

StorageVault Canada Inc.

Interim Consolidated Financial Statements

For the Three and Six Months Ended June 30, 2025 and 2024

(Unaudited)

NOTICE OF NO AUDITOR REVIEW OF UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Under National Instrument 51-102, subsection 4.3(3)(a), if an auditor has not performed a review of the unaudited interim consolidated financial statements, they must be accompanied by a notice indicating that the consolidated financial statements have not been reviewed by an auditor.

The accompanying unaudited interim consolidated financial statements of StorageVault Canada Inc. have been prepared by and are the responsibility of the Corporation's management.

The Corporation's independent auditor has not performed a review of these unaudited interim consolidated financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim consolidated financial statements by an entity's auditor.

StorageVault Canada Inc.
Unaudited Interim Consolidated Statements of Financial Position

	June 30 2025	December 31 2024
Assets		
Real estate and equipment, net (Note 5)	\$ 2,162,977,320	\$ 2,070,301,838
Goodwill and intangible assets, net (Note 6)	128,212,396	128,283,934
Cash and short term deposits	21,472,425	16,342,562
Accounts receivable	11,405,356	9,780,292
Prepaid expenses and other current assets	16,765,879	9,259,634
	\$ 2,340,833,376	\$ 2,233,968,260
Liabilities and Shareholders' Equity		
Debt (Note 7)	\$ 1,780,829,941	\$ 1,672,513,158
Debentures (Note 8)	269,849,864	267,038,477
Lease liabilities (Note 14)	124,523,961	92,142,366
Deferred tax liability	26,378,926	30,508,763
Accounts payable and accrued liabilities	23,562,898	23,290,786
Unearned revenue	14,408,161	12,362,105
Unrealized fair value of derivative liabilities (Note 10)	5,444,408	5,301,905
	2,244,998,159	2,103,157,560
Shareholders' Equity		
Share capital (Note 9)	357,260,648	372,711,658
Dividends paid (Note 9)	(35,522,754)	(33,364,996)
Equity component of convertible debentures (Note 8)	13,506,670	13,506,670
Contributed surplus (Note 9)	41,558,398	41,390,480
Deficit	(280,967,745)	(263,433,112)
	95,835,217	130,810,700
	\$ 2,340,833,376	\$ 2,233,968,260

Subsequent Events (Note 15)

Approved on behalf of the Board:

"signed" Steven Scott
"Director"

"signed" Iqbal Khan
"Director"

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

StorageVault Canada Inc.
Unaudited Interim Consolidated Statements of Changes in Equity

	Three months ended June 30		Six months ended June 30	
	2025	2024	2025	2024
Share Capital				
Balance, beginning of the period	\$ 360,071,160	\$ 402,907,083	\$ 372,711,658	\$ 404,045,009
Common shares issued, net of issuance costs (Note 9)	488,612	4,453,619	966,930	4,900,763
Stock options, RSUs/DSUs redeemed (Note 9)	(490,500)	(25,500)	211,955	(817,900)
Common shares repurchased (Note 9)	(2,753,553)	(10,199,298)	(16,303,253)	(10,991,968)
Share buyback tax (Note 9)	(55,071)	-	(326,642)	-
Balance, end of the period	357,260,648	397,135,904	357,260,648	397,135,904
Dividends Paid				
Balance, beginning of the period	(34,441,977)	(30,117,510)	(33,364,996)	(29,035,979)
Dividends paid during the period (Note 9)	(1,080,777)	(1,083,058)	(2,157,758)	(2,164,589)
Balance, end of the period	(35,522,754)	(31,200,568)	(35,522,754)	(31,200,568)
Contributed Surplus				
Balance, beginning of the period	41,474,439	40,784,046	41,390,480	40,568,013
Stock based compensation (Note 9)	83,959	230,332	167,918	464,711
Stock options, RSUs/DSUs redeemed (Note 9)	-	(2,138)	-	(20,484)
Balance, end of the period	41,558,398	41,012,240	41,558,398	41,012,240
Deficit				
Balance, beginning of the period	(274,802,122)	(241,168,062)	(263,433,112)	(233,209,980)
Net loss and comprehensive loss	(6,165,623)	(8,688,351)	(17,534,633)	(16,646,433)
Balance, end of the period	\$ (280,967,745)	\$ (249,856,413)	\$ (280,967,745)	\$ (249,856,413)

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

StorageVault Canada Inc.
Unaudited Interim Consolidated Statements of Income (Loss) and Comprehensive Income (Loss)

	Three months ended June 30		Six months ended June 30	
	2025	2024	2025	2024
Revenue				
Storage and related services	\$ 82,977,334	\$ 73,613,282	\$ 158,800,166	\$ 144,558,152
Management fees	543,614	498,207	992,085	944,415
	83,520,948	74,111,489	159,792,251	145,502,567
Expenses				
Operating costs	28,298,921	24,185,269	56,914,731	51,333,818
Depreciation and amortization (Notes 5,6)	27,282,165	25,451,003	53,935,194	49,036,747
Interest (Notes 7,14)	25,937,667	21,194,055	50,535,615	43,284,527
Selling, general and administrative	6,348,400	6,471,995	12,435,977	11,979,503
Acquisition and integration costs	2,601,449	2,596,685	4,214,300	4,109,279
Interest accretion on convertible debentures (Note 8)	1,136,371	1,098,815	2,266,267	2,204,027
Stock based compensation (Note 9)	83,959	230,332	167,918	464,711
Unrealized loss on derivative financial instruments (Note 7)	7,751	2,525,569	977,503	510,817
Realized (gain) loss on disposal of real estate and equipment (Note 5)	(30,611)	680,899	9,216	2,613,604
	91,666,072	84,434,622	181,456,721	165,537,033
Net loss and comprehensive loss before tax	(8,145,124)	(10,323,133)	(21,664,470)	(20,034,466)
Deferred tax recovery	1,979,501	1,634,782	4,129,837	3,388,033
Net loss and comprehensive loss after tax	\$ (6,165,623)	\$ (8,688,351)	\$ (17,534,633)	\$ (16,646,433)
Net loss per common share				
Basic	\$ (0.017)	\$ (0.023)	\$ (0.048)	\$ (0.045)
Diluted	\$ (0.017)	\$ (0.023)	\$ (0.048)	\$ (0.044)
Weighted average number of common shares outstanding				
Basic	365,183,833	373,440,877	365,840,815	374,026,803
Diluted	365,183,833	378,511,086	365,840,815	379,097,012

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

StorageVault Canada Inc.
Unaudited Interim Consolidated Statements of Cash Flows

	Six months ended June 30	
	2025	2024
Cash from (used for) the following activities:		
Operating activities		
Net loss and comprehensive loss after tax	\$ (17,534,633)	\$ (16,646,433)
Adjustment for non-cash items:		
Deferred tax recovery	(4,129,837)	(3,388,033)
Depreciation and amortization (Notes 5,6)	53,935,194	49,036,747
Amortization of deferred financing costs	1,240,659	1,126,542
Interest accretion on lease liabilities (Note 14)	2,634,407	1,990,275
Interest accretion on convertible debentures (Note 8)	2,266,267	2,769,525
Unrealized loss on derivative financial instruments (Note 7)	977,503	510,817
Stock based compensation (Note 9)	167,918	464,711
Interest expensed on debentures (Note 8)	7,421,067	7,462,359
Realized loss on disposal of real estate and equipment (Note 5)	9,216	2,613,604
Cash flows from operations before non-cash working capital balances	46,987,761	45,940,114
Net change in non-cash working capital balances		
Accounts receivable	(1,625,064)	782,388
Prepaid expenses and other current assets	(7,506,245)	(5,630,468)
Accounts payable and accrued liabilities	272,112	1,723,446
Unearned revenue	2,046,056	(71,182)
Cash flows from operating activities	40,174,620	42,744,298
Financing activities		
Dividends paid (Note 9)	(1,185,963)	(1,257,255)
Payments of lease liabilities (Note 14)	(5,405,791)	(4,062,617)
Debt issuance costs	(2,384,774)	(1,042,415)
Cash advances from long term debt (Note 7)	193,572,428	327,000,000
Cash repayments of long term debt (Note 7)	(84,111,530)	(176,495,143)
Stock options, RSUs/DSUs redeemed	211,955	(817,900)
Interest paid on debentures (Note 8)	(7,441,446)	(7,482,737)
Common shares repurchased (Note 9)	(16,303,253)	(10,991,968)
Swap settlement payment	(835,000)	-
Common shares issued, net of issuance costs (Note 9)	-	402,350
Cash flows from financing activities	76,116,626	125,252,315
Investing activities		
Purchases of real estate and equipment (Note 5)	(43,890,092)	(34,026,531)
Proceeds on disposal of real estate and equipment (Note 5)	103,709	7,545
Cash paid in business combinations (Note 4)	(67,375,000)	(129,000,000)
Cash flows used for investing activities	(111,161,383)	(163,018,986)
Increase in cash and short term deposits	5,129,863	4,977,627
Cash and short term deposits balance, beginning of the period	16,342,562	13,861,106
Cash and short term deposits balance, end of the period	\$ 21,472,425	\$ 18,838,733

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

StorageVault Canada Inc.

Notes to the Interim Consolidated Financial Statements

For the Three and Six Months Ended June 30, 2025 and 2024

(Unaudited)

1. Description of Business

StorageVault Canada Inc. (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 interim consolidated financial statements and the notes thereto present the Corporation's financial results of operations and financial position in accordance with IFRS[®] Accounting Standards as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee. They have been prepared in accordance with International Accounting Standard ("IAS") 34 "Interim Financial Reporting" and accordingly these interim consolidated financial statements do not include all the necessary annual disclosures in accordance with IFRS. These interim consolidated financial statements as at and for the three and six months ended June 30, 2025, were authorized for issuance by the Board of Directors of the Corporation on July 23, 2025.

These interim consolidated financial statements should be read in conjunction with the Corporation's annual audited consolidated financial statements for the year ended December 31, 2024.

The interim 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 interim consolidated financial statements were prepared on a going concern basis, and are presented in Canadian dollars, which is the Corporation's and its wholly owned subsidiary's functional currency.

3. Material Accounting Policies

Basis of Consolidation

The interim consolidated financial statements include the accounts of StorageVault Canada Inc. and its wholly owned subsidiary 507399 N.W.T. Ltd., both of which are headquartered in Toronto, Ontario. The financial statements for the consolidated entity 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 interim consolidated financial statements.

The accounting policies and methods of computation followed in the preparation of these interim consolidated financial statements are consistent with those used in the preparation of the Corporation's annual audited consolidated financial statements for the year ended December 31, 2024.

4. Acquisitions

During the three and six months ended June 30, 2025, 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 operation being included in the interim consolidated financial statements of the Corporation since the date of acquisition. Details of the acquisitions are:

StorageVault Canada Inc.**Notes to the Interim Consolidated Financial Statements**

For the Three and Six Months Ended June 30, 2025 and 2024

*(Unaudited)***Note 4 – Continued**Second Quarter Acquisitions:

During the second quarter, the Corporation completed the acquisitions of seven self storage locations for \$67,375,000 (subject to customary adjustments). These acquisitions were arm's length and non-arm's length transactions. The purchases were paid for by advances from debt and cash on hand.

A summary of the acquisitions is as follows:

	Two Self Storage Locations	One Self Storage Location	One Self Storage Location
Acquisition date:	April 4, 2025	May 1, 2025	May 12, 2025
Land, Yards, Buildings & Improvements	\$ 20,466,629	\$ 2,137,289	\$ 2,652,554
Tenant Relationships	1,408,371	362,711	347,446
Net assets acquired	21,875,000	2,500,000	3,000,000
Consideration paid for the net assets acquired was obtained from the following:			
Cash	4,089,576	2,500,000	3,000,000
Debt	17,785,424	-	-
	21,875,000	2,500,000	3,000,000
Selected information for the acquisitions, since their acquisition date:			
Revenue	496,654	54,358	19,021
Operating costs	149,583	17,335	14,337
	347,071	37,023	4,684
Amortization	201,623	14,891	12,758
Interest	152,424	-	-
Net income (loss)	\$ (6,976)	\$ 22,132	\$ (8,074)
	One Self Storage Location	Two Self Storage Locations	Total
Acquisition date:	June 3, 2025	June 23, 2025	
Land, Yards, Buildings & Improvements	\$ 17,888,002	\$ 17,394,984	\$ 60,539,458
Tenant Relationships	2,111,998	2,605,016	6,835,542
Net assets acquired	20,000,000	20,000,000	67,375,000
Consideration paid for the net assets acquired was obtained from the following:			
Cash	20,000,000	20,000,000	49,589,576
Debt	-	-	17,785,424
	20,000,000	20,000,000	67,375,000
Selected information for the acquisitions, since their acquisition date:			
Revenue	167,934	36,940	774,907
Operating costs	20,812	3,772	205,839
	147,122	33,168	569,068
Amortization	50,871	14,284	294,427
Interest	-	-	152,424
Net income (loss)	\$ 96,251	\$ 18,884	\$ 122,217

StorageVault Canada Inc.
Notes to the Interim Consolidated Financial Statements

For the Three and Six Months Ended June 30, 2025 and 2024

(Unaudited)

5. Real Estate and Equipment

	Land, Yards, Buildings & Improvements	Storage Containers	Intangible Tenant Relationships	Vehicles	Office & Computer Equipment	Total
COST						
December 31, 2023	\$ 2,204,002,607	\$ 24,436,632	\$ 198,744,432	\$ 10,099,037	\$ 17,409,570	\$ 2,454,692,278
Additions	76,341,820	1,520,115	-	2,435,550	8,754,844	89,052,329
Disposals	(9,492,731)	(599,304)	-	-	(51,013)	(10,143,048)
Business acquisitions	199,710,531	-	11,680,666	488,000	-	211,879,197
December 31, 2024	2,470,562,227	25,357,443	210,425,098	13,022,587	26,113,401	2,745,480,756
Additions	70,560,003	1,608,039	-	303,200	6,839,452	79,310,694
Disposals	(51,459)	(178,513)	-	(306,802)	(40,214)	(576,988)
Business acquisitions	60,539,458	-	6,835,542	-	-	67,375,000
June 30, 2025	\$ 2,601,610,229	\$ 26,786,969	\$ 217,260,640	\$ 13,018,985	\$ 32,912,639	\$ 2,891,589,462
ACCUMULATED DEPRECIATION						
December 31, 2023	\$ 384,407,696	\$ 11,210,371	\$ 165,364,141	\$ 6,635,738	\$ 7,069,340	\$ 574,687,286
Depreciation	78,061,657	1,340,191	17,728,079	1,761,979	3,669,942	102,561,848
Disposals	(1,706,457)	(360,790)	-	-	(2,969)	(2,070,216)
December 31, 2024	460,762,896	12,189,772	183,092,220	8,397,717	10,736,313	675,178,918
Depreciation	41,120,418	644,027	8,150,335	874,591	3,073,643	53,863,014
Disposals	(9,130)	(111,717)	-	(303,571)	(5,372)	(429,790)
June 30, 2025	\$ 501,874,184	\$ 12,722,082	\$ 191,242,555	\$ 8,968,737	\$ 13,804,584	\$ 728,612,142
NET BOOK VALUE						
December 31, 2024	2,009,799,331	13,167,671	27,332,878	4,624,870	15,377,088	2,070,301,838
June 30, 2025	2,099,736,045	14,064,887	26,018,085	4,050,248	19,108,055	2,162,977,320

Included in Land, Yards, Buildings & Improvements is Land at a carrying value of \$749,853,889 (December 31, 2024 - \$726,020,133).

Included in Land, Yards, Buildings & Improvements are investment properties at a carrying value of \$43,313,497 (December 31, 2024 - \$43,848,255).

Included in Land, Yards, Buildings & Improvements is \$45,847,574 (December 31, 2024 - \$34,652,128) 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 \$114,613,236 (December 31, 2024 - \$83,555,346), net of accumulated depreciation of \$26,871,319 (December 31, 2024 - \$22,776,230). The continuity of the right-of-use assets is as follows:

	Self Storage Properties
Balance, December 31, 2023	\$ 92,781,005
Additions and reassessments	(2,792,511)
Depreciation charge for the period	(6,433,148)
Balance, December 31, 2024	83,555,346
Additions and reassessments	35,152,979
Depreciation charge for the period	(4,095,089)
Balance, June 30, 2025	<u>\$ 114,613,236</u>

StorageVault Canada Inc.**Notes to the Interim Consolidated Financial Statements**

For the Three and Six Months Ended June 30, 2025 and 2024

*(Unaudited)***6. Goodwill and Intangible Assets**

	<u>Goodwill</u>	<u>Management Contracts</u>	<u>Trademarks</u>	<u>Website</u>	<u>Total</u>
COST					
December 31, 2023	\$ 108,316,559	\$ 16,300,000	\$ 388,919	\$ 70,904	\$ 125,076,382
Additions	-	-	8,757	314,598	323,355
Business acquisitions	3,120,803	-	-	-	3,120,803
December 31, 2024	111,437,362	16,300,000	397,676	385,502	128,520,540
Additions	-	-	642	-	642
June 30, 2025	<u>\$ 111,437,362</u>	<u>\$ 16,300,000</u>	<u>\$ 398,318</u>	<u>\$ 385,502</u>	<u>\$ 128,521,182</u>
ACCUMULATED AMORTIZATION					
December 31, 2023	\$ -	\$ -	\$ 49,542	\$ 66,500	\$ 116,042
Amortization	-	-	39,829	80,735	120,564
December 31, 2024	-	-	89,371	147,235	236,606
Amortization	-	-	19,476	52,704	72,180
June 30, 2025	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 108,847</u>	<u>\$ 199,939</u>	<u>\$ 308,786</u>
NET BOOK VALUE					
December 31, 2024	111,437,362	16,300,000	308,305	238,267	128,283,934
June 30, 2025	111,437,362	16,300,000	289,471	185,563	128,212,396

StorageVault Canada Inc.
Notes to the Interim Consolidated Financial Statements

For the Three and Six Months Ended June 30, 2025 and 2024

(Unaudited)

7. Debt

	June 30, 2025			December 31, 2024		
	Rate Range	Weighted Average	Balance	Rate Range	Weighted Average	Balance
<u>Mortgages</u>						
At amortized cost - Fixed	2.84% to 6.00 %	4.96%	555,862,084	2.84% to 6.00%	4.94%	554,199,300
	<i>Maturity: Nov 2025 to Sep 2031</i>			<i>Maturity: Mar 2025 to Sep 2031</i>		
At amortized cost - Variable		5.95%	3,073,179		6.45%	3,161,703
	<i>Maturity: Jul 2027</i>			<i>Maturity: Jul 2027</i>		
At FVTPL - Variable			768,803,137			725,308,752
- Fixed via interest rate swap			4,442,396			1,335,567
		4.87%	773,245,533		4.86%	726,644,319
	<i>Maturity: Aug 2025 to Jan 2031</i>			<i>Maturity: Jun 2025 to Jan 2031</i>		
		4.91%	1,332,180,796		4.90%	1,284,005,322
<u>Lines of Credit and Promissory Notes</u>						
At amortized cost - Fixed		4.50%	10,285,424		4.50%	500,000
	<i>Maturity: Dec 2025</i>			<i>Maturity: Mar 2025</i>		
At amortized cost - Variable		5.48%	143,645,131		6.12%	92,145,131
	<i>Maturity: May 2026 to Feb 2028</i>			<i>Maturity: Feb 2025 to Dec 2027</i>		
At FVTPL - Variable			298,714,434			300,895,063
- Fixed via interest rate swap			1,285,566			(895,063)
		4.32%	300,000,000		3.88%	300,000,000
	<i>Maturity: Feb 2028</i>			<i>Maturity: Feb 2025</i>		
		4.69%	453,930,555		4.41%	392,645,131
Deferred financing costs, net of accretion			(5,281,410)			(4,137,295)
		4.85%	1,780,829,941		4.78%	1,672,513,158

Reconciliation of Debt

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

	June 30, 2025	December 31, 2024
Debt, beginning of period	\$ 1,672,513,158	\$ 1,412,708,149
Advances from debt	193,572,428	606,589,054
Repayment of debt	(84,111,530)	(346,389,518)
Change in fair value of debt measured at FVTPL	5,287,458	24,425,145
Change in fair value of interest rate swaps	(5,287,458)	(24,425,145)
Total cash flow from debt financing activities	109,460,898	260,199,536
Change in deferred financing costs	(1,144,115)	(394,527)
Debt, end of period	\$ 1,780,829,941	\$ 1,672,513,158

StorageVault Canada Inc.**Notes to the Interim Consolidated Financial Statements**

For the Three and Six Months Ended June 30, 2025 and 2024

(Unaudited)

Note 7 – Continued

The bank prime rate at June 30, 2025 was 4.95% (December 31, 2024 – 5.45%).

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 June 30, 2025, 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 and lines of credit in each of the next five years are estimated as follows:

Year 1	\$	632,569,996	(includes lines of credit and promissory note of \$453.9 million)
Year 2	\$	267,632,927	
Year 3	\$	231,307,284	
Year 4	\$	328,010,362	
Year 5	\$	277,311,363	
Thereafter	\$	49,279,419	

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 4.72%. On \$76 million of this debt, the bank entered into interest rate swap cancellation agreements, allowing them to cancel the original swap agreements between October 27, 2025 and April 22, 2027.

During the six months ended June 30, 2025, the Corporation recognized an unrealized loss on derivative financial instruments of \$1.0 million (June 30, 2024 – \$0.5 million). These derivative financial instruments mature between August 2025 and January 2031.

8. 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, 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.

2023 Convertible Debentures

On January 9, 2023, \$150 million of convertible senior unsecured debentures were issued at a price of \$1,000 per debenture with a term of sixty-six months, due March 31, 2028. These debentures bear a fixed interest rate of 5% per annum, payable semi-annually in arrears on March 31 and September 30 of each year, commencing March 31, 2023. The intended use of the net proceeds of the debentures is to fund potential future opportunities and for general corporate purposes.

On and after March 31, 2026 and prior to March 31, 2027, the debentures will be redeemable in whole or in part from time to time by the Corporation at a redemption price equal to 125% 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 March 31, 2027 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 March 31, 2028, the debentures will be convertible into freely tradeable common shares of the Corporation at the option of the holder at a conversion price of \$8.65 per share.

StorageVault Canada Inc.**Notes to the Interim Consolidated Financial Statements**

For the Three and Six Months Ended June 30, 2025 and 2024

*(Unaudited)***Note 8 – Continued**

The debentures were recorded as a financial instrument at a fair value of \$150 million, net of deferred financing costs of \$6.0 million, an equity component of \$18.2 million, and a deferred tax liability of \$4.7 million. The equity component of the convertible debentures relates to the portion of the debentures' value that is attributed to the conversion option, which allows the holder to convert the debentures into common shares of the Corporation.

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

	<u>June 30, 2025</u>	<u>December 31, 2024</u>
Opening balance	\$ 267,038,477	\$ 261,437,659
Accretion on hybrid debentures	565,499	1,130,998
Accretion on convertible debentures	2,266,267	4,469,820
Interest payable	7,421,067	14,965,475
Interest paid	(7,441,446)	(14,965,475)
Ending balance	<u>\$ 269,849,864</u>	<u>\$ 267,038,477</u>

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:

	<u>Number of Shares</u>	<u>Amount</u>
Balance, December 31, 2023	374,560,308	\$ 404,045,009
Issued on acquisitions	640,000	4,000,000
Dividend reinvestment plan	374,619	1,810,124
Stock options redeemed	-	(108,510)
Common shares repurchased	(8,620,137)	(36,309,062)
Share buyback tax	-	(725,903)
Balance, December 31, 2024	<u>366,954,790</u>	<u>372,711,658</u>
Dividend reinvestment plan	262,914	966,930
Stock options redeemed	1,930,500	211,955
Common shares repurchased	(4,144,175)	(16,303,253)
Share buyback tax	-	(326,642)
Balance, June 30, 2025	<u>365,004,029</u>	<u>\$ 357,260,648</u>

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.

StorageVault Canada Inc.**Notes to the Interim Consolidated Financial Statements**

For the Three and Six Months Ended June 30, 2025 and 2024

*(Unaudited)***Note 9 – Continued**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 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:

	<u>June 30, 2025</u>	<u>December 31, 2024</u>
Opening balance	\$ 41,390,480	\$ 40,568,013
Stock based compensation	167,918	2,684,644
Stock options, RSUs/DSUs redeemed	-	(1,862,177)
Ending balance	<u>\$ 41,558,398</u>	<u>\$ 41,390,480</u>

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:

	<u>June 30, 2025</u>		<u>December 31, 2024</u>	
	<u>Options</u>	<u>Weighted Average Price</u>	<u>Options</u>	<u>Weighted Average Price</u>
Opening	35,834,500	\$ 3.99	36,587,000	\$ 3.99
Redeemed	(2,130,500)	0.45	(752,500)	4.21
Granted	1,600,000	4.00	-	-
Closing and Exercisable	<u>35,304,000</u>	<u>\$ 4.20</u>	<u>35,834,500</u>	<u>\$ 3.99</u>

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:

	<u>2025</u>
Dividend Yield	0.01%
Risk-Free Interest Rate	2.92%
Expected Life of Options	4 Years
Expected Volatility of the Corporation's Common Shares	30.15%

StorageVault Canada Inc.**Notes to the Interim Consolidated Financial Statements**

For the Three and Six Months Ended June 30, 2025 and 2024

*(Unaudited)***Note 9 – Continued**

Stock options exercisable and outstanding are as follows:

Exercise Price	Vesting Date	Expiry Date	June 30, 2025	December 31, 2024
\$ 0.41	Apr. 28, 2015	Apr. 28, 2025	-	1,125,500
\$ 0.50	Sep. 14, 2015	Sep. 14, 2025	300,000	1,305,000
\$ 1.36	Dec. 21, 2016	Dec. 21, 2026	2,420,000	2,420,000
\$ 1.78	Mar. 16, 2017	Mar. 16, 2027	2,645,000	2,645,000
\$ 2.52	May 4, 2018	May 4, 2028	2,655,000	2,655,000
\$ 2.90	May 28, 2019	May 28, 2029	5,296,500	5,296,500
\$ 3.98	Dec. 15, 2020	Dec. 15, 2030	5,433,000	5,433,000
\$ 6.31	Dec. 20, 2021	Dec. 20, 2031	6,595,000	6,595,000
\$ 5.94	Dec. 19, 2022	Dec. 19, 2032	6,793,500	6,793,500
\$ 5.23	Dec. 28, 2023	Dec. 28, 2033	1,566,000	1,566,000
\$ 4.00	Jan. 2, 2025	Jan. 2, 2035	1,600,000	-
Options exercisable and outstanding			35,304,000	35,834,500

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 stock 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 stock 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 June 30, 2025, 5,619,028 TRS were outstanding at a value of (\$1,914,807) (December 31, 2024 – 4,621,428 TRS were outstanding at a value of (\$2,759,070)).

At June 30, 2025, 100% of the combined DSU and RSU exposures were economically hedged. Hedge accounting is not applied for the DSU/RSU hedging program.

During the three and six months ended June 30, 2025, the Corporation issued nil common shares at a value of \$nil (December 31, 2024 – nil common shares at a value of \$nil) under the Plan. A total of 979,878 common shares at a value of \$4,917,329 were outstanding at June 30, 2025 (December 31, 2024 – 979,878 common shares at a value of \$4,917,329).

Dividends

A cash dividend of \$0.002946 per common share was declared on March 14, 2025, and paid to shareholders of record on March 31, 2025.

StorageVault Canada Inc.**Notes to the Interim Consolidated Financial Statements**

For the Three and Six Months Ended June 30, 2025 and 2024

*(Unaudited)***Note 9 – Continued**

A cash dividend of \$0.002961 per common share was declared on June 17, 2025, and paid to shareholders of record on June 30, 2025.

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:

		June 30, 2025		December 31, 2024	
	<u>Fair Value Hierarchy</u>	<u>Carrying Amount</u>	<u>Fair Value</u>	<u>Carrying Amount</u>	<u>Fair Value</u>
Financial instruments:					
Debt - at amortized cost	Level 2	(707,584,408)	(715,792,994)	(645,868,839)	(640,059,885)
Debt - at FVTPL	Level 2	(1,067,517,571)	(1,067,517,571)	(1,026,203,815)	(1,026,203,815)
Interest rate swaps	Level 2	(5,727,962)	(5,727,962)	(440,504)	(440,504)
Derivative liabilities - at FVTPL	Level 2	(5,444,408)	(5,444,408)	(5,301,905)	(5,301,905)

Financial instruments may expose the Corporation to a number of financial risks including interest rate risk, credit risk and liquidity 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 Interim Consolidated Statements of Income (Loss) and Comprehensive Income (Loss) if interest rates on variable rate debt had been 1% higher or lower for the

StorageVault Canada Inc.**Notes to the Interim Consolidated Financial Statements**

For the Three and Six Months Ended June 30, 2025 and 2024

(Unaudited)

Note 10 – Continued

three and six months ended June 30, 2025 would have been approximately \$366,796 and \$733,592, respectively (June 30, 2024 - \$358,954 and \$717,908, respectively).

- 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 \$788,116 of receivables from related parties at June 30, 2025 (December 31, 2024 - \$398,254). 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, 2023	\$ 499,536
Charges or adjustments during the period	(278,405)
Balance December 31, 2024	221,131
Charges or adjustments during the period	202,754
Balance June 30, 2025	<u><u>\$ 423,885</u></u>

The creation and release of the allowance for expected credit losses has been included in operating costs in the Interim 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.

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

StorageVault Canada Inc.**Notes to the Interim Consolidated Financial Statements**

For the Three and Six Months Ended June 30, 2025 and 2024

*(Unaudited)***11. 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 three and six months ended June 30, 2025, the Corporation paid \$95,636 and \$163,921, respectively (June 30, 2024 - \$87,900 and \$160,814, respectively) for royalties and \$286,449 and \$1,786,000, respectively (June 30, 2024 - \$893,205 and \$893,205, respectively) 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 June 30, 2025 was \$355,015 (December 31, 2024 - \$57,625) 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 three and six months ended June 30, 2025, the Corporation received \$1,322,673 and \$2,538,453, respectively (June 30, 2024 - \$1,162,798 and \$2,402,044, respectively) in payments and reimbursements related to the management agreements. During the three and six months ended June 30, 2025, the Corporation also incurred \$11,974,849 and \$26,459,929, respectively (June 30, 2024 - \$14,946,458 and \$26,875,432, respectively) 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 June 30, 2025 was \$424,273 (December 31, 2024 - \$2,671,226) payable to the Access Group. Included in accounts receivable as at June 30, 2025 was \$788,116 (December 31, 2024 - \$398,254) 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:

	<u>June 30, 2025</u>	<u>June 30, 2024</u>
Wages, management fees, bonuses and directors fees	\$ 822,189	\$ 635,314
Stock based compensation	-	118,750
	<u>\$ 822,189</u>	<u>\$ 754,064</u>

12. 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

StorageVault Canada Inc.**Notes to the Interim Consolidated Financial Statements**

For the Three and Six Months Ended June 30, 2025 and 2024

*(Unaudited)***Note 12 – Continued**

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. There have been no changes to how the Corporation manages its capital in the current period.

13. 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 operating 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.

For the Three Months Ended June 30, 2025

	Self Storage	Portable Storage	Management Division	Corporate	Total
Revenue	\$ 80,340,436	\$ 2,636,898	\$ 543,614	\$ -	\$ 83,520,948
Operating costs	26,648,440	1,650,481	-	-	28,298,921
Net operating income	53,691,996	986,417	543,614	-	55,222,027
Depreciation and amortization	25,683,085	856,166	-	742,914	27,282,165
Interest	25,937,667	-	-	-	25,937,667
Selling, general and admin.	-	-	-	6,348,400	6,348,400
Acquisition and integration	-	-	-	2,601,449	2,601,449
Interest accretion on convertible debentures	-	-	-	1,136,371	1,136,371
Stock based compensation	-	-	-	83,959	83,959
Unrealized loss on derivative financial instruments	-	-	-	7,751	7,751
Gain on disposal of assets	-	-	-	(30,611)	(30,611)
Deferred tax recovery	-	-	-	(1,979,501)	(1,979,501)
Net income (loss)	\$ 2,071,244	\$ 130,251	\$ 543,614	\$ (8,910,732)	\$ (6,165,623)

Additions:

Real estate and equipment	\$ 104,165,688	\$ 1,748,084	\$ -	\$ 37,570	\$ 105,951,342
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StorageVault Canada Inc.**Notes to the Interim Consolidated Financial Statements**

For the Three and Six Months Ended June 30, 2025 and 2024

*(Unaudited)***Note 13 – Continued****For the Three Months Ended June 30, 2024**

	Self Storage	Portable Storage	Management Division	Corporate	Total
Revenue	\$ 71,177,489	\$ 2,435,793	\$ 498,207	\$ -	\$ 74,111,489
Operating costs	22,664,270	1,520,999	-	-	24,185,269
Net operating income	48,513,219	914,794	498,207	-	49,926,220
Depreciation and amortization	24,206,850	656,952	-	587,201	25,451,003
Interest	21,194,055	-	-	-	21,194,055
Selling, general and admin.	-	-	-	6,471,995	6,471,995
Acquisition and integration	-	-	-	2,596,685	2,596,685
Interest accretion on convertible debentures	-	-	-	1,098,815	1,098,815
Stock based compensation	-	-	-	230,332	230,332
Unrealized loss on derivative financial instruments	-	-	-	2,525,569	2,525,569
Loss on disposal of assets	-	-	-	680,899	680,899
Deferred tax recovery	-	-	-	(1,634,782)	(1,634,782)
Net income (loss)	<u>\$ 3,112,314</u>	<u>\$ 257,842</u>	<u>\$ 498,207</u>	<u>\$ (12,556,714)</u>	<u>\$ (8,688,351)</u>
Additions:					
Real estate and equipment	\$ 149,582,363	\$ 910,707	\$ -	\$ 3,136,083	\$ 153,629,153

StorageVault Canada Inc.**Notes to the Interim Consolidated Financial Statements**

For the Three and Six Months Ended June 30, 2025 and 2024

*(Unaudited)***Note 13 – Continued****For the Six Months Ended June 30, 2025**

	Self Storage	Portable Storage	Management Division	Corporate	Total
Revenue	\$ 154,263,850	\$ 4,536,316	\$ 992,085	\$ -	\$ 159,792,251
Operating costs	53,940,619	2,974,112	-	-	56,914,731
Net operating income	100,323,231	1,562,204	992,085	-	102,877,520
Depreciation and amortization	50,757,410	1,701,459	-	1,476,325	53,935,194
Interest	50,535,615	-	-	-	50,535,615
Selling, general and admin.	-	-	-	12,435,977	12,435,977
Acquisition and integration	-	-	-	4,214,300	4,214,300
Interest accretion on convertible debentures	-	-	-	2,266,267	2,266,267
Stock based compensation	-	-	-	167,918	167,918
Unrealized loss on derivative financial instruments	-	-	-	977,503	977,503
Loss on disposal of assets	-	-	-	9,216	9,216
Deferred tax recovery	-	-	-	(4,129,837)	(4,129,837)
Net income (loss)	<u>\$ (969,794)</u>	<u>\$ (139,255)</u>	<u>\$ 992,085</u>	<u>\$ (17,417,669)</u>	<u>\$ (17,534,633)</u>

Additions:

Real estate and equipment	\$ 144,727,757	\$ 1,851,234	\$ -	\$ 106,703	\$ 146,685,694
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StorageVault Canada Inc.**Notes to the Interim Consolidated Financial Statements**

For the Three and Six Months Ended June 30, 2025 and 2024

*(Unaudited)***Note 13 – Continued****For the Six Months Ended June 30, 2024**

	Self Storage	Portable Storage	Management Division	Corporate	Total
Revenue	\$ 140,121,750	\$ 4,436,402	\$ 944,415	\$ -	\$ 145,502,567
Operating costs	48,295,911	3,037,907	-	-	51,333,818
Net operating income	91,825,839	1,398,495	944,415	-	94,168,749
Depreciation and amortization	47,129,506	1,131,725	-	775,516	49,036,747
Interest	43,284,527	-	-	-	43,284,527
Selling, general and admin.	-	-	-	11,979,503	11,979,503
Acquisition and integration	-	-	-	4,109,279	4,109,279
Interest accretion on convertible debentures	-	-	-	2,204,027	2,204,027
Stock based compensation	-	-	-	464,711	464,711
Unrealized loss on derivative financial instruments	-	-	-	510,817	510,817
Loss on disposal of assets	-	-	-	2,613,604	2,613,604
Deferred tax recovery	-	-	-	(3,388,033)	(3,388,033)
Net income (loss)	\$ 1,411,806	\$ 266,770	\$ 944,415	\$ (19,269,424)	\$ (16,646,433)

Additions:

Real estate and equipment	\$ 165,440,729	\$ 1,410,101	\$ -	\$ 4,306,332	\$ 171,157,162
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Total Assets

	Self Storage	Portable Storage	Management Division	Corporate	Total
As at December 31, 2024	\$ 2,069,204,117	\$ 22,091,822	\$ 17,635,541	\$ 125,036,780	\$ 2,233,968,260
As at June 30, 2025	\$ 2,173,045,532	\$ 22,188,024	\$ 18,320,320	\$ 127,279,500	\$ 2,340,833,376

14. Lease Liabilities

The Corporation leases buildings and land in British Columbia, Alberta, Manitoba, Ontario, Quebec, and the North West Territories. The leases expire between 2026 and 2075, with the leases expiring in 2026 and 2027 having up to 5 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.

StorageVault Canada Inc.**Notes to the Interim Consolidated Financial Statements**

For the Three and Six Months Ended June 30, 2025 and 2024

(Unaudited)

Note 14 – Continued

For the three and six months ended June 30, 2025, the Corporation recognized \$1,491,810 and \$2,634,407, respectively (June 30, 2024 - \$1,028,396 and \$1,990,275, respectively) in interest expense related to its lease liabilities.

A reconciliation of the lease liabilities associated with self storage properties is as follows:

	<u>June 30, 2025</u>	<u>December 31, 2024</u>
Balance, beginning of period	\$ 92,142,366	\$ 99,715,973
Additions and reassessments	35,152,979	(2,966,335)
Cash payments	(5,405,791)	(8,485,753)
Interest	2,634,407	3,878,481
Balance, end of period	<u>\$ 124,523,961</u>	<u>\$ 92,142,366</u>

Lease payments in each of the next five years are estimated as follows:

Year 1	\$	10,676,533
Year 2	\$	10,437,780
Year 3	\$	9,698,478
Year 4	\$	9,392,727
Year 5	\$	8,327,755
Thereafter	\$	149,025,658

15. Subsequent Events

On July 23, 2025, the Corporation approved an increase to the quarterly dividend for Q3 2025 by 0.5% to \$0.002976 per common share.

StorageVault Canada Inc.**Notes to the Interim Consolidated Financial Statements**

For the Three and Six Months Ended June 30, 2025 and 2024

(Unaudited)

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