the urban area, which compares with 60% in the London region. There are currently c. 250 storage centres within the M25 as compared to only c. 125 in the Paris urban area. The density of self-storage supply is estimated to be 0.89 sq ft per inhabitants in the UK and 0.40 sq ft in Paris.

In addition, barriers to entry in these two important city markets are high, due to land values and limited availability of sites as well as planning regulation. This is the case for Paris and its first belt in particular, which inhibits new development possibilities.

Over the last four years the Group has expanded into further attractive, under-penetrated markets in Spain, the Netherlands and Belgium with a focus on the conurbations of Barcelona, Madrid, the Randstad area and Brussels. All these new markets, particularly Madrid and Barcelona, are wealthy high-density conurbations with very high barriers to entry. The density of self-storage supply is estimated at 0.50 sq ft per inhabitants in the Netherlands, 0.20 sq ft in Belgium, 0.54 sq ft in Madrid and 0.65 sq ft in Barcelona.

Store Portfolio by Region	London & South East	Rest of UK	UK Total	Paris	Spain	Benelux	Group Total
Number of Stores	74	61	135	29	11	17	192
Let Square Feet (m sq ft)	2.252	2.064	4.316	1.104	0.179	0.530	6.129
Maximum Lettable Area (m sq ft)	3.000	2.820	5.820	1.360	0.340	0.710	8.230
Average Let Square Feet per store (k sq ft)	30	34	32	38	16	31	32
Average Store Capacity (k sq ft)	41	46	43	47	31	42	43
Closing Occupancy %	75.3%	73.2%	74.3%	81.1%	52.1%	73.9%	74.4%
Average Rate (£ per sq ft)	36.85	23.30	30.34	35.91	25.60	18.39	30.16
Revenue (£'m)	50.2	29.5	79.7	21.6	2.40	5.50	109.2
Average Revenue per Store (£'m)	0.68	0.48	0.59	0.74	0.22	0.32	0.57

The reported totals have not been adjusted for the impact of rounding

We have a strong position in both the UK and Paris markets operating 135 stores in the UK, 74 of which are in London and the South East, and 29 stores in Paris.

In the UK, 63% of our revenue is generated by our stores in London and the South East. On average, our stores in London and the South East are smaller than in the rest of the UK but the rental rates achieved are materially higher, enabling these stores to typically achieve similar or better margins than the larger stores. In London we operate 51 stores within the M25, more than any other competitor.

In France, we have a leading position in the heart of the affluent City of Paris market with nine stores branded as Une Pièce en Plus (“UPP”) (“A spare room”). Over 60% of the UPP stores are located in a cluster within a five-mile radius of the city centre, which facilitates strong operational and marketing synergies as well as options to differentiate and channel customers to the right store subject to their preference for convenience or price affordability. The Parisian market has attractive socio-demographic characteristics for self-storage and we believe that UPP enjoys unique strategic strength in such an attractive market.

In Spain, including post-period end openings, the Group has twelve stores open in Barcelona and Madrid with a further three stores in the pipeline in these two cities and one in Pamplona in the Basque Country/ Navarra region which has clusters of population benefitting from an above average dynamic and healthy economy

In the Benelux Region, including post-period end openings, the Group has fourteen stores open in the Netherlands and six in Belgium. The pipeline contains a further two stores in the Netherlands and two in Belgium.

In addition, we have the benefit of a leading national presence in the UK outside of London where the stores are predominantly located in the centre of key metropolitan areas such as Birmingham, Manchester, Liverpool, Bristol, Newcastle, Glasgow and Edinburgh.

Market

The self-storage market in the UK, France, Spain, the Netherlands and Belgium remains relatively immature compared to geographies such as the USA and Australia. The SSA Annual Survey (May 2024) confirmed that self-storage capacity stands at 0.89 sq ft per head of population in the UK. The most recent report relating to Europe (FEDESSA's 2023 report) showed that capacity in France is 0.35 sq ft per capita. Whilst the Paris market density is greater than France, we estimate it to be significantly lower than the UK at around 0.4 sq ft per inhabitant. This compares with closer to 7 sq ft per inhabitant in the USA and 2 sq ft in Australia. In the UK, in order to reach the US density of supply, it would require the addition of around another 17,000 stores as compared to c. 1,500 currently. In the Paris region, it would require around 2,400 new facilities versus c. 122 currently opened.

In Spain, the Netherlands and Belgium, penetration is similarly low. In Spain capacity is around 0.32 sq ft per head of population and the consumer is serviced by just 585 stores. In the Netherlands penetration is 0.50 sq ft per head of population (320 stores) and in Belgium 0.20 sq ft per head of population (96 stores).

The Group has a JV with Carlyle in Germany. The German market is one of Europe's more under-penetrated markets with just 0.21 sq ft of storage space per capita and, according to the 2023 FEDESSA report, there are just 530 facilities in the country and 17.4 million sq ft of lettable space.

Our interpretation of the most recent 2024 SSA report is that operators remain optimistic about their trading and the future growth of the industry. The level of development estimated for the next three years is similar to that witnessed in recent years and we do not consider this level of new supply growth to be of concern, especially as we believe new supply helps to create increased awareness of what is a relatively immature product on Europe. We estimate new supply to represent around 2% to 3% of the traditional self-storage industry in the UK. These figures represent gross openings and do not consider storage facilities closing or being converted for alternative uses. We estimate that a small proportion of these sites compete with existing Safestore stores.

New supply in London and Paris is likely to continue to be limited in the short and medium term as a result of planning restrictions, competition from a variety of other uses and the availability of suitable land.

The supply in the UK market, according to the SSA Survey, remains relatively fragmented despite a number of acquisitions in the sector in recent years. The SSA's estimates of the scale of the UK industry are finessed each year and changes from one year to the next represent improved data in addition to new supply. In the 2024 report the SSA estimates that 2,706 self-storage facilities exist in the UK market including around 1,694 container-based operations. At the point in time that the 2024 survey was written, Safestore was the industry leader by number of stores with 133 wholly owned sites followed by Big Yellow with 109 stores (including Armadillo), Access with 60 stores, Shurgard with 43 stores, Lok'n Store with 43 stores, Storage King with 42 stores and Ready Steady Store with 27 stores. In aggregate, the top seven leading operators account for around 20% of the UK store portfolio. The remaining c. 2,182 self-storage outlets (including container-based operations) are independently owned in small chains or single units. Based on the 2023 SSA reports there were 1,086 storage brands operating in the UK.

Our French business, UPP, is mainly present in the core wealthier and more densely populated inner Paris and first belt areas, whereas our two main competitors, Shurgard and Homebox, have a greater presence in the outskirts and second belt of Paris.

Our Spanish business currently operates in Barcelona and Madrid. The metropolitan areas of Barcelona and Madrid have combined growing high-density populations of twelve million inhabitants and significant barriers to entry.

Our focus in the Netherlands market is on the densely populated Amsterdam and Randstad conurbations. The Netherlands is the second most developed self-storage market in Europe (after the UK) but still remains under-penetrated with approximately 320 stores and 0.50 sq ft per capita of storage space.

Belgium is one of the more under-penetrated markets in Europe with just 96 stores and 0.20 sq ft per capita of self-storage space. In Belgium our presence is focused on Brussels and the significant urban conurbations of Liege, Charleroi and Nivelles.

Consumer awareness of self-storage appears to be increasing but at a relatively slow rate, providing an opportunity for future industry growth. The SSA survey indicates that approximately half of consumers have low awareness about the service offered by self-storage operators or had not heard of self-storage at all. Since 2014, this statistic has only fallen 9ppts from 61%. Therefore, the opportunity to grow awareness, combined with limited new industry supply, makes for an attractive industry backdrop.

Self-storage is a brand-blind product. 52% of respondents in the 2024 SSA Survey were unable to name a self-storage business in their local area. The lack of relevance of brand in the process of purchasing a self-storage product emphasises the need for operators to have a strong online presence. This requirement for a strong online presence was also reiterated by the SSA Survey where 76% of those surveyed (76% in 2023) confirmed that an internet search would be their chosen means of finding a self-storage unit to contact, whilst knowledge of a physical location of a store as reason for enquiry was only c. 30% of respondents (c. 30% in 2023).

There are numerous drivers of self-storage growth. Most private and business customers need storage either temporarily or permanently for different reasons at any point in the economic cycle, resulting in a market depth that is, in our view, the reason for its exceptional resilience. The growth of the market is driven both by the fluctuation of economic conditions, which has an impact on the mix of demand, and by growing awareness of the product.

Our domestic customers' need for storage is often driven by life events such as births, marriages, bereavements, divorces or by the housing market including house moves and developments and moves between rental properties. We have estimated that UK owner-occupied housing transactions drive around 8-13% of the Group's new lets.

Business and Personal Customers	UK	Paris	Spain	Benelux
Personal Customers				
Numbers (% of total)	77%	81%	91%	84%
Square feet occupied (% of total)	59%	63%	84%	76%
Average Length of Stay (months)	17.2	28.3	21.5	29.1
Business Customers				
Numbers (% of total)	23%	19%	9%	16%
Square feet occupied (% of total)	41%	37%	16%	24%
Average Length of Stay (months)	26.3	26.7	24.0	32.2

Our customer base is resilient and diverse and consists of around 90,000 domestic, business and National Accounts customers across London, Paris, Spain, the UK regions, the Netherlands and Belgium.

Business Model

The Group operates in a market with relatively low consumer awareness. It is anticipated that this will increase over time as the industry matures. To date, despite the financial crisis in 2007/08, the implementation of VAT in the UK on self-storage in 2012, Brexit and the Covid-19 pandemic, the industry has been exceptionally resilient. In the context of uncertain economic conditions, driven by inflation and the war in Ukraine, the industry remains well positioned with limited new supply coming into the self-storage market.

With more stores inside London's M25 than any other operator and a strong position in central Paris, we have leading positions in the two most important and demographically favourable markets in Europe. In addition, our regional presence in the UK is unsurpassed and contributes to the success of our industry-leading National Accounts business. In the UK, Safestore is the leading operator by number of wholly owned stores. With 53% of customers travelling for less than 15 minutes to their storage facility (2024 SSA Survey). Our national store footprint represents a competitive advantage. Based on the revenue reported by Cushman and Wakefield in the various SSA reports, our market share in the UK based on revenue is 21%.

The Group's capital-efficient portfolio of 192 stores in the UK, Paris, Spain, the Netherlands and Belgium consists of a mix of freehold and leasehold stores. In order to grow the business and secure the best locations for our facilities we have maintained a flexible approach to leasehold and freehold developments as well as being comfortable with a range of building types, from new builds to conversions of warehouses and underground car parks.

Currently, around a quarter of our stores in the UK are leaseholds with an average remaining lease length at 30 April 2024 of 13.6 years (FY 2023: 12.4 years). Although our property valuation for leaseholds is based on future cash flows until the next contractual lease renewal date, Safestore has a demonstrable track record of successfully re-gearing leases several years before renewal whilst at the same time achieving concessions from landlords.

In England, we benefit from the Landlord and Tenant Act that protects our rights for renewal except in case of redevelopment. The vast majority of our leasehold stores have building characteristics or locations in retail parks that make current usage either the optimal and best use of the property or the only one authorised by planning. We observe that our landlords, who are property investors, value the quality of Safestore as a tenant and typically prefer to extend the length of the leases that they have in their portfolio, enabling Safestore to maintain favourable terms.

In Paris, where 40% of stores are leaseholds, our leases typically benefit from the well-enshrined Commercial Lease statute that provides that tenants own the commercial property of the premises and that they are entitled to renew their lease at a rent that is indexed to the Indice des Loyers Commerciaux (Commercial Rental Index) published by the state. Taking into account this context, the valuer values the French leaseholds based on an indefinite property tenure, similar to freeholds but at a significantly higher exit cap rate.

The Group believes there is an opportunity to leverage its highly scalable marketing and operational expertise in geographies outside the UK and Paris.

During 2019, a Joint Venture was established with Carlyle. There were six stores acquired in the Netherlands (M3 Self Storage business) and then a further two added to the portfolio and six stores acquired in Belgium (Lokabox) After three years of learning about and understanding these markets, the Group acquired the remaining 80% of equity in the Joint Venture owned by Carlyle in March 2022 and subsequently added a further six stores.

In 2019, the Group entered the Spanish market with the acquisition of Oh My Box!. Our Spanish portfolio currently consists of eight stores in Barcelona, and four Madrid stores including post-period end openings. We have a further four stores in our development pipeline situated in Madrid, Barcelona and Pamplona. We consider these cities to have attractive characteristics in relation to self-storage and intend to continue to seek further expansion opportunities.

In late 2022, Safestore entered the German self-storage market via a joint venture with Carlyle, which has acquired the myStorage business. myStorage has seven medium to long-term leasehold stores and 326,000 sq ft of MLA in Berlin, Heidelburg, Mannheim, Fürth, Nuremburg, Neu-Ulm and Reutlingen.

Our experience is that being flexible in its approach has enabled us to operate from properties and in markets that would have been otherwise unavailable and to generate strong cash-on-cash returns.

We excel in the generation of customer enquiries which are received through a variety of channels including the internet, telephone and “walk-ins”. In the early days of the industry, local directories and store visibility were key drivers of enquiries. However, the internet is now by far the dominant channel, accounting for 89% (H1 2023: 89%) of our enquiries in the UK and 85% (H1 2023: 84%) in France. This dynamic is a clear benefit to the leading national operators that possess the budget and the management skills necessary to generate a commanding presence in the major search engines. We have developed and continue to invest in a leading digital marketing platform that has generated 39% enquiry growth over the last five years.

Although mostly generated online, our enquiries are predominantly handled directly by the stores and, in the UK, we have a Customer Support Centre (“CSC”) which handles customer service issues in addition to enquiries, in particular when the store colleagues are busy handling calls or outside of normal store opening hours.

Our pricing platform provides the store and CSC colleagues with system-generated real-time prices managed by our centrally based yield-management team. Local colleagues have certain levels of discretion to flex the system-generated prices, but this is continually monitored.

Customer service standards are high and customer satisfaction feedback is consistently very positive. We invite customers to leave a review on a number of review platforms, including Google and Trustpilot. Our ratings for each of these three providers in the UK are between 4.7 and 4.9 out of 5. In France, Une Pièce en Plus uses Google and Trustpilot to obtain independent customer reviews and In H1 2024, achieved a 4.7 out of 5 and a “TrustScore” of 4.6 out of 5 respectively. In Spain, OMB collects customer feedback via Google reviews and has attained a score of 4.9 out of 5.. The key drivers of sales success are the capacity to generate enquiries in a digital world, the capacity to provide storage locations that are conveniently located close to the customers’ requirements and the ability to maintain a consistently high quality, motivated retail team that is able to secure customer sales at an appropriate storage rate, all of which can be better provided by larger, more efficient organisations.

We remain focused on business as well as domestic customers. Our national network means that we are uniquely placed to further grow the business customer market and in particular National Accounts. Business customers in the UK constitute 41% of our total space let and have an average length of stay of 26 months. Within our business customer category, our National Accounts business represents around 493,000 sq ft of occupied space (around 11% of the UK’s occupancy). Approximately 71% of the space occupied by National Accounts customers is outside London, demonstrating the importance and quality of our well invested national estate.

The business now has in excess of 90,000 business and domestic customers with an average length of stay of 27 months and 21 months respectively.

The cost base of the business is relatively fixed. Each store typically employs three staff. Our Group Head Office comprises business support functions such as Yield Management, Property, Marketing, HR, IT and Finance.

In April 2024, the Group exercised the RCF’s accordion option to increase the committed facility by £100m to £500m. We have secure financing, a strong balance sheet and significant covenant headroom. This provides the Group with financial flexibility and the ability to grow organically and via carefully selected new development or acquisition opportunities.

At 30 April 2024 the Group had 1.5m sq ft of unoccupied space in the UK, 0.2m sq ft in France and 0.2m sq ft in Spain and 0.2m sq in Benelux, equivalent to c. 47 full new stores. Our main focus is on filling the spare capacity in our stores at optimally yield-managed rates. The operational leverage of our business model will ensure that the bulk of the incremental revenue converts to profit given the relatively fixed nature of our cost base.

Trading performance

Trading Data - Total

Key Measures - Total	H1 2024	H1 2023	Change
Group			
Revenue (£'m)	109.2	110.1	(0.8%)
Closing Occupancy (million sq ft)	6.129	6.124	0.1%
Closing Occupancy (% of MLA)	74.4%	76.7%	(2.3%)
Maximum Lettable Area	8.23	7.99	3.0%
Average Storage Rate (£ per sq ft)	30.16	30.58	(1.4%)
REVPAF (£ per sq ft)	26.74	28.28	(5.4%)
Revenue (millions)			
UK (£)	79.7	81.7	(2.4%)
Paris (€)	25.1	24.8	1.4%
Spain (€)	2.8	1.9	45.5%
Netherlands (€)	4.0	3.5	16.2%
Belgium (€)	2.3	2.0	14.0%
Average Rate (per sq ft)			
UK (£)	30.34	30.50	(0.5%)
Paris (€)	41.78	42.02	(0.6%)
Spain (€)	29.78	35.44	(16.0%)
Netherlands (€)	19.73	18.95	4.1%
Belgium (€)	23.60	20.80	13.5%
REVPAF (per sq ft)			
UK (£)	27.68	29.19	(5.2%)
Paris (€)	37.13	36.73	1.1%
Spain (€)	16.66	19.81	(15.9%)
Netherlands (€)	16.40	16.79	(2.3%)
Belgium (€)	20.72	18.22	13.7%
Closing Occupancy (million sq ft)			
UK	4.316	4.410	(2.1%)
Paris	1.104	1.091	1.2%
Spain	0.179	0.105	70.5%
Netherlands	0.354	0.350	1.1%
Belgium	0.176	0.168	4.8%
Closing Occupancy (% of MLA)			
UK	74.3%	77.1%	(2.8ppt)
Paris	81.1%	80.1%	1.0ppt
Spain	52.1%	42.4%	9.7ppt
Netherlands	71.5%	80.3%	(8.8ppt)
Belgium	79.3%	75.9%	3.4ppt
Maximum Lettable Area (million sq ft)			
UK	5.820	5.720	1.7%
Paris	1.360	1.360	-
Spain	0.340	0.250	36.0%
Netherlands	0.490	0.440	11.4%
Belgium	0.220	0.220	-

Trading Data – Like-For-Like

Key Measures - Like-For-Like	H1 2024	H1 2023	Change
Group			
Revenue (£'m)	107.0	107.9	(0.8%)
Closing Occupancy (million sq ft)	5.949	6.049	(1.7%)
Closing Occupancy (% of MLA)	76.9%	78.5%	(1.6%)
Average Occupancy (million sq ft)	5.960	6.055	(1.6ppt)
Maximum Lettable Area (million sq ft)	7.730	7.710	0.3%
Average Storage Rate (£ per sq ft)	30.55	30.70	(0.5%)
REVPAF (£ per sq ft)	27.86	28.24	(1.3%)
Revenue (millions)			
UK (£)	78.6	79.8	(1.5%)
Paris (€)	25.1	24.8	1.4%
Spain (€)	2.0	1.9	2.4%
Netherlands (€)	3.7	3.3	13.2%
Belgium (€)	2.3	2.0	14.0%
Average Rate (per sq ft)			
UK (£)	30.45	30.51	(0.2%)
Paris (€)	41.78	42.02	(0.6%)
Spain (€)	36.71	37.00	(0.8%)
Netherlands (€)	21.14	19.76	7.0%
Belgium (€)	23.60	20.80	13.5%
REVPAF (per sq ft)			
UK (£)	28.00	28.62	(2.2%)
Paris (€)	37.13	36.73	1.1%
Spain (€)	32.09	31.43	2.1%
Netherlands (€)	19.95	17.67	12.9%
Belgium (€)	20.72	18.22	13.7%
Closing Occupancy (million sq ft)			
UK	4.270	4.402	(3.0%)
Paris	1.104	1.091	1.2%
Spain	0.094	0.089	5.6%
Netherlands	0.305	0.299	2.0%
Belgium	0.176	0.168	4.8%
Closing Occupancy (% of MLA)			
UK	75.6%	78.2%	(2.6ppt)
Paris	81.1%	80.1%	1.0ppt
Spain	77.7%	74.1%	3.6ppt
Netherlands	80.6%	79.0%	1.6ppt
Belgium	79.3%	75.9%	3.4ppt
Maximum Lettable Area (million sq ft)			
UK	5.650	5.630	0.4%
Paris	1.360	1.360	-
Spain	0.120	0.120	-
Netherlands	0.380	0.380	-
Belgium	0.220	0.220	-
Average Occupancy (million sq ft)			
UK	4.281	4.399	(2.7%)
Paris	1.107	1.095	1.1%
Spain	0.092	0.091	1.1%
Netherlands	0.310	0.299	3.7%
Belgium	0.170	0.171	(0.6%)

UK

Our operational performance across the UK has been robust in the current economic environment with UK revenue was down 2.4% for the period and 1.5% on a like-for-like basis.

This resulted from a broadly stable like-for-like average rental rate of £30.34 (0.5% down on H1 2023 at £30.50) together with a like-for-like average occupancy decrease of 2.7% to 4.281 million sq ft (H1 2023: 4.399 million sq ft).

Overall revenue in the UK was impacted by £1.0m due to the changes to customer goods protection with cover in FY 2024 no longer attracting insurance premium tax. This difference is offset in cost of goods sold with lower costs of goods in FY 2024. In addition, new stores and developments contributed an additional £1.1m in the period.

The total cost base in the UK was flat year on year reflecting a £1.0m reduction in costs of sales due to changes in customer goods protection offset by increases in leasehold rent payments and administrative costs.

As a result, underlying EBITDA after leasehold costs for the UK business was £45.8m (H1 2023: £47.8m), a decrease of £2.0m or 4.2%.

Operating profit for the UK business was £120.4m (H1 2023: £74.5m), an increase of £45.9m or 62%, driven by the increase in the gain of investment properties of £47.8m to £72.3m (H1 2023: £24.5m).

Paris

In Paris, all stores are like-for-like in the period and delivered strong trading performance, growing revenue by €0.3m or 1.4%.

Average occupancy for the period has increased by 1.1% to 1.107 million sq ft with closing occupancy at 30 April 2024 increasing by 1.2% compared to 30 April 2023 to 1.104 million sq ft. This was offset by a slight reduction in the average rental rate in Paris to €41.78 for the period, a decrease of 0.6% on H1 2023 (€42.02).

REVPAF, which we believe is materially ahead of the local competition, grew by a further 1.1% for the period.

Like-for-like EBITDA was down by 7.6% against H1 2023 with cost of sales and administrative costs increasing by €1.6m.

Spain

Since acquiring our Spanish business in 2019 we have opened a further eight stores. We now have twelve open stores, including post-period end openings, and a pipeline of a further two stores in Madrid one in Barcelona and one in Pamplona.

The Spanish business contributed €2.0m of like-for-like revenue, up 2.4% compared to the prior year. This was driven by like-for-like average occupancy growth of 1.1% compared to the prior period, offset by a reduction in the average like-for-like storage rate of 0.8% to €36.71 (H1 2023: €37.00). Ancillary revenues, an area of particular focus, drove further increases in LFL revenue.

Like-for-like occupancy in Barcelona has initially been diluted by the new Central Barcelona 2 store having opened in close proximity and within the same catchment area as an existing store. In addition, the imminent opening of Central Barcelona 3 also within short distance may initially further dilute the like-for-like occupancy, but management believes that, given the limited supply in central Barcelona, once the absorption phase has been passed, the business will generate higher revenue and profits.

New stores contributed €0.8m of revenue growth in the period.

Underlying EBITDA increased by €0.6m to €1.1m as the increase in revenue was partially offset by an increase in the underlying cost of sales and administrative expenses of €0.4m, resulting from additional costs to support the new stores as well as their dilutive impact whilst they achieve stabilisation.

Netherlands

Our Netherlands business, acquired in March 2022 and is now included within the like-for-like metrics for H1 2024. Total revenue delivered was €4.0m for the period, an increase of €0.5m over prior period. On a like-for-like basis, revenue increased 13.2% driven by strong increases in both average occupancy of 3.7% and average rate of 7.0%.

During the period, we opened three new stores in Almere, Aalsmeer and Rotterdam. New stores contributed €0.3m of revenue in the period, an increase of €0.1m over H1 2023.

Belgium

Our Belgium business, was also acquired in March 2022 and is now included within the like-for-like metrics for 2024. Total revenue delivered was €2.3m for the period, an increase of €0.3m over prior period. On a like-for-like basis, revenue increased 14.0% driven by strong increases in average rate of 13.5% with broadly stable average occupancy down 0.6%.

Frederic Vecchioli
11 June 2024

Financial Review

Underlying Income Statement

The table below sets out the Group's underlying results of operations for the six months ended 30 April 2024 and the six months ended 30 April 2023.

	H1 2024 £'m	H1 2023 £'m	Mvmt %
Revenue	109.2	110.1	*(0.8%)*
Underlying costs	(42.1)	(40.4)	*4.2%*
Underlying EBITDA	**67.1**	**69.7**	***(3.7%)***
Leasehold rent	(7.7)	(7.2)	*6.9%*
Underlying EBITDA after leasehold rent	**59.4**	**62.5**	***(5.0%)***
Depreciation	(0.7)	(0.6)	*16.7%*
Net underlying finance charges	(9.7)	(7.5)	*29.3%*
Underlying profit before tax	**49.0**	**54.4**	***(9.9%)***
Current tax	(2.6)	(2.6)	*0.0%*
Adjusted EPRA earnings	**46.4**	**51.8**	***(10.4%)***
Share-based payments charge	(1.4)	(1.3)	*7.7%*
EPRA basic earnings	**45.0**	**50.5**	***(10.9%)***
Average shares in issue (m)	218.3	216.5	
Diluted shares (for ADE EPS) (m)	219.3	219.0	
Adjusted diluted EPRA EPS (p)	**21.2**	**23.7**	***(10.5%)***

Notes:

1. *Adjusted Diluted EPRA EPS is defined in note 2 to the financial statements.*
2. *Adjusted EPRA earnings excludes share-based payment charges and, accordingly, the underlying EBITDA, underlying EBITDA after leasehold costs and underlying profit before tax measures have been restated to exclude share-based payment charges for consistency.*
3. *Store Protect has replaced our customer goods insurance programme from 1 November 2023, attracting VAT rather than Insurance Premium Tax (IPT). When comparing the 2024 half year, the 2023 comparative included revenue of £1.0m representing 12% IPT on insurance sales. Excluding this, revenue grew by 0.2% and underlying costs of sales increased by 6.9% on the prior year.*

The table below reconciles statutory profit before tax in the income statement to underlying profit before tax in the table above.

	H1 2024	H1 2023
	£'m	£'m
Statutory profit before tax	173.7	103.4
Adjusted for		
- gain on investment properties and investment properties under construction	(126.1)	(51.7)
- change in fair value of derivatives	-	1.4
- share-based payments	1.4	1.3
Underlying profit before tax	49.0	54.4

Management considers the above presentation of earnings to be representative of the underlying performance of the business.

Underlying EBITDA decreased by 3.7% to £67.1m (H1 2023: £69.7m) reflecting a 0.8% decrease in revenue and a 4.2% increase in underlying costs (see below).

Finance charges increased from £7.5m in H1 2023 to £9.7m in H1 2024. This principally reflects the increased borrowing associated with developments and higher interest rates.

As a result, underlying profit before tax decreased 9.9% to £49.0m (H1 2023: £54.4m). The increase in statutory profit before tax of £70.3m to £173.7m (H1 2023: £103.4) results from the increased gain on investment properties of £74.4m to £126.1m (H1 2023: £51.7m) This increase reflects the increased value of the Group's store portfolio primarily as a result of an improvement in cap rates, reflecting recent market transactions in the self-storage market.

Given the Group's REIT status in the UK, tax is not normally payable on rental income in the UK. The current tax charge for the period was consistent at £2.6m (H1 2023: £2.6m).

As explained in note 2 to the financial statements, management considers that the most representative earnings per share ("EPS") measure is Adjusted Diluted EPRA EPS which has decreased by 2.5p or 10.5% to 21.2 pence (H1 2023: 23.7 pence).

Reconciliation of Underlying EBITDA

The table below reconciles the operating profit included in the consolidated income statement to underlying EBITDA.

	H1 2024 £'m	H1 2023 £'m
Statutory operating profit	186.3	114.9
Adjusted for		
- gain on investment properties	(121.7)	(47.3)
- depreciation	0.7	0.6
- variable lease payments	0.4	0.2
- share-based payments	1.4	1.3
Underlying EBITDA	67.1	69.7

The main reconciling items between statutory operating profit and underlying EBITDA are the gain on investment properties of £121.7m in H1 2024 (H1 2023: £47.3m), represented by a gain on investment properties and investment properties under construction of £126.1m less fair value re-measurement of lease liabilities (£4.4m).

Underlying Profit by geographical region

The Group is organised and managed in five operating segments based on geographical region, with Benelux representing our Netherlands and Belgium operations. The table below details the underlying profitability of each region.

	H1 2024					H1 2023				
	UK	**Paris**	**Spain**	**Benelux**	**Total (CER)**	**UK**	**Paris**	**Spain**	**Benelux**	**Total (CER)**
	£'m	**€'m**	**€'m**	**€'m**	**£'m**	**£'m**	**€'m**	**€'m**	**€'m**	**£'m**
Revenue	79.7	25.1	2.8	6.3	109.8	81.7	24.8	1.8	5.5	110.1
Underlying cost of sales	(24.4)	(7.6)	(1.3)	(2.9)	(34.9)	(25.2)	(6.4)	(0.8)	(2.3)	(33.7)
Store EBITDA	55.3	17.5	1.5	3.4	74.9	56.5	18.4	1.0	3.2	76.4
Store EBITDA margin	*69.4%*	*69.7%*	*53.6%*	*54.0%*	*68.2%*	*69.2%*	*74.2%*	*55.6%*	*58.2%*	*69.4%*
LFL store EBITDA margin	*69.8%*	*69.7%*	*75.0%*	*56.7%*	*69.1%*	*69.8%*	*73.8%*	*78.9%*	*58.5%*	*70.1%*
Underlying administrative expenses	(5.0)	(1.8)	(0.4)	(0.7)	(7.5)	(4.6)	(1.5)	(0.5)	(0.4)	(6.7)
Underlying EBITDA	**50.3**	**15.7**	**1.1**	**2.7**	**67.4**	**51.9**	**16.9**	**0.5**	**2.8**	**69.7**
Underlying EBITDA margin	*63.1%*	*62.5%*	*39.3%*	*42.9%*	*61.4%*	*63.5%*	*68.1%*	*27.8%*	*50.9%*	*63.3%*
LFL EBITDA margin	*63.7%*	*62.5%*	*52.6%*	*45.0%*	*62.4%*	*64.2%*	*68.5%*	*52.6%*	*45.3%*	*64.0%*
Leasehold rent	(4.5)	(3.3)	(0.3)	(0.2)	(7.7)	(4.1)	(3.2)	(0.2)	(0.2)	(7.2)
Underlying EBITDA after leasehold rent	**45.8**	**12.4**	**0.8**	**2.5**	**59.7**	**47.8**	**13.7**	**0.3**	**2.6**	**62.5**
EBITDA after leasehold rent margin	*57.5%*	*49.4%*	*28.6%*	*39.7%*	*54.4%*	*58.5%*	*55.2%*	*16.7%*	*47.3%*	*56.8%*
Impact of Currency exchange rates										
Underlying EBITDA after leasehold rent (CER)	45.8	11.0	0.8	2.1	59.7	47.8	12.1	0.4	2.2	62.5
Adjustment to actual exchange rate	-	(0.2)	(0.1)	-	(0.3)	-	-	-	-	-
Underlying EBITDA after leasehold rent	45.8	10.8	0.7	2.1	59.4	47.8	12.1	0.4	2.2	62.5

Note: CER is Constant Exchange Rates (Euro denominated results for the current period have been retranslated at the exchange rate effective for the comparative period in order to present the reported results on a more comparable basis).

Underlying EBITDA in the UK decreased by £1.6m, or 3.1%, to £50.3m (H1 2023: £51.9m), reflecting a 2.4% reduction in revenue together with a decrease in underlying cost of sales and administrative expenses of £0.4m. The Underlying EBITDA margin slightly reduced to 63.1% compared to H1 2023 at 63.5% with the like-for-like ("LFL") EBITDA margin also seeing a slight reduction to 63.7% from 64.3% in H1 2023.

In Paris, underlying EBITDA decreased by €1.2m, reflecting a €0.3m increase in revenue less an increase in cost of sales and administrative expenses of €1.5m. As a result, Underlying EBITDA decreased from 68.1% in H1 2023 to 62.5% in H1 2024.

In Spain, revenue increased by €1.0m or 55.6%, to €2.8m (H1 2023: €1.8m), arising from a 2.4% increase in LFL revenue together with an additional €0.8m from new stores and developments. Underlying EBITDA increased by €0.6m to €1.1m as the increase in revenue was partially offset by an increase in the underlying cost of sales and administrative expenses of €0.4m, resulting from additional costs to support the new stores as well as their dilutive impact whilst they achieve stabilisation.

In Belgium and Netherlands (together "Benelux"), revenue increased by €0.8m or 15.4% to €6.3m (H1 2023 €5.5m). This arises from an increase from LFL stores of 13.5% together with an additional €0.1m of growth from new stores and developments. Underlying EBITDA decreased by €0.1m as underlying costs of sales and administrative costs increased by €0.9m to €3.6m in the period as a result of new store openings.

The combined performance of the UK, Paris, Spain, Netherlands and Belgium resulted in a 4.5% decrease in underlying EBITDA after leasehold rent at constant exchange rates. Adjusting for an unfavourable exchange rate movement of 2.1% resulting in an impact of £0.3m in the current year, Group reported underlying EBITDA after leasehold rent decreased by 5.0% or £3.1m to £59.4m (H1 2023: £62.5m).

Revenue

Revenue for the Group is primarily derived from the rental of self-storage space and the sale of ancillary products such as customer goods protection and merchandise (e.g. packing materials and padlocks).

The split of the Group's revenues by geographical segment is set out below for H1 2023 and H1 2024.

		H1 2024	% of total	H1 2023	% of total	% change
UK	£'m	79.7	73%	81.7	73%	(2.4%)
Paris						
Local currency	€'m	25.1		24.8		
Paris in Sterling	£'m	21.6	20%	21.8	20%	(0.9%)
Spain						
Local currency	€'m	2.8		1.8		
Spain in Sterling	£'m	2.4	2%	1.7	2%	41.2%
Benelux						
Local currency	€'m	6.3		5.5		
Benelux in Sterling	£'m	5.5	5%	4.9	5%	12.2%
Average exchange rate	*€:£*	*1.163*		*1.139*		*(2.1%)*
Total revenue		109.2	100%	110.1	100%	(0.8%)

The Group's reported revenue decreased by 0.8% or £0.9m during the period. This was driven by broadly stable LFL revenue at CER (down 0.3%), the impact of adverse currency exchange rate (0.6%), increases in revenue from new stores and developments (1.0%) less the impact of changes in customer goods protection and insurance in the UK (1.0% impact).

Average rental rates for the Group on a LFL CER basis increased by 0.1% to £30.74 (H1 2023 £30.70) coupled with a decrease in average occupancy of 1.4ppts to 77.2% (H1 2023: 78.6%).

In the UK, on a LFL basis which excludes the impact of new stores and changes to customer goods protection, Revenue decreased by £1.2m or 1.5%. This was driven by a 2.7% decrease in the average occupancy together with a broadly stable average store rate of (a decline of 0.2%).

Overall revenue in the UK was impacted by £1.0m due the changes to customer goods protection with cover in FY 2024 no longer attracting insurance premium tax. This difference is offset in cost of goods sold with lower costs of goods in FY 2024. In addition, new stores and developments contributed an additional £0.2m in the period.

In Paris, revenue increased by €0.3m or 1.4%. Average occupancy for the period has increased by 1.1% compared to 30 April 2023 to 1.11 million sq ft. This was offset by a slight reduction in the average rental rate in Paris to €41.78 for the period, a decrease of 0.6% on H1 2023, €42.02.

For Spain, revenue was €2.8m in the period (H1 2023: €1.8m). New stores contributed €0.8m of revenue growth in the period. On a LFL basis revenue was €2.0m, a 2.4% increase from prior period. Average LFL occupancy increased 1.3% to 0.092 million sq ft (H1 2023: 0.091 million sq ft). The like-for-like average rental rate in Spain was €36.71 for the period, a decrease of 0.8% on H1 2023 at €37.00.

The Benelux business delivered €6.3m of revenue for the period (H1 2023: €5.5m). New stores contributed €0.1m of revenue growth in the period. On a LFL basis revenue was €6.0m. For the Netherlands, average LFL occupancy was 82.0% (H1 2023: 79.0%) with an average LFL rental rate of €21.14 (H1 2023: €19.76), and for Belgium, average LFL occupancy was 76.8% (H1 2023: 77.3%) with an average LFL rental rate of €23.60 (H1 2023: €20.80).

Analysis of Cost Base

On a like-for-like basis, adjusting for new stores, total costs increased by 4.1% from £38.9m in H1 2023 to £40.5m in H1 2024. The below tables detail the key movements in cost of sales and administration expenses between H1 2023 and H1 2024.

Cost of sales

	H1 2024 £'m	H1 2023 £'m
Volume related including bad debt	(2.7)	(2.4)
Store employee and related	(11.4)	(11.0)
Marketing	(4.2)	(3.9)
Business rates	(7.3)	(7.0)
Facilities and premises insurance	(7.6)	(8.0)
Underlying cost of sales (Like-for-like; CER)	**(33.2)**	**(32.3)**
New stores and developments	(1.7)	(0.4)
Store Protect replacement IPT	-	(1.0)
Foreign exchange	0.3	-
Underlying costs of sales	**(34.6)**	**(33.7)**
Depreciation	(0.7)	(0.6)
Variable lease payments	(0.4)	(0.2)
Total costs of sales	**(35.7)**	**(34.5)**

In order to arrive at underlying cost of sales, adjustments are made to remove the impact of depreciation and variable lease payments.

Adjusting for the impact of new stores, underlying cost of sales at CER on a like-for-like basis increased by 2.8% or £0.9m, to £33.2m (H1 2023: £32.3m), principally due to increased employee remuneration and volume related costs.

The cost of sales attributable to the 2024 openings at Eastleigh, South Madrid 2, Almere, Aalsmeer, and Rotterdam and the 2023 openings of Wigan, London-Morden, Ellesmere Port, North Barcelona, Central Barcelona 3, South Madrid, North Madrid, East Madrid and Amersfoort is £1.7m in H1 2024.

Administrative Expenses

The table below reconciles reported administrative expenses to underlying administrative expenses and details the key movements in underlying administrative expenses between H1 2023 and H1 2024.

	H1 2024 £'m	H1 2023 £'m
Underlying administrative expenses (Like-for-like; CER)	**(7.3)**	**(6.6)**
New stores and developments	(0.2)	(0.1)
Underlying administrative expenses	**(7.5)**	**(6.7)**
Share based payments	(1.4)	(1.3)
Total administrative expenses	**(8.9)**	**(8.0)**

In order to arrive at underlying administrative expenses, adjustments are made to remove the impact of exceptional items, share-based payments and corporate transaction costs.

Underlying administrative expenses increased by 11.9% or £0.8m to £7.5m (H1 2023: £6.7m). The increase arose from a rise in employee and related costs of £0.7m.

Gain on revaluation of Investment Properties

A full, independent external valuation of the store portfolio is undertaken by the Group on an annual basis for year-end reporting. A sample of the Group's largest properties, representing approximately 30% of the value of the Group's investment property portfolio, has been valued by the Group's external valuers, Cushman & Wakefield LLP ("C&W") as at 30 April 2024. In addition, at the same date, the Directors have prepared estimates of fair values for the remaining approximately 70% of the Group's investment property portfolio by updating 31 October 2023 valuations to incorporate latest assumptions reflecting market conditions and trading performance.

As a result of this exercise, the net gain on investment properties during the period was as follows.

	H1 2024 £'m	H1 2023 £'m
Gain on revaluation of investment properties	129.5	52.3
Loss on revaluation of investment properties under construction	(3.4)	(0.6)
Fair value re-measurement of lease liabilities add back	(4.4)	(4.4)
Gain on revaluation of investment properties	121.7	47.3

The movement on investment properties reflects the increased value of the Group's store portfolio primarily as a result of an improvement in cap rates, reflecting recent market transactions in self-storage, as well as the trading performance. The UK business contributed £74.3m of the £126.1m net revaluation gain, with a £36.6m revaluation gain arising in Paris, a £10.5m revaluation gain arising in Spain and a £4.7m revaluation gain arising in Benelux.

The value of investment properties under construction increased by £5.3m in the period due to significant capital additions required to enable the store to be operational which is not reflected in the valuation. The re-

measurement of lease liabilities of £4.4m represents the adjustment of amortisation on the lease liabilities which is added back to net valuation of the investment property.

Operating profit

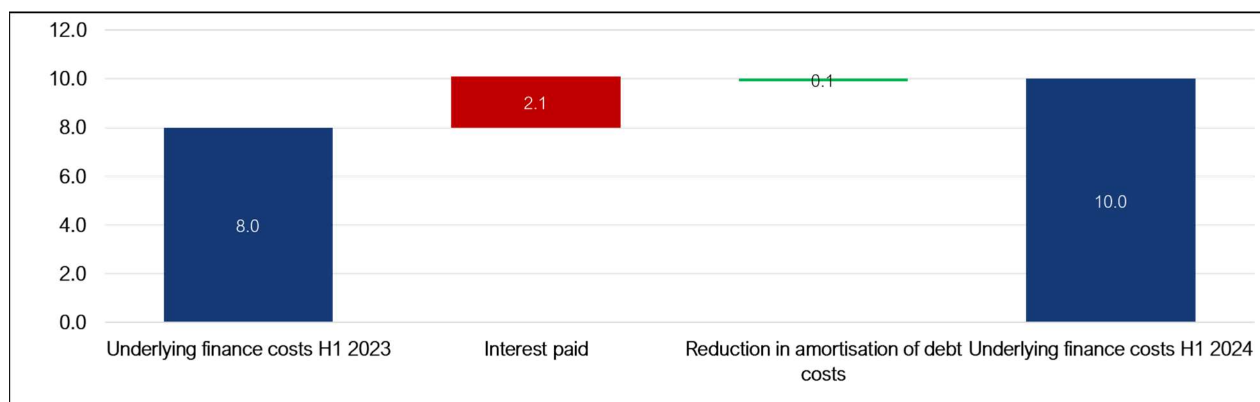
Reported operating profit increased by £71.4m from £114.9m in H1 2023 to £186.3m in H1 2024, primarily reflecting a £74.4m increase in the investment property gain offset by a £2.6m reduction in underlying EBITDA.

Net finance costs

Net finance costs include interest payable, interest on obligations under lease labilities, fair value movements on derivatives, exchange gains or losses, unwinding of discounts and exceptional finance income. Net finance costs increased by £1.1m to £12.6m in H1 2024 (H1 2023: £11.5m). The main driver of the increase was net bank interest payable reflecting the Group's additional borrowings to fund the Group's acquisition and development activity, higher interest rates on floating-rate borrowings and prior period fair value movements on derivatives.

	H1 2024 £'m	H1 2023 £'m
Other interest received	0.1	0.5
Interest from loan to associates	0.2	-
Total finance income	**0.3**	**0.5**
Net bank interest payable	(9.4)	(7.3)
Amortisation of debt issuance costs on bank loans	(0.6)	(0.7)
Underlying finance costs	**(10.0)**	**(8.0)**
Interest on lease liabilities	(2.9)	(2.6)
Fair value movement on derivatives	-	(1.4)
Total finance costs	**(12.9)**	**(12.0)**
Net finance costs	**(12.6)**	**(11.5)**

The movement in underlying finance costs can be summarised as follows:



Underlying finance charge

The underlying finance costs represent the finance expense before interest on obligations under lease liabilities, changes in fair value of derivatives and exceptional items and is disclosed because management reviews and monitors performance of the business on this basis.

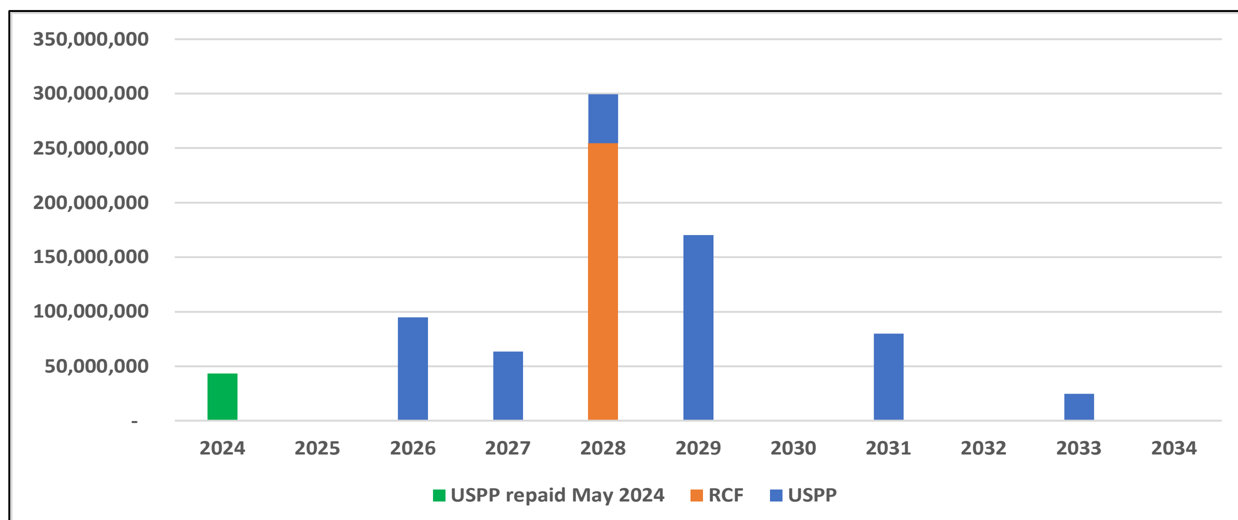
The underlying finance costs (reflecting revolving credit facility ("RCF") and US Private Placement ("USPP") interest costs and the amortisation of capitalised debt issuance costs) increased by £2.0m to £10.0m (H1 2023: £8.0m), principally reflecting the Group's additional borrowings in the year drawn to fund the Group's acquisition and development activity and higher interest rates on RCF borrowings.

Including the benefit of interest received, net underlying finance charges were £9.7m in the period (H1 2023: £7.5m).

Based on the drawn debt position as at 30 April 2024, the effective interest rate is analysed as follows:

	Facility	**Fixed-rate borrowings**	**Floating-rate borrowings**	**Total rate**
	£/€'m	**£'m**	**£'m**	
RCF – GBP drawn	£500.0		£211.0	6.39%
RCF – EUR drawn			£43.6	5.05%
RCF – non-utilisation		£245.4		0.42%
USPP2024	€50.9	£43.5		1.59%
USPP2026	€70.0	£59.7		1.26%
USPP2026	£35.0	£35.0		2.59%
USPP2027	€74.1	£63.2		2.00%
USPP2028	£20.0	£20.0		1.96%
USPP2028	€29.0	£24.7		0.93%
USPP2029	£50.5	£50.5		2.92%
USPP2029	£30.0	£30.0		2.69%
USPP2029	€105.0	£89.7		2.45%
USPP2031	£80.0	£80.0		2.39%
USPP2033	€29.0	£24.8		1.42%
Unamortised finance costs	-	(£4.5)		-
Total	£1,021.1	£762.0	£254.6	3.77%
Capitalised interest costs				(£3.3m)
Effective Interest Rate after capitalised interest costs				3.35%

The debt repayment profile can be summarised as follows:



On 30 April 2024, the Group exercised the RCF's accordion option to increase the committed facility by £100m to £500m. The facility was originally for a four-year term with two one-year extension options exercisable after the first and second years of the agreement. The first of these extensions was granted in October 2023, taking the term to five years, to November 2027.

The Group pays interest on the RCF at a margin of 125bps plus SONIA or Euribor depending on whether the borrowings are drawn in Sterling or Euros. This margin is now linked to ESG targets, which have been met, enabling a reduction in the margin of up to 5bps to 120bps.

As at 30 April 2024, £254.6m of the £500.0m UK revolver was drawn, split £211.0m and €51.0m (£43.6m). The Group pays a non-utilisation fee of 0.42% on the undrawn balance of £245.4m.

The 2024, 2026, 2027, 2028, 2029 and 2033 USPP Notes are denominated in Euros and attract fixed interest rates of 1.59% (on €50.9m), 1.26% (on €70.0m), 2.00% (on €74.1m), 0.93% (on €29.0m), 2.45% (on €105.0m) and 1.42% (on €29.0m) respectively. The 2024 tranche of US Private Placement notes matured at the end of May 2024 and was repaid utilising existing facilities. The Euro denominated borrowings provide a natural hedge against the Group's investment in the Paris, Spain, and Benelux businesses.

The 2026 (£35.0 million), 2028 (£20.0 million), 2029 (£50.5 million), 2029 (£30.0 million) and 2031 (£80.0 million) US Private Placement Notes are denominated in Sterling and attract a fixed interest rate of 2.59%, 1.96%, 2.92%, 2.69% and 2.39% respectively.

As at 30 April 2024, 68% of the Group's drawn debt is at fixed rates of interest. Overall, the Group has an effective interest rate on its borrowings of 3.77% as at 30 April 2024, compared with 3.58% at the previous year end. After adjusting for capitalised interest costs the Group has an effective interest rate on its borrowings of 3.35%, compared with 2.97% at the previous year end.

Non-underlying finance charge

Interest on finance leases was £2.9m (H1 2023: £2.6m) and reflects part of the leasehold rental payment. The balance of the leasehold payment is charged through the gain or loss on investment properties line and variable lease payments in the income statement. Overall, the leasehold rent charge increased by £0.5m to £7.7m in H1 2024 (H1 2023: £7.2m). In the prior year, a net loss of £1.4m was recognised on fair valuation of derivatives when they matured.

The Group undertakes net investment hedge accounting for its Euro denominated loan notes.

Tax

The tax charge for the period is analysed below:

Tax charge	H1 2024 £'m	H1 2023 £'m
Underlying current tax	2.6	2.6
Current tax charge	2.6	2.6
Tax on investment properties movement	13.8	8.0
Adjustment in respect of prior years	(0.4)	-
Losses in respect of current year	0.9	-
Deferred tax charge	14.3	8.0
Net tax charge	16.9	10.6

Income tax in the period was a net charge of £16.9m (H1 2023: £10.6m).

In the UK, the Group is a REIT, so the current tax charge relates to the Paris and Spain businesses. The underlying current tax charge for the period amounted to £2.6m (H1 2023: £2.6m).

Profit after tax

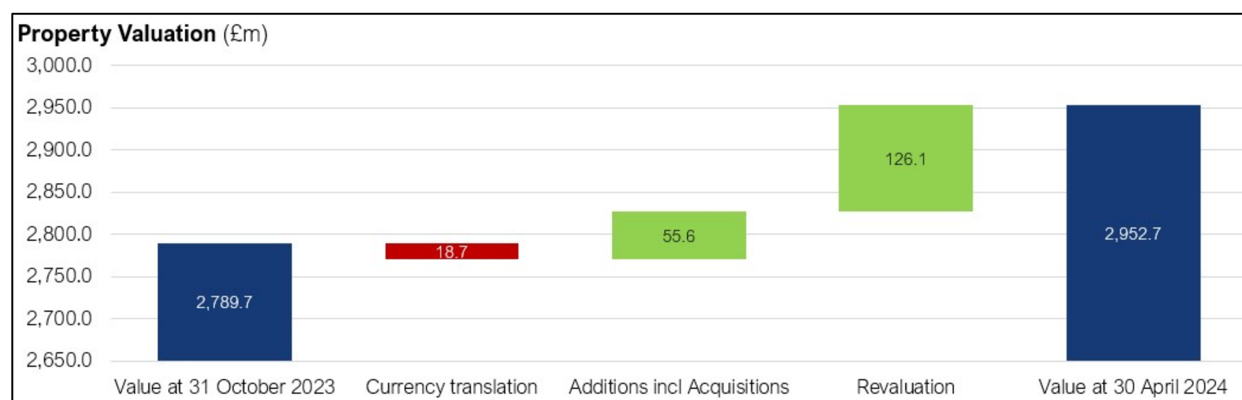
The profit after tax for the period was £156.8m, compared with £92.8m in H1 2023, an increase of £64.0m which arose principally due to the increased gain on investment properties, which is explained above.

Basic EPS was 71.8 pence (H1 2023: 42.9 pence) and diluted EPS was 71.5 pence (H1 2023: 42.7 pence). As explained in note 2 to the financial statements, management considers adjusted diluted EPRA EPS to be more representative of the underlying EPS performance of the business.

Investment Properties

As discussed above, a sample of the Group's largest properties, representing approximately 30% of the value of the Group's investment property, has been valued by the Group's external valuers and the Directors have prepared estimates of fair values for the remaining 70% of the Group's investment property portfolio.

	UK £'m	Paris £'m	Spain £'m	Benelux £'m	Total £'m	Paris €'m	Spain €'m	Benelux €'m
Total Investment Properties Including IPuC								
Value as at 1 November 2023	1,934.0	590.3	83.5	181.9	**2,789.7**	676.7	95.7	208.7
Currency translation movement	-	(12.8)	(2.0)	(3.9)	**(18.7)**			
Additions incl Acquisitions	27.9	7.7	5.5	14.5	**55.6**	8.9	6.3	16.9
Revaluation	74.3	36.6	10.5	4.7	**126.1**	42.6	12.2	5.4
Value at 30 April 2024	2,036.2	621.8	97.5	197.2	**2,952.7**	728.2	114.2	231.0



The above tables summarise the movement in the valuations of the Group's investment property portfolio including investment properties under construction.

The Group's property portfolio valuation, including investment properties under construction, increased by £163.0m from the valuation of £2,789.7m at 31 October 2023. This includes the gain on valuation of £126.1m, and £55.6m relating to additions and store refurbishments, including acquisitions.

The exchange rate at 30 April 2024 was €1.171:£1 compared to €1.146:£1 at 31 October 2023. This movement in the foreign exchange rate has resulted in a £18.7m unfavourable currency translation movement in the period.

The EPRA basic NTA per share, as reconciled to IFRS net assets per share in financial statements, was 1,003 pence at 30 April 2024, up 5.4% since 31 October 2023 (952 pence), and the IFRS reported diluted NAV per share was 930 pence (FY 2023: 884 pence), reflecting a £106.3m increase in reported net assets since 31 October 2023.

Gearing, and Capital Structure and Going Concern

As at 30 April 2024, the Group's borrowings comprised bank borrowing facilities, made up of the RCF together with USPPs.

Net debt (including finance leases and cash) stood at £862.7m at 30 April 2024, an increase of £52.4m during the period, principally due to increased funding required for store acquisitions and developments. Total capital (net debt plus equity) increased from £2,745.4m at 31 October 2023 to £2,904.1m at 30 April 2024. The net impact is that the gearing ratio has increased to 29.7% at 30 April 2024 from 29.5% at 31 October 2023.

Management also measures gearing with reference to its loan to value ("LTV") ratio defined as net debt (excluding lease liabilities) as a proportion of the valuation of investment properties (excluding finance leases), including investment properties under construction. As at 30 April 2024, the Group LTV ratio was 25.7% compared with 25.4% at 31 October 2023. The Board considers the current level of gearing is appropriate for the business to enable the Group to increase returns on equity, maintain financial flexibility and to achieve our medium-term strategic objectives.

As at 30 April 2024, £254.6m of the £500.0m UK revolver was drawn. Including the USPP debt of €358.0m (£305.9m) and £215.5m, the Group's borrowings totalled £775.7m (before adjustment for unamortised finance costs). As at 30 April 2024, the weighted average remaining term for the Group's committed borrowing facilities is 4.5 years.

Following the repayment of the 2024 USPP, the Group has no other maturities until 2026 and has a weighted average term to maturity of 4.7 years.

Borrowings under the existing loan facilities are subject to certain financial covenants. The RCF and the USPPs share interest cover and LTV covenants. The interest cover requirement of a minimum of EBITDA:interest of 2.4:1. Interest cover for the twelve-month period to 30 April 2024 was 5.0x (FY 2023: 6.7x), calculated on the basis required under our financial covenants.

The LTV covenant is 60% for the Group. As at 30 April 2024, there is significant headroom in the Group LTV covenant calculations. The Group is in compliance with its covenants at 30 April 2024 and, based on forecast projections (which considered a number of factors, including the current balance sheet position, the principal and emerging risks which could impact the performance of the Group, and the Group's strategic and financial plan), is expected to be in compliance for a period in excess of twelve months from the date of this report and accordingly, this interim statement is prepared on the basis of going concern.

Cash flow

The table below sets out the cash flow of the business in H1 2024 and H1 2023.

	H1 2024 £'m	H1 2023 £'m
Underlying EBITDA	67.1	69.7
Working capital/ exceptionals/ other	(6.3)	(19.8)
Adjusted operating cash inflow	60.8	49.9
Interest payments	(9.0)	(7.1)
Leasehold payments	(7.7)	(7.2)
Tax payments	(3.1)	(3.7)
Free cash flow (before investing and financing activities)	41.0	31.9
Investment in associates	-	(1.5)
Capital expenditure - investment properties	(56.7)	(62.2)
Capital expenditure - property, plant and equipment	(1.2)	(0.5)
Adjusted net cash flow after investing activities	(16.9)	(32.3)
Issues of share capital	0.7	0.3
Dividends paid	(38.9)	(37.7)
Net drawdown of borrowings	52.4	71.1
Swap termination income	-	0.4
Debt issuance costs	-	(4.3)
Net (decrease) in cash	(2.7)	(2.5)

Note: Free cash flow is a non-GAAP measure, defined as cash flow before investing and financing activities but after leasehold rent payments.

Adjusted operating cash flow increased by £10.9m in the period. In the prior period, the movement in working capital was primarily associated with settlement of employment-related taxes connected with the maturity of the five and three-year share based payment schemes at the end of 2022 and early 2023 respectively.

Interest payments increased compared to the prior half year as a result of the increased interest charge associated with the additional borrowings to fund the capital expenditure on new stores and development of the existing portfolio.

Investing activities generated a net outflow of £57.9m (H1 2023: net outflow of £64.2m) from capital expenditure on new stores and development of the existing portfolio. Of the £56.7m cash outflow on investment properties, £51.3m (H1 2023: £59.4m) was spent on new stores and development of the existing portfolio, with the balance principally spent on capital maintenance.

Dividends paid to shareholders increased from £37.7m in H1 2023 to £38.9m in H1 2024, and the Group drew a net £52.4m of borrowings, primarily to finance capital expenditure.

The first table below reconciles free cash flow (before investing and financing activities) in the table above to net cash inflow from operating activities in the consolidated cash flow statement. The second table below reconciles adjusted net cash flow after investing activities in the table above to the consolidated cash flow statement.

	H1 2024 £'m	H1 2023 £'m
Free cash flow (before investing and financing activities)	41.0	31.9
Addback: Finance lease principal payments	4.4	4.4
Net cash inflow from operating activities	45.4	36.3

	H1 2024 £'m	H1 2023 £'m
From table above:		
Adjusted net cash flow after investing activities	(16.9)	(32.3)
Addback: Finance lease principal payments	4.4	4.4
Net cash outflow after investing activities	(12.5)	(27.9)
From consolidated cash flow:		
Net cash inflow from operating activities	45.4	36.3
Net cash outflow from investing activities	(57.9)	(64.2)
Net cash outflow after investing activities	(12.5)	(27.9)

Dividends

The Board has announced an interim dividend of 10.0 pence per share, an increase of 1% on the prior period. This will amount to a dividend payment of £21.8m (H1 2023: £21.6m). The dividend will be paid on 8 August 2024 to shareholders who are on the Company's register on 5 July 2024. The ex-dividend date will be 4 July 2024. 25% (H1 2023: 25%) of the dividend will be paid as a REIT Property Income Distribution ("PID").

Consolidated income statement
for the six months ended 30 April 2024

	Note	**Six months ended 30 April 2024 (unaudited) £m**	Six months ended 30 April 2023 (unaudited) £m	Year ended 31 October 2023 (audited) £m
Revenue	4,5	**109.2**	110.1	224.2
Cost of sales		**(35.7)**	(34.5)	(69.9)
Gross profit		**73.5**	75.6	154.3
Administrative expenses		**(8.9)**	(8.0)	(17.7)
Underlying EBITDA	5	**67.1**	69.7	142.2
Share-based payments		**(1.4)**	(1.3)	(3.5)
Depreciation and variable lease payments		**(1.1)**	(0.8)	(2.1)
Operating profit before gain on investment properties and other exceptional gains		**64.6**	67.6	136.6
Gain on revaluation of investment properties	12	**121.7**	47.3	93.8
Operating profit		**186.3**	114.9	230.4
Finance income	6	**0.3**	0.5	0.8
Finance expense	6	**(12.9)**	(12.0)	(23.4)
Profit before income tax	5	**173.7**	103.4	207.8
Tax charge	7	**(16.9)**	(10.6)	(7.6)
Profit for the period		**156.8**	92.8	200.2
Earnings per share for profit attributable to the equity holders				
- basic (pence)	10	**71.8**	42.9	92.2
- diluted (pence)	10	**71.5**	42.7	91.8

All items in the income statement relate to continuing operations. Underlying EBITDA is an Alternative Performance Measure and is defined as operating profit before exceptional items, share-based payments, corporate transaction costs, gain/loss on investment properties, depreciation and variable lease payments and the share of associate's depreciation, interest and tax.

An interim dividend of 10.0 pence per ordinary share has been declared for the period ended 30 April 2024 (30 April 2023: 9.9 pence).

Consolidated statement of comprehensive income
for the six months ended 30 April 2024

	Six months ended 30 April 2024 (unaudited) £m	Six months ended 30 April 2023 (unaudited) £m	Year ended 31 October 2023 (audited) £m
Profit for the period	**156.8**	92.8	200.2
Other comprehensive income:			
Items that may be reclassified subsequently to profit and loss:			
Currency translation differences	**(11.4)**	9.2	7.1
Net investment hedge	**3.0**	(3.8)	(2.9)
Total other comprehensive (expense)/income net of tax	**(8.4)**	5.4	4.2
Total comprehensive income for the period	**148.4**	98.2	204.4

Consolidated balance sheet
as at 30 April 2024

	Note	**30 April 2024 (unaudited) £m**	30 April 2023 (unaudited) £m	31 October 2023 (audited) £m
Non-current assets				
Investment in associates	11	**4.1**	3.3	4.1
Fair value of investment properties, net of lease liabilities		**2,838.8**	2,586.6	2,681.1
Add-back of lease liabilities		**105.2**	97.3	101.2
Investment properties under construction		**113.9**	93.7	108.6
Total investment properties	12	**3,057.9**	2,777.6	2,890.9
Property, plant and equipment		**6.0**	3.2	5.2
Deferred tax assets	8	**6.1**	0.8	6.6
		3,074.1	2,784.9	2,906.8
Current assets				
Inventories		**0.4**	0.4	0.4
Derivative financial instruments		**-**	0.3	-
Trade and other receivables		**30.0**	36.0	32.7
Current tax assets		**0.3**	0.2	-
Amounts due from associates		**0.2**	-	0.1
Cash and cash equivalents		**13.8**	18.1	16.9
		44.7	55.0	50.1
Total assets		**3,118.8**	2,839.9	2,956.9
Current liabilities				
Borrowings	15	**(43.5)**	-	(44.5)
Trade and other payables		**(48.2)**	(54.9)	(52.4)
Current tax liabilities		**-**	-	(0.4)
Obligations under lease liabilities		**(14.4)**	(13.1)	(13.1)
		(106.1)	(68.0)	(110.4)
Non-current liabilities				
Borrowings	15	**(727.7)**	(697.2)	(681.3)
Deferred tax liabilities	8	**(150.1)**	(139.4)	(139.2)
Obligations under lease liabilities		**(90.9)**	(84.4)	(88.3)
Provisions	19	**(2.6)**	(2.6)	(2.6)
		(971.3)	(923.6)	(911.4)
Total liabilities		**(1,077.4)**	(991.6)	(1,021.8)
Net assets	14	**2,041.4**	1,848.3	1,935.1
Shareholders' equity				
Ordinary shares	16	**2.2**	2.2	2.2
Share premium		**62.7**	62.0	62.0
Translation reserve		**4.3**	13.9	12.7
Retained earnings		**1,972.2**	1,770.2	1,858.2
Total equity		**2,041.4**	1,843.3	1,935.1

The notes set out below form an integral part of this condensed consolidated interim financial information.

Condensed consolidated statement of changes in equity
for the six months ended 30 April 2024

	Share capital £m	Share Premium £m	Translation reserve £m	Retained earnings £m	Total equity £m
Balance at 1 November 2023	2.2	62.0	12.7	1,858.2	1,935.1
Profit for the period	-	-	-	156.8	156.8
Other comprehensive income for the period	-	-	(8.4)	-	(8.4)
Total comprehensive income for the period	-	-	(8.4)	156.8	148.4
Transactions with owners in their capacity as owner:					
Dividends (note 9)	-	-	-	(44.1)	(44.1)
Increase in share capital	-	0.7	-	-	0.7
Employee share options	-	-	-	1.3	1.3
Balance at 30 April 2024	**2.2**	**62.7**	**4.3**	**1,972.2**	**2,041.4**

Condensed consolidated statement of changes in equity
for the six months ended 30 April 2023

	Share capital £m	Share premium £m	Translation reserve £m	Retained earnings £m	Total Equity £m
Balance at 1 November 2022	2.1	61.8	8.5	1,721.0	1,793.4
Profit for the period	-	-	-	92.8	92.8
Other comprehensive income for the period	-	-	5.4	-	5.4
Total comprehensive income for the period	-	-	5.4	92.8	98.2
Transactions with owners in their capacity as owner:					
Dividends (note 9)	-	-	-	(44.5)	(44.5)
Increase in share capital	0.1	0.2	-	-	0.3
Employee share options	-	-	-	0.9	0.9
Balance at 30 April 2023	**2.2**	**62.0**	**13.9**	**1,770.2**	**1,848.3**

Condensed consolidated statement of changes in equity
for the year ended 31 October 2023

	Share capital	Share premium	Translation reserve	Retained earnings	Total Equity
	£m	£m	£m	£m	£m
Balance at 1 November 2022	2.1	61.8	8.5	1,721.0	1,793.4
Profit for the period	-	-	-	200.2	200.2
Other comprehensive income	-	-	4.2	-	4.2
Total comprehensive income for the year	-	-	4.2	200.2	204.4
Transactions with owners in their capacity as owner:					
Dividends (note 9)	-	-	-	(65.9)	(65.9)
Increase in share capital	0.1	0.2	-	-	0.3
Employee share options	-	-	-	2.9	2.9
Balance at 31 October 2023	**2.2**	**62.0**	**12.7**	**1,858.2**	**1,935.1**

Consolidated cash flow statement
for the six months ended 30 April 2024

	Six months ended 30 April 2024 (unaudited) £m	Six months ended 30 April 2023 (unaudited) £m	Year ended 31 October 2023 (audited) £m
Profit before income tax	**173.7**	103.4	207.8
Gain on the revaluation of investment properties	**(121.7)**	(47.3)	(93.8)
Depreciation	**0.7**	0.6	1.3
Net finance expense	**12.6**	11.5	22.6
Employee share options	**1.3**	1.0	2.9
(Increase)/decrease in inventories	**-**	(0.1)	-
(Increase)/decrease in trade and other receivables	**2.6**	(4.2)	(1.4)
(Decrease) in trade and other payables	**(8.8)**	(15.4)	(11.2)
Increase in provision	**-**	0.2	0.2
Cash flows from operating activities	**60.4**	49.7	128.4
Interest received	**0.3**	-	-
Interest paid	**(12.2)**	(9.7)	(24.9)
Tax paid	**(3.1)**	(3.7)	(5.5)
Net cash inflow from operating activities	**45.4**	36.3	98.0
Cash flows from investing activities			
Investment in associates	**-**	(1.5)	(2.3)
Expenditure on investment and development properties	**(56.7)**	(62.2)	(119.0)
Purchase of property, plant and equipment	**(1.2)**	(0.5)	(2.9)
Net cash (outflow) from investing activities	**(57.9)**	(64.2)	(124.2)
Cash flows from financing activities			
Issue of share capital	0.7	0.3	0.2
Equity dividends paid	(38.9)	(37.7)	(65.9)
Proceeds from borrowings	52.4	176.2	108.4
Repayment of borrowings	-	(105.1)	(7.1)
Debt issuance costs	-	(4.4)	(4.9)
Financial instruments income	-	0.4	0.4
Principal payment of lease liabilities	(4.4)	(4.3)	(8.8)
Net cash inflow from financing activities	**9.8**	25.4	22.3
Net (decrease) / increase in cash and cash equivalents	**(2.7)**	(2.5)	(3.9)
Exchange loss on cash and cash equivalents	**(0.4)**	(0.3)	(0.1)
Opening cash and cash equivalents	**16.9**	20.9	20.9
Closing cash and cash equivalents	**13.8**	18.1	16.9

Reconciliation of net cash flow to movement in net debt
for the six months ended 30 April 2024

	Six months ended 30 April 2024 (unaudited) £m	Six months ended 30 April 2023 (unaudited) £m	Year ended 31 October 2023 (audited) £m
Net (decrease) in cash and cash equivalents (after exchange adjustments)	**(3.1)**	(2.8)	(4.0)
Increase in debt financing	**(49.3)**	(75.5)	(108.0)
(Increase) in net debt	**(52.4)**	(78.3)	(112.0)
Net debt at start of period	**(810.3)**	(698.3)	(698.3)
Net debt at end of period	**(862.7)**	(776.6)	(810.3)

Notes to the interim report for the six months ended 30 April 2024

1 General information

The Company is a public limited company incorporated and domiciled in the UK. The address of its registered office is Brittanic House, Stirling Way, Borehamwood, Hertfordshire WD6 2BT.

The Company is listed on the London Stock Exchange.

This interim report was approved for issue on 11 June 2024.

This condensed consolidated interim financial information does not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006. The full accounts of Safestore Holdings plc for the year ended 31 October 2023, which received an unqualified report from the auditor, and did not contain a statement under S.498(2) or (3) of the Companies Act 2006, were filed with the Registrar of Companies on 26 March 2024.

This condensed consolidated interim financial information for 30 April 2024 and 30 April 2023 is unaudited. The interim financial information for 30 April 2024 has been reviewed by the auditor and their Independent Review report is included within this financial information.

2 Basis of preparation

The condensed consolidated interim financial information for the six months ended 30 April 2024 has been prepared in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority and with United Kingdom adopted International Accounting Standard 34 'Interim Financial Reporting' (IAS 34).

The Directors are satisfied that the Group has sufficient resources to continue in operation for the foreseeable future, a period of not less than twelve months from the date of this report. Accordingly, they continue to adopt the going concern basis in preparing this condensed consolidated interim financial information.

In assessing the Group's going concern position as at 30 April 2024, the Directors have considered a number of factors, including the net current liability balance sheet position of £61.4m, which is mainly the current USPP tranche which was settled at the end of May 2024, the principal and emerging risks which could impact the performance of the Group and the Group's strategic and financial plan. Consideration has been given to compliance with borrowing covenants along with the uncertainty inherent in future financial forecasts. The Directors considered the most recent three-year outlook approved by the Board. More recently, the Board have reviewed and approved the budget and recent forecast for the current and next financial year. This forecast includes a projected cashflow position which highlights that Group has sufficient available cash to support the business strategy for the next twelve months. Should situations arise where the Group's demand and enquiry levels, average rate growth and the level of cost savings be impacted, clear mitigating actions are available to ensure that the Group remains liquid and able to meet its liabilities as they fall due. The financial position of the Group, including details of its financing and capital structure, is set out in the financial review section of this announcement.

On 30 April 2024, the Group completed the financing of its RCF's accordion option for £100m. This increased the facility to £500m. The facility was originally for a four-year term with two one-year extension options exercisable after the first and second years of the agreement. The first extension was granted in October 2023, taking the term to five years, maturing November 2027. One tranche of Private Placement notes matured at the end of May 2024 and was repaid utilising existing debt facilities.

Further details of the Group's viability statement is included in page 42 of the Annual Report and Financial Statements for the year ended 31 October 2023.

2 Basis of preparation (continued)

The assessment concluded that, for the foreseeable future, the Group has sufficient capital to support its operations; has a funding and liquidity base which is strong, robust and well managed with substantial future capacity and has expectations that performance will continue to improve as the Group's strategy is executed.

The condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 October 2023, which have been prepared in accordance with the International Financial Reporting Standards ("IFRS").

Non-GAAP financial information

The Directors have identified certain measures that they believe will assist the understanding of the performance of the business. The measures are not defined under IFRS and they may not be directly comparable with other companies' adjusted measures. The non-GAAP measures are not intended to be a substitute for, or superior to, any IFRS measures of performance but they have been included as the Directors consider them to be important comparable and key measures used within the business for assessing performance. The following are the key non-GAAP measures identified by the Group:

- The Group defines exceptional items to be those that warrant, by virtue of their nature, size or frequency, separate disclosure on the face of the income statement where, in the opinion of the Directors, this enhances the understanding of the Group's financial performance.

- Underlying EBITDA is an Alternative Performance Measure and is defined as operating profit before exceptional items, share-based payments, corporate transaction costs, gain/loss on investment properties, depreciation and variable lease payments and the share of associate's depreciation, interest and tax. Management considers this presentation to be representative of the underlying performance of the business, as it removes the income statement impact of items not fully controllable by management, such as the revaluation of derivatives and investment properties, and the impact of exceptional credits, costs and finance charges. A reconciliation of statutory operating profit to Underlying EBITDA can be found in the financial review section of this announcement.

- Adjusted Diluted EPRA EPS is based on the European Public Real Estate Association's ("EPRA") definition of EPRA earnings and is defined as profit or loss for the period after tax but excluding corporate transaction costs, change in fair value of derivatives, fair value gain/loss on investment properties and the associated tax impacts. The Company then makes further company-specific adjustments for the impact of exceptional items, net exchange gains/losses recognised in net finance costs, exceptional tax items, and deferred and current tax in respect of these adjustments. The Company also adjusts for IFRS 2 share-based payment charges. This adjusted earnings is divided by the diluted number of shares. The IFRS 2 cost is excluded as it is written back to distributable reserves and is a non-cash item (with the exception of the associated National Insurance element). Therefore, neither the Company's ability to distribute nor pay dividends are impacted (with the exception of the associated National Insurance element). The financial statements disclose earnings on a statutory, EPRA and Adjusted Diluted EPRA basis and will provide a full reconciliation of the differences in the financial year in which any LTIP awards may vest. A reconciliation of statutory basic earnings per share to Adjusted Diluted EPRA EPS can be found in note 10.

- EPRA's Best Practices Recommendations guidelines for Net Asset Value ("NAV") metrics are EPRA Net Tangible Assets ("NTA"), EPRA Net Reinstatement Value ("NRV") and EPRA Net Disposal Value ("NDV"). EPRA NTA is considered to be the most relevant measure for the Group's business which provides sustainable long term progressive returns and is now the primary measure of net assets. The basis of calculation, including a reconciliation to reported net assets, is set out in note 14.

- Like-for-like figures are presented to aid in the comparability of the underlying business as they exclude the impact on results of purchased, sold, opened or closed stores.

Notes to the interim report for the six months ended 30 April 2024 (continued)

2 Basis of preparation (continued)

- Constant exchange rate (CER) figures are provided in order to present results on a more comparable basis, removing foreign exchange movements.

3 Accounting policies

The condensed consolidated interim financial information has been prepared on the basis of the accounting policies expected to apply for the financial year to 31 October 2024 and the same as applied for the Group's Financial Statements for the Full Year October 2023 applicable to companies under IFRS.

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the condensed consolidated interim financial statements are disclosed within the Group's accounting policies as disclosed in the IFRS financial statements for the year ended 31 October 2023. There have been no other significant changes in accounting estimates in the period.

The same accounting policies, presentation and methods of computation are followed in the condensed set of financial statements as applied in the Group's latest financial statements. The nature of the Critical Accounting Judgements and Key Sources of Estimation Uncertainty applied in the condensed financial statements have remained consistent with those applied in the Group's latest annual audited financial statements.

4 Revenue

	Six months ended 30 April 2024 (unaudited) £m	Six months ended 30 April 2023 (unaudited) £m	Year ended 31 October 2023 (audited) £m
Self-storage income	**91.6**	92.4	187.2
Customer goods protection	**12.0**	12.1	25.5
Other non-storage income	**5.6**	5.6	11.5
Total revenue	**109.2**	110.1	224.2

Notes to the interim report for the six months ended 30 April 2024 (continued)

5 Segmental information

The segmental information for the six months ended 30 April 2024 is as follows:

	United Kingdom	Paris	Spain	Benelux	Total
	£m	£m	£m	£m	£m
Continuing operations					
Revenue	79.7	21.6	2.4	5.5	109.2
Underlying EBITDA	50.3	13.6	0.9	2.3	67.1
Share-based payments	(1.2)	(0.2)	-	-	(1.4)
Depreciation and variable lease payments	(1.0)	(0.1)	-	-	(1.1)
Operating profit before gain on investment properties and other exceptional gains	48.1	13.3	0.9	2.3	64.6
Gain on revaluation investment properties	72.3	34.5	10.3	4.6	121.7
Operating profit	120.4	47.8	11.2	6.9	186.3
Net finance expense	(8.9)	(1.1)	(1.6)	(1.0)	(12.6)
Profit before income tax	111.5	46.7	9.6	5.9	173.7
Total assets	2,326.2	638.0	73.6	81.0	3,118.8

The segmental information for the six months ended 30 April 2023 is as follows:

	United Kingdom	Paris	Spain	Benelux	Total
	£m	£m	£m	£m	£m
Continuing operations					
Revenue	81.7	21.8	1.7	4.9	110.1
Underlying EBITDA	51.9	14.9	0.6	2.3	69.7
Share-based payments	(1.2)	(0.1)	-	-	(1.3)
Depreciation and variable lease payments	(0.7)	(0.1)	-	-	(0.8)
Operating profit before gain on investment properties and other exceptional gains	50.0	14.7	0.6	2.3	67.6
Gain on revaluation of investment properties	24.5	14.4	2.1	6.3	47.3
Operating profit	74.5	29.1	2.7	8.6	114.9
Net finance expense	(10.8)	(0.6)	(0.1)	-	(11.5)
Profit before income tax	63.7	28.5	2.6	8.6	103.4
Total assets	2,143.9	586.2	30.7	79.1	2,839.9

Underlying EBITDA is defined as operating profit before exceptional items, share-based payments, corporate transaction costs, gain/loss on investment properties, depreciation and variable lease payments and the share of associate's depreciation, interest and tax.

6 Finance income and costs

	Six months ended 30 April 2024 (unaudited)	Six months ended 30 April 2023 (unaudited)	Year ended 31 October 2023 (audited)
	£m	£m	£m
Finance income			
Interest receivable from loan to associates	**0.2**	-	-
Other interest received	**0.1**	0.1	0.1
Financial instruments income	**-**	0.4	0.4
Underlying finance income	**0.3**	0.5	0.5
Net exchange gains	**-**	-	0.3
Total finance income	**0.3**	0.5	0.8
Finance costs			
Interest payable on bank loans and overdrafts	**(9.4)**	(7.3)	(15.1)
Amortisation of debt issuance costs on bank loans	**(0.6)**	(0.7)	(1.3)
Underlying finance charges	**(10.0)**	(8.0)	(16.4)
Interest on obligations under lease liabilities	**(2.9)**	(2.6)	(5.3)
Fair value movement on derivatives	**-**	(1.4)	(1.7)
Total finance costs	**(12.9)**	(12.0)	(23.4)
Net finance costs	**(12.6)**	(11.5)	(22.6)

Notes to the interim report for the six months ended 30 April 2024 (continued)

7 Taxation

	Six months ended 30 April 2024 (unaudited)	Six months ended 30 April 2023 (unaudited)	Year ended 31 October 2023 (audited)
	£m	£m	£m
Current tax – current year	**2.6**	2.6	5.1
Current tax – prior year	**-**	-	
Deferred tax – current year	**14.7**	8.0	5.3
Deferred tax – prior year	**(0.4)**	-	(2.8)
	16.9	10.6	7.6

Income tax is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year.

In the UK, the Group is a Real Estate Investment Trust ("REIT"). As a result, the Group is exempt from UK corporation tax on the profits and gains arising from its qualifying property rental business in the UK provided that it meets certain conditions. Non-qualifying profits and gains of the Group remain subject to corporation tax as normal. The Group monitors its compliance with the REIT conditions. There have been no breaches of the conditions to date.

The main rate of corporation tax in the UK is 25%. Accordingly, the Group's results for this accounting period are taxed at an effective rate of 25% (30 April 2023: 18%). Following Finance Act 2021, the main rate of corporation increased from 19% to 25% from 1 April 2023. There is no deferred taxation impact in respect of this change in taxation rate.

Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

Notes to the interim report for the six months ended 30 April 2024 (continued)

8 Deferred tax

	As at 30 April 2024 (unaudited)	As at 30 April 2023 (unaudited)	As at 31 October 2023 (audited)
	£m	£m	£m
The amounts provided in the accounts are:			
Revaluation of investment properties and tax depreciation	**150.1**	139.4	139.2
Deferred tax liabilities	**150.1**	139.4	139.2
Other timing differences	**6.1**	0.8	6.6
Deferred tax assets	**6.1**	0.8	6.6
Net deferred tax liability	**144.0**	138.6	132.6

As at 30 April 2024, the Group had income losses of £32.7m (30 April 2023: £41.0m) and capital losses of £36.4m (30 April 2023: £36.4m) in respect of its UK operations. All losses can be carried forward indefinitely. A deferred tax asset has been recognised on £21.0m of income tax losses.

9 Dividends

	Six months ended 30 April 2024 (unaudited)	Six months ended 30 April 2023 (unaudited)	Year ended 31 October 2023 (audited)
	£m	£m	£m
For the year ended 31 October 2022:			
Final dividend – paid 7 April 2023 (20.40p per share)		44.3	44.3
For the year ended 31 October 2023			
Interim dividend – paid 10 August 2023 (9.90p per share)		-	21.6
Final dividend – paid 9 April 2024 (20.20p per share)	**44.1**	-	
Dividends in the statement of changes in equity	**44.1**	44.3	65.9
Timing difference on payment of withholding tax	**(5.2)**	(6.6)	-
Dividends in the cash flow statement	**(38.9)**	37.7	65.9

An interim dividend of 10.0 pence per ordinary share (April 2023: 9.9 pence) has been declared. The ex-dividend date will be 4 July 2024 and the record date 5 July 2024, with an intended payment date of 8 August 2024.

It is intended that 25% (April 2023: 25%) of the interim dividend of 10.0 pence per ordinary share (April 2023: 9.9 pence) will be paid as a REIT Property Income Distribution ("PID") net of withholding tax where appropriate.

The interim dividend, amounting to £21.8m (April 2023: £21.6m), has not been included as a liability at 30 April 2024. It will be recognised in shareholders' equity in the year to 31 October 2024.

Notes to the interim report for the six months ended 30 April 2024 (continued)

10 Earnings per ordinary share

Basic earnings per share has been calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period/year excluding ordinary shares held by the Safestore Employee Benefit Trust. Diluted earnings per share are calculated by adjusting the weighted average numbers of ordinary shares to assume conversion of all dilutive potential shares. The Company has one category of dilutive potential ordinary shares: share options. For the share options, a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market price of the Company's shares) based on the monetary value of the subscription rights attached to the outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

	Six months ended 30 April 2024 (unaudited)			Six months ended 30 April 2023 (unaudited)			Year ended 31 October 2023 (audited)		
	Earnings £m	**Shares million**	**Pence per share**	Earnings £m	Shares million	Pence per share	Earnings £m	Shares million	Pence per share
Basic	**156.8**	**218.3**	**71.8**	92.8	216.5	42.9	200.2	217.2	92.2
Dilutive share options	-	**1.0**	**(0.3)**	-	0.8	(0.2)	-	0.9	(0.4)
Diluted	**156.8**	**219.3**	**71.5**	92.8	217.3	42.7	200.2	218.1	91.8

Notes to the interim report for the six months ended 30 April 2024 (continued)

10 Earnings per ordinary share (continued)

Adjusted earnings per share

Adjusted earnings per share represents profit after tax adjusted for the valuation movement on investment properties, exceptional items, change in fair value of derivatives and the associated tax thereon. As an industry standard measure, European Public Real Estate Association ("EPRA") earnings are presented below. Adjusted diluted earnings are also presented by adding back the share-based payment charge to the EPRA earnings. The Directors consider that these alternative measures provide useful information on the performance of the Group.

	Six months ended 30 April 2024 (unaudited)			Six months ended 30 April 2023 (unaudited)			Year ended 31 October 2023 (audited)		
	Earnings/ (loss) £m	**Shares million**	**Pence per share**	Earnings/ (loss) £m	Shares million	Pence per share	Earnings/ (loss) £m	Shares million	Pence per share
Basic	**156.8**	**218.3**	**71.8**	92.8	216.5	42.9	200.2	217.2	92.2
Adjustments:									
Gain on investment properties	**(121.7)**	**-**	**(55.7)**	(47.3)	-	(21.9)	(93.8)	-	(43.2)
Net exchange loss	**-**	**-**	**-**	-	-	-	(0.3)	-	(0.1)
Gain in fair value of derivatives	**-**	**-**	**-**	1.4	-	0.6	1.7	-	0.8
Tax on adjustments and exceptional tax	**13.7**	**-**	**6.3**	7.4	-	3.4	1.4	-	0.6
Adjusted	**48.8**	**218.3**	**22.4**	54.3	216.5	25.0	109.2	217.2	50.3
EPRA adjusted:									
Fair value re-measurement of lease liabilities add-back	**(4.4)**	**-**	**(2.0)**	(4.4)	-	(2.0)	(8.8)	-	(4.1)
Tax on lease liabilities add-back adjustment	**0.6**	**-**	**0.3**	0.6	-	0.3	1.1	-	0.5
Adjusted EPRA basic EPS	**45.0**	**218.3**	**20.7**	50.5	216.5	23.3	101.5	217.2	46.7
Share-based payment charge	**1.4**	**-**	**0.6**	1.3	-	0.6	3.5	-	1.6
Dilutive shares	**-**	**1.0**	**(0.1)**	-	2.5	(0.2)	-	1.9	(0.4)
Adjusted Diluted EPRA EPS	**46.4**	**219.3**	**21.2**	51.8	219.0	23.7	105.0	219.1	47.9

The definition of Adjusted Diluted EPRA EPS can be found in note 2 to the financial statements, being based on the EPRA definition of earnings with company adjustments for specific items such as tor the impact of exceptional items, IFRS 2 share-based payment charges, and deferred tax charges.

Gain on investment properties includes the fair value re-measurement of lease liabilities add-back of £4.4m (30 April 2023: £4.4m) and the related tax thereon of £0.6m (30 April 2023: £0.6m). As an industry standard measure, EPRA earnings is presented. EPRA earnings of £45.0m (30 April 2023: £50.5m) and EPRA earnings per share of 20.7 pence (30 April 2023: 23.3 pence) are calculated after further adjusting for these items.

Notes to the interim report for the six months ended 30 April 2024 (continued)

11 Investment in associates

	As at 30 April 2024 (unaudited)	As at 30 April 2023 (unaudited)	As at 31 October 2023 (audited)
	£m	£m	£m
Investment in associates	**4.1**	3.3	4.1

PBC Les Groues SAS

The Group has a 24.9% interest in PBC Les Groues SAS ("PBC"), a company registered and operating in France. PBC is accounted for using the equity method of accounting. PBC is the parent company of Nanterre FOCD 92, a company also registered and operating in France, which is developing a new store as part of a wider development programme located in Paris. The development project is managed by its joint venture partners, therefore the Group will have no operational liability during this phase. During the current period there has been no further investment in the company. The investment is considered immaterial relative to the Group's underlying operations.

The aggregate carrying value of the Group's interest in PBC was £1.8m (30 April 2023: £1.8m), made up of an investment of £1.8m (30 April 2023: £1.8m). The Group's share of profits from continuing operations for the period was £nil (30 April 2023: £nil). The Group's share of total comprehensive income of associates for the period was £nil (30 April 2023: £nil).

Cerf II German Storage Topco S.a.r.l.

On 1 December 2022 the Group acquired a 10.0% interest in CERF II German Storage Topco S.a.r.l. (CERF II), a company registered in Luxembourg for which the Group has board representation. The reporting date of the financial statements for the company is 31 December. Cerf II is accounted for using the equity method of accounting. Safestore entered the German Self Storage market via a new investment with Carlyle which acquired the myStorage business.

The aggregate carrying value of the Group's interest in CERFII was £2.3m (30 April 2023: £1.5m), made up of an investment of £2.3m (30 April 2023: £1.5m). The Group's share of profits from continuing operations for the period was £nil (30 April 2023: £nil). The Group's share of total comprehensive income of associates for the period was £nil (30 April 2023: £nil).

Notes to the interim report for the six months ended 30 April 2024 (continued)

12 Investment properties

	Investment properties, net of lease liabilities	Add-back of lease liabilities	Investment properties under construction	Total investment properties
	£m	£m	£m	£m
Balance at 1 November 2023	2,681.1	101.2	108.6	2,890.9
Additions	18.8	9.1	36.8	64.7
Reclassification	27.2	-	(27.2)	-
Revaluation movement	129.5	-	(3.4)	126.1
Fair value re-measurement of lease liabilities	-	(4.4)	-	(4.4)
Exchange movements	(17.8)	(0.7)	(0.9)	(19.4)
Balance at 30 April 2024	**2,838.8**	**105.2**	**113.9**	**3,057.9**

	Fair value of investment properties, net of lease liabilities	Add-back of lease liabilities	Investment properties under construction	Total investment properties
	£m	£m	£m	£m
Balance at 1 November 2022	2,457.8	95.1	94.5	2,647.4
Additions	33.2	9.0	29.0	71.2
Disposal of subsidiaries	-	(3.1)	-	(3.1)
Reclassification	29.9		(29.9)	-
Revaluation movement	52.3	-	(0.6)	51.7
Fair value re-measurement of lease liabilities	-	(4.4)	-	(4.4)
Exchange movements	13.4	0.7	0.7	14.8
Balance at 30 April 2023	**2,586.6**	**97.3**	**93.7**	**2,777.6**

The gain on investment properties of £121.7m (30 April 2023: £47.3m) as disclosed in the consolidated income statement comprises a £126.1m (30 April 2023: £51.7m) revaluation gain on investment properties, net of lease liabilities and investment properties under construction less the fair value re-measurement of lease liabilities add-back of £4.4m (30 April 2023: £4.4m).

The Group has classified investment property and investment property under construction, held at fair value, within Level 3 of the fair value hierarchy. There were no transfers to or from Level 3 during the period. The fair valuation exercise undertaken at 30 April 2024 is explained in note 13.

The fair value of investment property held by the Group classified as the add-back of lease liabilities of £105.2m (30 April 2023: £97.3m) reflects expected cash flows (including rent reviews settled that are expected to become payable). Accordingly, if a valuation obtained for a property is net of all payments expected to be made, it will be necessary to add-back any recognised lease liability, to arrive at the carrying amount of the investment property using the fair value model under IAS 40. The lease liability of £105.3m (30 April 2023: £97.5m) differs by £0.1m (30 April 2023: £0.2m) which relates to the right-of-use asset classified as part of property, plant and equipment.

13 Valuations

External valuation

A sample of the Group's largest properties, representing 30% of the value of the Group's investment property portfolio at 31 October 2023, has been valued by the Group's external valuers, C&W, as at 30 April 2024. The valuation has been carried out in accordance with the requirements of the RICS Valuation – Global Standards which incorporate the International Valuation Standards ("IVS") and the RICS Valuation UK National Supplement (the "RICS Red Book") edition current at 30 April 2024. The valuation of each of the investment properties has been prepared on the basis of fair value as a fully equipped operational entity, having regard to trading potential. The valuation has been provided for accounts purposes and, as such, is a Regulated Purpose Valuation as defined in the Red Book. In compliance with the disclosure requirements of the Red Book, C&W has confirmed that:

- the member of the RICS who has been the signatory to the valuations provided to the Group for the same purposes as previous valuations, has done so since April 2020;
- C&W has been carrying out regular valuations for the same purpose as this valuation on behalf of the Group since October 2006;
- C&W does not provide other significant professional or agency services to the Group;
- The proportion of fees payable by the Group to C&W to the total fee income of C&W's last financial year to 31 December 2023, was less than 5%. We anticipate that the proportion of fees for the financial year to 31 December 2024 will remain at less than 5%; and
- the fee payable to C&W is a fixed amount per property and is not contingent on the appraised value.

Further details of the valuation carried out by C&W as at 31 October 2023, including the valuation method and assumptions, are set out in note 13 to the Group's annual report and financial statements for the year ended 31 October 2023. This note should be read in conjunction with note 13 of the Group's annual report.

Directors' valuation

In addition, at the same date, the Directors have prepared estimates of fair values for the remaining 70% of the Group's investment property portfolio, incorporating assumptions for estimated absorption, revenue growth and capitalisation rates to reflect current market conditions and trading.

13 Valuations (continued)

Assumptions

The key assumptions incorporated into both the external valuation and the Directors' valuation, calculated on a weighted average basis across the entire portfolio, are:

- Net operating income is based on projected revenue received less projected operating costs together with a central administration charge of 6% of the estimated annual revenue subject to a cap and collar. The initial net operating income is calculated by estimating the net operating income in the first twelve months following the valuation date.
- The net operating income in future years is calculated assuming either straight line absorption from day one actual occupancy or variable absorption over years one to four of the cash flow period, to an estimated stabilised/mature occupancy level. In the valuations the assumed stabilised occupancy level for the trading stores (both freeholds and all leaseholds) open at 30 April 2024 averages 89.35% (31 October 2023: 89.33%). The projected revenues and costs have been adjusted for estimated cost inflation and revenue growth. The average time assumed for stores to trade at their maturity levels is 12.35 months (31 October 2023: 13.44 months).
- The capitalisation rates applied to existing and future net cash flows have been estimated by reference to underlying yields for industrial and retail warehouse property, yields for other trading property types such as student housing and hotels, bank base rates, ten year money rates, inflation and the available evidence of transactions in the sector. The valuations included in the accounts assume rental growth in future periods. If an assumption of no rental growth is applied to the valuations, the net initial yield pre-administration expenses for the mature stores (i.e., excluding those stores categorised as "developing") is 5.11% (31 October 2023: 5.92%), rising to stabilised net yield pre-administration expenses of 6.71% (31 October 2023: 6.71%).
- The weighted average freehold exit yield on UK freeholds is 5.51% (31 October 2023: 5.75%), on Paris freeholds is 5.33% (31 October 2023: 5.61%), on Spain freeholds is 5.36% (31 October 2023: 5.50%), on the Netherlands freeholds is 4.89% (31 October 2023: 5.15%) and on Belgium freeholds is 4.77% (31 October 2023: 5.00%). The weighted average freehold exit yield for all freeholds adopted 5.42% (31 October 2023: 5.72%).
- The future net cash flow projections (including revenue growth and cost inflation) have been discounted at a rate that reflects the risk associated with each asset. The weighted average annual discount rate adopted (for both freeholds and leaseholds) in the UK portfolio is 8.20% (31 October 2023: 8.59%) in the France portfolio is 8.17% (31 October 2023: 8.38%), in the Spain portfolio is 8.18% (31 October 2023: 8.39%), in the Netherlands portfolio is 7.59% (31 October 2023: 7.74%) and in the Belgium portfolio is 7.57% (31 October 2023: 7.99%). The weighted average annual discount rate adopted (for both freeholds and all leaseholds) is 8.26% (31 October 2023: 8.54%).
- Purchaser's costs in the range of approximately 3.3% to 6.8% for the UK, 7.5% for Paris and 2.5% for Spain have been assumed initially, reflecting the progressive SDLT rates brought into force in March 2016 in the UK, and sales plus purchaser's costs totalling approximately 5.3% to 8.8% (UK), 9.5% (Paris) and 4.5% (Spain) are assumed on the notional sales in the tenth year in relation to freehold and long leasehold stores.

All other factors being equal, higher net operating income would lead to an increase in the valuation of a store and an increase in the capitalisation rate or discount rate would result in a lower valuation, and vice versa. Higher assumptions for stabilised occupancy, absorption rate, rental rate and other revenue, and a lower assumption for operating costs, would result in an increase in projected net operating income, and thus an increase in valuation.

Notes to the interim report for the six months ended 30 April 2024 (continued)

13 Valuations (continued)

As a result of these exercises, as at 30 April 2024, the Group's investment property portfolio has been valued at £2,838.8m (30 April 2023: £2,586.6m), and a revaluation gain of £121.7m (30 April 2023: £47.3m) has been recognised in the income statement for the period.

A full external valuation of the Group's investment property portfolio will be performed at 31 October 2024.

14 Net assets per share

Analysis of net asset value	**As at 30 April 2024 (unaudited) £m**	As at 30 April 2023 (unaudited) £m	As at 31 October 2023 (audited) £m
Balance sheet net assets	**2,041.4**	1,848.3	1,935.1
Adjustments to exclude:			
Fair value of derivative financial instruments (net of deferred tax)	**-**	(0.3)	-
Deferred tax liabilities on the revaluation of investment properties	**150.1**	139.4	139.2
EPRA NTA	**2,191.5**	1,987.4	2,074.3
Basic net assets per share (pence)	**935**	848	888
EPRA basic NTA per share (pence)	**1003**	912	952
Diluted net assets per share (pence)	**930**	845	884
EPRA diluted NTA per share (pence)	**999**	909	948
	Number	Number	Number
Shares in issue	**218,487,150**	218,006,528	218,039,419

Basic net assets per share is shareholders' funds divided by the number of shares at the period end. The number of shares in issue at the period end excludes 75,814 shares (30 April 2023: 145,493 shares) held by the Safestore Employee Benefit Trust. Diluted net assets per share is shareholders' funds divided by the number of shares at the period end, adjusted for dilutive share options of 1,023,639 shares (30 April 2023: 821,170 shares).

15 Borrowings

The tables below set out the Group's borrowings position as at 30 April 2024:

Non-current	**As at 30 April 2024 (unaudited) £m**	As at 30 April 2023 (unaudited) £m	As at 31 October 2023 (audited) £m
Borrowings:			
Unsecured - revolving credit facility	**254.6**	172.9	203.0
Unsecured - US Private placement notes	**477.6**	529.2	483.3
Debt issue costs	**(4.5)**	(4.9)	(5.0)
	727.7	697.2	681.3
Current			
Borrowings:			
Unsecured - US Private placement notes	**43.5**	-	44.5
	43.5	-	44.5

On 30 April 2024, the Group completed the financing of its RCF's accordion option for £100m. This increased the facility to £500m. The facility was originally for a four-year term with two one-year extension options exercisable after the first and second years of the agreement. The first extension was granted in October 2023, taking the term to five years.

One tranche of Private Placement notes matured at the end of May 2024 and was repaid following the balance sheet date utilising existing debt facilities. The remaining US Private Placement Notes of €307.1 have maturities extending to 2026, 2027, 2028, 2029 and 2033 and £215.5m which have maturities extending to 2026, 2028, 2029 and 2031.

Borrowings are stated before unamortised issue costs of £4.5m (30 April 2023: £4.9m). The bank loans and private placement notes were repayable as follows:

	As at 30 April 2024 (unaudited) £m	As at 30 April 2023 (unaudited) £m	As at 31 October 2023 (audited) £m
Within one year	**43.5**	-	44.5
Between one and two years	**-**	44.6	-
Between two and five years	**457.3**	334.2	409.0
After more than five years	**274.9**	323.3	277.3
Borrowings	**775.7**	702.1	730.8
Unamortised issue costs	**(4.5)**	(4.9)	(5.0)
	771.2	697.2	725.8

Notes to the interim report for the six months ended 30 April 2024 (continued)

15 Borrowings (continued)

The effective interest rates at the balance sheet date were as follows:

	As at 30 April 2024 (unaudited)	As at 30 April 2023 (unaudited)	As at 31 October 2023 (audited)
RCF (£)	Monthly, quarterly or six monthly SONIA plus 1.25%	Monthly, quarterly or six monthly SONIA plus 1.25%	Monthly, quarterly or six monthly SONIA plus 1.25%
RCF (€)	Monthly, quarterly or six monthly EURIBOR plus 1.25%	Monthly, quarterly or six monthly EURIBOR plus 1.25%	Monthly, quarterly or six monthly EURIBOR plus 1.25%
Private placement notes (€)	Weighted average rate of 1.80%	Weighted average rate of 1.80%	Weighted average rate of 1.80%
Private placement notes (£)	Weighted average rate of 2.55%	Weighted average rate of 2.55%	Weighted average rate of 2.55%

In addition to the margin of 1.25%, the RCF also has ESG targets enabling a reduction in the margin of up to 5bps to 1.20%. In the period these targets were all met.

Borrowing facilities

The Group has the following undrawn committed borrowing facilities available at the period end in respect of which all conditions precedent had been met at that date:

	Floating rate		
	As at 30 April 2024 (unaudited)	As at 30 April 2023 (unaudited)	As at 31 October 2023 (audited)
	£m	£m	£m
Expiring within one year	**-**	-	-
Expiring beyond one year	**245.4**	227.1	297.0

16 Share capital

	As at 30 April 2024 (unaudited)	As at 30 April 2023 (unaudited)	As at 31 October 2023 (audited)
Called up, issued and fully paid	**£m**	£m	£m
218,487,150 (30 April 2023: 218,006,528) ordinary shares of 1p each	**2.2**	2.2	2.2

17 Capital commitments

The Group had capital commitments of £170.0m as at 30 April 2024 (31 October 2023: £128.0m; 30 April 2023: £134.0m).

18 Related party transactions

The Group's shares are widely held. Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

Transactions with PBC Les Groues SAS

As described in note 11, the Group has a 24.9% interest in PBC Les Groues SAS ("PBC"). During the period, the Group is due to receive interest of £0.2m which is included within amounts due from associates (30 April 2023: £nil). The total amount invested is included as part of its non-current investments in associates.

Transactions with CERF II German Storage Topco S a r l (CERF II)

As described in note 11, the Group has a 10.0% interest in CERF II German Storage Topco S a r l (CERF II). During the period, the Group recharged £0.2m (30 April 2023: £Nil).

19 Provisions

In France, the basis on which property taxes have been assessed has been challenged by the tax authority for financial years 2011 onwards. In November 2022 the French Supreme Court delivered a final judgement in respect of litigation for years 2011 to 2013, which resulted in a partial success for the Group. The Group is separately pursuing litigation in respect of years since 2013 and has lodged an appeal with the French administrative tribunal against the issues included in assessments for 2013 onwards on which it was ultimately unsuccessful in the French Supreme Court for the earlier years. A provision is included in the consolidated financial accounts of £2.6m at 30 April 2024 (31 October 2023: £2.6m), to reflect the increased uncertainty surrounding the likelihood of a successful outcome.

It is possible that the French tax authority may appeal the decisions of the French Court of Appeal on which the Group was successful to the French Supreme Court. The maximum potential exposure in relation to these issues at 30 April 2024 is £3.0m (31 October 2023: £3.0m). No provision for any further potential exposure has been recorded in the consolidated financial statements since the Group believes it is more likely than not that a successful outcome will be achieved, resulting in no additional liabilities.

20 Contingent liabilities

The Group has a contingent liability in respect of property taxation in the French subsidiary as disclosed in note 19.

21 Post Balance Sheet Events

One tranche of Private Placement notes matured for €50.9m (£43.5m) at the end of May 2024 and was repaid utilising existing debt facilities.

Notes to the interim report for the six months ended 30 April 2024 (continued)

The delivery of our strategic objectives is dependent on effective risk management. There are a number of potential risks and uncertainties which could have a material impact on the Group's performance and could cause actual results to differ materially from expected and historical results. Details of the principal risks facing the Group were included on pages 35 to 40 of the Annual Report and Financial Statements for the year ended 31 October 2023, a copy of which is available at www.safestore.com, and include:

- Strategic risks
- Finance risk
- Treasury risk
- Property investment and development risk
- Valuation risk
- Occupancy risk
- Real estate investment trust ("REIT") risk
- Catastrophic event risk
- Regulatory compliance risk
- Marketing risk
- IT security/GDPR
- Brand and Reputational risk
- Geographical expansion
- Human resource risk
- Climate change related risk

The Company regularly assesses these risks together with the associated mitigating factors listed in the 2023 Annual Report. The levels of activity in the Group's markets and the level of financial liquidity and flexibility continue to be the areas designated as appropriate for added management focus.

We continue to believe that our market leading position in the UK and Paris, our strong brand and depth of management, as well as our retail expertise and infrastructure, help mitigate the effects of fluctuations in the economy or the housing market. Furthermore, the UK self-storage market remains immature with little risk of supply outstripping demand in the medium term.

Our prudent approach on new stores reduces our dependence on the number of non-trading investment properties in relation to the established and mature stores that provide relatively stable and growing cash flow. The Board regularly reviews the cash requirements of the business, including the covenant position although given the nature of the product, customer base and lack of working capital requirements, liquidity is not considered to be a significant risk.

The Outlook section of this half yearly report provides a commentary concerning the remainder of the financial year.

Forward-looking statements

Certain statements in this interim results announcement are forward-looking statements. By their nature, forward-looking statements involve a number of risks, uncertainties or assumptions that could cause actual results or events to differ materially from those expressed or implied by the forward-looking statements. These risks, uncertainties or assumptions could adversely affect the outcome and financial effects of the plans and events described herein. Forward-looking statements contained in this interim results announcement regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. You should not place undue reliance on forward-looking statements, which speak only as of the date of this interim results announcement. Except as required by law, the Company is under no obligation to update or keep current the forward-looking statements contained in this interim results announcement or to correct any inaccuracies which may become apparent in such forward-looking statements.

Statement of Directors' responsibilities for the six months ended 30 April 2024

The Directors confirm that, to the best of their knowledge, this condensed consolidated interim financial information has been prepared in accordance with IAS 34 as contained in the United Kingdom adopted IFRS and that the interim management report includes a fair review of the information required by DTR 4.2.4R, DTR 4.2.7R and DTR 4.2.8R, namely:

- the condensed set of financial statements gives a true and fair view of the assets, liabilities, financial position and profit or loss of Safestore Holdings plc, or the undertakings included in the consolidation;

- an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and

- material related-party transactions in the first six months and any material changes in the related-party transactions described in the last annual report.

A list of current Directors is maintained on the Safestore Holdings plc website, www.safestore.com.

The Directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By order of the Board

Frederic Vecchioli	Simon Clinton
11 June 2024	11 June 2024
Chief Executive Officer	Chief Financial Officer

INDEPENDENT REVIEW REPORT TO SAFESTORE HOLDINGS PLC

Conclusion

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 April 2024 which comprises the consolidated income statement, the consolidated balance sheet, the consolidated statement of changes in equity, the consolidated cash flow statement, and related notes 1 to 21.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 April 2024 is not prepared, in all material respects, in accordance with the accounting policies the group intends to use in preparing its next annual financial statements and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Basis for Conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council for use in the United Kingdom (ISRE (UK) 2410). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As disclosed in note 2, the annual financial statements of the group are prepared in accordance with United Kingdom adopted international accounting standards. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with United Kingdom adopted International Accounting Standard 34, "Interim Financial Reporting".

Conclusion Relating to Going Concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for Conclusion section of this report, nothing has come to our attention to suggest that the directors have inappropriately adopted the going concern basis of accounting or that the directors have identified material uncertainties relating to going concern that are not appropriately disclosed.

This Conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410; however future events or conditions may cause the entity to cease to continue as a going concern.

Responsibilities of the directors

The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

In preparing the half-yearly financial report, the directors are responsible for assessing the group's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the review of the financial information

In reviewing the half-yearly financial report, we are responsible for expressing to the company a conclusion on the condensed set of financial statements in the half-yearly financial report. Our Conclusion, including our Conclusion Relating to Going Concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for Conclusion paragraph of this report.

Use of our report

This report is made solely to the company in accordance with ISRE (UK) 2410. Our work has been undertaken so that we might state to the company those matters we are required to state to it in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our review work, for this report, or for the conclusions we have formed.

Deloitte LLP
Statutory Auditor
London, United Kingdom
11 June 2024