ANNUAL REPORT 2022

STORAGEVAULT
CANADA SELF STORAGE CENTRES

About StorageVault Canada Inc.

StorageVault is Canada's largest storage provider and is dedicated to safeguarding the belongings of Canadian families and businesses - owning and operating 238 storage locations across Canada. StorageVault owns 206 of these locations plus over 4,500 portable storage units representing over 11.4 million rentable square feet on over 665 acres of land. StorageVault is represented regionally under the following brands: Access Storage, Sentinel Storage, Depotium Mini-Entrepôt and Cubeit Portable Storage. StorageVault also provides last mile storage and logistics solutions through FlexSpace Logistics and professional records management services, such as document and media storage, imaging and shredding services through RecordXpress.

To learn more about us, please visit www.storagevaultcanada.com.

Corporate Information

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SVI'S MANAGEMENT TEAM IS KNOWN FOR ITS EXECUTION AND DISCIPLINE RESULTING IN PERFORMANCE

LETTER TO OUR SHAREHOLDERS

Dear Fellow Shareholders,

After an exceptional 2021, our business continued to show strength in 2022 achieving 28% AFFO, 27% NOI and 26% Revenue growth, while closing $241 million of strategic acquisitions. We moved to the TSX from the Venture Exchange in January 2022 and were included in the TSX Index in December 2022. In addition to supporting over 200 community organizations and charities across Canada, we were again recognized as one of the country's most gender diverse companies.

Operations

Our same stores results showed continued strength achieving 12.5% NOI and 11.4% Revenue growth. While housing transactions have slowed, immigration continues to accelerate which should provide us a significant tailwind for years to come. With COVID hopefully in the rear-view mirror, we expect to see business return to a more normalized seasonal tempo. Our FlexSpace Logistics brand and last mile solutions continue to flourish and should continue to grow well into the future.

Platform Strength and Scale

Our platform continues to benefit from additional scale and best in class systems. With the acquisition of 11 stores in 2022, we have extended our lead over the competition, and are now over 3 times the size of our closest competitor. Our bespoke acquisition pipeline is substantial and we expect to acquire $70 to $100 million of assets in 2023. We are confident that the $750 million of assets acquired over the last 3 years will continue to improve efficiencies, synergies and pricing power well into the future. With over 450,000 square feet of expansion projects in entitlement and permitting, we expect to add 50,000 square feet of expansion space annually for years to come.

ESG

StorageVault continues to focus on having best in class ESG practices in the country with a focus on sustainable environmental and social responsibilities, and consistent with our sound governance policies. Some highlights include:

- The largest solar, motion sensored and LED lighting and in floor radiant heating installations in the Canadian storage industry
- Paperless systems in our Self, Portable and back office
- Our paper shredding and recycling segment within RecordXpress saved over 260,000 trees in 2022
- Recognized once again in The Globe and Mail's Report on Business, *Women Lead Here* list
- Support of over 200 charity and community programs across the country
- Offering personal health and wellness seminars within our organization known as Wellness Wednesdays
- Our ongoing investment in our diverse team continues to foster merit based growth and advancement in all levels of our organization, as well as tolerance, personal well being and safety

We appreciate your continued support and expect 2023 to be another successful year focused on growing cash flow and increasing stakeholder value while continuing to support our team and communities.

Steven Scott
Chief Executive Officer
February 22, 2023

SHOP STORE™

2022 HIGHLIGHTS

+26% REVENUE

+27% NOI

+28% AFFO

2014
10 STORES

2015
29 STORES

2016
49 STORES

2017
90 STORES

2018
105 STORES

2019
151 STORES

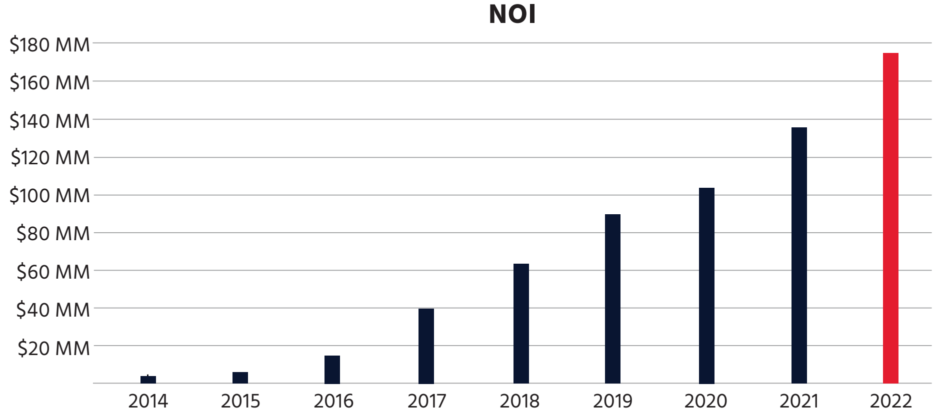
2020
167 STORES

2021
196 STORES

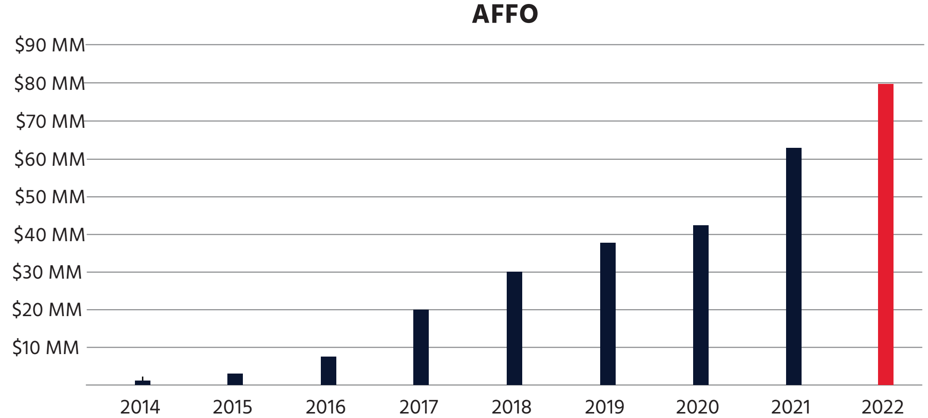
2022*
206 STORES

* SVI Owned

NOI



AFFO



WE GREW TO OVER **11.4 MILLION SQFT** OF RENTABLE SPACE IN **101,000** STORAGE UNITS

$241.1 MILLION IN ACQUISITIONS RESULTING IN **11 STORES** BEING **ADDED** IN 2022

REVENUE GROWTH OF **26%** TO **$261.8 MILLION** FROM $208.7 MILLION

NOI GROWTH OF **27%** TO **$176.0 MILLION** FROM $139.0 MILLION

EXPECTING **$70 - $100 MILLION** IN **ACQUISITIONS**

1,227% 8 YEAR TOTAL **SHAREHOLDER RETURN**

OUR NATIONAL FOOTPRINT

230+ locations owned and managed across Canada and growing!

SHOP STORE™

OUR BRANDS

ACCESS STORAGE | DEPOTIUM MINI ENTREPÔT | SENTINEL STORAGE | cubeit | PUPS CONTAINERS | STORAGEVAULT CONTAINERS | RECORDXPRESS DOCUMENT STORAGE RETRIEVAL SERVICES A Division of Storagevault Canada Inc. | FlexSpace Logistics

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

StorageVault embraces the responsibility of environmental stewardship and social responsibility which aligns with our sound corporate governance practices. Together with our business objectives, these core values ensure we continuously deliver strong and sustainable results.

We remain focused on reducing the inherently low environmental impact of our stores, while continuing to improve team engagement and supporting the over 100 communities in which we operate. Our Board and Management are committed to maintaining the highest standards of corporate governance practices to ensure our continued success.

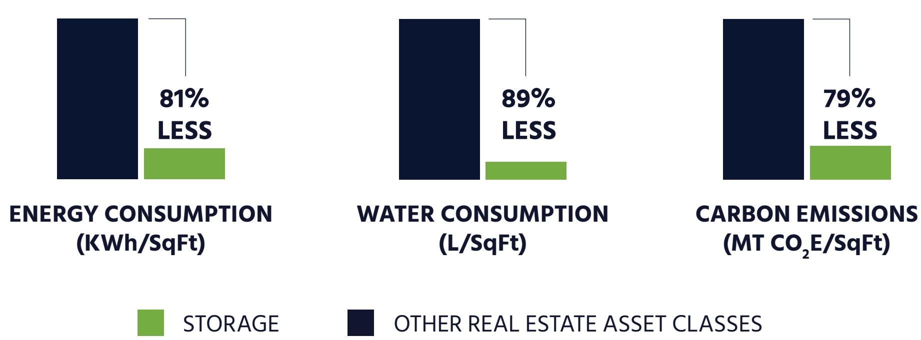
ENVIRONMENTAL

While the self storage industry has an intrinsically light environmental footprint, StorageVault acknowledges that everyone must contribute to implementing green solutions and, as such, we continuously strive to improve and increase our efforts.

At the end of 2022, StorageVault operated 36 stores with solar panels and solar walls and are committed to expanding similar installations across our portfolio. The solar program allows us to utilize existing and otherwise unexploited roof and wall space to generate electricity for consumption, while providing a solid financial return. These initiatives demonstrate that sustainability efforts benefit the environment, our communities, our shareholders, the broader self storage industry and future generations.

For energy conservation, we offer a strategic mix of square footage that is non-climate controlled and temperature controlled, with non-climate controlled space having minimal environmental impact. For properties that do offer temperature controlled storage, we closely regulate and moderate temperatures to safeguard contents while minimizing energy required for heating or cooling. Water usage at our properties is also very low. Lastly, the minimal daily client activity and traffic, helps to minimize our carbon footprint within our communities.

The self storage industry has the lowest environmental impact in the areas of energy consumption, water consumption and waste production in comparison to all the other real estate asset classes.



Source: Urban Land Institute, Greenprint Performance Report, Volume 12.
Other property types include Industrial, Multifamily, Office and Retail.

Energy Reduction and Generation

- motion sensored lighting, allowing for usage only where and when required
- LED lighting (internal and external) used in all new buildings and retrofitting light fixtures in existing buildings
- solar power generation using solar roof top and solar walls
- modern energy efficient HVAC systems
- automated and self-adjusting internal thermostat temperature controls
- all new roofs installed are reflective "cool" roofs that help minimize energy consumption
- in floor radiant heating

Water Reduction and Conservation

- on average, one washroom per property given low occupant levels at our properties
- energy efficient plumbing systems and appliances
- low-water irrigation systems
- landscaping using native and drought-tolerant species
- water run-off controls
- storm water retention

Waste Reduction and Recycling

- through our paper shredding and recycling segment within RecordXpress, we saved 260,000 trees, diverted 58,000 cubic meters from landfill and saved 116,000 barrels of oil that would otherwise be used to harvest raw product
- sale of moving and packaging supplies made from recycled materials
- waste recycling program at our stores and corporate offices
- reduced paper usage through more efficient technology options including a paperless rental process
- e-waste reduction and electronic recycling program for decommissioned computer equipment by either donating refurbished equipment to local charities or recycling equipment that cannot be repurposed

Green Building Design and Construction Practices

- energy efficient windows
- use of SolarWall systems or insulated metal panels used in construction of new and retrofitted buildings
- replacing standard exterior storage doors with energy efficient doors
- insulated foundation walls to help maintain and keep the foundation slab warm
- all proposed acquisitions are subject to environmental site assessments prior to the closing

SOCIAL

StorageVault is committed to providing stability and support for the health and wellness of our more than 800 colleagues and the over 100 communities in which we live and work across Canada. Giving back and working together contributes to the benefit of all, and through our efforts we hope to create meaningful and lasting impacts for future generations.

Our colleagues are at the heart of our business and are key to our success. We believe that investing in our diverse team is investing in our future. As a meritocracy, our culture of continuous improvement fosters growth and promotes advancement within our organization. We have a dedicated team that supports our colleagues with comprehensive training and professional development programs, as well as offers personal health and wellbeing seminars known as “Wellness Wednesdays”.

In 2022, StorageVault continued to align with grassroots organizations in communities from coast to coast – this is core to our community involvement. We remain passionate about supporting needs within our communities, such as healthcare, food security, the arts, sports, and education. This past year we expanded our community partnership base to support more than 200 local, provincial and national organizations resulting in immediate and positive impacts within communities throughout Canada.

We are incredibly thankful to be able to support our colleagues, communities and clients across Canada.


SENTINEL STORAGE
Need extra space?

ACCESS STORAGE
SHOP STORE

41000 MEAL


TOUCHDOWN
ATLANTIC
FOOTBALL
CLINICS
ACCESS STORAGE


GOVERNANCE

StorageVault's Board and Management recognize the importance of equality, diversity and is dedicated to maintaining the highest governance standards, which is exemplified through the following:

- Diverse Board and Management team
- Annual Board review and vote to approve executive compensation
- Annual election by shareholders of Directors at AGM
- Independent Director led Audit, Acquisition and Governance, Nominating and Compensation Committees
- Acquisition Committee Mandate to review, approve and recommend transactions to the Board
- Regular review, update and reapproval of all Corporate Governance mandates, principles and policies:
  - Charter of the Audit Committee
  - Charter of the Board of Directors
  - Charter of the Governance, Nominating and Compensation Committee
  - Code of Business Conduct (mandatory for all employees)
  - Disclosure and Confidentiality Policy
  - Diversity Policy
  - Insider Trading and Reporting Policy
  - Majority Voting Policy
  - Whistleblower Policy

We are extremely proud to once again have been recognized in The Globe and Mail's 2022 Report on Business *Women Lead Here* list. This annual editorial benchmark identifies best-in-class executive gender diversity in corporate Canada. This award recognizes StorageVault's shared vision for equity and inclusion among the other honorees. It is StorageVault's continued desire to promote strong leadership in our workplace and within communities across Canada.

With StorageVault's graduation to the TSX in 2022, we have adopted more stringent compliance requirements which include but are not limited to additional audit scrutiny and testing to ensure that our corporate policies, practices and accounting standards are met. To ensure good governance practices and transparency for all our stakeholders, StorageVault's corporate policies, mandates and charters are publicly accessible on our corporate website.

StorageVault is committed to supporting and providing stability to assure the long-term interests of all stakeholders through strong corporate governance practices.

2022
REPORT ON BUSINESS
WOMEN LEAD HERE

OUR BOARD MEMBERS

JAY LYNNE FLEMING

In 1999, Ms. Fleming founded Storage For Your Life which was sold to the Corporation in September 2015. She now serves the Corporation as a director and as a member of the Audit Committee, Acquisition Committee and is the Chair of the Governance, Nominating and Compensation Committee. Ms. Fleming is the President and CEO of CVL Investments Ltd., a private investment entity. Throughout her career, she has been continuously active in private commercial real estate. She holds a Business Certificate from Capilano University received in 1991.

BEN HARRIS

Mr. Harris has more than 20 years of real estate investment and management experience. Mr. Harris is the founder and CEO of Pinedale Capital Partners, a privately held investment management firm focused on the acquisition, development and operation of industrial properties across the United States. Mr. Harris is a graduate of Dalhousie University and the University of Kings College in Canada where he received joint Science degrees in Economics. Mr. Harris also serves on the board of Rippowam Cisqua School in Bedford, New York and on the boards of Sonida Senior Living (NYSE:SNDA) and Outerspace Ops Inc., a third party logistics firm focused on the e-commerce industry.

IQBAL KHAN - CFO

Chief Financial Officer of the Corporation. Mr. Khan is a Principal and Chief Financial Officer of The Access Group of Companies focusing on the ownership, acquisition and development of storage, multi-residential and commercial real estate in Canada, and prior to the internalization into the Corporation, President of RecordXpress, a records management company. Mr. Khan is the Chief Executive Officer and a director of Parkit Enterprise Inc. (TSX-V: PKT). He is the Chairperson of the Canadian Self Storage Association Tax Committee.

STEVEN SCOTT - CEO

Chair and Chief Executive Officer of the Corporation. Mr. Scott is currently a director and Audit Committee Chair of Park Lawn Corporation (TSX: PLC). Mr. Scott is also a director and Chair of Parkit Enterprise Inc. (TSX-V: PKT). Mr. Scott is a Principal and Chief Executive Officer of The Access Group of Companies focusing on the ownership, acquisition and development of storage, multi-residential and commercial real estate in Canada. Mr. Scott is also a Director and Treasurer of the Canadian Self Storage Association.

AL SIMPSON

In 2007, Mr. Simpson co-founded the Corporation and was President and Chief Executive Officer until April 2015. He now serves the Corporation as a director and Acquisition Committee Chair. In 2000, Mr. Simpson co-founded Hospitality Network Canada now operating as HealthHub Patient Engagement Solutions Inc. and was President and Chief Executive Officer until 2005 and Chair from 2011 to 2017. Recently, Mr. Simpson co-founded Proton Capital Corp., a capital pool corporation trading on the TSX Venture Exchange. Mr. Simpson is also a member of the Saskatchewan Government House Board of Trustees.

StorageVault Canada Inc.
Consolidated Financial Statements

For the Years Ended December 31, 2022 and 2021

Independent Auditor's Report

To the Shareholders of StorageVault Canada Inc.:

Opinion

We have audited the consolidated financial statements of StorageVault Canada Inc. and its subsidiaries (the "Corporation"), which comprise the consolidated statements of financial position as at December 31, 2022 and December 31, 2021, and the consolidated statements of income (loss) & comprehensive income (loss), changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Corporation as at December 31, 2022 and December 31, 2021, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Corporation in accordance with the ethical requirements that are relevant to our audits of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Evaluation of the acquisition date fair value for property, plant and equipment and intangible assets related to the current year business acquisitions

We draw attention to note 4 to the consolidated financial statements. Over the course of the fiscal 2022, the Corporation acquired 11 self-storage facilities and document management businesses. The Corporation recorded property, plant and equipment ("PP&E") of $216 million and intangible assets ("IA") of $21 million. These acquisitions have been accounted for using the acquisition method. These acquisitions consisted of both arm's length and non-arm's length transactions.

We identified the evaluation of the acquisition date fair value for PP&E and IA related to the business acquisitions as a key audit matter. Significant auditor judgment was required to evaluate the results of our audit procedures regarding the approach and significant assumptions with respect to the estimated acquisition date fair value of PP&E and IA. In addition, specialized skills and knowledge were required in evaluating the results of our audit procedures.

We responded to this matter by performing procedures in relation to the evaluation of the acquisition date fair value for PP&E and IA. Our audit work in relation to this included, but was not restricted to, the following:

We involved internal and external valuation professionals with specialized skills and knowledge, who assisted in assessing:

- the appropriateness of the valuation methodologies utilized;
- the reasonableness of certain valuation assumptions applied;
- the mathematical accuracy of the valuation calculations utilized in fair value analysis; and
- the reasonableness of the discount rate applied in determining the fair value of the assets.

Assessment of the recoverable amount of goodwill and indefinite life intangible assets allocated to various cash generating units

Assessment of the recoverable amount of goodwill allocated to various cash generating units and intangible assets with indefinite useful lives.

We draw attention to note 5 and 6 to the consolidated financial statements. Goodwill and intangible assets with indefinite useful lives are tested for impairment at least annually or more frequently if there is an indication that a cash generating unit ("CGU") or group of CGUs to which the goodwill and intangible assets with indefinite useful lives relate, may be impaired. When the carrying amount of a CGU or group of CGUs, to which the goodwill and intangible assets with indefinite useful lives relate exceeds its recoverable amount the goodwill and intangible assets with indefinite useful lives with respect thereto are considered impaired and its carrying amount is reduced to its recoverable amount.

The Corporation completed the annual impairment tests on the group of CGUs. Total goodwill at December 31, 2022 pertaining to the group of CGUs was $105 million and total value of intangible assets with indefinite useful lives was $16 million.

For the year ended December 31, 2022, the Corporation has not recognized any impairment relating to goodwill and intangible assets with indefinite useful lives.

We identified the assessment of the recoverable amount of goodwill and indefinite life intangible assets allocation to various CGU's as a key audit matter due to the degree of judgment and subjectivity in evaluating management's estimates and assumptions in determining the recoverable amount of the group of CGUs. Significant assumptions included:

- Forecasted income before finance costs, taxes, depreciation and amortization, share based compensation, and certain other income and expenses;
- Growth rates; and
- Discount rate.

We responded to this matter by performing procedures in relation to assessment of the recoverable amount of goodwill and indefinite life intangible assets allocation to various CGU's. Our audit work in relation to this included, but was not restricted to, the following:

We compared the Corporation's 2022 actual income and expenses to the amount budgeted for 2022 to assess the Corporation's ability to accurately forecast.

We evaluated the appropriateness of the forecasted income and expenses used in the estimate of the recoverable amount for the group of CGUs by:

- Comparing the forecasted income and expenses for the group of CGUs to historical results.

We involved internal valuation professionals with specialized skills and knowledge, who assisted in:

- Evaluating the appropriateness of the Corporation's discount rates by comparing the discount rates to market and other external data.
- Assessing the reasonableness of the Corporation's estimates of the recoverable amounts for the group of CGUs by comparing the Corporation's estimates to market metrics and other external data.

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Other Information

Management is responsible for the other information. The other information comprises:

- Management's Discussion and Analysis
- The information, other than the consolidated financial statements and our auditor's report thereon, in the Annual Report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audits of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audits or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

The Annual Report is expected to be made available to us after the date of the auditor's report. If, based on the work we will perform on this other information, we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation's financial reporting process.

MNP

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits and significant audit findings, including any significant deficiencies in internal control that we identify during our audits.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Scott Laluk.

Calgary, Alberta

February 22, 2023

MNP LLP
Chartered Professional Accountants

MNP

StorageVault Canada Inc.
Consolidated Statements of Financial Position
As at December 31

	2022	2021
Assets		
Real estate and equipment, net (Note 5)	**$ 1,854,904,102**	$ 1,680,464,788
Goodwill and intangible assets, net (Note 6)	**122,026,220**	113,922,750
Cash and short term deposits	**22,534,826**	25,143,600
Prepaid expenses and other current assets	**9,946,492**	6,381,806
Unrealized fair value of derivative assets (Note 10)	**4,700,494**	6,142,747
Accounts receivable	**6,640,026**	4,100,518
	$ 2,020,752,160	$ 1,836,156,209
Liabilities and Shareholders' Equity		
Debt (Note 7)	**$ 1,526,719,769**	$ 1,332,474,745
Hybrid debentures (Note 8)	**128,682,883**	127,551,885
Lease liability (Note 15)	**80,518,572**	77,094,742
Deferred tax liability (Note 11)	**40,468,430**	45,377,007
Unrealized fair value of derivative liabilities (Notes 7, 10)	**2,222,058**	-
Accounts payable and accrued liabilities	**20,860,268**	18,507,714
Unearned revenue	**14,125,077**	12,943,600
	1,813,597,057	1,613,949,693
Shareholders' Equity		
Share capital (Note 9)	**424,954,374**	406,565,894
Dividends paid (Note 9)	**(24,741,001)**	(20,510,231)
Contributed surplus (Note 9)	**38,451,552**	26,418,718
Deficit	**(231,509,822)**	(190,267,865)
	207,155,103	222,206,516
	$ 2,020,752,160	$ 1,836,156,209

Commitments and Contingencies (Note 15)
Subsequent Events (Note 16)

The accompanying notes are an integral part of these consolidated financial statements.

Approved on behalf of the Board:

"signed" Steven Scott — Director

"signed" Iqbal Khan — Director

StorageVault Canada Inc.
Consolidated Statements of Changes in Equity
For the Years Ended December 31

	2022	2021
Share Capital		
Balance, beginning of the period	**$ 406,565,894**	$ 365,886,912
Common shares issued, net of issuance costs (Note 9)	**28,829,905**	44,632,340
Share options, RSU and DSU redemptions (Note 9)	**184,139**	-
Common shares repurchased (Note 9)	**(10,625,564)**	(3,953,358)
Balance, end of the period	**424,954,374**	406,565,894
Dividends Paid		
Balance, beginning of the period	**(20,510,231)**	(16,439,355)
Dividends paid during the period (Note 9)	**(4,230,770)**	(4,070,876)
Balance, end of the period	**(24,741,001)**	(20,510,231)
Contributed Surplus		
Balance, beginning of the period	**26,418,718**	15,130,383
Redemption of stock options and warrants (Note 9)	**(1,598,194)**	-
Stock based compensation (Note 9)	**13,631,028**	11,288,335
Balance, end of the period	**38,451,552**	26,418,718
Deficit		
Balance, beginning of the period	**(190,267,865)**	(154,402,773)
Net loss and comprehensive loss	**(41,241,957)**	(35,865,092)
Balance, end of the period	**$ (231,509,822)**	$ (190,267,865)

The accompanying notes are an integral part of these consolidated financial statements.

StorageVault Canada Inc.
Consolidated Statements of Income (Loss) & Comprehensive Income (Loss)
For the Years Ended December 31

	2022	2021
Revenue		
Storage and related services	**$ 259,933,061**	$ 206,625,933
Management fees	**1,895,228**	2,034,745
	261,828,289	208,660,678
Expenses		
Operating costs	**85,794,347**	69,660,346
Acquisition and integration costs	**9,587,840**	8,027,373
Selling, general and administrative	**21,048,950**	17,817,594
Stock based compensation (Note 9)	**13,631,028**	11,288,335
Depreciation and amortization (Notes 5,6)	**104,126,661**	93,189,387
Interest (Notes 7,15)	**74,801,847**	58,508,492
Unrealized loss (gain) on derivative financial instruments (Note 7)	**3,664,312**	(6,142,747)
	312,654,985	252,348,780
Net loss and comprehensive loss before tax	**(50,826,696)**	(43,688,102)
Deferred tax recovery (Note 11)	**9,584,739**	7,823,010
Net loss and comprehensive loss after tax	**$ (41,241,957)**	$ (35,865,092)
Net loss per common share		
Basic	**$ (0.109)**	$ (0.097)
Diluted	**$ (0.109)**	$ (0.097)
Weighted average number of common shares outstanding		
Basic	**378,051,496**	370,267,629
Diluted	**378,051,496**	370,267,629

The accompanying notes are an integral part of these consolidated financial statements.

StorageVault Canada Inc.
Consolidated Statements of Cash Flows
For the Years Ended December 31

	2022	2021
Cash from (used for) the following activities:		
Operating activities		
Net loss and comprehensive loss after tax	**$ (41,241,957)**	$ (35,865,092)
Adjustment for non-cash items:		
Deferred tax recovery (Note 11)	**(9,584,739)**	(7,823,010)
Depreciation, amortization (Notes 5,6)	**104,126,661**	93,189,387
Amortization of deferred financing costs	**2,919,741**	2,136,717
Accretion of lease liabilities (Note 15)	**3,035,180**	2,218,901
Stock based compensation (Note 9)	**13,631,028**	11,288,335
Unrealized (gain) loss on derivative financial instruments (Note 7)	**3,664,312**	(6,142,747)
(Gain) loss on disposal of real estate and equipment (Note 5)	**(183,669)**	39,062
Cash flow from operations before non-cash working capital balances	**76,366,557**	59,041,553
Net change in non-cash working capital balances		
Accounts receivable	**(9,025,972)**	(2,070,809)
Prepaid expenses and other current assets	**(3,564,686)**	(2,935,221)
Accounts payable and accrued liabilities	**2,352,553**	(125,760)
Unearned revenue	**1,181,477**	3,114,518
Cash flows from operating activities	**67,309,929**	57,024,281
Financing activities		
Common shares issued, net of issuance costs (Note 9)	**448,659**	-
Dividends paid (Note 9)	**(2,370,421)**	(2,390,708)
Payments of lease obligation (Note 15)	**(6,181,239)**	(4,311,912)
Debt issuance costs	**(1,735,302)**	(2,194,140)
Cash advances from long term debt (Note 7)	**610,341,010**	309,110,285
Cash repayment of long term debt (Note 7)	**(409,662,963)**	(152,953,282)
Cancellation of share options (Note 9)	**(632,798)**	-
Proceeds from debenture issuance, net of issuance costs (Note 8)	**-**	54,943,494
Repurchase of common shares (Note 9)	**(10,625,564)**	(3,953,358)
Cash flows from financing activities	**179,581,382**	198,250,379
Investing activities		
Cash additions to real estate and equipment (Note 5)	**(35,600,294)**	(29,011,528)
Cash paid in business combinations (Note 4)	**(214,085,000)**	(226,667,000)
Proceeds on disposal of real estate and equipment (Note 5)	**185,209**	19,935
Cash flows used for investing activities	**(249,500,085)**	(255,658,593)
Decrease in cash and short term deposits	**(2,608,774)**	(383,933)
Cash and short term deposits balance, beginning of year	**25,143,600**	25,527,533
Cash and short term deposits balance, end of year	**$ 22,534,826**	$ 25,143,600

The accompanying notes are an integral part of these consolidated financial statements.

1. Description of Business

The consolidated financial statements of StorageVault Canada Inc. and its subsidiaries (the "Corporation") as at and for the year ended December 31, 2022, were authorized for issuance by the Board of Directors of the Corporation on February 22, 2023. The Corporation is incorporated under the Business Corporations Act of Alberta and is domiciled in Canada. Its shares are publicly traded on the Toronto Stock Exchange ("Exchange"). The address of its registered office is 1000 – 250 2nd Street SW, Calgary, AB, T2P 0C1.

The Corporation's primary business is owning, managing and renting self storage and portable storage space to individual and commercial customers. The Corporation also stores, shreds, and manages documents and records for customers.

2. Basis of Presentation

These consolidated financial statements and the notes thereto present the Corporation's financial results of operations and financial position under International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") as at January 1, 2022. They have been prepared in accordance with International Accounting Standard ("IAS") 34 " Financial Reporting" and accordingly these consolidated financial statements do not include all the necessary annual disclosures in accordance with IFRS.

The consolidated financial statements have been prepared under the historical cost method, except for the revaluation of certain financial assets and financial liabilities to fair value. The consolidated financial statements were prepared on a going concern basis, and are presented in Canadian dollars, which is the Corporation's functional currency.

3. Accounting Policies

Basis of Consolidation
The consolidated financial statements include the accounts of StorageVault Canada Inc. and its wholly owned subsidiary Spyhill Ltd., both of which are headquartered in Toronto, Ontario. On January 1, 2020, the Corporation completed a vertical amalgamation with its wholly owned subsidiary, Sentinel Self-Storage Corporation. Additionally, on January 1, 2021, the Corporation completed a vertical amalgamation with its wholly owned subsidiary, Spyhill Ltd. to form StorageVault Canada Inc. The financial statements for the consolidated entities are prepared for the same reporting period as StorageVault Canada Inc. using consistent accounting policies. All intercompany transactions and balances have been eliminated in the preparation of these consolidated financial statements.

Revenue Recognition
Revenue from the rendering of services and sale of goods is recognized at the fair value of consideration received or receivable after the deduction of any trade discounts and excluding sales taxes.

The Corporation's revenue comprises the renting of storage units to customers, information and records management, managing storage facilities on behalf of third parties and sale of merchandise, including locks, boxes, packing supplies and equipment.

Revenue earned from the renting of storage units is accounted for under IFRS 16 – Leases. Storage units are rented to customers pursuant to rental agreements which provide for weekly or monthly rental terms with non-refundable rental payments. The rental agreements may be terminated by the customer without further obligation or cost upon vacating the storage unit. Revenue from rental agreements is recognized over the rental term pursuant to the rental agreement. Non-refundable customer deposits, which are received to hold a unit for rent at a future date, are deferred and recognized as revenue upon commencement of the rental agreement. Receipts of rental fees for future periods are deferred and recognized as revenue when each respective monthly period commences.

Note 3 – Continued

The Corporation earns a management fee based on a percentage of gross revenues of the operations for managing storage facilities for third parties. Revenue is recognized over time when the services are rendered.

Revenue for other storage related services is recognized in the month the respective services are provided. Receipts of fees for other storage related services for future periods are deferred and recognized as revenue when each respective monthly period commences. A provision is made for expected credit losses.

Revenue from the sale of merchandise, including locks, boxes, packing supplies and equipment, is recognized at the point in time when the merchandise is delivered to the customer.

Business Combinations
All business combinations are accounted for by applying the acquisition method. Upon acquisition, the assets (including intangible assets), liabilities and contingent liabilities acquired are measured at their fair value. The Corporation recognizes intangible assets as part of business combinations at fair value at the date of acquisition. The determination of these fair values is based upon management's judgment and includes assumptions on the timing and amount of future cash flows generated by the assets acquired and the selection of an appropriate discount rate. Acquisition and integration costs are recognized in profit or loss as incurred.

Goodwill represents the excess of the identifiable cost of an acquisition over the fair value of the Corporation's share of the net assets acquired at the date of acquisition. If the identifiable cost of acquisition is less than the fair value of the Corporation's share of the net assets acquired (i.e. a discount on acquisition) the difference is credited to the Consolidated Statements of Income (Loss) and Comprehensive Income (Loss) in the period of acquisition. At the acquisition date, goodwill acquired is recognized as an asset and allocated to each cash-generating unit ("CGU") expected to benefit from the business combination's synergies, and to the lowest level at which management monitors the goodwill.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Corporation reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted retrospectively during the measurement period, or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognized as of that date. The measurement period is the period from the date of acquisition to the date the Corporation obtains complete information about facts and circumstances that existed as of the acquisition date, up to a maximum of one year.

Cash and Short Term Deposits
Cash and short term deposits on the Consolidated Statements of Financial Position are comprised of cash at bank and on hand, and short term, highly liquid deposits with an original maturity of three months or less. For the purpose of the Consolidated Statements of Cash Flows, cash and short term deposits are defined as above, net of outstanding bank overdrafts, except where no right of set-off exists.

Real Estate and Equipment
Real estate and equipment are stated at historical cost less accumulated depreciation and any impairment in value. Historical cost includes expenditures that are directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Corporation and the cost of the item can be measured reliably. The carrying amount of a replaced part is derecognized. All other repairs and maintenance are charged to the Consolidated Statements of Income (Loss) and Comprehensive Income (Loss) during the financial period in which they are incurred.

Note 3 – Continued

Once an asset is available for use in the location and condition intended by management, it is depreciated to its residual value using the appropriate depreciation rate set forth by management. Land is not depreciated.

Depreciation is calculated using the declining balance method to depreciate the cost of real estate and equipment to their residual values over their estimated useful lives, as follows:

Land, Yards, Buildings & Improvements -	Buildings	4%
	Leasehold improvements	20%
	Business operating equipment	10%
	Fences and parking lots	8%
Storage Containers -	Storage containers	10%
Vehicles -	Vehicles	30% to 40%
	Truck decks and cranes	20%
Office and Computer Equipment -	Furniture and equipment	20%
	Computer equipment	45%

The residual value and useful lives of real estate and equipment are reviewed, and adjusted if appropriate, at each Consolidated Statement of Financial Position date. An asset's carrying value is written down to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. These impairment losses are recognized in the Consolidated Statements of Income (Loss) and Comprehensive Income (Loss). Following the recognition of an impairment loss, the depreciation charge applicable to the asset is adjusted prospectively in order to systematically allocate the revised carrying amount, net of any residual value, over the remaining useful life.

Goodwill and Intangible Assets
Goodwill represents the excess of the cost of an acquisition over the fair value of the identifiable assets and liabilities acquired at the date of acquisition. Goodwill is carried at cost less accumulated impairment losses.

Finite life intangible assets are carried at cost less accumulated amortization and accumulated impairment losses. Amortization begins when an asset is available for use and is calculated on a straight-line basis to allocate the cost of assets over their estimated useful lives as follows: Tenant Relationships – 22 to 180 months, Websites – 3 years, Trademarks – 10 years.

Indefinite life intangible assets, consisting of management contracts, are carried at cost and are not amortized. The useful lives of indefinite life intangible assets are reviewed at each Consolidated Statements of Financial Position date.

Goodwill and indefinite life intangibles are reviewed for impairment annually by assessing the recoverable amount of each CGU to which it relates. The recoverable amount is the higher of fair value less costs of disposal, and value in use. When the recoverable amount of the CGU is less than the carrying amount, an impairment loss is recognized. Any impairment is recognized immediately in the Consolidated Statements of Income (Loss) and Comprehensive Income (Loss). Any impairment recognized on goodwill is not subsequently reversed.

Income Taxes
Income tax is comprised of current tax and deferred tax. Income tax is recognized in the Consolidated Statements of Income (Loss) and Comprehensive Income (Loss) except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Note 3 – Continued

Current tax is the tax expected to be payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized on the initial recognition of assets or liabilities in a transaction that is not a business combination. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different taxable entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Stock Based Compensation
The fair value of stock options issued to directors, officers and consultants under the Corporation's stock option plan is estimated at the date of issue using the Black-Scholes option pricing model and charged to the Consolidated Statements of Income (Loss) and Comprehensive Income (Loss) and contributed surplus. Each tranche in an award is considered a separate award with its own vesting period and grant date fair value. On the exercise of options, the cash consideration received and the fair value of the option previously credited to contributed surplus are credited to share capital.

The fair value of options issued to advisors in conjunction with financing transactions is estimated at the date of issue using the fair value of the goods and services received first, if determinable, then by the Black-Scholes option pricing model, and charged to share capital and contributed surplus over the vesting period. On the exercise of agent options, the cash consideration received and the fair value of the option previously credited to contributed surplus are credited to share capital.

When stock options are cancelled, it is treated as if the stock options had vested on the date of cancellation and any expense not yet recognized for the award is recognized immediately. However, if a new option is substituted for the cancelled option and is designated as a replacement option on the date that it is granted, the cancelled and the new options are treated as if they were a modification of the original option.

Option pricing models require the input of highly subjective assumptions, including the expected price volatility. Changes in these assumptions can materially affect the fair value estimate, therefore, the existing models do not necessarily provide a reliable single measure of the fair value of the Corporation's share purchase options. Forfeitures are estimated for each reporting period and adjusted as required to reflect actual forfeitures that have occurred in the period.

Income (Loss) per Share
Basic income (loss) per common share is computed by dividing the net income (loss) by the weighted average number of common shares outstanding during the period. Diluted net income (loss) per share is calculated by dividing the net earnings by the weighted average number of shares outstanding as adjusted for the potential dilution that would occur if outstanding stock options, subordinated debentures, preferred shares or other potentially dilutive financial instruments were exercised or converted to common shares. The weighted average number of diluted shares is calculated in accordance with the treasury stock method. The treasury stock method assumes that the proceeds received from the exercise of all potentially dilutive instruments are used to repurchase common shares at the average market price.

Note 3 – Continued

Share Capital
Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of shares are shown in equity as a deduction from the proceeds received.

Segment Reporting
An operating segment is a component of the Corporation that engages in business activities from which it may earn revenues and incur expenses. All operating segments' operating results are reviewed regularly by the Corporation's CEO and/or CFO in order to make decisions regarding the allocation of resources to the segment. Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Financial Instruments
a) Financial assets - Pursuant to IFRS 9, the classification of financial assets is based on the Corporation's assessment of its business model for holding financial assets. The classification categories are as follows:
   - Financial assets measured at amortized cost: assets that are held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Corporation classifies the following financial assets as measured at amortized cost: cash and short term deposits, and accounts receivable.
   - Financial assets at fair value through other comprehensive income: assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Corporation has no financial assets classified in this category.
   - Financial assets at fair value through profit or loss: assets that do not meet the criteria for amortized cost or fair value through other comprehensive income. The Corporation classifies its total return swaps as financial assets at fair value through profit or loss.

   Financial assets measured at amortized cost are measured at cost using the effective interest method. When assessing impairment of financial assets measured at amortized cost, the Corporation applied the simplified approach and has calculated expected credit losses based on lifetime expected credit losses. Under the simplified method the Corporation uses a provision matrix to calculate expected credit losses for accounts receivable which is based on the Corporation's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amounts of the assets and the loss is recognized in the Consolidated Statements of Income (Loss) and Comprehensive Income (Loss). When a trade receivable is uncollectible, it is written off against the allowance for expected credit losses.

   Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire or when the contractual rights to those assets are transferred.

b) Financial liabilities - The classification of financial liabilities is determined by the Corporation at initial recognition. The classification categories are as follows:
   - Financial liabilities measured at amortized cost: financial liabilities initially measured at fair value less directly attributable transaction costs are subsequently measured at amortized cost using the effective interest method. Interest expense is recognized in the Consolidated Statements of Income (Loss) and Comprehensive Income (Loss). The Corporation classifies the following financial liabilities as measured at amortized cost: certain debt facilities, and accounts payable and accrued liabilities.
   - Financial liabilities measured at fair value through profit or loss: financial liabilities measured at fair value with changes in fair value and interest expense recognized in the Consolidated

Note 3 – Continued

Statements of Income (Loss) and Comprehensive Income (Loss). The Corporation classifies the following financial liabilities as measured at fair value: certain debt facilities and interest rate swaps.

Financial liabilities are derecognized when the obligation is discharged, cancelled or expired.

Hybrid Debentures
When a contract contains an embedded derivative, the economic and risk characteristics of both the embedded derivative and host contract are analyzed to understand whether or not they are closely related and to decide whether the embedded derivative should be accounted for separately from the host contract.

The embedded features in the financial instrument issued by the Corporation are identified at inception. Each feature is evaluated separately and classified either as part of the host liability, as a separate embedded liability or as an equity instrument in accordance with the substance of the contractual arrangement.

Significant Accounting Estimates and Judgments
The preparation of the consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income, and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include, but are not necessarily limited to:

- Real estate and equipment - The Corporation determines the carrying value of its real estate and equipment based on policies that incorporate estimates, assumptions, and judgments relative to the useful lives and residual values of the assets.
- Impairment of non-financial assets - Impairment exists when the carrying value of an asset or CGU exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for the disposal of the asset. The value in use calculation is based on a discounted cash flow model. The estimated future cash flows are derived from management estimates, budgets, and past performance, and do not include activities to which the Corporation is not yet committed or significant future investments that will enhance the asset's performance in the CGU being tested. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash flows and the growth rate used for extrapolation purposes.
- Purchase price allocations - Estimates are made in determining the fair value of assets and liabilities, including the valuation of separately identifiable intangibles acquired as part of a business combination. These estimates may be further based on management's best assessment of the related inputs used in valuation models, such as future cash flows and discount rates.
- Income taxes - Income taxes are subject to measurement uncertainty due to the possibility of changes in tax legislation or changes in the characterization of income sources.
- Stock based compensation - Compensation costs accrued for stock based compensation plans are subject to the estimation of the ultimate payout using pricing models such as the Black-Scholes model which is based on significant assumptions such as volatility, dividend yield and expected term.

Note 3 – Continued

Management judgments that may affect reported amounts of assets and liabilities, income and expenses include but are not necessarily limited to:

- For the purpose of assessing impairment of tangible and intangible assets, assets are grouped at the lowest level of separately identified cash inflows which make up the CGU. Determination of what constitutes a CGU is subject to management's judgment. Management has identified each location as a separate CGU. The asset composition of the CGU can directly impact the recoverability of the assets included within the CGU.
- The determination of which entities require consolidation is subject to management's judgment regarding levels of control, assumptions of risk and other factors that may ultimately include or exclude an entity from the classification of a subsidiary or other entity requiring consolidation. For the purpose of recording asset acquisitions, management must exercise judgment to determine if the acquisition meets the definition of a business. Such determinations may affect the recorded amounts of specific assets and liabilities, goodwill and/or transaction costs.
- Management has applied judgment in assessing that the management contracts acquired have an indefinite useful life because the Corporation purchased a complete system to operationally manage its own business and that of other self storage businesses. The Corporation has acquired substantial know-how and expertise in managing stores owned by third parties, including long term relationships, of which the Corporation will have the benefit for an indefinite period of time. The management contracts have therefore been deemed to have an indefinite useful life.

4. Acquisitions

During the year ended December 31, 2022, the Corporation completed the below transactions that met the definition of a business under IFRS 3 - Business Combinations. These acquisitions have been accounted for using the acquisition method with the results of the operations being included in the Consolidated Financial Statements of the Corporation since the date of acquisition. Details of the acquisitions are:

First Quarter Acquisition:

During the first quarter, the Corporation completed the acquisition of one self storage location for $45,000,000 (subject to customary adjustments). This acquisition was a non-arm's length transactions. The purchase was paid for by the issuance of common shares and cash on hand.

A summary of the acquisition is as follows:

	One Self Storage Location
Acquisition date:	January 24, 2022
Land, Yards, Buildings & Improvements	$ 42,172,039
Tenant Relationships	2,827,961
	45,000,000
Deferred tax	(3,659,608)
Goodwill	3,659,608
Net assets acquired	45,000,000
Consideration paid for the net assets acquired was obtained from the following:	
Issuance of common shares	22,000,000
Cash	23,000,000
	45,000,000
Selected information for the acquisition, since its acquisition date:	
Revenue	1,794,422
Operating costs	769,770
	1,024,652
Amortization	1,916,354
Interest	929,840
Net income (loss)	$ (1,821,542)

Note 4 – Continued

Second Quarter Acquisitions:

During the second quarter, the Corporation completed the acquisition of seven self storage locations for $169,075,000 (subject to customary adjustments). These acquisitions consisted of both arm's length and non-arm's length* transactions. The purchases were paid for by advances from debt, the issuance of common shares and cash on hand.

A summary of the acquisitions are as follows:

	One Self Storage Location	Four Self Storage Locations	One Self Storage Location	One Self Storage Location*	Total
Acquisition date:	April 13, 2022	June 1, 2022	June 28, 2022	June 30, 2022	
Land, Yards, Buildings & Improvements	$ 1,050,000	$ 134,062,949	$ 7,706,157	$ 12,509,456	$ 155,328,562
Tenant Relationships	-	10,937,051	793,843	2,015,544	13,746,438
Net assets acquired	1,050,000	145,000,000	8,500,000	14,525,000	169,075,000
Consideration paid for the net assets acquired was obtained from the following:					
Issuance of common shares	-	-	-	5,000,000	5,000,000
Cash	1,050,000	45,238,381	8,500,000	-	54,788,381
Debt	-	99,761,619	-	9,525,000	109,286,619
	1,050,000	145,000,000	8,500,000	14,525,000	169,075,000
Selected information for the acquisitions, since their acquisition date:					
Revenue	4,301	4,313,580	243,837	753,996	5,315,714
Operating costs	6,140	936,494	68,508	219,904	1,231,046
	(1,839)	3,377,086	175,329	534,092	4,084,668
Amortization	24,724	4,230,445	181,062	554,489	4,990,720
Interest	-	3,015,022	-	574,154	3,589,176
Net income (loss)	$ (26,563)	$ (3,868,381)	$ (5,733)	$ (594,551)	$ (4,495,228)

Note 4 – Continued

Third Quarter Acquisition:

During the third quarter, the Corporation completed the acquisition of one records management location for $4,100,000 (subject to customary adjustments). This acquisition was an arm's length transaction. The purchase was paid for by cash on hand.

A summary of the acquisition is as follows:

	One Records Management Location
Acquisition date:	August 15, 2022
Land, Yards, Buildings & Improvements	$ 3,650,000
Tenant Relationships	450,000
Net assets acquired	4,100,000
Consideration paid for the net assets acquired was obtained from the following:	
Cash	4,100,000
Selected information for the acquisition, since its acquisition date:	
Revenue	118,471
Operating costs	93,075
	25,396
Amortization	109,596
Net income (loss)	$ (84,200)

Note 4 – Continued

Fourth Quarter Acquisitions:

During the fourth quarter, the Corporation completed the acquisition of two self storage locations and two shredding businesses for $22,910,000 (subject to customary adjustments). These acquisitions were arm's length transactions. The purchases were paid for by advances from debt and cash on hand.

A summary of the acquisitions are as follows:

	Two Self Storage Locations	Two Shredding Businesses	Total
Acquisition date:	October 20, 2022	November 1, 2022 December 16, 2022	
Land, Yards, Buildings & Improvements	$ 13,094,912	$ 2,278,988	$ 15,373,900
Tenant Relationships	1,065,088	3,030,326	4,095,414
Trademarks	-	326,868	326,868
	14,160,000	5,636,182	19,796,182
Deferred Tax	-	(1,018,845)	(1,018,845)
Goodwill	-	4,132,663	4,132,663
Net assets acquired	14,160,000	8,750,000	22,910,000
Consideration paid for the net assets acquired was obtained from the following:			
Cash	4,984,200	8,750,000	13,734,200
Debt	9,175,800	-	9,175,800
	14,160,000	8,750,000	22,910,000
Selected information for the acquisition, since its acquisition date:			
Revenue	247,755	819,284	1,067,039
Operating costs	98,365	454,992	553,357
	149,390	364,292	513,682
Amortization	168,446	332,819	501,265
Interest	112,240	14,281	126,521
Net income (loss)	$ (131,296)	$ 17,192	$ (114,104)

5. Real Estate and Equipment

	Land, Yards, Buildings & Improvements	Storage Containers	Intangible Tenant Relationships	Vehicles	Office & Computer Equipment	Total
COST						
December 31, 2020	$ 1,549,064,746	$ 18,765,994	$ 146,350,556	$ 5,715,934	$ 5,983,767	$ 1,725,880,997
Additions	58,959,840	905,498	-	625,814	3,032,943	63,524,095
Disposals	(6,420)	-	-	(256,190)	(7,533)	(270,143)
Business acquisitions	236,938,621	-	33,303,379	-	-	270,242,000
December 31, 2021	1,844,956,787	19,671,492	179,653,935	6,085,558	9,009,177	2,059,376,949
Additions	32,526,371	2,215,261	-	2,679,712	3,665,779	41,087,123
Disposals	(124,645)	(84,180)	-	(197,690)	(28,625)	(435,140)
Business acquisitions	216,524,501	-	21,119,813	-	-	237,644,314
December 31, 2022	$ 2,093,883,014	$ 21,802,573	$ 200,773,748	$ 8,567,580	$ 12,646,331	$ 2,337,673,246
ACCUMULATED DEPRECIATION						
December 31, 2020	$ 171,056,045	$ 7,875,922	$ 100,323,449	$ 4,213,008	$ 2,491,754	$ 285,960,178
Depreciation	65,776,211	1,100,702	24,512,435	560,282	1,213,332	93,162,962
Disposals	(86)	-	-	(210,151)	(742)	(210,979)
December 31, 2021	236,832,170	8,976,624	124,835,884	4,563,139	3,704,344	378,912,161
Depreciation	76,249,193	1,102,639	24,564,623	739,120	1,449,337	104,104,912
Disposals	(21,224)	(44,216)	-	(182,351)	(138)	(247,929)
December 31, 2022	$ 313,060,139	$ 10,035,047	$ 149,400,507	$ 5,119,908	$ 5,153,543	$ 482,769,144
NET BOOK VALUE						
December 31, 2021	1,608,124,617	10,694,868	54,818,051	1,522,419	5,304,833	**1,680,464,788**
December 31, 2022	1,780,822,875	11,767,526	51,373,241	3,447,672	7,492,788	**1,854,904,102**

Included in Land, Yards, Buildings & Improvements is Land at a carrying value of $660,211,893 (December 31, 2021 - $549,001,859).

Included in Land, Yards, Buildings & Improvements is $31,812,900 (December 31, 2021 - $28,730,915) of construction in process that is not being depreciated.

Included in Land, Yards, Buildings & Improvements are right-of-use assets at a carrying value of $75,282,052 (December 31, 2021 - $73,478,491), net of accumulated depreciation of $10,425,278 (December 31, 2021 - $5,872,467). The continuity of the right-of-use assets is as follows:

	Self Storage Properties
Balance, December 31, 2020	$ 41,641,031
Additions	35,152,703
Depreciation charge for the period	(3,315,243)
Balance, December 31, 2021	$ 73,478,491
Additions	6,356,372
Depreciation charge for the period	(4,552,811)
Balance, December 31, 2022	$ 75,282,052

During the fourth quarter, the Corporation received a notice of expropriation for one of its properties from a government agency. As of the date of the issuance of the financial statements, the Corporation has not received an offer for compensation and therefore the impact of the expropriation on the Consolidated Financial Statements cannot be reasonably estimated.

6. Goodwill and Intangible Assets

	Goodwill	Management Contracts	Trademarks	Website	Total
COST					
December 31, 2020	$ 97,527,924	$ 16,300,000	$ 31,478	$ 66,371	$ 113,925,773
Additions	-	-	23,402	-	23,402
December 31, 2021	97,527,924	16,300,000	54,880	66,371	113,949,175
Additions	-	-	6,080	-	6,080
Business acquisitions	7,792,271	-	326,868	-	8,119,139
December 31, 2022	$ 105,320,195	$ 16,300,000	$ 387,828	$ 66,371	$ 122,074,394
ACCUMULATED AMORTIZATION					
December 31, 2020	$ -	$ -	$ -	$ -	$ -
Amortization	-	-	4,302	22,123	26,425
December 31, 2021	-	-	4,302	22,123	26,425
Amortization	-	-	6,949	14,800	21,749
December 31, 2022	$ -	$ -	$ 11,251	$ 36,923	$ 48,174
NET BOOK VALUE					
December 31, 2021	97,527,924	16,300,000	50,578	44,248	**113,922,750**
December 31, 2022	105,320,195	16,300,000	376,577	29,448	**122,026,220**

At December 31, 2022, the Corporation performed its annual impairment test on goodwill and its indefinite life intangible assets. Goodwill is allocated to the group of CGUs that benefited from the synergies of the business combination on which the goodwill arose. The Corporation used the fair value less costs of disposal method to determine the recoverable amount of the CGUs. Based on the impairment test performed, the Corporation concluded that no impairment exists on its goodwill and indefinite life intangible assets.

Information regarding each impairment test is as follows:

Manitoba and Saskatchewan group of CGUs

- The cash flow projection includes specific estimates based on the expected life of the properties, with a net operating income growth rate of 2% which is consistent with management's knowledge of the local market and is lower than the CGUs recent historical growth rate.
- Cash flows were discounted at a pre-tax rate of 5.33% based on management's judgement in this geographic region.

Kamloops, BC group of CGUs

- The cash flow projection includes specific estimates based on the expected life of the properties, with a net operating income growth rate of 4%. The Corporation has seven stores in the region and is able to distribute costs and operate more efficiently.
- Cash flows were discounted at a pre-tax rate of 6.78% based on management's experience in this geographic region and the fact that the properties are on leased land.

London, ON group of CGUs

- The cash flow projection includes specific estimates based on the expected life of the property, with a net operating income growth rate of 2% which is consistent with management's knowledge of the local market.
- Cash flows were discounted at a pre-tax rate of 5.00% based on management's experience in this geographic region.

Note 6 – Continued

Sentinel Self-Storage group of CGUs

- The cash flow projection includes specific estimates based on the expected life of the properties, with a net operating income growth rate of 3.75%.
- Given the location of the stores in this portfolio, over 20 stores in major markets and highly desirable locations in Canada, management believes that this growth rate is sustainable, and is consistent with the CGUs historical growth rate.
- Cash flows were discounted at a pre-tax rate of 4.18% based on management's experience and the superior quality and location of these properties.

Portable Storage group of CGUs

- The cash flow projection includes specific estimates based on the expected life of storage containers, with a net operating income growth rate of 3% based on management's experience and the exclusive marketing channels the Corporation has for this product type.
- Cash flows were discounted at a pre-tax rate of 6.64% based on management's experience in these markets.

Real Storage group of CGUs

- The cash flow projection includes specific estimates based on the expected life of the properties, with a net operating income growth rate of 4%.
- Given the location of the stores in this portfolio and with the Corporation already operating in many of the 27 markets in which these stores are located, management believes that this growth rate is sustainable.
- Cash flows were discounted at a pre-tax rate of 4.48% based on management's experience and location of these properties.

Management Division CGU

- The cash flow projection includes specific estimates for five years with a terminal growth rate of 4%, which management feels would be representative of the future indefinite cash flows from these assets.
- Cash flows were discounted at a pre-tax rate of 20% based on what management deemed appropriate for the nature of this type of revenue stream.

RecordXpress Division CGU

- The cash flow projection includes specific estimates for five years with a growth rate of 6%, which management feels would be representative of the future cash flows from these assets.
- Cash flows were discounted at a pre-tax rate of 6.90% based on management's experience in the records management business.

Toronto - Danforth CGU

- The cash flow projection includes specific estimates based on the expected life of the properties, with a net operating income growth rate of 30% during the first four years and 5% thereafter, which is consistent with management's knowledge of the local market.
- Cash flows were discounted at a pre-tax rate of 4.75% based on management's experience in this geographic region.

Best Shredding Division CGU

- The cash flow projection includes specific estimates for five years with a growth rate of 5%, which management feels would be representative of the future cash flows from these assets.
- Cash flows were discounted at a pre-tax rate of 9.00% based on management's experience in the records management business.

Note 6 – Continued

The most sensitive inputs to the value in use model used for these groups of CGUs are the growth rate and the discount rate:

- A 1% increase or decrease in the growth rate would not result in an impairment of these groups of CGUs.
- A 1% increase or decrease in the discount rate would not result in an impairment of these groups of CGUs.

	December 31, 2022		December 31, 2021	
Group of CGUs	**Goodwill**	**Carrying Value**	Goodwill	Carrying Value
Manitoba and Saskatchewan	**$ 2,621,716**	**$ 27,238,439**	$ 2,621,716	$ 24,248,580
Kamloops, BC	**76,470**	**6,029,878**	76,470	6,295,157
London, ON	**142,807**	**1,967,836**	142,807	1,377,977
Sentinel Self-Storage	**52,442,159**	**358,530,620**	52,442,159	371,507,906
Portable Storage	**2,578,968**	**15,649,269**	2,578,968	13,528,056
Real Storage	**33,622,150**	**206,517,809**	33,622,150	235,478,729
Management Division	**3,364,706**	**19,364,705**	3,364,706	19,364,705
RecordXpress Division	**2,678,948**	**18,034,988**	2,678,948	8,953,332
Toronto - Danforth	**3,659,608**	**43,335,304**	-	-
Best Shredding Division	**4,132,663**	**8,250,000**	-	-
	$ 105,320,195	**$ 704,918,848**	$ 97,527,924	$ 680,754,442

7. Debt

	December 31, 2022			December 31, 2021		
	Rate Range	Weighted Average	Balance	Rate Range	Weighted Average	Balance
Mortgages						
At amortized cost - Fixed	2.84% to 4.98%	4.48%	**251,048,897**	2.84% to 5.5%	4.21%	338,546,891
	Maturity: Apr 2023 to Dec 2029			*Maturity: Jan 2022 to Apr 2028*		
At amortized cost - Variable	7.45% to 8.6%	8.08%	**84,653,250**	3% to 3.95%	3.30%	108,144,132
	Maturity: Feb 2023 to Jul 2024			*Maturity: Oct 2022 to Nov 2024*		
At FVTPL - Variable			**783,891,417**			455,173,279
- Fixed via interest rate swap			**(32,836,542)**			9,873,937
		4.31%	**751,054,875**		3.82%	465,047,216
	Maturity: Jan 2024 to Jan 2031			*Maturity: Jan 2024 to Dec 2030*		
		4.65%	**1,086,757,022**		3.91%	911,738,239
Lines of Credit and Promissory Notes						
At amortized cost - Fixed		3.50%	**4,000,000**		3.95%	38,536,200
	Maturity: Dec 2023			*Maturity: Apr 2022 to Dec 2023*		
At amortized cost - Variable		7.28%	**140,618,468**		3.53%	86,909,468
	Maturity: Jun 2023 to Oct 2025			*Maturity: May 2024 to Dec 2024*		
At FVTPL - Variable			**314,288,134**			296,048,729
- Fixed via interest rate swap			**(14,288,134)**			3,951,271
		3.88%	**300,000,000**		3.94%	300,000,000
	Maturity: Feb 2025			*Maturity: Feb 2025*		
		4.95%	**444,618,468**		3.86%	425,445,668
Deferred financing costs, net of accretion			**(4,655,721)**			(4,709,162)
		4.73%	**1,526,719,769**		3.89%	1,332,474,745

Reconciliation of Debt

The following table reconciles the changes in cash flows from financing activities for the Corporation's debt:

	December 31, 2022	December 31, 2021
Debt, beginning of period	**$ 1,332,474,745**	$ 1,179,739,132
Advances from debt	**610,341,010**	309,110,285
Repayment of debt	**(409,662,963)**	(152,953,282)
Amounts offset against accounts receivable	**(6,486,464)**	(2,529,521)
Change in fair value of debt measured at FVTPL	**(60,949,884)**	37,842,949
Change in fair value of interest rate swaps	**60,949,884**	(37,842,949)
Total cash flow from debt financing activities	**194,191,583**	153,627,482
Change in deferred financing costs	**53,441**	(891,869)
Debt, end of period	**$ 1,526,719,769**	$ 1,332,474,745

Note 7 – Continued

The bank prime rate at December 31, 2022 was 6.45% (December 31, 2021 – 2.45%).

Mortgages are secured by a first mortgage charge on the real estate and equipment of the Corporation, general security agreements covering all assets of the Corporation, general assignment of rents and leases, and assignments of insurance coverage over all assets of the Corporation. The Corporation must maintain certain financial ratios to comply with the facilities. These covenants include debt service coverage ratios, a fixed charge coverage ratio, a tangible net worth ratio, and a loan to value ratio. As of December 31, 2022, the Corporation is in compliance with all covenants.

The deferred financing costs consist of fees and costs incurred to obtain the related mortgage financing, less accumulated amortization.

Principal repayments on mortgages, lines of credit, and promissory notes in each of the next five years are estimated as follows:

Year 1	$	560,892,801 (includes lines of credit and promissory note of $444.6 million)
Year 2	$	185,404,122
Year 3	$	151,099,297
Year 4	$	39,202,009
Year 5	$	141,244,089
Thereafter	$	453,533,172

The Corporation entered into interest rate swap contracts in order to fix the interest rate on $1.1 billion of debt at a weighted average rate of 4.19%. On $447 million of this debt, the bank entered into interest rate swap cancellation agreements, allowing them to cancel the original swap agreements between April 8, 2024 and October 27, 2025.

At December 31, 2022, the Corporation recognized a derivative liability of $2.2 million (December 31, 2021 – $nil). During the year ended December 31, 2022, the Corporation recognized an unrealized (gain) loss on derivative financial instruments of $3.7 million (December 31, 2021 – ($6.1 million)). These derivative financial instruments mature between January 2024 and January 2031.

8. Hybrid Debentures

2020 Hybrid Debentures

On July 20, 2020, $75 million of unsecured senior hybrid debentures were issued at a price of $1,000 per debenture with a term of sixty-six months, due January 31, 2026. These debentures bear a fixed interest rate of 5.75% per annum, payable semi-annually in arrears on January 31 and July 31 of each year, commencing January 31, 2021. The intended use of the net proceeds of the debentures is to pay down the credit facility and fund anticipated capital expenditures.

On and after January 31, 2024 and prior to January 31, 2025, the debentures will be redeemable in whole or in part from time to time at the Corporation's option at a redemption price equal to 102.875% of the principal amount of the debentures redeemed plus accrued and unpaid interest, if any, up to but excluding the date set for redemption. On and after January 31, 2025 and prior to the maturity date, the debentures will be redeemable, in whole or in part, from time to time at the Corporation's option at par plus accrued and unpaid interest, if any, up to but excluding the date set for redemption.

On redemption or at maturity on January 31, 2026, the Corporation may elect to, in whole or part, convert the debentures into freely tradable common shares. In such event, payment will be satisfied by delivering for each $1,000 due, that number of freely tradable shares obtained by dividing $1,000 by 95% of the current market price on the date fixed for redemption or maturity, as the case may be. Any accrued and unpaid interest will be paid in cash.

Note 8 – Continued

The debentures were recorded as a financial instrument. The debentures were recorded at a fair value of $75 million net of deferred financing costs of $3.5 million. Each embedded feature was evaluated separately and it was determined that the economic and risk characteristics are closely related to the host contract and therefore were not accounted for as separate financial instruments.

2021 Hybrid Debentures
On July 19, 2021, $57.5 million of unsecured senior hybrid debentures were issued at a price of $1,000 per debenture with a term of sixty-six months, due September 30, 2026. These debentures bear a fixed interest rate of 5.5% per annum, payable semi-annually in arrears on March 31 and September 30 of each year, commencing September 30, 2021. The intended use of the net proceeds of the debentures is to fund potential future opportunities and for general corporate purposes.

On and after September 30, 2024 and prior to September 30, 2025, the debentures will be redeemable in whole or in part from time to time at the Corporation's option at a redemption price equal to 102.750% of the principal amount of the debentures redeemed plus accrued and unpaid interest, if any, up to but excluding the date set for redemption. On and after September 30, 2025 and prior to the maturity date, the debentures will be redeemable, in whole or in part, from time to time at the Corporation's option at par plus accrued and unpaid interest, if any, up to but excluding the date set for redemption.

On redemption or at maturity on September 30, 2026, the Corporation may elect to, in whole or part, convert the debentures into freely tradable common shares. In such event, payment will be satisfied by delivering for each $1,000 due, that number of freely tradable shares obtained by dividing $1,000 by 95% of the current market price on the date fixed for redemption or maturity, as the case may be. Any accrued and unpaid interest will be paid in cash.

The debentures were recorded as a financial instrument. The debentures were recorded at a fair value of $57.5 million net of deferred financing costs of $2.5 million. Each embedded feature was evaluated separately and it was determined that the economic and risk characteristics are closely related to the host contract and therefore were not accounted for as separate financial instruments.

The debentures are subsequently measured at amortized cost using the effective interest method over the life of the debenture. The balance of the hybrid debentures is:

	December 31, 2022	December 31, 2021
Opening balance	**$ 127,551,885**	$ 71,765,725
Additions during period	**-**	57,500,000
Issuance costs	**-**	(2,556,506)
Accretion during period	**1,130,998**	842,666
Ending balance	**$ 128,682,883**	$ 127,551,885

9. Share Capital

Authorized: Unlimited number of common, voting shares of no par value.
Authorized: Unlimited number of preferred non-voting shares issuable in series at an issuance price of $1 per share.

Common shares issued:

	Number of Shares	Amount
Balance, December 31, 2020	366,254,826	$ 365,886,912
Issued on acquisitions	8,810,925	43,575,000
Dividend reinvestment plan	363,507	1,637,248
Share option redemption	-	(548,300)
Share issuance costs	-	(31,608)
Common shares repurchased	(792,815)	(3,953,358)
Balance, December 31, 2021	374,636,443	406,565,894
Issued on acquisitions	4,171,246	27,000,000
Dividend reinvestment plan	306,499	1,829,905
Share option redemption	661,151	(448,659)
RSU/DSU redemption	94,421	632,798
Common shares repurchased	(1,852,400)	(10,625,564)
Balance, December 31, 2022	378,017,360	$ 424,954,374

The Corporation will, from time to time, issue common shares to the public or to vendors to fund the purchase of storage assets. Future issuances will be dependent upon financing needs, acquisition opportunities, expansion plans, equity market conditions and transaction pricing.

The Corporation may from time to time purchase its' common shares in accordance with the rules prescribed by the Exchange or regulatory policies.

Dividend Reinvestment Plan
Represents common shares issued under the Corporation's dividend reinvestment plan ("DRIP") for holders of common shares. Under the terms of the DRIP, eligible registered holders of a minimum of 10,000 Common Shares (the "Shareholders") may elect to automatically reinvest their cash dividends, payable in respect to the common shares, to acquire additional common shares, which will be issued from treasury or purchased on the open market. The Corporation may initially issue up to 5,000,000 common shares under the DRIP, which may be increased upon Board of Directors approval, acceptance of the increase by the Exchange, and upon public disclosure of the increase.

Contributed surplus:

	December 31, 2022	December 31, 2021
Opening balance	**$ 26,418,718**	$ 15,130,383
Stock based compensation	**13,631,028**	11,288,335
Share option, RSU/DSU redemptions	**(1,598,194)**	-
Ending balance	**$ 38,451,552**	$ 26,418,718

Note 9 – Continued

Stock Options
The Board of Directors of the Corporation may from time to time, at its discretion, and in accordance with the Exchange requirements, grant to directors, officers, employees and technical consultants of the Corporation, non-transferable options to purchase common shares provided that: i) the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares; ii) the options are exercisable for a period of up to 10 years from the date of grant; iii) the number of common shares reserved for issuance to any individual director or officer will not exceed 5% of the issued and outstanding common shares; and iv) the number of common shares reserved for issuance to all technical consultants, if any, will not exceed 2% of the issued and outstanding shares. The exercise price for purchasing these shares cannot be less than the minimum exercise price as provided by Exchange rules.

The following table summarizes information about stock options outstanding and exercisable as at:

	December 31, 2022		December 31, 2021	
		Weighted Average		Weighted Average
	Options	**Exercise Price**	Options	Exercise Price
Opening	**30,319,650**	**$3.34**	23,639,650	$2.47
Exercised/Expired	**(949,650)**	**1.48**	(155,000)	1.80
Granted	**6,972,000**	**5.94**	6,835,000	6.31
Closing and Exercisable	**36,342,000**	**$3.88**	30,319,650	$3.34

The fair value of options granted was estimated on the date of the grant, as determined by using the Black-Scholes option pricing model with the following assumptions:

	2022	2021
Dividend Yield	**0.01%**	0.01%
Risk-Free Interest Rate	**3.11%**	1.15%
Expected Life of Options	**4 Years**	4 Years
Expected Volatility of the Corporation's Common Shares	**30.15%**	29.44%

Stock options exercisable and outstanding are as follows:

Exercise Price		Vesting Date	Expiry Date	**December 31, 2022**	December 31, 2021
$	0.33	Jun. 19, 2014	Jun. 19, 2024	**-**	140,000
$	0.41	Apr. 28, 2015	Apr. 28, 2025	**1,125,500**	1,560,650
$	0.50	Sep. 14, 2015	Sep. 14, 2025	**1,480,000**	1,550,000
$	1.36	Dec. 21, 2016	Dec. 21, 2026	**2,770,000**	2,785,000
$	1.78	Mar. 16, 2017	Mar. 16, 2027	**2,795,000**	2,810,000
$	2.52	May 4, 2018	May 4, 2028	**2,810,000**	2,825,000
$	2.90	May 28, 2019	May 28, 2029	**5,764,000**	5,854,000
$	3.98	Dec. 15, 2020	Dec. 15, 2030	**5,858,000**	5,975,000
$	6.31	Dec. 20, 2021	Dec. 20, 2031	**6,767,500**	6,820,000
$	5.94	Dec. 19, 2022	Dec. 19, 2032	**6,972,000**	-
Options exercisable and outstanding				**36,342,000**	30,319,650

Note 9 – Continued

Equity Incentive Plan
Under the Corporation's Equity Incentive Plan passed on May 30, 2018 (the "Plan"), directors, employees and consultants are eligible to receive awards, in the form of Restricted Share Units ("RSUs"), Deferred Share Units ("DSUs") and Named Executive Officer Restricted Share Units ("Neo RSUs"), as and when granted by the Board, at its sole discretion. The maximum number of awards that may be issued under the Plan is 17,545,677. The maximum number of shares that may be reserved for issuance under the Plan, together with any of the Corporation's other share-based compensation arrangements, may not exceed 10% of the issued shares of the Corporation.

The RSUs and DSUs granted vest in equal annual amounts over three years. The Neo RSUs vest three years after the date of grant. RSUs, DSUs and Neo RSUs are entitled to be credited with dividend equivalents in the form of additional RSUs, DSUs and Neo RSUs, respectively.

With certain exceptions, the Plan provides that (i) the maximum number of awards that may be granted to any one participant together with any other share-based compensation arrangements, in any 12 month period, may not exceed 5% of the issued shares, and, in the case of any consultant, may not exceed 2% of the issued shares; and (ii) the total value of all securities that may be issued to any non-employee director under all of the Corporation's security based compensation arrangements may not exceed $150,000 per annum.

The Corporation entered into Total Return Swaps ("TRS") as economic hedges of the Corporation's DSUs and RSUs. Under the terms of the TRS, a bank has the right to purchase the Corporation's shares in the marketplace as a hedge against the returns in the TRS. At December 31, 2022, 3,081,360 TRS were outstanding at a value of $4,700,494 (December 31, 2021 – 1,533,556 TRS were outstanding at a value of $6,142,747).

At December 31, 2022, 100% of the combined DSU and RSU exposures were economically hedged. Hedge accounting is not applied for the DSU/RSU hedging program.

During the year ended December 31, 2022, the Corporation issued 266,268 common shares at a value of $1,786,852 (December 31, 2021 – 282,906 common shares at a value of $1,131,624) under the Plan. A total of 1,123,429 common shares at a value of $5,069,112 were outstanding at December 31, 2022 (December 31, 2021 – 857,161 common shares at a value of $3,282,260).

Dividends
A cash dividend of $0.002775 per common share was declared on March 15, 2022, and paid to shareholders of record on March 31, 2022.

A cash dividend of $0.002789 per common share was declared on June 15, 2022, and paid to shareholders of record on June 30, 2022.

A cash dividend of $0.002803 per common share was declared on September 15, 2022, and paid to shareholders of record on September 29, 2022.

A cash dividend of $0.002817 per common share was declared on December 15, 2022, and paid to shareholders of record on December 30, 2022.

10. Financial Risk Management and Fair Value

The Corporation is required to disclose certain information concerning its financial instruments. The fair values of the Corporation's cash and short term deposits, accounts receivable and, accounts payable and accrued liabilities approximate their carrying amount due to the relatively short periods to maturity of these financial instruments. The fair value of the Corporation's debt obligations is estimated based on discounted future cash flows using discount rates that reflect current market conditions for instruments with similar terms and risks. Such fair value estimates are not necessarily indicative of the amounts the Corporation might pay or receive in actual market transactions.

IFRS establishes a three tier fair value hierarchy to reflect the significance of the inputs used in measuring the fair value of the Corporation's financial instruments. The three levels are:

Level 1 – This level includes assets and liabilities measured at fair market value based on unadjusted quoted prices for identical assets and liabilities in active markets that the Corporation can access on the measurement date.
Level 2 – This level includes measurements based on directly or indirectly observable inputs other than quoted prices included in Level 1. Financial instruments in this category are measured using valuation models or other standard valuation techniques that rely on observable market inputs.
Level 3 – The measurements used in this level rest on inputs that are unobservable, unavailable, or whose observable inputs do not justify the largest part of the fair value instrument.

The fair value of financial instruments was as follows:

		December 31, 2022		December 31, 2021	
	Fair Value Hierarchy	**Carrying Amount**	**Fair Value**	Carrying Amount	Fair Value
Financial instruments:					
Debt - at amortized cost	Level 2	**(475,664,894)**	**(467,190,719)**	(567,427,529)	(569,622,751)
Debt - at FVTPL	Level 2	**(1,098,179,551)**	**(1,098,179,551)**	(751,222,008)	(751,222,008)
Interest rate swaps	Level 2	**47,124,676**	**47,124,676**	(13,825,208)	(13,825,208)
Derivative assets - at FVTPL	Level 2	**4,700,494**	**4,700,494**	6,142,747	6,142,747
Derivative liabilities - at FVTPL	Level 2	**(2,222,058)**	**(2,222,058)**	-	-

Financial instruments may expose the Corporation to a number of financial risks including interest rate risk, credit risk and environmental risk.

a) Interest rate risk – Interest rate risk arises from changes in market interest rates that may affect the fair value of future cash flows from the Corporation's financial assets or liabilities. Interest rate risk may be partially mitigated by holding both fixed and floating rate debt, or by staggering the maturities of fixed rate debt. The Corporation is exposed to interest rate risk primarily relating to its long term debt. The Corporation will manage interest rate risk by utilizing fixed interest rates on its mortgages where possible, entering into interest rate swap contracts, staggering maturities over a number of years to mitigate exposure to any single year, and by attempting to ensure access to diverse sources of funding. There is interest rate risk associated with variable rate mortgages and lines of credit as interest expense is impacted by changes in the prime rate. The impact on the Consolidated Statements of Income (Loss) and Comprehensive Income (Loss) if interest rates on variable rate debt had been 1% higher or lower for the year ended December 31, 2022 would have been approximately $2,252,717, respectively (December 31, 2021 - $1,950,536).

Note 10 – Continued

b) Credit risk – Credit risk arises from the possibility that customers may experience financial difficulty and be unable to fulfill their financial obligations to the Corporation. The risk of incurring bad debts often arises if storage customers relocate and cannot be found to enforce payment, or if storage customers abandon their possessions. The extent of bad debts can be mitigated by quickly following up on any unpaid amounts shortly after the due date, enforcing late fees, denying access to any customers with delinquent accounts, and ultimately seizing the possessions of the customer. Additionally, the Corporation typically rents to numerous customers, each of which constitutes significantly less than 1% of the Corporation's monthly revenue. This diversification in the customer base reduces credit risk from any given tenant.

The Corporation has $847,000 of receivables from related parties at December 31, 2022. Management believes there is low credit risk associated with related party balances due to the nature of the relationships and the historical loss rates.

Change in the Corporation's allowance for expected credit losses is as follows:

Balance December 31, 2020	$ 413,491
Charges or adjustments during the period	321,905
Balance December 31, 2021	735,396
Charges or adjustments during the period	(235,860)
Balance December 31, 2022	$ 499,536

The creation and release of the allowance for expected credit losses has been included in operating costs in the Consolidated Statements of Income (Loss) and Comprehensive Income (Loss). Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

c) Liquidity risk – Liquidity risk is the risk that the Corporation will be unable to meet its financial obligations as they fall due. The Corporation manages liquidity risk through cash flow forecasting and regular monitoring of cash requirements including anticipated investing and financing activities. Typically, the Corporation ensures that it has sufficient cash or liquid investments available to meet expected operating expenses for a period of 30 days, excluding the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. For the foreseeable future, the Corporation anticipates that cash flows from operations, working capital, and other sources of financing will be sufficient to meet its operating requirements, debt repayment obligations and will provide sufficient funding for anticipated capital expenditures. It is the Corporation's intention to renew any debt coming due in the next fiscal year. The maturities of long term financial liabilities are summarized in Note 7.

d) Environmental risk – Environmental risk is inherent in the ownership of property. Various municipal, provincial, and federal regulations can result in penalties or potential liability for remediation should hazardous materials enter the environment. The presence of hazardous substances could also impair the Corporation's ability to finance or sell the property, or it may expose the Corporation to civil lawsuits. To mitigate such risk, the Corporation will procure recent or updated environmental reports for all acquisitions. It also prohibits the storage of hazardous substances as a condition of the rental contract signed by customers.

Unless otherwise noted, it is management's opinion that the Corporation is not exposed to significant currency risk.

11. Income Tax

	2022	2021
Loss before taxes	**(50,826,696)**	(43,688,102)
Combined federal and provincial statutory income tax rate	**26.50%**	26.50%
Income tax recovery calculated at statutory rate	**(13,469,074)**	(11,577,348)
Non-deductible items	**3,549,770**	2,997,960
Change in tax rate and other items	**334,565**	756,378
Income tax expense (recovery)	**(9,584,739)**	(7,823,010)

Movements in deferred tax assets (liabilities) related to temporary differences during the year are as follows:

	December 31, 2021	Recognized in earnings	Acquired in Business Combination	**December 31, 2022**
Property, plant and equipment	(121,739,559)	(4,762,930)	(3,454,847)	**(129,957,336)**
Goodwill and intangible assets	8,008,226	4,551,645	(1,505,046)	**11,054,825**
Long term debt	(2,505,299)	298,816	-	**(2,206,483)**
Unrealized fair value of derivatives	(1,593,557)	948,127	-	**(645,430)**
Lease liability	19,999,987	968,535	-	**20,968,522**
Deferred financing costs	2,219,754	(380,180)	-	**1,839,574**
Non-capital loss carry forwards	50,233,441	7,960,726	283,731	**58,477,898**
Deferred tax asset (liability)	(45,377,007)	9,584,739	(4,676,162)	**(40,468,430)**

12. Related Party Transactions

The Corporation holds a Master Franchise Agreement from Canadian PUPS Franchises Inc. (CPFI) which provides the Corporation with the exclusive Canadian franchise rights for the development and operation of portable storage throughout Canada. CPFI is a corporation related to Iqbal Khan and Steven Scott who are directors of the Corporation. The Corporation pays a monthly royalty of 3.5% on the gross sales. During the year ended December 31, 2022, the Corporation paid $405,196, respectively (December 31, 2021 - $382,592) for royalties and $3,046,665, (December 31, 2021 - $1,014,360) for storage containers and other equipment under the Master Franchise Agreement.

Included in accounts payable and accrued liabilities, relating to the previously noted transactions, at December 31, 2022 was $58,225, (December 31, 2021 - $33,087) payable to CPFI.

The Corporation has management agreements with Access Self Storage Inc. and related companies ("Access Group"). These companies are related to Iqbal Khan and Steven Scott who are directors of the Corporation. The Corporation invoices the Access Group for management fees as well as additional services it provides as part of the management agreements. The Access Group will also invoice the Corporation for construction, maintenance and other services related to its day-to-day operations.

During the year ended December 31, 2022, the Corporation received $8,471,116 (December 31, 2021 - $6,856,964) in payments and reimbursements related to the management agreements. During the year ended December 31, 2022, the Corporation also incurred $32,508,783 (December 31, 2021 - $24,658,103) in expenditures related to construction, maintenance and other services related to its day-to-day operations.

Note 12 – Continued

Included in accounts payable and accrued liabilities as at December 31, 2022 was $522,072 (December 31, 2021 - $1,503,979) payable to the Access Group. Included in accounts receivable as at December 31, 2022 was $846,587 (December 31, 2021 - $491,942) receivable from the Access Group.

Key management personnel are those persons having authority and responsibility for planning, directly and indirectly directing, and controlling the activities of the Corporation. Key management personnel are defined as officers and Directors of the Corporation. The remuneration of key management personnel for employment services rendered are as follows:

	December 31, 2022	December 31, 2021
Wages, management fees, bonuses and directors fees	$ 610,212	$ 612,497
Stock based compensation	6,065,672	5,469,478
	$ 6,675,884	$ 6,081,975

13. Capital Risk Management

The Corporation's objectives when managing capital are to safeguard the Corporation's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders. The Corporation defines capital as shareholders' equity excluding contributed surplus and long term debt. The Corporation manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Corporation may attempt to issue new shares, issue new debt, acquire or dispose of assets, and adjust the amount of cash and short term deposits. The Board of Directors does not establish a quantitative return on capital criteria, but rather promotes year over year sustainable growth.

The Corporation reviews and assesses its capital structure on an ongoing basis. The Corporation determines the appropriate mortgage debt to be placed on properties at the time a particular property is acquired or when an existing mortgage financing matures. Consideration is given to various factors including, but not limited to: interest rates, financing costs, the term of the mortgage and the strength of cash flow arising from the underlying asset. Mortgage debt is usually only secured by the underlying asset. The Corporation monitors its capital using a debt to fair value ratio. Except for the debt covenants described in Note 7, the Corporation is not subject to any externally imposed capital requirements.

14. Segmented Information

The Corporation operates three reportable business segments. Each segment is a component of the Corporation for which separate discrete financial information is available for evaluation by the chief decision makers of the Corporation.

- Self Storage – involves the customer leasing space at the Corporation's property for short or long term storage. Self storage also includes customers utilizing space for inventory storage for last mile delivery, small commercial operations, and vehicles.
- Portable Storage – involves delivering a portable storage unit to the customer. The customer can opt to keep the portable storage unit at their location, or have it moved to another location for further storage.
- Management Division – involves revenues generated from the management of stores owned by third parties.

The Corporation evaluates performance and allocates resources based on earnings before interest, taxes, depreciation and amortization, and stock based compensation. Corporate costs are not allocated to the segments and are shown separately.

Note 14 – Continued

For the Year Ended December 31, 2022

	Self Storage	Portable Storage	Management Division	Corporate	Total
Revenue	$ 248,624,166	$ 11,308,895	$ 1,895,228	$ -	$ 261,828,289
Operating costs	78,000,948	7,793,399	-	-	85,794,347
Net operating income	170,623,218	3,515,496	1,895,228	-	176,033,942
Acquisition and integration	-	-	-	9,587,840	9,587,840
Selling, general and admin.	-	-	-	21,048,950	21,048,950
Stock based compensation	-	-	-	13,631,028	13,631,028
Depreciation and amortization	101,624,227	1,658,206	-	844,228	104,126,661
Interest	74,801,847	-	-	-	74,801,847
Unrealized loss (gain) on derivative financial instruments	-	-	-	3,664,312	3,664,312
Deferred tax recovery	-	-	-	(9,584,739)	(9,584,739)
Net income (loss)	$ (5,802,856)	$ 1,857,290	$ 1,895,228	$ (39,191,619)	$ (41,241,957)
Additions:					
Real estate and equipment	275,662,009	2,797,573	-	271,855	278,731,437

For the Year Ended December 31, 2021

	Self Storage	Portable Storage	Management Division	Corporate	Total
Revenue	$ 196,105,888	$ 10,520,045	$ 2,034,745	$ -	$ 208,660,678
Operating costs	62,465,194	7,195,152	-	-	69,660,346
Net operating income	133,640,694	3,324,893	2,034,745	-	139,000,332
Acquisition and integration	-	-	-	8,027,373	8,027,373
Selling, general and admin.	-	-	-	17,817,594	17,817,594
Stock based compensation	-	-	-	11,288,335	11,288,335
Depreciation and amortization	90,646,506	1,558,229	-	984,652	93,189,387
Interest	58,508,492	-	-	-	58,508,492
Unrealized loss (gain) on derivative financial instruments	-	-	-	(6,142,747)	(6,142,747)
Deferred tax recovery	-	-	-	(7,823,010)	(7,823,010)
Net income (loss)	$ (15,514,304)	$ 1,766,664	$ 2,034,745	$ (24,152,197)	$ (35,865,092)
Additions:					
Real estate and equipment	331,877,816	1,418,431	-	469,848	333,766,095

Note 14 – Continued

	Self Storage	Portable Storage	Management Division	Corporate	Total
As at December 31, 2021	$ 1,771,591,274	$ 16,145,932	$ 17,844,756	$ 30,574,247	$ 1,836,156,209
As at December 31, 2022	**$ 1,963,914,228**	**$ 18,003,918**	**$ 16,564,940**	**$ 22,269,074**	**$ 2,020,752,160**

15. Commitments and Contingencies

Lease Liabilities

The Corporation leases buildings and land in British Columbia, Alberta, Manitoba, Ontario and Quebec. The leases expire between 2023 and 2057, with the leases expiring in 2023 and 2027 having up to 15 years and 20 years of renewals, respectively, which are expected to be exercised by the Corporation.

The lease liabilities are measured at the present value of the lease payments that are not paid at the balance sheet date. Lease payments are apportioned between interest expense and a reduction of the lease liability using the Corporation's incremental borrowing rate to achieve a constant rate of interest on the remaining balances of the liability.

For the year ended December 31, 2022, the Corporation recognized $3,035,180 (December 31, 2021 - $2,054,942) in interest expense related to its lease liabilities.

A reconciliation of the lease liabilities associated with self storage properties as at December 31, 2022 is as follows:

	December 31, 2022	December 31, 2021
Balance, beginning of period	**$ 77,094,742**	$ 44,035,050
Additions	**6,356,372**	35,152,703
Cash payments	**(6,181,239)**	(4,311,912)
Interest	**3,035,180**	2,054,942
Capitalized interest	**213,517**	163,959
Balance, end of period	**$ 80,518,572**	$ 77,094,742

Contingency

The Corporation has no legal contingency provisions at December 31, 2022 or December 31, 2021.

16. Subsequent Events

On January 9, 2023, the Corporation announced that it has completed the closing of $150 million financing of 5.00% Convertible Senior Unsecured Debentures. The Debentures mature on March 31, 2028 and are convertible into freely tradeable common shares at the option of the holder at a conversion price of $8.65 per share.

On February 22, 2023, the Corporation approved the increase to the quarterly dividend for Q1 2023 by 0.5% to $0.002831 per common share.

StorageVault Canada Inc.

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Ben Harris
Bedford, NY

Iqbal Khan
Toronto, ON

Steven Scott
Toronto, ON

Alan Simpson
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StorageVault Canada Inc.
(the "Corporation")

Form 51-102F1
Management's Discussion and Analysis
For the Three Months and Fiscal Year Ended December 31, 2022

The following Management's Discussion and Analysis ("MD&A") provides a review of corporate and market developments, results of operations and the financial position of StorageVault Canada Inc. ("SVI" or "the Corporation") for the three months and fiscal year ended December 31, 2022. This MD&A should be read in conjunction with the audited fiscal 2022 consolidated financial statements and accompanying notes contained therein, which have been prepared in Canadian dollars and in accordance with International Financial Reporting Standards ("IFRS"). This MD&A is based on information available to Management as of February 22, 2023.

FORWARD LOOKING STATEMENTS

This MD&A contains forward-looking information. All statements, other than statements of historical fact, included in this MD&A, may be forward-looking information. Generally, forward-looking information may be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "proposed", "is expected", "budgets", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases, or by the use of words or phrases which state that certain actions, events or results may, could, would, or might occur or be achieved. In particular, forward-looking information included in this MD&A includes statements with respect to: the Corporation's outlook as to the market for self storage and portable storage; economic conditions; the availability of credit; the expectation of cash flows; the Corporation's strategic objectives, growth strategies, goals and plans; potential sources of financing including issuing additional common shares as a source of financing, generally, and as a source of financing for potential acquisitions; future expansion of existing SVI Stores; the size of potential future acquisitions the Corporation may make in 2023; the annualized net operating income (NOI), a non-IFRS measure, and annualized funds from operations (FFO), a non-IFRS measure, assumes acquisitions that occurred in fiscal 2022 were purchased on January 1, 2022; and the general outlook for the Corporation. This forward-looking information is contained in "Nature of Business", "Business and General Corporate Strategy", "Outlook", "Financial Results Overview" and "Working Capital, Long Term Debt and Share Capital" and other sections of this MD&A.

Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Corporation to be materially different from those expressed or implied by such forward-looking information. Certain of such risks are discussed in the "Risks and Uncertainties" section of this MD&A.

Although the Corporation has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results to be not as anticipated, estimated or intended. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. The factors identified above are not intended to represent a complete list of the factors that could affect the Corporation.

The forward-looking information in this MD&A should not be relied upon as representing the Corporation's views as of any date subsequent to the date of this MD&A. Such forward-looking information is based on a number of assumptions which may prove to be incorrect, including, but not limited to: the ability of the Corporation to obtain sufficient or necessary financing, satisfy conditions under previously announced acquisition agreements, or satisfy any requirements of the TSX with respect to these acquisitions and any related private placement; the level of activity in the storage business and the economy generally; consumer interest in the Corporation's services and products; competition and SVI's competitive advantages; trends in the storage industry, including, increased growth in self storage, portable storage and management segments; the availability of attractive and financially competitive asset acquisitions in the future; the revenue from acquisitions completed in fiscal 2022 being extrapolated to the entire period for 2022 and being consistent with, and reproducible as, revenue in future periods; and anticipated and unanticipated costs. A description of additional assumptions used to develop such forward-looking information and a description of additional risk factors that may cause actual results to differ materially from forward-looking information can be found in the Corporation's disclosure documents on the SEDAR website at www.sedar.com. The Corporation undertakes no obligation to publicly update or review any forward-looking information, except in accordance with applicable securities laws. Historical results of operations and trends that may be inferred from this MD&A may not necessarily indicate future results from operations.

The amount of potential future acquisitions by the Corporation in fiscal 2023 and revenue and NOI growth for 2023 may be considered a financial outlook, as defined by applicable securities legislation, contained in this MD&A and the accompanying news release. Such information and any other financial outlooks or future-oriented financial information has been approved by management of the Corporation as of the date hereof. Such financial outlook or future-oriented financial information is provided for the purpose of presenting information about management's current expectations and goals relating to the future business of the Corporation. Readers are cautioned that reliance on such information may not be appropriate for other purposes.

Additional information relating to StorageVault Canada Inc. can be found at www.sedar.com.

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GLOSSARY OF TERMS

The following abbreviated terms are used in the Management's Discussion & Analysis and have the following respective meanings:

"AFFO" means FFO plus acquisition and integration costs. Acquisition and integration costs are one time in nature to the specific assets purchased in the current period or pending and are expensed under IFRS; AFFO is a non-IFRS measure – see Accounting Policies Non-IFRS Measures;

"Existing Self Storage" means stabilized stores that the Corporation has owned or leased since the beginning of the previous fiscal year; Existing Self Storage is a non-IFRS measure – see Accounting Policies Non-IFRS Measures;

"FFO" means net income (loss) excluding gains or losses from the sale of depreciable real estate, plus depreciation and amortization, stock based compensation expenses, unrealized gains or losses on interest rate swaps, unrealized gains or losses on derivative financial instruments and deferred income taxes; and after adjustments for equity accounted entities and non-controlling interests;

"IFRS" means International Financial Reporting Standards;

"MD & A" means this Management's Discussion and Analysis disclosure document;

"New Self Storage" means non-stabilized stores that have not been owned or leased continuously since the beginning of the previous fiscal year; New Self Storage is a non-IFRS measure – see Accounting Policies Non-IFRS Measures;

"NOI" means net operating income, calculated as revenue from storage and related services less related property operating costs; NOI is a non-IFRS measure – see Accounting Policies Non-IFRS Measures;

"Non-IFRS Measures" means operating and performance metrics that are not always calculated with reference to IFRS, but are used commonly in the storage industry to measure operating results for assets owned or leased;

"Q1, Q2, Q3 or Q4" means a three month fiscal quarter of the Company, ending on March 31, June 30, September 30 and December 31 respectively;

"Revenue Management" means the operating principle of achieving optimal revenue through a combination of rental rate increases on existing customers (increases the existing revenue base and rent per square foot) and dynamic pricing of available inventory;

"Store" means self storage property or location or facility or site;

"Subsequent Events" means material transactions that have occurred from January 1, 2023 to February 22, 2023;

"SVI" means StorageVault Canada Inc.;

"The Company" or **"The Corporation**" or **"We"** or **"Our"** or "**StorageVault**" means StorageVault Canada Inc.

NATURE OF OUR BUSINESS

Business Overview

The Corporation's primary business is owning, managing and renting self storage and portable storage space to individuals and commercial customers. The Corporation also stores, shreds, and manages documents and records for its customers. As of January 26, 2022, the common shares of the Company are publicly traded on the TSX, prior to that on the TSX Venture Exchange, under the symbol 'SVI'.

As of December 31, 2022, SVI owned 206 stores and 4,527 portable storage units across Canada, for a total of 11,422,068 square feet of rentable storage space in 101,303 rental units. The stores operate under the Access Storage, Depotium Mini-Entrepots and Sentinel Storage brands. Our portable storage business operates under the Cubeit and PUPS brands. Our records management business operates under the RecordXpress brand.

In addition to our owned stores, SVI manages 32 stores that are owned by third parties for a management fee, bringing the total number of stores owned and managed to 238.

We are able to leverage our national storage presence to offer last-mile storage solutions, such as personal protective equipment handling for health care organizations across the country. Through our portable storage and records management businesses, we offer mobilization solutions to move items from our locations directly to the end user.

SVI's objective is to own and manage storage assets in Canada's top markets. The Corporation will focus on acquiring storage assets with strong existing cash flows, in strategic markets, preferably with excess capacity and land allowing for future development and expansion of our self, portable and information and records management storage businesses. Financing for this growth is intended to come from a combination of free cash flow from operations, mortgage financing and the issuance of debt or equity securities.

The Storage Landscape

The significant growth in demand for storage space in Canada over the past decade has largely been driven by the following factors: population growth, change of circumstances, smaller living areas and workspaces, business incubation, e-commerce, last-mile solutions, lack of warehouse space, immigration, downsizing, renovations, moving, death, divorce, insurance, etc. We expect these trends to continue in 2023 and beyond.

Market Size

The Canadian storage market is estimated to be 90 million square feet across 3,000 stores, with the top 10 operators owning less than 15% of these stores; by comparison, the US market is estimated at over 2 billion square feet across 51,000 plus stores, suggesting that Canada is an under-stored nation.

The market fragmentation of the Canadian storage industry combined with the low square foot per capita provides significant opportunities for consolidation, expansion and development. Our existing platform, relationships, reputation and knowledge of the storage industry allows us to identify and take advantage of accretive and strategic acquisition opportunities.

Pricing and Occupancy

A store's rental rates and level of occupancy are dependent upon factors such as lead generation, population density and growth, the local economy, pricing, customer service and curb appeal. We believe in managing our inventory (units) through pricing. Since our rentals are either weekly or monthly, we are able to react to market demand and inflationary pressures quickly. Our objective is to maximize revenue by increasing rent per square foot first, and maximizing occupancy second.

Competition
New development in a market impacts the occupancy and the ability to raise rates at existing stores until the market absorbs the new space. New entrants tend to offer significant move-in specials to achieve rapid occupancy gains. Once the new space has leased up, promotions are reduced or eliminated and the focus switches to maximizing revenue through price increases. This can result in short term fluctuations in occupancy and revenue per square foot at existing stores.

Seasonality
The storage business is subject to seasonality. There is naturally more activity in the warmer months and less activity in the colder months. As a result, occupancies and revenue per square foot tend to be highest in Q2 and Q3 and lowest in Q1 and Q4. This trend is consistent with what is experienced in the Northern US. This seasonality is more significant in the portable storage business as all of our portable units are non-climate controlled. Also, operating costs tend to be higher during the winter months in Canada due to heating and snow removal costs resulting in lower NOI margins in Q1 and Q4 versus Q2 and Q3.

BUSINESS AND GENERAL CORPORATE STRATEGY

SVI owns and manages storage locations offering both self storage and portable storage for rent on a weekly or monthly basis, for personal and commercial use. We are focused on owning and operating locations in the top markets in Canada with a plan to have multiple stores, where possible, in each market we operate.

Growth Strategies
Our growth strategy is described in the following six segments: acquisitions, organic growth through improved performance of existing stores, expansion of our existing stores to meet pent up demand, and expansion of our portable storage, records management and FlexSpace Logistics business segments.

Acquisitions
The combination of our corporate platform, our track record of closing transactions, our industry relationships and our storage experience provides SVI with a unique advantage in the Canadian marketplace. This advantage allows us to identify accretive and strategic purchasing opportunities at attractive prices that provide synergies in operations, marketing and revenue maximization.

We intend to be a disciplined purchaser, with a focus on Canada's top markets. As there is more competition to acquire existing stores, especially from US purchasers, we may find it difficult to acquire assets that meet our criteria.

Organic Growth
Scale is important and the increased size of SVI provides a significant advantage in negotiating better rates on: marketing, insurance, software, office supplies, resale retail products, merchant services, technical support and long distance transport of portable units. These economies of scale translate into improved margins and better results.

Efficiencies are also gained through cross promotion and marketing of the self storage and portable storage platforms, and our records management services due to our national footprint, and offering different but complementary product choices at various price points to our customers.

The most significant evolution in the storage industry has been in the area of revenue management. Revenue management is the principle of achieving optimal revenue through a combination of rental rate increases on existing customers (increases the existing revenue base and rent per square foot) and dynamic pricing of available inventory so that we are selling the right space, to the right customer, at the right time, for the right price. With a focus on providing the best value to the customer and on revenue management, stores are able to achieve significant top and bottom line growth, even when occupancies are stable.

Existing Store Expansion

There is over 1,500,000 square feet of development potential on excess land currently owned and operated by SVI. When market conditions are suitable and high occupancies and leads indicate pent up demand, we expect to expand a number of our existing locations. We currently have plans to complete 25,000 to 50,000 square feet of expansion within the next 12 months. In addition, we have another 450,000 rentable square feet of expansions projects in the entitlement and permitting stage.

Expansion of Portable Storage Business

The portable storage business continues to complement our overall business, providing additional synergies and efficiencies to our platform. While margins in portable storage are not as high as they are in self storage, they are still very attractive, and with the larger geographic and operating footprint achieved through our growth strategy, we believe that margins will continue to improve.

Expansion of Information and Records Management Business

The records management business is a complementary vertical in the storage space, much like portable storage, and fills up excess space, delivering strong "sticky" cash flows. RecordXpress is one of the largest records management companies in Canada and is the only Canadian owned company that can provide a national platform. This provides significant competitive advantage as government organizations, such as hospitals and charities, do not want their confidential information under foreign ownership.

Expansion of FlexSpace Logistics Business

The FlexSpace Logistics business is a technology platform that focuses on providing end to end solutions for business clients with our storage, logistics, and inventory management offerings. Services are provided across Canada through SVI's existing portfolio of businesses and our extensive network of partners, allowing us to offer everything from warehousing and storage to last mile delivery to inventory management. A true one-stop shop for businesses, especially small to medium sized companies who were previously underserved in the space.

Financing Strategy

We anticipate funding the capital requirements of our growth strategy through excess operating cash flow, utilization of suitable leverage and from the issuance of equity and debt securities.

Financing With Secured Debt and Lines of Credit

The Corporation will partially fund the purchase of storage assets with debt. A number of factors are considered when evaluating the level of debt in our capital structure, as well as the amount of debt that will be fixed or variable rate. In making financing decisions, the factors that we consider include, but are not limited to: interest rate, amortization period, covenants and restrictions, security requirements, prepayment rights and costs, overall debt level, maturity date in relation to existing debt, overall percentage of fixed and variable rate debt and expected store performance.

Issuance of Common Shares

The Corporation will, from time to time, issue common shares to the public or to vendors to fund the purchase of storage assets or pay down debt. SVI will consider issuances of additional common shares for cash proceeds or as consideration in the purchase of storage assets in the upcoming fiscal year if accretive to shareholders. Future issuances will be dependent upon financing needs, acquisitions and expansion, equity market conditions at the time and transaction pricing.

OUTLOOK

The Corporation's update and outlook for acquisitions, share capital, results from operations and subsequent events are:

Acquisitions

In 2023, we expect to acquire $70 million to $100 million of assets.

Historically we have been successful in meeting our acquisition targets; however, as there is uncertainty in the Canadian economy, and more competition to acquire existing stores, especially from foreign purchasers, we may not be able to find acquisitions that meet our criteria.

Share Capital

The Corporation will, from time to time, issue common shares to the public or to vendors to fund the purchase of storage assets. Future issuances will be dependent upon financing needs, acquisition opportunities, expansion plans, equity market conditions and transaction pricing.

The Corporation may from time to time purchase its' common shares in accordance with the rules prescribed under the TSX or regulatory policies.

Results from Operations

We expect growth in revenue and NOI in 2023 as we continue to streamline and integrate operations, implement our revenue management system and continue to control costs on the recently purchased assets. We also expect contributions from the acquisitions made in 2022, in fiscal 2021 as well as those we completed in late fiscal 2020 that are now stabilizing.

The Corporation may use discounts in select markets to match competitive forces and retain its customer base as a result of competitors trying to jump-start their lease up periods by offering significant discounts to new customers. This can result in short term fluctuations in occupancy and rent per square foot at existing stores. The effect on overall revenues is not expected to be significant, but it may be enough to slow the rate of growth in revenues experienced in past years.

Subsequent Events
The following items have been announced by the Corporation:

- On January 9, 2023, announced that it completed the closing of $150 million financing of 5.00% Convertible Senior Unsecured Debentures. The Debentures mature on March 31, 2028 and are convertible into freely tradeable of the Corporation's common shares at the option of the holder at a conversion price of $8.65 per share.
- On February 22, 2023, approved the increase to the quarterly dividend for Q1 2023 by 0.5% to $0.002831 per common share.

DESCRIPTION OF OUR OPERATIONS

As at December 31, 2022, the Corporation owned the following self storage and portable storage operations:

Location	Acres	Number of Stores	Units	Rentable Square Feet
British Columbia	45	18	9,627	932,960
Alberta	153	43	21,690	2,497,912
Saskatchewan	34	11	2,715	356,554
Manitoba	36	12	4,846	490,057
Ontario	348	97	46,870	5,556,282
Quebec	37	20	9,373	887,201
Nova Scotia	16	5	1,655	179,454
Portable Storage Units			4,527	521,648
Total	**669**	**206**	**101,303**	**11,422,068**

Management is focused on increasing value and increasing NOI as follows:

Revenue Management
In today's competitive climate, revenue per square foot is the greatest driver in increasing NOI and creating value. Our management platform has intelligent software, supported by dedicated personnel, that understands the nuances of each local market. Our in-depth knowledge of our customer base and the competition allows us to implement strategic rate increases and optimize proven promotions to attract clientele that will become long-term customers, repeat renters and strong referral sources.

Professional Management
The management team at SVI has extensive experience in all aspects of the storage industry including:
- delivering superior results
- management of over 230 storage locations throughout Canada
- acquisition, development and management of over 16 million square feet of storage space
- over 200 years of combined experience in the storage industry by senior management

Marketing
We implement specific marketing plans for the different localities, stages and seasons of our business with emphasis on maximizing return on investment for every dollar spent. Our strategies to attract customers include strong search engine marketing, user friendly online presence and no-contact "self serve" rental processes, community connection programs and development of large national accounts to fulfill their last-mile storage needs. We conduct specific store and market analysis to determine how, when and where to focus our marketing dollars with the goal of efficiently and consistently increasing the value of our stores.

Costco Supplier

Our storage business is the exclusive supplier to Costco Wholesale Canada Ltd. (Costco) members across Canada. This relationship provides exclusive access to Costco's vast membership base as a marketing channel.

Reservation Centre

Our management platform includes a Reservation Centre (call centre) that provides call management services designed to increase reservations and move-ins, increase productivity at the store level and improve our corporate image through professionalism, consistency of messaging and willingness to resolve issues. Our Reservation Centre agents have training in the storage business and understand the need to introduce and greet professionally, establish rapport with customers, build trust, listen, ask the right questions, ask for the business and close the sale. The overall result is an increased close rate leading to improved financial performance.

Technology and Software

SVI stores utilize modern and intelligent software, technology and security systems. We work with vendors and developers, who have knowledge of the storage business, to take advantage of developing trends, including: (i) exception reports that allow management to monitor key performance and indicators ensuring that management's time is more effectively spent preventing and resolving issues than identifying them; and (ii) web-based software reporting that allows authorized individuals to view specific store information in real time. The user can choose to see daily rental rates achieved and the number of customers moving-in or moving-out. This tool allows us to adjust quickly to opportunities and threats in each marketplace.

Economies of Scale

The size and scope of our management platform, combined with the growing size of our own operations, translates into higher gross margins through the centralization of many functions such as revenue management, property management, employee compensation and benefits programs, as well as the development and documentation of standardized operating procedures and best practices.

FINANCIAL RESULTS OVERVIEW

As of December 31, 2022, SVI acquired 10 stores, 1 adjacent property and 3 records management operations for $241.1 million. In fiscal 2021, SVI acquired 29 stores for $270.2 million. The timing of these acquisitions affects the comparative results.

Selected Financial Information

	(unaudited) Three Months Ended December 31				*(audited)* Fiscal			
			Change				Change	
	2022	2021	$	%	2022	2021	$	%
Storage revenue and related services	$ **68,605,992**	$ 56,364,795	$ 12,241,197	*21.7%*	$ **259,933,061**	$ 206,625,933	$ 53,307,128	*25.8%*
Management fees	**483,861**	480,494	3,367	*0.7%*	**1,895,228**	2,034,745	(139,517)	*-6.9%*
	69,089,853	56,845,289	12,244,564	*21.5%*	**261,828,289**	208,660,678	53,167,611	*25.5%*
Operating costs	**23,068,991**	19,026,111	4,042,880	*21.2%*	**85,794,347**	69,660,346	16,134,001	*23.2%*
Net operating income [1]	**46,020,862**	37,819,178	8,201,684	*21.7%*	**176,033,942**	139,000,332	37,033,610	*26.6%*
Less:								
Acquisition and integration costs	**1,666,565**	2,700,306	(1,033,741)	*-38.3%*	**9,587,840**	8,027,373	1,560,467	*19.4%*
Selling, general and administrative	**5,461,630**	4,859,670	601,960	*12.4%*	**21,048,950**	17,817,594	3,231,356	*18.1%*
Interest	**21,321,051**	15,623,975	5,697,076	*36.5%*	**74,801,847**	58,508,492	16,293,355	*27.8%*
Stock based compensation	**12,587,262**	10,750,687	1,836,575	*17.1%*	**13,631,028**	11,288,335	2,342,693	*20.8%*
Unrealized (gain) loss on derivative financial instruments	**(422,566)**	(6,142,747)	5,720,181	*-93.1%*	**3,664,312**	(6,142,747)	9,807,059	*-159.7%*
Depreciation and amortization	**34,124,962**	24,521,938	9,603,024	*39.2%*	**104,126,661**	93,189,387	10,937,274	*11.7%*
	74,738,904	52,313,829	22,425,075	*42.9%*	**226,860,638**	182,688,434	44,172,204	*24.2%*
Net income (loss) before taxes	**(28,718,042)**	(14,494,651)	(14,223,391)	*98.1%*	**(50,826,696)**	(43,688,102)	(7,138,594)	*16.3%*
Deferred tax recovery	**5,452,549**	1,489,191	3,963,358	*266.1%*	**9,584,739**	7,823,010	1,761,729	*22.5%*
Net income (loss)	$ **(23,265,493)**	$ (13,005,460)	$ (10,260,033)	*78.9%*	$ **(41,241,957)**	$ (35,865,092)	$ (5,376,865)	*15.0%*
Weighted average number of common shares outstanding								
Basic	**377,962,879**	373,567,193	4,395,686	*1.2%*	**378,051,496**	370,267,629	7,783,867	*2.1%*
Diluted	**377,962,879**	373,567,193	4,395,686	*1.2%*	**378,051,496**	370,267,629	7,783,867	*2.1%*
Net income (loss) per common share								
Basic	$ **(0.062)**	$ (0.035)			$ **(0.109)**	$ (0.097)		
Diluted	$ **(0.062)**	$ (0.035)			$ **(0.109)**	$ (0.097)		

[1] Non-IFRS Measure.

<u>Storage revenue and related services</u>
For the three months ended December 31, 2022, the Corporation had revenues of $68.6 million (December 31, 2021 - $56.4 million), an increase of 21.7% for the quarter and contributing to a $53.3 million or 25.8% increase for the fiscal year. This increase is attributable to incremental revenue from organic revenue growth and from the stores acquired in the current and prior fiscal year. For additional information, see "Segmented, Existing and New Self Storage and Portable Storage Results."

<u>Management fees</u>
For the three months ended December 31, 2022, management fees have slightly increased by 0.7% over the same prior year period. For the fiscal year, management fee have decreased 6.9% over the same prior year period. The decrease is a result of the Corporation acquiring managed stores, reducing the number of stores in our third party management platform.

Operating costs

Operating costs for the three months ended December 31, 2022 were $23.1 million (December 31, 2021 - $19.0 million). The increase relates to stores acquired in 2022 and 2021 and mainly increases in advertising, property taxes, repairs and maintenance and wages.

Net income (loss)

Our net loss of $23.3 million for the three months ended December 31, 2022 results from non-cash items of $34.1 million of depreciation and amortization, $12.6 million in stock based compensation, and offset by $0.4 million in unrealized gain on derivative instruments and the recovery of $5.5 million of deferred tax.

Net operating income

For the three months ended December 31, 2022, the Corporation had net operating income (NOI), a non-IFRS measure, of $46.0 million (December 31, 2021 - $37.8 million), an increase of 21.7% for the quarter and contributing to a $37.0 million or 26.6% increase for the fiscal year. The increase was due to increased rates through our revenue management systems, increased occupancy year over year, controlling costs, NOI from assets purchased in throughout fiscal 2022 and 2021 and from streamlining and integration of operations.

Acquisition and integration costs

Acquisition and integration costs include costs and professional fees incurred to identify, qualify, close and integrate the assets purchased and pending, as well as transactions that we elected not to pursue. SVI closed $241.1 million in acquisitions in fiscal 2022, following closing $270.2 million of acquisitions in fiscal 2021 and closing $232.7 million in acquisitions in fiscal 2020.

Selling, general and administrative

Selling, general and administrative expenses include all expenses not related to the stores including corporate office overhead and payroll, operations platform innovation and professional fees. These costs have increased as a result of increased activity associated with the growth and anticipated future growth of the business.

Stock based compensation

Relates RSUs, DSUs and to stock options issued to directors, officers and consultants under the Corporation's stock option plan and expense is estimated at the date of issue using the Black-Scholes option pricing model. The fair value of options granted was estimated on the date of the grant using the following assumptions:

	2022	2021
Dividend Yield	0.01%	0.01%
Risk-Free Interest Rate	3.11%	1.15%
Expected Life of Options	4 Years	4 Years
Expected Volatility of the Corporation's Common Shares	30.15%	29.44%

Interest

Interest expense increased as the total amount of debt outstanding increased with the current and prior year acquisitions and increase in interest rates on our variable rate debt. As of December 31, 2022, variable rate debt represented 14.7% of our debt or $225.3 million. Our variable rate debt was further reduced after the closing of the $150 million 5.00% Convertible Senior Unsecured Debentures on January 9, 2023 – see Subsequent Events. This will decrease our interest expense in Q1 2023. As at December 31, 2022, our debt was $1.5 billion compared to $1.3 billion at December 31, 2021.

Depreciation and amortization

The increase in depreciation and amortization expense is primarily due to depreciating the additional assets acquired in fiscal 2022 and throughout fiscal 2021.

Unrealized (gain) loss on derivative financial instruments

The unrealized (gain) loss on derivative financial instruments occurs as result of both the Interest Rate Swaps and the Total Return Swaps which are held to hedge the Corporation's debt, and DSUs and RSUs, respectively. A gain or loss is recorded as a result of the fluctuations in the market interest rates and the Corporation's share price.

Funds from Operations (FFO) and Adjusted Funds from Operations (AFFO)

FFO and AFFO are non-IFRS measures. They allow management and investors to evaluate the financial results of an entity without taking into consideration the impact of non-cash items and non-recurring acquisition and integration costs on the Consolidated Statement of Income (Loss) and Comprehensive Income (Loss). Net income (loss) assumes that the values of our assets diminish over time through depreciation and amortization, irrespective of the value of our real estate assets in the open market. Other non-cash and non-recurring capital items include stock based compensation costs, deferred income tax expenses (recoveries), unrealized gain or loss on interest rate swap contracts, unrealized gain or loss on derivative financial instruments and acquisition and integration costs, if any. Acquisition and integration costs, adjusted for in our AFFO, are one time in nature to the specific assets purchased or pending. While the specific acquisition and integration costs may vary from period to period, given that the Corporation is planning to continue to complete acquisitions as part of its growth strategy, these costs will continue to be included as an adjustment in determining AFFO (i.e. the amount of the costs are "non-recurring" but the actual adjustment for these types of costs is "recurring").

FFO for the three months and fiscal year ended December 31, 2022 was $17.6 million and $70.6 million versus $14.6 million and $54.6 million for the same period in 2021, a 20.1% and 29.2% increase. On a per common share outstanding basis, the increase was 18.7% for the quarter and 26.5% for the fiscal year. These increases, while muted by higher interest expense mainly on our variable rate debt, are the result of contributions from strong operational performance and from assets purchased.

AFFO for the three months and fiscal year ended December 31, 2022 was $19.2 million and $80.2 million versus $17.3 million and $62.7 million for the same period in 2021, an 11.0% and 27.9% increase. On a per common share outstanding basis, the increase was 9.7% for the quarter and 25.3% for the fiscal year. These increases, while muted by higher interest expense mainly on our variable rate debt, are the result of contributions from strong operational performance and from assets purchased.

The FFO and AFFO for the three months and fiscal year ended December 31, 2022 and 2021 are:

	(unaudited) Three Months Ended December 31				*(audited)* Fiscal			
	2022	2021	Change $	Change %	2022	2021	Change $	Change %
Net income (loss)	$ **(23,265,493)**	$ (13,005,460)	$ (10,260,033)	78.9%	$ **(41,241,957)**	$ (35,865,092)	$ (5,376,865)	15.0%
Adjustments:								
Stock based compensation	**12,587,262**	10,750,687	1,836,575	17.1%	**13,631,028**	11,288,335	2,342,693	20.8%
Unrealized (gain) loss on derivative financial instruments	**(422,566)**	(6,142,747)	5,720,181	-93.1%	**3,664,312**	(6,142,747)	9,807,059	-159.7%
Deferred tax recovery	**(5,452,549)**	(1,489,191)	(3,963,358)	266.1%	**(9,584,739)**	(7,823,010)	(1,761,729)	22.5%
Depreciation and amortization	**34,124,962**	24,521,938	9,603,024	39.2%	**104,126,661**	93,189,387	10,937,274	11.7%
	40,837,109	27,640,687	13,196,422	47.7%	**111,837,262**	90,511,965	21,325,297	23.6%
FFO [1]	$ **17,571,616**	$ 14,635,227	$ 2,936,389	20.1%	$ **70,595,305**	$ 54,646,873	$ 15,948,432	29.2%
Adjustments:								
Acquisition and integration costs	**1,666,565**	2,700,306	(1,033,741)	-38.3%	**9,587,840**	8,027,373	1,560,467	19.4%
AFFO [1]	$ **19,238,181**	$ 17,335,533	$ 1,902,648	11.0%	$ **80,183,145**	$ 62,674,246	$ 17,508,899	27.9%

[1] Non-IFRS Measure.

FFO and AFFO Per Basic Common Share Outstanding	2022	2021	Change $	Change %	2022	2021	Change $	Change %
FFO	$ **0.046**	$ 0.039	$ 0.007	18.7%	$ **0.187**	$ 0.148	$ 0.039	26.5%
AFFO	$ **0.051**	$ 0.046	$ 0.004	9.7%	$ **0.212**	$ 0.169	$ 0.043	25.3%

Annualized Net Operating Income and Funds from Operations

The Company completed the purchase of 10 stores, 1 adjacent property and 3 records management operations and the revenues and operating expenses from each acquisition are reflected in the statements from the date of acquisition forward for these stores. In order to understand a full year of operations with the acquired assets, utilizing historical data, we have prepared an annualized NOI, FFO and AFFO (all non-IFRS measures) statement annualizing the revenues and expenses as if the stores purchased in fiscal 2022, were purchased as of January 1, 2022 and owned for the entire 12-month period.

The results of this annualized statement show that NOI, FFO and AFFO would be higher by $5.1 million, $2.6 million and $2.6 million, respectively. NOI would have been $181.2 million, FFO would be $73.2 million and the AFFO would be $82.7 million.

	For the Year Ended December 31, 2022			
	Actual	Annualized Results	*Incremental*	Notes
Storage revenue and related services	$ 259,933,061	**$ 269,265,191**	*$ 9,332,130*	*1*
Management fees	1,895,228	**1,895,228**	*-*	
	261,828,289	**271,160,419**	*9,332,130*	
Property operating costs	85,794,347	**89,999,955**	*4,205,608*	*1*
Net operating income	176,033,942	**181,160,464**	*5,126,522*	
Adjustments:				
Acquisition and integration costs	9,587,840	**9,587,840**	*-*	*2*
Selling, general and administrative	21,048,950	**21,422,235**	*373,285*	*3*
Interest	74,801,847	**76,999,447**	*2,197,600*	*4*
	105,438,637	**108,009,522**	*2,570,885*	
Funds from Operations	70,595,305	**73,150,942**	*2,555,637*	
Adjustment:				
Acquisition and integration costs	9,587,840	**9,587,840**	*-*	*2*
Adjusted Funds from Operations	$ 80,183,145	**$ 82,738,782**	*$ 2,555,637*	

Note 1 – the results from all stores acquired in fiscal 2022, have been adjusted as if the purchase occurred on January 1, 2022. For revenues, we assumed achieved occupancies and rent per square foot were repeated from the period prior to acquisition. Information regarding expenses incurred during 2022 and prior to acquisition, has been sourced from due diligence materials received during the acquisition process to determine a full year of operating costs.

Note 2 – these costs are one time in nature and do not change based on acquisition date.

Note 3 – based on existing scale and management infrastructure.

Note 4 – annualized amount determined based on interest rate and debt outstanding at December 31, 2022.

Segmented, Existing and New Self Storage and Portable Storage Results

The Corporation operates three reportable business segments - self storage, portable storage and management fees. Self storage involves customers renting space at the Corporation's property for short or long term storage. Portable storage involves delivering a storage unit to the customer. The customer can choose to keep the portable storage unit at their location or have it moved to one of our locations. Management fees are revenues generated from the management of stores owned by third parties.

Revenue, operating costs and net operating income

	(unaudited) Three Months Ended December 31				(audited) Fiscal			
	2022	2021	Change $	Change %	2022	2021	Change $	Change %
Revenue								
Existing Self Storage [1]	$ 45,419,565	$ 41,980,296	$ 3,439,269	8.2%	$ 179,480,134	$ 161,105,286	$ 18,374,848	11.4%
New Self Storage [1]	20,554,929	11,617,246	8,937,683	76.9%	69,144,032	35,000,602	34,143,430	97.6%
Total Self Storage	65,974,494	53,597,542	12,376,952	23.1%	248,624,166	196,105,888	52,518,278	26.8%
Portable Storage	2,631,498	2,767,253	(135,755)	-4.9%	11,308,895	10,520,045	788,850	7.5%
Management Fees	483,861	480,494	3,367	0.7%	1,895,228	2,034,745	(139,517)	-6.9%
Combined	69,089,853	56,845,289	12,244,564	21.5%	261,828,289	208,660,678	53,167,611	25.5%
Operating Costs								
Existing Self Storage	13,276,583	12,307,024	969,559	7.9%	51,425,783	47,299,126	4,126,657	8.7%
New Self Storage	7,899,066	4,810,360	3,088,706	64.2%	26,575,165	15,166,068	11,409,097	75.2%
Total Self Storage	21,175,649	17,117,384	4,058,265	23.7%	78,000,948	62,465,194	15,535,754	24.9%
Portable Storage	1,893,341	1,908,727	(15,386)	-0.8%	7,793,399	7,195,152	598,247	8.3%
Combined	23,068,990	19,026,111	4,042,879	21.2%	85,794,347	69,660,346	16,134,001	23.2%
Net Operating Income [1]								
Existing Self Storage	32,142,982	29,673,272	2,469,710	8.3%	128,054,351	113,806,160	14,248,191	12.5%
New Self Storage	12,655,863	6,806,886	5,848,977	85.9%	42,568,867	19,834,534	22,734,333	114.6%
Total Self Storage	44,798,845	36,480,158	8,318,687	22.8%	170,623,218	133,640,694	36,982,524	27.7%
Portable Storage	738,157	858,526	(120,369)	-14.0%	3,515,496	3,324,893	190,603	5.7%
Management Fees	483,861	480,494	3,367	0.7%	1,895,228	2,034,745	(139,517)	-6.9%
Combined	$ 46,020,863	$ 37,819,178	$ 8,201,685	21.7%	$ 176,033,942	$ 139,000,332	$ 37,033,610	26.6%

[1] Non -IFRS Measure.

Existing Self Storage

For the three months ended December 31, 2022, revenue and NOI increased by 8.2% and 8.3%, respectively, resulting in a full year same store revenue and NOI growth of 11.4% and 12.5%. These results were achieved on the same pool of stores as fiscal 2021, when we achieved NOI growth of 20.2% for the fiscal year. Revenue and NOI increases are a result from the continued execution of our revenue management program and increased occupancy year over year. For operating costs, we continue to control costs through operational efficiencies, however we experienced increases in advertising, property taxes and wages.

New Self Storage

Increase is a result of our 2022 acquisitions and acquisitions throughout 2021 and 2020 resulting in revenue, operating costs and NOI growth as we commenced reporting results.

Portable Storage

Decline in Revenue and NOI for the quarter was due to a decline in occupancy.

Quarterly net operating income

The Corporation's quarterly results are affected by the timing of acquisitions, both in the current year and prior year. SVI also incurs non-recurring initial expenses when a new location is acquired. These costs may include labor, severance, training, travel, advertising and or office expenses.

The storage business is subject to seasonality. There is naturally more activity in the warmer months and less activity in the colder months. Operating costs are higher during the winter months due to heating and snow removal costs resulting in lower NOI margins in Q1 and Q4, versus Q2 and Q3. This is consistent with results experienced in the Northern US.

	Fiscal 2022 ('000)					Fiscal 2021 ('000)				
	Q4	**Q3**	**Q2**	**Q1**	**Total**	Q4	Q3	Q2	Q1	Total
NOI [1]										
Existing Self Storage	$ 32,143	$ 34,789	$ 32,975	$ 28,148	**$ 128,054**	$ 29,673	$ 31,276	$ 29,022	$ 23,835	$ 113,806
New Self Storage	12,656	12,447	9,896	7,570	**42,569**	6,807	5,825	4,622	2,581	19,835
Total Self Storage	44,799	47,236	42,871	35,718	**170,623**	36,480	37,101	33,644	26,416	133,641
Portable Storage	738	1,326	959	493	**3,515**	859	1,169	844	454	3,325
Management Fees	484	481	517	413	**1,895**	480	536	529	490	2,035
	$ 46,021	$ 49,043	$ 44,346	$ 36,624	**$ 176,034**	$ 37,819	$ 38,805	$ 35,017	$ 27,359	$ 139,000

[1] Non-IFRS Measure

Existing Self Storage

The increase in Q4 2022 over Q4 2021 was driven from continued execution of our revenue management program and controlling costs through operational efficiencies.

New Self Storage

SVI has acquired 10 stores, 1 adjacent property and 3 records management operations in fiscal 2022 and 29 stores in fiscal 2021. These additions have resulted in NOI growth quarter over quarter as we commenced reporting results.

Portable Storage

Increase in revenue and NOI was generally due to occupancy increases and cost savings.

Summary of Quarterly Results (unaudited)

Period	Revenue	Net Income / (Loss)	Net Income / (Loss) per share	Fully diluted Net Income / (Loss) per share	Total Assets	Total Liabilities	Dividends
2022 – Q4	$69,089,853	($23,265,493)	($0.062)	($0.062)	$2,020,752,160	$1,813,597,057	$1,064,875
2022 – Q3	$69,323,716	($2,120,375)	($0.006)	($0.006)	$2,014,223,967	$1,793,844,969	$1,059,674
2022 – Q2	$65,959,444	($7,278,364)	($0.019)	($0.019)	$2,019,833,429	$1,793,878,037	$1,055,547
2022 – Q1	$57,455,276	($8,577,725)	($0.023)	($0.023)	$1,874,780,768	$1,640,438,694	$1,050,674
Total 2022	**$261,828,289**	**($41,241,957)**	**N/A**	**N/A**	**N/A**	**N/A**	**$4,230,770**
2021 – Q4	$56,845,289	($13,005,460)	($0.035)	($0.035)	$1,836,156,209	$1,613,949,693	$1,034,371
2021 – Q3	$56,854,002	($4,286,770)	($0.012)	($0.012)	$1,710,707,686	$1,503,314,182	$1,021,120
2021 – Q2	$51,701,291	($7,172,789)	($0.019)	($0.019)	$1,693,800,047	$1,487,413,665	$1,012,517
2021 – Q1	$43,260,095	($11,400,073)	($0.031)	($0.031)	$1,610,798,998	$1,403,279,361	$1,002,868
Total 2021	**$208,660,678**	**($35,865,092)**	**N/A**	**N/A**	**N/A**	**N/A**	**$4,070,876**
2020 - Q4	$42,150,289	($9,987,848)	($0.027)	($0.027)	$1,587,379,939	$1,377,204,772	$991,452
2020 - Q3	$40,053,371	($6,276,846)	($0.017)	($0.017)	$1,354,801,560	$1,149,197,801	$978,240
2020 - Q2	$37,425,908	($8,651,142)	($0.024)	($0.024)	$1,369,097,150	$1,155,700,318	$973,985
2020 - Q1	$35,834,354	($8,366,386)	($0.023)	($0.023)	$1,371,022,824	$1,151,432,603	$966,317
Total 2020	**$155,463,922**	**($33,282,222)**	**N/A**	**N/A**	**N/A**	**N/A**	**$3,909,994**
2019 - Q4	$37,174,365	($11,563,878)	($0.032)	($0.032)	$1,392,865,962	$1,162,117,984	$961,654
2019 - Q3	$37,310,765	($9,399,776)	($0.026)	($0.026)	$1,377,237,690	$1,134,721,033	$958,230
2019 - Q2	$34,255,855	($16,310,988)	($0.045)	($0.045)	$1,385,491,977	$1,132,963,923	$952,321
2019 - Q1	$26,222,055	($8,843,827)	($0.025)	($0.025)	$1,044,914,091	$794,584,280	$930,288
Total 2019	**$134,963,040**	**($46,118,469)**	**N/A**	**N/A**	**N/A**	**N/A**	**$3,802,493**
2018 - Q4	$26,562,429	($843,810)	($0.002)	($0.002)	$1,022,791,417	$761,864,860	$925,235
2018 - Q3	$25,733,852	($6,355,654)	($0.018)	($0.018)	$990,262,630	$731,939,098	$920,981
2018 - Q2	$23,173,856	($9,158,368)	($0.026)	($0.026)	$959,256,102	$694,025,713	$920,562
2018 - Q1	$20,913,462	($7,793,463)	($0.022)	($0.022)	$922,656,903	$661,214,665	$889,786
Total 2018	**$96,383,599**	**($24,151,295)**	**N/A**	**N/A**	**N/A**	**N/A**	**$3,656,564**
2017 - Q4	$20,744,110	$15,343,505	$0.044	$0.044	$895,496,381	$627,421,264	$880,328
2017 - Q3 [1]	$18,453,960	($15,402,377)	($0.046)	($0.046)	$839,525,204	$585,777,091	$879,376
2017 - Q2	$12,557,306	($2,995,895)	($0.010)	($0.010)	$400,216,946	$237,005,503	$765,016
2017 - Q1 [1]	$10,133,138	($10,797,865)	($0.037)	($0.037)	$404,743,767	$238,025,850	$749,946
Total 2017	**$61,888,514**	**($13,852,632)**	**N/A**	**N/A**	**N/A**	**N/A**	**$3,274,666**
2016 - Q4	$8,900,182	($18,657,288)	($0.070)	($0.070)	$342,803,581	$187,115,587	$724,931
2016 - Q3	$7,307,070	($537,379)	($0.022)	($0.022)	$253,955,856	$131,931,530	$630,309
2016 - Q2	$6,320,322	($663,764)	($0.004)	($0.004)	$179,885,223	$118,343,352	$440,398
2016 - Q1	$5,296,970	($1,331,005)	($0.008)	($0.008)	$176,728,097	$114,010,014	-
Total 2016	**$27,824,544**	**($21,189,436)**	**N/A**	**N/A**	**N/A**	**N/A**	**$1,795,638**
2015 - Q4	$4,795,266	($2,702,281)	($0.026)	($0.026)	$171,486,477	$112,922,559	-
2015 - Q3	$3,137,527	($821,330)	($0.012)	($0.012)	$108,865,822	$85,594,955	-
2015 - Q2	$2,111,281	($677,127)	($0.012)	($0.012)	$54,449,748	$25,372,609	-
2015 - Q1	$1,096,513	($374,472)	($0.010)	($0.010)	$27,910,360	$25,033,929	-
Total 2015	**$11,140,587**	**($4,575,210)**	**N/A**	**N/A**	**N/A**	**N/A**	**-**

Note 1:
The Corporation reversed $12,420,000 of goodwill impairment taken in Q1 2017 and Q3 2017.

The Q1 2017 goodwill impairment that was recorded was $5,361,176, and as a result, Q1 2017 previously reported net loss of $10,797,865, would have been $5,436,689 without such goodwill impairment. The Q3 2017 goodwill impairment that was recorded was $7,058,823, and as a result, Q3 2017 reported net loss of $15,402,377 would have been $8,343,553 without such goodwill impairment.

The previously reported Total Assets for Q1 2017 of $404,743,767 would have been $410,104,943. The previously reported Total Assets for Q2 2017 of $400,216,946 would have been $405,578,122. The previously reported Total Assets for Q3 2017 of $839,525,204 would have been $851,945,204.

WORKING CAPITAL, DEBT AND SHARE CAPITAL

Working Capital

Cash provided by operating activities was $76.4 million for the fiscal year ended December 31, 2022, compared to $59.0 million for fiscal 2021. The increase arises from increased rates through our revenue management systems, continued streamlining and integration of operations and controlling costs.

As at December 31, 2022, the Corporation had $22.5 million of cash compared to $25.1 million at December 31, 2021. Despite cash being used to pay down debt, fund acquisitions and expansions and repurchase the Corporation's common shares, the Corporation continues to maintain a strong cash balance. The Corporation expects its cash flow from operations to continue to increase as the full benefit of recently purchased stores are realized and we continue to execute our operational plans. In addition, the Corporation will borrow against existing assets to fund acquisitions and its expansion plans.

Debt

As at December 31, 2022 and December 31, 2021, the Corporation held the following debt:

	December 31, 2022			December 31, 2021		
	Rate Range	Weighted Average	Balance	Rate Range	Weighted Average	Balance
<u>Mortgages</u>						
At amortized cost - Fixed	2.84% to 4.98%	4.48%	251,048,897	2.84% to 5.5%	4.21%	338,546,891
	Maturity: Apr 2023 to Dec 2029			*Maturity: Jan 2022 to Apr 2028*		
At amortized cost - Variable	7.45% to 8.6%	8.08%	84,653,250	3% to 3.95%	3.30%	108,144,132
	Maturity: Feb 2023 to Jul 2024			*Maturity: Oct 2022 to Nov 2024*		
At FVTPL - Variable			783,891,417			455,173,279
- Fixed via interest rate swap			(32,836,542)			9,873,937
		4.31%	751,054,875		3.82%	465,047,216
	Maturity: Jan 2024 to Jan 2031			*Maturity: Jan 2024 to Dec 2030*		
		4.65%	1,086,757,022		3.91%	911,738,239
<u>Lines of Credit and Promissory Notes</u>						
At amortized cost - Fixed		3.50%	4,000,000		3.95%	38,536,200
	Maturity: Dec 2023			*Maturity: Apr 2022 to Dec 2023*		
At amortized cost - Variable		7.28%	140,618,468		3.53%	86,909,468
	Maturity: Jun 2023 to Oct 2025			*Maturity: May 2024 to Dec 2024*		
At FVTPL - Variable			314,288,134			296,048,729
- Fixed via interest rate swap			(14,288,134)			3,951,271
		3.88%	300,000,000		3.94%	300,000,000
	Maturity: Feb 2025			*Maturity: Feb 2025*		
		4.95%	444,618,468		3.86%	425,445,668
Deferred financing costs, net of accretion			(4,655,721)			(4,709,162)
		4.73%	1,526,719,769		3.89%	1,332,474,745

Reconciliation of Debt

The following table reconciles the changes in cash flows from financing activities for the Corporation's debt:

	December 31, 2022	December 31, 2021
Debt, beginning of period	$ 1,332,474,745	$ 1,179,739,132
Advances from debt	610,341,010	309,110,285
Repayment of debt	(409,662,963)	(152,953,282)
Amounts offset against accounts receivable	(6,486,464)	(2,529,521)
Change in fair value of debt measured at FVTPL	(60,949,884)	37,842,949
Change in fair value of interest rate swaps	60,949,884	(37,842,949)
Total cash flow from debt financing activities	194,191,583	153,627,482
Change in deferred financing costs	53,441	(891,869)
Debt, end of period	$ 1,526,719,769	$ 1,332,474,745

The bank prime rate at December 31, 2022 was 6.45% (December 31, 2021 - 2.45%). The weighted average cost of debt at December 31, 2022 is 4.73% (December 31, 2021 - 3.89%). The Corporation's variable interest rate exposure is limited with only 14.7% of debt being variable (further reduced after the closing of the $150 million 5.00% Convertible Senior Unsecured Debentures on January 9, 2023 – see Subsequent Events) and the balance being fixed interest rate debt.

The weighted years to maturity, excluding lines of credit, at December 31, 2022 is 4.26 years (December 31, 2021 – 4.09 years).

Mortgages are secured by a first mortgage charge on the real estate and equipment of the Corporation, general security agreements, assignment of rents and leases and assignments of insurance coverages. The Corporation must maintain certain financial ratios to comply with the facilities. These covenants include debt service coverage ratios, a tangible net worth ratio, and a loan to value ratio. As of December 31, 2022 and December 31, 2021, the Corporation is in compliance with all covenants.

The deferred financing costs are made up of fees and costs incurred to obtain the related mortgage financing, less accumulated amortization into income of these costs.

Principal repayments on mortgages, lines of credit and promissory notes in each of the next five years are estimated as follows:

Year 1	$	560,892,801 (includes lines of credit and promissory note of $444.6 million)
Year 2	$	185,404,122
Year 3	$	151,099,297
Year 4	$	39,202,009
Year 5	$	141,244,089
Thereafter	$	453,533,172

Of the repayments shown in Year 1, $20.7 million are required under our amortizing term debt mortgages, $95.6 million relates to loans due in the upcoming twelve months that are expected to be refinanced, and $444.6 million relates to our lines of credit. Our lines of credit are covenant based (debt service coverage ratios, tangible net worth ratios, and loan to value ratios) and do not require repayment as long as the covenants are met. As of December 31, 2022 and December 31, 2021, the Corporation is in compliance with all covenants.

The Corporation terms out assets on our lines of credit when deemed appropriate, which includes determination that the Corporation has been able to implement its operating systems to increase the value of the assets and that the Corporation has an appropriate mix of assets supporting our lines of credit. The Corporation's detailed debt maturity profile as at December 31, 2022 is:

Contractual Mortgage Maturities and Interest Rates

Year of Debt Maturity	Mortgages Payable	Weighted Average Interest Rate	Lines of Credit	Weighted Average Interest Rate	Total Debt	Weighted Average Interest Rate
2023	$ 95,558,728	7.00%	$ 18,005,000	6.57%	$ 113,563,728	6.93%
2024	165,035,155	4.24%	111,409,468	7.26%	276,444,623	5.45%
2025	133,284,061	5.14%	315,204,000	4.04%	448,488,061	4.37%
2026	20,808,759	3.49%	-	0.00%	20,808,759	3.49%
2027	138,540,673	4.75%	-	0.00%	138,540,673	4.75%
Thereafter	533,529,646	4.25%	-	0.00%	533,529,646	4.25%
	$ 1,086,757,022	4.65%	$ 444,618,468	4.95%	1,531,375,490	4.73%
Deferred financing costs net of accretion					(4,655,721)	
Balance					$ 1,526,719,769	

The Corporation entered into interest rate swap contracts in order to fix the interest rate on $1.1 billion of debt at a weighted average rate of 4.19%. The swaps mature between January 2024 and January 2031.

Hybrid Debentures

2020 Hybrid Debentures

On July 20, 2020, $75 million of unsecured senior hybrid debentures were issued at a price of $1,000 per debenture with a term of sixty-six months, due January 31, 2026. These debentures bear a fixed interest rate of 5.75% per annum, payable semi-annually in arrears on January 31 and July 31 of each year, commencing January 31, 2021. The intended use of the net proceeds of the debentures is to pay down the credit facility and fund anticipated capital expenditures.

On and after January 31, 2024 and prior to January 31, 2025, the debentures will be redeemable in whole or in part from time to time at the Corporation's option at a redemption price equal to 102.875% of the principal amount of the debentures redeemed plus accrued and unpaid interest, if any, up to but excluding the date set for redemption. On and after January 31, 2025 and prior to the maturity date, the debentures will be redeemable, in whole or in part, from time to time at the Corporation's option at par plus accrued and unpaid interest, if any, up to but excluding the date set for redemption.

On redemption or at maturity on January 31, 2026, the Corporation may elect to, in whole or part, convert the debentures into freely tradable common shares. In such event, payment will be satisfied by delivering for each $1,000 due, that number of freely tradable shares obtained by dividing $1,000 by 95% of the current market price on the date fixed for redemption or maturity, as the case may be. Any accrued and unpaid interest will be paid in cash.

The debentures were recorded as a financial instrument. The debentures were recorded at a fair value of $75 million net of deferred financing costs of $3.5 million. Each embedded feature was evaluated separately and it was determined that the economic and risk characteristics are closely related to the host contract and therefore were not accounted for as separate financial instruments.

2021 Hybrid Debentures

On July 19, 2021, $57.5 million of unsecured senior hybrid debentures were issued at a price of $1,000 per debenture with a term of sixty-six months, due September 30, 2026. These debentures bear a fixed interest rate of 5.5% per annum, payable semi-annually in arrears on March 31 and September 30 of each year, commencing September 30, 2021. The intended use of the net proceeds of the debentures is to fund potential future opportunities and for general corporate purposes.

On and after September 30, 2024 and prior to September 30, 2025, the debentures will be redeemable in whole or in part from time to time at the Corporation's option at a redemption price equal to 102.750% of the principal amount of the debentures redeemed plus accrued and unpaid interest, if any, up to but excluding the date set for redemption. On and after September 30, 2025 and prior to the maturity date, the debentures will be redeemable, in whole or in part, from time to time at the Corporation's option at par plus accrued and unpaid interest, if any, up to but excluding the date set for redemption.

On redemption or at maturity on September 30, 2026, the Corporation may elect to, in whole or part, convert the debentures into freely tradable common shares. In such event, payment will be satisfied by delivering for each $1,000 due, that number of freely tradable shares obtained by dividing $1,000 by 95% of the current market price on the date fixed for redemption or maturity, as the case may be. Any accrued and unpaid interest will be paid in cash.

The debentures were recorded as a financial instrument. The debentures were recorded at a fair value of $57.5 million net of deferred financing costs of $2.5 million. Each embedded feature was evaluated separately and it was determined that the economic and risk characteristics are closely related to the host contract and therefore were not accounted for as separate financial instruments.

The debentures are subsequently measured at amortized cost using the effective interest method over the life of the debenture. The balance of the hybrid debentures are:

	December 31, 2022	December 31, 2021
Opening balance	$ 127,551,885	$ 71,765,725
Additions during period	-	57,500,000
Issuance costs	-	(2,556,506)
Accretion during period	1,130,998	842,666
Ending balance	$ 128,682,883	$ 127,551,885

Share Capital

The common shares issued are:

	Number of Shares	Amount
Balance, December 31, 2020	366,254,826	$ 365,886,912
Issued on acquisitions	8,810,925	43,575,000
Dividend reinvestment plan	363,507	1,637,248
Share option redemption	-	(548,300)
Share issuance costs	-	(31,608)
Common shares repurchased	(792,815)	(3,953,358)
Balance, December 31, 2021	374,636,443	406,565,894
Issued on acquisitions	4,171,246	27,000,000
Dividend reinvestment plan	306,499	1,829,905
Share option redemption	661,151	(448,659)
RSU/DSU redemption	94,421	632,798
Common shares repurchased	(1,852,400)	(10,625,564)
Balance, December 31, 2022	378,017,360	$ 424,954,374

Dividend Reinvestment Plan

Represents common shares issued under the Corporation's dividend reinvestment plan ("DRIP") for holders of common shares. Under the terms of the DRIP, eligible registered holders of a minimum of 10,000 Common Shares (the "Shareholders") may elect to automatically reinvest their cash dividends, payable in respect to the common shares, to acquire additional common shares, which will be issued from treasury or purchased on the open market. The Corporation may initially issue up to 5,000,000 common shares under the DRIP, which may be increased upon Board of Directors approval, acceptance of the increase by the Exchange, and upon public disclosure of the increase.

Stock Options

A total of 36,342,000 options were outstanding as at December 31, 2022 (December 31, 2021 – 30,319,650). Of the outstanding amount, 36,342,000 options were exercisable (December 31, 2021 – 30,319,650). The details are as follows:

Exercise Price		Vesting Date	Expiry Date	December 31, 2022	December 31, 2021
$	0.33	Jun. 19, 2014	Jun. 19, 2024	-	140,000
$	0.41	Apr. 28, 2015	Apr. 28, 2025	1,125,500	1,560,650
$	0.50	Sep. 14, 2015	Sep. 14, 2025	1,480,000	1,550,000
$	1.36	Dec. 21, 2016	Dec. 21, 2026	2,770,000	2,785,000
$	1.78	Mar. 16, 2017	Mar. 16, 2027	2,795,000	2,810,000
$	2.52	May 4, 2018	May 4, 2028	2,810,000	2,825,000
$	2.90	May 28, 2019	May 28, 2029	5,764,000	5,854,000
$	3.98	Dec. 15, 2020	Dec. 15, 2030	5,858,000	5,975,000
$	6.31	Dec. 20, 2021	Dec. 20, 2031	6,767,500	6,820,000
$	5.94	Dec. 19, 2022	Dec. 19, 2032	6,972,000	-
Options exercisable and outstanding				36,342,000	30,319,650

The Board of Directors of the Corporation may from time to time, at its discretion, and in accordance with the Exchange requirements, grant to directors, officers, employees and consultants of the Corporation, non-transferable options to purchase common shares.

Equity Incentive Plan

Under the Corporation's Equity Incentive Plan passed on May 30, 2018 (the "Plan"), directors, employees and consultants are eligible to receive awards, in the form of Restricted Share Units ("RSUs"), Deferred Share Units ("DSUs") and Named Executive Officer Restricted Share Units ("Neo RSUs"), as and when granted by the Board, at its sole discretion. The maximum number of awards that may be issued under the Plan is 17,545,677. The maximum number of shares that may be reserved for issuance under the Plan, together with any of the Corporation's other share-based compensation arrangements, may not exceed 10% of the issued shares of the Corporation.

The RSUs and DSUs granted vest in equal annual amounts over three years. The Neo RSUs vest three years after the date of grant. RSUs, DSUs and Neo RSUs are entitled to be credited with dividend equivalents in the form of additional RSUs, DSUs and Neo RSUs, respectively.

With certain exceptions, the Plan provides that (i) the maximum number of awards that may be granted to any one participant together with any other share-based compensation arrangements, in any 12 month period, may not exceed 5% of the issued shares, and, in the case of any consultant, may not exceed 2% of the issued shares; and (ii) the total value of all securities that may be issued to any non-employee director under all of the Corporation's security based compensation arrangements may not exceed $150,000 per annum.

The Corporation entered into Total Return Swaps ("TRS") as economic hedges of the Corporation's DSUs and RSUs. Under the terms of the TRS, a bank has the right to purchase the Corporation's shares in the marketplace as a hedge against the returns in the TRS. At December 31, 2022, 3,081,360 TRS were outstanding at a value of $4,700,494 (December 31, 2021 – 1,533,556 TRS were outstanding at a value of $6,142,747).

At December 31, 2022, 100% of the combined DSU and RSU exposures were economically hedged. Hedge accounting is not applied for the DSU/RSU hedging program.

CONTRACTUAL OBLIGATIONS AND OFF-BALANCE SHEET ARRANGEMENTS

Lease Liabilities

The Corporation leases buildings and land in British Columbia, Alberta, Manitoba, Ontario and Quebec. The leases expire between 2023 and 2057, with the leases expiring in 2023 and 2027 having up to 15 years and 20 years of renewals, respectively, which are expected to be exercised by the Corporation.

The lease liabilities are measured at the present value of the lease payments that are not paid at the balance sheet date. Lease payments are apportioned between interest expense and a reduction of the lease liability using the Corporation's incremental borrowing rate to achieve a constant rate of interest on the remaining balances of the liability.

For the year ended December 31, 2022, the Corporation recognized $3,035,180 (December 31, 2021 - $2,054,942) in interest expense related to its lease liabilities.

A reconciliation of the lease liabilities associated with self storage properties from the date of adoption of IFRS 16 to December 31, 2022 is as follows:

	December 31, 2022	December 31, 2021
Balance, beginning of period	$ 77,094,742	$ 44,035,050
Additions	6,356,372	35,152,703
Cash payments	(6,181,239)	(4,311,912)
Interest	3,035,180	2,054,942
Capitalized interest	213,517	163,959
Balance, end of period	$ 80,518,572	$ 77,094,742

Contingency

The Corporation has no legal contingency provisions at December 31, 2022 or December 31, 2021.

Off-Balance Sheet Arrangements

The Corporation is not party to any industry contracts or arrangements other than those disclosed in the consolidated financial statements.

RELATED PARTY TRANSACTIONS

The Corporation holds a Master Franchise Agreement from Canadian PUPS Franchises Inc. (CPFI) which provides the Corporation with the exclusive Canadian franchise rights for the development and operation of portable storage throughout Canada. CPFI is a corporation related to Iqbal Khan and Steven Scott who are directors of the Corporation. The Corporation pays a monthly royalty of 3.5% on the gross sales. During the year ended December 31, 2022, the Corporation paid $405,196, respectively (December 31, 2021 - $382,592) for royalties and $3,046,665, (December 31, 2021 - $1,014,360) for storage containers and other equipment under the Master Franchise Agreement.

Included in accounts payable and accrued liabilities, relating to the previously noted transactions, at December 31, 2022 was $58,225, (December 31, 2021 - $33,087) payable to CPFI.

The Corporation has management agreements with Access Self Storage Inc. and related companies ("Access Group"). These companies are related to Iqbal Khan and Steven Scott who are directors of the Corporation. The Corporation invoices the Access Group for management fees as well as additional services it provides as part of the management agreements. The Access Group will also invoice the Corporation for construction, maintenance and other services related to its day-to-day operations.

During the year ended December 31, 2022, the Corporation received $8,471,116 (December 31, 2021 - $6,856,964) in payments and reimbursements related to the management agreements. During the year ended December 31, 2022, the Corporation also incurred $32,508,783 (December 31, 2021 - $24,658,103) in expenditures related to construction, maintenance and other services related to its day-to-day operations.

Included in accounts payable and accrued liabilities as at December 31, 2022 was $522,072 (December 31, 2021 - $1,503,979) payable to the Access Group. Included in accounts receivable as at December 31, 2022 was $846,587 (December 31, 2021 - $491,942) receivable from the Access Group.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Corporation, directly and indirectly, and include directors. The remuneration of key management personnel for employment services rendered are as follows:

	December 31, 2022		December 31, 2021	
Wages, management fees, bonuses and directors fees	$	610,212	$	612,497
Stock based compensation		6,065,672		5,469,478
	$	6,675,884	$	6,081,975

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

StorageVault embraces the responsibility of environmental stewardship and social responsibility which aligns with our sound corporate governance practices. Together with our business objectives, these core values ensure we continuously deliver strong and sustainable results.

We remain focused on reducing the inherently low environmental impact of our stores, while continuing to improve team engagement and supporting the over 100 communities in which we operate. Our Board and Management are committed to maintaining the highest standards of corporate governance practices to ensure our continued success.

Environmental

While the self storage industry has an intrinsically light environmental footprint, StorageVault acknowledges that everyone must contribute to implementing green solutions and, as such, we continuously strive to improve and increase our efforts.

At the end of 2022, StorageVault operated 36 stores with solar panels and solar walls and are committed to expanding similar installations across our portfolio. The solar program allows us to utilize existing and otherwise unexploited roof and wall space to generate electricity for consumption, while providing a solid financial return. These initiatives demonstrate that sustainability efforts benefit the environment, our communities, our shareholders, the broader self storage industry and future generations.

For energy conservation, we offer a strategic mix of square footage that is non-climate controlled and temperature controlled, with non-climate controlled space having minimal environmental impact. For properties that do offer temperature controlled storage, we closely regulate and moderate temperatures to safeguard contents while minimizing energy required for heating or cooling. Water usage at our properties is also very low. Lastly, the minimal daily client activity and traffic, helps to minimize our carbon footprint within our communities.

The self storage industry has the lowest environmental impact in the areas of energy consumption, water consumption and waste production in comparison to all the other real estate asset classes.

Energy Reduction and Generation

- motion sensored lighting, allowing for usage only where and when required
- LED lighting (internal and external) used in all new buildings and retrofitting light fixtures in existing buildings
- solar power generation using roof top solar walls
- modern energy efficient HVAC systems
- automated and self-adjusting internal thermostat temperature controls
- all new roofs installed are reflective "cool" roofs that help minimize energy consumption
- in floor radiant heating

Water Reduction and Conservation

- on average, one washroom per property given low occupant levels at our properties
- energy efficient plumbing systems and appliances
- low-water irrigation systems
- landscaping using native and drought-tolerant species
- water run-off controls
- storm water retention

Waste Reduction and Recycling

- through our paper shredding and recycling segment within RecordXpress, we saved 260,000 trees, diverted 58,000 cubic meters from landfill and saved 116,000 barrels of oil that would otherwise be used to harvest raw product
- sale of moving and packaging supplies made from recycled materials
- waste recycling program at our stores and corporate offices
- reduced paper usage through more efficient technology options including a paperless rental process
- e-waste reduction and electronic recycling program for decommissioned computer equipment by either donating refurbished equipment to local charities or recycling equipment that cannot be repurposed

Green Building Design and Construction Practices

- energy efficient windows
- use of SolarWall systems or insulated metal panels used in construction of new and retrofitted buildings
- replacing standard exterior storage doors with energy efficient doors
- insulated foundation walls to help maintain and keep the foundation slab warm
- all proposed acquisitions are subject to environmental site assessments prior to the closing

Social

StorageVault is committed to providing stability and support for the health and wellness of our more than 800 colleagues and the over 100 communities in which we live and work across Canada. Giving back and working together contributes to the benefit of all, and through our efforts we hope to create meaningful and lasting impacts for future generations.

Our colleagues are at the heart of our business and are key to our success. We believe that investing in our diverse team is investing in our future. As a meritocracy, our culture of continuous improvement fosters growth and promotes advancement within our organization. We have a dedicated team that supports our colleagues with comprehensive training and professional development programs, as well as offers personal health and wellbeing seminars known as "Wellness Wednesdays".

In 2022, StorageVault continued to align with grassroots organizations in communities from coast to coast – this is core to our community involvement. We remain passionate about supporting needs within our communities, such as healthcare, food security, the arts, sports, and education. This past year we expanded our community partnership base to support more than 200 local, provincial and national organizations resulting in immediate and positive impacts within communities throughout Canada.

We are incredibly thankful to be able to support our colleagues, communities and clients across Canada.

Governance

StorageVault's Board and Management recognize the importance of equality, diversity and is dedicated to maintaining the highest governance standards, which is exemplified through the following:

- Diverse Board and Management team
- Annual Board review and vote to approve executive compensation
- Annual election by shareholders of Directors at AGM
- Independent Director led Audit, Acquisition and Governance, Nominating and Compensation Committees
- Acquisition Committee Mandate to review, approve and recommend transactions to the Board
- Regular review, update and re-approval of all Corporate Governance mandates, principles and policies:
    - Charter of the Audit Committee
    - Charter of the Board of Directors
    - Charter of the Governance, Nominating and Compensation Committee
    - Code of Business Conduct (mandatory for all employees)
    - Disclosure and Confidentiality Policy
    - Diversity Policy
    - Insider Trading and Reporting Policy
    - Majority Voting Policy
    - Whistleblower Policy

We are extremely proud to once again have been recognized in The Globe and Mail's 2022 Report on Business *Women Lead Here* list. This annual editorial benchmark identifies best-in-class executive gender diversity in corporate Canada. This award recognizes StorageVault's shared vision for equity and inclusion among the other honorees. It is StorageVault's continued desire to promote strong leadership in our workplace and within communities across Canada.

With StorageVault's graduation to the TSX in 2022, we have adopted more stringent compliance requirements which include but are not limited to additional audit scrutiny and testing to ensure that our corporate policies, practices and accounting standards are met. To ensure good governance practices and transparency for all our stakeholders, StorageVault's corporate policies, mandates and charters are publicly accessible on our corporate website.

StorageVault is committed to supporting and providing stability to assure the long-term interests of all stakeholders through strong corporate governance practices.

ACQUISITION COMMITTEE AND ACQUISITION COMMITTEE MANDATE

The Corporation may, from time to time, purchase assets from parties related to the Corporation, and in particular, assets or shares owned or controlled by management of the Corporation or Access Self Storage Inc. (Access) or any of its subsidiaries or affiliates. To govern such potential related party transactions, the Corporation has established an Acquisition Committee and an Acquisition Committee Mandate.

The Acquisition Committee is comprised of six voting members, four members being independently appointed and independent of management and two of which are appointed by Access. Acquisition Committee members who are deemed to be in a conflict of interest position with respect to related party transactions are required to abstain from voting on such related party transactions.

The mandate of the Corporation's Acquisition Committee is to review, evaluate, and approve the terms of proposed acquisitions in the context of the current strategic direction of the Corporation. In particular, and with respect to related party property acquisitions, the Acquisition Committee has the authority to appoint appraisers, environmental consultants, and professional advisors to evaluate and report to the Acquisition Committee on the suitability of such transactions. Thereafter, the Acquisition Committee provides its recommendation as to whether the Board of Directors should approve an acquisition.

The Board of Directors of the Corporation must accept the recommendations that the Acquisition Committee makes with respect to any related party transaction, and in particular, an acquisition involving assets or shares of Access or any of its subsidiaries or affiliates.

ACCOUNTING POLICIES

The Corporation's significant accounting policies are summarized in Note 3 to the December 31, 2022 annual audited consolidated financial statements. There has been no change in significant accounting policies from the Corporation's audited consolidated annual financial statements from December 31, 2021. In addition, there has been no change in the Company's financial instrument risks.

Non-IFRS Financial Measures

Management uses both IFRS and Non-IFRS measures to assess the Corporation's operating performance. In this MD&A, management uses the following terms and ratios which do not have a standardized meaning under IFRS and are unlikely to be comparable to similar measures presented by other companies:

i. Net Operating Income ("NOI") – NOI is defined as storage and related services less operating costs. NOI does not include interest expense or income, depreciation and amortization, selling, general and administrative costs, acquisition and integration costs, stock based compensation costs or taxes. NOI assists management in assessing profitability and valuation from principal business activities.

ii. Funds from Operations ("FFO") – FFO is defined as net income (loss) excluding gains or losses from the sale of depreciable real estate, plus depreciation and amortization, unrealized (gain) or loss on derivative financial instruments, stock based compensation expenses, and deferred income taxes; and after adjustments for equity accounted entities and non-controlling interests. FFO should not be viewed as an alternative to cash from operating activities, net income, or other measures calculated in accordance with IFRS. The Corporation believes that FFO can be a beneficial measure, when combined with primary IFRS measures, to assist in the evaluation of the Corporation's ability to generate cash and evaluate its return on investments as it excludes the effects of real estate amortization and gains and losses from the sale of real estate, all of which are based on historical cost accounting and which may be of limited significance in evaluating current performance.

iii. Adjusted Funds from Operations ("AFFO") – AFFO is defined as FFO plus acquisition and integration costs. Acquisition and integration costs are one time in nature to the specific assets purchased in the current period or pending and are expensed under IFRS.

iv. Existing Self Storage and New Self Storage performance – "Existing Self Storage" are stabilized stores that the Corporation has owned or leased at least since the beginning of the previous fiscal year. "New Self Storage" are non-stabilized stores that have not been owned or leased continuously since the beginning of the previous fiscal year. We believe the use of this metric combined with primary IFRS measures is beneficial in understanding the full operating performance of our operations during a growth period. Comparative figures for the New Self Storage and Existing Self Storage categories may differ from amounts reported in previous MD&A reports.

Recent and Future Accounting Pronouncements

The IASB and the International Financial Reporting Interpretations Committee have issued a number of new or revised standards or interpretations that will become effective for future periods and have a potential implication for the Corporation. There have been no pronouncements in addition to those disclosed in the December 31, 2022 annual audited consolidated financial statements.

Disclosure Controls and Procedures

Pursuant to National Instrument 52-109, which requires certification of disclosure in an issuer's annual and interim filings, the Chief Executive Officer and the Chief Financial Officer have evaluated the effectiveness of the

Corporation’s internal disclosure controls and procedures for the three months and fiscal year ended December 31, 2022, including the design of internal controls over financial reporting, to provide reasonable assurance regarding the reliability of financial reporting in accordance with IFRS. These officers have concluded that the Corporation’s disclosure controls and procedures are designed effectively to ensure that information required to be disclosed in reports that are filed or submitted under Canadian securities legislation are recorded, processed and reported within the time specified in those rules.

There have been no changes in the Corporation’s internal controls over financial reporting that have materially affected or are reasonably likely to affect the Corporation’s internal controls over financial reporting for the three months and fiscal year ended December 31, 2022.

RISKS AND UNCERTAINTIES

As our primary business consists of owning and operating storage real estate, we are exposed to risks related to such ownership and operations that can adversely impact our business and financial position. The following is a brief overview of some of the potential risks and the potential impacts these risks and uncertainties may have on the operations of the Corporation:

Real Estate Industry

Real estate investments are subject to varying degrees of risk depending on the nature of each property. Such investments are affected by general economic conditions, local real estate markets, supply and demand for rental space, competition from others with similar developments, the perceived “attractiveness” of a given property and various other factors.

Liquidity Risk

Liquidity risk is the risk that the Corporation will be unable to meet its financial obligations as they fall due. The Corporation manages liquidity risk through cash flow forecasting and regular monitoring of cash requirements including anticipated investing and financing activities. Typically, the Corporation ensures that it has sufficient cash or liquid investments available to meet expected operating expenses for a period of 30 days, excluding the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. For the foreseeable future, the Corporation anticipates that cash flows from operations, working capital, and other sources of financing will be sufficient to meet its operating requirements, debt repayment obligations and will provide sufficient funding for anticipated capital expenditures.

Refinancing Risk

There is no certainty that financing will be available upon the maturity of any existing mortgage at terms that are as favorable as the expiring mortgage, or at all. If the Corporation is unable to refinance an existing indebtedness on favorable terms, the Corporation may need to dispose of one or more properties on disadvantageous terms. Prevailing interest rates, limited availability of credit or other factors at the time of refinancing could increase interest expense and ultimately decrease the return to investors.

Interest Rate Risk

Interest rate risk arises from changes in market interest rates that may affect the fair value of future cash flows from the Corporation’s financial assets or liabilities. Interest rate risk may be partially mitigated by holding both fixed and floating rate debt, or by staggering the maturities of fixed rate debt. The Corporation is exposed to interest rate risk primarily relating to its long term debt. The Corporation will manage interest rate risk by utilizing fixed interest rates on its mortgages where possible, entering into floating-to-fixed interest rate swaps, staggering maturities over a number of years to mitigate exposure to any single year, and by attempting to ensure access to diverse sources of funding.

Economic Conditions

Even though storage is less susceptible to changes in the local economy as storage space is often needed during times of both growth and recession, downturns in a local economy could negatively affect our revenues and NOI. A significant portion of storage customers use storage during periods of moving from one residence to another or when a residence is being renovated. In times of economic downturn, the level of activity in housing sales and housing renovation could decrease, thereby decreasing storage rental demand.

Contagious Diseases

Outbreaks of highly infectious or contagious diseases, such as the COVID-19 pandemic, may impact demand for our storage space and ancillary products and services, which can result in potential decreases in occupancy, rental rates and administrative fees, and increases in expenses, which could adversely affect our results.

Environmental Risk

Environmental risk is inherent in the ownership of property. Various municipal, provincial and federal regulations can result in penalties or potential liability for remediation, to the extent that hazardous materials enter the environment. The presence of hazardous substances could also impair the Corporation's ability to finance or sell the property, and might expose the Corporation to civil lawsuits. To mitigate such risk, the Corporation procures recent or updated environmental reports for all acquisitions to ascertain the risk, if any, that exist at a property. It also prohibits the storage of hazardous substances as a condition of the user agreement signed by customers.

Credit Risk

Credit risk arises from the possibility that customers may experience financial difficulty and be unable to fulfill their financial obligations to the Corporation. The risk of incurring bad debts often arises if storage customers relocate and cannot be found to enforce payment, or if storage customers abandon their possessions. The extent of bad debts can be mitigated by quickly following up on any unpaid amounts shortly after the due date, enforcing late fees, denying access to any customers with delinquent accounts, and ultimately seizing the possessions of the customer. Additionally, the Corporation typically rents to numerous customers, each of which constitutes significantly less than 5% of the Corporation's monthly revenue. This diversification in the customer base reduces credit risk from any given customer.

Other Self Storage Operators or Storage Alternatives

The Corporation competes with other individuals, corporations and institutions which currently own, or are anticipating owning a similar property in a given region. Competitive forces could have a negative effect on occupancy levels, rental rates or operating costs such as marketing.

Acquisition of Future Locations

Competition also exists when the Corporation attempts to grow through acquisitions of storage locations. An increase in the availability of investment funds in the general market, and a subsequent increase in demand for storage locations would have a tendency to increase the price for future acquisitions of storage locations and reduce the yields thereon.

Anticipated Results from New Acquisitions

The realization of anticipated results and value from acquisitions can be jeopardized from unexpected circumstances in integrating stores into our existing operations, from situations we did not detect during our due diligence, or from increased property tax following reassessment of newly acquired locations.

Increase in Operating Costs

Our operating margins can be negatively impacted from increases in operating costs such as property tax, staffing costs, insurance premiums, repairs and maintenances costs, utility costs and others due to various factors such as the need for governments to raise funds, natural disasters, and energy prices.

Climate and Natural Disasters

The storage industry in Canada can be cyclical. Due to the climate, demand for storage is generally weaker in winter months with an increase in operating costs resulting in potentially lower NOI during Q1 and Q4.

Natural disasters, such as floods, earthquakes or severe winter storms may result in damage and business interruption losses that are greater than the aggregate limits of our insurance coverage. We maintain a comprehensive insurance policy to cover such events, however some insurance coverage may be or become unavailable or cost prohibitive.

Litigation

Legal claims may arise from the ordinary course of our business. Resolution of these claims would divert resources from the Corporation such as cash to pay expenses and damages and the diversion of management's time and attention from the Corporation's business. The impact and results from litigation cannot be predicted with certainty and can have a material adverse effect on the business.

Use and Dependency on Information Technology Systems

Our business is heavily dependent on the use of information technology, with the majority of our new customers communicating and transacting with us electronically or over the phone. Commerce over the internet and the nature of our business requires us to retain private information about our customers. Significant aspects of these systems are centrally managed, such as our financial information and some are managed by third party vendors. These systems may be subject to telecommunication failures, cyber-attacks, computer worms and viruses and other disruptive security breaches, all of which could materially impact our operations, resulting in additional costs and or in legal action either by government agencies or private individuals.

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SHOP STORE™

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