



NATIONAL STORAGE

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National Storage REIT
BUSINESS UPDATE AND EQUITY RAISING

8 JUNE 2021

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EXECUTIVE SUMMARY



BUSINESS UPDATE AND EQUITY RAISING TO REPLENISH INVESTMENT CAPACITY

Operational update

- Strong trajectory announced as part of the 1H FY21 results has continued into 2H FY21 – market conditions and ongoing portfolio optimisation continue to drive record occupancy and rate growth
- REVPAM for the Australian Portfolio was \$229/m² as at 30 April 2021, an increase of 8.1% from 31 December 2020 and 21.5% from 30 June 2020
- Record occupancy for the combined Australian and New Zealand portfolios of 86.7% as at 30 April 2021⁽¹⁾, with occupied NLA increasing by 111,000m² since 30 June 2020, including 28,000m² added since 31 December 2020⁽²⁾

Investment update

- Continue to execute on strategic growth objectives with 27 acquisitions totalling \$373 million transacted in FY21 to date⁽³⁾ and 16 active development and expansion projects, with an aggregate NLA pipeline of approximately 110,000m² of new capacity
- Forward-looking acquisition pipeline remains strong
- Increasing focus on development and expansion projects that provide additional built capacity in key markets to underpin long-term occupancy and revenue growth

Equity raising

- Fully underwritten 1-for-6.27 accelerated non-renounceable entitlement offer of approximately \$325 million at an issue price of \$2.00 per stapled security ("**Entitlement Offer**" or "**Equity Raising**")
- Proceeds will be used to strengthen the balance sheet, replenish investment capacity and provide additional funding flexibility going forward

Outlook⁽⁴⁾

- Taking into account the impact of the Equity Raising and NSR's strong operating performance, NSR provides upgraded FY21 underlying EPS guidance of 8.5 to 8.6 cents per stapled security
- Preliminary guidance for FY22 underlying EPS growth of no less than 8% on FY21

¹ Australian Portfolio (121) centres; New Zealand Portfolio (21 centres) – excludes FY20 & FY21 acquisitions, Wine Ark and let-up centres

² 30 June 2020 centres - excludes FY21 acquisitions

³ Includes two acquisitions (\$21 million) for which heads of agreement have been signed and are expected to complete by 30 June 2021

⁴ NSR provides this guidance assuming there are no material changes in market conditions or operating environments, including no material deterioration in COVID-19 restrictions and regulations



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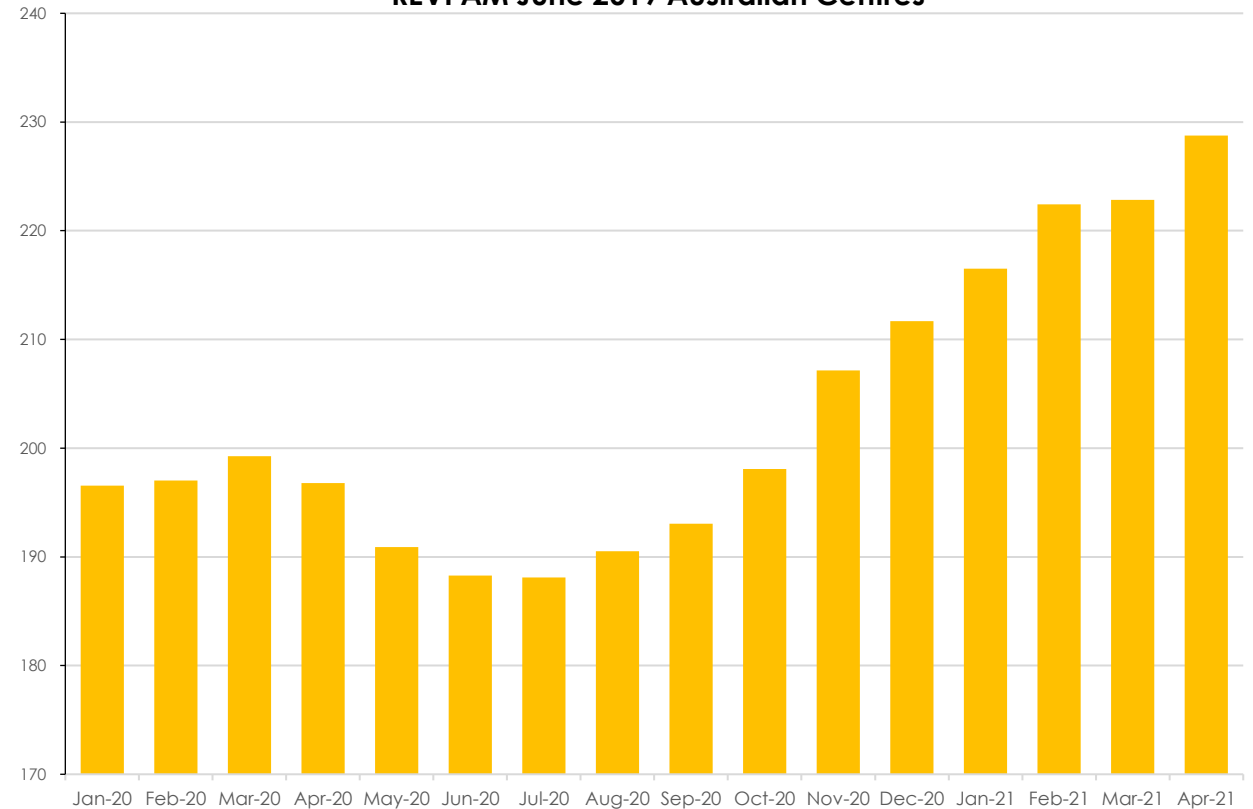
OPERATIONAL UPDATE



RECORD HIGH OCCUPANCY AND REVENUE GROWTH OVER THE PAST 12 MONTHS

- Strong trajectory announced as part of the 1H FY21 results has continued into 2H FY21, supported by market conditions and ongoing portfolio optimisation
- Revenue management strategies continue to evolve through the use of NSR's multiple signal revenue management system and data analytics using AI, regression analysis and algorithms
- Australian Portfolio metrics as at 30 April 2021⁽¹⁾:
 - Occupancy: 86.8% (Dec 20: 84.9%)
 - Rate: \$261/m² (Dec 20: \$247/m²)
 - REVPAM: \$229/m² (Dec 20: \$212/m²)
- Self-storage has demonstrated its resilience through COVID-19 and is benefitting from changes to how people live and work

REVPAM June 2019 Australian Centres



¹ Australian Portfolio (121) centres 30 June 2019, excluding Wine Ark, New Zealand and let-up centres

CONSISTENTLY DELIVERING OCCUPANCY GROWTH

- Combined occupancy for Australian and New Zealand portfolios of 86.7% as at 30 April 2021 (+9.1%)⁽¹⁾
 - Australian Portfolio: 86.8% (+10.3%)⁽¹⁾
 - New Zealand Portfolio: 86.5% (2.1%)⁽¹⁾
 - Strong recovery from COVID-19 lows
- All states demonstrating strong growth
 - Occupied NLA has increased by 111,000m² since 30 June 2020, including 28,000m² added since 31 December 2020⁽²⁾
 - 35% of centres above 90% occupancy (Dec 20: 32%)
 - 70% of centres above 85% occupancy (Dec 20: 62%)
- Approximately 95,000m² of growth remains before the current portfolio reaches 90% occupancy, providing significant upside in revenue from existing built capacity
 - Relatively fixed cost-base means the majority of additional revenue contributes directly to underlying earnings

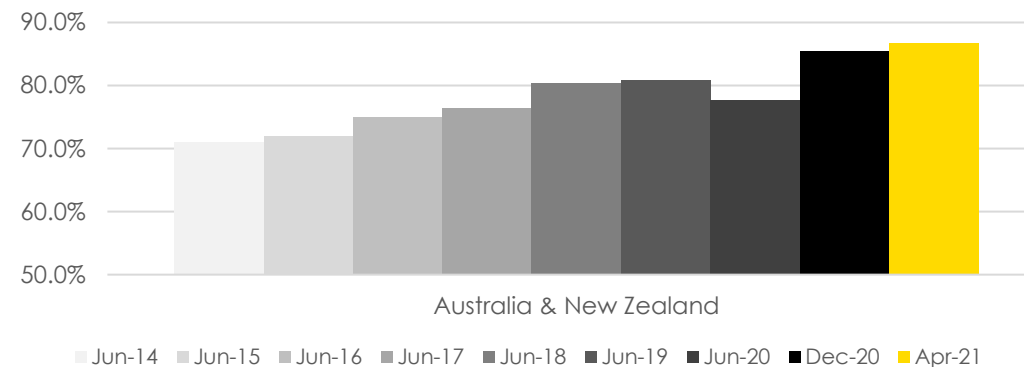
Australian Portfolio (121 centres) - excludes FY20 & FY21 acquisitions, Wine Ark and let-up centres

New Zealand Portfolio (21 centres) - excludes let-up centres

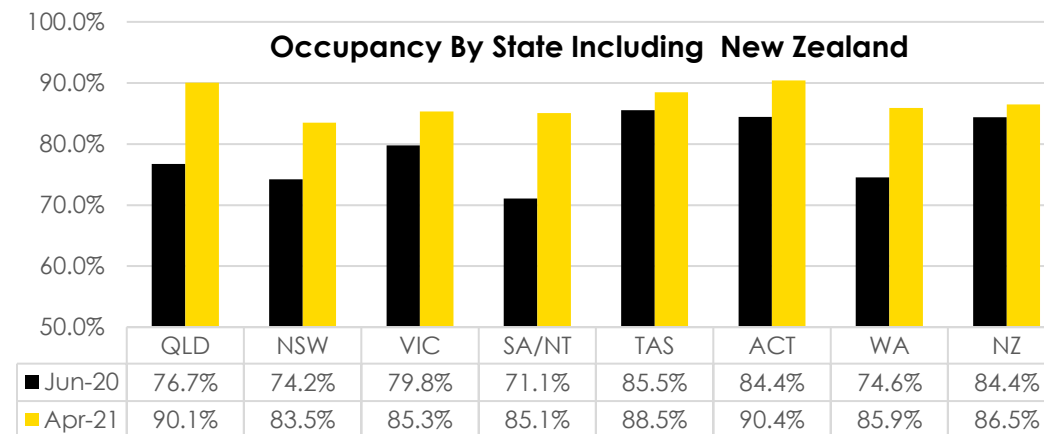
¹ Since 30 June 2020

² 30 June 2020 centres - excludes FY21 acquisitions

Australia and New Zealand Combined Occupancy



Occupancy By State Including New Zealand



ACQUISITION UPDATE

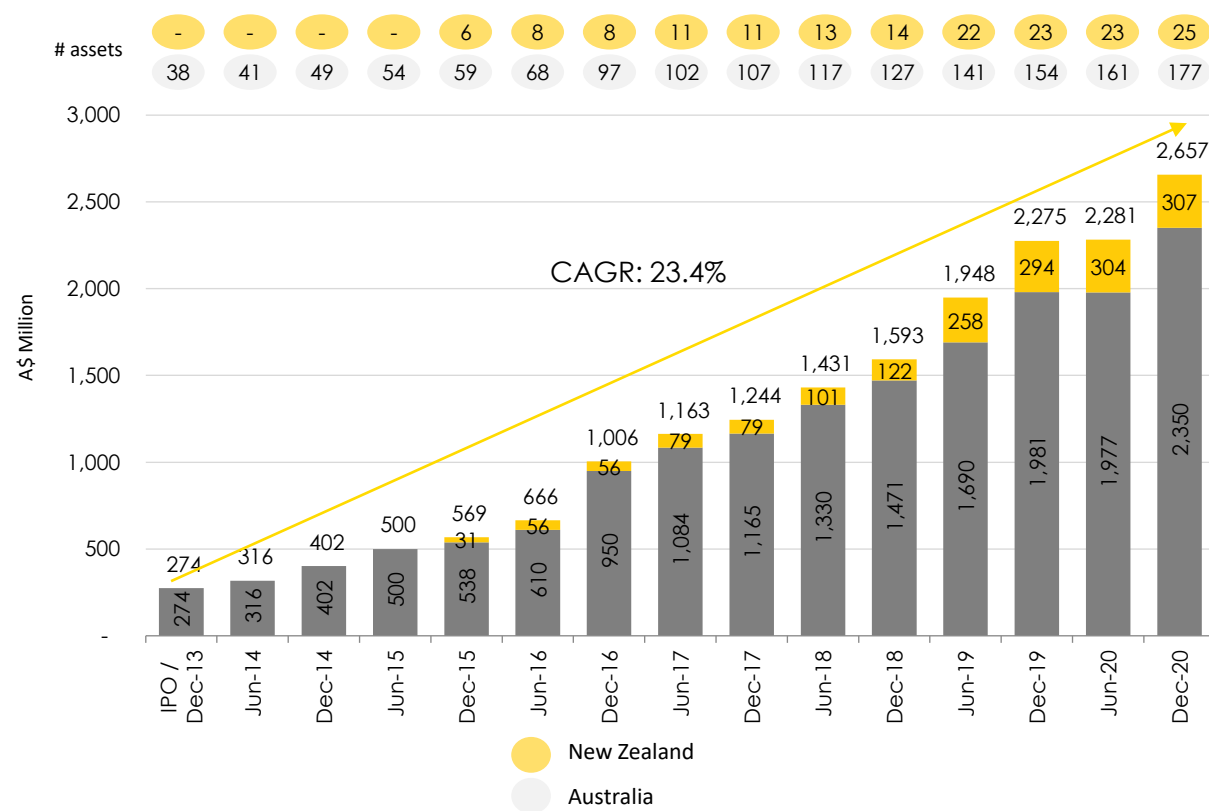


CONTINUING NSR'S TRACK RECORD OF HIGH-QUALITY ACQUISITIONS ACROSS AUSTRALASIA

- Acquired 24 centres and 3 development sites for \$373 million in FY21 to date, adding 134,400m² of NLA to NSR's portfolio⁽¹⁾
- Scalability of the operating platform continues to drive efficiencies across the business
- Forward-looking acquisition pipeline remains strong
- Given tightening of acquisition yields, NSR will focus on acquisitions with value-add opportunities

REGION	NUMBER OF CENTRES	NLA (m ²)
Melbourne	10	48,400
Brisbane	2	13,500
Sunshine Coast	4	27,700
North Coast (NSW)	2	15,400
Sydney	2	13,100
Perth	1	5,800
North Queensland	2	6,700
Christchurch (NZ)	1	3,800
Total Acquisitions⁽²⁾	24	134,400

Portfolio value (A\$ Million)



¹ Includes two acquisitions (\$21 million) for which heads of agreement have been signed and are expected to complete by 30 June 2021

² Excludes development sites

DEVELOPMENT AND EXPANSION UPDATE



INCREASING FOCUS ON DEVELOPMENT AND EXPANSION PROJECTS

- Target projects providing additional built capacity in key markets
- Locations selected after extensive heat mapping based on socio-economic demographics and storage demand per capita analysis
- Combination of turnkey greenfield/brownfield development and expansion allows NSR to leverage its in-house development expertise
- Provides long-term enhanced revenue and NTA outcomes for NSR

Expansions – Existing centres

- Strategic expansion of existing sites with additional capacity where occupancy levels are consistently high and demand exceeds supply
- Optimisation of land parcels acquired over time (hardstand and outdoor area conversions into more intensive storage uses)
- Significant value-add potential (over 50 centres within current portfolio with expansion possibilities)
- Operating costs remain largely fixed
- Targeting 15%+ 5-year IRR and 10%+ return on cost at stabilised revenue

“Revive” – Refurbishment program

- Assessment of every site from a safety, functionality, repair/ maintenance cost, technology and visual appeal perspective
- Refurbish identified target assets to improve functionality and customer experience to enhance revenue



10 projects completed FY21 YTD adding 58,000m² of NLA



16 active projects, with 6 projects under construction⁽¹⁾



Aggregate NLA pipeline approximately 110,000m²

New developments

- Focus on expanding coverage in key target growth areas
- Built to exacting NSR specifications
- Application of new technology such as Bluetooth Smart Access to provide improved efficiency and enhanced customer and employee experience
- Built to conform to NSR's internal sustainability guidelines
- Integration of the newly developed wayfinding concept
- Maximises returns on land within existing portfolio and on identified new development sites
- Targeting double digit 5-year IRR and 10%+ return on cost at stabilised revenue

¹ As at 30 April 2021

NATIONAL STORAGE REIT TRACK RECORD



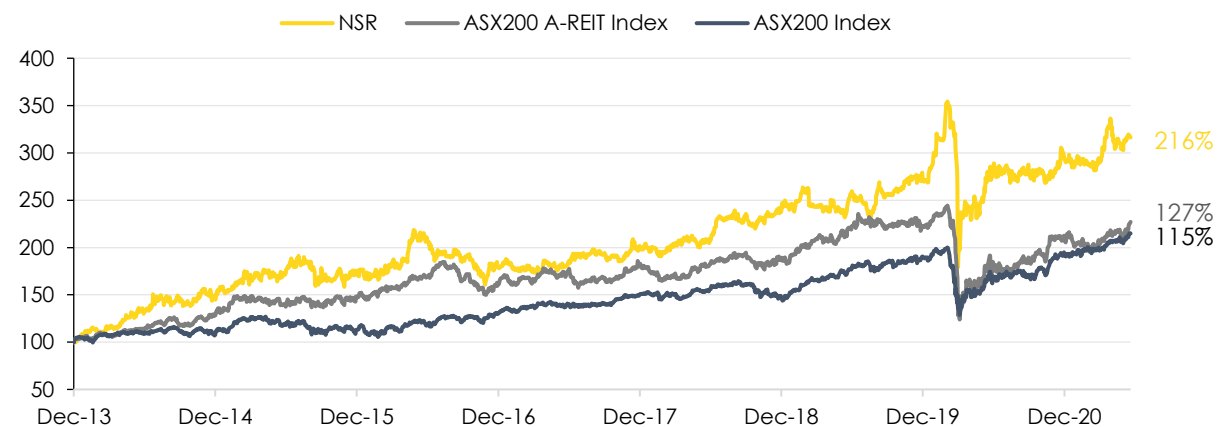
PROVEN TRACK RECORD OF DELIVERING STRONG TOTAL RETURNS FOR NSR SECURITYHOLDERS

- NSR's ongoing acquisition and development strategy combined with its fully integrated, scalable platform has continued to deliver enhanced returns to securityholders
- Recent experience has demonstrated the strength and resilience of NSR's business, providing strong returns to its securityholders despite the challenging operating and economic conditions created by COVID-19
- Over 150 self-storage acquisition and development opportunities delivered since IPO has allowed NSR to cement its position as the leading owner-operator of storage centres in Australasia
- Successful execution of strategy has enabled NSR to deliver growing returns to securityholders
- NSR has materially outperformed the total returns of the ASX200 A-REIT Index since IPO⁽¹⁾
- Utilisation of new technology and innovation to improve and strengthen NSR's business model across multiple areas of the business including built efficiency, digital marketing, revenue management and operational economies of scale

Total Securityholder Returns Since IPO (Annualised)⁽¹⁾



Total Securityholder Returns Since IPO⁽¹⁾



¹ Bloomberg as at 7 June 2021; rebased to 100 on 18 December 2013



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EQUITY RAISING RATIONALE AND OUTLOOK



\$325 MILLION EQUITY RAISING TO REPLENISH INVESTMENT CAPACITY

- **NSR has deployed \$373 million into acquisitions in FY21 to date**, taking advantage of attractive acquisition and development opportunities for high-quality and strategically located assets⁽¹⁾
 - Consists of 24 centres and 3 development sites across Australia and New Zealand
 - Forward-looking acquisition pipeline remains strong as NSR remains the acquirer of choice with no FIRB approval required and typical settlement time of 6 weeks
- **Increasing investment focus on targeted development and expansion projects** which provide enhanced revenue and NTA outcomes
 - 16 active development and expansion projects, with an aggregate NLA pipeline of approximately 110,000m²
- Fully underwritten 1-for-6.27 accelerated non-renounceable entitlement offer ("**Entitlement Offer**") of approximately \$325 million to **strengthen the balance sheet, replenish investment capacity and provide additional funding flexibility going forward**
- Taking into account the impact of the Equity Raising and NSR's strong operating performance, **NSR provides updated FY21 underlying EPS guidance of 8.5 to 8.6 cents per stapled security**⁽²⁾
- **Preliminary guidance for FY22 underlying EPS growth of no less than 8%**⁽²⁾
- Following the Entitlement Offer, **NSR's pro forma gearing will reduce from approximately 35% to 24%**, and pro forma NTA will increase to \$1.74 per stapled security providing substantial forward-looking capacity for continued growth



¹ Includes two acquisitions (\$21 million) for which heads of agreement have been signed and are expected to complete by 30 June 2021

² NSR provides this guidance assuming there are no material changes in market conditions or operating environments, including no material deterioration in COVID-19 restrictions and regulations

EQUITY RAISING



FULLY UNDERWRITTEN ACCELERATED NON-RENOUNCEABLE ENTITLEMENT OFFER

Offer structure and price

- A fully underwritten 1-for-6.27 accelerated non-renounceable entitlement offer of approximately \$325 million
 - The Entitlement Offer represents 15.9% of total Stapled Securities currently on issue
- The offer price per New Security has been set at \$2.00 ("**Issue Price**"), which represents a:
 - 3.8% discount to the last close price of \$2.08 per Stapled Security on 7 June 2021
 - 3.3% discount to TERP of \$2.07⁽¹⁾
- Record date for Entitlement Offer is 10 June 2021 at 7:00pm (AEST)
- Entitlement Offer will comprise an accelerated Institutional Entitlement Offer and a Retail Entitlement Offer
- Eligible retail securityholders will be able to apply for additional New Securities in excess of their entitlement

Use of proceeds

- Proceeds will be used to strengthen the balance sheet, replenish investment capacity and provide additional funding flexibility going forward, taking into account the: (1) \$373 million⁽²⁾ of acquisitions in FY21 to date; (2) strong forward-looking acquisition pipeline; and (3) an increased focus on developments and expansions going forward

Ranking

- New Securities will rank equally with existing Stapled Securities from allotment and will be entitled to the distribution for the six months ending 30 June 2021

Underwriting

- The Entitlement Offer is fully underwritten

¹ Theoretical Ex-Rights Price. A theoretical price at which NSR Stapled Securities should trade immediately after the ex-date for the Entitlement Offer. TERP is calculated by reference to the closing price of NSR Stapled Securities as traded on the ASX on 7 June 2021, being the last trading day prior to the announcement of the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which NSR Stapled Securities trade on the ASX immediately after the ex-date for the Entitlement Offer depends on many factors and may not be equal to TERP

² Includes two acquisitions (\$21 million) for which heads of agreement have been signed and are expected to complete by 30 June 2021

SOURCES & USES AND KEY METRICS



PROCEEDS USED TO FUND ACQUISITIONS AND PAY DOWN DEBT

Sources and uses

Sources	\$m
Entitlement Offer proceeds	\$325.5
Total	\$325.5
Uses	\$m
Acquisitions	\$21.0
Repayment of debt	\$296.8
Acquisitions and Entitlement Offer transaction costs ⁽¹⁾	\$7.7
Total	\$325.5

Key metrics

Key metrics	
Issue price under the Entitlement Offer	\$2.00
Discount to last close	3.8%
Discount to TERP	3.3%
Pro forma market capitalisation ⁽²⁾	\$2,448m
Pro forma gearing	24%
Pro forma NTA per stapled security	\$1.74

¹ Includes stamp duty, acquisition costs and equity underwriting fees

² Calculation based on NSR's market capitalisation on 7 June 2021, adjusted for the Entitlement Offer of \$325 million

TIMETABLE

INDICATIVE TIMETABLE



Event	Date ⁽¹⁾
Trading halt and announcement of the Entitlement Offer	Tuesday, 8 June 2021
Institutional Entitlement Offer opens and closes	Tuesday, 8 June 2021
Trading resumes on an ex-Entitlement Offer basis	Wednesday, 9 June 2021
Entitlement Offer Record Date	7.00pm Thursday, 10 June 2021
Retail Entitlement Offer opens	9.00am Tuesday, 15 June 2021
Early Retail Acceptance Due Date	5.00pm Monday, 21 June 2021
Settlement of the Institutional Entitlement Offer and early Retail Entitlement Offer	Tuesday, 22 June 2021
Allotment of new securities issued under the Institutional Entitlement Offer and Early Retail Entitlement Offer	Wednesday, 23 June 2021
Retail Entitlement Offer closes	5.00pm Thursday, 24 June 2021
Settlement of the Retail Entitlement Offer	Tuesday, 29 June 2021
Allotment of the remaining new securities issued under the Retail Entitlement Offer	Wednesday, 30 June 2021
Record date for June distribution	7.00pm Wednesday, 30 June 2021
Normal trading of remaining new securities issued under the Retail Entitlement Offer	Thursday, 1 July 2021

¹ All dates and times are indicative only and subject to change. Unless otherwise specified, all dates and times refer to Australian Eastern Standard Time (AEST). Subject to the requirements of the Corporations Act, the ASX listing rules and any other applicable laws, NSR, in consultation with the Underwriters, reserves the right to amend this timetable at any time.

PRO FORMA BALANCE SHEET



GEARING TO DECREASE TO 24% AND NTA TO INCREASE TO \$1.74 PER STAPLED SECURITY

\$m	Dec-20 (reported)	Post balance sheet date adjustments ⁽²⁾	Dec-20 pro forma (pre-transaction)	Acquisitions and Entitlement Offer	Dec-20 pro forma (post-transaction)
Cash	48.1		48.1		48.1
Investment properties ⁽¹⁾	2,657.0	93.9	2,750.9	21.0	2,771.8
Intangibles	46.9		46.9		46.9
Other assets	59.7		59.7		59.7
Total assets	2,811.6	93.9	2,905.5	21.0	2,926.5
Debt	938.3	101.4	1,039.7	(296.8)	742.9
Other liabilities	79.3		79.3		79.3
Total liabilities	1,017.6	101.4	1,119.0	(296.8)	822.2
Net assets	1,794.0	(7.5)	1,786.5	317.7	2,104.2
Securities on issue (m)	1,017.7	2.6	1,020.3	162.7	1,183.1
NTA per stapled security	\$1.72		\$1.70		\$1.74
Gearing	32%		35%		24%

¹ Net of Finance Lease Liability

² Accounts for \$93.9 million of settled acquisitions and NSR stapled securities issued under the Distribution Reinvestment Plan for 1H FY21



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KEY INVESTMENT RISKS



Investors should carefully consider the risk factors described below, in addition to the other information in this document and publicly available information of NSR, before making an investment decision. If you require further information regarding the appropriateness or potential risks of this investment, you should seek appropriate financial advice. An investment in NSR is subject to risks, both specific to NSR and more general risks. Many of these risks are beyond the control of NSR and, if they were to eventuate, may impact adversely on the performance, or value, of an investment in NSR. This summary details some of the major risks that you should be aware of when investing in NSR, however it is not intended to be exhaustive. Investors should be aware that the list of risks described below may not cover all possibilities and should also consider risks specific to their situation. Additional risk factors and uncertainties that are not known to NSR at the time of this Offer, or which are considered immaterial, may in the future materially impact NSR's assets, financial condition or operations and may have an adverse effect on an investment in NSR.

Key risks relating to NSR

1.1. Impact of Coronavirus (COVID-19)

The events relating to COVID-19 have recently resulted in unprecedented restrictions and lockdowns, including in relation to domestic and international travel and general disruption to business activities. These restrictions have been imposed by domestic and international governments and regulatory authorities, and/or implemented as a matter of best practice during the ongoing health crisis. In addition, events relating to COVID-19 have resulted in significant market falls and volatility, including the prices of securities trading on the ASX. While all of NSR's centres have remained open and operational throughout the COVID-19 pandemic, the events relating to COVID-19 may have a material adverse effect on, or cause a material adverse change to, NSR's business. Given the high degree of uncertainty surrounding the extent and duration of COVID-19, it is not currently possible to assess the full impact of COVID-19 on the NSR business. There is also continued uncertainty as to the duration and further impact of COVID-19 including (but not limited to) in relation to government, regulatory or health authority actions, work stoppages, lockdowns, quarantines, travel restrictions and the impact on global economies. There is no certainty that property values or NSR's business activities will normalise to a level existing prior to the impact of COVID-19 (or how long such normalisation could take). If the duration of events surrounding COVID-19 are prolonged, NSR may need to take additional measures in order to respond appropriately (for example, by raising additional funding).

1.2 General commercial property risks

Risks commonly associated with commercial property investment apply equally to an investment in NSR, including levels of occupancy, capital expenditure requirements, development and refurbishment risk, environmental or compliance issues, changes to government and planning regulations, including zoning and damage caused by flood or other extreme weather (to the extent that it is not or could not be insured against).

1.3 Self-storage property operational risks

Storage property and business market conditions vary from state to state around Australia and New Zealand as well as within each state or local area. Conditions and localised demand are influenced by factors such as housing activity (new and existing), retail activity, new competition, and employment. NSR's distributions are largely dependent on revenue received from its self-storage customers as well as revenue generated from joint venture arrangements and development management fees. Any negative impact on customer revenue has the potential to decrease the value of NSR and have an adverse impact on distributions or the

value of Stapled Securities or both. Reduced discretionary consumption, increased consumer uncertainty and government lock-downs and market interventions which limit non-essential services as an anticipated consequence of the COVID-19 could result in a moderation in NSR's revenue streams as a result of a fall in storage occupancy and a reduction in joint venture and development revenue due to the deferral of projects. These factors, the severity and duration of which are uncertain, may materially affect the operating and financial performance and prospects of NSR and continue to impact on NSR's business.

1.4 Monthly storage agreements

Storage units are typically rented on a month to month basis. There is no guarantee that existing storage customers will not default under, or will renew, their storage agreements. Where an existing customer does not renew their storage agreement for whatever reason, there is no guarantee that other storage customers will be found.

1.5 Competition

The entry of new competing self-storage centres or discounting by existing competing self-storage centres may adversely affect the occupancy level and rental rates of the self-storage centres operated or managed by NSR.

1.6 Valuations

Valuations ascribed to NSR's assets will be influenced by a number of ongoing factors including supply and demand for self-storage centres, a downturn in the property market and general economic conditions. Valuations represent only the analysis and opinion of qualified experts at a certain point in time. These factors may be exacerbated by the impact of COVID-19. A reduction in the value of NSR's property assets may adversely affect the value of the Stapled Securities. It may also impact on NSR's financing arrangements (refer to Funding below). Property values may fall if the underlying assumptions on which the property valuations are based, change in the future. As property values fluctuate, so too may returns from property assets. There is no guarantee that a property will achieve a capital gain on its sale or that the value of the property will not fall as a result of the assumptions on which the relevant valuations are based proving to be incorrect.

1.7 Property liquidity

NSR may be required to dispose of some of its property assets in response to adverse business conditions. Given the relatively illiquid nature of property investments, NSR may not be able to realise the property assets in a timely manner or at an optimal sale price in line with the asset's valuation. This may affect NSR's net asset value or trading price per Stapled Security.

1.8 Risk of joint venture development funds

NSR is currently a joint venture participant with other parties. This imposes restrictions which would not apply if NSR was the 100% owner of the assets and operations of those joint ventures, including in relation to changes in relevant business plans, distribution policies, capital, borrowings and capital expenditure.

KEY INVESTMENT RISKS (CONT'D)



1.9 Leasehold interests

NSR operates a number of self-storage centres from properties owned by third parties under lease arrangements. There is no guarantee that those leases will be able to be renewed or able to be renewed on suitable terms (including in relation to rent payable). The leases may also be subject to certain termination rights which, if triggered, may result in the lessor terminating the lease. This may adversely affect NSR's ability to continue to operate the self-storage centres at those locations, and the fair value attributed to them.

1.10 Insurance risk

There is no certainty that appropriate insurance will be available for all risks on acceptable commercial terms or that the cost of insurance premiums will not continue to rise. Some risks are not able to be insured at acceptable premiums. Examples of losses that are generally not insured against include war or acts of terrorism and natural phenomena such as earthquake or cyclone. If any of NSR's assets are damaged or destroyed by an event for which NSR does not have cover, or a loss occurs which is in excess of the insured amounts, NSR could incur a capital loss and lost income which could reduce returns for holders of Stapled Securities (including New Securities). Any failure by the company or companies providing insurance (or any reinsurance) may adversely affect NSR's right of recovery under its insurance.

1.11 Future acquisitions and expansion

NSR may consider opportunities to make further acquisitions of self-storage assets. NSR may also develop and expand the lettable area at a number of NSR's centres. The rate at which NSR is able to expand will reflect market forces and the availability of capital at the time. Forecast distributions may be affected by such actions. The risks faced by NSR in relation to any future development projects will depend on the terms of the transaction at the time. There can be no assurance that NSR will successfully identify, acquire and integrate further self-storage assets, or successfully implement acquisitions on time and on budget. Furthermore, there is no guarantee that any acquisition will perform as expected. Future acquisitions may also expose NSR to unanticipated business risks and liabilities.

1.12 Banking obligation risk

NSR is subject to a number of undertakings and financial covenants under its current debt facility arrangements, including in relation to gearing levels and interest cover ratios. An event of default can occur under its current debt facility if NSR fails to maintain these financial covenants. This may be caused by unfavourable movements in interest rates (to the extent rates are not hedged) or deterioration in the income or the value of NSR's properties and/or businesses. To the extent that an event of default occurs, the lender may require immediate repayment of the debt facility. NSR may need to dispose of assets at less than valuation, raise additional equity or reduce or suspend distributions in order to repay the debt facility, if this occurs.

1.13 Funding and gearing

NSR's ability to raise funds from either debt or equity sources in the future depends on a number of factors, including the state of debt and equity markets, the general economic and political climate and the performance, reputation and financial strength of NSR. Changes to any of these underlying factors could lead to an increase in the cost of funding, limit the availability of funding, and increase the risk that NSR may not be able to refinance its debt and/or interest rate hedges before expiry or may not be able to refinance them on substantially the same terms as the existing facility or hedge instruments. If alternative financing is

not available, this could adversely affect NSR's ability to acquire new properties and to fund capital expenditure, and NSR may need to realise assets at less than valuation, which may result in financial loss to NSR. Possible increases in the interest rate, the cost of interest rate hedges and the level of financial covenants required by lenders may adversely impact on the operational and financial results of NSR and the level of distributions available to holders of Stapled Securities (including the New Securities). As noted above, COVID-19 may negatively impact on property valuations. In part, NSR's gearing levels depend on the valuation of properties within its portfolio. If the value of properties in NSR's portfolio decreases, then NSR's gearing will increase. Without the capital proposed to be raised under the Offer, a COVID-19 related impact to property valuations and earnings has the potential to increase NSR's gearing levels above its target gearing range.

1.14 Environmental issues and Climate Change

Unforeseen environmental issues may affect the properties in the property portfolio owned by NSR. These liabilities may be imposed irrespective of whether or not NSR is responsible for the circumstances to which they relate. NSR may also be required to remediate sites affected by environmental liabilities. The cost of remediation of sites could be substantial. If NSR is not able to remediate the site properly, this may adversely affect its ability to sell the relevant property or to use it as collateral for future borrowings. Extreme weather events or progressive damage from climate related causes may cause loss to NSR through either physical impact on storage centres or disrupting operations and attendant income. NSR has enacted a specific regular review process for its centres to ensure such impacts or their likelihood is mitigated to the maximum extent possible. Material expenditure may also be required to comply with new or more stringent laws or regulations introduced in the future.

1.15 Forecast distributions

No assurances can be provided in relation to the payment of future distributions. Future determination as to the payment of distributions by NSR will be at the discretion of NSR and will depend upon the availability of profits, the operating results and financial condition of NSR, future capital requirements, covenants in relevant debt facilities, general business and financial conditions and other factors considered relevant by NSR.

1.16 Stapled structure

There are inherent risks associated with a stapled structure. For example, the boards of NSH and NSFS may not agree on certain matters that involve the approval of each of these boards.

1.17 No assurance of liquidity or trading price

No assurances can be provided that the Stapled Securities (including the New Securities) will trade at any particular price or as to liquidity of trading or that any capital growth in NSR will translate into a higher price at which the Stapled Securities (including the New Securities) trade. The historical performance of Stapled Securities provides no guidance as to the future performance of Stapled Securities (including the New Securities).

KEY INVESTMENT RISKS (CONT'D)



1.18 Insolvency

In the event of any liquidation or winding up of NSR the claims of NSR's creditors will rank ahead of those of its investors. Under such circumstances NSR will first repay and discharge all claims of its creditors. Any surplus assets will then be distributed to NSR's investors. All investors will rank equally in their claim and will be entitled to an equal share per Stapled Security.

1.19 Information Security

NSR is exposed to the risk of loss of data, breach of confidentiality, regulatory breaches (in respect of privacy) and/or reputational impacts including as a result from a cyber-attack. The impact of the occurrence of this risk may limit NSR's ability to deliver its business objectives and strategy, results in criminal or civil proceedings which may in turn result in fines and penalties or other liabilities, cause reputational damage arising as a result of any such proceedings or have an adverse effect on NSR's financial condition and operational results.

1.20 Employees

NSR's future performance is dependent on the ability to recruit, train, retain and motivate senior executives and employees. There is a risk that NSR may be unable to attract or retain key personnel and specialist skills and may lose corporate memory. NSR relies upon the expertise and experience of the senior management team. As a consequence, if the services of key personnel were no longer available this may have an adverse impact on the financial performance of NSR. However, NSR's senior management team are considered internally to be stable and committed and succession planning is undertaken periodically by the NSH Board and Managing Director.

1.21 Occupational health and safety

There is a risk that liability arising from occupational health and safety matters at a property in NSR's portfolio may be attributable to NSR as the registered proprietor. To the extent that any liabilities may be incurred by NSR, this may impact upon the financial position and performance of NSR (to the extent not covered by insurance). In addition, penalties may be imposed upon NSR which may have an adverse impact on NSR.

1.22 Compliance

NSR is subject to strict regulatory and compliance arrangements under the Corporations Act and ASIC policy. Being listed on the ASX imposes various listing obligations with which NSR must comply on an ongoing basis. ASIC and ASX monitor NSR's compliance with the Corporations Act, ASIC policy and the ASX Listing Rules. If ASIC or ASX determine that NSR has not complied with its obligations, they may take action which would adversely impact NSR. If ASIC determines that NSFS has breached its Australian Financial Services Licence, ASIC may suspend or revoke the licence which would adversely impact the ability of NSFS to operate the NSPT.

1.23 Litigation, disputes and default

There is a risk that NSR or a member of the NSR group may become involved in litigation or disputes, which could adversely affect its financial performance.

1.24 Contractual risk

NSR has entered into letters of offer and conditional agreements to acquire certain storage assets owned by third parties, referred to in this document as "Total Acquisitions". Failure of a third party to comply with the agreements could result in a delay in, or failure to complete, the Total Acquisitions. Further, if any of the

conditions are waived and the Total Acquisitions proceed, there may be an adverse impact on the financial position and performance of NSR. If any of the conditions are not satisfied or waived within the time specified, the Total Acquisitions may not proceed or may be delayed.

1.25 Post-acquisition performance

If the Total Acquisitions are successful, the risks identified in this section in relation to NSR's ownership and operation of self-storage sites, including (but not limited to) "General Commercial Property Risks", "Environmental Issues" and "Occupational Health and Safety" will also apply to the assets acquired by NSR as part of the Total Acquisition.

General market and regulatory risks

2.1 Economic and market conditions

NSR may be adversely impacted by many factors including fluctuations in general economic conditions including interest rates, inflation, consumer confidence levels which may adversely affect the demand for storage space and general market levels. A number of factors affect the performance of the stock markets, which could affect the price at which NSR's securities trade on the ASX. Among other things, the impact of COVID-19 (or other pandemics or epidemics), geo-political instability, including international hostilities, acts of terrorism, the response to COVID-19 and travel restrictions, epidemics and pandemics such as COVID-19, movements of international and domestic stock markets, interest rates, exchange rates, inflation and inflationary expectations and overall economic conditions, economic cycles, investor sentiment, political events and levels of economic growth, both domestically and internationally as well as government taxation and other policy changes or changes in law may affect the demand for, and price of, Stapled Securities. The share prices for many listed companies in Australian stock markets and in international stock markets have in recent times been subject to wide fluctuations and volatility, which in many cases may reflect a diverse range of non-company specific influences referred to above. In particular, the events relating to COVID-19 have recently resulted in significant market falls and volatility both in Australia and overseas, including in the prices of securities trading on the ASX. There is continued uncertainty as to the further impact of COVID-19 on the Australian economy and equity and debt capital markets including in relation to governmental action, work stoppages, university and school stoppages, lockdowns, quarantines, travel restrictions and the impact on the Australian economy (and international economies) and share markets globally. Any of these events and resulting fluctuations may materially adversely impact the market price of Stapled Securities. It is also possible that new risks may emerge as a result of domestic or foreign markets experiencing extreme stress, or existing risks (including the impacts of COVID-19) may evolve in ways that are not currently foreseeable. The equity capital markets have in the past and may in the future be subject to significant volatility. No assurances can be given that the New Securities will trade at or above the offer price for those securities. None of NSR, its Board or any other person guarantees the market performance of the New Securities.

2.2 Interest rates

Unfavourable movements in interest rates relating to NSR's debt facility could lead to increased interest expense, to the extent that interest rates are not hedged. This could impact the level of distributions available to holders of Stapled Securities (including New Securities). Further, the risk that changes in prevailing market interest rates and the strength of capital markets will influence NSR's interest costs and its ability to refinance debt respectively.

KEY INVESTMENT RISKS (CONT'D)



2.3 Inflation

Lower than expected inflation rates generally or specific to the sectors in which NSR operates could reduce the rate of increase in inflation-linked revenues. Higher than expected inflation is likely to increase operating and development costs. Such changes could adversely impact NSR's financial performance.

2.4 Derivatives

NSR uses derivative instruments to hedge its exposure to interest rates. The mark-to-market valuation of derivative instruments could change quickly and significantly. Such movements may have an adverse effect on the financial performance and financial position of NSR.

2.5 Dilution risk

Investors who do not participate in the Entitlement Offer will have their investment in NSR diluted. Further, and in addition to the Entitlement Offer, NSR may issue securities to finance future acquisitions or pay down debt which may, under certain circumstances, dilute the value of securityholders' interests in NSR and the proportional beneficial ownership in the underlying assets of NSR.

2.6 Changes in law

Changes in law, government legislation, regulation and policy in jurisdictions in which NSR operate may adversely affect the value of its portfolio and/or NSR's future earnings and performance as well as the value of NSR's securities quoted on the ASX.

2.7 Taxation risk

There may be tax implications arising from applications for Stapled Securities (including New Securities), the receipt of distributions (if any) and returns of capital from NSR, and on the disposal of Stapled Securities. Future tax reforms could impact on the distributions from NSR and the value of securities, possibly with retrospective effect. Investors should note that Australian tax laws are complex and constantly subject to change.

2.8 Accounting standards

The Australian Accounting Standards to which NSR adheres are set by the Australian Accounting Standards Board (AASB) and are consequently outside the control of NSR and the directors of NSH and NSF5. Changes to accounting standards issued by AASB or changes to the commonly held views on the application of those standards could materially and adversely affect the financial performance and position reported in NSR's financial statements.

2.9 Equity raising and underwriting risk

NSR has entered into an underwriting agreement under which the Underwriters have agreed to fully underwrite the Entitlement Offer, subject to the terms and conditions of the underwriting agreement between the parties. If certain conditions are not satisfied or certain events occur, the Underwriters may terminate the underwriting agreement. Termination of the underwriting agreement would have an adverse impact on the proceeds raised under the Entitlement Offer and NSR's sources of funding for acquisitions.



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INTERNATIONAL OFFER RESTRICTIONS



This document does not constitute an offer of New Securities in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the New Securities may not be offered or sold, in any country outside Australia except to the extent permitted below.

Canada (British Columbia, Ontario and Quebec provinces)

This document constitutes an offering of New Securities only in the Provinces of British Columbia, Ontario and Quebec (the "Provinces"), only to persons to whom New Securities may be lawfully distributed in the Provinces, and only by persons permitted to sell such securities. This document is not a prospectus, an advertisement or a public offering of securities in the Provinces. This document may only be distributed in the Provinces to persons who are "accredited investors" within the meaning of National Instrument 45-106 – *Prospectus Exemptions*, of the Canadian Securities Administrators.

No securities commission or authority in the Provinces has reviewed or in any way passed upon this document, the merits of the New Securities or the offering of the New Securities and any representation to the contrary is an offence.

No prospectus has been, or will be, filed in the Provinces with respect to the offering of New Securities or the resale of such securities. Any person in the Provinces lawfully participating in the offer will not receive the information, legal rights or protections that would be afforded had a prospectus been filed and receipted by the securities regulator in the applicable Province. Furthermore, any resale of the New Securities in the Provinces must be made in accordance with applicable Canadian securities laws. While such resale restrictions generally do not apply to a first trade in a security of a foreign, non-Canadian reporting issuer that is made through an exchange or market outside Canada, Canadian purchasers should seek legal advice prior to any resale of the New Securities.

NSR as well as its directors and officers may be located outside Canada and, as a result, it may not be possible for purchasers to effect service of process within Canada upon NSR or its directors or officers. All or a substantial portion of the assets of NSR and such persons may be located outside Canada and, as a result, it may not be possible to satisfy a judgment against NSR or such persons in Canada or to enforce a judgment obtained in Canadian courts against NSR or such persons outside Canada.

Any financial information contained in this document has been prepared in accordance with Australian Accounting Standards and also comply with International Financial Reporting Standards and interpretations issued by the International Accounting Standards Board. Unless stated otherwise, all dollar amounts contained in this document are in Australian dollars.

Statutory rights of action for damages and rescission. Securities legislation in certain Provinces may provide a purchaser with remedies for rescission or damages if an offering memorandum contains a misrepresentation, provided the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's Province. A purchaser may refer to any applicable provision of the securities legislation of the purchaser's Province for particulars of these rights or consult with a legal adviser.

Certain Canadian income tax considerations. Prospective purchasers of the New Securities should consult their own tax adviser with respect to any taxes payable in connection with the acquisition, holding or disposition of the New Securities as there are Canadian tax implications for investors in the Provinces.

Language of documents in Canada. Upon receipt of this document, each investor in Canada hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the New Securities (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. *Par la réception de ce document, chaque investisseur canadien confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement.*

Hong Kong

WARNING: This document has not been, and will not be, authorized by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). No action has been taken in Hong Kong to authorize this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the New Securities have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO).

No advertisement, invitation or document relating to the New Securities has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the New Securities which are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors as defined in the SFO and any rules made under that ordinance.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

Japan

The New Securities have not been and will not be registered under Article 4, paragraph 1 of the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948), as amended (the "FIEL") pursuant to an exemption from the registration requirements applicable to a private placement of securities to Qualified Institutional Investors (as defined in and in accordance with Article 2, paragraph 3 of the FIEL and the regulations promulgated thereunder). Accordingly, the New Securities may not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan other than Qualified Institutional Investors. Any Qualified Institutional Investor who acquires New Securities may not resell them to any person in Japan that is not a Qualified Institutional Investor, and acquisition by any such person of New Securities is conditional upon the execution of an agreement to that effect.

NSR has made a notification in compliance with the Investment Trust Law of Japan. Neither the Financial Services Agency of Japan nor the Kanto Local Finance Bureau has passed upon the accuracy or adequacy of this document or otherwise approved or authorised the offering of New Securities to investors resident in Japan.

INTERNATIONAL OFFER RESTRICTIONS (CONT'D)



New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "FMC Act").

The New Securities are not being offered to the public within New Zealand other than to existing securityholders of NSR with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.

Other than in the entitlement offer, the New Securities may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

Singapore

This document has not been registered as a prospectus with the Monetary Authority of Singapore ("MAS") and, accordingly, statutory liability under the Securities and Futures Act, Chapter 289 (the "SFA") in relation to the content of prospectuses does not apply, and you should consider carefully whether the investment is suitable for you. The issuer is not authorised or recognised by the MAS and the New Securities are not allowed to be offered to the retail public. This document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase of the New Securities may not be circulated or distributed, nor may the New Securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except to "institutional investors" (as defined in the SFA), or otherwise pursuant to, and in accordance with the conditions of, any other applicable provisions of the SFA.

This document has been given to you on the basis that you are an "institutional investor" (as defined under the SFA). In the event that you are not an institutional investor, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Securities being subsequently offered for sale to any other party. You are advised to acquaint yourself with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

Switzerland

The New Securities may not be distributed in Switzerland and will not be listed on the SIX Swiss Exchange ("SIX") or on any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering material relating to the New Securities constitutes a prospectus or a similar notice (as such terms are understood under the Swiss Financial Services Act (FinSA)) or the listing rules of any stock exchange or regulated trading facility in Switzerland.

This document is personal to the recipient only and not for general circulation in Switzerland. Neither this document nor any other offering or marketing material relating to the New Securities or the offering may be

publicly distributed or otherwise made publicly available in Switzerland. The New Securities will only be offered to investors who qualify as "professional clients" under art. 4 para. 3 of the FinSA.

Neither this document nor any other offering or marketing material relating to the offering or the New Securities have been, or will be, filed with or approved by any Swiss regulatory authority or authorized review body. In particular, this document will not be filed with, and the offer of New Securities will not be supervised by, the Swiss Financial Market Supervisory Authority (FINMA). The offering has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes ("CISA"). Accordingly, the investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of New Securities.

United Kingdom

Neither this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the New Securities.

This document is issued on a confidential basis to "professional investors" (within the meaning of the Alternative Investment Fund Managers Directive) who are also "qualified investors" (within the meaning of Article 2(e) of the UK Prospectus Regulation). The New Securities may not be offered or sold in the United Kingdom by means of this document or any other document except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) of the FSMA. This document should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New Securities has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to NSR.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (Investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investments to which this document relates are available only to, and any invitation, offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

The New Securities are being marketed in the United Kingdom in compliance with the National Private Placement Regime (within the meaning of The Alternative Investment Fund Managers Regulations 2013). NSR's most recent annual financial report and other information it has lodged with the Australian Securities Exchange can be found on the websites of NSR and the ASX.

INTERNATIONAL OFFER RESTRICTIONS (CONT'D)



United States

This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The New Securities have not been, and will not be, registered under the US Securities Act of 1933 or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Securities may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

The New Securities will only be offered and sold in the United States to:

- "qualified institutional buyers" (as defined in Rule 144A under the US Securities Act); and
- dealers or other professional fiduciaries organized or incorporated in the United States that are acting for a discretionary or similar account (other than an estate or trust) held for the benefit or account of persons that are not US persons for which they exercise investment discretion, within the meaning of Rule 902(k)(2)(i) of Regulation S under the US Securities Act.



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SUMMARY OF UNDERWRITING AGREEMENT



National Storage Holdings Limited ("**Company**") and National Storage Financial Services Limited ("**RE**") as responsible entity for the National Storage Property Trust ("**Trust**") (each of the Company and the RE an "**Issuer**" and together the "**Issuers**") have entered into an Underwriting Agreement with J.P. Morgan Securities Australia Limited and Citigroup Global Markets Australia Pty Limited (the Joint Lead Managers) in respect of the Entitlement Offer.

The Joint Lead Managers' obligations under the Underwriting Agreement, including to underwrite and manage the Entitlement Offer, are conditional on certain matters, including ASX granting a trading halt, the lodgement of certain ASX materials in accordance with the timetable in a form acceptable to the Joint Lead Managers (acting reasonably) and the timely delivery of certain due diligence materials, sign-offs, opinions and certificates by the Issuers. If certain conditions are not satisfied, or certain events occur, some of which are beyond the control of the Issuers, each Joint Lead Manager may terminate its obligations under the Underwriting Agreement without cost or liability, at any time before the Retail Allotment Date and after the Joint Lead Manager becomes aware of the happening of any one or more of the below events.

Termination of the Underwriting Agreement may have an adverse impact on the ability of the Issuers to proceed with the Entitlement Offer and the quantum of funds raised as part of the Entitlement Offer. If the Underwriting Agreement is terminated by either or both of the Joint Lead Managers, there is no guarantee that the Entitlement Offer will continue in its current form or at all. Failure to raise sufficient funds under the Entitlement Offer (as a result of it not proceeding or otherwise) could materially adversely affect the Issuers' business, cash flow, financial performance, financial condition and share price.

The events which may trigger termination of the Underwriting Agreement include the following:

- the conditions precedent in the Underwriting Agreement are not satisfied or waived by their respective deadlines;
- a statement contained in certain documents (including all announcements released to ASX by the Issuers in connection with the Entitlement Offer) ("Offer Documents") and any press releases, presentation materials or public or media statement made in relation to the NSR group or the Entitlement Offer ("Public Information") does not comply with the Corporations Act (including if a statement in any of the Offer Documents or Public Information is or becomes misleading or deceptive in a material respect or is likely to mislead or deceive in a material respect, including by omission), or a matter required to be included is omitted from an Offer Document;
- a cleansing notice is or becomes defective within the meaning of section 708AA(11) or 1012DAA(11) of the Corporations Act, or any amendment or update to a cleansing notice is issued or required, and the defective cleansing notice or the amendment or update to the cleaning notice (as the case may be) is adverse from the point of view of an investor;
- there is, or is a prospective, material adverse change in or affecting the general affairs, business, operations, financial position, performance, prospects, securityholders' equity or results of the operations of the NSR group when compared to the position disclosed by the Issuers to the ASX prior to the date of the Underwriting Agreement;
- at any time and, where occurring after the Institutional Allotment Date for a certain duration until certain dates prescribed under the Underwriting Agreement, either of the S&P/ASX 200 Index or the S&P/ASX A-REIT Index falls to a level that is 90% or less of the level of that index as at the close of trading on the trading day immediately prior to the date of the Underwriting Agreement;
- ASIC applies for an order under sections 1324 or 1325 of the Corporations Act in relation to the Entitlement Offer or the Offer Documents, or gives notice of an intention to prosecute any Issuer or any director of an Issuer;
- ASIC issues a penalty order or enforceable undertaking against any Issuer in connection with an Issuer's compliance with its continuous disclosure obligations;
- ASIC commences certain actions, investigations or hearings in relation to the Entitlement Offer or certain documents published by the Issuers in respect of the Entitlement Offer and such actions, investigations or hearings either: (a) become public; or (b) are not withdrawn within specified time frames;
- any ASIC modifications, ASX approvals or regulatory approvals required for the Issuers to perform their obligations under the Underwriting Agreement or to carry out the transactions contemplated by the Offer Documents are withdrawn, revoked or amended in an adverse manner and such withdrawal, revocation or amendment is not, within one business day, remedied so as to facilitate the Entitlement Offer proceeding;
- there is an event or occurrence, including any statute, order, rule, regulation, directive or request of any governmental agency which makes it illegal for a Joint Lead Manager to satisfy an obligation under the Underwriting Agreement, or to market, promote or settle the Entitlement Offer.
- any member of the Issuer group is or becomes insolvent, or there is an act or omission, or circumstances that arise, which is likely to result in a member of the Issuer group becoming insolvent;
- the Issuers cease to be admitted to the official list of ASX or the Stapled Securities are suspended from trading on, or cease to be quoted on, ASX (other than due to a trading halt to facilitate the Entitlement Offer);
- unconditional approval (or conditional approval provided that such condition would not, in the reasonable opinion of the Joint Lead Managers, have a material adverse effect on the success or settlement of the Entitlement Offer) by ASX for official quotation is refused or not granted by certain dates prescribed under the Underwriting Agreement, or is subsequently withdrawn, qualified or withheld;

SUMMARY OF UNDERWRITING AGREEMENT CONT'D



- ASX makes any official statement to any person, or indicates to the Issuers or the Joint Lead Managers that it will not grant permission for the official quotation of the New Securities;
- the Issuers withdraw all or part of the Entitlement Offer;
- an Issuer is prevented from allotting or issuing any New Securities within the time required by the timetable for the Entitlement Offer, the Offer Documents, the Listing Rules, the ASX Settlement Operating Rules or by any other applicable laws or an order of a court of competent jurisdiction or other governmental agency;
- a director of an Issuer is charged with an indictable offence;
- any governmental agency commences any public action against an Issuer, any other Issuer group member or any of their respective directors in their capacity as a director of that entity, or announces that it intends to take action;
- an Issuer does not provide a closing certificate as and when required by the Underwriting Agreement;
- any director of an Issuer is disqualified from managing a corporation under Part 2D.6 of the Corporations Act;
- an Issuer or any of their respective directors engage in any fraudulent conduct or activity whether or not in connection with the Entitlement Offer;
- an officer (as defined in the Corporations Act) of an Issuer engages in any fraudulent conduct or activity in connection with the Entitlement Offer;
- the chairman or managing director of any member of the Issuer group (other than the RE) or certain members of the Issuer group senior management are removed from office or replaced;
- the RE is removed or replaced as the responsibility entity of the Trust;
- the trading halt requested by the Issuers to facilitate the Entitlement Offer ends early without the agreement of the Issuers and the Joint Lead Managers; or
- any event specified in the timetable for the Offer is delayed for more than 1 business day without the prior written consent of the Joint Lead Managers.

In addition, a Joint Lead Manager may terminate the Underwriting Agreement if any of the following events occur, provided that the Joint Lead Manager has reasonable grounds to believe that the event: (a) has had or is likely to have a material adverse effect on the success, settlement, outcome or marketing of the Entitlement Offer (or any aspect of it) or the likely price at which the New Securities will trade on ASX; or (b) has given or would likely give rise to a liability for the Joint Lead Managers under any applicable law; or (c) has given or would be likely to give rise to a contravention by the Joint Lead Managers or the Joint Lead Managers being involved in a contravention of the Corporations Act or any applicable law:

- there occurs a new circumstance that arises after certain materials in connection with the Entitlement Offer, including this Investor Presentation and the corresponding ASX announcement, are given to ASX, that would have been required to be included in those materials if it had arisen before the materials were given to ASX;
- a representation, warranty contained in the Underwriting Agreement on the part of an Issuer is breached, becomes not true or correct or is not performed when made or taken to be made;
- a contravention by an Issuer or any entity in the Issuer group of the Corporations Act, the Competition and Consumer Act 2010 (Cth), the Australian Securities and Investments Commission Act 2001 (Cth), a constitution of an Issuer or any of the ASX Listing Rules;
- an Issuer fails to perform or observe any of its obligations under the Underwriting Agreement;
- a statement in a closing certificate provided to the Joint Lead Managers under the Underwriting Agreement is false, misleading, untrue or incorrect or deceptive (including by way of omission);
- the report of the due diligence committee formed by the Issuers in connection with the Entitlement Offer to the directors of the Issuers and the Joint Lead Managers, or any other information supplied by or on behalf of the Issuers to the Joint Lead Managers in relation to the NSR group or the Entitlement Offer, is or becomes misleading or deceptive or is likely to mislead or deceive, including by way of omission;
- there are not or there ceases to be reasonable grounds for any statement or estimate by the Issuers in the Offer Documents which relates to a future matter or any statement or estimate in the Offer Documents is or becomes incapable of being met in the projected timeframe (including financial forecasts);
- an Issuer group member is in breach of, or default under, a material debt or financing arrangement or any related documentation to which that entity is a party, or a review event has occurred which gives a lender or financier the right to accelerate or require repayment of the debt or financing arrangement;

SUMMARY OF UNDERWRITING AGREEMENT CONT'D



- there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any State or Territory of Australia a new law or regulatory directive, or the Reserve Bank of Australia, or any Commonwealth or State authority, including ASIC adopts or announces a proposal to adopt a new policy (other than a law, regulatory directive or policy which has been announced before the date of the Underwriting Agreement);
- hostilities not existing at the date of the Underwriting Agreement (whether war has been declared or not) or a major escalation in existing hostilities occurs (whether war has been declared or not) involving any one or more of Australia, New Zealand, Hong Kong, the United States, the United Kingdom, the People's Republic of China, Singapore, South Korea, or any member state of the European Union or a major terrorist act is perpetrated in any of those countries;
- a general moratorium on commercial banking activities in Australia, the United States, the United Kingdom, Singapore, Hong Kong, Japan or any Member State of the European Union is declared by the relevant central banking authority in those countries, or there is a material disruption in commercial banking or security settlement or clearance services in any of those countries;
- any adverse effect on the financial markets in Australia, the United States, the United Kingdom, Singapore, Hong Kong, Japan or any Member State of the European Union or any adverse change in political, financial or economic conditions in any of those countries;
- trading in all securities quoted or listed on the ASX, the New Zealand Exchange, New York Stock Exchange, London Stock Exchange, Hong Kong Stock Exchange or the Tokyo Stock Exchange is suspended or limited in a material respect for at least one day on which that exchange is open for trading; or
- the RE's Australian financial services license is cancelled or revoked or there is an adverse amendment to the terms and conditions attached to that license.

If the Underwriting Agreement is terminated by a Joint Lead Manager, that Joint Lead Manager will be relieved of all further obligations that remain to be performed under the Underwriting Agreement.

Termination by the Joint Lead Managers will discharge the Issuers' obligation to pay the Joint Lead Managers any fees, costs, charges or expenses which as at termination are not yet accrued.

For details of the fees payable to the Joint Lead Managers, see the Appendix 3B released to ASX on 8 June 2021.

The Issuers also give certain representations, warranties and undertakings to the Joint Lead Managers and an indemnity to the Joint Lead Managers and their affiliates subject to certain carve-outs.

THANK YOU

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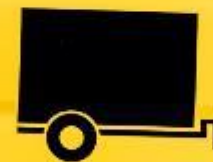
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