

## NEWS RELEASE

For Release

October 23, 2024  
Toronto, Ontario

### **StorageVault Reports 2024 Third Quarter Results, Highlights \$204.5 Million of Acquisitions, Expansion Space, and Increases Dividend**

**STORAGEVAULT CANADA INC.** (“StorageVault” or the “Corporation”) (SVI-TSX) reported the Corporation’s 2024 third quarter results and increases its dividend. Iqbal Khan, Chief Financial Officer, commented:

“We have completed \$204.5 million of acquisitions year to date – more than double the high end of our expected range – a product of both our strong acquisition pipeline and balance sheet. We will deliver 110,000 square feet of new and or renovated space by year end. While still achieving our 38th consecutive quarter of positive growth, operations continue to be impacted by lower housing sales and renovations as well as slower population growth, resulting in our same store revenue and NOI growth of 1.6% and 1.2% and AFFO growth of 2.5% per common share.”

#### **2024 Third Quarter Results**

Revenue for the third quarter of 2024 increased to \$79.0 million compared to \$75.7 million in Q3 2023 and net operating income (“NOI”), a non-IFRS measure, grew to \$54.1 million from \$52.7 million for the comparative period. Our cash flow from operations increased year over year and when combined with our financing and investing activities resulted in a cash balance of \$12.3 million at the end of the quarter. The Q3 2024 net loss of \$7.0 million (net income of \$16.4 million for Q3 2023 including a \$15.6 million unrealized gain on derivative financial instruments) is impacted by the following non-cash and non-recurring items – \$27.4 million of depreciation and amortization, \$0.2 million in stock based compensation, \$1.1 million of interest accretion on convertible debentures, \$1.6 million of unrealized loss on derivative financial instruments, \$1.3 million of realized loss on real estate (related to the derecognition and replacement of capital improvements made at our stores) and deferred tax recovery of \$1.6 million.

Revenue and NOI from Existing Self Storage stores increased by 1.6% and 1.2%, compared to the same period last year. Funds from operations (“FFO”), a non-IFRS measure, were \$23.1 million for Q3 2024 compared to \$23.8 million in Q3 2023, a 3.0% decrease year over year. Adjusted funds from operations (“AFFO”), a non-IFRS measure, were \$25.6 million for Q3 2024 compared to \$25.2 million in Q3 2023, a 1.5% increase. On a per basic common share basis, FFO decreased by 2.0% and AFFO increased by 2.5%.

For a reconciliation of the above NOI, FFO, and AFFO amounts to IFRS, please see “Non-IFRS Financial Measures” and the reconciliation tables below, and the Corporation’s Management’s Discussion & Analysis for the three and nine months ended September 30, 2024 filed on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

#### **2024 Nine Months Year to Date Results**

Revenue for the nine months ended September 30, 2024 increased to \$224.5 million from \$214.5 million, a 4.7% increase, and NOI, a non-IFRS measure, grew to \$148.2 million from \$143.7 million, for the comparative period, a 3.2% increase. For the nine months ended September 30, 2024, cash flow from operations was \$74.0 million and when combined with our financing and investing activities resulted in a cash balance of \$12.3 million. The net loss of \$23.6 million for the nine months ended September 30, 2024 (net income of \$26.1 million for 2023 including a \$17.0 million unrealized gain on derivative financial instruments and a \$15.6 million gain on real estate disposition from an expropriation) is impacted by the following non-cash and non-recurring items – \$76.4 million of depreciation and amortization, \$0.7 million in stock based compensation, \$3.3 million of interest accretion on convertible debentures, \$2.1 million of unrealized loss on derivative financial instruments, \$3.9 million of realized loss on real estate (related to

the derecognition and replacement of capital improvements made at our stores) and deferred tax recovery of \$5.0 million.

Our Revenue and NOI from Existing Self Storage, a non-IFRS measure, increased by 3.1% and 2.7%, compared to the same period last year. FFO, a non-IFRS measure, were \$57.9 million compared to \$59.2 million for the same period in 2023, a 2.2% decrease year over year. AFFO, a non-IFRS measure, were \$65.5 million compared to \$63.2 million for the same period in 2023, a 3.6% increase year over year. On a basic common per share basis, FFO decreased by 1.2% and AFFO increased by 4.7%.

For a reconciliation of the above NOI, FFO, and AFFO amounts to IFRS, please see “Non-IFRS Financial Measures” and the reconciliation tables below, and the Corporation’s Management’s Discussion & Analysis for the three and nine months ended September 30, 2024 filed on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

### **Increased Dividend**

StorageVault is increasing its quarterly dividend by 0.5% beginning Q4 2024 to \$0.002932 per common share.

### **Our Strategy**

StorageVault is focused on owning and operating storage in the top markets in Canada. Our goal is to have multiple stores in each market, with complementary portable storage units and records management storage services, to take advantage of economies of scale. Our growth strategy is focused on acquisitions, organic growth, expansion of our existing stores and expansion of our portable storage and records management businesses.

### **Further Information**

For a comprehensive disclosure of StorageVault’s performance for the three and nine months ended September 30, 2024 and its financial position as at such date, please see StorageVault’s Unaudited Interim Consolidated Financial Statements and Management’s Discussion and Analysis for the three and nine months ended September 30, 2024 filed on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

### **Non-IFRS Financial Measures**

Management uses both IFRS and non-IFRS Measures to assess the financial and operating performance of the Corporation’s operations. These non-IFRS Measures are not recognized measures under IFRS, do not have a standardized meaning under IFRS and are unlikely to be comparable to similar measures presented by other companies. The non-IFRS Measures referenced in this news release include the following:

- i. Net Operating Income (“**NOI**”) – NOI is defined as storage and related services revenue less related property operating costs. NOI does not include interest expense or income, depreciation and amortization, corporate administrative 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, realized gains or losses on real estate, realized and unrealized gains or losses on interest rate swaps, interest accretion on convertible debentures, realized and unrealized gains or losses 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 and interest expense on lease-up stores. 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. Interest expense on lease-up stores relates to interest expensed, that would otherwise be capitalized, for non-stabilized stores (portion remaining to be leased up).
- iv. Existing Self Storage – means stabilized stores that StorageVault has owned or leased at least since the beginning of the previous fiscal year.

NOI, FFO, AFFO and Existing Self Storage, should not be viewed as an alternative to, in isolation from, or superior to, net income or cash flow from operations, or results from StorageVault’s comprehensive operations, respectively, or other measures calculated in accordance with IFRS. NOI, FFO and AFFO should not be interpreted as an indicator of cash generated from operating activities and is not indicative of cash available to fund operating expenditures, or for the payment of cash distributions. Existing Self Storage should not be considered a measure of StorageVault’s comprehensive operations. NOI, FFO, AFFO and Existing Self Storage are simply additional measures of operating performance which highlight trends in StorageVault’s core business that may not otherwise be apparent when relying solely on IFRS financial measures. StorageVault’s management also uses these non-IFRS measures in order to facilitate operating performance comparisons from period to period and to prepare operating budgets. In addition, the Corporation’s definitions of NOI, FFO, AFFO and Existing Self Storage may differ from that of other issuers.

### Non-IFRS Financial Measures Reconciliation

The following table reconciles Net Income (Loss) and Net Operating Income:

	<i>(unaudited)</i>				<i>(unaudited)</i>			
	Three Months Ended September 30				Nine Months Ended September 30			
	2024	2023	Change		2024	2023	Change	
		\$	%			\$	%	
Storage revenue and related services	\$ 78,477,526	\$ 75,230,070	\$ 3,247,456	4.3%	\$ 223,035,678	\$ 212,937,252	\$ 10,098,426	4.7%
Management fees	484,377	515,398	(31,021)	-6.0%	1,428,792	1,518,447	(89,655)	-5.9%
	<b>78,961,903</b>	<b>75,745,468</b>	<b>3,216,435</b>	<b>4.2%</b>	<b>224,464,470</b>	<b>214,455,699</b>	<b>10,008,771</b>	<b>4.7%</b>
Operating costs	24,885,313	23,067,863	1,817,450	7.9%	76,219,131	70,795,028	5,424,103	7.7%
Net operating income <sup>1</sup>	<b>54,076,590</b>	<b>52,677,605</b>	<b>1,398,985</b>	<b>2.7%</b>	<b>148,245,339</b>	<b>143,660,671</b>	<b>4,584,668</b>	<b>3.2%</b>
Less:								
Acquisition and integration costs	2,135,152	1,396,194	738,958	52.9%	6,244,431	3,944,433	2,299,998	58.3%
Selling, general and administrative	6,247,389	6,274,047	(26,658)	-0.4%	18,226,892	17,989,662	237,230	1.3%
Interest	22,562,498	21,165,729	1,396,769	6.6%	65,847,025	62,488,262	3,358,763	5.4%
Stock based compensation	230,447	239,875	(9,428)	-3.9%	695,158	851,303	(156,145)	-18.3%
Realized (gain) loss on real estate	1,319,112	-	1,319,112	-	3,932,716	(15,615,804)	19,548,520	-125.2%
Realized (gain) loss on derivative financial instruments	-	-	-	-	-	(3,970,902)	3,970,902	-100.0%
Unrealized (gain) loss on derivative financial instruments	1,604,100	(15,615,211)	17,219,311	-110.3%	2,114,917	(17,008,711)	19,123,628	-112.4%
Interest accretion on convertible debentures	1,135,916	-	1,135,916	-	3,339,943	-	3,339,943	-
Depreciation and amortization	27,404,913	24,939,018	2,465,895	9.9%	76,441,660	75,239,652	1,202,008	1.6%
	<b>62,639,527</b>	<b>38,399,652</b>	<b>24,239,875</b>	<b>63.1%</b>	<b>176,842,742</b>	<b>123,917,895</b>	<b>52,924,847</b>	<b>42.7%</b>
Net income (loss) before taxes	<b>(8,562,937)</b>	<b>14,277,953</b>	<b>(22,840,890)</b>	<b>160.0%</b>	<b>(28,597,403)</b>	<b>19,742,776</b>	<b>(48,340,179)</b>	<b>244.8%</b>
Deferred tax (expense) recovery	1,589,724	2,100,984	(511,260)	-24.3%	4,977,757	6,344,040	(1,366,283)	-21.5%
Net income (loss)	<b>\$ (6,973,213)</b>	<b>\$ 16,378,937</b>	<b>\$ (23,352,150)</b>	<b>142.6%</b>	<b>\$ (23,619,646)</b>	<b>\$ 26,086,816</b>	<b>\$ (49,706,462)</b>	<b>190.5%</b>

<sup>1</sup> Non-IFRS Measure.

The following table reconciles Net Income (Loss), and Funds from Operations and Adjusted Funds from Operations:

	<i>(unaudited)</i>				<i>(unaudited)</i>			
	Three Months Ended September 30				Nine Months Ended September 30			
	<u>2024</u>	<u>2023</u>	Change		<u>2024</u>	<u>2023</u>	Change	
		\$	%			\$	%	
Net income (loss)	\$ (6,973,213)	\$ 16,378,937	\$ (23,352,150)	142.6%	\$ (23,619,646)	\$ 26,086,816	\$ (49,706,462)	190.5%
Adjustments:								
Stock based compensation	230,447	239,875	(9,428)	-3.9%	695,158	851,303	(156,145)	-18.3%
Interest accretion on convertible debentures	1,135,916	-	1,135,916	-	3,339,943	-	3,339,943	-
Realized (gain) loss on real estate	1,319,112	-	1,319,112	-	3,932,716	(15,615,804)	19,548,520	-125.2%
Realized (gain) loss on derivative financial instruments	-	-	-	-	-	(3,970,902)	3,970,902	-100.0%
Unrealized (gain) loss on derivative financial instruments	1,604,100	(15,615,211)	17,219,311	-110.3%	2,114,917	(17,008,711)	19,123,628	-112.4%
Deferred tax (expense) recovery	(1,589,724)	(2,100,984)	511,260	-24.3%	(4,977,757)	(6,344,040)	1,366,283	-21.5%
Depreciation and amortization	27,404,913	24,939,018	2,465,895	9.9%	76,441,660	75,239,652	1,202,008	1.6%
	<b>30,104,764</b>	<b>7,462,698</b>	<b>22,642,066</b>	<b>303.4%</b>	<b>81,546,637</b>	<b>33,151,498</b>	<b>48,395,139</b>	<b>146.0%</b>
FFO <sup>1</sup>	\$ 23,131,551	\$ 23,841,635	\$ (710,084)	-3.0%	\$ 57,926,991	\$ 59,238,314	\$ (1,311,323)	-2.2%
Adjustments:								
Acquisition and integration costs	2,135,152	1,396,194	738,958	52.9%	6,244,431	3,944,433	2,299,998	58.3%
Interest expensed on non-stabilized stores	346,799	-	346,799	-	1,294,891	-	1,294,891	-
AFFO <sup>1</sup>	\$ 25,613,502	\$ 25,237,829	\$ 375,673	1.5%	\$ 65,466,313	\$ 63,182,747	\$ 2,283,566	3.6%

<sup>1</sup> Non-IFRS Measure.

FFO and AFFO Per Basic Common Share Outstanding

FFO	\$ 0.062	\$ 0.063	\$ (0.001)	-2.0%	\$ 0.155	\$ 0.157	\$ (0.002)	-1.2%
AFFO	\$ 0.069	\$ 0.067	\$ 0.002	2.5%	\$ 0.175	\$ 0.167	\$ 0.008	4.7%

The following table reconciles Existing Self Storage Revenue, Operating Costs and Net Operating Income:

	<i>(unaudited)</i>				<i>(unaudited)</i>			
	Three Months Ended September 30				Nine Months Ended September 30			
	2024	2023	Change		2024	2023	Change	
		\$	%			\$	%	
<b>Revenue</b>								
Existing Self Storage <sup>1</sup>	\$ 66,066,531	\$ 64,998,391	\$ 1,068,140	1.6%	\$ 190,213,712	\$ 184,429,322	\$ 5,784,390	3.1%
New Self Storage <sup>1</sup>	9,460,455	6,929,359	2,531,096	36.5%	25,435,024	20,361,720	5,073,304	24.9%
Total Self Storage	75,526,986	71,927,750	3,599,236	5.0%	215,648,736	204,791,042	10,857,694	5.3%
Portable Storage	2,950,540	3,302,320	(351,780)	-10.7%	7,386,942	8,146,210	(759,268)	-9.3%
Management Fees	484,377	515,398	(31,021)	-6.0%	1,428,792	1,518,447	(89,655)	-5.9%
Combined	78,961,903	75,745,468	3,216,435	4.2%	224,464,470	214,455,699	10,008,771	4.7%
<b>Operating Costs</b>								
Existing Self Storage	18,166,418	17,654,411	512,007	2.9%	57,847,817	55,551,578	2,296,239	4.1%
New Self Storage	4,832,008	3,260,546	1,571,462	48.2%	13,446,519	9,734,598	3,711,921	38.1%
Total Self Storage	22,998,426	20,914,957	2,083,469	10.0%	71,294,336	65,286,176	6,008,160	9.2%
Portable Storage	1,886,887	2,152,906	(266,019)	-12.4%	4,924,794	5,508,852	(584,058)	-10.6%
Combined	24,885,313	23,067,863	1,817,450	7.9%	76,219,130	70,795,028	5,424,102	7.7%
<b>Net Operating Income <sup>1</sup></b>								
Existing Self Storage	47,900,113	47,343,980	556,133	1.2%	132,365,894	128,877,744	3,488,150	2.7%
New Self Storage	4,628,447	3,668,813	959,634	26.2%	11,988,505	10,627,122	1,361,383	12.8%
Total Self Storage	52,528,560	51,012,793	1,515,767	3.0%	144,354,399	139,504,866	4,849,533	3.5%
Portable Storage	1,063,653	1,149,414	(85,761)	-7.5%	2,462,148	2,637,358	(175,210)	-6.6%
Management Fees	484,377	515,398	(31,021)	-6.0%	1,428,792	1,518,447	(89,655)	-5.9%
Combined	\$ 54,076,590	\$ 52,677,605	\$ 1,398,985	2.7%	\$ 148,245,339	\$ 143,660,671	\$ 4,584,668	3.2%

<sup>1</sup> Non-IFRS Measure.

## About StorageVault Canada Inc.

StorageVault, currently, owns and operates 249 storage locations across Canada. StorageVault owns 219 of these locations plus over 5,000 portable storage units representing over 12.4 million rentable square feet on over 715 acres of land. StorageVault also provides last mile storage and logistics' solutions and professional records management services, such as document and media storage, imaging and shredding services.

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**Forward-Looking Information:** This news release contains "forward-looking information" within the meaning of applicable Canadian securities legislation. All statements, other than statements of historical fact, included herein are forward-looking information. In particular, this news release contains forward-looking information regarding: the potential delivery of 110,000 square feet of new and or renovated space by year end; and the Corporation's strategy, including having multiple stores in the top markets in Canada with complementary portable storage units and records management storage services, to take advantage of economies of scale, and a growth strategy focused on acquisitions, organic growth, expansion of existing

stores and portable storage and records management businesses. There can be no assurance that such forward-looking information will prove to be accurate, and actual results and future events could differ materially from those anticipated in such forward-looking information. This forward-looking information reflects StorageVault's current beliefs and is based on information currently available to StorageVault and on assumptions StorageVault believes are reasonable. These assumptions include, but are not limited to: the level of activity in the storage business and the economy generally; consumer interest in the Corporation's services and products; competition and StorageVault's competitive advantages; trends in the storage industry, including, increased growth and growth in the portable storage business; the availability of attractive and financially competitive asset acquisitions in the future; the closing of previously announced acquisitions; the revenue and costs from acquisitions and operations conducted in fiscal 2023 being extrapolated to the entire period for 2024 and being consistent with, and reproducible as, costs and revenue in future periods; and anticipated and unanticipated costs. 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 StorageVault to be materially different from those expressed or implied by such forward-looking information. Such risks and other factors may include, but are not limited to: general business, economic, competitive, political and social uncertainties; general capital market conditions and market prices for securities; delay or failure to receive board of directors, third party or regulatory approvals; the actual results of StorageVault's future operations; competition; changes in legislation, including environmental legislation, affecting StorageVault; the timing and availability of external financing on acceptable terms; conclusions of economic evaluations and appraisals; and lack of qualified, skilled labour or loss of key individuals. A description of additional risk factors that may cause actual results to differ materially from forward-looking information can be found in StorageVault's disclosure documents on the SEDAR+ website at [www.sedarplus.ca](http://www.sedarplus.ca). Although StorageVault has attempted to identify important risks and factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. Readers are cautioned that the foregoing list of factors is not exhaustive. Readers are further cautioned not to place undue reliance on forward-looking information as there can be no assurance that the plans, intentions or expectations upon which they are placed will occur. Forward-looking information contained in this news release is expressly qualified by this cautionary statement. The forward-looking information contained in this news release represents the expectations of StorageVault as of the date of this news release and, accordingly, is subject to change after such date. However, StorageVault expressly disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as expressly required by applicable securities law.