

October 29th, 2024

## STORAGE: Positive report, driven by the increase in occupancy, as well as non-recurring revenues.

### In line with estimates?

Positive results, derived from the 11.9% increase in GLA occupied, as well as the integration of non-recurring income from refunded VAT and the payment of a favorable litigation insurance policy.

During the quarter, STORAGE was able to recover Ps.31.8 million of declared VAT, which, together with the collection of Ps.13.7 million corresponding to a favorable lawsuit insurance settlement at the San Antonio location, allowed revenues to increase 45.2% Y/Y. Excluding these effects, revenues increased 11.9% Y/Y.

### Operating profile

At the end of 3Q24, STORAGE had 41 properties, of which: i) 22 correspond to stabilized properties (occupancy over 85%); ii) 9 are in the process of stabilization; and, iii) 10 are land for the development of new projects.

Viewed by GLA, as of the end of September, total GLA occupied stood at 147,293 square meters, an increase of 11.9% Y/Y and 3.0% Q/Q. In terms of built GLA, this was 189,536 square meters (+12.7% Y/Y), resulting in an occupancy rate of 79.3%. In line with the increase in occupied GLA, the effective monthly rate increased 9.0% Y/Y and 2.5% Q/Q, reaching Ps.363.1.

### P&L

From July to September, Total Revenues amounted to Ps.198.3 million (+45.3% Y/Y), due to the aforementioned non-recurring effects, as well as higher GLA and tariffs. On a cumulative basis, Revenues amounted to Ps.522.0 million, an increase of 34.5% over the same period of 2023.

Given the increase in occupied GLA, net move-in for the quarter was 4,340 square meters (+6.2% Y/Y), with an effective monthly rent of Ps.53,478 (+22.0% Y/Y), respectively.

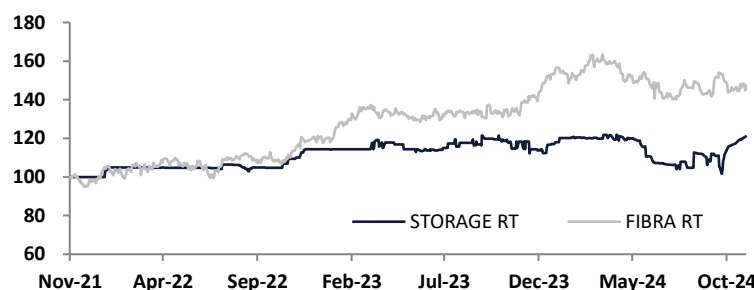
BUY	IV SEP25	\$23.80
Price (STORAGE 18)		17.15
Min/max (1Y)	14.80 / 18.00	
Expected TP performance		41.1%
Distribution per CBFI 12m fwd (Ps.)		0.40
Yield by distr. 12m fwd		2.3%
Market value (Ps. \$ Mill.)		4,452
Enterprise value (Ps. \$ Mill.)		5,544
CBFIs outstanding (Mill.)		260
Float		11%
Avg. amount 2 years (Mill.)		<1.0

Price as of 10/28/2024. figures in Ps.

Source: APL Global and BMV

### STORAGE RT VS FIBRAS RT

(base 100 last three years)



Ps. millions

Results	3Q24	3Q23	Diff.
Net revenue	198	172	15%
NOI	132	124	7%
EBITDA	95	88	9%
FFO	108	87	24%
Net income	238	163	46%
GLA build (m2)	189,536	168,183	13%
GLA available (m2)	185,837	156,412	19%
Total stabilized (m2)	123,985	104,720	18%
Total to be stabilized (m2)	61,852	51,692	20%
GLA occupied (m2)	147,293	131,577	12%
Stabilized occupancy	112,456	92,910	21%
Occupancy to be stabilized	34,837	38,667	-10%
Occupancy	79.3%	84.1%	-4.8 pp
Effective monthly rate	363	333	9%
Monthly RevPaM	287.8	280.3	3%
NAV per CBFI	24.1	21.5	12%

Balance Sheet	4Q22	4Q3	4Q24 E
Cash and Equivalents	537	776	703
Growth Y/Y		44%	-9%
Investment Properties	5,628	6,691	7,092
Growth Y/Y		19%	6%
Total Debt	1,490	1,494	1,420
Growth Y/Y		0%	-5%
Stockholder's Equity	4,712	6,025	6,528
Growth Y/Y		28%	8%
Outstanding CBFIs (Mill.)	223	267	260
Growth Y/Y		19%	-3%

Source: APL Global and STORAGE



Operating expenses for the quarter totaled Ps.28.3 million (+11.3% Y/Y), while for the first nine months of the year, operating expenses amounted to Ps.82.2 million (+13.7% vs. 9M23).

At the end of 3Q24, NOI stood at Ps.131.6 million (+25.4% Y/Y) with a margin of 79.1%, an increase of ~2.2 pp with respect to 3Q23. EBITDA for the quarter was Ps.95.2 million (+31.2% Y/Y), with a margin of 57.2%, a ~4.1 pp increase in margin versus 3Q23.

On a cumulative basis, NOI amounted to Ps.374.9 million (+26.3% Y/Y), with a margin of 78.7%, ~2.1 pp above the level observed in the same period of the previous year. EBITDA was Ps.267.7 million (+33.3% Y/Y), with a margin of 56.2%, ~4.4 pp above that recorded during the first nine months of 2023.

FFO, according to Amefibra's methodology, stood at Ps.108.0 million (+99.7% Y/Y), with a margin of 82.1% (vs. 51.5% in 3Q23). FFO amounted to Ps.271.2 million (+68.0% Y/Y), with a margin of 72.3% (vs. 54.4% in the same period of the previous year).

Net Income for the quarter was Ps.238.1 million (+122.0% Y/Y), while cumulative Net Income was Ps.501.8 million (-1.8% vs. 9M23). This difference in accumulated Net Income is mainly explained by lower financial income.

### **Balance Sheet**

Cash and Cash Equivalents reached Ps.430.5 million (+21.4% Q/Q), an increase derived from the performance of dollar-denominated investments.

The value of Investment Properties reached Ps.7,154.5 million (+9.8% Q/Q), driven by the increase in the portfolio's appreciation and investments in properties, construction in progress and rights of use of leased properties.

Finally, debt closed the period at Ps.1,522.8 million, generating a leverage ratio of 18.87%, with a debt service coverage ratio of 2.7x.

### **Is fundamental recommendation / I.V. maintained?**

Based on the results of the quarter and our updated projections, we have maintained our 12-month Intrinsic Value (September 2025) unchanged at Ps.23.80 per CBFI, ratifying our fundamental BUY recommendation.

This decision is based on the solid GLA absorption observed in recent periods, which, combined with the issuer's CAPEX plan for 2024-2026, would allow us to maintain a solid balance sheet and double-digit operating income growth.

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**Assumptions for calculating the WACC:**

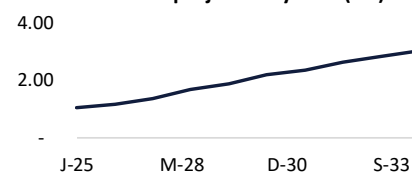
Risk-free rate (M 10):	9.0%
Risk premium over capital:	2.0%
Beta:	0.41
Adjusted beta risk premium:	0.8%
Sovereign risk premium:	3.0%
<b>Cost of capital (ka):</b>	<b>12.8%</b>
Residual growth	3.0%

Source: APL Global and various recognized sources

<b>Dividend Discount Model (DDM)</b>	<b>Year 1</b>	<b>Year2</b>	<b>Year3</b>	<b>Year4</b>	<b>Year5</b>	<b>Year6</b>	<b>Year7</b>	<b>Year8</b>	<b>Year9</b>	<b>Year10</b>
AFFO (Ps. millions)	275	307	362	442	503	586	633	718	770	820
Outstanding CBFIs (millions)	260	263	266	266	270	270	270	273	273	273
<b>Distribution per CBFi (Ps.)</b>	<b>1.06</b>	<b>1.17</b>	<b>1.36</b>	<b>1.66</b>	<b>1.87</b>	<b>2.17</b>	<b>2.35</b>	<b>2.63</b>	<b>2.82</b>	<b>3.01</b>
Present Value Cash Flow Year 2-Year10	9.77									
Residual growth:	3.0%									
Residual value:	31.52									
Present Value of the residual:	9.43									
<b>Intrinsic value per CBFi:</b>	<b>19.20</b>									

**Sensitivity of the IV calculated by DDM: Residual vs. ka**

		<b>Residual Growth Scenarios</b>				
		2.00%	2.50%	3.00%	3.50%	4.00%
<b>Scenarios for ka levels</b>	13.8%	16.41	16.76	17.15	17.56	18.03
	13.3%	17.29	17.68	18.12	18.60	19.14
	<b>12.8%</b>	18.25	18.70	19.20	19.76	20.37
	12.3%	19.30	19.82	20.40	21.04	21.76
	11.8%	20.47	21.07	21.74	22.49	23.34

**Distribution projected by CBFi (Ps.)**


<b>Valuation method</b>	<b>Price</b>	<b>Weig.</b>
Dividend Discount Model (DDM)	19.20	50%
Valuation by Net Asset Value (NAV)	28.35	50%
<b>Intrinsic Value (VI) (12 months)</b>	<b>23.80</b>	100%
Actual price	17.15	
Expected VI performance	38.8%	
Expected dividend yield	2.3%	
<b>Total Return</b>	<b>41.1%</b>	
<b>Recomendación:</b>	<b>BUY</b>	

Source: Apalache

**Determination of the NAV 12 months**

Period	20253 E
Investment Properties	7,358
Cash, equivalents and investments	-
Total debt	-
NAV	7,358
Outstanding CBFIs (millions)	260
<b>Intrinsic Value by NAV</b>	<b>28.35</b>

Source: APL Global


*Ps. millions*

P&L				
	2022	2023	2024 E	2025 E
<b>Net Income</b>	<b>343</b>	<b>533</b>	<b>716</b>	<b>785</b>
Properties Expenses	64	99	215	235
Administrative expenses	90	135	145	150
<b>Operating Income (Loss)</b>	<b>189</b>	<b>299</b>	<b>356</b>	<b>401</b>
Net finance income (expenses)	256	316	252	219
Income taxes	-	-	-	-
<b>Net profit (loss)</b>	<b>445</b>	<b>615</b>	<b>607</b>	<b>620</b>
NOI	331	408	501	550
FFO	173	232	286	318
AFFO	-	-	275	307
<b>Growths in:</b>				
Net income	0.0%	0.0%	34.2%	9.7%
NOI	0.0%	0.0%	22.6%	9.9%
FFO	0.0%	0.0%	23.2%	11.3%
AFFO	0.0%	0.0%	-	-
<b>Margins:</b>				
NOI	96.4%	76.6%	70.0%	70.1%
FFO	50.3%	43.5%	40.0%	40.6%
AFFO	-	-	38.4%	39.2%
<b>Figures per CBFI:</b>				
Outstanding CBFIs (millions)	223	267	260	263
NOI per CBFI	1.48	1.53	1.93	2.09
FFO per CBFI	0.77	0.87	1.10	1.21
AFFO per CBFI	-	-	1.06	1.17

CBFIs calculated at the end of the year

Cash Flow				
	2022	2023	2024 E	2025 E
Net profit (loss)	445	615	607	620
Net finance income (expenses)	256	316	252	219
Working capital	(52)	(4)	64	92
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>212</b>	<b>269</b>	<b>938</b>	<b>946</b>
(-) Purchase of long-term assets	-	-	-	100
(-) Investment in property, plants and eq.	-	-	-	-
(+) Interest collected	5	44	8	14
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>(440)</b>	<b>(501)</b>	<b>(647)</b>	<b>(819)</b>
(+) Increase in debt	-	-	(75)	(71)
(+) Amounts for issuance of shares	-	680	-	50
(-) Dividends paid	77	81	104	117
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>(193)</b>	<b>471</b>	<b>(363)</b>	<b>(315)</b>
INCR. (DEC.) CASH AND EQ.	(422)	239	(73)	(189)
CASH AND EQ. AT THE BEGINNING OF THE PERIOD	959	537	776	703
CASH AND EQ. AT THE END OF THE PERIOD	537	776	703	514

Source: APL Global

Balance Sheet				
	2022	2023	2024 E	2025 E
<b>Total Assets</b>	<b>6,536</b>	<b>7,818</b>	<b>8,307</b>	<b>8,630</b>
<b>Current assets</b>	<b>730</b>	<b>1,002</b>	<b>998</b>	<b>861</b>
Cash and equivalents	537	776	703	514
Financial investments	-	-	-	-
Customers and ar	193	226	295	323
Other current assets	-	-	-	23
<b>Non-current assets</b>	<b>5,806</b>	<b>6,815</b>	<b>7,310</b>	<b>7,769</b>
Investment Properties	5,628	6,691	7,092	7,547
Other non-current assets	178	125	217	222
<b>Total Liabilities</b>	<b>1,824</b>	<b>1,793</b>	<b>1,779</b>	<b>1,549</b>
<b>Current liabilities</b>	<b>185</b>	<b>161</b>	<b>281</b>	<b>113</b>
Short-term debt	8	9	71	67
Other current liabilities	177	153	210	46
<b>Non-current liabilities</b>	<b>1,639</b>	<b>1,632</b>	<b>1,499</b>	<b>1,436</b>
Long-term debt	1,482	1,485	1,349	1,281
Other non-current liabilities	157	146	150	155
Total debt	1,490	1,494	1,420	1,349
Net debt	953	718	716	834
Stockholder's Equity	4,712	6,025	6,528	7,081

Operational indicators and financial ratios				
	2022	2023	2024 E	2025 E
Liquidity	3.9x	6.2x	3.6x	7.6x
Leverage (TL/TA)	27.9%	22.9%	21.4%	18.0%
Total debt/NOI	4.5x	3.7x	2.8x	2.5x
Net debt/NOI	5.5x	3.1x	2.5x	2.6x
LTV (Total debt/Inv Prop.)	25.7%	21.9%	19.4%	17.4%
Implicit Cap Rate	5.9%	6.1%	7.1%	7.3%



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