

Growth

Long term structural growth markets, supported by future trends

Our markets are growing and with an estimated 14% share of the total market size of c.£2.0 billion, we have significant room to grow.

- Growing demand for cost effective secure storage
- Flexible working demands
- Digitisation
- Secure Data destruction and recycling
- Workplace transformation
- Increasing technology lifecycle requirements.

Strong market positions, high customer satisfaction and retention rates

In all of the five markets we operate in, we are either the UK market leader or a strong challenger.

- Operations across the UK in a diverse number of industries
- Primarily medium to very large sized organisations as customers, including regulated businesses (Utilities, Financial Services, etc) that form the backbone of the UK economy
- Public and private sector customer base, with 81% of FTSE 100
- Leading customer satisfaction ratings and high retention rates
- Ability to cross-sell wider Group services over time.

Track record of organic growth

The business has a track record of delivering organic growth and targets over 4-8% per year across its businesses.

- Sustained growth in the number of assets under management measured by number of boxes or the revenues in digital and commercial storage
- Development of new business lines in the Digital and Technology Recycling sectors
- Growth of new, highly recurring services and entry to new market segments including heritage storage and life science logistics support.

Substantial acquisition opportunity

The markets in which the Group operates are highly fragmented and provide substantial opportunity for consolidation further driving scale and cost benefits.

- Addressable acquisition opportunity (in revenue terms) is c.£0.8 billion of the £2.0 billion market in which the Group operates
- Acquiring just 15-20% of acquisition opportunity would surpass the Group strategy to reach revenues of £450-£500m and adjusted EBITDA of £150m in the medium term
- Acquisition rationale includes (1) scale benefit, delivering productivity and consolidation savings; (2) product/service enhancement, particularly in Restore Digital and Restore Technology; and (3) geographic coverage, delivering customer and operations benefits.

Strong margins with further growth potential

Group adjusted operating margins are strong and consistent at c.20% with further growth potential.

- Excellent margins, on storage and service income and the benefit of growing scale on fixed operating costs and capacity to invest to continually improve the quality of the business in finance, property, HR and IT and meet the requirements of a growing business and our ESG charter
- Goal to improve operating margins across all business units over time and to continue to unlock the benefit of the broader Group structure through a 'One Restore' approach which delivers up-selling across the product lines and consolidates cost wherever it makes a compelling rationale.

Increasing dividends

The Board aims to provide shareholders with regular, increasing dividends.

- Objective to provide shareholders with the best value creation, by balancing increasing dividends with strong investment back in the business
 - Substantial increase in dividends from 1.5p per share in 2012 to 7.4p in 2022, representing a 17% average annual growth on dividend since 2012.
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