



RNS

Trading Statement



TRADING UPDATE

[LOK'N STORE GROUP PLC](#)

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Lok'nStore Group plc

Trading update

Continued trading momentum

Lok'nStore, the fast-growing self-storage company, is pleased to provide the following update on trading for the six months to 31 January 2023.

Highlights:

- Same store* revenue up 10.3%
- Same store occupied unit space up 2.6%
- Price per square foot up 9.2%
- Move-ins up 13.5%
- Net Asset Value expected to be broadly unchanged at year-end
- Significant development of new store pipeline

Trading momentum continues

Trading in the six months to 31 January 2023 has remained buoyant. Move-ins in the period were up 13.5% and same-store* revenue was up 10.3% on the same period last year. Price per square foot of occupied space was up 9.2%. Continued strong demand and good occupancy levels give us further pricing momentum going forward. Same-store occupied unit space was up 2.6% over 12 months.

As anticipated, we are seeing some cost pressure, specifically in the areas of business rates and energy. We believe these cost movements are shorter term and expect the rate of cost growth to return to more normalised levels in due course. Beyond that we would expect any increases in absolute cost levels to be driven mainly by the increasing number of stores. Separately to our operating costs, we are seeing loan interest costs rising because of Bank of England base rate increases. We remain conservatively geared with a net Loan to Value of c.8.8%

Net Asset Value broadly unchanged

Our trading assets will be independently revalued at our 31 July 2023 year end. The maiden valuations of three new stores combined with continuing strong trading should materially offset any changes in exit yields and discount rates that we are seeing in the market. We therefore expect the Net Asset Value per share at the end of FY23 to be broadly unchanged from the £9.72 per share at the end of FY22.

Significant development of new store pipeline to drive growth

Building and fit out work continues at our new Landmark store developments in Bedford, Peterborough, Staines and Basildon, all of which will be open in calendar 2023. Kettering is also on site for a managed store client and due to open in early 2024.

When developed our current pipeline will add 48.8% to our owned trading space. We continue to see a number of opportunities beyond the secured pipeline.

Interim results for the six months to 31 January 2023 will be announced on Monday 24 April 2023

Commenting on trading in the six months to 31 January 2023 Andrew Jacobs, Chair of Lok'nStore, said:

"Trading in the first half of FY23 has been buoyant with same-store revenue up 10.3%. Move- ins in the period were 13.5% ahead of the same period last year and demonstrates the continued strong consumer demand for self-storage.

"When fully developed our current new store pipeline will add 48.8% to our owned trading space. As we open new stores and build their occupancy, so their value increases significantly. The cash flow from these stores can then fund future growth and an increasing dividend to our shareholders."

* Same Store excludes the effect of new stores open in 2022 and the four stores sold on a sale and manage back basis in January 2022.

-Ends-

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