

# Seismic Venture Partners - Investment STOR (South) plc

## Opportunity – STOR (South) plc (“STOR”)

STOR is an asset-backed investment opportunity targeting 12% capital growth and 8% yield, which is eligible for some SIPPs. STOR provides the latest in managed storage services. We are raising £5 million in equity. The money raised will be used to build a permanent storage facility and invest in the necessary equipment, technology and skills to provide the customer with a new generation of automated storage service.

## Storage and Logistics

Demand for personal and business storage has never been higher. The successful storage companies of the future will operate a fully flexible and convenient service to the customer. Currently, even the large chain storage companies in the UK require the customer to pack and deliver his goods to a dedicated location often some distance away.

This geographically tied model looks increasingly out-of-step with modern service providers such as Amazon and other popular retailers, supermarkets and even small businesses who deliver to your door. In the same way that the risk, inconvenience and expense of digital data storage has led to the growth of cloud-based data storage, increasing pressure on space has led to the demand for the storage of physical items, from archive documents to seasonal and personal belongings, that is flexible enough to store or return any number of items from a safe and secure warehouse.

## Collect, Protect and Return

STOR partners with Caboodle, a storage concierge, to provide a convenience-led service that relieves the burden on the customer. The service collects, protects and returns their stored belongings and appeals to time-poor consumers whether they be corporations or generation-rent.

This business model has grown rapidly in the USA and is now being replicated in the UK. However, no existing model uses the latest technology, such as our adoption of the latest Radio Frequency ID (RFID) technology, which enables box tracking for quick and easy automated retrieval.

This much needed approach of applying technology to storage and logistics also addresses the needs of a broad range of businesses to help them manage their stock.

## Investment Strategy

We will acquire one of our target sites to deliver our design for state-of-the-art storage and logistics facility. This will secure our capital uplift of 12-15% over the development phase as we fine tune the automation of stock management and retrieval systems which will replace the traditionally self-serviced manual business model. We are contracted with Caboodle to provide the digital platform for an “Ocado” style logistics to collect and return stored items.

## Downside Risk Protection

STOR is providing a flexible and adaptable logistics base through modern industrial warehouse development. Current levels of demand for 12m+ high logistics facilities is at an all-time high and rising. Brexit concerns coupled with the rise of online retail have led to unprecedented demand for the type of facility STOR is developing. The cost of repurposing STOR for general storage and logistics duties would be minimal.



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## The Management Team

### *Douglas Howard – Chairman, STOR*

Over a 20-year career at Tesco, Douglas rose through the ranks to lead their operational and strategic UK-wide online home delivery service. He is managing director of the Real English Drinks House, an e-commerce craft beer retail business. Now Chairman of STOR, Douglas guides the business strategy, with corporate governance and oversight.

### *Sam Whitaker – Infrastructure Director, STOR*

Sam has held directorships in training, education and infrastructure SPVs and has led the development and delivery of £1 billion of PFI assets. Most recently, Sam conceived, financed and delivered the North-East's largest logistics training Centre which has seen him build on his excellent connections with the logistics sector.

### *Martin Godet – Investor Director, STOR & Founder at Seismic Venture Partners*

Prior to founding Seismic, Martin was a Chartered Civil Engineer leading infrastructure projects before transitioning into a project finance specialist and business manager. He has had a successful career as a fund manager and investment director financing and investing alongside both infrastructure and early stage venture companies.

### *Giles Thomas – Property Director, Mathews & Goodman*

With over 25 years of experience in the industrial warehousing industry, Giles brings a wealth of experience in negotiating, sourcing and acquiring industrial warehousing sites across the UK.

## Key Terms

Issue Size	£3m minimum, £5m target with £7m maximum
Closing Date	First close 28 February 2019, then at the Manager's discretion
Status	STOR is a non-UCIS single company share issue
Tax Efficient Status and holding	Eligible for Business Property Relief and IHT relief at 40% for qualifying investors.
Key Feature	Potential to diversify portfolio into a high yielding investment with growth.
Capital Uplift (Development Phase)	Target of 12-15% capital appreciation in the development phase
Returns (Operational Phase)	Target of 8% p.a. paid bi-annually in arrears, following an 18 month development phase
Listing	Unlisted securities
Term	5-year minimum term, rolling term thereafter
Liquidity	The provision of a liquidity facility to enable share-buybacks from year 5.
Early redemption	Subject to Manager's discretion.
Fund Manager	Seismic Venture Partners Ltd
Storage Partner	Caboodle Store Ltd
Property Adviser	Mathews & Goodman
Custodian and Receiving Agent	Woodside Corporate Services Ltd
Website	<a href="http://www.seismic.vc">www.seismic.vc</a>
Contact Details	Martin Godet, <a href="mailto:martin@seismic.vc">martin@seismic.vc</a> , 02039160404

## Risk Warning

Invested capital is at risk. The value of your investment and the income derived from it can go down as well as up, and you may not get back the money you invested. You should regard your investment as medium to long term. Past performance is not a reliable guide to future performance and returns cannot be guaranteed. Investment in STOR is illiquid and subject to risks inherent to such investments and may not be readily realisable. Unquoted investments carry higher risks than listed stocks with large market capitalisations.



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