

Self Storage Group ASA

6 June 2018



AN INTRODUCTION TO SELF STORAGE

The concept



The Concept

A self-storage business rents out storage space (rooms, containers, and/or outdoor space) to tenants

Lease Duration

Self-storage facilities are rented on a short-term basis. Often month-to-month, though options for long-term leases are available

Ancillary Offerings

Some facilities offer boxes, locks, packaging supplies for sale, and may also offer truck rentals and tenant insurance

Reasons for demand

Households



- Moving
- Refurbishment
- Need for additional storage
- Storing during holidays for students

Businesses



- Relocation
- Refurbishment
- Growing inventories
- Archived records

Important factors

1

Variety of unit sizes

2

Good location / proximity to clients

3

Security

4

Customer service and IT

5

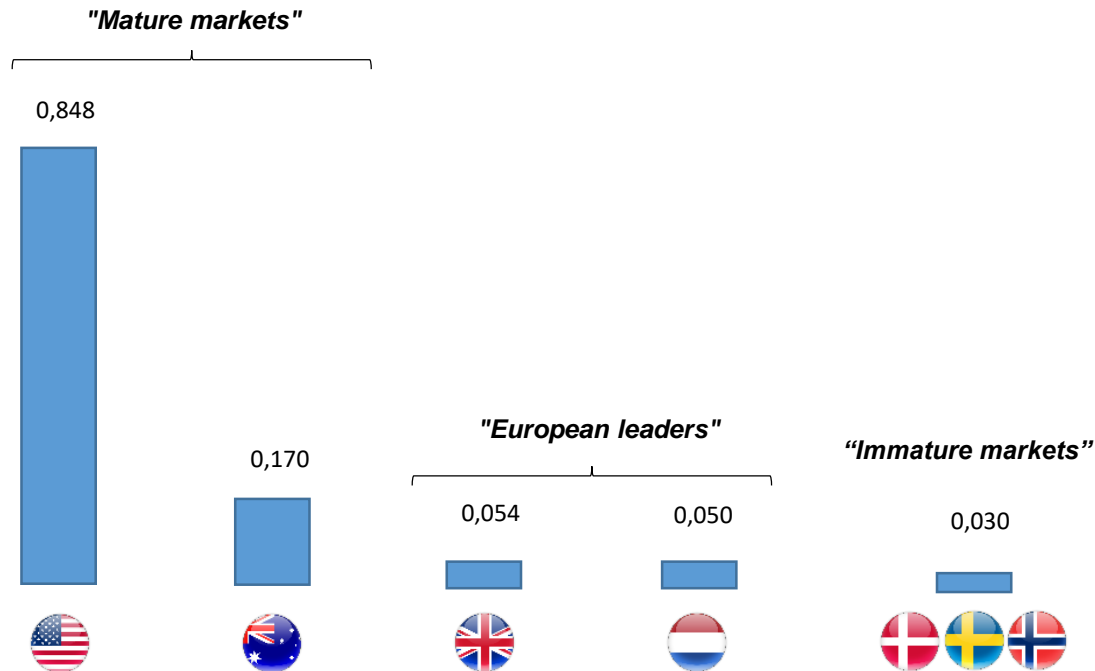
Pricing

6

Access

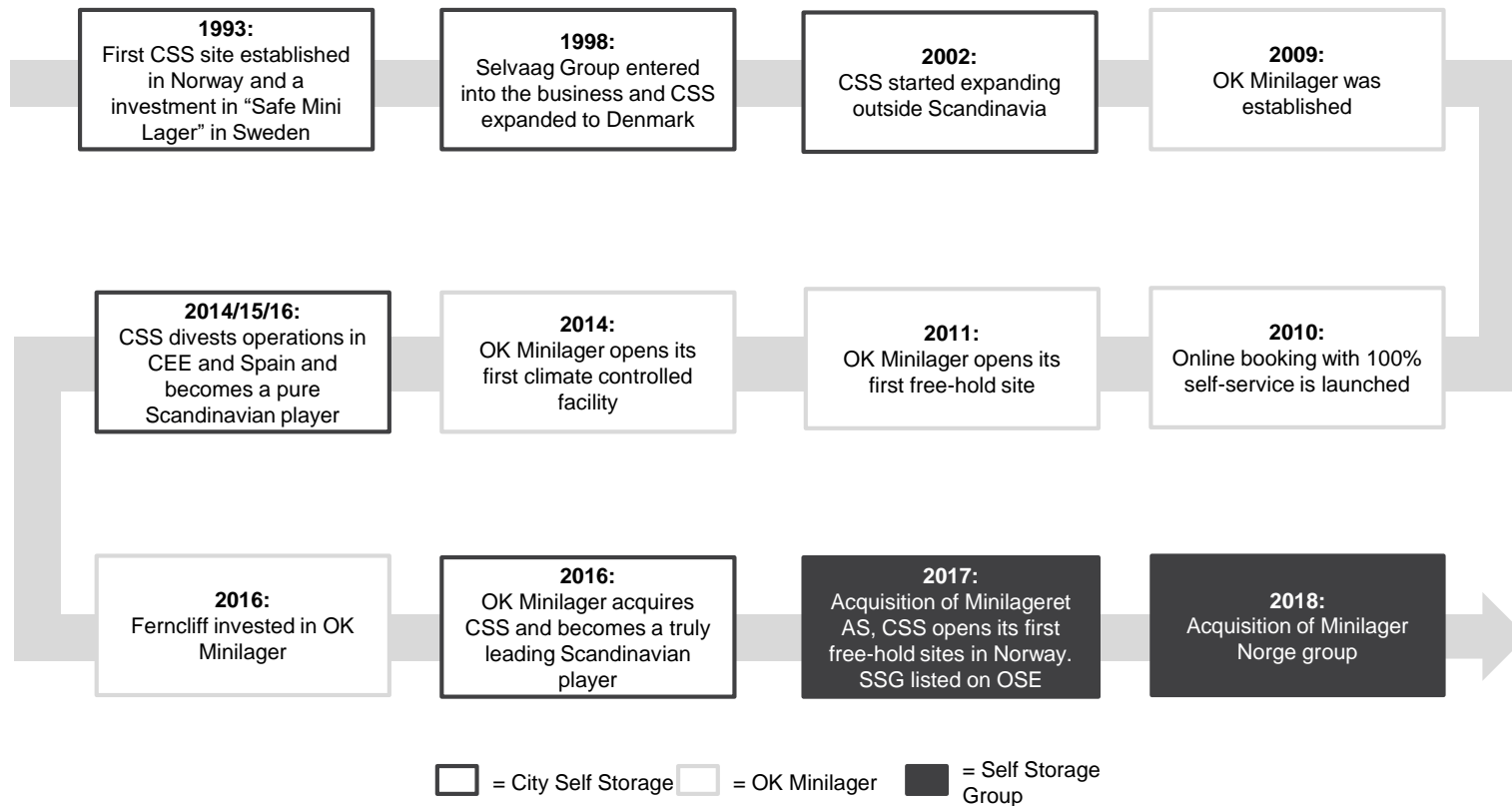
UNTAPPED POTENTIAL FOR SELF STORAGE IN SCANDINAVIA

Scandinavia lagging in terms of self storage space per capita (sq.m.)



- Significant untapped potential in the Scandinavian countries
- Factors supporting increased demand for storage in Scandinavia going forward:
 - Scandinavian countries ranking high in terms of consumption per capita
 - Spending levels expected to continue growing
 - Oslo, Stockholm and Copenhagen expected to remain among the fastest growing capitals in Europe
 - New building-standards in Norway require less storage-space
- The European market is still growing

OUR HISTORY



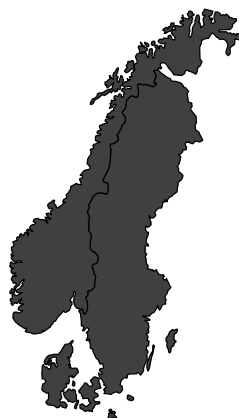
SSG CONSISTS OF TWO DISTINCT BUSINESS CONCEPTS

City Self-Storage



High-end brand providing self-storage rental and ancillary products and services in Scandinavia's capital cities

- 31¹ temperate storage facilities across
- One of the leading self-storage providers in the Scandinavian market
- Located in Oslo, Stockholm and Copenhagen
- 63 294 m² of lettable storage space (3 969 m² freehold)

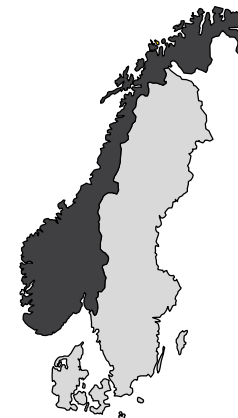


OK Minilager



Countrywide, discount-priced offering of self-served storage facilities in Norway

- 61² facilities located across Norway
- 28 drive-in storage facilities and 33 temperate storage facilities
- 2nd largest player in Norway, behind CSS
- Self service, open 24 hr/day and 7 days a week
- 47 426 m² of lettable storage space (23 438 m² freehold)

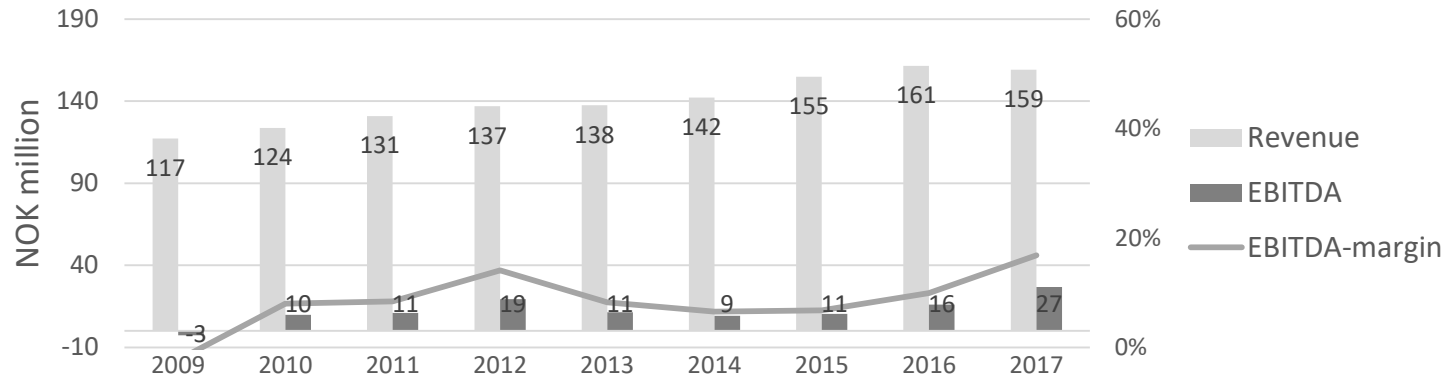


¹ As of 8 May 2018. Including Minilager Norge group

² As of 8 May 2018. Including Minilageret AS

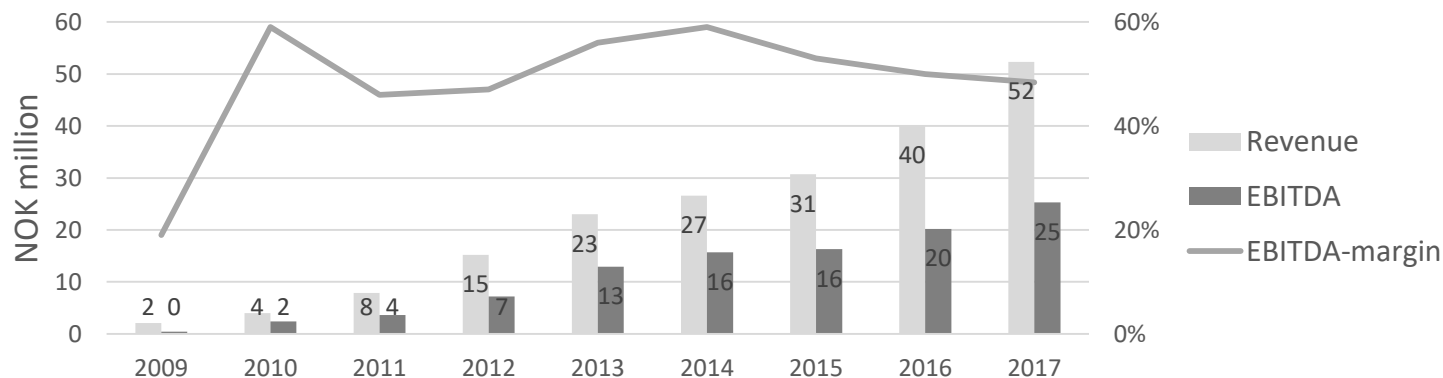
INCREASING REVENUE AND EBITDA-MARGIN

CSS



- Leasehold-portfolio acquired in 2016 from Selvaag
- Number of sites fixed from 2009-2016
- Large, staffed facilities
- Focus on improving margins through digital marketing and online channels, efficient operations and cost-cutting projects, and increased share of freehold facilities
- Opened 4 new unmanned facilities since June 2017

OK Minilager¹



- 7 facilities in average opened each year since 2009, all highly profitable
- Half of the portfolio is freehold facilities, the rest leasehold
- Self-service for customers
- All facilities are unmanned
- Innovative CRM-system
- Efficient and lean operations

Numbers in MNOK

1) Minilageret AS is reported with OK Minilager from 1/7-2016

KEY FIGURES¹ – Q1 2018

(NOK million)

P&L	Q1'18	Q1'17	FY '17
Revenue	58.3	49.8	212.1
Total operating costs ²	42.7	40.0	158.0
Adjusted EBITDA	15.6	9.8	54.2
Adjusted EBIT	13.2	9.5	46.9
Change in fair value of investment properties	0.5	11.9	29.8
Adjusted Pre-tax profit	12.9	20.3	73.5
Adjusted Net profit	9.9	15.4	59.7
Current lettable area (thousands m2)	110.0	90.5	103.7
Lettable area under development (thousands m2)	15.6	N/A	12.3

Cash flows

	31.3.18	31.3.17	31.12.17
Net cash flows from operating activities	7.2	6.6	42.3
Net cash flows from investing activities	-70.0	-19.8	-123.4
Net cash flows from financing activities	-1.7	58.0	241.6
Cash and cash equivalents at beginning of the period	195.2	34.1	34.1
Cash and cash equivalents at end of the period	130.4	79.0	195.2

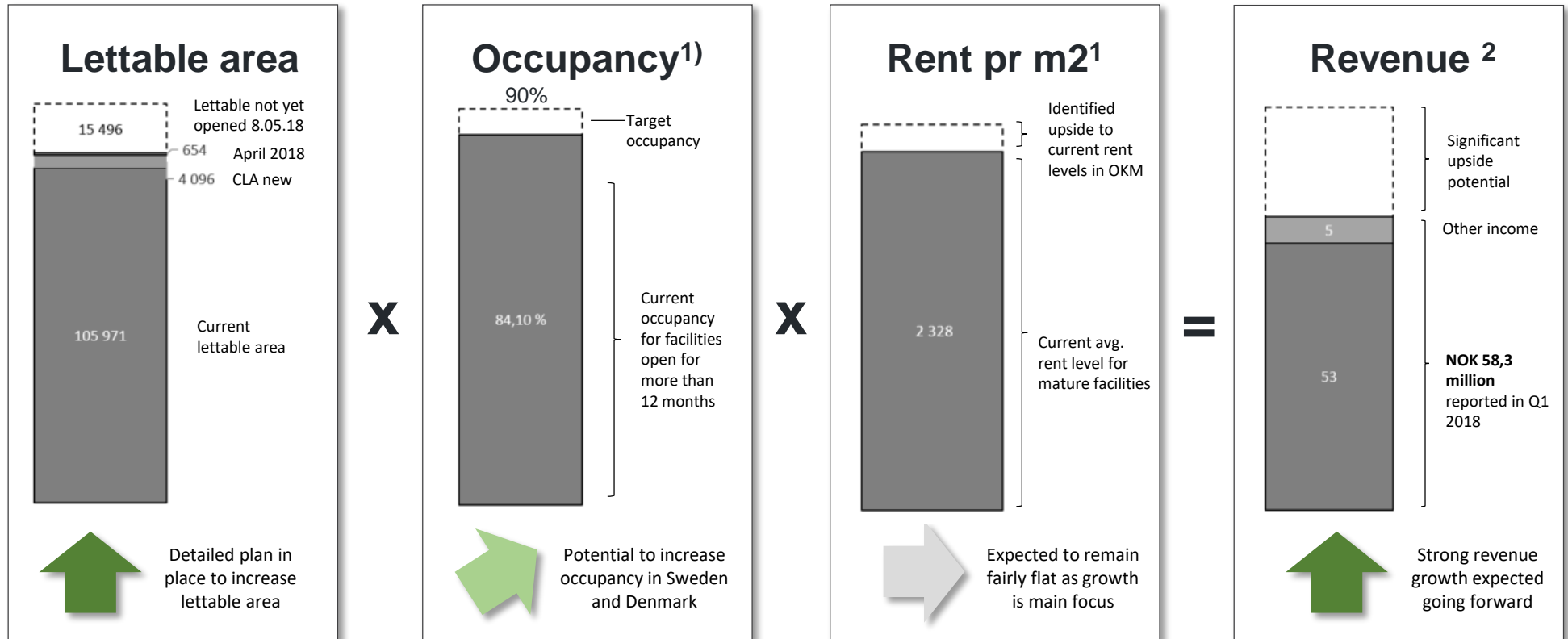
Balance sheet

	31.3.18	31.12.17
ASSETS		
Investment property	429.5	338.6
Property, plant and equipment	63.0	52.6
Goodwill	93.7	72.3
Total non-current assets	586.9	463.5
Other current assets	31.4	26.3
Cash and bank deposits	130.4	195.2
Total current assets	161.8	221.5
TOTAL ASSETS	748.7	685.0
EQUITY AND LIABILITIES		
Total equity	549.2	514.0
Long-term interest-bearing debt	101.4	89.7
Deferred tax liabilities	30.6	22.3
Total non-current liabilities	133.3	112.2
Total current liabilities	66.3	58.9
Total liabilities	199.5	171.0
TOTAL EQUITY AND LIABILITIES	748.7	685.0

1) Unaudited figures for 2018

2) Adjusted for IPO and non-recurring items of NOK 0.9 million in Q1 2018 NOK, 5.7 million in Q4 2017, NOK 4,6 million in Q3 2017 and NOK 0,9 million in Q2 2017

REVENUE DYNAMICS AS OF Q1-2018



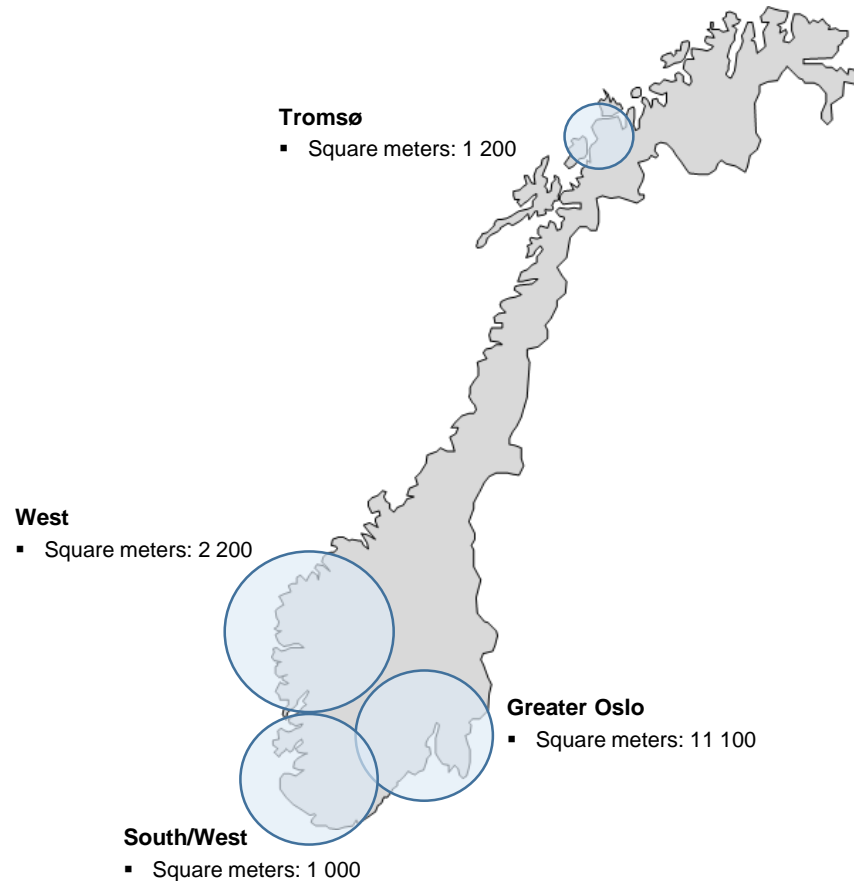
Note:

1) Average occupancy and rent pr m² for sites with more than 12 months of operation in NOK

2) Numbers in NOK million

A STRONG PLATFORM FOR FUTURE GROWTH

-15 500 M² IN POTENTIAL LETTABLE AREA



- 4 500 potential m² in newly acquired facilities
- 11 000 potential m² in existing facilities
- All potential m² in freehold facilities
- Rent income from expiring lease contracts from 5 100 m² of the 15 500 m² not yet buildt into self-storage units
- 10 000+ square meters are planned to open during 2018



Appendix



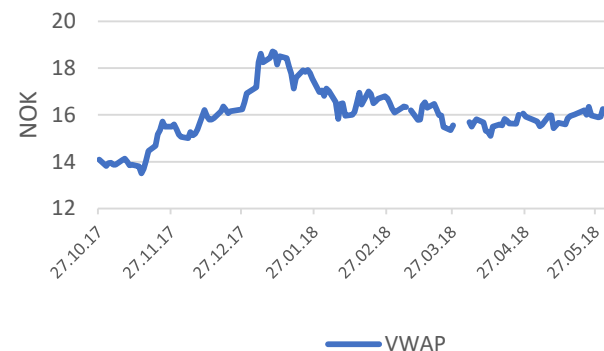
SSG WAS LISTED ON OSLO STOCK EXCHANGE 27.10.2017

Largest shareholders

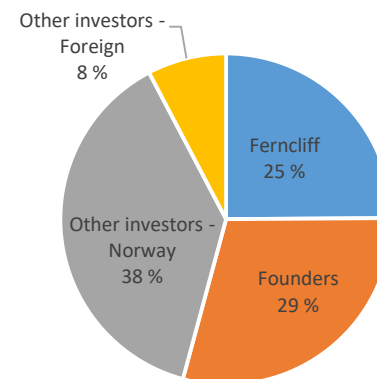
Holding	%	Name	Country
12 220 000	18,70 %	FEOK AS	NOR
9 565 000	14,63 %	FABIAN HOLDING AS	NOR
9 565 000	14,63 %	CENTRUM SKILT AS	NOR
4 080 000	6,24 %	FERNCLIFF INVEST AS	NOR
3 777 305	5,78 %	HOLTA INVEST AS	NOR
2 607 630	3,99 %	VATNE EQUITY AS	NOR
2 170 851	3,32 %	SKAGEN M2 VERDIPAPIR	NOR
1 605 815	2,46 %	HSBC TTEE MARLB EURO HSBC Bank Plc	GBR
1 567 398	2,40 %	EATS AS	NOR
1 551 906	2,37 %	VERDIPAPIRFONDET DNB V/DNB ASSET MANAGEME	NOR
1 495 820	2,29 %	FIDELITY INT REAL ES BNY MELLON SA/NV	USA
1 168 504	1,79 %	KLAVENESS MARINE FIN	NOR
1 071 428	1,64 %	Danske Invest Norge	NOR
951 370	1,46 %	STOREBRAND VEKST VER JPMORGAN EUROPE LTD,	NOR
879 851	1,35 %	STORGATA EIENDOM AS	NOR
675 000	1,03 %	Taaleri Nordic Value C/O Handelsbanken cu	FIN
505 770	0,77 %	BERNT HOLDING AS	NOR
481 500	0,74 %	GRANDEUR PEAK GLOBAL BROWN BROTHERS HARRI	USA
365 644	0,56 %	CAMACA AS	NOR
338 980	0,52 %	DATUM AS	NOR
56 644 772	86,7 %		

Total number of shares: 65 362 682

Share development



Shareholder structure



HIGH ACTIVITY IN 2017 – CONTINUING THE GROWTH IN 2018

Q1 2017



- ☐ Private placement NOK 100 million
- ☐ Acquisition of 2 properties in Stavanger and Ålesund (1 600 m²)

Q2 2017



- ☐ Acquisition of Minilageret AS with 9 facilities in the eastern part of Norway (7 700 m²)

Q3 2017



- ☐ Acquisition of 4 properties in the greater Oslo, Sandnes, Vestby and Stavanger (3 300 m²)

Q4 2017



- ☐ Private placement of NOK 200 million
- ☐ Listed on Oslo Stock Exchange
- ☐ Acquisition of 4 properties in Mandal, Fredrikstad, Porsgrunn and Kristiansand (2 200 m²)

Q1 2018



- ☐ Acquisition of the Minilager Norge group with 4 facilities in Østfold (4 300 m²)
- ☐ Acquisition of 5 properties in Lørenskog, Tromsø, Larvik, Kristiansand and Halden (4 800 m²)

Development January 2017 - March 2017:

- Acquired 23 900 m² since 1.1.2017 and expanded CLA with 20 200 m²
- Raised NOK 300 million in gross proceeds
- Digital marketing and online booking in CSS
- CRM-project
- Optimizing CSS
- Integration of Minilageret and Minilager Norge group
- Establishment of HQ-functions

FOURTH QUARTER AND YTD 2017 COMPREHENSIVE INCOME

Profit and loss statement¹⁾

NOK 1000

	For the three months ended 31 March 2018	For the three months ended 31 March 2017	For the twelve months ended 31 December 2017
Revenue	58 285	49 809	212 143
Property-related expenses	25 344	24 842	94 994
Salary and other employee benefits	9 367	8 677	36 747
Depreciation	2 386	399	7 261
Other operating expenses	8 853	6 449	37 464
Operating profit before fair value adjustments	12 331	9 502	35 677
Change in fair value of investment properties	490	11 898	29 831
Operating profit after fair value adjustments	12 821	21 400	65 508
Finance income	552	133	1 333
Finance expense	1 373	1175	4 626
Profit before tax	9 190	20 338	62 215
Income tax expense	2 811	4 957	11 996
Profit for the period	9 190	15 381	50 219
Earnings per share			
Basic (NOK)	0,14	0,39	0,99
Diluted (NOK)	0,14	0,39	0,98
Other comprehensive income, net of income tax			
Items that may be reclassified subsequently to profit or loss			
- currency translation difference	-484	487	477
Other comprehensive income for the period, net of income tax	-484	487	477
Total comprehensive income for the period	8 706	15 868	50 696

Comments

- Financial development affected by the acquisition of Minilageret AS 30 June 2017 and the consolidation of Minilager Norge group from 1 January 2018
- Revenue for Q1 2018 was NOK 58.3 million, up NOK 8.5 million from Q1 2017. The increase is due to income from Minilageret and Minilager Norge group, in addition to growth in rentals
- Operating profit in Q1 2018 was impacted by transaction costs related to the acquisition of Minilageret group and other non-recurring items. In total non-recurring items amounted to NOK 0.9 million in Q1 and NOK 11.3 million in 2017
- The fair value of investment property is based on external valuations in combination with management estimates and judgments

Notes:

1) Unaudited figures for 2018

YTD 2017– FINANCIAL POSITION

Financial position ¹⁾

(Amounts in NOK 1 000)	Unaudited 31 March 2018	Audited 31 December 2017		Unaudited 31 March 2018	Audited 31 December 2017
ASSETS			EQUITY AND LIABILITIES		
Non-current assets			Equity		
Investment property	429 530	338 631	Issued share capital	6 536	6 369
Property, plant and equipment	63 020	52 618	Share premium	422 768	396 416
Goodwill	93 771	72 272	Other reserves	-121	363
Other intangible assets	588	493	Retained earnings	119 999	110 809
Total non-current assets	586 909	463 521	Total equity	549 182	513 957
Current assets			Liabilities		
Inventories	1 389	1 434	Non-current liabilities		
Trade and other receivables	11 334	11 455	Long-term interest-bearing debt	101 388	89 690
Other current assets	18 685	13 397	Other financial liabilities	1086	
Cash and bank deposits	130 374	195 224	Deferred tax liabilities	30 646	22 289
Total current assets	161 782	221 510	Obligations under finance leases	172	214
TOTAL ASSETS	748 691	685 031	Total non-current liabilities	133 292	112 193
			Current liabilities		
			Short-term interest-bearing debt	5 528	4 750
			Trade and other payables	11 056	10 282
			Income tax payable	1 627	1 699
			Other taxes and withholdings	4 821	4 789
			Obligations under finance leases	265	312
			Other current liabilities	42 920	37 049
			Total current liabilities	66 217	58 881
			Total liabilities	199 509	171 074
			TOTAL EQUITY AND LIABILITIES	748 691	685 031

Comments

- Total assets increased to NOK 749 million at the end of Q1 2018 following acquisition of investment properties and balance sheet consolidation
- Increased equity through issue of ordinary shares and result for the period
- Positive net interest-bearing debt was NOK 23.5 million
- Other current liabilities increased due to settlement of Minilager Norge
- Equity ratio was 73%
- Negative working capital due to invoicing of customers in advance and stable cost

Notes:

1) Unaudited figures for 2017

YTD 2017 – CASH FLOW

Condensed consolidated statement of cash flows¹⁾

(Amounts in NOK 1 000)	Note	Unaudited For the three months ended 31 March 2018	Unaudited For the three months ended 31 March 2017	Audited For the year ended 31 December 2017
Cash flow from operating activities				
Profit before tax		12 001	20 338	62 215
Income tax paid		-	-	-8 170
Adjustment for net interests paid		-594	-	242
Depreciation		2 386	339	7 261
Gain/loss on disposal of property, plant and equipment		-	-	148
Change in fair value of investment property	6	-490	-11 898	-29 831
Change in trade and other receivables		219	-1 064	-733
Change in trade and other payables		443	-2 987	1 466
Change in other current assets		-5 205	1 358	5 047
Change in other current liabilities		-1 531	476	4 623
Net cash flow from operating activities		7 229	6 562	42 268
Cash flow from investing activities				
Payments for investment property		-26 559	-9 827	-42 163
Payments for property, plant and equipment		-4 855	-1 522	-11 471
Net cash outflow on acquisition of subsidiaries		-38 648	-8 467	-69 760
Net cash flow from investing activities		-70 062	-19 816	-123 894
Cash flow from financing activities				
Net proceeds from issue of equity instruments of the Company		-	95 865	287 416
Proceeds from borrowing		-	-	95 000
Repayment of borrowings		-1 717	-37 809	-140 840
Net cash flow from financing activities		-1 717	58 056	241 576
Net change in cash and cash equivalents		-64 550	44 802	160 450
Cash and cash equivalents at beginning of the period		195 224	34 115	34 115
Effect of foreign currency rate changes on cash and cash equivalents		-300	103	659
Cash and equivalents at end of the period		130 374	79 020	195 224

Comments

Operating activities

- Strong cash flow
- Invoicing of customers in advance – predictable and stable costs

Investing activities

- Acquisition of Minilager Norge group
- Acquisition of 4 investment properties and 1 company assets acquisitions
- Establishment and fit out new facilities and expansions
- Maintenance is posted as property cost

Financing activities

- Private placement in January and October 2017
- Loan facility with Handelsbanken in July 2017 – repayments to shareholders

SSG's cash position at the end of March 2018 was NOK 130 million

Notes:

1) Unaudited figures for 2018