

SSG: Building a national footprint in Denmark – acquisition of Dit Pulterkammer

(Oslo, 25 March 2021) Self Storage Group ASA (“Self Storage Group”, OSE:SSG) has entered into an agreement with Olav W. Hansen A/S and Schur Finance A/S to acquire the shares in Dit Pulterkammer Holding A/S (“DPK”), a Danish regional self-storage operator with five strategically located facilities in the Jutland region and Aarhus area.

DPK has developed five unmanned self-storage facilities in prime locations in Aarhus, Randers and Kolding – all sites in an attractive region in Denmark. DPK is a freehold portfolio with a current lettable area of approximately 9 300 sqm. The company had a 2020 EBITDA of DKK 6.7 million (approx. NOK 9.2 million) and the assets are currently 79% occupied.

“The acquisition leverages the large untapped potential for self-storage in Scandinavia as urbanization and smaller living spaces cause increasing need for external storage solutions. To enhance these opportunities, we have established a solid platform for future growth with prime locations, leveraging on a lean and operationally-focused organization to increase margins and target additional growth. We expect to further improve the utilization, efficiency and profitability as the assets become a part of the Self Storage Group and are rebranded as City Self Storage”, says Fabian Søbæk, Chief Executive Officer of Self Storage Group.

The transaction has an enterprise value of DKK 102 million (approx. NOK 139 million) and is expected to close during the second quarter of 2021. The acquisition will be financed with SSG’s existing bank facility.

“The acquisition of DPK represents a significant step in expanding SSG’s operations in Denmark, and Aarhus area, Denmark’s second largest city, in particular. The combined Danish operations of SSG and DPK will create a national player with a presence in Copenhagen, Aarhus and Odense and the number two player in terms of number of facilities in Denmark”, says Steven Skaar, Chairman of Self Storage Group.

“The acquisition is in-line with SSG’s strategy of expanding across the Nordics and SSG will continue to actively and opportunistically expand in Sweden and Denmark. The acquisition of DPK gives SSG the critical scale in the Danish market and footprint across the country, enabling robust growth in the future”, Skaar comments.

DPK provides self-storage units to private individuals and businesses in the Jutland region, and has a current lettable area of approximately 9 300 sqm. SSG has identified approx. 2 100 sqm of development potential at three of the facilities, and the five facilities together offer another approx. 2 300 sqm of growth potential over the longer term. The five facilities are 79% occupied and SSG targets 90% occupancy at stabilization.

Key figures*
(DKK million)

	2020	2019	2018
Revenues	14.0	13.9	13.8
EBITDA	6.7	7.2	6.5
EBITDA %	48%	52%	47%
EBIT	6.0	6.5	5.8
Total assets	114.5	111.0	112.1

**The unaudited key financial information from the target is converted to IFRS and adjusted to represent the entities and assets to be acquired by Self Storage Group under the agreement.*

***In DPK's financial statement, properties have been recorded at cost less depreciation. SSG applies fair value with changes through the profit and loss statement. Due to lack of accurate information, no changes in fair value of investment property are reflected in historical figures of the target when converted to IFRS.*

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About Self Storage Group | www.selfstoragegroup.no

Self Storage Group ASA engages in the business of renting out self-storage units to both private individuals and businesses through the two concepts; OK Minilager and City Self-Storage. The company is one of the leading self-storage providers in Scandinavia with a particularly strong position in the Norwegian market. Self Storage Group operates 116 facilities across Scandinavia with a current lettable area of 148,200 sqm as of Q4 2020.