

Operating Review

We now have a portfolio of 109 open and trading stores, with a current maximum lettable area of 6.4 million sq ft, in line with last year.

The store platform and demand

Self storage demand is spread across a diverse set of drivers, and is largely driven by need, with security, convenience, quality of product, service and location being key factors. Awareness remains relatively low compared to commoditised products, such as hotel rooms or airline seats, albeit it is increasing slowly year-on-year with increased supply, marketing expenditure and customer use. The majority of our domestic customers are represented in ACORN profiled groups such as Flourishing Capital, Up and Coming Urbanites, Exclusive Addresses, Prosperous Professionals, Metropolitan Surroundings, Upmarket Families, Urban Aspiring Flat Dwellers and Privately Renting Professionals in Flats. The largest element of demand into our business each year is customers who use us for relatively short periods driven by a need.

Of our move-ins during the year:

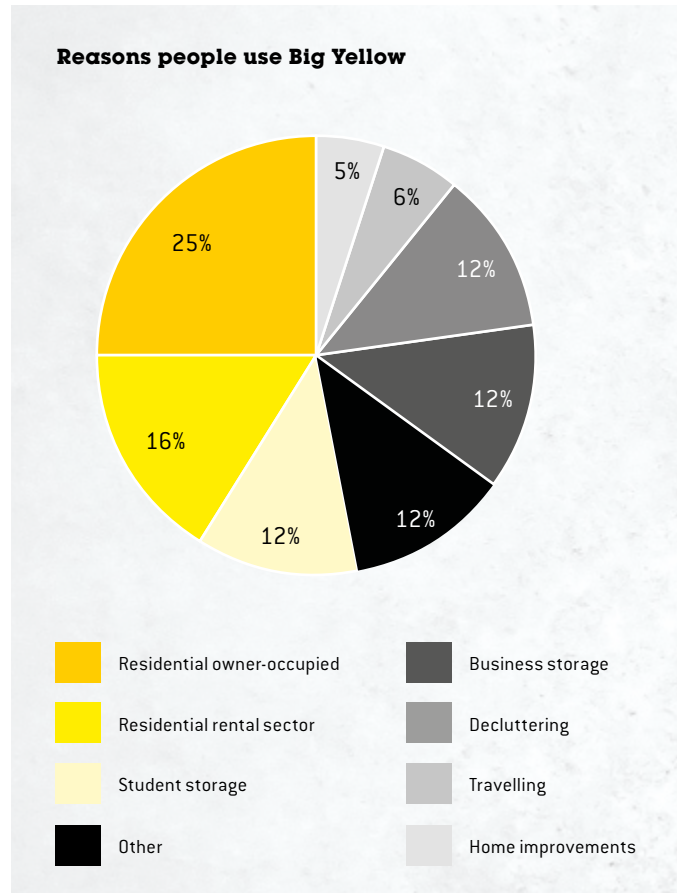
- customers renting storage space whilst moving represented 41% of move-ins during the year (2024: 41%), with homeowners representing 25% and renters 16%;
- 12% of our customers who moved in took storage space as a spare room for decluttering (2024: 12%);
- 35% of our customers used the product because some event had occurred in their lives generating the need for storage; they may be moving abroad for a job, have inherited possessions, are getting together, or separating, are students who need storage during the holidays, or homeowners developing into their lofts or basements (2024: 36%);
- the balance of 12% of our new customer demand during the year came from businesses (2024: 11%), who stay longer and represent around 20% of our customers in store at any one time, occupying 36% of the space at 31 March 2025.

Of our overall occupied space today, customers who are longer stay lifestyle users, decluttering into small rooms as an extension to their accommodation, occupy 10% to 15% of our space; approximately 50% of the space is customers using it for less than 12 months, for reasons which are largely event driven, which could be inheritance, moving in the owner occupied or rental sector, home improvements, travelling; the balance of 36% of our space is businesses.

Our business customer base is comprised of online retailers, B2B traders looking for flexible mini-warehousing for e-fulfilment, service providers, those looking to shorten supply chains, and businesses looking to rationalise their other fixed costs of accommodation. For these customers, who typically are looking for rooms which could be from 50 sq ft to 500 sq ft in facilities that meet their operational requirements, the only supply in big cities is from self storage providers. The average space occupied by business customers at the year-end is 175 sq ft (2024: 177 sq ft).

Domestic customers occupy on average 59 sq ft (2024: 58 sq ft) and pay on average 17% more in rent per sq ft than business customers (2024: 17%), however business customers do stay longer, take more space and represent around 32% of revenue (2024: 32%).

The pandemic accelerated many structural changes that were already occurring, such as the move to online retailing and an increase in working from home facilitated by technological advances. The deindustrialisation of big cities with the conversion of commercial space into residential and other uses, has led to a shortage of suitable flexible mini-warehouse space from which to operate small scale storage and e-fulfilment, particularly in London. These developments, along with businesses increasingly seeking flexible office and storage space rather than longer inflexible leases, we believe are long-term structural trends, which will benefit our business going forward.





From research we have previously carried out, a typical small business using storage employs around three people and 60% of them are early-stage businesses and for 50% of them this is their only space.

In addition, we have a dedicated national customers team for businesses who wish to occupy space in multiple stores. These customers on average occupy approximately 900 sq ft, paying £29,000 per annum, and are billed and managed centrally. This area has performed strongly in the year with revenue up 11% compared to the prior year, making up 5% of occupied space.

Activity

Prospect numbers were down 3% on the prior year, however, our conversion levels improved with move-ins down only 1% and move-outs also down 1% on last year.

Occupancy across all 109 stores increased over the year by 27,000 sq ft (2024: fall of 59,000 sq ft). Domestic occupied space increased by 90,000 sq ft over the year. Business occupancy dropped 3% or 63,000 sq ft on 1.84 million sq ft occupied at the beginning of the year.

As we have experienced over the years, there are businesses who outgrow us and move to their own accommodation, others cease operations, some are seasonal, and we continue to replace any vacated space with new move-ins from online traders, e-tailers and service providers. We are not seeing any noticeable further softening in demand from businesses, particularly in London.

The 77 Big Yellow same stores (see Portfolio Summary) are 80.9% occupied compared to 81.7% at the same time last year. The eight lease-up Big Yellow stores added 48,000 sq ft of occupancy over the year to reach closing occupancy of 64.7%. The 24 Armadillo stores, representing 10% of the Group's revenue are 76.2% occupied, compared to 74.3% at this time last year. Overall store occupancy was 78.7% (2024: 78.3%).

	Occupancy 31 March 2025 %	Occupancy change in year 000 sq ft	Occupancy 31 March 2025 000 sq ft	Occupancy 31 March 2024 000 sq ft
77 established Big Yellow stores	80.9%	(39)	3,932	3,971
8 lease-up Big Yellow stores	64.7%	48	357	309
24 Armadillo stores	76.2%	18	767	749
All 109 stores	78.7%	27	5,056	5,029

All stores are trading profitably at the EBITDA level.

Operating Review continued

Rental growth

We continue to manage pricing dynamically, taking account of room availability, customer demand and local competition, with our pricing model reducing promotions and increasing asking prices where individual units are in scarce supply.

We continue to price competitively to win new customers and increase rents to in-place customers on a range dependent on what they are paying relative to the current asking price, and on average these were at levels slightly ahead of wage inflation. It must be remembered that some 60% of our customers move-out within six months and therefore do not receive any price increases.

New customers over the year paid on average 2% more than move-ins for last year, and 4% less than customers moving out over the year. If we can improve our relative occupancy performance, we would expect to see this reverse and be an additional driver to revenue growth.

The average achieved net rent per sq ft increased by 3% compared to the prior year, with closing net rent up 3% compared to 31 March 2024. The table below shows the change in net rent per sq ft for the portfolio by average occupancy over the year (on a non-weighted basis). The analysis excludes our most recent store openings.

Average occupancy in the year	Net rent per sq ft growth from April 2024 to March 2025	Net rent per sq ft growth from April 2023 to March 2024
75% to 85%	3.3%	5.4%
85% to 90%	5.9%	5.5%
Above 90%	7.8%	6.9%

Marketing and operations

Our marketing strategy focuses on enhancing our market-leading brand awareness further and leveraging it to maximise the cost-efficient generation of enquiries, customer move-ins and user satisfaction across our digital platforms. Our strong brand, combined with continued digital investment and innovation, has enabled us to create a market-leading website which delivers over 90% of our enquiries.

Our latest YouGov survey (published in May 2024) confirmed the brand awareness of Big Yellow remained significantly ahead of other UK operators in the sector. The survey shows our unprompted brand awareness to be over four times higher than our nearest competitor across the UK.

The Big Yellow website enables users to browse different room sizes, obtain a price, reserve online and check-in online prior to arriving at the stores, which are automated in terms of access once a customer moves in.

We understand our web users often struggle to determine what size of storage they require. Our online size estimator features intuitive animations and information to guide people toward making the right choice. The online experience also allows customers to communicate with us in real-time via Live Chat, WhatsApp, or Facebook Messenger. Comprehensive online FAQs provide our users with another way to address questions they may have about the service without needing to call us directly.

This is all essential because approximately 60% of our new prospects have not used self storage before.



The seamless digital experience continues with our online check-in platform. This enables customers to complete the majority of their move-in process remotely. They can upload their photo and identity documents, sign the full customer licence, set up authorised persons, complete their storage inventory and establish a paperless Direct Debit – all accomplished remotely. This online check-in capability has significantly reduced the time our customers need to spend in our receptions when they move in.

We also provide the ability to purchase boxes and packing materials through our online BoxShop store. These items can be home delivered or made available through our Click and Collect service from stores, which represents 77% of BoxShop transactions. Packing material sales and other ancillary sales (excluding ELS) generated revenue of £5.1 million in the year (2024: £4.9 million).

Driving online traffic

Self storage is a consumer-facing business and the development of a strong and sustainable brand is multi-layered. It requires consistency in product, customer service and interaction at all touch points, particularly online.

Search engines are our most important acquisition tool, accounting for the majority of traffic to our website. Our focus on gaining a competitive advantage in search continues and our search engine optimisation ("SEO") efforts have helped us maintain high organic listings for popular generic and local self storage-related search terms. This, in turn, drives growth and cost efficiencies in acquiring new prospects.

Brand search terms are also a valuable driver of enquiries for Big Yellow and help improve the efficiency of our cost per enquiry. In the past year, 47% of all search engine paid clicks to our website originated from "Big Yellow" brand searches. This clearly indicates that the brand is important in driving higher levels of prospects and customer referrals, leading to improved operational efficiencies. We have demonstrated this through significant improvements in the performance of existing storage centres following their acquisition, re-branding and assimilation into our business.

Search engine marketing remains our largest source of paid web traffic. Ongoing website optimisation and an engaging user experience through our digital platforms help ensure we maximise the conversion of these web visits into enquiries and then customers.

Digital display advertising enables us to regionally target audiences in the market for self storage, raising consideration of the service and the Big Yellow brand through engaging creatives. This year, we have also started growing our strategic online partnerships with brands that have similar audiences to ours. This will help further drive efficiencies in our cost per customer.

Online customer reviews and social media

Supporting our values of putting the customer at the heart of our business, our online customer reviews generate real-time feedback from customers and provide positive word-of-mouth referrals to our website visitors. Through our Big Impressions customer feedback programme, we ask our new customers to rate our service. With the users' permission, we then publish these independent customer reviews on the Big Yellow website, which currently total over 56,000 averaging 4.8 out of 5.

The Big Impressions programme also generates customer feedback on their move-in and move-out experience. These customer reviews and mystery shop results are transparently accessible across the business and help reinforce our focus on outstanding customer service. Over the year, we have achieved an average net promoter score of 82.8, which is a very strong consumer-facing benchmark result.

We also gain real-time customer feedback from over 27,700 Google Reviews, averaging 4.7 out of 5. These help to enhance our visibility within local search listings, conveying trust in the Big Yellow brand. Additionally, we have over 4,750 reviews from the independent review site Trustpilot.

“Over the year, we have achieved an average net promoter score of 82.8, which is a **very strong consumer-facing** benchmark result.”



These reviews average a 4.7 out of 5 star rating, labelled as “Excellent” on the Trustpilot ratings scale. We monitor our customer reviews and respond where necessary for customer service reasons or to manage our online reputation and improve our service offering.

Social media continues to complement our existing marketing channels. Big Yellow actively posts content across LinkedIn, Instagram and Facebook to raise awareness of our services and ESG activities. These social channels are also used by customers to connect with us and are monitored in real-time, enabling us to respond promptly to any enquiries. The Big Yellow LinkedIn platform is specifically used to communicate company achievements, ESG initiatives and our company culture.

The Big Yellow YouTube channel allows web prospects to experience our stores online through our video guides to self storage.

We will continue to invest in improving the customer experience and user journey across all our digital marketing channels and in-store operations to achieve higher levels of automation and, consequently, efficiencies in the business.

AI

We continue to look for new opportunities to utilise AI and other emerging technology to drive efficiency and improve our business. We are currently leveraging a variety of AI tools to enhance our content creation process using tools such as Microsoft CoPilot, ChatGPT, and Canva to generate innovative ideas and content. These tools assist us in creating training modules, drafting policies and procedures, and developing engaging presentations and visuals. The integration of these AI tools has significantly streamlined our workflow and boosted our productivity.

We've also been leveraging rules-based data manipulation and automation techniques across various aspects of our operations, such as our dynamic pricing system, prospect management, online check-in, and the digital automation of all customer communications. Our access control reporting and alerts, based on significant data from our stores, have been instrumental in enhancing our store audit processes. Exception reporting is another area where we've seen great improvements. Other examples in marketing would be translation AI, optimisation of paid search and targeting of prospects.

Although services are provided by third parties, machine learning AI forms the backbone of our cyber security and defence mechanisms. It plays a crucial role in anti-malware efforts, firewalls, email management, vulnerability testing, and Security Information and Event Monitoring.

The above is by no means a complete summary of how AI is making a difference to our business, but should provide an insight and it is something that we will continue to invest in.

Operating Review continued

Cyber security and IT infrastructure

Cyber security and IT infrastructure are vital for the Group's strategy and operations. We have a robust framework covering risk, security, compliance, innovation, and efficiency. Over the past year, we've achieved significant results and progress, although as ever, we are proactive in seeking new opportunities and overcoming new challenges. We maintain our commitment to investing in and improving our capabilities, ensuring we maintain our competitive edge.

We regularly evaluate our cyber risk and security status with the help from both internal experts and external consultants. Mandatory Information Security and Data Protection training along

with frequent tests, such as penetration testing and phishing simulations, help us ensure our systems and people are secure. This year, our systems underwent a comprehensive external audit and achieved IASME Cyber Assurance Levels 1 & 2, incorporating Cyber Essentials. Additionally, we have cyber insurance in place should a breach occur.

Our Data Compliance Officer oversees ongoing compliance with GDPR and PCI DSS, along with Business Continuity and Crisis Communication management. Our policies and procedures are regularly reviewed and benchmarked against industry best practice. Our Infrastructure and Development teams drive innovation and efficiencies throughout the Group.

Development pipeline

An important aspect of our external growth is the development of new stores, particularly in London, where there are very few existing assets suitable to be acquired.

Current development pipeline – with planning

Site	Location	Status	Anticipated capacity
Staines, London	Prominent location on the Causeway	Construction commenced with store opening in July 2025. We are also developing 9 industrial units on the site totalling 99,000 sq ft.	70,000 sq ft
Queensbury, London	Prominent location off Honeypot Lane	Construction commenced with store opening in October 2025.	72,000 sq ft
Wembley, London	Prominent location on Towers Business Park	Construction commenced with store opening in March 2026.	73,000 sq ft
Slough Bath Road	Prominent location on Bath Road	Construction commenced with store opening in spring 2026.	95,000 sq ft
Epsom, London	Prominent location on East Street	Construction commenced with store opening in summer 2026.	59,000 sq ft
Staples Corner, London	Prominent location on North Circular Road	Construction commenced with planned store opening in summer 2026.	Replacement for existing leasehold store, additional 18,000 sq ft
Kentish Town, London	Prominent location on Regis Road	Demolition commenced, with a planned store opening in autumn 2026.	70,000 sq ft
Wapping, London	Prominent location on the Highway, adjacent to existing Big Yellow	Construction commenced with store opening in late 2026.	Additional 95,000 sq ft
West Kensington, London	Prominent location on Hammersmith Road	Demolition of existing building to commence this year, with a store opening anticipated in summer 2028.	175,000 sq ft
Newcastle	Prominent location on Scotswood Road	Planning consent granted, vacant possession awaited.	60,000 sq ft

Current development pipeline – without planning

Site	Location	Status	Anticipated capacity
Old Kent Road, London	Prominent location on Old Kent Road	Site acquired in June 2022. Planning application submitted in October 2023, decision anticipated summer 2025.	75,000 sq ft
Leicester	Prominent location on Belgrave Gate, Central Leicester	Site acquired in June 2023. Planning application submitted in November 2024.	58,000 sq ft
Leamington Spa	Prominent location on Queensway	Site acquired in May 2024. Planning application submitted in December 2024.	55,000 sq ft
Coventry	Prominent location on Sir Henry Parkes Road	Site acquired in April 2025.	58,000 sq ft
Total – all sites			1,033,000 sq ft