
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): May 09, 2023

GLOBAL SELF STORAGE, INC.

(Exact name of registrant as specified in its charter)

Maryland
(State or other jurisdiction
of incorporation)

001-12681
(Commission File Number)

13-3926714
(IRS Employer
Identification No.)

3814 Route 44
Millbrook, New York
(Address of principal executive offices)

12545
(Zip Code)

Registrant's telephone number, including area code: (212) 785-0900

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.01 par value	SELF	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02 Results of Operations and Financial Condition.

On May 9, 2023, Global Self Storage, Inc. (the “Company”) reported its financial results for the period ended March 31, 2023. A copy of the Company’s earnings press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

Item 7.01 Regulation FD Disclosure.

The information included in this Current Report on Form 8-K (including Exhibit 99.1 hereto) shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference into any filing made by the Company under the Exchange Act or the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such a filing.

The Company believes that certain statements in the information attached as Exhibit 99.1 may constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are made on the basis of management’s views and assumptions regarding future events and business performance as of the time the statements are made. Actual results may differ materially from those expressed or implied. Information concerning factors that could cause actual results to differ materially from those in forward-looking statements is contained from time to time in the Company’s filings with the Securities and Exchange Commission.

Item 9.01 Financial Statements and Exhibits.

- (a) Not applicable.
- (b) Not applicable.
- (c) Not applicable.
- (d) Exhibits. The following exhibits are being furnished herewith to this Current Report on Form 8-K.

Exhibit No.	Description
99.1	Global Self Storage, Inc. Earnings Press Release, dated May 9, 2023, reporting the financial results for the period ended March 31, 2023.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

GLOBAL SELF STORAGE, INC.

Date: May 9, 2023

By: /s/ Mark C. Winmill
Name: Mark C. Winmill
Title: President



Global Self Storage Reports Record First Quarter 2023 Results

Strong Net Operating Income, FFO and AFFO Growth Driven by Continued Operational Excellence and Industry Resilience

Millbrook, NY – May 9, 2023 – Global Self Storage, Inc. (NASDAQ: SELF), a real estate investment trust that owns, operates, manages, acquires and redevelops self-storage properties, reported results for the first quarter ended March 31, 2023. All comparisons are to the same year-ago period unless otherwise noted.

Q1 2023 Highlights

- Total revenues increased to a record first quarter of 7.7% to \$3.0 million.
- Operating income increased 22.2% to \$0.8 million.
- Net income totaled \$993,000 or \$0.09 per diluted share.
- Funds from operations (FFO) increased 13.5% to \$1.0 million or \$0.09 per diluted share (see definition of this and other non-GAAP measures and their reconciliation to GAAP, below).
- Adjusted FFO (AFFO), a non-GAAP term, increased 11.2% to \$1.1 million or \$0.10 per diluted share.
- Same-store revenues increased 7.7% to \$3.0 million.
- Same-store net operating income (NOI), a non-GAAP term, increased 8.4% to \$1.9 million.
- Same-store occupancy at March 31, 2023 was 87.9% compared to 92.6% at March 31, 2022, as the company optimized rental revenue under its revenue rate management program. As of May 1, 2023, same-store occupancy increased to 89.9%
- Same-store average tenant duration of stay at March 31, 2023 was approximately 3.4 years, increasing from approximately 3.2 years.
- Maintained quarterly dividend of \$0.0725 per common share.
- Capital resources at March 31, 2023 totaled approximately \$24.2 million, comprised of \$6.5 million in cash, cash equivalents and restricted cash; \$2.7 million in marketable securities; and \$15 million available under the company's revolving credit facility.

Dividend Increase

On March 1, 2023, the company declared a quarterly dividend of \$0.0725 per share, up 11.5% compared to the quarterly dividend for the same period last year and consistent with the previous quarter. The quarterly distribution represents an annualized dividend rate of \$0.29 per share, an increase of \$0.03 per share from the previous annual rate of \$0.26 per share.

Company Objective

The objective of the company is to increase value over time for the benefit of its stockholders. Toward this end, the company will continue to execute its strategic business plan, which includes funding acquisitions, either directly or through joint ventures, and expansion projects at its existing properties. Its board of directors regularly reviews the company's strategic business plan, including topics and metrics like capital formation, debt versus equity ratios, dividend policy, use of capital and debt, FFO and AFFO performance, and optimal cash levels.

The management of Global Self Storage believes that the company's strong operational performance and capital resources position it well to continue to pursue its strategic business plan.

Management Commentary

"Another quarter of operational excellence drove strong performance across the board, including growth in revenues, NOI, FFO and AFFO," commented Global Self Storage president and CEO, Mark C. Winmill. "Our same-store revenue growth of 7.7% helped drive NOI growth of 8.4%, as we sought to control operational expenses.

"These strong results were also driven by our internet and digital marketing initiatives that helped maintain our overall average same-store occupancy around 88% at quarter-end and has now increased it to 89.9% at the beginning of this month.

"We believe our superior customer service also strengthens brand loyalty and generates enthusiastic word-of-mouth referrals. Through our targeted marketing initiatives and focus on providing best-in-class customer service, we believe we will continue to attract high quality tenants who will store with us for longer than the industry average. In fact, by the end of the quarter, our same-store average tenant duration of stay was up 0.2 years to a peer-leading 3.4 years.

"Following a record setting year, we believe demand is returning to normalcy as same store revenue growth decelerates industrywide. However, these conditions may create favorable acquisition opportunities, to which we are well-positioned to pursue. As such, we continue to evaluate potential acquisitions of self-storage properties in underserved secondary and tertiary markets in the Northeast, Mid-Atlantic, Midwest, and South Central, where we expect lower supply growth and generally less competition from other professionally managed self-storage operators.

"As we look forward to opportunities in 2023, we believe our strategy of providing a convenient, clean, secure, and hassle-free customer experience will continue to draw high quality tenants to our premium self-storage platform and generate attractive returns to our stockholders."

Q1 2023 Financial Summary

Total revenues increased 7.7% to \$3.0 million in the first quarter of 2023, a record for a first quarter, and as compared to \$2.8 million in the same period last year. This increase was due primarily to an increase in rental rates.

Total operating expenses in the first quarter of 2023 increased 3.1% to \$2.2 million, as compared to \$2.1 million in the same period last year. The increase was primarily attributable to an increase in store operating

expenses, including employment costs and real estate property taxes. This was partially offset by decreased professional fees included in general and administrative expenses.

Operating income increased 22.2% to \$825,000 in the first quarter of 2023, as compared to \$675,000 in the same period last year.

Net income was \$993,000 or \$0.09 per diluted share in the first quarter of 2023, as compared to \$283,000 or \$0.03 per diluted share in the same period last year.

As of March 31, 2023, the company's capital resources totaled approximately \$24.2 million, comprised of \$6.5 million in cash, cash equivalents and restricted cash, \$2.7 million of marketable securities, and \$15.0 million available for withdrawal under the company's revolving credit facility.

Q1 2023 Same-Store Results

As of March 31, 2023, the company owned 12 same-store properties and zero non-same-store properties, and managed one third-party owned property.

For the first quarter of 2023, same-store revenues increased 7.7% to \$3.0 million compared to \$2.8 million in the same period last year. This increase was due primarily to increased rental rates.

Same-store cost of operations in the first quarter increased 6.4% to \$1.12 million compared to \$1.05 million in the same period last year. This increase in same-store cost of operations was due primarily to increased expenses for employment costs and real estate property taxes.

Same-store NOI increased 8.4% to \$1.9 million in the first quarter of 2023, compared to \$1.7 million in the same period last year. The increase was primarily due to the increase in same-store revenues.

Same-store occupancy at March 31, 2023 decreased to 87.9% from 92.6% at March 31, 2022. As of May 1, 2023, occupancy at the company's same-store properties was 89.9%.

Same-store average duration of tenant stay at March 31, 2023 was 3.4 years, up from approximately 3.2 years at March 31, 2022.

For a reconciliation of net income to same-store NOI see, "Reconciliation of GAAP Net Income to Same-Store Net Operating Income," below.

Q1 2023 Operating Results

Net income in the first quarter of 2023 was \$993,000 or \$0.09 per diluted share, compared to \$283,000 or \$0.03 per diluted share in the first quarter of 2022.

Property operations expense increased to \$1.12 million in the first quarter of 2023, as compared to \$1.05 million in the same period last year.

General and administrative expenses decreased to \$680,000 in the first quarter of 2023, as compared to \$682,000 in the same period last year.

Business development costs decreased to \$5,249 in the first quarter of 2023 compared to \$5,300 in the same period last year.

Interest expense for the first quarter of 2023 increased to \$236,000 from \$189,000 in the year-ago period. This increase was attributable to the change in fair value of the interest rate cap.

FFO in the first quarter of 2023 increased 13.5% to \$1.0 million or \$0.09 per diluted share, compared to FFO of \$0.9 million or \$0.09 per diluted share in the same period last year.

AFFO in the first quarter of 2023 increased 11.2% to \$1.1 million or \$0.10 per diluted share, compared to AFFO of \$1.0 million or \$0.09 per diluted share in the same period last year.

Q1 2023 FFO and AFFO(Unaudited)

	For the Three Months Ended March 31,	
	2023	2022
Net income	\$ 992,541	\$ 283,207
Eliminate items excluded from FFO:		
Unrealized (gain) loss on marketable equity securities	(362,050)	225,751
Depreciation and amortization	406,841	404,921
FFO attributable to common stockholders	1,037,332	913,879
Adjustments:		
Compensation expense related to stock-based awards	37,787	52,604
Business development, capital raising, store acquisition, and third-party management marketing expenses	5,249	5,300
AFFO attributable to common stockholders	\$ 1,080,368	\$ 971,783
Earnings per share attributable to common stockholders - basic	\$ 0.09	\$ 0.03
Earnings per share attributable to common stockholders - diluted	\$ 0.09	\$ 0.03
FFO per share - diluted	\$ 0.09	\$ 0.09
AFFO per share - diluted	\$ 0.10	\$ 0.09
Weighted average shares outstanding - basic	11,034,193	10,660,921
Weighted average shares outstanding - diluted	11,080,511	10,722,063

Additional Information

Additional information about the company's first quarter of 2023 results, including financial statements and related notes, is available on Form 10-Q as filed with the U.S. Securities and Exchange Commission and posted to the investor relations section of the company's website.

About Global Self Storage

Global Self Storage is a self-administered and self-managed REIT that owns, operates, manages, acquires, and redevelops self-storage properties. The company's self-storage properties are designed to offer affordable, easily accessible and secure storage space for residential and commercial customers. Through its wholly owned subsidiaries, the company owns and/or manages 13 self-storage properties in Connecticut, Illinois, Indiana, New York, Ohio, Pennsylvania, South Carolina, and Oklahoma.

For more information, go to ir.globalselfstorage.us or visit the company's customer site at www.globalselfstorage.us. You can also follow Global Self Storage on Twitter, LinkedIn and Facebook.

Non-GAAP Financial Measures

Funds from Operations ("FFO") and FFO per share are non-GAAP measures defined by the National Association of Real Estate Investment Trusts ("NAREIT") and are considered helpful measures of REIT performance by REITs and many REIT analysts. NAREIT defines FFO as a REIT's net income, excluding gains or

losses from sales of property, and adding back real estate depreciation and amortization. The company also excludes unrealized gains on marketable equity securities and gains relating to PPP loan forgiveness. FFO and FFO per share are not a substitute for net income or earnings per share. FFO is not a substitute for GAAP net cash flow in evaluating our liquidity or ability to pay dividends, because it excludes financing activities presented on our statements of cash flows. In addition, other REITs may compute these measures differently, so comparisons among REITs may not be helpful. However, the company believes that to further understand the performance of its stores, FFO should be considered along with the net income and cash flows reported in accordance with GAAP and as presented in the company's financial statements.

Adjusted FFO ("AFFO") and AFFO per share are non-GAAP measures that represent FFO and FFO per share excluding the effects of stock-based compensation, business development, capital raising, and acquisition related costs and non-recurring items, which we believe are not indicative of the company's operating results. AFFO and AFFO per share are not a substitute for net income or earnings per share. AFFO is not a substitute for GAAP net cash flow in evaluating our liquidity or ability to pay dividends, because it excludes financing activities presented on our statements of cash flows. We present AFFO because we believe it is a helpful measure in understanding our results of operations insofar as we believe that the items noted above that are included in FFO, but excluded from AFFO, are not indicative of our ongoing operating results. We also believe that the analyst community considers our AFFO (or similar measures using different terminology) when evaluating us. Because other REITs or real estate companies may not compute AFFO in the same manner as we do, and may use different terminology, our computation of AFFO may not be comparable to AFFO reported by other REITs or real estate companies. However, the company believes that to further understand the performance of its stores, AFFO should be considered along with the net income and cash flows reported in accordance with GAAP and as presented in the company's financial statements.

We believe net operating income or "NOI" is a meaningful measure of operating performance because we utilize NOI in making decisions with respect to, among other things, capital allocations, determining current store values, evaluating store performance, and in comparing period-to-period and market-to-market store operating results. In addition, we believe the investment community utilizes NOI in determining operating performance and real estate values and does not consider depreciation expense because it is based upon historical cost. NOI is defined as net store earnings before general and administrative expenses, interest, taxes, depreciation, and amortization. NOI is not a substitute for net income, net operating cash flow, or other related GAAP financial measures, in evaluating our operating results.

Same-Store Self Storage Operations Definition

We consider our same-store portfolio to consist of only those stores owned and operated on a stabilized basis at the beginning and at the end of the applicable periods presented. We consider a store to be stabilized once it has achieved an occupancy rate that we believe, based on our assessment of market-specific data, is representative of similar self storage assets in the applicable market for a full year measured as of the most recent January 1 and has not been significantly damaged by natural disaster or undergone significant renovation or expansion. We believe that same-store results are useful to investors in evaluating our performance because they provide information relating to changes in store-level operating performance without taking into account the effects of acquisitions, dispositions, or new ground-up developments. At March 31, 2023, we owned twelve same-store properties and zero non same-store properties. The Company believes that by providing same-store results from a stabilized pool of stores, with accompanying operating metrics including, but not limited to, variances in occupancy, rental revenue, operating expenses, NOI, etc., stockholders and potential investors are able to evaluate operating performance without the effects of non-stabilized occupancy levels, rent levels, expense levels, acquisitions, or completed developments. Same-store

results should not be used as a basis for future same-store performance or for the performance of the company's stores as a whole.

Cautionary Note Regarding Forward Looking Statements

Certain information presented in this press release may contain "forward-looking statements" within the meaning of the federal securities laws including, but not limited to, the Private Securities Litigation Reform Act of 1995. Forward looking statements include statements concerning the company's plans, objectives, goals, strategies, future events, future revenues or performance, capital expenditures, financing needs, plans or intentions, and other information that is not historical information. In some cases, forward looking statements can be identified by terminology such as "believes," "plans," "intends," "expects," "estimates," "may," "will," "should," "anticipates," or the negative of such terms or other comparable terminology, or by discussions of strategy. All forward-looking statements by the company involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of the company, which may cause the company's actual results to be materially different from those expressed or implied by such statements. The company may also make additional forward looking statements from time to time. All such subsequent forward-looking statements, whether written or oral, by the company or on its behalf, are also expressly qualified by these cautionary statements. Investors should carefully consider the risks, uncertainties, and other factors, together with all of the other information included in the company's filings with the Securities and Exchange Commission, and similar information. All forward-looking statements, including without limitation, the company's examination of historical operating trends and estimates of future earnings, are based upon the company's current expectations and various assumptions. The company's expectations, beliefs and projections are expressed in good faith, but there can be no assurance that the company's expectations, beliefs and projections will result or be achieved. All forward looking statements apply only as of the date made. The company undertakes no obligation to publicly update or revise forward looking statements which may be made to reflect events or circumstances after the date made or to reflect the occurrence of unanticipated events. The amount, nature, and/or frequency of dividends paid by the company may be changed at any time without notice.

Company Contact:

Thomas O'Malley, Chief Financial Officer
Global Self Storage
1 (212) 785-0900, ext. 267
tomalley@globalselfstorage.us

Investor Relations Contact:

Ron Both
CMA Investor Relations
Tel (949) 432-7566
Email Contact

Media Contact:

Tim Randall
CMA Media Relations
Tel (949) 432-7572
Email Contact

GLOBAL SELF STORAGE, INC.
CONSOLIDATED BALANCE SHEETS
(Unaudited)

	March 31, 2023	December 31, 2022
Assets		
Real estate assets, net	\$ 56,586,928	\$ 56,884,160
Cash and cash equivalents	6,297,495	6,363,610
Restricted cash	170,778	151,397
Investments in securities	2,728,203	2,366,153
Accounts receivable	161,579	168,299
Prepaid expenses and other assets	539,690	479,458
Line of credit issuance costs, net	127,002	152,402
Interest rate cap	98,908	123,152
Goodwill	694,121	694,121
Total assets	<u>\$ 67,404,704</u>	<u>\$ 67,382,752</u>
Liabilities and equity		
Note payable, net	\$ 17,293,233	\$ 17,420,854
Accounts payable and accrued expenses	1,547,257	1,622,784
Total liabilities	18,840,490	19,043,638
Commitments and contingencies		
Stockholders' equity		
Preferred stock, \$0.01 par value: 50,000,000 shares authorized; no shares outstanding	—	—
Common stock, \$0.01 par value: 450,000,000 shares authorized; 11,143,908 shares and 11,109,077 shares issued and outstanding at March 31, 2023 and December 31, 2022, respectively	111,439	111,091
Additional paid in capital	49,067,151	49,029,712
Accumulated deficit	(614,376)	(801,689)
Total stockholders' equity	48,564,214	48,339,114
Total liabilities and stockholders' equity	<u>\$ 67,404,704</u>	<u>\$ 67,382,752</u>

GLOBAL SELF STORAGE, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS and COMPREHENSIVE INCOME
(Unaudited)

	For the Three Months Ended March 31,	
	2023	2022
Revenues		
Rental income	\$ 2,924,404	\$ 2,708,784
Other property related income	91,737	92,531
Management fees and other income	21,811	19,498
Total revenues	3,037,952	2,820,813
Expenses		
Property operations	1,121,337	1,053,734
General and administrative	679,712	682,153
Depreciation and amortization	406,841	404,921
Business development	5,249	5,300
Total expenses	2,213,139	2,146,108
Operating income	824,813	674,705
Other income (expense)		
Dividend and interest income	41,566	23,019
Unrealized gain (loss) on marketable equity securities	362,050	(225,751)
Interest expense	(235,888)	(188,766)
Total other income (expense), net	167,728	(391,498)
Net income and comprehensive income	\$ 992,541	\$ 283,207
Earnings per share		
Basic	\$ 0.09	\$ 0.03
Diluted	\$ 0.09	\$ 0.03
Weighted average shares outstanding		
Basic	11,034,193	10,660,921
Diluted	11,080,511	10,722,063

Reconciliation of GAAP Net Income to Same-Store Net Operating Income

The following table presents a reconciliation of same-store net operating income to net income as presented on the company's consolidated statements of operations for the periods indicated (unaudited):

	For the Three Months Ended March 31,	
	2023	2022
Net income	\$ 992,541	\$ 283,207
Adjustments:		
Management fees and other income	(21,811)	(19,498)
General and administrative	679,712	682,153
Depreciation and amortization	406,841	404,921
Business development	5,249	5,300
Dividend and interest	(41,566)	(23,019)
Unrealized (gain) loss on marketable equity securities	(362,050)	225,751
Interest expense	235,888	188,766
Total same-store net operating income	\$ 1,894,804	\$ 1,747,581

	For the Three Months Ended March 31,	
	2023	2022
Same-store revenues	\$ 3,016,141	\$ 2,801,316
Same-store cost of operations	1,121,337	1,053,735
Total same-store net operating income	\$ 1,894,804	\$ 1,747,581

