UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the fiscal year ended December 31, 2022
OR
☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from ___ to ___

Commission File Number: 001-37552

WILLSCOT MOBILE MINI HOLDINGS CORP.

(Exact name of registrant as specified in its charter)

Delaware	**82-3430194**
(State or other jurisdiction of incorporation)	(I.R.S. Employer Identification No.)

4646 E Van Buren St., Suite 400
Phoenix, Arizona 85008
(Address of principal executive offices)
(480) 894-6311
(Registrant's telephone number, including area code)

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

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, par value $0.0001 per share	WSC	The Nasdaq Capital Market

Securities registered pursuant to Section 12(g) of the Act: None.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulations S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒	Accelerated filer ☐
Non-accelerated filer ☐	Smaller reporting company ☐
	Emerging growth company ☐

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

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

The aggregate market value of the common shares held by non-affiliates of the registrant, computed as of June 30, 2022 (the last business day of the registrant’s most recently completed second quarter), was approximately $7.1 billion.

Shares of Common Stock, par value $0.0001 per share, outstanding: 205,785,957 shares at February 17, 2023.

Documents Incorporated by Reference

The information required by Part III of this Report, to the extent not set forth herein, is incorporated herein by reference from the registrant's definitive proxy statement for the 2023 annual meeting of stockholders, which definitive proxy statement will be filed with the Securities and Exchange Commission within 120 days after the end of the fiscal year to which this Report relates.

WillScot Mobile Mini Holdings Corp.
Annual Report on Form 10-K
Table of Contents

Cautionary Note Regarding Forward Looking Statements

This Annual Report on Form 10-K contains forward-looking statements within the meaning of the US Private Securities Litigation Reform Act of 1995 and Section 21E of the Securities Exchange Act. The words “estimates,” “expects,” “anticipates,” “believes,” “forecasts,” “plans,” “intends,” “may,” “will,” “should,” “shall,” “outlook,” “guidance” and variations of these words and similar expressions identify forward-looking statements, which are generally not historical in nature and relate to expectations for future financial performance or business strategies or objectives. Forward-looking statements are subject to a number of risks, uncertainties, assumptions and other important factors, many of which are outside our control, which could cause actual results or outcomes to differ materially from those discussed in the forward-looking statements. Although we believe that these forward-looking statements are based on reasonable assumptions, we can give no assurance that any such forward-looking statement will materialize. Important factors that may affect actual results or outcomes include, among others:

- various laws and regulations and recent pronouncements related to laws and regulations governing antitrust, climate related disclosures, cybersecurity, privacy, government contracts, anti-corruption and the environment;
- our ability to successfully acquire and integrate new operations;
- the effect of global or local economic conditions in the industries and markets in which the Company operates and any changes therein, including financial market conditions and levels of end market demand;
- risks associated with cybersecurity and IT systems disruptions, including our ability to manage the business in the event a disaster shuts down our management information systems;
- trade policies and changes in trade policies, including the imposition of tariffs, their enforcement and downstream consequences;
- our ability to effectively compete in the modular space and portable storage industries;
- our ability to effectively manage our credit risk, collect on our accounts receivable, or recover our rental equipment;
- fluctuations in interest rates and commodity prices;
- risks associated with labor relations, labor costs and labor disruptions;
- changes in the competitive environment of our customer base as a result of the global, national or local economic climate in which they operate and/or economic or financial disruptions to their industry;
- our ability to adequately protect our intellectual property and other proprietary rights that are material to our business;
- natural disasters and other business disruptions such as pandemics, fires, floods, hurricanes, earthquakes and terrorism;
- our ability to establish and maintain the appropriate physical presence in our markets;
- property, casualty or other losses not covered by our insurance;
- our ability to close our unit sales transactions;
- our ability to maintain an effective system of internal controls and accurately report our financial results;
- evolving public disclosure, financial reporting and corporate governance expectations;
- our ability to achieve our environmental, social and governance goals;
- operational, economic, political and regulatory risks;
- effective management of our rental equipment;
- the effect of changes in state building codes on our ability to remarket our buildings;
- foreign currency exchange rate exposure;
- significant increases in the costs and restrictions on the availability of raw materials and labor;
- fluctuations in fuel costs or a reduction in fuel supplies;
- our reliance on third party manufacturers and suppliers;
- impairment of our goodwill, intangible assets and indefinite-life intangible assets;
- our ability to use our net operating loss carryforwards and other tax attributes;
- our ability to recognize deferred tax assets such as those related to our tax loss carryforwards and, as a result, utilize future tax savings;
- unanticipated changes in tax obligations, adoption of a new tax legislation, or exposure to additional income tax liabilities;
- our ability to access the capital and credit markets or the ability of key counterparties to perform their obligations to us:
- our ability to service our debt and operate our business;
- our ability to incur significant additional amounts of debt, which could further exacerbate the risks associated with our substantial indebtedness;
- covenants that limit our operating and financial flexibility;
- our stock price volatility; and
- other factors detailed under the section entitled "Risk Factors."

Any forward-looking statement speaks only at the date which it is made, and we undertake no obligation, and disclaim any obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

PART I

ITEM 1. Business

Unless the context otherwise requires, “we,” “us,” “our” and the “Company” refers to WillScot Mobile Mini Holdings Corp. ("WillScot Mobile Mini") and its subsidiaries.

Our Company

Headquartered in Phoenix, Arizona, we are a leading business services provider specializing in innovative flexible work space and portable storage solutions. We service diverse end markets across all sectors of the economy from a network of approximately 240 branch locations and additional drop lots throughout the United States (“US”), Canada, and Mexico.

With roots dating back more than 60 years, we lease modular space and portable storage units (our “lease fleet”) to customers in the construction, commercial and industrial, retail and wholesale trade, energy and natural resources, education, government and institutions, healthcare and other end markets. We offer our customers an extensive selection of “Ready to Work” solutions with value-added products and services, such as the rental of steps, ramps, and furniture packages, damage waivers, and other amenities to improve the overall customer experience. These turnkey solutions offer customers flexible, low-cost, and timely solutions to meet their flexible work space and storage needs on an outsourced basis.

WillScot Mobile Mini is the holding company for the Williams Scotsman and Mobile Mini families of companies, which resulted from the combination of WillScot Corporation and Mobile Mini, Inc. through a merger that occurred on July 1, 2020 (the "Merger"). On September 30, 2022, the Company completed the sale of its former Tank and Pump Solutions ("Tank and Pump") segment. On December 12, 2022, the Company entered into a Stock Purchase Agreement to sell its United Kingdom ("UK") Storage Solutions ("UK Storage Solutions") segment. On January 31, 2023, the Company completed the sale of its UK Storage Solutions segment. The consolidated financial statements present the historical financial results of the former Tank and Pump segment and the UK Storage Solutions segment as discontinued operations for all periods presented.

The divestitures of the former Tank and Pump segment and the UK Storage Solutions segment completed the Company's transition of its portfolio to its core modular space and storage solutions businesses in North America. Following the completion of these transactions, the Company operates in two reportable segments and renamed them as follows: Modular Solutions ("Modular") and Storage Solutions ("Storage").

During 2022, we acquired certain assets and liabilities of 13 smaller entities, which consisted primarily of approximately 14,100 storage units and 4,400 modular units for $220.6 million in cash.

Products and Services

Modular Space Solutions

Our modular space units meet a broad range of customer needs. Our modular units are typically made of steel and aluminum frames, as well as traditional building materials, and range from standalone portable units as small as 24 square feet to large complex units that can be coupled together or stacked to create versatile work spaces in excess of 10,000 square feet. In all cases, we deploy modular units to customers rapidly from our extensive branch network using our hybrid in-house and outsourced logistics and service infrastructure. We specialize in turnkey ‘Ready to Work’ solutions, which means our units can arrive fully equipped with air conditioning, heating, and filtration units, electrical and Ethernet ports, plumbing and utility hookups, as well as our proprietary line of furnishings and appliances, which we refer to collectively as Value-Added Products and Services (“VAPS”). Our units are transported by truck, either towed (if fitted with axles and hitches) or mounted on flat-bed trailers.

Modular space units have attractive economic characteristics, and our ability to lease and maintain our assets’ profitability over economic lives, which often exceed 20 years, is a unique capability and competitive advantage. We utilize standard fleet maintenance procedures across the branch network, monitor fleet condition and allocate capital expenditures centrally, and ensure all units meet consistent quality and condition requirements, regardless of unit age, prior to delivery to a customer. Modular leasing is complemented by new unit sales and sales of rental units. In connection with our leasing and sales activities, we provide services including delivery and installation, maintenance and ad hoc services, and removal services at the end of lease transactions.

Panelized and Stackable Offices. Our Flex^{TM} panelized and stackable offices are the next generation of modular space technology and offer maximum flexibility and design configurations. These units provide a modern, innovative design, smaller footprint, ground level access, and interchangeable panels, including all glass panels that allow customers to configure the space to their precise requirements. These units have the ability to expand upwards up to three stories and outwards, which provides maximum versatility.

Single-Wide Modular Space Units. Single-wide modular space units include mobile offices and sales offices. These units offer maximum ease of installation and removal and are deployed across the broadest range of applications in our fleet. These units typically have “open interiors,” which can be modified using movable partitions, and include tile floors, air conditioning, heating and filtration units, partitions and toilet facilities.

Section Modulars and Redi-Plex. Section modulars are two or more units combined into one structure. Redi-Plex complexes offer advanced versatility for large, open floor plans or custom layouts with private offices. Redi-Plex is built with clearspan construction, which eliminates interference from support columns and allows for up to sixty feet of open building width and building lengths that increase in twelve-foot increments based on the number of units coupled together. Our proprietary design meets a wide range of national and state building, electrical, mechanical, and plumbing codes, which creates versatility in fleet management. Examples of section modular units include hospital diagnostic annexes, special events headquarters, temporary data centers, and larger general commercial offices.

Classrooms. Classroom units are generally double-wide units or Flex panelized units adapted specifically for use by school systems or universities. Classroom units usually feature teaching aids, air conditioning, heating and filtration units, windows and, if requested, toilet facilities.

Ground Level Offices. We also offer steel ground level offices from 10 to 40 feet in length and 8 or 10 feet in width. Many of these units are converted to office use from International Organization for Standardization ("ISO") certified shipping containers. These offices are available in various configurations, including all-office floor plans or office and storage combination units that provide a 10- or 15-foot office with the remaining area available for storage. Ground level offices provide the advantage of ground accessibility for ease of access and high security in an all-steel design. These office units are equipped with electrical wiring, air conditioning, heating and filtration units, phone jacks, carpet or tile, high security doors, and windows with security bars or shutters. Some of these offices are also equipped with sinks, hot water heaters, cabinets and toilet facilities.

Other Modular Space. We offer a range of other specialty products that vary across regions and provide flexibility to serve demands for local markets. Examples include workforce accommodation units with dining facilities used to house workers, often in remote locations, blast-resistant units, and toilet facilities to complement office and classroom units.

Portable Storage Solutions

Portable Storage Containers. Our portable storage containers offer an assortment of differentiated features such as patented locking systems, premium and multiple door options, optional climate control, and numerous configuration options. Standard portable storage containers are made from weather-resistant corrugated steel and are available in lengths ranging from 5 to 48 feet, widths of either 8 feet or 10 feet, and a variety of configuration options. Doors can be placed at the front, front and back, or the sides of containers. Other options include partitions, shelving and lighting. Storage containers can be equipped with our patented Tri-Cam Locking System®, which features a waist-level opening lever and interlocking bars to provide easy access for the owner without sacrificing security. We also offer ContainerGuardLock®, an optional security device, which features a hidden six-pin tumbler system and is made from drill-resistant hardened steel. We believe these steel storage containers are a more convenient and cost-effective alternative to mass warehouse storage, with a high level of security to protect our customers' goods on location at their job site, facility, retail location, or office site.

Steel containers have a long useful life with no technical obsolescence. Our portable storage containers generally have estimated useful lives of 30 years from the date we build or acquire and remanufacture them, with average residual values in excess of 50%. We maintain our steel containers on a regular basis by removing rust, painting them with rust inhibiting paint, plug-welding holes, and occasionally replacing the wooden floor or a rusted steel panel. Repainting the outside of storage units is the most common maintenance item. A properly maintained container is essentially in the same condition as when it was initially acquired or remanufactured.

The remanufacturing process begins with the purchase of used ISO containers from leasing companies, shipping lines, and brokers. These containers were originally built to ISO standards and are 8 feet wide, up to 9.5 feet high and 20, 40 or 45 feet long. After acquisition, we remanufacture and modify these ISO containers. Remanufacturing typically involves cleaning, removing rust and dents, repairing floors and sidewalls, painting, and adding company logos or signs, and may include further customization by adding our proprietary easy opening door system and our patented Tri-Cam Locking System®. Modification typically involves splitting some containers into differing lengths.

VAPS

We offer a thoughtfully curated portfolio of VAPS that make modular space and portable storage units more productive, comfortable, secure, and “Ready to Work” for our customers. We lease furniture, steps, ramps, basic appliances, internet connectivity devices, integral tool racking, heavy duty capacity shelving, workstations, electrical and lighting products and other items to our customers for use in connection with our products. We also offer our lease customers a damage waiver program that protects them in case the leased unit is damaged. For customers who do not select the damage waiver program, we bill them for the cost of repairs above and beyond normal wear and tear. Importantly, management believes that our scale, branch network, supply chain, and sales performance management tools give us a significant advantage in delivering “Ready to Work” solutions and growing VAPS revenue relative to our competitors.

Delivery, Installation and Removal

We operate a hybrid in-house and outsourced logistics and service infrastructure that provides delivery, site work, installation, disassembly, unhooking and removal, and other services to our customers for an additional fee as part of our leasing and sales operations. Revenue from delivery, site work, and installation results from the transportation of units to a customer's location, as well as site work required prior to installation, and installation of the units which have been leased or sold. Typically, modular units are placed on temporary foundations constructed by our in-house service technicians or subcontractors. These in-house service technicians or subcontractors also generally install any ancillary products and VAPS. We also derive revenue from disassembling, unhooking, and removing units once a lease expires. We believe that our logistics and service capabilities are unrivaled in the industry, differentiate us from competitors, and enhance our value proposition to our customers.

Product Leases

We primarily lease, rather than sell, our modular and portable storage units to customers, which results in a highly diversified and predictable reoccurring revenue stream. For the year ended December 31, 2022, over 90% of new lease orders were on our standard lease agreement, pre-negotiated master lease, or national account agreements. The initial lease periods vary, and our leases are customarily renewable on a month-to-month basis after their initial term. For the year ended December 31, 2022, the average effective duration of our consolidated lease portfolio for modular space and portable storage units, excluding seasonal portable storage units, was approximately 32 months. As a result, our lease revenue is highly predictable due to its reoccurring nature and the underlying stability and diversification of our lease portfolio.

For the year ended December 31, 2022, our average minimum contractual lease term at the time of delivery in our Modular segment for modular space units was 12 months. However, given that our customers value flexibility, they consistently extend their leases or renew on a month-to-month basis such that the average effective duration of our Modular segment lease portfolio was over 35 months. Customers are responsible for the costs of delivery and set-up, dismantling and pick-up, customer-specified modifications, costs to return custom modifications back to standard configuration at end of lease, and any loss or damage beyond normal wear and tear. Our leases generally require customers to maintain liability and property insurance covering the units during the lease term and to indemnify us from losses caused by the negligence of the customer or their employees.

Rental contracts with customers within our Storage segment are generally based on a 28-day rate and billing cycle. The rental continues until cancelled by the customer or us. On average, steel storage containers on rent for the year ended December 31, 2022 in our Storage segment, excluding seasonal portable storage units, had been in place for over 31 months, and the steel ground level offices on rent for the year ended December 31, 2022 had been in place for approximately 18 months. Rental contracts provide that the customer is responsible for the cost of delivery and pickup and specify that the customer is liable for any damage done to the unit beyond ordinary wear and tear. Customers may purchase a damage waiver to avoid damage liability in certain circumstances, which provides an additional source of reoccurring revenue. Customer possessions stored within a portable storage unit are the responsibility of that customer unless covered under our contents insurance products.

Demand for our products varies by end market. Construction customers typically reflect higher demand during months with more temperate weather, while demand from large retailers is stronger from September through December, when more space is needed to store holiday inventories. Retail customers usually return these rented units in December and early in the following year, but also undertake ongoing rolling store renovations which present consistent reoccurring demand throughout the year.

As of December 31, 2022, we had over 364,000 total units including over 154,000 modular space units, approximately 210,000 portable storage units, and other value-added products representing fleet net book value of $3.1 billion and over 128 million square feet of relocatable commercial space. Approximately 103,000 of our modular space units, or 67%, and 176,000 of our portable storage units, or 84%, were on rent as of December 31, 2022.

Product Sales

We complement our core leasing business by selling both new and used units, allowing us to leverage our scale, achieve purchasing benefits, and redeploy capital employed in our lease fleet. Generally, we purchase new units from a broad network of third-party manufacturers. We only purchase new modular space units for resale when we have obtained firm purchase orders (which normally are non-cancelable and include up-front deposits) for such units. Buying units directly for resale adds scale to our purchasing, which is beneficial to our overall supplier relationships and purchasing terms. New unit sales are a natural extension of our leasing operations in situations where customers have long-lived or permanent projects, making it more cost-effective to purchase rather than to lease a unit, and our customers benefit from our product expertise and delivery and installation capabilities.

In the normal course of managing our business, we also sell idle, used rental units at fair market value and units that are already on rent if the customer expresses interest in owning, rather than continuing to rent, the unit. The sale of units from our rental equipment has historically been both a profitable and cost-effective method to finance the replenishment and upgrade of our lease fleet, as well as to generate free cash flow during periods of lower rental demand and utilization. Our sales business may include modifying or customizing units to meet customer requirements. We also offer delivery, installation, and removal-related services for an additional fee as part of our sales operations.

Customers

Our customers operate in a diversified set of end markets, including construction, commercial and industrial, retail and wholesale trade, energy and natural resources, education, government and institutions, and healthcare. Core to our operating model is the ability to redeploy standardized assets across end markets, as we did in the last few years to service emerging demand in the healthcare and government sectors related to COVID-19, as well as expanded space requirements related to social distancing. We track several market leading indicators to predict demand, including those related to our two largest end markets, the commercial and industrial segment and the construction segment, which accounted for approximately 47% and 41% of our revenues, respectively, for the year ended December 31, 2022. To optimize the use of fleet assets across our branch network, we centrally manage fleet rebalancing across our end markets. This allows us to serve 15 distinct end markets in which no one customer accounted for more than 3% of revenues for the year ended December 31, 2022.

For the year ended December 31, 2022, our top 10 customers accounted for approximately 7% of revenues, and our top 50 customers accounted for approximately 14% of revenues, reflecting low customer concentration and significant project diversification within our portfolio.

Our logistics and service infrastructure is designed to meet or exceed our customers' expectations by reacting quickly, efficiently, and with consistent service levels. As a result, we have established strong relationships with a diverse customer base, ranging from large multinational companies to local sole proprietors. We served over 85,000 unique customers in 2022. We believe that our customers prefer our modular space and portable storage products over fixed, on-site built space because they are a quick, flexible, cost-effective, and low-risk solution for temporary or permanent expansion or storage.

Our strategy involves operating standardized rental equipment and "Ready to Work" solutions that can be redeployed across our diversified customer base and branch network in 15 discrete end markets. Key customer end markets include:

Construction and Infrastructure

We provide office and storage space to a broad array of contractors associated with non-residential buildings and non-building infrastructure. Our client portfolio includes many of the largest general contractors and engineering, architecture, procurement, and construction companies in North America, working across all of the non-residential construction sub-sectors. Examples include highway, street, bridge, and tunnel contractors; water, sewer, communication, and power line contractors; and special construction trades, including glass, glazing, and demolition. Our construction and infrastructure customer base is characterized by a wide variety of contractors that are associated with original construction as well as capital improvements in the private, institutional, and municipal arenas. Units are used as offices, break rooms, accommodations, security offices, and other applications.

Commercial and Industrial

Customers in this category use our products as their primary office or retail space, to expand their existing commercial workspace, to increase their storage capabilities, or as temporary space for festivals, sporting, and other events. Customers in this category span a variety of industries ranging from commercial offices; diversified manufacturing; agriculture, forestry and fishing; arts, media, hotels, and entertainment; and many other industrial end markets.

The commercial and industrial segment also includes customers in retail and wholesale trade. These include department, drug, grocery, and strip mall stores, logistics, warehousing and distribution services, as well as restaurants, service stations, and dry cleaners. Our customers in retail and wholesale trade include some of the world's largest retailers who have storage needs throughout all stages of their supply chain. On a stand-alone basis, retail and wholesale trade customers comprised approximately 13% of fiscal year 2022 rental revenue.

Energy and Natural Resources

Our products are leased to companies involved in electricity generation and transmission, utilities, up- mid- and down-stream oil and gas, mining exploration and extraction, and other related sectors. Increasingly, the development of renewable energy infrastructure has emerged to complement our traditional energy clientele. Units are used as temporary offices, break rooms, accommodations, security offices, blast-resistant facilities, and other applications.

Education

Rapid shifts in populations within regions, as well as recent needs to expand square footage per student in in-person education settings, often necessitate quick and cost-effective expansion of education facilities, across the spectrum of elementary and secondary schools and universities and colleges. Regional and local governmental budgetary pressures, classroom size reduction legislation, refurbishment of existing facilities, and the expansion of charter schools have made modular classrooms a convenient and cost-effective way to expand capacity in education settings. In addition, our products are used as classrooms when schools are undergoing large scale modernization, which allows continuous operation of a school while modernization progresses.

Government and Institutions

Government customers consist of national, state, provincial, and local public sector organizations. Modular space and portable storage solutions are particularly attractive to focused niches such as healthcare facilities, small municipal buildings, courthouses, military installations, national security buildings, and offices during building modernization, as well as disaster relief.

Competitive Strengths

We believe that the following competitive strengths have been instrumental to our success and position us for future growth:

North American Leader in Turnkey Modular Space and Portable Storage Solutions

We are an industry-leading business services provider specializing in innovative flexible work space and portable storage solutions. We have the widest and most flexible offering of temporary relocatable commercial spaces, a diverse customer base with over 85,000 customers across different end markets, and a geographic footprint of approximately 240 branch locations and additional drop lots.

Our unrivaled network serves the largest North American metropolitan areas with local teams who are experts in their respective markets. Our cost-effective coverage model serves smaller customers at the local and regional level, while also addressing the needs of larger national customers looking for a full suite of high-quality services that can be provided on a consistent basis throughout North America. Since geographic proximity to customers is a competitive advantage when offering temporary commercial space, we believe that our extensive branch network allows us to better serve existing customers and attract new customers.

We believe our extensive scale results in significant operational benefits, such as optimization of fleet yield and utilization, efficient capital allocation, superior service capabilities, and the ability to offer consistent "Ready to Work" solutions across all of our branch locations.

VAPS

We deliver "Ready to Work" solutions through our growing offering of VAPS, such as the rental of steps, ramps, furniture packages, damage waivers, and other amenities. This thoughtfully curated portfolio of VAPS makes modular space and portable storage units more productive, comfortable, and secure for our customers and allows us to generate higher revenue per transaction and return on capital and differentiates us from our competitors. These turnkey solutions offer customers flexible, low-cost, capital efficient, and timely solutions to meet their space needs on an outsourced basis.

VAPS have been a substantial source of revenue growth in our Modular segment over the last decade. We have been able to successfully drive a material increase in customer VAPS spend into our recently acquired businesses, which generates highly tangible revenue synergies. We believe our ability to drive VAPS growth following our historical acquisitions highlights the value proposition our VAPS provide to our customers.

During 2022 and 2021, in the Storage segment we introduced similar cross-selling opportunities within portable storage units and ground level offices. We introduced innovative "Ready to Work" storage solutions with VAPS such as integral tool racking, storage desks and charging stations, heavy duty capacity shelving, lighting and locks.

Sophisticated Logistics and Service Capabilities

Building from the largest branch network in the industry, we operate a sophisticated hybrid in-house and outsourced logistics and service infrastructure that we believe is highly differentiated from our competitors and enhances the value proposition we provide to customers. Precise scheduling of installations and removals, same-day delivery capabilities on certain products, and ability to mobilize large volumes of equipment in any geography serviced by our branch network are all unique capabilities that differentiate WillScot Mobile Mini, particularly among more demanding customer segments. We believe that continuing to further optimize our logistics and service capabilities through the deployment of technology and in-sourcing our services is an opportunity for further cost efficiency and differentiation with our customers.

Investments in Technology

We believe our technology serves as a primary differentiator relative to our competition and is a key component of our customer value proposition. We leverage our state of the art SAP enterprise resource planning platform and our data and analytics platform to achieve operating efficiencies and enhance the overall customer experience. Effective use of real-time information allows us to monitor and optimize the utilization of our fleet, allocate our fleet to the highest demand markets, optimize pricing, and determine the best allocation of our capital to invest in fleet and branches.

We are able to dynamically price and approach customer accounts in a strategic and statistically informed manner. We also believe our ability to leverage this data helps us to increase our market share and effectively manage supply and demand dynamics in our fleet to maximize cash flow in all phases of the economic cycle, including identifying opportunities where underutilized lease fleet can be sold to generate cash.

During 2022, we made significant investments in our customer relationship management ("CRM") software, moving from our legacy WillScot and Mobile Mini CRM instances into one new, consolidated CRM platform. Starting in the first quarter of 2023, our US and Canadian Modular and Storage teams will operate in a single CRM system which will provide greater visibility into our customer base and will enhance our ability to cross-sell our portfolio of products to our customers.

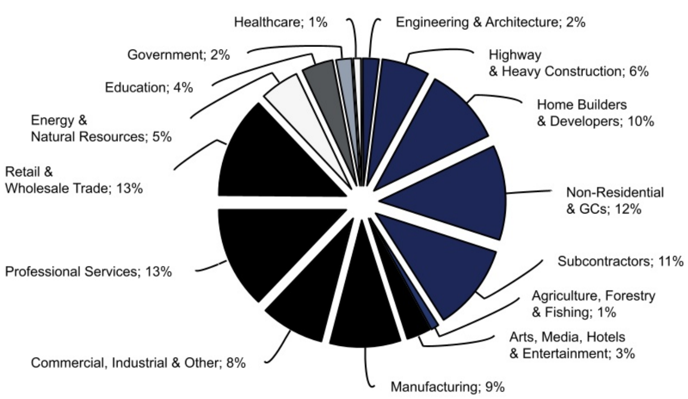
Similarly, technology is continuing to develop related to our fleet and inventory to offer an enhanced experience for our customers. Unit tracking, customer service portals, and other customer-facing technological benefits differentiate our offering from competitors who have not invested in these capabilities. We believe we possess superior technology infrastructure relative to our competition and we intend to extend this advantage further by leveraging our infrastructure investments.

Diversified Revenue Base by End Market, Product, Service and Geography

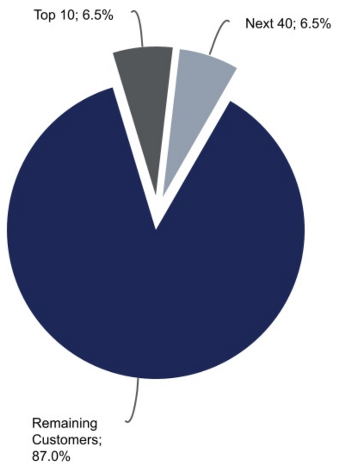
We have established strong relationships with a diverse customer base, ranging from large national accounts to small local businesses. Our customers operate in a diversified set of end markets, including commercial and industrial, construction, education, energy and natural resources, government, and other end markets. For the year ended December 31, 2022, the top 50 customers for WillScot Mobile Mini accounted for approximately 14% of total revenues. We believe that the diversity of our customer end markets reduces our exposure to changes related to a given customer, shifts within an industry or geographic region, and end market industry seasonality, while also providing significant opportunities to grow our business. Furthermore, the nature of our products is such that their use is generally agnostic to industry. This flexibility insulates utilization from exposure to industry-specific shocks, provided there are other needs and applications for these products within a reasonable distance.

The following chart illustrates the breakdown of our customers and revenue by end market as of December 31, 2022. To optimize the use of fleet assets across our branch network, we centrally manage fleet rebalancing across our end markets. This allows us to serve 15 distinct end markets in which no customer accounted for more than 3% of revenue for the year ended December 31, 2022.

REVENUE MIX BY END MARKET



CUSTOMER CONCENTRATION



Proven Track Record Realizing Acquisition Synergies and Deploying Best Practices

We have a strong track record of integrations and generating significant revenue and cost synergies with our acquisitions. Since our public listing in 2017, we have executed over 25 acquisitions and divestitures totaling approximately $4.8 billion in cumulative enterprise value. These transactions have included small local storage portfolios, regional operators with mixed modular and storage fleets, and larger transformational acquisitions such as Mobile Mini in 2020. Most recently in 2022, the Company acquired certain assets and liabilities of 13 regional and local modular space and storage businesses and quickly integrated these assets into our leasing portfolio and branch network, given the scalability of our operating platform. Opportunities such as these allow us to reach new customers, expand our product and service offering, and provide further opportunities for revenue and cost synergies. See "Risk Factors—We may be unable to successfully acquire and integrate new operations, which could cause our business to suffer."

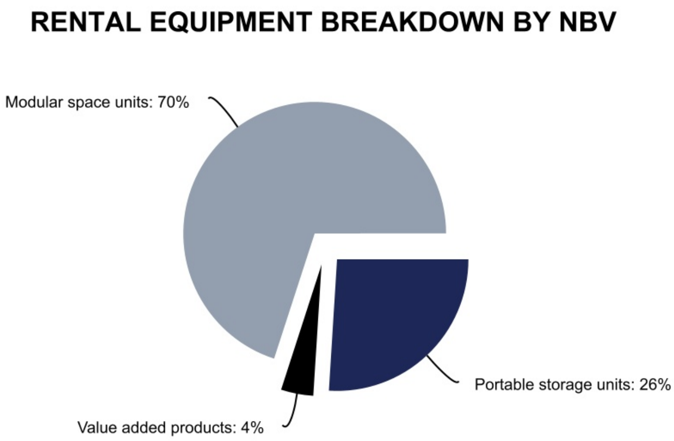
Our Asset Base Provides Highly Attractive Asset-Level Returns with Long Useful Lives

The combination of long, predictable lease durations, long asset lives, and attractive unit economics underpins the compelling cash generation capability in our business model. As such, we have made significant investments in our lease fleet and consolidated several competitors. For the year ended December 31, 2022, our modular space and portable storage lease fleet consisted of over 128 million square feet of relocatable space, comprising over 154,000 office units and approximately 210,000 steel container units.

We generate an attractive internal rate of return ("IRR") in our modular space portfolio driven by the long economic life of our fleet, exceeding 20 years on average, inclusive of any capital expenditure ("capex") required to maintain the fleet to its value maximizing earning potential. When we evaluate the purchase of new modular units and storage containers, we consistently target and realize unit-level IRRs, including VAPS, in excess of 25%.

The stability of cash flows combined with strong economic returns make both modular space and portable storage containers highly attractive specialty rental asset classes, and our logistics and service capabilities and investments in technology further enhance the returns we can generate from these assets.

The following chart illustrates the breakdown of the net book value ("NBV") of our rental equipment between the various modular space product types, portable storage and VAPS as of December 31, 2022.



Our Business Generates Predictable Reoccurring Cash Flow Due to Our Long-Term Leases and Flexible Capex Requirements

Our reoccurring revenue, combined with our flexible capex requirements and efficient use of working capital has allowed us to generate substantial free cash flow, both in periods of growth and economic downturn. The long term nature of our leases, with average lease durations of approximately 32 months as of December 31, 2022, produces strong operating income and predictable cash flow.

We exercise control and discretion over capex, due to the longevity and relative simplicity of our products, the ability to invest only where needed and when needed to meet demand, and the ability to sell excess fleet during lower utilization periods. During periods of economic stress, we have the ability to substantially reduce capex throughout the portfolio to maximize cash flow, resulting in a free cash flow profile that we believe is counter-cyclical.

Our Industry

We operate within the modular space and portable storage markets, which are attractive subsegments within the $1 trillion North American market for commercial space. Our services also span across a variety of related sectors, including furniture rental, transportation and logistics, facility management, job site services, commercial storage, and commercial real estate.

Modular Space Market

The modular space market is fragmented. Modular space units are non-residential structures designed to meet federal, provincial, state, and local building codes and, in most cases, are designed to be relocatable. Modular space units are constructed offsite, utilizing manufacturing techniques to prefabricate single or multi-story whole building solutions in deliverable modular sections. Units are typically constructed of steel, wood and conventional building materials and can be permanent or relocatable.

The modular space market has evolved in recent years as businesses and other potential customers increasingly recognize the value of modular space. The key growth drivers in this market are similar to portable storage and include:

Growing need and demand for space: driven by general economic activity, including gross domestic product growth, industrial production, mining and natural resources activity, non-residential construction, urbanization, public and education spending, and the scale and frequency of special events.

Shift from traditional fixed, on-site built space to modular space solutions: driven by several advantages as compared with fixed, on-site built space, including:

- ***Quick to install:*** the pre-fabrication of modular space units allows them to be put in place rapidly, providing potential long-term solutions to needs that may have materialized quickly.
- ***Flexibility:*** flexible assembly design allows modular space units to be built to suit a customer's needs while offering customers the ability to adjust their space as their needs change.
- ***Cost effectiveness:*** modular space units provide a cost-effective solution for temporary and permanent space requirements and allow customers to improve returns on capital in their core business.
- ***Quality:*** the pre-fabrication of modular space units is based on a repeatable process in a controlled environment, resulting in more consistent quality.
- ***Mobility:*** modular space units can easily be disassembled, transported to a new location and re-assembled.
- ***Environmentally friendly:*** relocatable buildings promote the reuse of facilities, on an as-needed basis, by the occupants, and leave zero residual footprint once removed.

Portable Storage Market

The portable storage market, like the modular space market, is highly fragmented and remains primarily local in nature. Portable storage units are typically ground-level entry, windowless storage containers made of heavy exterior metals for secure storage and water tightness. Portable storage units can be built to specification or can be remanufactured from existing storage products, such as ISO shipping containers. Remanufacturing typically involves cleaning, removing rust and dents, repairing floors and sidewalls, painting, and adding company logos or signs, and may include further customization by adding our proprietary easy opening door system and our patented Tri-Cam Locking System®.

Portable storage units continue to find new applications as business needs change and develop. Demand for portable storage is driven by a number of factors, including:

- ***Versatility:*** portable storage units can be easily customized to suit customer specifications. While standard applications include locking double-door systems to facilitate loading, custom entrances, such as rolling or sliding doors, can be added for personnel access.
- ***Affordability:*** portable storage provides customers with a flexible and low-cost storage alternative to permanent warehouse space and fixed-site self-storage.
- ***Safety:*** units can be easily outfitted with fire and water-resistant surfaces and materials. ISO containers are often wind and leak-proof by virtue of their uses in logistics and shipping. Nearly all units are made from steel, which is a low-cost, durable material.
- ***Security:*** a variety of enhanced locking mechanisms are available for portable storage units, including our patented Tri-Cam Locking System® and ContainerGuardLock®. These features offer additional protection for high-value goods and inventory.
- ***Convenience:*** portable storage units provide immediate ground-level access for consumers and can be easily transported in large quantities via truck, rail, or cargo ship to their job site, facility, retail location, or office site.
- ***Aesthetics:*** portable storage units can be easily painted and decorated with company colors and logos and are less conspicuous than other portable storage alternatives.

Other Related Markets

In the normal course of providing our "Ready to Work" solutions, we perform services that are characteristic of activities in other industries. For example, we coordinate a broad network of third-party and in-house transportation and service resources to support the timely movement of our products to, as well as maintenance on, customer sites. Additionally, we design, source, lease, and maintain a broad offering of ancillary products, including furniture, which render our modular and storage units immediately functional in support of our customers' needs. We have developed networks of third-party service providers that we coordinate to expand the breadth of capabilities that our customers can source through us. These third-party-managed services represent incremental revenue and margin opportunities for us and simplify the number of vendor touchpoints for our customers.

We also provide technical expertise and oversight for customers regarding building design and permitting, site preparation, and expansion or contraction of installed space based on changes in project requirements. Further, we have the capability to compete in adjacent markets, such as other job site services, facilities management, logistics, and others that are natural extensions of our temporary commercial space capabilities. We believe that this broad service capability differentiates us from other commercial space rental and service providers and is a competitive advantage in the marketplace.

Competition

Although our competition varies significantly by local market, the modular space and portable storage industry is highly competitive and fragmented as a whole. We believe that participants in our industry compete on the basis of customer relationships, product quality and availability, delivery speed, VAPS and service capabilities, pricing and overall ease of doing business. We typically compete with one or more local providers in all of our markets, as well as with a limited number of national and regional companies.

Our competitors include lessors of storage units, mobile offices, and other structures used for portable storage, as well as traditional commercial office space and conventional fixed self-storage facilities. Some of our competitors may have greater market share in certain geographic regions. Significant modular space and portable storage competitors include McGrath, United Rentals, ATCO Structures & Logistics, and Satellite Shelters. Numerous other regional and local companies compete across the markets that we serve.

Our Business and Growth Strategies

We intend to maintain a leading market position and increase our revenue and profitability by pursuing the following strategies, all of which we have demonstrated in our historical operating performance:

Expand Penetration of Value-Added Products and Services ("VAPS")

VAPS have been the most prominent growth driver in our modular business for almost a decade. We believe this growth opportunity could be substantially larger if we successfully penetrate more of our modular space, ground level office and portable storage units and continue to expand our VAPS offerings through new product introductions.

Optimize Rate Across Fleet

We continue to advance multiple pricing strategies across our fleet to drive revenue growth. Leveraging our expertise developed in our Modular segment, we plan to implement dynamic pricing, customer segmentation, and contract standardization in our Storage segment. Our long history of success, demonstrated by 21 consecutive quarters of double-digit rate growth as of December 31, 2022 in the US within our Modular segment, gives us confidence that we can successfully deploy this strategy. The turnover of our fleet, with average lease durations of nearly three years, creates natural and reoccurring opportunities to capture incremental price increases. As the market leader in our industry, we offer the broadest fleet portfolio, the most differentiated turnkey VAPS, and the most consistent service capabilities across the largest branch network to help our customers be 'Ready to Work'.

Enhance Market Penetration Between Segments

The combination of WillScot and Mobile Mini through the Merger created a leading business services provider specializing in innovative flexible work space and portable storage solutions. At the time of the Merger, we recognized that there was 80% end-market overlap and 40% customer overlap, a clear strategic opportunity for our complementary product lines. By offering a combined product suite, we simplify our customers' procurement needs and enable productivity from start to finish for projects. We believe cross-selling will continue to increase utilization and yield of our combined fleet.

Our sales force is optimally positioned to improve efficiency by leveraging our management information systems and using real-time information to monitor and optimize conversion of customer opportunities across our core segments. During 2022, we made significant investments in our customer relationship management ("CRM") software, moving from our legacy WillScot and Mobile Mini CRM instances into one new, consolidated CRM platform. Starting in the first quarter of 2023, our US and Canadian Modular and Storage teams will operate in a single CRM system which will provide greater visibility into our customer base and will enhance our ability to cross-sell our portfolio of products to our customers. We believe this investment will significantly accelerate our market share convergence as well as increase penetration of our VAPS, while enhancing customer satisfaction. In turn, we expect that our broadened and enhanced fleet will attract new customers, increase customer retention, and increase margins and return on invested capital.

Generate Cash Flow Through Operational Efficiencies, Cost Reductions, and Technology

We are implementing many initiatives designed to improve operations and increase profitability. We continually assess our branch operating footprint, vendor base, and operating structure to maximize revenue generation while minimizing costs. The Merger provides us with increased scale, numerous operational best practices from both the legacy WillScot and legacy Mobile Mini businesses, and a state-of-the-art SAP ERP platform, all of which we believe will significantly improve our operating efficiency over time. To improve our logistics capabilities, we are implementing algorithm-based route optimization processes to minimize mileage, fuel cost and emissions. We have a proven track record of efficiently integrating acquisitions and quickly eliminating operational redundancies while maintaining acquired customer relationships.

Leverage Scale and Organic Initiatives with Accretive Acquisitions

Our markets for modular space and portable storage solutions are fragmented. We estimate that approximately 55% of the modular market and approximately 70% of the portable storage market in North America are supplied by regional and local competitors. We believe we have the broadest network of operating branches in North America, as well as a scalable corporate center and information technology systems, which position us to continue to acquire and integrate other companies while expanding the products and services available and offered to acquired customers. During 2022, we continued our programmatic tuck-in strategy and acquired certain assets and liabilities of several smaller entities, which consisted primarily of 14,100 storage units and 4,400 modular units. We expect to pursue acquisitions opportunistically that will provide further scale efficiencies and allow us to improve returns generated by the acquired assets.

Deploy Capital to Strategically Support Organic Growth and Optimize Returns

We maintain a disciplined focus on our return on capital and invest opportunistically across multiple uniquely attractive asset classes, prioritizing our investments to where we see the strongest potential returns. We continually assess both our existing lease fleet and customer demand for opportunities to deploy capital more efficiently. We manage our maintenance capex and growth capex to align with the economic conditions in which we operate. Within our existing lease fleet, we examine the potential cash and earnings generation of an asset sale versus continuing to lease the asset. In addition, we examine the relative benefits of organic expansion opportunities versus expansion through acquisition to obtain a favorable return on capital.

Use Free Cash Flow to Drive Value Creation

Our free cash flow generation has accelerated rapidly in recent years, and we expect this trend to continue as we execute our strategy. While we see numerous organic and inorganic opportunities to re-invest in our core businesses, we believe we can generate surplus free cash flow with which we can both reduce leverage and return capital to shareholders over time. We view this as an additional powerful value creation lever, and we are committed to deploying this capital as productively as possible in the interests of our shareholders.

Human Capital Management

As of December 31, 2022, we employed approximately 4,500 people in North America (the US, Canada and Mexico), the majority of whom are full time. We have collective bargaining agreements in portions of our Mexico-based operations representing approximately 0.8% of our worldwide employees. Approximately 88% of employees work in our approximately 240 branch locations and additional drop lots, while 12% of employees serve in various corporate functions. We have not experienced a strike or significant work stoppage, and we consider our relations with the labor unions and employees to be good.

The Senior Vice President ("SVP"), Human Resources, along with other members of our executive leadership team, executes the Company's human capital strategy. This includes attracting, hiring, developing, retaining and engaging talent to deliver on the Company's strategy, designing employee compensation and benefits programs and developing and integrating the Company's inclusion and diversity ("I&D") initiatives.

Whether at a branch location or onsite with our customers, we believe our people give WillScot Mobile Mini a competitive advantage in the industry. That differentiation begins with our values. Our values are lived through our employees, acknowledged by our vendors and aligned to the needs of our customers and communities. Our values provide the basis of our approach to human capital management as well as how we treat our stakeholders.

Company Values

- ***Dedicated to Health & Safety:*** We are subject to certain environmental, health and safety regulations as well as other laws and regulations in countries, states or provinces, and localities in which we operate. The Company's health and safety programs are designed around global standards with appropriate variations addressing the multiple jurisdictions and regulations, specific hazards and unique working environments of the Company's operations. We take responsibility for our own well-being and for those around us.
- ***Committed to Inclusion & Diversity:*** We are stronger together when we celebrate our differences and strive for inclusiveness. We believe that a rich culture of inclusion and diversity enables us to create, develop and fully leverage the strengths of our workforce to exceed customer expectations and meet our growth objectives. We encourage collaboration and support the diverse voices and thoughts of our employees and communities.
- ***Driven to Excellence:*** We measure success through our results and achievement of our goals. We continuously improve ourselves and our products and services in pursuit of maximizing long-term stockholder value.
- ***Trustworthy & Reliable:*** We hold ourselves accountable to do the right thing.
- ***Devoted to Our Customers:*** We anticipate the growing needs of our customers and strive to exceed their expectations and make it easy to do business with us.
- ***Community Focused:*** We actively engage in the communities we serve and deliver sustainable solutions.

Elements of Our Human Capital Strategy

To mitigate disruptions in the labor force experienced throughout the economy, beginning in 2020 and continuing into 2022, we took a holistic approach designed to meet our employees where they are at any stage of their lives. Our employee value proposition is simple: every day our employees deliver excellent service to our customers, and WillScot Mobile Mini is committed to delivering an employee experience that creates opportunity and ensures dignity for every employee. Our involuntary turnover remains low, and the average tenure of our drivers remains strong at five years, during a period where demand for drivers is increasingly high. We believe that our strategy with the cornerstones of opportunity and personal dignity gives us an advantage over other companies. Our offerings are designed to benefit employees and their families, and we continue to develop best-in-class programs and services that are aligned to deliver targeted business outcomes that best fuel our growth trajectory. Through acquisitions, we believe that we have extended these benefits to a broader employee population while raising the operating standards in our industry. The following highlights a few of our programs.

Safety Culture

Protection of our people and the environment within the communities we do business in is a core value at WillScot Mobile Mini. A relentless focus on health, safety, and well-being to achieve a “Zero” harm culture is the primary factor that shapes who we are, what we do, and how we deliver results. WillScot Mobile Mini fosters a work environment in which our employees feel empowered to choose and make the safest and best decisions possible to eliminate the risk of injury, property damage, or harm to the environment. We recognize our safety culture is built on both individual and team responsibility, commitment, and focus. See the "Our Approach to Environmental, Social and Governance" section below for further information on our safety culture.

Employee Engagement

We are committed to keeping our employees informed and engaged in Company news and events, while helping them connect to our strategy and values. We share information through a range of channels including direct email and text capabilities, an employee intranet, displays in our branches, and quarterly all-employee town halls. We actively engage with our employees in topics that impact their experiences at work. We work with an outside vendor to administer an enterprise-wide employee engagement survey strategy that includes pulse surveys to give our teams an active voice on topics that impact them directly. Their feedback is leveraged to shape policies, processes and other aspects of our workplace.

Learning and Development

Human capital development underpins our efforts to execute our strategy and continue to develop our people, products and services. We continually invest in our employees’ career growth and provide all employees with a wide range of personal and professional development experiences, both formal and informal, for all stages of their career journey.

Our formal offerings include tuition reimbursement, a diverse curriculum of over 6,000 learning courses, vocational training, language training and leadership development experiences. Our foundational leadership development program combines skill building with an opportunity to put skills into practice. Since 2015, over 500 of our team members have participated in this program. Since 2019, we have partnered with a leading graduate school to offer a targeted executive education program for senior leaders, and in 2022 we had five senior leaders participate in the program. We also partnered with a language training provider to launch our new language training program. And in 2021, we launched our new Driver Apprentice Program to provide development opportunities to anyone interested in becoming a Commercial Driver's License Class A driver for the Company. This new program also created internal development opportunity for current employees to become trainers.

Continual learning and career development are advanced through our in-depth succession planning process where we look across the organization to ensure diversity and inclusion are at the forefront of our human capital management. We then transition into goal planning and development conversations with employees that are supported by our library of over 6,000 personal and professional development courses, customized training engagements and seminars, conferences, and other training events where employees are encouraged to attend in connection with their job duties and developmental goals.

All employees are required to participate in annual compliance training that focuses on the applicable data privacy, security, legal and regulatory requirements needed to maintain a high level of security and risk standards. We concluded 2022 with a 97% completion rate on required compliance training. Employees also received phishing simulation tests approximately once every six months and supplemental IT training on a quarterly basis. Additionally, the new hire onboarding process covers data security and data safety training for all employees.

Inclusion & Diversity (I&D)

We encourage and empower the diverse voices and contributions of our stakeholders to drive market expansion and global value. In 2021, we established our Inclusion and Diversity Council, a broad group of leaders from across the Company including our CEO, CFO, SVP People, CIO, Chief Administrative Officer, SVP Marketing, Enterprise Accounts and ESG, SVP Commercial and Divisional SVPs, as well as a cross-section of leaders from all areas of the business, to review and discuss strategies and initiatives central to our I&D efforts. We also launched five Inclusiveness Resource Teams ("IRTs"): Women of WSMM ("WOW"), Black Organization for Leadership & Direction ("BOLD"), Veterans United, Hispanos, and People Respecting that Identity and Sexuality Matters ("PRISM"). IRTs are voluntary, employee-led groups that foster an inclusive and diverse workplace aligned with our values and strategy. These groups were established to support our employees and provide opportunities for exposure, development and contribution to the organization.

The tone for I&D in our Company starts at the top with our executives and is bolstered with support from our Board of Directors. We expect to achieve the Company’s aspirations by (i) having regular board oversight of the Company’s I&D efforts, and (ii) improving I&D initiatives throughout the complete lifecycle of employee engagement (from recruitment, through development and advancement). We have trained hundreds of leaders in our organization on unconscious bias and provided I&D e-learning opportunities to our employees.

Rewards, Health and Wellbeing

We crafted our total rewards strategy with a strategic focus on the health and wellbeing of our employees. We do this, in part, by ensuring competitive pay at every level of the organization. We employ human capital data from a recognized human capital consultant to set and maintain pay ranges and pay levels across the organization. Incentives are designed to reward eligible employees commensurate with Company performance. Depending on the position, incentives may be either individually based (sales commissions), group-based (regional performance bonuses), or Company-based (corporate and executive employees).

The Compensation Committee of the Board approves executive compensation after consulting an independent third-party consultant. The consultant takes peer group data and general market data into account, when providing pay guidance, to ensure executive pay is both competitive and reasonable, based on the prevailing market standards.

WillScot Mobile Mini's approach to our benefits begins with a centralized focus on the employee. We use high-deductible healthcare plans to promote positive consumer behaviors, and we pay an average of 70% of the cost of employee premiums. We mitigate the burden to the employee from these plans by seeding their Health Savings Accounts (“HSA”) at the beginning of each year, covering between 35% and 50% of employee deductibles. We also provide a biometric screening incentive that allows for an additional HSA contribution.

We offer core healthcare benefits and a variety of additional programs that can help employees save money and provide important coverage and assistance with everyday needs. We provide employer-paid short- and long-term disability and basic life and accidental death and dismemberment ("AD&D") insurance. Additional programs include voluntary supplemental medical benefits, legal and identify theft benefits, and life, AD&D, home, auto, and pet insurance. Recognizing the importance of mental health, we have a comprehensive employee assistance program to provide counseling sessions and resources for employees as they need help. We also offer paid parental leave for those employees who expand their families. Regardless of the hurdles our employees face we are prepared to support them through their major life events and times of need.

Financial education and preparation are also important goals of our benefit program. We have a generous 401(k) match and an auto-enrollment feature for all employees of the Company, resulting in 86% of employees enrolled in the 401(k) plan. We offer several educational services employees can use to strengthen their financial acumen.

Minions of Kindness Fund

Our employees are doing their part to support each other as well. The Minions of Kindness ("MoK") Fund is an employee-led 501(c)(3) organization that uses employee donations to support WillScot Mobile Mini employees in times of distress. The fund offers WillScot Mobile Mini employees the opportunity to link arms and make a difference for those in need. Since its inception in 2012, the fund has provided monetary aid to over 190 employees.

There are many ways for employees to support the MoK Fund such as payroll deductions and one-time contributions. When an employee has a need, they complete a request for assistance form found on our website. All requests are handled in a confidential manner.

Our Approach to Environmental, Social and Governance ("ESG")

We are committed to upholding high standards when it comes to our environmental, social and governance responsibilities, as well as the safety of our employees and our business partners. As a leader in providing modular workspace and storage solutions, our approach to ESG seeks to balance short-term and long-term solutions and considers the interests of our stakeholders in our everyday actions. The principal products we provide to our customers are long-lived, reusable and relocatable assets that produce minimal waste. For decades, we have committed ourselves to circular economic practices to reuse as many of our assets as possible.

Our Board of Directors, at the direction of its Nominating and Corporate Governance Committee, is actively involved in the development of our ESG strategy and approach. With their guidance, in 2020, we conducted an assessment of our readiness to pursue an ESG strategy with the goal of determining our focus areas. In late 2021, we rolled out our formal ESG strategy at our Investor Day, called “Deliver Opportunity.” Against this backdrop, we channeled our focus in 2022 to deploying our ESG strategy while highlighting key aspects of our strategy such as built-in sustainability, team safety and inclusion and diversity. Our business is managed for long-term success in a manner that we believe is economically, environmentally and socially responsible. Over the next several years, we intend to continue to focus on numerous ESG-related initiatives including the following focus areas:

Focus Areas

- **Environmental -** Our commitment to environmentally sound business practices includes three key areas of focus:
    - enhancing a circular economy model (reduce, re-use and recycle) within our operations;
    - tracking and reducing greenhouse gas emissions and the amount of waste we send to landfills as part of our operations; and
    - improving the energy efficiency of our products through innovation.
- **Social -** We are committed to socially responsible business practices throughout our operations. We have focused especially on improving diversity, equity, and inclusion throughout our organization, and on improving the communities in which we work. Our five areas of focus in this regard are to:

- improve inclusion and diversity across the organization (as described in the above Human Capital Management section);
- focus on community partnering across all our locations and amplify our impact through our four core causes – shelter, hunger, education, and health and wellness;
- remain diligent in placing safety first;
- deliver a high-quality employee experience for all our employees through employee engagement and health and wellness opportunities (as described in the above Human Capital Management section); and
- improve customer engagement and relations and provide our employees with a wide range of resources for both professional and personal development.

- **Governance**
  - continue to align our corporate governance structure with our ESG strategy
  - improve the diversity of our Board of Directors and management; and continue reviewing and updating Board policies to pursue high standards of corporate governance.

In addition to creating our own ESG framework, we analyzed our business and identified relevant ESG factors using leading ESG and sustainability frameworks and guiding principles, such as the United Nations Sustainable Development Goals ("SDGs"). In 2023, and beyond, we intend to continue to evolve our ESG program in a manner that helps create long term value for our stockholders, employees, clients, communities, and other stakeholders.

In the near term, we are pursuing the following five key strategic initiatives to drive increased benefits for our stakeholders.

- **Materials:** Tracking operational waste generation and identifying opportunities to increase diversion
- **Climate:** Tracking and reducing greenhouse gas emissions from our owned trucking and yard fleet
- **Health and Safety:** Ensuring Health and Safety First at our branches, on the road and at our customer sites
- **Inclusion:** Ensuring every employee has the opportunity to thrive and seek upward mobility
- **Community:** Leveraging our scale to lift up all of our more than 240 communities and amplify our impact

Environmental

Circular Business Model (Materials)

We lease commercial grade office and storage units that are designed to be reused, relocated and reconfigured, which allows for significantly reduced material usage for us and our customers, obviating the need for single-use purchase of new materials and disposal at the end of projects. We have best in class refurbishment capabilities for our office units. These assets are cycled to different customers, on average, seven times over their 20-year lifetime with a minimal refresh before each new cycle. Typically, in the second half of the product's life, we complete a refurbishment, which can extend the asset life by another 10 years, allowing many of our units to be in service for close to 30 years. With the cost of a full refurbishment at only 20-30% of the cost of a new unit, it is more capital efficient to refurbish our units and it extends the life significantly. The Company strives to be the industry's most innovative partner in reducing material usage, boosting energy efficiency, improving occupant wellness and driving sustainable economic growth.

Our newest office space, called FLEX, is a panelized product which means that the panels, or walls, can be reconfigured and reused, thus eliminating wood waste.

Value Added Products (“VAPs”) add another dimension to our circular story because we are generally able to reuse, repair, and maintain VAPs that come off rent, which helps drive better margins and growth. In addition, putting VAPs into our circular business model significantly reduces material usage, packaging waste, and transportation miles both for us and for our customers, who otherwise might buy and dispose of their VAPs at the end of the project.

Circular by design, our lease and renew business model helps us to reduce material usage, emissions and costs, while helping our customers with their ESG goals.

Greenhouse Gas Emissions (Climate)

We recognize the importance of tracking and calculating our greenhouse gas footprint and are collecting data to establish a baseline for this and other critical environmental metrics. Our business requires management of a diverse and active delivery and set-up fleet and operation of yard equipment. To reduce greenhouse gas emissions and other air quality impacts from our diesel-fueled delivery and setup fleet, we have begun the process of replacing older diesel truck engines with modern, efficient engines, and are working to test delivery trucks fueled by alternative fuel methods, including renewable natural gas and electric alternatives, among others. Over time, we believe these efforts will also help to reduce our fuel costs and risks, while also helping us secure contracts with like-minded customers.

We are constantly developing new solutions to help our customers improve their business, reduce their carbon footprint and be better corporate citizens.

Social

Safety

The protection of people is a core value at WillScot Mobile Mini. It is a key component of our Sales, People and Operational Excellence priorities. These priorities are the driving force that shapes who we are and what we do. Safety extends beyond our branches and yards and includes travel and activities at the customer sites. WillScot Mobile Mini fosters an environment in which our employees feel empowered and choose to make the safest and best decisions possible. Proper safety culture fosters personal accountability, leading to increased safety, active employee engagement and a strong commitment to the Company and our customers.

We believe we are operating at high levels of safety and low levels of injury. In 2022, our Total Recordable Incident Rate ("TRIR") was below one, which translates to keeping our employees very safe, and we remain committed to creating a zero harm culture. Every Company employee has "stop-work" authority allowing employees to stop work, report near misses and identify improvements that impact their own safety and that of others, which supports our constant goal to identify and correct safety issues before they turn into incidents. WillScot Mobile Mini leverages technology to assist our drivers and other team members in the safety arena. The Company created an assessment tool, our "Safety Save" application, that tracks employee safety engagement and measures the number of safety engagements as our team members complete them. Any employee is encouraged to complete a safety assessment on an observation of a task, tool, behavior or other condition during working duties. Use of the Safety Save application is just one manner we use to manage safety leadership at all levels. Further, WillScot Mobile Mini uses and is expanding a vehicle/truck-based camera system used to improve driving behaviors.

Lastly, the Company maintains a robust safety assessment program that drives increased focus to our Health and Safety core value, by providing increased visibility. Our goal is to help each team member succeed and enjoy a safe working experience. Who we are as people ultimately defines what we are as a business, and safety is everyone's responsibility.

Our safety management system ("SMS") revolves around four main components, "plan," "do," "check" and "act." As to "plan," our Health & Safety Culture Policy, drafted by members of our Senior Executive Team, highlights the tenets of our commitment to safe culture. We are subject to certain environmental, health, and safety laws and regulations in countries, states, provinces, and localities in which we operate. Our health and safety programs are designed around global standards with appropriate variations addressing the multiple jurisdictions, regulations, hazards, and unique working environments where we operate. As to "do," and based on hazard assessment, the Company evaluates each task, creating or modifying standard operating procedures and work instructions. WillScot Mobile Mini provides safety and health training that exceeds regulatory requirements in line with employees' tasks and the hazards they face during the completion of daily tasks. As it pertains to "check," our corporate safety team conducts regular audits, and where deficiencies or corrective actions are needed, actions plans are prepared, executed and tracked to closure. Lastly, as it pertains to "act," among other initiatives, we have partnered with our insurers for several years to conduct external audits of our safety management system and practices. The Company uses these results to continuously update our SMS.

Community

Community engagement is at the heart of our business. Due to our scale, we are able to bring new engagement opportunities to our entire workforce, and we continue to make efforts to expand our giving and outreach beyond the Phoenix, Arizona area. We are scaling our outreach consistent with our distributive business model. Our reach as a company gives us the ability to support all the communities in which we work and live. The following represents highlights of our giving approach.

- *Give Where You Live* – In late 2021, we launched our giving platform called Give Where You Live, in which employees can partner with the local charity of their choice across all 240 of our locations in the way that is most meaningful to them. We leverage technology via a charitable giving application, to engage our workforce. We encourage our employees to give their time, talent and/or treasure locally to organizations furthering our core four causes of Shelter, Hunger, Education, and Health & Wellness. We have expanded our existing Company match program and have created a volunteer rewards program to encourage increased volunteerism globally.
- We also partner with several national and local organizations such as Habitat for Humanity. We have partnered with Habitat for Humanity for over 16 years to provide in-kind donations and physical and monetary support to help families build and improve places to call home. Local branches are able to make an impact with local Habitat for Humanity affiliates by donating containers for up to seven months during a neighborhood build. In 2022, we donated over $145,000 of in-kind donations. In 2023, we continue our commitment to Habitat for Humanity by pledging $275,000 towards in-kind donations and community build events. Our employees have also participated in an Operation Gratitude Letter Writing Campaign through which our employees wrote letters to military service members and first responders, expressing gratitude for their sacrifices and heroism. We delivered more than 800 letters and donated to Operation Gratitude. Employees across the business are encouraged to engage in volunteer projects of their choice with organizations meaningful to them on an ongoing basis, and we have seen tremendous participation network-wide.

Governance

Good governance enables everything we do. After the Merger, our combined Board of Directors created a roadmap to transition the Company's governance practices. We modified the charter of our Nominating and Corporate Governance Committee to establish an ESG initiative, and to provide oversight for that initiative. Our updated Nominating and Corporate

Governance Committee charter also increases our efforts to identity and seek diverse candidates for our Board, which not only represents our commitment to creating a more diverse Board, but also our commitment to bringing in directors with strong experience to enhance our Board in key areas. Our Audit Committee reviews the Board of Directors' and the Company's activities to assess enterprise risks and develop plans to mitigate those risks. The committee considers a variety of potential risks that may affect the Company, including the competitive and macroeconomic landscape, cybersecurity, environmental health and safety, statutory/regulatory compliance, ESG risks, and ability to scale human capital and business systems for future growth.

Intellectual Property

We operate primarily under the WillScot and Mobile Mini brands. We protect our products and services through the use of trademarks and patents, none of which are individually material to our business. Our trademarks and patents are registered or pending application for registrations in the US Patent and Trademark Office and various non-US jurisdictions. On our Modular fleet, we maintain a patent for the design of our Flex units in the US and other patents in the US and non-US jurisdictions concerning various assembly and panel components. We believe that Flex represents innovative and versatile purpose built modular space solutions in the industry, which has helped us expand commercially into new end markets. On our Storage fleet, we have patented our proprietary Tri-Cam Locking System®, ContainerGuardLock® and other continued improvements in locking technology in the markets in which we operate. We believe that continued innovation differentiates WillScot Mobile Mini with our customers and represents a source of long-term competitive advantage.

Available Information

Our website address is www.willscotmobilemini.com. We make available, free of charge through our website, our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (the "Exchange Act") as soon as reasonably practicable after such documents are electronically filed with, or furnished to, the United States Securities and Exchange Commission (the "SEC"). The SEC maintains an internet website at www.sec.gov that contains reports, proxy and information statements and other information regarding WillScot Mobile Mini.

Regulatory and Environmental Compliance

We are subject to certain environmental, transportation, anti-corruption, import control, health and safety, and other laws and regulations in countries, states or provinces, and localities in which we operate. We incur significant costs in our business to comply with these laws and regulations. However, from time to time we may be subject to additional costs and penalties as a result of non-compliance. The discovery of currently unknown matters or conditions, new laws and regulations, or different enforcement or interpretation of existing laws and regulations could materially harm our business or operations in the future.

We are subject to laws and regulations that govern and impose liability for activities that may have adverse environmental effects, including discharges into air and water and handling and disposal of hazardous substances and waste. As of the date of this filing, no environmental matter has been material to our operations. Based on our management's assessment, we believe that any environmental matters relating to us of which we are currently aware will not be material to our overall business or financial condition.

The jurisdictions in which we operate are also subject to anti-bribery laws and regulations, such as the US Foreign Corrupt Practices Act of 1977, as amended (the "FCPA"). These regulations prevent companies and their officers, employees, and agents from making payments to officials and public entities of foreign countries to facilitate obtaining new contracts. Violations of these laws and regulations may result in criminal sanctions and significant monetary penalties.

Certain of our units are subject to regulation in certain states under motor vehicle and similar registrations and certificate of title statutes. Management believes that the Company has complied, in all material respects, with all motor vehicle registration and similar certificate of title statutes in states where such statutes clearly apply to modular space units. We have not taken actions under such statutes in states where we have determined that such statutes do not apply to modular space units. However, in certain states, the applicability of such statutes to modular space units is not clear beyond doubt. If additional registration and related requirements are deemed to be necessary in such states or if the laws in such states or other states were to change to require us to comply with such requirements, we could be subject to additional costs, fees, and taxes as well as administrative burdens to comply with such statutes and requirements. Management does not believe that the effect of such compliance will be material to our business or financial condition.

ITEM 1A. Risk Factors

Risks Relating to Our Business

We are subject to various laws and regulations, including recent pronouncements related to laws and regulations governing antitrust, climate related disclosures, cybersecurity, privacy, government contracts, anti-corruption and the environment. Obligations and liabilities under these laws and regulations may materially harm our business.

Our operations are subject to an array of governmental regulations in each of the jurisdictions in which we operate. For example, our activities in the US are subject to regulation by several federal and state government agencies, including the Occupational Safety and Health Administration, and by federal and state laws. Our operations and activities in other jurisdictions are subject to similar governmental regulations. Similar to conventionally constructed buildings, the modular business industry is also subject to regulations by multiple governmental agencies in each jurisdiction relating to, among others, environmental, zoning and building standards, and health, safety and transportation matters. These regulations affect our Storage Solutions customers, most of whom use our storage units to store their goods on their own properties for various lengths of time. If local zoning laws or planning permission regulations in one or more of our markets no longer allow our units to be stored on customers' sites, our business in that market will suffer. Noncompliance with applicable regulations, implementation of new regulations or modifications to existing regulations may increase costs of compliance, require a termination of certain activities or otherwise materially adversely affect our business, results of operations and financial condition.

Recent Pronouncements

Recent pronouncements by the SEC, Federal Trade Commission, Department of Justice, and from the state of California, among others, related to antitrust, climate related disclosures, cybersecurity and privacy could have the impact of increasing Company compliance costs, increasing potential liability to the Company as a result of frivolous lawsuits, or place the Company in a position of not knowing when or if the laws are settled in a particular area in order for the Company to effectively comply.

US Government Contract Laws and Regulations

Our government customers include the US government, which means we are subject to various statutes and regulations applicable to doing business with the US government. These types of contracts customarily contain provisions that give the US government substantial rights and remedies, many of which are not typically found in commercial contracts and which are unfavorable to contractors, including provisions that allow the government to unilaterally terminate or modify our federal government contracts, in whole or in part, at the government’s convenience. Under general principles of US government contracting law, if the government terminates a contract for convenience, the terminated company may generally recover only its incurred or committed costs and settlement expenses and profit on work completed prior to the termination. If the government terminates a contract for default, the defaulting company may be liable for any extra costs incurred by the government in procuring undelivered items from another source.

In addition, US government contracts and grants normally contain additional requirements that may increase our costs of doing business, reduce our profits, and expose us to liability for failure to comply with these terms and conditions. These requirements include, for example: (a) specialized disclosure and accounting requirements unique to US government contracts; (b) financial and compliance audits that may result in potential liability for price adjustments, recoupment of government funds after such funds have been spent, civil and criminal penalties, or administrative sanctions such as suspension or debarment from doing business with the US government; (c) public disclosures of certain contract and company information; and (d) mandatory socioeconomic compliance requirements, including labor requirements, non-discrimination and affirmative action programs and environmental compliance requirements.

If we fail to comply with these requirements, our contracts may be subject to termination, and we may be subject to financial and/or other liability under our contracts or under the Federal Civil False Claims Act (the "False Claims Act"). The False Claims Act’s “whistleblower” provisions allow private individuals, including present and former employees, to sue on behalf of the US government. The False Claims Act statute provides for treble damages and other penalties, and if our operations are found to be in violation of the False Claims Act, we could face other adverse action, including suspension or prohibition from doing business with the US government. Any penalties, damages, fines, suspension or damages could adversely affect our ability to operate our business and our financial results.

Department of Transportation and Titling Regulations

We operate in the US pursuant to operating authority granted by the US Department of Transportation (the “DOT”). Our drivers must comply with the safety and fitness regulations of the DOT, including those relating to drug and alcohol testing and hours of service. Such matters as equipment weight and dimensions are also subject to government regulations. Our safety record could be ranked poorly compared to peer firms. A poor safety ranking may result in the loss of customers or difficulty attracting and retaining qualified drivers which could affect our results of operations. Should additional rules be enacted in the future, compliance with such rules could result in additional costs.

Additionally, we are subject to, and may be required to expend funds to ensure compliance with a variety of laws, regulations, and ordinances related to unit titling, stamping, and registration rules and procedures, and notification requirements to agencies and law enforcement relating to unit transfers, particularly when acquiring new assets and operations. Many of these laws and regulations are frequently complex and subject to interpretation, and failure to comply with present or future regulations or changes in interpretations of existing laws or regulations may result in impairment or suspension of our operations and the imposition of penalties and other liabilities. At various times, we may be involved in disputes with local governmental officials regarding the development and/or operation of our units. We may be subject to similar types of regulations by governmental agencies in new markets. In addition, new legal or regulatory requirements or changes in existing requirements may delay or increase the cost of acquiring and integrating new units, which may adversely impact our ability to conduct business.

Anti-Corruption Laws and Regulations

We are subject to various anti-corruption laws that prohibit improper payments or offers of payments to foreign governments and their officials by a US person for the purpose of obtaining or retaining business. We operate in countries that may present a more corruptible business environment than the US. Such activities create the risk of unauthorized payments or offers of payments by one of our employees or agents that could be in violation of various laws, including the FCPA. We have implemented safeguards and policies to discourage these practices by our employees and agents. However, existing safeguards and any future improvements may prove to be ineffective and employees or agents may engage in conduct for which we might be held responsible.

If employees violate our policies or we fail to maintain adequate record-keeping and internal accounting practices to accurately record our transactions, we may be subject to regulatory sanctions. Violations of the FCPA or other anti-corruption laws may result in severe criminal or civil sanctions and penalties, including suspension or debarment from US government contracting, and we may be subject to other liabilities which could materially adversely affect our business, results of operations and financial condition. We are also subject to similar anti-corruption laws in other jurisdictions.

Environmental Laws and Regulations

We are subject to a variety of national, state, regional and local environmental laws and regulations. Among other things, these laws and regulations impose limitations and prohibitions on the discharge and emission of, and establish standards for the use, disposal and management of, regulated materials and waste and impose liabilities for the costs of investigating and cleaning up, and damages resulting from, present and past spills, disposals or other releases of hazardous substances or materials. In the ordinary course of business, we use and generate substances that are regulated or may be hazardous under environmental laws. We have an inherent risk of liability under environmental laws and regulations, both with respect to ongoing operations and with respect to contamination that may have occurred in the past on our properties or as a result of our operations. While we endeavor to comply with all regulatory requirements, from time to time, our operations or conditions on properties that we have acquired have resulted in liabilities under these environmental laws. We may in the future incur material costs to comply with environmental laws or sustain material liabilities from claims concerning noncompliance or contamination. Under certain environmental laws, we could be held responsible for all of the costs relating to any contamination at, or migration to or from, our or our predecessors' past or present facilities. These laws often impose liability even if the owner, operator or lessor did not know of, or was not responsible for, the release of such hazardous substances. While we maintain certain related insurance coverages, we have no reserves for any such liabilities.

We are also required to obtain environmental permits from governmental authorities for certain of our operations. If we violate or fail to obtain or comply with these laws, regulations, or permits, we could be fined or otherwise sanctioned by regulators. We could also become liable if employees or other parties are improperly exposed to hazardous materials.

We cannot predict what environmental legislation or regulations will be enacted in the future, how existing or future laws or regulations will be administered or interpreted, or what environmental conditions may be found to exist at our facilities or at third party sites for which we may be liable. Enactment of stricter laws or regulations, stricter interpretations of existing laws and regulations or the requirement to undertake the investigation or remediation of currently unknown environmental contamination at sites we own or third-party sites may require us to make additional expenditures, some of which could be material. Responding to governmental investigations or other actions may be both time-consuming and disruptive to our operations and could divert the attention of our management and key personnel from our business operations. The impact of these and other investigations and lawsuits could have a material adverse effect on our financial statements.

We may be unable to successfully acquire and integrate new operations, which could cause our business to suffer.

We have historically achieved a significant portion of our growth through acquisitions, and we will continue to consider potential acquisitions on a selective basis. There can be no assurance that we will be able to identify suitable acquisition opportunities in the future or that we will be able to consummate any such transactions on terms and conditions acceptable to us.

Additionally, we cannot predict if or when acquisitions will be completed, and we may face significant competition for acquisition targets. Acquisitions involve numerous risks, including (a) difficulties in integrating the operations, technologies, management information systems, products and personnel of the acquired companies; (b) diversion of management's attention from normal daily operations of the business; (c) loss of key employees; (d) difficulties in entering markets in which we have no or limited prior experience and where our competitors in such markets have stronger market positions; (e) difficulties in complying with regulations, such as antitrust and environmental regulations, and managing risks related to an acquired business; (f) an inability to timely obtain financing, including any amendments required to existing financing agreements; (g) an inability to implement uniform standards, controls, procedures and policies; (h) undiscovered and unknown problems, defects, liabilities or other issues related to any acquisition that become known to us only after the acquisition, particularly relating to rental equipment on lease that are unavailable for inspection during the diligence process; and (i) loss of key customers or suppliers.

Acquisitions are inherently risky, and we cannot provide assurance that any future acquisitions will be successful or will not materially adversely affect our business, results of operations and financial condition. If we do not manage new markets effectively, some of our new branches and acquisitions may lose money or fail, and we may have to close unprofitable branches. We must continue to take actions to realize the combined cost synergies that we forecast for the acquisition. We may incur more costs than we anticipated to achieve the forecast synergies (thus reducing the net benefit of the cost synergies), realize synergies later than we expected or fail altogether to achieve a portion of the cost savings we anticipated. Any of these events could cause reductions in our earnings per share, impact our ability to borrow funds under our credit facility, decrease or delay the accretive effect of the acquisitions that we anticipated and negatively impact our stock price.

Global or local economic movements could have a material adverse effect on our business.

Our business, which operates in the US, Canada, and Mexico, may be negatively impacted by economic movements or downturns in the local markets in which we operate or global markets generally. These adverse economic conditions may reduce commercial activity, cause disruption and extreme volatility in global financial markets and increase rates of default and bankruptcy. Reduced economic activity has at times historically resulted in reduced demand for our products and services. Disruptions in financial markets could negatively impact the ability of our customers to pay their obligations to us in a timely manner and increase our counterparty risk. If economic conditions worsen, we may face reduced demand and an increase, relative to historical levels, in the time it takes to receive customer payments. If we are not able to adjust our business in a timely and effective manner to changing economic conditions, our business, results of operations and financial condition may be materially adversely affected.

Moreover, the level of demand for our products and services is sensitive to the level of demand within various sectors, particularly the commercial and industrial, construction, education, energy and natural resources, and government end markets. Each of these sectors is influenced not only by the state of the general global economy, but also by a number of more specific factors as well. For example, a decline in global or local energy prices may materially adversely affect demand for modular buildings within the energy and resources sector. The levels of activity in these sectors and geographic regions may also be cyclical, and we may not be able to predict the timing, extent or duration of the activity cycles in the markets in which we or our key customers operate. A decline or slowed growth in any of these sectors or geographic regions could result in reduced demand for our products and services, which may materially adversely affect our business, results of operations and financial condition.

Any failure of our management information systems could disrupt our business operations, which could result in decreased lease or sale revenue and increase overhead costs.

We rely heavily on information systems across our operations. We also utilize third-party cloud providers to host certain of our applications and to store data. Our ability to effectively manage our business depends significantly on the reliability and capacity of these systems. The failure of our management information systems to perform as anticipated could damage our reputation with our customers, disrupt our business or result in, among other things, decreased lease and sales revenue and increased overhead costs. Any such failure could harm our business, results of operations and financial condition. In addition, the delay or failure to implement information system upgrades and new systems effectively could disrupt our business, distract management's focus and attention from business operations and growth initiatives and increase our implementation and operating costs, any of which could materially adversely affect our operations and operating results. Moreover, the integration of any acquisition may create unforeseen challenges for our management information systems which could result in unforeseen expenditures and other risks, including difficulties in managing facilities and employees in different geographic areas.

We believe we have implemented appropriate measures to mitigate potential risks; however, like other companies, our information technology systems may be vulnerable to a variety of interruptions due to our own error or events beyond our control. The measures that we employ to protect our systems may not detect or prevent cybersecurity breaches, natural disasters, terrorist attacks, telecommunication failures, computer viruses, hackers, phishing attacks, and other security issues. We have previously been the target of an attempted cyber attack and have from time to time experienced threats to our data and systems, computer virus attacks and phishing attempts, and we may be subject to breaches of the information systems that we use. We have not experienced a material cybersecurity breach. We have programs in place that are intended to detect, contain and respond to data security incidents and that provide employee awareness training regarding phishing, malware, and other cyber risks to protect against cyber risks and security breaches. However, because the techniques used to obtain unauthorized access, disable or degrade service, or sabotage systems change frequently and may be difficult to detect for long periods of time, we may be unable to anticipate these techniques or implement adequate preventative measures. In addition, because our systems contain information about individuals and other businesses, the failure to maintain the security of the data we hold, whether the result of our own error or the malfeasance or errors of others, could harm our reputation or give rise to legal liabilities leading to lower revenue, increased costs, regulatory sanctions and other potential material adverse effects on our business, results of operations and financial condition.

Trade policies and changes in trade policies, including the imposition of tariffs, their enforcement and downstream consequences, may materially adversely affect our business, results of operations, and outlook.

Tariffs and/or other developments with respect to trade policies, trade agreements and government regulations may materially, adversely affect our business, financial condition and results of operations. From time to time, the US government has historically imposed and may in the future impose tariffs on steel, aluminum and lumber imports from certain countries, which could result in increased costs to us for these materials. Without limitation, (i) tariffs currently in place and (ii) the imposition by the federal government of new tariffs on imports to the US could materially increase (a) the cost of our products that we are offering for sale or lease, (b) the cost of certain products that we source from foreign manufacturers, and (c) the cost of certain raw materials or products that we utilize. We may not be able to pass such increased costs on to our customers, and we may not be able to secure sources of certain products and materials that are not subject to tariffs on a timely basis. Although we actively monitor our procurement policies and practices to avoid undue reliance on foreign-sourced goods subject to tariffs, when practicable, such developments may materially adversely affect our business, financial condition and results of operations.

We face significant competition in the modular space and portable storage industries. Such competition may result in pricing pressure or an inability to maintain or grow our market share. If we are unable to compete successfully, we could lose customers and our revenue and profitability could decline.

Although our competition varies significantly by market, the modular space and portable storage industries are highly competitive and highly fragmented. We compete on the basis of a number of factors, including customer relationships, product quality and availability, delivery speed, VAPS and service capabilities, pricing, and overall ease of doing business. We may experience pricing pressures in our operations as some of our competitors seek to obtain market share by reducing prices, and we may face reduced demand for our products and services if our competitors are able to provide new or innovative products or services that better appeal to customers. In most of our end markets, we face competition from national, regional and local companies who have an established market position in the specific service area, and we expect to encounter similar competition in any new markets that we may enter. In certain markets, some of our competitors may have greater market share, less debt, greater pricing flexibility, more attractive product or service offerings, better brand recognition or superior marketing and financial resources. Increased competition could result in lower profit margins, substantial pricing pressure and reduced market share. Price competition, together with other forms of competition, may materially adversely affect our business, results of operations and financial condition.

If we do not manage our credit risk effectively, collect on our accounts receivable, or recover our rental equipment from our customers, it could materially adversely affect our business, financial condition and results of operations.

We perform credit evaluation procedures on our customers on each transaction and require security deposits or other forms of security from our customers when we identify a significant credit risk. Failure to manage our credit risk and receive timely payments on our customer accounts receivable may result in the write-off of customer receivables and loss of units if we are unable to recover our rental equipment from our customers' sites. If we are not able to manage credit risk, or if a large number of customers should have financial difficulties at the same time, our credit and rental equipment losses would increase above historical levels. If this should occur, our business, financial condition, results of operations and cash flows may be materially adversely affected.

Fluctuations in interest rates and commodity prices may also materially adversely affect our revenues, results of operations and cash flows.

Although we have fixed-rate debt through our Senior Secured Notes, our borrowings under our senior secured revolving credit facility remain variable rate debt. Fluctuations in interest rates may negatively impact the amount of interest payments, as well as our ability to refinance portions of our existing debt in the future at attractive interest rates. In addition, certain of our end markets, as well as portions of our cost structure, such as transportation costs, are sensitive to changes in commodity prices, which can impact both demand for and profitability of our services. These changes could impact our future earnings and cash flows, assuming other factors are held constant.

We are subject to risks associated with labor relations, labor costs and labor disruptions.

We are subject to the costs and risks generally associated with labor disputes and organizing activities related to unionized labor. It is possible that strikes, public demonstrations or other coordinated actions and publicity may disrupt our operations. We may incur increased legal costs and indirect labor costs as a result of contractual disputes, negotiations or other labor-related disruptions. We have collective bargaining agreements with employees in portions of our Mexico-based operations, which accounted for approximately 1% of our total employees as of December 31, 2022. These operations may be more highly affected by labor force activities than others, and all collective bargaining agreements must be renegotiated annually. Other locations may also face organizing activities or effects. Labor organizing activities could result in additional employees becoming unionized. Furthermore, collective bargaining agreements may limit our ability to reduce the size of work forces during an economic downturn, which could put us at a competitive disadvantage. We believe a unionized workforce outside of Mexico would generally increase our operating costs, divert attention of management from servicing customers and increase the risk of work stoppages, all of which could have a material adverse effect on our business, results of operations or financial condition.

Our ability to profitably execute our business plan depends on our ability to attract, develop and retain qualified personnel. Certain of our key executives, managers and employees have knowledge and an understanding of our business and our industry, and/or have developed meaningful customer relationships, that cannot be duplicated readily. Our ability to attract and retain qualified personnel is dependent on, among other things, the availability of qualified personnel and our ability to provide a competitive compensation package, including the implementation of adequate drivers of retention and rewards based on performance, and work environment. Failure to retain qualified key personnel may materially adversely affect our business, results of operations and financial condition. The departure of any key personnel and our inability to enforce non-competition agreements could have a negative impact on our business.

Moreover, labor shortages, the inability to hire or retain qualified employees and increased labor costs could have a material adverse effect on our ability to control expenses and efficiently conduct our operations. We may not be able to continue to hire and retain the sufficiently skilled labor force necessary to operate efficiently and to support our operating strategies. Labor expenses could also increase as a result of continuing shortages in the supply of personnel.

Our customer base includes customers operating in a variety of industries which may be subject to changes in their competitive environment as a result of the global, national or local economic climate in which they operate and/or economic or financial disruptions to their industry.

Our customer base includes customers operating in a variety of industries, including commercial and industrial, construction, education, energy and natural resources, government, retail and other end markets. Many of these customers, across this wide range of industries, are facing economic and/or financial pressure from changes to their industry resulting from the global, national and local economic climate in which they operate and industry-specific economic and financial disruptions, including, in some cases, consolidation and lower sales revenue from physical locations, resulting from changes in political, social and economic conditions. These and any future changes to any of the industries in which our customers operate could cause them to rent fewer units from us or otherwise be unable to satisfy their obligations to us. In addition, certain of our customers are facing financial pressure and such pressure, or other factors, may result in consolidation in some industries and/or an increase in bankruptcy filings by certain customers. Each of these facts and industry impacts, individually or in the aggregate, could have a materially adverse effect on our operating results.

We may not be able to adequately protect our intellectual property and other proprietary rights that are material to our business.

Our ability to compete effectively depends in part upon protection of our rights in trademarks, copyrights and other intellectual property rights we own or license, including patents to the Mobile Mini locking system. Our use of contractual provisions, confidentiality procedures and agreements, and trademark, copyright, unfair competition, trade secret and other laws to protect our intellectual property and other proprietary rights may not be adequate. Litigation may be necessary to enforce our intellectual property rights and protect our proprietary information and patents, or to defend against claims by third parties that our services or our use of intellectual property infringe their intellectual property rights. Any litigation or claims brought by or against us could result in substantial costs and diversion of resources. A successful claim of trademark, copyright or other intellectual property infringement against us could prevent us from providing services, which could harm our business, financial condition or results of operations. In addition, a breakdown in our internal policies and procedures may lead to an unintentional disclosure of our proprietary, confidential or material non-public information, which could in turn harm our business, financial condition or results of operations.

Our operations could be subject to natural disasters and other business disruptions, which could materially adversely affect our information systems, future revenue, financial condition, cash flows and increase our costs and expenses.

Our operations could be subject to natural disasters and other business disruptions such as pandemics, fires, floods, hurricanes, earthquakes and terrorism, which could adversely affect our information systems, future revenue, financial condition, and cash flows and increase our costs and expenses. In addition, the occurrence and threat of terrorist attacks may directly or indirectly affect economic conditions, which could adversely affect demand for our products and services. In the event of a major natural or man-made disaster, we could experience loss of life of our employees, destruction of facilities or business interruptions, any of which may materially adversely affect our business. If any of our facilities or a significant amount of our rental equipment were to experience a catastrophic loss, it could disrupt our operations, delay orders, shipments and revenue recognition and result in expenses to repair or replace the damaged rental equipment and facility not covered by asset, liability, business continuity or other insurance contracts. Also, we could face significant increases in premiums or losses of coverage due to the loss experienced during and associated with these and potential future natural or man-made disasters that may materially adversely affect our business. In addition, attacks or armed conflicts that directly impact one or more of our properties could significantly affect our ability to operate those properties and thereby impair our results of operations.

In general, any of these events could cause consumer confidence and spending to decrease or result in increased volatility in the global economy and worldwide financial markets. Any such occurrence could materially adversely affect our business, results of operations and financial condition.

Our operations are dependent, in part, on our ability to establish and profitably maintain the appropriate physical presence in the markets we serve.

Our operations depend, in part, on our ability to develop and optimize our branch network and market coverage while maintaining profitability. Our ability to optimize our branch network and market coverage requires active management of our real estate portfolio in a manner that permits locations and offerings to evolve over time, which to the extent it involves the relocation of existing branch locations or the opening of additional branch locations will depend on a number of factors, including our identification and availability of suitable locations; our success in negotiating leases on acceptable terms; and our timely development of new branch locations, including the availability of construction materials and labor and the absence of significant construction and other delays based on weather or other events. These factors could potentially increase the cost of doing business and the risk that our business practices could result in liabilities that may adversely affect our business, results of operations and financial condition.

We have in the past, and we intend in the future, to expand our operations into new geographic markets. This expansion could require financial resources that would not therefore be available for other aspects of our business. In addition, this expansion could require the time and attention of management, leaving less time to focus on existing business. If we fail to manage the risks inherent in our geographic expansion, we could incur capital and operating costs without any related increase in revenue, which would harm our operating results.

We may incur property, casualty or other losses not covered by our insurance.

We are partly self-insured for a number of different risk categories, such as property, general liability (including product liability), workers' compensation, automobile claims, crime, and cyber liability, with insurance coverage for certain catastrophic risks. The types and amounts of insurance may vary from time to time based on our decisions with respect to risk retention and regulatory requirements. The occurrence of significant claims, a substantial rise in costs to maintain our insurance, or the failure to maintain adequate insurance coverage could have an adverse impact on our financial condition and results of operations.

Failure to close our unit sales transactions as we project could cause our actual revenue or cash flow for a particular fiscal period to differ from expectations.

Sales of new and used modular space and portable storage units to customers represented approximately 4.3% of WillScot Mobile Mini's revenue during the year ended December 31, 2022. Sale transactions are subject to certain factors that are beyond our control, including permit requirements, the timely completion of prerequisite work by others and weather conditions. Accordingly, the actual timing of the completion of these transactions may take longer than we expect. As a result, our actual revenue and cash flow in a particular fiscal period may not consistently correlate to our internal operational plans and budgets. If we are unable to accurately predict the timing of these sales, we may fail to take advantage of business and growth opportunities otherwise available, and our business, results of operations, financial condition and cash flows may be materially adversely affected.

If we fail to maintain an effective system of internal controls, we may not be able to accurately report our financial results, which could lead to a loss of investor confidence in our financial statements and have an adverse effect on our stock price.

Effective internal controls are necessary for us to provide reliable and accurate financial statements and to effectively prevent fraud. We devote significant resources and time to comply with the internal control over financial reporting requirements of the Sarbanes-Oxley Act of 2002 as amended (the "Sarbanes-Oxley Act"). There is no assurance that material weaknesses or significant deficiencies will not occur or that we will be successful in adequately remediating any such material weaknesses and significant deficiencies. We may in the future discover areas of our internal controls that need improvement. We cannot be certain that we will be successful in maintaining adequate internal control over our financial reporting and financial processes. Furthermore, as we grow our business, including through acquisition, our internal controls will become more complex, and we will require significantly more resources to ensure our internal controls remain effective. Additionally, the existence of any material weakness or significant deficiency would require management to devote significant time and incur significant expense to remediate any such material weaknesses or significant deficiencies, and management may not be able to remediate any such material weaknesses or significant deficiencies in a timely manner. The existence of any material weakness in our internal control over financial reporting could also result in errors in our financial statements that could require us to restate our financial statements, cause us to fail to meet our reporting obligations, subject us to investigations from regulatory authorities or cause stockholders to lose confidence in our reported financial information, all of which could materially and adversely affect us.

We are subject to evolving public disclosure, financial reporting and corporate governance expectations and regulations that impact compliance costs and risks of noncompliance.

We are subject to changing rules and regulations promulgated by a number of governmental and self-regulatory organizations, including the SEC and Nasdaq, as well as evolving investor expectations around disclosures, financial reporting, corporate governance and environmental and social practices. These rules and regulations continue to evolve in scope and complexity, and many new requirements have been created in response to laws enacted by the US and foreign governments, making compliance more difficult and uncertain. The increase in costs to comply with such evolving expectations, rules and regulations, as well as any risk of noncompliance, could adversely impact us.

We may be unable to achieve our environmental, social and governance goals.

We are dedicated to corporate social responsibility and sustainability and our employees, customers, and stockholders expect us to make significant advancements in environmental, social and governance matters. In part to address these concerns, we established certain goals as part of our ESG strategy. Achievement of our goals is subject to risks and uncertainties, many of which are outside of our control, and it is possible that we may fail to achieve these goals or that our colleagues, customers, or stockholders might not be satisfied with our efforts. These risks and uncertainties include, but are not limited to: our ability to execute our operational strategies and achieve our goals within the currently projected costs and the expected timeframes; the availability and cost of renewable energy and other materials; compliance with, and changes or additions to, global and regional regulations, taxes, charges, mandates or requirements relating to climate-related goals; labor-related regulations and requirements that restrict or prohibit our ability to impose requirements on third-party contractors; the actions of competitors and competitive pressures; and an acquisition of or merger with another company that has not adopted similar goals or whose progress towards reaching its goals is not as advanced as ours. A failure to meet our goals could adversely affect public perception of our business, employee morale or customer or stockholder support.

Further, an increasing percentage of employees, customers, and stockholders considers sustainability factors in making employment, business and investment decisions. If we are unable to meet our goals, we may lose employees, and have difficulty recruiting new employees, investors, customers, or partners, our stock price may be negatively impacted, our reputation may be negatively affected, and it may be more difficult for us to compete effectively, all of which would have an adverse effect on our business, operating results, and financial condition.

Our operations are exposed to operational, economic, political and regulatory risks.

We operate in the US, Canada, and Mexico. For the year ended December 31, 2022, approximately 93%, 6%, and 1% of our revenue was generated in the US, Canada, and Mexico, respectively. For the year ended December 31, 2022, approximately 65.0% and 35.0%, of our revenue was derived from our Modular Solutions business and Storage Solutions business, respectively.

Our operations in any of these countries could be affected by foreign and domestic economic, political and regulatory risks, including (a) regulatory requirements that are subject to change and that could restrict our ability to assemble, lease or sell products; (b) inflation, recession, and fluctuations in foreign currency exchange and interest rates; (c) trade protection measures, including increased duties and taxes and import or export licensing requirements; (d) compliance with applicable antitrust and other regulatory rules and regulations relating to potential acquisitions; (e) different local product preferences and product requirements; (f) pressures on management time and attention due to the complexities of overseeing multi-national operations; (g) challenges in maintaining staffing; (h) different labor regulations and the potential impact of collective bargaining; (i) potentially adverse consequences from changes in, or interpretations of, tax laws; (j) potentially adverse consequences from change in, or interpretation of, securities laws and other financial reporting regulations; (k) political and economic instability; (l) enforcement of remedies in various jurisdictions; (m) the risk that the business partners upon whom we depend for technical assistance will not perform as expected; (n) compliance with applicable export control laws and economic sanctions laws and regulations; (o) price controls and ownership regulations; (p) obstacles to the repatriation of earnings and cash; (q) differences in business practices that may result in violation of Company policies, including, but not limited to, bribery and collusive practices; and (r) reduced protection for intellectual property in some countries. Additionally, any sustained international conflict may have a negative economic or other impact on the markets we serve, our operations and financial results. These and other risks may materially adversely affect our business, results of operations and financial condition.

Effective management of our fleet is vital to our business, and our failure to properly safeguard, design, manufacture, repair, maintain and manage our fleet could harm our business and reduce our operating results and cash flows.

Our modular space and portable storage units have long economic lives and managing our fleet is a critical element to our leasing business. Rental equipment asset management requires designing and building long-lived products that anticipate customer needs and changes in legislation, regulations, building codes and local permitting in the various markets in which we operate. In addition, we must cost-effectively maintain and repair our fleet to maximize the economic life of the products and the proceeds we receive from product sales. As the needs of our customers change, we may incur costs to relocate or retrofit our assets to better meet shifts in demand. If the distribution of our assets is not aligned with regional demand, we may be unable to take advantage of sales and leasing opportunities in certain regions, despite excess inventory in other regions. If we are not able to successfully manage our lease assets, our business, results of operations and financial condition may be materially adversely affected.

If we do not appropriately manage the design, manufacture, repair and maintenance of our product fleet, or if we delay or defer such repair or maintenance or suffer unexpected losses of rental equipment due to theft or obsolescence, we may be required to incur impairment charges for equipment that is beyond economic repair or incur significant capital expenditures to acquire new rental equipment to serve demand. These failures may also result in personal injury or property damage claims, including claims based on poor indoor air quality and termination of leases or contracts by customers. Costs of contract performance, potential litigation and profits lost from termination could materially adversely affect our future operating results and cash flows. If a significant number of leased units are returned in a short period of time, a large supply of units would need to be remarketed. Our failure to effectively remarket a large influx of units returning from leases could materially adversely affect our financial performance.

Changes in state building codes could adversely impact our ability to remarket our buildings, which could have a material adverse impact on our business, financial condition and results of operations.

Building codes are generally reviewed, debated and, in certain cases, modified on a national level every three years as an ongoing effort to keep the regulations current and improve the life, safety and welfare of the buildings' occupants. All aspects of a given code are subject to change, including, but not limited to, such items as structural specifications for earthquake safety, energy efficiency and environmental standards, fire and life safety, transportation, lighting and noise limits. On occasion, state agencies have undertaken studies of indoor air quality and noise levels with a focus on permanent and modular classrooms. This process leads to a systematic change that requires engagement in the process and recognition that past methods will not always be accepted. New modular construction is very similar to conventional construction where newer codes and regulations generally increase cost. New governmental regulations may increase our costs to acquire new rental equipment, as well as increase our costs to refurbish existing equipment.

Compliance with building codes and regulations entails risk as state and local government authorities do not necessarily interpret building codes and regulations in a consistent manner, particularly where applicable regulations may be unclear and subject to interpretation. These regulations often provide broad discretion to governmental authorities that oversee these matters, which can result in unanticipated delays or increases in the cost of compliance in particular markets. The construction and modular industries have developed many “best practices” which are constantly evolving. Some of our peers and competitors may adopt practices that are more or less stringent than ours. When, and if, regulators clarify regulatory standards, the effect of the clarification may be to impose rules on our business and practices retroactively, at which time we may not be in compliance with such regulations and we may be required to incur costly remediation. If we are unable to pass these increased costs on to our customers, our business, financial condition, operating cash flows and results of operations could be negatively impacted.

Our operations face foreign currency exchange rate exposure, which may materially adversely affect our business, results of operations and financial condition.

We hold assets, incur liabilities, earn revenue and pay expenses in certain currencies other than the US Dollar, primarily the Canadian Dollar and the Mexican Peso. Our consolidated financial results are denominated in US Dollars, and therefore, during times of a strengthening US Dollar, our reported revenue in non-US Dollar jurisdictions will be reduced because the local currency will translate into fewer US Dollars. Revenue and expenses are translated into US Dollars at the average exchange rate for the period. In addition, the assets and liabilities of our non-US Dollar subsidiaries are translated into US Dollars at the exchange rates in effect on the balance sheet date. Foreign currency exchange adjustments arising from certain intercompany obligations with and between our domestic companies and our foreign subsidiaries are marked-to-market and recorded as a non-cash loss or gain in each of our financial periods in our consolidated statements of operations. Accordingly, changes in currency exchange rates will cause our foreign currency translation adjustment in the consolidated statements of comprehensive income (loss) to fluctuate. In addition, fluctuations in foreign currency exchange rates will impact the amount of US Dollars we receive when we repatriate funds from our non-US Dollar operations.

Significant increases in the costs and restrictions on the availability of raw materials and labor could increase our operating costs significantly and harm our profitability.

We incur labor costs and purchase raw materials, including steel, lumber, siding and roofing, paint, glass, fuel and other parts and materials to perform periodic repairs, modifications and refurbishments to maintain physical conditions of our units and in connection with get-ready, delivery and installation of our units. The volume, timing and mix of such work may vary quarter-to-quarter and year-to-year. Generally, increases in labor and raw material costs will increase the acquisition costs of new units and also increase the repair and maintenance costs of our fleet. We also maintain or replace a truck fleet to deliver units to and return units from our customers, the cost of which is sensitive to maintenance and fuel costs and rental rates on leased equipment. During periods of rising prices for labor or raw materials, and in particular, when the prices increase rapidly or to levels significantly higher than normal, we may incur significant increases in our acquisition costs for new units and higher operating costs that we may not be able to recoup from customers through changes in pricing, which could materially adversely affect our business, results of operations and financial condition. If raw material prices decline significantly, we may have to write down our raw materials inventory values. If this happens, our results of operations and financial condition could decline.

In addition, the availability of raw materials components fluctuates from time to time due to factors outside of our control, including trade laws and tariffs, natural disasters, global pandemics, supply chain constraints and disruptions, and may impact our ability to meet the production demands of our customers. If the costs of raw materials increase or the availability thereof is restricted, it could adversely affect our financial condition, operating results and cash flows.

Fluctuations in fuel costs or a reduction in fuel supplies may have a material adverse effect on our business and results of operations.

In connection with our business, to better serve our customers and optimize our capital expenditures, we often move our fleet from branch to branch. In addition, the majority of our customers arrange for delivery and pickup of our units through us. Accordingly, we could be materially adversely affected by significant increases in fuel prices that result in higher costs to us for transporting equipment. In the event of fuel and trucking cost increases, we may not be able to promptly raise our prices to make up for increased costs. A significant or prolonged price fluctuation or disruption of fuel supplies could have a material adverse effect on our financial condition and results of operations.

Third parties may fail to manufacture or provide necessary components for our products properly or in a timely manner.

We are often dependent on third parties to manufacture or supply components for our products. We typically do not enter into long-term contracts with third-party suppliers. We may experience supply problems as a result of financial or operating difficulties or the failure or consolidation of our suppliers. We may also experience supply problems as a result of shortages and discontinuations resulting from product obsolescence or other shortages or allocations by suppliers. Unfavorable economic conditions may also adversely affect our suppliers or the terms on which we purchase products. In the future, we may not be able to negotiate arrangements with third parties to secure products that we require in sufficient quantities or on reasonable terms. If we cannot negotiate arrangements with third parties to produce our products or if the third parties fail to produce our products to our specifications or in a timely manner, our business, results of operations and financial condition may be materially adversely affected.

If we determine that our goodwill, intangible assets, and indefinite-life intangible assets have become impaired, we may incur impairment charges, which may adversely impact our operating results.

We have a substantial amount of goodwill and indefinite-life intangible assets (trade names), which represents the excess of the total purchase price of our acquisitions over the fair value of the assets acquired, and other intangible assets. As of December 31, 2022, we had approximately $1,011.4 million and $419.1 million of goodwill and intangible assets, net, respectively, in our consolidated balance sheet, which represented approximately 17.4% and 7.2% of total assets, respectively, and primarily arose through our acquisition of Mobile Mini.

We evaluate goodwill and indefinite-lived intangible assets for impairment on an annual basis and when events occur or circumstances change that indicate that the fair value of the reporting unit or intangible asset may be below its carrying amount. Fair value determinations require considerable judgment and are sensitive to inherent uncertainties and changes in estimates and assumptions regarding revenue growth rates, EBIT margins, capital expenditures, working capital requirements, tax rates, terminal growth rates, discount rates, exchange rates, royalty rates, benefits associated with a taxable transaction and synergistic benefits available to market participants. Impairment may result from, among other things, deterioration in the performance of the business, adverse market conditions, stock price and adverse changes in applicable laws and regulations, including changes that restrict our activities. Declines in market conditions, a trend of weaker than anticipated financial performance for our reporting units or declines in projected revenue, a decline in our share price for a sustained period of time, an increase in the market-based weighted average cost of capital or a decrease in royalty rates, among other factors, are indicators that the carrying value of our goodwill or indefinite-life intangible assets may not be recoverable. In the event impairment is identified, a charge to earnings would be recorded which may materially adversely affect our financial condition and results of operations.

Risks Relating to Income Tax

Our ability to use our net operating loss carryforwards and other tax attributes may be limited.

As of December 31, 2022, excluding amounts in held for sale or attributable to disposable businesses (see Note 3), we had US net operating loss (“NOL”) carryforwards of approximately $1,011.7 million and $484.3 million for US federal income tax and state tax purposes, respectively, available to offset future taxable income, prior to consideration of annual limitations that Section 382 of the Internal Revenue Code of 1986 may impose. The US NOL carryforwards begin to expire in 2023 for state and federal if not utilized. In addition, we had foreign NOLs of $2.6 million as a result of operations in Canada. Our Canada NOL carryforwards begin to expire in 2032 if not utilized.

Our US NOL and tax credit carryforwards could expire unused and be unavailable to offset future income tax liabilities. Under Section 382 of the Internal Revenue Code and corresponding provisions of US state law, if a corporation undergoes an “ownership change,” generally defined as a greater than 50% change, by value, in its equity ownership over a three-year period, the corporation’s ability to use its US NOLs and other applicable tax attributes before the ownership change, such as research and development tax credits, to offset its income after the ownership change may be limited. Similar provisions apply with respect to certain state and non-US jurisdictions which could limit our ability to offset taxable income. In addition, at the state level, there may be periods during which the use of NOLs is suspended or otherwise limited, which could accelerate or permanently increase state taxes owed. We have tax attributes subject to the foregoing provisions primarily from the Merger.

Lastly, we may experience ownership changes in the future as a result of subsequent shifts in our stock ownership, some of which may be outside of our control. If we determine that an ownership change has occurred and our ability to use our historical NOL and tax credit carryforwards is materially limited, it may result in increased future tax obligations and income tax expense.

Some of the tax loss carryforwards could expire, and if we do not have sufficient taxable income in future years to use the tax benefits before they expire, the benefit may be permanently lost. In addition, the taxing authorities could challenge our calculation of the amount of our tax attributes, which could reduce certain of our recognized tax benefits. Further, tax laws in certain jurisdictions may limit the ability to use carryforwards upon a change in control.

We may be unable to recognize deferred tax assets such as those related to our tax loss carryforwards and, as a result, lose future tax savings, which could have a negative impact on our liquidity and financial position.

We recognize deferred tax assets primarily related to deductible temporary differences based on our assessment that the item will be utilized against future taxable income and the benefit will be sustained upon ultimate settlement with the applicable taxing authority. Such deductible temporary differences primarily relate to tax loss carryforwards and business interest expense limitations. Tax loss carryforwards arising in a given tax jurisdiction may be carried forward to offset taxable income in future years from such tax jurisdiction and reduce or eliminate income taxes otherwise payable on such taxable income, subject to certain limitations. Deferred interest expense exists primarily within our US operating companies, where interest expense was not previously deductible as incurred but may become deductible in the future subject to certain limitations. We may have to write down, through income tax expense, the carrying amount of certain deferred tax assets to the extent we determine it is not probable that we will realize such deferred tax assets under accounting principles generally accepted in the US.

Unanticipated changes in our tax obligations, the adoption of a new tax legislation, or exposure to additional income tax liabilities could affect profitability.

We are subject to income taxes in the US, Canada and Mexico. Our tax liabilities are affected by the amounts we charged for inventory, services, funding and other transactions on an intercompany basis. We are subject to potential tax examinations in these jurisdictions. Tax authorities may disagree with our intercompany charges, cross-jurisdictional transfer pricing or other tax positions and assess additional taxes. We regularly assess the likely outcomes of these examinations to determine the appropriateness of our tax provision. However, there can be no assurance that we will accurately predict the outcomes of these potential examinations, and the amounts that we ultimately pay upon resolution of examinations could be materially different from the amounts we previously included in our income tax provision and, therefore, could have a material impact on our results of operations and cash flows. In addition, our future effective tax rate could be adversely affected by changes to our operating structure, changes in the mix of earnings in countries with differing statutory tax rates, changes in the valuation allowance of deferred tax assets, changes in tax laws and the discovery of new information in the course of our tax return preparation process. Changes in tax laws or regulations, including changes in the US related to the treatment of accelerated depreciation expense, carry-forwards of net operating losses, and taxation of foreign income and expenses may increase tax uncertainty and adversely affect our results of operations.

Risks Relating to Our Capital Structure

Global capital and credit market conditions could materially and adversely affect our ability to access the capital and credit markets or the ability of key counterparties to perform their obligations to us.

In the future we may need to raise additional funds to, among other things, refinance existing indebtedness, fund existing operations, improve or expand our operations, respond to competitive pressures or make acquisitions. If adequate funds are not available on acceptable terms, we may be unable to achieve our business or strategic objectives or compete effectively. Our ability to pursue certain future opportunities may depend in part on our ongoing access to debt and equity capital markets. We cannot assure you that any such financing will be available on terms satisfactory to us or at all. If we are unable to obtain financing on acceptable terms, we may have to curtail our growth by, among other things, curtailing the expansion of our fleet of units or our acquisition strategy. Additionally, future credit market conditions could increase the likelihood that one or more of our lenders may be unable to honor their commitments under our credit facility, which could have an adverse effect on our financial condition and results of operations.

Economic disruptions affecting key counterparties could also materially adversely affect our business. We monitor the financial strength of our larger customers, derivative counterparties, lenders, vendors, service providers and insurance carriers on a periodic basis using publicly-available information to evaluate our exposure to those who have or who we believe may likely experience significant threats to their ability to adequately perform their obligations to us. The information available will differ from counterparty to counterparty and may be insufficient for us to adequately interpret or evaluate our exposure and/or determine appropriate or timely responses.

Our leverage may make it difficult for us to service our debt and operate our business.

As of December 31, 2022, we had $3,120.9 million of total indebtedness, excluding deferred financing fees, consisting of $2,020.0 million of borrowings under our ABL Facility, $526.5 million of our 2025 Secured Notes, $500.0 million of our 2028 Secured Notes and $74.4 million of finance leases. Our leverage could have important consequences, including (a) making it more difficult to satisfy our obligations with respect to our various debt and liabilities; (b) requiring us to dedicate a substantial portion of our cash flow from operations to debt payments, thus reducing the availability of cash flow to fund internal growth through working capital and capital expenditure on our existing fleet or a new fleet and for other general corporate purposes; (c) increasing our vulnerability to a downturn in our business or adverse economic or industry conditions; (d) placing us at a competitive disadvantage compared to our competitors that have less debt in relation to cash flow and that, therefore, may be able to take advantage of opportunities that our leverage would prevent us from pursuing; (e) limiting our flexibility in planning for or reacting to changes in our business and industry; (f) restricting us from pursuing strategic acquisitions or exploiting certain business opportunities or causing us to make non-strategic divestitures; restricting us from pursuing strategic acquisitions or exploiting certain business opportunities or causing us to make non-strategic divestitures; (g) requiring additional monitoring, reporting and borrowing base requirements under our ABL Facility if borrowings significantly increase or if certain liquidity thresholds are not satisfied; and (h) limiting our ability to borrow additional funds or raise equity capital in the future and increasing the costs of such additional financings.

Our ability to meet our debt service obligations or to refinance our debt depends on our future operating and financial performance, which will be affected by our ability to successfully implement our business strategy as well as general economic, financial, competitive, regulatory and other factors beyond our control. If our business does not generate sufficient cash flow from operations, or if future borrowings are not available to us in an amount sufficient to enable us to pay our indebtedness or to fund our other liquidity needs, we may need to refinance all or a portion of our indebtedness on or before its maturity, sell assets, reduce or delay capital investments or seek to raise additional capital, any of which could have a material adverse effect on our operations. In addition, we may not be able to affect any of these actions, if necessary, on commercially reasonable terms or at all. Any refinancing of our debt could be at higher interest rates and may require us to comply with more onerous covenants, which could further restrict our business operations. The terms of our existing or future debt instruments may limit or prevent us from taking any of these actions. If we default on the payments required under the terms of certain of our indebtedness, that indebtedness, together with debt incurred pursuant to other debt agreements or instruments that contain cross-default or cross-acceleration provisions, may become payable on demand, and we may not have sufficient funds to repay all of our debts. As a result, our inability to generate sufficient cash flow to satisfy our debt service obligations, or to refinance or restructure our obligations on commercially reasonable terms or at all, would have an adverse effect, which could be material, on our business, financial condition and results of operations, as well as on our ability to satisfy our debt obligations.

Despite our current level of indebtedness, we and our subsidiaries will still be able to incur significant additional amounts of debt, which could further exacerbate the risks associated with our substantial indebtedness.

We and our subsidiaries may be able to incur substantial additional debt in the future, including in connection with capital leases. Although the credit agreement that governs our credit facility and the indentures that govern our outstanding notes contain restrictions on the incurrence of additional debt, these restrictions are subject to a number of significant qualifications and exceptions, and under certain circumstances, the amount of debt that we could incur in compliance with these restrictions could be substantial. In addition, the credit agreement that governs our credit facility and the indentures do not prevent us from incurring other obligations that do not constitute indebtedness under those agreements. If we add debt to our and our subsidiaries' existing debt levels, the risks associated with our substantial indebtedness described above, including our possible inability to service our debt, will increase.

We are subject to and may, in the future become subject to, covenants that limit our operating and financial flexibility and, if we default under our debt covenants, we may not be able to meet our payment obligations.

The credit agreement that governs our credit facility and the indentures that govern our outstanding notes, as well as any instruments that govern any future debt obligations, contain covenants that impose significant restrictions on the way our subsidiaries can operate, including restrictions on the ability to (a) incur or guarantee additional debt and issue certain types of stock; (b) create or incur certain liens; (c) make certain payments, including dividends or other distributions, with respect to our equity securities; (d) prepay or redeem junior debt; (e) make certain investments or acquisitions, including participating in joint ventures; (f) engage in certain transactions with affiliates; (g) create unrestricted subsidiaries; (h) create encumbrances or restrictions on the payment of dividends or other distributions, loans or advances to, and on the transfer of, assets to the issuer or any restricted subsidiary; (i) sell assets, consolidate or merge with or into other companies; (j) sell or transfer all or substantially all our assets or those of our subsidiaries on a consolidated basis; and (k) issue or sell share capital of certain subsidiaries.

Although these limitations are subject to significant exceptions and qualifications, these covenants could limit our ability to finance future operations and capital needs and our ability to pursue acquisitions and other business activities that may be in our interest. Our subsidiaries' ability to comply with these covenants and restrictions may be affected by events beyond our control. These include prevailing economic, financial and industry conditions. If any of our subsidiaries default on their obligations under our credit facility or our secured notes, then the relevant lenders or holders could elect to declare the debt, together with accrued and unpaid interest and other fees, if any, immediately due and payable and proceed against any collateral securing that debt. If the debt under our credit facility, the indentures or any other material financing arrangement that we enter into were to be accelerated, our assets may be insufficient to repay in full such indebtedness.

The credit agreement that governs our credit facility also requires our subsidiaries to satisfy specified financial maintenance tests in the event that we do not satisfy certain excess liquidity requirements. Deterioration in our operating results, as well as events beyond our control, including increases in raw materials prices and unfavorable economic conditions, could affect the ability to meet these tests, and we cannot assure that we will meet these tests. If an event of default occurs under our credit facility, the lenders could terminate their commitments and declare all amounts borrowed, together with accrued and unpaid interest and other fees, to be immediately due and payable. Borrowings under other debt instruments that contain cross-acceleration or cross-default provisions also may be accelerated or become payable on demand. In these circumstances, our assets may not be sufficient to repay in full that indebtedness and our other indebtedness then outstanding.

The amount of borrowings permitted at any time under our credit facility is subject to compliance with limits based on a periodic borrowing base valuation of the collateral thereunder. As a result, our access to credit under the credit facility is subject to potential fluctuations depending on the value of the borrowing base of eligible assets as of any measurement date, as well as certain discretionary rights of the agent in respect of the calculation of such borrowing base value. As a result of any change in valuation, the availability under the credit facility may be reduced, or we may be required to make a repayment of the credit facility, which may be significant. The inability to borrow under the credit facility or the use of available cash to repay the credit facility as a result of a valuation change may adversely affect our liquidity, results of operations and financial position.

The historical market price of WillScot Mobile Mini’s Common Stock has been volatile and the market price of our Common Stock may continue to be volatile and the value of your investment may decline.

The historical market price of our Common Stock has been volatile and the market price of our Common Stock may continue to be volatile moving forward. Volatility may cause wide fluctuations in the price of our Common Stock on Nasdaq. The market price of our Common Stock is likely to be affected by (a) changes in general conditions in the economy, geopolitical events or the financial markets; (b) variations in our quarterly operating results; (c) changes in financial estimates by securities analysts; (d) our share repurchase or dividend policies; (e) other developments affecting us, our industry, customers or competitors; (f) changes in demand for our products or the prices we charge due to changes in economic conditions, competition or other factors; (g) general economic conditions in the markets where we operate; (h) the cyclical nature of our customers’ businesses and certain end markets that we service; (i) rental rate changes in response to competitive factors; (j) bankruptcy or insolvency of our customers, thereby reducing demand for our used units; (k) seasonal rental patterns; (l) acquisitions or divestitures and related costs; (m) labor shortages, work stoppages or other labor difficulties; (n) possible unrecorded liabilities of acquired companies; (o) possible write-offs or exceptional charges due to changes in applicable accounting standards, goodwill impairment, or divestiture or impairment of assets; (p) the operating and stock price performance of companies that investors deem comparable to us; (q) the number of shares available for resale in the public markets under applicable securities laws; (r) the composition of our shareholder base; and (s) other unspecified circumstances that may be company specific circumstances or overall industry and market driven.

ITEM 1B. Unresolved Staff Comments

None.

ITEM 2. Properties

Our primary corporate headquarters is located in Phoenix, Arizona. We operate approximately 240 branch locations and additional drop lots across the US, Canada, and Mexico. Collectively, we lease approximately 83% of our branch properties and own the remaining balance.

Our management believes that none of our properties, on an individual basis, is material to our operations, and that our properties are well maintained and suitable for their intended use. We further believe that these locations generally have adequate capacity and can accommodate seasonal demands, changing product mixes and additional growth.

Subject to certain exceptions, substantially all of our owned real and personal property in the US and Canada is encumbered under our credit facility and our secured notes. We do not believe that the encumbrances will materially detract from the value of our properties, or materially interfere with their use in the operation of our business.

ITEM 3. Legal Proceedings

The Company is involved in various lawsuits, claims and legal proceedings that arise in the ordinary course of business. The Company assesses these matters on a case-by-case basis as they arise and establishes reserves as required. As of December 31, 2022, with respect to these outstanding matters, the Company believes that the amount or range of reasonably possible loss will not, either individually or in the aggregate, have a material adverse effect on the consolidated financial position, results of operations, or cash flows. However, the outcome of such matters is inherently unpredictable and subject to significant uncertainties.

ITEM 4. Mine Safety Disclosures

Not applicable.

PART II

ITEM 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Common Stock

Our Common Stock is listed on the Nasdaq Capital Market under the symbol "WSC." Our certificate of incorporation authorizes the issuance of 500,000,000 shares of Common Stock with a par value of $0.0001 per share. The Company had 207,951,682 shares of Common Stock issued and outstanding as of December 31, 2022. The outstanding shares of the Company's Common Stock are duly authorized, validly issued, fully paid and non-assessable.

Preferred Stock

Our certificate of incorporation authorizes the issuance of 1,000,000 shares of Preferred Stock with a par value of $0.0001 per share. As of December 31, 2022, no shares of Preferred Stock were issued and outstanding, and no designation of rights and preferences of preferred stock had been adopted.

Holders

As of December 31, 2022, there were 42 holders of record of our Common Stock and no holders of record of our Preferred Stock. The number of holders of record does not include a substantially greater number of "street name" holders or beneficial holders whose Common Stock are held of record by banks, brokers and other financial institutions.

Dividend Policy

To date, we have not declared or paid dividends on our Common Stock. We have strong reoccurring cash flows, which gives us flexibility in how we allocate capital, and we review the appropriate mix of growth investments, debt reduction, and returns to shareholders on an ongoing basis. Declaration or payment of dividends, if any, in the future, will be at the discretion of our Board of Directors and will depend on our then current financial condition, results of operations, capital requirements and other factors deemed relevant by the Board of Directors.

Repurchases

In July 2022, the Company's Board of Directors approved an increase to the Company's share repurchase program that authorizes the Company to repurchase up to $1.0 billion of its outstanding shares of Common Stock and equivalents. The stock repurchase program does not obligate us to purchase any particular number of shares, and the timing and exact amount of any repurchases will depend on various factors, including market pricing and conditions, business, legal, accounting, and other considerations. As of December 31, 2022, $630.8 million of the $1.0 billion share repurchase authorization remained available for use.

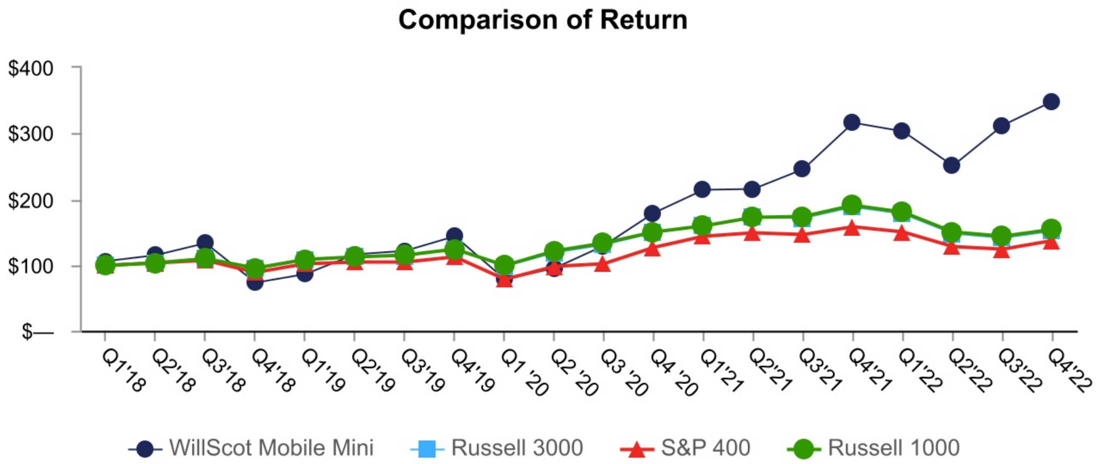
The following table summarizes our purchase of Common Stock during the fourth quarter of 2022:

Period	Total Number of Shares and Equivalents Purchased (in thousands)	Average Price Paid per Share	Total Numbers of Shares and Equivalents Purchased as part of Publicly Announced Plan (in thousands)	Maximum Dollar Value of Shares and Equivalents that May Yet Be Purchased Under the Plan (in thousands)
October 1, 2022 - October 31, 2022	2,471.1	$ 41.70	2,471.1	$ 760,249
November 1, 2022 - November 30, 2022	1,325.7	$ 45.98	1,325.7	$ 699,261
December 1, 2022 - December 31, 2022	1,482.5	$ 46.15	1,482.5	$ 630,822
Total	5,279.3	$ 44.03	5,279.3	

Performance Graph

The following stock price performance graph should not be deemed incorporated by reference by any general statement incorporating by reference this Annual Report on Form 10-K into any filing under the Exchange Act or the Securities Act of 1933, as amended, except to the extent that we specifically incorporate this information by reference and shall not otherwise be deemed filed under such acts.

The graph below compares the cumulative total return of our Common Stock from January 1, 2018 through December 31, 2022, with the comparable cumulative return of three indices: the Russell 3000 Index, the S&P 400 Index and the Russell 1000 Index. We began showing the cumulative return of the Russell 1000 Index in 2022, as the Russell 1000 Index includes our peer group of issuers. The graph plots the growth in value of an initial investment of $100 in each of our common shares, the Russell 3000 Index, the S&P 400 Index and the Russell 1000 Index over the indicated time periods, and assumes reinvestment of all dividends, if any, paid on the securities. We have not paid any cash dividends and, therefore, the cumulative total return calculation for us is based solely upon share price appreciation and not upon reinvestment of cash dividends. The share price performance shown on the graph is not necessarily indicative of future price performance.



ITEM 6. [Reserved]

ITEM 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations

The following Management’s Discussion and Analysis of Financial Condition and Results of Operations (“MD&A”) is intended to help the reader understand WillScot Mobile Mini Holdings Corp. ("WillScot Mobile Mini"), formerly known as WillScot Corporation ("WillScot"), our operations and our present business environment. MD&A is provided as a supplement to, and should be read in conjunction with, our financial statements and the accompanying notes thereto, contained in Part II, Item 8 of this report. The discussion of results of operations in this MD&A is presented on a historical basis, as of or for the year ended December 31, 2022 or prior periods. On July 1, 2020, in connection with the closing of the merger by which WillScot and Mobile Mini, Inc. ("Mobile Mini") were combined (the "Merger"), Mobile Mini became a wholly-owned subsidiary of WillScot and the Company changed its name to WillScot Mobile Mini Holdings Corp. As the Merger was completed on July 1, 2020, unless the context otherwise requires, the terms “we”, “us”, “our” “Company” and “WillScot Mobile Mini” as used in these financial statements mean WillScot and its subsidiaries when referring to periods prior to July 1, 2020 (prior to the Merger) and to WillScot Mobile Mini and its subsidiaries when referring to periods on or after July 1, 2020 (after the Merger). WillScot Mobile Mini is the holding company for the Williams Scotsman and Mobile Mini families of companies.

On September 30, 2022, the Company completed the sale of its former Tank and Pump Solutions ("Tank and Pump") segment. On December 12, 2022, the Company entered into a Stock Purchase Agreement to sell its United Kingdom ("UK") Storage Solutions ("UK Storage Solutions") segment. On January 31, 2023, the Company completed the sale of its UK Storage Solutions segment. This MD&A presents the historical financial results of the former Tank and Pump segment and the UK Storage Solutions segment as discontinued operations for all periods presented.

The divestitures of the UK Storage Solutions segment and the former Tank and Pump segment completed the Company's transition of its portfolio to its core modular space and storage solutions businesses in North America. Following the completion of these transactions, the Company now operates in two reportable segments and renamed them as follows: Modular Solutions ("Modular") and Storage Solutions ("Storage").

The consolidated financial statements were prepared in conformity with accounting principles generally accepted in the US (“GAAP”). We use certain non-GAAP financial metrics to supplement the GAAP reported results to highlight key operational metrics that are used by management to evaluate Company performance. Reconciliations of GAAP financial information to the disclosed non-GAAP measures are provided in the Reconciliation of Non-GAAP Financial Measures section.

Executive Summary

We are a leading business services provider specializing in innovative flexible work space and portable storage solutions. We service diverse end markets across all sectors of the economy throughout the United States ("US"), Canada, and Mexico. As of December 31, 2022, our branch network included approximately 240 branch locations and additional drop lots to service our over 85,000 customers. We offer our customers an extensive selection of “Ready to Work” modular space and portable storage solutions with over 154,000 modular space units and over 210,000 portable storage units in our fleet.

We primarily lease, rather than sell, our modular and portable storage units to customers, which results in a highly diversified and predictable reoccurring revenue stream. Over 90% of new lease orders are on our standard lease agreement, pre-negotiated master lease or national account agreements. The initial lease periods vary, and our leases are customarily renewable on a month-to-month basis after their initial term. Our lease revenue is highly predictable due to its reoccurring nature and the underlying stability and diversification of our lease portfolio. Furthermore, given that our customers value flexibility, they consistently extend their leases or renew on a month-to-month basis such that the average effective duration of our lease portfolio, excluding seasonal portable storage units, is approximately 32 months. We complement our core leasing business by selling both new and used units, allowing us to leverage scale, achieve purchasing benefits and redeploy capital employed in our lease fleet.

We remain focused on our core priorities of growing leasing revenues by increasing units on rent, both organically and through our consolidation strategy, delivering “Ready to Work” solutions to our customers with value added products and services ("VAPS"), and on continually improving the overall customer experience. During 2022, the Company acquired certain assets and liabilities of 13 smaller entities, which consisted primarily of approximately 14,100 storage units and 4,400 modular units.

For the year ended December 31, 2022, key drivers of our financial performance included:

- Total revenues from continuing operations increased by $469.6 million, or 28.1%, attributable to organic revenue growth levers in the business and due to the impact of acquisitions. Leasing revenue increased $369.2 million, or 29.5%, delivery and installation revenue increased $108.0 million, or 33.6%, rental unit sales decreased $0.9 million, or 1.8%, and new unit sales revenue decreased $6.7 million, or 14.2%. We estimate that recent acquisitions completed in 2022 contributed approximately $38.0 million to total revenues for the year ended December 31, 2022.

Key leasing revenue drivers included:

- Average modular space units on rent increased 3,504 units, or 3.5%, and average portable storage units on rent increased 33,790 units, or 24.9%. Approximately 55% of the increase in total average units on rent was driven by units on rent added through approximately 20 acquisitions in the past six quarters and the other 45% was driven organically.
- Average modular space monthly rental rate increased $141, or 18.3%, to $913 driven by strong pricing performance across all segments.
- Average portable storage monthly rental rate increased $38, or 24.7%, to $192 driven by increased pricing as a result of our price management tools and processes, further supported by high utilization, and by an acceleration earlier into the third quarter of our seasonal retail business.
- Average utilization for portable storage units increased to 86.8%, from 80.1% in 2021, driven by higher demand for this product category driven by increased economic activity throughout 2022, including a longer seasonal retail season in 2022. Average utilization for modular space units decreased 70 basis points ("bps") to 68.5%, driven in part by lower utilized fleets obtained via acquisition.

• Modular segment revenue represented 65.0% of consolidated revenue for the year ended December 31, 2022, and increased $227.6 million, or 19.5%, to $1,391.8 million. The increase was driven by increased leasing revenue, which grew $169.4 million, or 19.6%, due to continued growth of pricing and value added products. Delivery and installation revenues increased $60.4 million, or 27.5%, driven by increased pricing on new deliveries and returns as compared to 2021. Sales volumes decreased $2.2 million, or 2.8%. Modular revenue drivers for the year ended December 31, 2022 included:
  - Modular space average monthly rental rate of $957 for the year increased $148, or 18.3%, representing a continuation of our long-term price optimization initiative and VAPS penetration opportunities across our portfolio.
  - Average modular space units on rent for the year increased 2,096 units to 86,620 driven by units on rent added through recent acquisitions.
  - Average modular space monthly utilization decreased 20 basis points to 67.4% for the year ended December 31, 2022.

• Storage segment revenue, which represented 35.0% of consolidated revenue for the year ended December 31, 2022, increased $242.0 million, or 47.6%, to $750.8 million. The increase was driven by increased leasing revenue, which grew $199.8 million, or 51.5%, due to increased units on rent driven by significant increases in delivery activity during 2021 and 2022 as economic activity rebounded versus 2020, recent acquisition activity, and increased pricing and value added products. Delivery and installation revenues increased $47.6 million, or 46.8%, driven by increased demand for new project deliveries, and by increased pricing on new deliveries and returns as compared to 2021. Rental unit sales decreased $5.1 million, or 39.5%, and new unit sales decreased $0.3 million, or 4.5%. Storage segment revenue drivers for the year ended December 31, 2022 included:
  - Portable storage average monthly rental rate of $192 increased 23.9% year over year as a result of our price management tools and processes, further supported by high utilization, and by an acceleration earlier into the third quarter of our seasonal retail business. Modular space average monthly rental rate of $705 increased $123, or 21.1%, year over year as a result of price optimization and early benefits from increased VAPS penetration opportunities.
  - Average portable storage units on rent increased 40,586, or 31.6%, year over year. Increases in organic activity drove an increase in average portable storage units on rent of approximately 15%, or 19,500 units on rent, including an acceleration earlier into the third quarter of our seasonal retail business. The remaining increase was driven by approximately 15,000 units on rent added in recent acquisitions and approximately 6,000 units of the increase was due to the transfer of approximately 12,000 portable storage units on rent from the Modular segment, which occurred in the third quarter of 2021. Average modular space units on rent increased 1,408, or 8.4%, year over year driven primarily by approximately 1,100 acquired units on rent.
  - Average portable storage monthly utilization increased 600 bps to 86.9% for the year ended December 31, 2022, as compared to the year ended December 31, 2021. Average modular space monthly utilization decreased 450 bps to 74.0% for the year ended December 31, 2022, as compared to the year ended December 31, 2021.

• Generated income from continuing operations of $276.3 million for the year ended December 31, 2022, representing an increase of $161.4 million versus the year ended December 31, 2021. Net Income including income from discontinued operations was $339.5 million for the year ended December 31, 2022, representing an increase of $179.4 million versus the year ended December 31, 2021.

• Generated Adjusted EBITDA from continuing operations of $883.9 million for the year ended December 31, 2022, representing an increase of $234.3 million, or 36.1%, as compared to 2021. This increase was driven primarily by increased leasing gross profit. Including results from discontinued operations from the nine months ended September

30, 2022 from the divested Tank and Pump segment and the results from the year ended December 31, 2022 from the UK Storage Solutions segment, Adjusted EBITDA was $969.6 million, representing an increase of $229.2 million, or 31.0%, versus the year ended December 31, 2021.

  – Adjusted EBITDA in our Modular segment of $529.1 million increased $106.1 million, or 25.1%, primarily driven by increases in leasing gross profit driven by increased pricing, including VAPS, compared to 2021.
  – Adjusted EBITDA in our Storage segment of $354.8 million increased $128.2 million, or 56.6%, primarily driven by increases in leasing gross profit driven by increased pricing, including VAPS, and increased volumes compared to 2021.
  – Consolidated Adjusted EBITDA Margin from continuing operations was 41.3% and increased 250 bps versus prior year driven by increased leasing and delivery and installation margins as a result of increased volumes and pricing, partially offset by increased selling, general and administrative expense.

- Net cash provided by operating activities increased $204.8 million to $744.7 million. Net cash used in investing activities, excluding cash used as part of acquisitions and proceeds from the sale of discontinued operations, increased $177.4 million to $414.3 million as a result of increased capital spending to support increased demand.
- Generated Free Cash Flow of $330.3 million for the year ended December 31, 2022, representing an increase of $27.3 million, or 9.0%, as compared to 2021 while funding substantial growth investments in rental equipment. This Free Cash Flow along with additional net borrowings under the ABL Facility (as defined below in "Significant Developments") were deployed to:
  - Acquire 13 smaller storage and modular portfolios for $220.6 million in 2022;
  - Repurchase $756.9 million of our common stock and stock equivalents, including repurchased warrants, reducing outstanding Common Stock and equivalents by 19,854,424 million shares;
  - Reduce our Net Debt to Adjusted EBITDA ratio, including results from discontinued operations from the UK Storage Solutions segment, to 3.3x as of December 31, 2022. On January 31, 2023, we received $404.3 million related to the sale of the UK Storage Solutions segment, net of the settlement of the contingent forward currency contract.
- We believe the predictability of our free cash flow allows us to pursue multiple capital allocation priorities opportunistically, including investing in organic opportunities we see in the market, continuing our deleveraging trajectory, opportunistically executing accretive acquisitions, and returning capital to shareholders.

In addition to using GAAP financial measurements, we use Adjusted EBITDA and Free Cash Flow, which are non-GAAP financial measures, to evaluate our operating results. As such, we include in this Annual Report on Form 10-K reconciliations to their most directly comparable GAAP financial measures. These reconciliations and descriptions of why we believe these measures provide useful information to investors as well as a description of the limitations of these measures are included in "Reconciliation of non-GAAP Financial Measures."

Significant Developments

Divestitures

On September 30, 2022, we completed the sale of our former Tank and Pump segment for $322 million. On December 12, 2022, we entered into a Stock Purchase Agreement to sell our UK Storage Solutions segment for a total enterprise value of approximately £335 million, subject to certain adjustments. The sale of the UK Storage Solutions segment closed on January 31, 2023, and we will record a gain on the sale of the UK Storage Solutions segment in the first quarter of 2023. Proceeds from these sales were used to support ongoing reinvestment in our North America Modular and Storage operating segments and other capital allocation priorities. The consolidated financial statements present the historical financial results of the former Tank and Pump segment and the UK Storage Solutions segment as discontinued operations for all periods presented.

Asset Acquisitions

During 2022, we acquired certain assets and liabilities of several smaller entities, which consisted primarily of approximately 14,100 storage units and 4,400 modular units for $220.6 million in cash.

Share and Warrant Repurchases

During the year ended December 31, 2022, 33,965 of the 2018 Warrants were repurchased for $0.6 million and cancelled. In addition, during the year ended December 31, 2022, 4,011,665 of the 2018 Warrants were exercised on a cashless basis, resulting in the issuance of 2,590,940 shares of common stock. The remaining 32,543 of 2018 Warrants expired on November 29, 2022. As a result of these transactions, at December 31, 2022, no 2018 Warrants were outstanding.

In July 2022, our Board of Directors approved an increase to our share repurchase program that authorized us to repurchase up to $1.0 billion of our outstanding shares of Common Stock and equivalents. During the year ended December 31, 2022, we repurchased and cancelled 19,854,424 shares of Common Stock and stock equivalents for $756.9 million, including all repurchased warrants. As of December 31, 2022, we had $630.8 million of the $1.0 billion share repurchase authorization remaining. Given the predictability of our free cash flow, we believe that repurchases will be a reoccurring capital allocation priority.

Amendment to the ABL Facility

Williams Scotsman, Inc. ("WSI") and certain other subsidiaries of the Company are parties to an ABL Credit Agreement, dated as of July 1, 2020 (as amended through a fourth amendment, dated June 30, 2022, the "ABL Facility"). On June 30, 2022, certain subsidiaries of the Company entered into an amendment to the ABL Facility to, among other things, extend the expiration date until June 30, 2027 and increase the aggregate principal amount of the revolving credit facilities to $3.7 billion, consisting of: (i) a senior secured asset-based US dollar revolving credit facility in the aggregate principal amount of $3.3 billion and (ii) a $400.0 million senior secured asset-based multicurrency revolving credit facility, available to be drawn in US Dollars, Canadian Dollars, British Pounds Sterling or Euros.

The amendment also converted the interest rate for borrowings denominated in US dollars from a LIBOR-based rate to a Term SOFR-based rate with an interest period of one month and adjusted the applicable margins. The applicable margin for Canadian BA rate, Term SOFR, British Pounds Sterling and Euro loans is 1.50%. The facility includes a credit spread adjustment of 0.10% in addition to the applicable margin. The applicable margin for base rate and Canadian Prime Rate loans is 0.50%. The applicable margins are subject to one step down of 0.25% based on excess availability or one step up of 0.25% based on the Company's leverage ratio. The ABL Facility requires the payment of an annual commitment fee on the unused available borrowings of 0.20% annually. At December 31, 2022, the weighted average interest rate for borrowings under the ABL Facility was 5.91%, prior to the effect of our recent interest rate swap agreements.

Interest Rate Swap Agreements

In January 2023, the Company entered into two interest rate swap agreements with financial counterparties relating to $750.0 million in aggregate notional amount of variable-rate debt under the ABL Facility. Under the terms of the agreements, the Company receives a floating rate equal to one-month term SOFR and will make payments based on a weighted average fixed interest rate of 3.44% on the notional amount. The swap agreements were designated and qualified as hedges of the Company's exposure to changes in interest payment cash flows created by fluctuations in variable interest rates on the ABL Facility. The swap agreements terminate on June 30, 2027.

Inflation and Supply Chain Issues

Similar to many other organizations, we face inflationary pressures across most of our input costs such as building materials, labor, transportation and fuel. Inflation has contributed to increased capital costs for both new units as well as for refurbishment of our existing units. However, given our scale and our strong rate performance, we believe we have been able to navigate the inflationary environment well and have consistently driven margin improvements during this period of rising costs. Additionally, because we derive the majority of our revenue from leasing our existing lease fleet units to customers and our material purchases to maintain these units consist primarily of general building materials, we have not experienced significant supply chain issues to date.

Business Environment and Outlook

Our customers operate in a diversified set of end markets, including construction, commercial and industrial, retail and wholesale trade, energy and natural resources, education, government and institutions and healthcare. We track several market leading indicators to predict demand, including those related to our two largest end markets, the commercial and industrial sector and the construction sector, which collectively accounted for approximately 88% of our revenues in the year ended December 31, 2022.

Core to our operating model is the ability to redeploy standardized assets across end markets, as we did over the last few years to service emerging demand in the healthcare and government sectors related to COVID-19. We remain focused on our core priorities of growing leasing revenues by increasing units on rent, both organically and through mergers and acquisitions, delivering "Ready to Work" solutions to our customers with VAPS, and continually improving the overall customer experience.

Even in an uncertain macro-economic environment, market catalysts such as increased infrastructure spending and onshoring and reshoring, and idiosyncratic growth levers such as continued penetration of our customer base with our VAPS offering, long-term pricing tailwinds, cross-selling between our Modular and Storage segment customers, and other commercial best practice sharing between our segments provide us confidence in our continued organic growth outlook.

Components of Our Consolidated Historical Results of Operations

Revenue

Our revenue consists mainly of leasing, services and sales revenue. We derive our leasing and services revenue primarily from the leasing of modular space and portable storage units. Included in leasing revenue are VAPS, such as furniture, steps, ramps, basic appliances, internet connectivity devices, and other items our customers use in connection with our products. Delivery and installation revenue includes fees that we charge for the delivery, site work, installation, disassembly, unhooking and removal, and other services to our customers for an additional fee as part of our leasing and sales operations.

The key drivers of changes in our leasing revenue are:

- the number of units in our lease fleet;
- the average utilization rate of our lease units; and
- the average monthly rental rate per unit, including VAPS.

The average utilization rate of our lease units is the ratio of (i) the average number of units in use during a period (which includes units from the time they are leased to a customer until the time they are returned to us) to (ii) the average total number of units available for lease in our fleet during a period. Our average monthly rental rate per unit for a period is equal to the ratio of (i) our rental income for that period including VAPS but excluding delivery and installation services and other leasing-related revenues, to (ii) the average number of lease units rented to our customers during that period.

The table below sets forth the average number of units on rent in our lease fleet, the average utilization of our lease units, and the average monthly rental rate per unit, including VAPS. The below results include results from Mobile Mini for periods subsequent to the Merger.

	Year Ended December 31,		
(in thousands, except unit numbers and rates)	2022	2021	2020
Modular space units on rent (average during the period)	104,808	101,304	95,206
Average modular space utilization rate	68.5 %	69.2 %	69.5 %
Average modular space monthly rental rate	$ 913	$ 772	$ 671
Portable storage units on rent (average during the period)	169,565	135,775	72,238
Average portable storage utilization rate	86.8 %	80.1 %	74.2 %
Average portable storage monthly rental rate	$ 192	$ 154	$ 142

In addition to leasing revenue, we also generate revenue from sales of new and used modular space and portable storage units to our customers, as well as delivery, installation, maintenance, removal services and other incidental items related to accommodation services for our customers. Included in our sales revenue are charges for modifying or customizing sales equipment to customers' specifications.

Gross Profit

We define gross profit as the difference between total revenues and cost of revenues. Cost of revenues associated with our leasing business includes payroll and payroll-related costs for branch operations personnel, material and other costs related to the repair, maintenance, storage and transportation of rental equipment. Cost of revenue also includes depreciation expense associated with our rental equipment. Cost of revenues associated with our new unit sales business includes the cost to purchase, assemble, transport and customize units that are sold. Cost of revenues for our rental unit sales consist primarily of the net book value of the unit at date of sale.

Selling, General and Administrative Expense

Our selling, general and administrative ("SG&A") expense includes all costs associated with our selling efforts, including marketing costs, marketing salaries and benefits, as well as the salary and commissions of sales personnel. It also includes the leasing of facilities we occupy, professional fees and information systems, our overhead costs, such as salaries and other employee costs of management, administrative and corporate personnel, and integration costs associated with acquisitions and business combinations.

Transaction Costs

Transaction costs include discrete expenses incurred related to the Merger and other acquisitions.

Other Depreciation and Amortization

Other depreciation and amortization includes depreciation of our property, plant and equipment, as well as the amortization of our intangible assets.

Lease Impairment Expense and Other Related Charges

Lease impairment expense and other related charges include impairment of right-of-use ("ROU") assets, gain or loss on the exit of a leased property generally associated with lease termination payments and rent expense for locations which have been closed but have not been abandoned or impaired.

Restructuring Costs

Restructuring costs include charges associated with exit or disposal activities that meet the definition of restructuring under Financial Accounting Standards Board ("FASB") ASC Topic 420, *Exit or Disposal Cost Obligations* ("ASC 420"). Our restructuring plans are generally country or region specific and are typically completed within a one-year period. Restructuring costs include one-time termination benefits related to employee separation costs. The restructuring costs incurred in 2021 and 2020 primarily relate to the integration of our acquisitions. Costs related to the integration of acquired businesses that do not meet the definition of restructuring under ASC 420, such as employee training costs, duplicate facility costs, and professional services expenses, are included within SG&A expense.

Currency (Gains) Losses, Net

Currency (gains) losses, net include unrealized and realized gains and losses on monetary assets and liabilities denominated in foreign currencies other than our functional currency at the reporting date.

Other (Income) Expense, Net

Other (income) expense, net primarily consists of the gain (loss) on disposal of non-operational property, plant and equipment, insurance proceeds, other financing related costs and other non-reoccurring charges.

Interest Expense

Interest expense consists of the costs of external debt including the Company's ABL credit facility, 2025 Secured Notes, 2028 Secured Notes, and interest on obligations under finance leases.

Fair Value (Gain) Loss on Common Stock Warrant Liabilities

Fair value (gain) loss on common stock warrant liabilities consists of non-cash gains and losses recorded related to changes in the fair value of common stock warrant liabilities as the common stock warrant liabilities are marked-to-market liabilities. It also includes gains and losses recorded related to the settlement of common stock warrant liabilities.

Loss on Extinguishment of Debt

In 2021, using cash on hand and borrowings on the ABL Facility, we redeemed $123.5 million of our 2025 Secured Notes and recorded a loss on extinguishment of debt. In 2020, in connection with the Merger and related financing transactions, using proceeds from the 2025 Secured Notes, we redeemed all of our 2022 Secured Notes. We also completed a private offering of our 2028 Secured Notes in August 2020 and used the offering proceeds to repay our 2023 Secured Notes. As a result of these transactions, we recorded losses on extinguishment of debt.

Income Tax Expense (Benefit)

After the sale of the UK Storage Solutions segment, we are subject to income taxes in the US, Canada, and Mexico. Our overall effective tax rate is affected by a number of factors, such as the relative amounts of income we earn in differing tax jurisdictions, tax law changes, and certain non-deductible expenses such as compensation disallowance. The rate is also affected by discrete items that may occur in any given year, such as legislative enactments. These discrete items may not be consistent from year to year. Income tax expense (benefit), deferred tax assets and liabilities and liabilities for unrecognized tax benefits reflect our best estimate of current and future taxes to be paid.

Consolidated Results of Operations

Certain consolidated results of operations for the years ended December 31, 2022, 2021, and 2020 are presented below. The below results include results from Mobile Mini for periods subsequent to the Merger.

	Years Ended December 31, 2022	2021	2020	2022 vs. 2021 Change	2021 vs 2020 Change
Revenues:					
Leasing and services revenue:					
Leasing	$ 1,621,690	$ 1,252,490	$ 936,458	$ 369,200	$ 316,032
Delivery and installation	429,152	321,129	250,734	108,023	70,395
Sales revenue:					
New units	40,338	46,993	48,834	(6,655)	(1,841)
Rental units	51,443	52,368	36,965	(925)	15,403
Total revenues	2,142,623	1,672,980	1,272,991	469,643	399,989
Costs:					
Costs of leasing and services:					
Leasing	376,868	282,576	214,367	94,292	68,209
Delivery and installation	322,636	267,533	202,734	55,103	64,799
Costs of sales:					
New units	24,011	31,348	31,799	(7,337)	(451)
Rental units	26,907	28,030	23,474	(1,123)	4,556
Depreciation of rental equipment	256,719	218,790	192,190	37,929	26,600
Gross profit	1,135,482	844,703	608,427	290,779	236,276
Expenses:					
Selling, general and administrative	567,214	464,278	338,395	102,936	125,883
Transaction costs	25	1,375	64,053	(1,350)	(62,678)
Other depreciation and amortization	62,380	61,777	35,181	603	26,596
Lease impairment expense and other related charges	254	2,888	4,876	(2,634)	(1,988)
Restructuring costs	(86)	11,866	6,109	(11,952)	5,757
Currency losses (gains), net	886	427	(257)	459	684
Other (income) expense, net	(6,673)	1,715	(1,722)	(8,388)	3,437
Operating income	511,482	300,377	161,792	211,105	138,585
Interest expense	146,278	116,358	119,319	29,920	(2,961)
Fair value loss (gain) on common stock warrant liabilities	—	26,597	(3,461)	(26,597)	30,058
Loss on extinguishment of debt	—	5,999	42,401	(5,999)	(36,402)
Income from continuing operations before income tax	365,204	151,423	3,533	213,781	147,890
Income tax expense (benefit) from continuing operations	88,863	36,528	(56,040)	52,335	92,568
Income from continuing operations	276,341	114,895	59,573	161,446	55,322
Income from continuing operations attributable to non-controlling interest, net of tax	—	—	1,213	—	(1,213)
Income from continuing operations attributable to WillScot Mobile Mini common shareholders	$ 276,341	$ 114,895	$ 58,360	$ 161,446	$ 56,535

Cash Flow Data:					
Net cash from operating activities	$ 744,658	$ 539,902	$ 304,812	$ 204,756	$ 235,090
Net cash from investing activities	$ (309,333)	$ (384,047)	$ (125,360)	$ 74,714	$ (258,687)
Net cash from financing activities	$ (429,368)	$ (167,887)	$ (158,958)	$ (261,481)	$ (8,929)
Other Financial Data:					
Adjusted EBITDA from continuing operations[(a)]	$ 883,874	$ 649,604	$ 494,642	$ 234,270	$ 154,962
Adjusted EBITDA from discontinued operations[(a)]	85,750	90,789	35,665	(5,039)	55,124
Adjusted EBITDA from continuing and discontinued operations[(a)]	$ 969,624	$ 740,393	$ 530,307	$ 229,231	$ 210,086
Free Cash Flow[(a)]	$ 330,334	$ 303,027	$ 162,279	$ 27,307	$ 140,748
Adjusted Gross Profit[(a)]	$ 1,392,201	$ 1,063,493	$ 800,617	$ 328,708	$ 262,876
Net CAPEX[(a)]	$ 414,324	$ 236,875	$ 142,533	$ 177,449	$ 94,342
Balance Sheet Data (end of year):					
Cash and cash equivalents	$ 7,390	$ 6,393	$ 5,635	$ 997	$ 758
Rental equipment, net	$ 3,077,287	$ 2,777,800	$ 2,651,720	$ 299,487	$ 126,080
Total assets	$ 5,827,651	$ 5,773,599	$ 5,572,205	$ 54,052	$ 201,394
Total debt, excluding current portion	$ 3,063,042	$ 2,671,831	$ 2,435,199	$ 391,211	$ 236,632
Total shareholders' equity	$ 1,565,300	$ 1,996,763	$ 2,063,873	$ (431,463)	$ (67,110)

(a) WillScot Mobile Mini presents Adjusted EBITDA, Free Cash Flow, Adjusted Gross Profit and Net CAPEX, which are measurements not calculated in accordance with GAAP and are defined below in the section "Reconciliation of non-GAAP Financial Measures," because they are key metrics used by management to assess financial performance. Our business is capital intensive, and these additional metrics allow management to further evaluate its operating performance. See below for reconciliations of non-GAAP financial measures.

Quarterly Consolidated Results for the Year Ended December 31, 2022

(in thousands, except for units on rent and monthly rental rate)	Q1	Q2	Q3 [1]	Q4	Full Year
Revenue	$ 451,171	$ 522,890	$ 578,008	$ 590,554	$ 2,142,623
Gross profit	$ 234,061	$ 275,213	$ 297,885	$ 328,323	$ 1,135,482
Adjusted EBITDA from continuing operations	$ 167,773	$ 208,643	$ 239,368	$ 268,090	$ 883,874
Net income	$ 51,171	$ 73,376	$ 128,593	$ 86,400	$ 339,540
Net CAPEX	$ 90,903	$ 118,908	$ 126,999	$ 77,514	$ 414,324
Modular space units on rent (average during the period)	103,566	104,615	105,416	105,635	104,808
Average modular space utilization rate	68.5 %	68.7 %	68.7 %	68.0 %	68.5 %
Average modular space monthly rental rate	$ 832	$ 888	$ 949	$ 982	$ 913
Portable storage units on rent (average during the period)	152,789	163,768	176,502	185,200	169,565
Average portable storage utilization rate	83.1 %	86.0 %	88.7 %	89.1 %	86.8 %
Average portable storage monthly rental rate	$ 166	$ 178	$ 197	$ 220	$ 192
Earnings per share - basic	$ 0.23	$ 0.33	$ 0.60	$ 0.41	$ 1.57
Earnings per share - diluted	$ 0.22	$ 0.32	$ 0.59	$ 0.40	$ 1.53
Weighted average shares - basic	223,490,912	223,376,276	213,636,876	209,373,239	216,808,577
Weighted average shares - diluted	228,955,504	227,484,012	217,927,725	213,872,403	221,399,162

[1] Q3 2022 Net income and Earnings per share included a gain on sale of discontinued operations of $34.0 million related to the sale of the former Tank and Pump segment in September 2022.

Quarterly Consolidated Results for the Year Ended December 31, 2021

(in thousands, except for units on rent and monthly rental rate)	Q1	Q2	Q3	Q4	Full Year
Revenue	$ 373,971	$ 405,177	$ 432,947	$ 460,885	$ 1,672,980
Gross profit	$ 185,619	$ 191,860	$ 220,349	$ 246,875	$ 844,703
Adjusted EBITDA from continuing operations	$ 143,693	$ 153,071	$ 165,948	$ 186,892	$ 649,604
Net income (loss)	$ 4,447	$ 20,371	$ 61,103	$ 74,223	$ 160,144
Net CAPEX	$ 30,911	$ 57,481	$ 51,954	$ 96,529	$ 236,875
Modular space units on rent (average during the period)	101,234	101,114	100,534	102,334	101,304
Average modular space utilization rate	69.2 %	69.2 %	69.0 %	69.3 %	69.2 %
Average modular space monthly rental rate	$ 704	$ 764	$ 797	$ 822	$ 772
Portable storage units on rent (average during the period)	120,713	126,163	137,616	158,607	135,775
Average portable storage utilization rate	71.9 %	76.8 %	83.0 %	88.0 %	80.1 %
Average portable storage monthly rental rate	$ 145	$ 149	$ 155	$ 164	$ 154
Earnings (loss) per share - basic	$ 0.02	$ 0.09	$ 0.27	$ 0.33	$ 0.71
Earnings (loss) per share - diluted	$ 0.02	$ 0.09	$ 0.26	$ 0.32	$ 0.69
Weighted average shares - basic	228,293,197	228,406,812	225,998,202	223,436,603	226,518,931
Weighted average shares - diluted	234,720,295	236,536,713	231,868,397	229,965,703	232,793,902

Quarterly Consolidated Results for the Year Ended December 31, 2020

(in thousands, except for units on rent and monthly rental rate)	Q1	Q2	Q3	Q4	Full Year
Revenue	$ 255,821	$ 256,862	$ 372,360	$ 387,948	$ 1,272,991
Gross profit	$ 106,190	$ 109,964	$ 185,500	$ 206,773	$ 608,427
Adjusted EBITDA from continuing operations	$ 89,544	$ 97,520	$ 146,746	$ 160,832	$ 494,642
Net income (loss)	$ 91,655	$ (14,130)	$ (6,051)	$ 3,866	$ 75,340
Net income (loss) attributable to Willscot Mobile Mini	$ 91,785	$ (15,473)	$ (6,051)	$ 3,866	$ 74,127
Net CAPEX	$ 30,540	$ 36,383	$ 33,323	$ 42,287	$ 142,533
Modular space units on rent (average during the period)	87,989	87,096	102,783	102,959	95,206
Average modular space utilization rate	69.2 %	68.5 %	70.0 %	70.0 %	69.5 %
Average modular space monthly rental rate	$ 653	$ 669	$ 663	$ 695	$ 671
Portable storage units on rent (average during the period)	16,346	15,869	120,694	136,042	72,238
Average portable storage utilization rate	64.1 %	62.5 %	71.6 %	80.0 %	74.2 %
Average portable storage monthly rental rate	$ 119	$ 120	$ 142	$ 147	$ 142
Loss per share - basic	$ 0.84	$ (0.14)	$ (0.03)	$ 0.02	$ 0.44
Loss per share - diluted	$ 0.05	$ (0.14)	$ (0.03)	$ 0.02	$ 0.25
Weighted average shares - basic	109,656,646	110,692,426	226,649,993	228,637,826	169,230,177
Weighted average shares - diluted	112,672,997	110,692,426	226,649,993	233,625,946	177,268,383

Comparison of Years Ended December 31, 2022 and 2021

Revenue: Total revenue increased $469.6 million, or 28.1%, to $2,142.6 million for the year ended December 31, 2022 from $1,673.0 million for the year ended December 31, 2021. Leasing revenue increased $369.2 million, or 29.5%, as compared to 2021 driven by an increase of 37,294, or 15.7%, in total average modular space and portable storage units on rent and improved pricing and value-added products. Delivery and installation revenues increased $108.0 million, or 33.6%, due to increased overall activity and higher pricing. New unit sales decreased $6.7 million, or 14.2%, and rental unit sales decreased $0.9 million, or 1.8%.

Total average modular space and portable storage units on rent for the years ended December 31, 2022 and 2021 were 274,373 and 237,079, respectively. The increase was primarily driven by strong customer demand within the storage segment and due to acquisitions. In total, modular space average units on rent increased 3,504 units, or 3.5%, for the year ended December 31, 2022 as compared to the year ended December 31, 2021. Modular space average monthly rental rates increased 18.3% to $913 for the year ended December 31, 2022. Improved pricing was driven by a continuation of the long-term price optimization and VAPS penetration opportunities across our portfolio. Portable storage average units on rent increased by 33,790 units, or 24.9%, for the year ended December 31, 2022. Average portable storage monthly rental rates of $192 represented an increase of $38, or 24.7%, compared to the year ended December 31, 2021. The average modular space unit utilization rate during the year ended December 31, 2022 was 68.5%, as compared to 69.2% during 2021. The average portable storage unit utilization rate during the year ended December 31, 2022 was 86.8%, as compared to 80.1% during 2021.

Gross Profit: Our gross profit percentage was 53.0% and 50.5% for the years ended December 31, 2022 and 2021, respectively. Our gross profit percentage, excluding the effects of depreciation ("adjusted gross profit percentage"), was 65.0% and 63.6% for the years ended December 31, 2022 and 2021, respectively.

Gross profit increased $290.8 million, or 34.4%, to $1,135.5 million for the year ended December 31, 2022 from $844.7 million for the year ended December 31, 2021. The increase in gross profit is a result of a $274.9 million increase in leasing gross profit, increased delivery and installation gross profit of $52.9 million, and increased new and rental unit sale margins of $0.9 million. These increases were offset partially by increased depreciation of $37.9 million as a result of acquired fleet and capital investments made over the past twelve months in our existing rental equipment.

SG&A Expense: SG&A expense increased $102.9 million, or 22.2%, to $567.2 million for the year ended December 31, 2022, compared to $464.3 million for the year ended December 31, 2021. For 2022, SG&A expense for Modular and Storage totaled $316.3 million and $204.4 million, respectively. Employee costs excluding stock compensation increased $57.6 million, or 27.3%, driven by a 13% increase in SG&A headcount to support both organic and inorganic growth, wage increases, and increased variable compensation as a result of the growth achieved. Legal and professional fees increased $23.8 million, or 45.5%. Stock compensation expense increased $10.6 million to $29.6 million for the year ended December 31, 2022, compared to $19.0 million for the year ended December 31, 2021. Integration costs decreased $12.9 million to $15.5 million for the year ended December 31, 2022, compared to $28.4 million for the year ended December 31, 2021. The remaining increases were primarily driven by increased economic activity and inflationary increases, including increased occupancy and office costs, insurance, travel expenses, and marketing cost increases.

Transaction Costs: For the year ended December 31, 2021, transaction costs of $1.4 million were primarily related to the Merger.

Other Depreciation and Amortization: Other depreciation and amortization increased $0.6 million, or 1.0%, to $62.4 million for the year ended December 31, 2022, compared to $61.8 million for the year ended December 31, 2021.

Lease Impairment Expense and Other Related Charges: Lease impairment expense and other related charges were $0.3 million for the year ended December 31, 2022 as compared to $2.9 million for the year ended December 31, 2021. The decrease in lease impairment expense and other related charges of $2.6 million is a result of fewer closed locations in 2022 as compared to 2021.

Restructuring Costs: Restructuring costs of $11.9 million for the year ended December 31, 2021 were primarily due to employee termination costs as a result of the elimination of positions due to the Merger.

Currency (Gains) Losses, net: Currency losses, net increased by $0.5 million to $0.9 million for the year ended December 31, 2022 compared to $0.4 million for the year ended December 31, 2021. The increase in currency losses, net, was primarily attributable to the impact of foreign currency exchange rate changes on intercompany receivables and payables denominated in a currency other than the subsidiaries' functional currency.

Other (Income) Expense, Net: Other (income) expense, net was $6.7 million of income for the year ended December 31, 2022 and $1.7 million of expense for the year ended December 31, 2021, The increase in other (income) expense, net is primarily related to insurance recoveries received in 2022 related to Hurricane Ida in the Gulf Coast area of the United States in 2021.

Interest Expense: Interest expense increased $29.9 million, or 25.7%, to $146.3 million for the year ended December 31, 2022 from $116.4 million for the year ended December 31, 2021. The increase was driven by increased average borrowings to support our capital allocation priorities, as well as an increase in interest rates during 2022.

Fair Value (Gain) Loss on Common Stock Warrant Liabilities: For the year ended December 31, 2021, the fair value loss on common stock warrant liabilities of $26.6 million was primarily attributable to the change in estimated fair value of common stock warrant liabilities.

Loss on Extinguishment of Debt: For the year ended December 31, 2021, we recorded a loss on extinguishment of debt of $6.0 million related to the redemption premium and write off of unamortized deferred financing costs associated with the redemption of $123.5 million of our 2025 Secured Notes.

Income Tax Expense: Income tax expense increased $52.3 million to $88.9 million for the year ended December 31, 2022 compared to $36.5 million for the year ended December 31, 2021. The increase in income tax expense was a result of higher pre-tax income partially offset with a reduction of the valuation allowance for deferred tax assets.

Comparison of Years Ended December 31, 2021 and 2020

Revenue: Total revenue increased $400.0 million, or 31.4%, to $1,673.0 million for the year ended December 31, 2021 from $1,273.0 million for the year ended December 31, 2020. Leasing revenue increased $316.0 million, or 33.7%, as compared to 2020 driven by an increase of 69,635, or 41.6%, total average modular space and portable storage units on rent and improved pricing and value-added products in our Modular segment. Delivery and installation revenues increased $70.4 million, or 28.1%, due to increased overall activity. New unit sales decreased $1.8 million, or 3.7%, and rental unit sales increased $15.4 million, or 41.6%.

Total average modular space and portable storage units on rent for the years ended December 31, 2021 and 2020 were 237,079 and 167,444, respectively. The increase was due primarily to the units acquired as part of the Merger with Mobile Mini, which closed on July 1, 2020. In total, modular space average units on rent increased 6,098 units, or 6.4%, for the year ended December 31, 2021 as compared to the year ended December 31, 2020. Modular space average monthly rental rates increased 15.1% to $772 for the year ended December 31, 2021. Improved pricing was driven by a continuation of the long-term price optimization and VAPS penetration opportunities across our portfolio, partially offset by the dilutive impact of lower rates on the Mobile Mini modular space units due to product mix. Portable storage average units on rent increased by 63,537 units, or 88.0%, for the year ended December 31, 2021. Average portable storage monthly rental rates of $154 represented an increase of $12, or 8.5%, compared to the year ended December 31, 2020. This increase was driven by the accretive impact of higher rates from the Mobile Mini portable storage fleet. The average modular space unit utilization rate during the year ended December 31, 2021 was 69.2%, as compared to 69.5% during 2020. The average portable storage unit utilization rate during the year ended December 31, 2021 was 80.1%, as compared to 74.2% during 2020. The increase in average portable storage utilization rate was driven by higher utilization on the acquired Mobile Mini units.

Gross Profit: Our gross profit percentage was 50.5% and 47.8% for the years ended December 31, 2021 and 2020, respectively. Our gross profit percentage, excluding the effects of depreciation ("adjusted gross profit percentage"), was 63.6% and 62.9% for the years ended December 31, 2021 and 2020, respectively.

Gross profit increased $236.3 million, or 38.8%, to $844.7 million for the year ended December 31, 2021 from $608.4 million for the year ended December 31, 2020. The increase in gross profit is a result of a $247.8 million increase in leasing gross profit, increased delivery and installation gross profit of $5.6 million, and increased new and rental unit sale margins of $9.5 million. These increases were primarily a result of increased average monthly rental rates as well as recent acquisitions. These increases were partially offset by increased depreciation of $26.6 million as a result of acquired fleet and capital investments made in our existing rental equipment.

SG&A Expense: SG&A expense increased $125.9 million, or 37.2%, to $464.3 million for the year ended December 31, 2021, compared to $338.4 million for the year ended December 31, 2020. The primary driver of the increase is related to additional SG&A expense as a result of operating a larger business due to the Merger. SG&A expense for the Storage segment totaled $150.3 million for the year ended December 31, 2021.

Transaction Costs: Transaction costs decreased $62.7 million to $1.4 million for the year ended December 31, 2021. Transaction costs were primarily related to the Merger.

Other Depreciation and Amortization: Other depreciation and amortization increased $26.6 million, or 75.6%, to $61.8 million for the year ended December 31, 2021, compared to $35.2 million for the year ended December 31, 2020. The increase was driven by a $14.4 million increase in other depreciation and a $12.2 million increase in amortization of intangible assets primarily as a result of Mobile Mini being included in the 2021 results for a full year as compared to two quarters in 2020.

Lease Impairment Expense and Other Related Charges: Lease impairment expense and other related charges were $2.9 million for the year ended December 31, 2021 as compared to $4.9 million for the year ended December 31, 2020. The decrease in lease impairment expense and other related charges of $2.0 million is a result of fewer closed locations in 2021 as compared to 2020.

Restructuring Costs: Restructuring costs were $11.9 million for the year ended December 31, 2021 as compared to $6.1 million for the year ended December 31, 2020. The restructuring charges in the year ended December 31, 2021 were primarily due to employee terminations costs as a result of the elimination of positions due to the Merger. The restructuring charges in the year ended December 31, 2020 were primarily due to employee terminations costs as a result of the Merger and, to a lesser extent, reductions in force across our branch network in response to COVID-19 economic conditions.

Currency (Gains) Losses, net: Currency (gains) losses, net decreased by $0.7 million to a $0.4 million loss for the year ended December 31, 2021 compared to a $0.3 million gain for the year ended December 31, 2020. The decrease in currency (gains) losses, net, are primarily attributable to the impact of foreign currency exchange rate changes on loans and borrowings and intercompany receivables and payables denominated in a currency other than the subsidiaries' functional currency.

Other (Income) Expense, Net: Other (income) expense, net was $1.7 million of expense for the year ended December 31, 2021 and $1.7 million of income for the year ended December 31, 2020, primarily related to the reversal of non-operating liabilities of $2.5 million for the year ended December 31, 2020.

Interest Expense: Interest expense decreased $2.9 million, or 2.4%, to $116.4 million for the year ended December 31, 2021 from $119.3 million for the year ended December 31, 2020. The decrease was driven by the redemption of the 2022 Secured Notes and the 2023 Secured Notes in the third quarter of 2020 and the redemption of $123.5 million of our 2025 Secured Notes during 2021.

Fair Value (Gain) Loss on Common Stock Warrant Liabilities: The fair value of common stock warrant liabilities decreased $30.1 million to a loss of $26.6 million for the year ended December 31, 2021. The decrease was primarily attributable to the change in estimated fair value of common stock warrant liabilities.

Loss on Extinguishment of Debt: We recorded a loss on extinguishment of debt of $6.0 million for the year ended December 31, 2021 related to the redemption premium and write off of unamortized deferred financing costs associated with the redemption of $123.5 million of our 2025 Secured Notes.

For the year ended December 31, 2020, as a result of the Merger and the related financing transactions, we recorded a loss on extinguishment of debt of $42.4 million. This loss on extinguishment of debt was comprised of the redemption premium and write off of unamortized deferred financing costs associated with the following: (i) $15.2 million due to the redemption of the 2022 Secured Notes, (ii) $22.7 million due to the redemption of the 2023 Secured Notes, and (iii) $4.4 million associated with an asset-based credit agreement entered into by the Company in 2017.

Income Tax Expense: Income tax expense increased $92.5 million to a $36.5 million expense for the year ended December 31, 2021 compared to a $56.0 million benefit for the year ended December 31, 2020. The increase in income tax benefit was due to the reversal of our valuation allowance of $56.6 million based on our assessment of deferred tax assets and a reduction of reserves for uncertain tax positions of $11.2 million, partially offset by tax expense from pre-tax income and non-deductible expense in the year ended December 31, 2020.

Business Segments

The Company operates in two reportable segments as follows: Modular and Storage. The Modular segment represents the activities of the North America modular business. Storage represents the activities of the North America portable storage business. Prior to the third quarter of 2021, the Modular segment represented the activities of WillScot historical segments prior to the Merger. During the third quarter of 2021, the majority of the portable storage product business within the Modular segment was transitioned to the Storage segment, and associated revenues, expenses, and operating metrics beginning in the third quarter of 2021 were also transferred to the Storage segment, representing a shift of approximately $5.0 million of revenue and associated gross margin per quarter from the Modular segment to the Storage segment. This adjustment was not made to the historical segment results of prior periods, as we believe such adjustments to be immaterial.

The following tables and discussion summarize our reportable segment financial information for the years ended December 31, 2022, 2021 and 2020. Consistent with the presentation of our consolidated financial statements, the below segment results only include results from Mobile Mini for the periods subsequent to the Merger.

Business Segment Results

Years Ended December 31, 2022, 2021 and 2020

(in thousands, except for units on rent and rates)	Year Ended December 31, 2022 Modular	Storage	Total
Revenue	$ 1,391,813	$ 750,810	$ 2,142,623
Gross profit	$ 612,311	$ 523,171	$ 1,135,483
Adjusted EBITDA	$ 529,109	$ 354,765	$ 883,874
Capex for rental equipment	$ 279,079	$ 118,297	$ 397,376
Average modular space units on rent	86,620	18,188	104,808
Average modular space utilization rate	67.4 %	74.0 %	68.5 %
Average modular space monthly rental rate	$ 957	$ 705	$ 913
Average portable storage units on rent	516	169,049	169,565
Average portable storage utilization rate	58.7 %	86.9 %	86.8 %
Average portable storage monthly rental rate	$ 208	$ 192	$ 192

(in thousands, except for units on rent and rates)	Year Ended December 31, 2021 Modular	Storage	Total
Revenue	$ 1,164,179	$ 508,801	$ 1,672,980
Gross profit	$ 496,445	$ 348,258	$ 844,703
Adjusted EBITDA	$ 423,004	$ 226,600	$ 649,604
Capex for rental equipment	$ 187,495	$ 45,426	$ 232,921
Average modular space units on rent	84,524	16,780	101,304
Average modular space utilization rate	67.6 %	78.5 %	69.2 %
Average modular space monthly rental rate	$ 809	$ 582	$ 772
Average portable storage units on rent	7,312	128,463	135,775
Average portable storage utilization rate	68.8 %	80.9 %	80.1 %
Average portable storage monthly rental rate	$ 131	$ 155	$ 154

(in thousands, except for units on rent and rates)	Year Ended December 31, 2020 Modular	Storage	Total
Revenue	$ 1,051,162	$ 221,829	$ 1,272,991
Gross profit	$ 451,642	$ 156,785	$ 608,427
Adjusted EBITDA	$ 394,805	$ 99,837	$ 494,642
Capex for rental equipment	$ 153,327	$ 14,969	$ 168,296
Average modular space units on rent	86,873	8,333	95,206
Average modular space utilization rate	68.6 %	80.6 %	69.5 %
Average modular space monthly rental rate	$ 685	$ 526	$ 671
Average portable storage units on rent	15,823	56,415	72,238
Average portable storage utilization rate	62.6 %	78.2 %	74.2 %
Average portable storage monthly rental rate	$ 122	$ 147	$ 142

Modular Segment

Comparison of Years Ended December 31, 2022 and 2021

Revenue: Total revenue increased $227.6 million, or 19.5%, to $1,391.8 million for the year ended December 31, 2022 from $1,164.2 million for the year ended December 31, 2021. The increase was primarily driven by increased leasing revenue of $169.4 million, or 19.6%, compared to 2021, increased delivery and installation revenue of $60.4 million, or 27.5%, compared to 2021. Average modular space monthly rental rates increased 18.3% for the year ended December 31, 2022 to

$957 driven by continuation of the long-term price optimization and VAPS penetration opportunities across our portfolio. Improved pricing was aided by higher volumes as average modular space units on rent increased by 2,096 units, or 2.5%, year over year driven by acquisitions.

Gross Profit: Gross profit increased $115.9 million, or 23.3%, to $612.3 million for the year ended December 31, 2022 from $496.4 million for the year ended December 31, 2021. The increase in gross profit was driven by a $113.7 million increase in leasing gross profit driven by improved volume, pricing and VAPS and by a $29.0 million increase in delivery and installation gross profit primarily driven by increased pricing. The increase in gross profit from leasing and delivery and installation revenues was partially offset by a $30.6 million increase in depreciation of rental equipment primarily as a result of capital investments made over the past twelve months in our existing rental equipment for the year ended December 31, 2022.

Adjusted EBITDA: Adjusted EBITDA increased $106.1 million, or 25.1%, to $529.1 million for the year ended December 31, 2022 from $423.0 million for the year ended December 31, 2021. The increase was driven by higher leasing gross profits discussed above, partially offset by increases in SG&A, excluding discrete and other items of $50.1 million. SG&A increases were primarily related to increases in salaries and variable compensation of $12.1 million and $8.9 million, respectively, service agreement and professional fee increases of $13.9 million, real estate and occupancy costs increases of $7.0 million, and increased travel expenses of $6.1 million.

Capex for rental equipment: Capex for rental equipment increased $91.6 million, or 48.9%, to $279.1 million for the year ended December 31, 2022 from $187.5 million for the year ended December 31, 2021. The increase was mainly driven by increased spending on refurbishments and fleet and VAPS purchases.

Comparison of Years Ended December 31, 2021 and 2020

Revenue: Total revenue increased $113.0 million, or 10.7%, to $1,164.2 million for the year ended December 31, 2021 from $1,051.2 million for the year ended December 31, 2020. The increase was primarily driven by increased leasing revenue of $94.6 million, or 12.3%, compared to 2020, increased delivery and installation revenue of $11.3 million, or 5.4% compared to 2020 and increased sales revenue of $7.1 million, or 9.8%, compared to 2020. Average modular space monthly rental rates increased 18.1% for the year ended December 31, 2021 to $809 driven by continuation of the long-term price optimization and VAPS penetration opportunities across our portfolio. Improved pricing was partially offset by lower volumes as average modular space units on rent decreased by 2,350 units, or 2.7%, year over year. The decrease was driven primarily by lower delivery volumes.

Gross Profit: Gross profit increased $44.8 million, or 9.9%, to $496.4 million for the year ended December 31, 2021 from $451.6 million for the year ended December 31, 2020. The increase in gross profit was driven by a $59.9 million increase in leasing gross profit driven by improved pricing and VAPS. The increase in gross profit from leasing revenues was partially offset by an $11.9 million increase in depreciation of rental equipment primarily as a result of capital investments made over the past twelve months in our existing rental equipment for the year ended December 31, 2021.

Adjusted EBITDA: Adjusted EBITDA increased $28.2 million, or 7.1%, to $423.0 million for the year ended December 31, 2021 from $394.8 million for the year ended December 31, 2020. The increase was driven by higher leasing gross profits discussed above, partially offset by increases in SG&A, excluding discrete and other items of $24.2 million. SG&A increases were primarily related to increases in variable compensation of $8.5 million, occupancy costs of $4.3 million and office costs of $4.0 million.

Capex for rental equipment: Capex for rental equipment increased $34.2 million, or 22.3%, to $187.5 million for the year ended December 31, 2021 from $153.3 million for the year ended December 31, 2020. The increase was mainly driven by fleet and VAPS purchases, as well as refurbishments.

Storage Segment

Comparison of Years Ended December 31, 2022 and 2021

Revenue: Total revenue increased $242.0 million, or 47.6%, to $750.8 million for the year ended December 31, 2022 from $508.8 million for the year ended December 31, 2021. The increase was primarily driven by increased leasing revenue of $199.8 million, or 51.5%, compared to 2021, and increased delivery and installation revenue of $47.6 million, or 46.8%, compared to 2021. Average portable storage monthly rental rates increased 23.9% for the year ended December 31, 2022 to $192 as a result of our price management tools and processes, further supported by high utilization, and by an acceleration earlier into the third quarter of our seasonal retail business. Average portable storage units on rent increased by 40,586 units, or 31.6%, year over year driven by increases in organic activity of approximately 15%, or 19,500 units on rent, including an acceleration earlier into the third quarter of our seasonal retail business. The remaining increase was driven by approximately 15,000 units on rent added in recent acquisitions and approximately 6,000 units of the increase was due to the transfer of approximately 12,000 portable storage units on rent from the Modular segment, which occurred in the third quarter of 2021. Average modular space monthly rental rates increased 21.1% for the year ended December 31, 2022 to $705 driven by the continuation of our long-term price optimization initiative and VAPS penetration opportunities across our portfolio. Average modular space units on rent increased by 1,408 units, or 8.4%, year over year, of which approximately 1,100 was acquisition driven.

Gross Profit: Gross profit increased $174.9 million, or 50.2%, to $523.2 million for the year ended December 31, 2022 from $348.3 million for the year ended December 31, 2021. The increase in gross profit was driven by a $161.1 million increase in leasing gross profit and an increase of $23.9 million in delivery and installation gross profit. The increase in gross profit from leasing and delivery and installation revenues was partially offset by a $7.3 million increase in depreciation of rental equipment primarily as a result of capital investments made over the past twelve months of additional rental equipment for the year ended December 31, 2022.

Adjusted EBITDA: Adjusted EBITDA increased $128.2 million, or 56.6%, to $354.8 million for the year ended December 31, 2022 from $226.6 million for the year ended December 31, 2021. The increase was driven by higher leasing gross profits discussed above, partially offset by increases in SG&A, excluding discrete and other items of $54.1 million. SG&A increases were primarily related to increases in salaries and variable compensation of $20.1 million and $14.7 million, respectively, service agreement and professional fee increases of $9.9 million, real estate and occupancy costs increases of $1.9 million, and increased travel expenses of $2.6 million.

Capex for rental equipment: Capex for rental equipment increased $72.9 million, or 160.6%, to $118.3 million for the year ended December 31, 2022 from $45.4 million for the year ended December 31, 2021 driven by a significant increase in container purchases during the year given high utilization and strong demand, as well as due to expansion of our VAPS offering in Storage.

Reconciliation of non-GAAP Financial Measures

In addition to using GAAP financial measurements, we use certain non-GAAP financial measures to evaluate our operating results. As such, we include in this Annual Report on Form 10-K reconciliations to their most directly comparable GAAP financial measures. Set forth below are definitions and reconciliations to the nearest comparable GAAP measure of certain non-GAAP financial measures used in this Annual Report on Form 10-K along with descriptions of why we believe these measures provide useful information to investors as well as a description of the limitations of these measures. Each of these non-GAAP financial measures has limitations as an analytical tool and should not be considered in isolation from, or as a substitute for analysis of, results reported under GAAP. Our measurements of these metrics may not be comparable to similarly titled measures of other companies.

Adjusted EBITDA

We define EBITDA as net income (loss) plus interest (income) expense, income tax expense (benefit), depreciation and amortization. Our adjusted EBITDA ("Adjusted EBITDA") reflects the following further adjustments to EBITDA to exclude certain non-cash items and the effect of what we consider transactions or events not related to our core business operations:

- Currency (gains) losses, net on monetary assets and liabilities denominated in foreign currencies other than the subsidiaries' functional currency. Substantially all such currency gains (losses) are unrealized and attributable to financings due to and from affiliated companies.
- Goodwill and other impairment charges related to non-cash costs associated with impairment charges to goodwill, other intangibles, rental fleet and property, plant and equipment.
- Restructuring costs, lease impairment expense, and other related charges associated with restructuring plans designed to streamline operations and reduce costs including employee and lease termination costs.
- Transaction costs including legal and professional fees and other transaction specific related costs.
- Costs to integrate acquired companies, including outside professional fees, non-capitalized costs associated with system integrations, non-lease branch and fleet relocation expenses, employee training costs, and other costs required to realize cost or revenue synergies.
- Non-cash charges for stock compensation plans.
- Gains and losses resulting from changes in fair value and extinguishment of common stock warrant liabilities.
- Other expense, including consulting expenses related to certain one-time projects, financing costs not classified as interest expense, and gains and losses on disposals of property, plant, and equipment.

Our Chief Operating Decision Maker ("CODM") evaluates business segment performance utilizing Adjusted EBITDA as shown in the reconciliation of the Company's consolidated income from continuing operations to Adjusted EBITDA below. Management believes that evaluating segment performance excluding such items is meaningful because it provides insight with respect to the intrinsic and ongoing operating results of the Company and captures the business performance of the segments, inclusive of indirect costs.

Adjusted EBITDA has limitations as an analytical tool, and you should not consider the measure in isolation or as a substitute for net income (loss), cash flow from operations or other methods of analyzing WillScot Mobile Mini's results as reported under US GAAP. Some of these limitations are:

- Adjusted EBITDA does not reflect changes in, or cash requirements for our working capital needs;

- Adjusted EBITDA does not reflect our interest expense, or the cash requirements necessary to service interest or principal payments, on our indebtedness;
- Adjusted EBITDA does not reflect our tax expense or the cash requirements to pay our taxes;
- Adjusted EBITDA does not reflect historical cash expenditures or future requirements for capital expenditures or contractual commitments;
- Adjusted EBITDA does not reflect the impact on earnings or changes resulting from matters that we consider not to be indicative of our future operations;
- although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future and Adjusted EBITDA does not reflect any cash requirements for such replacements; and
- other companies in our industry may calculate Adjusted EBITDA differently, limiting its usefulness as a comparative measure.

Because of these limitations, Adjusted EBITDA should not be considered as discretionary cash available to reinvest in the growth of our business or as a measure of cash that will be available to meet our obligations.

The following tables provide unaudited reconciliations of Income from continuing operations to Adjusted EBITDA:

2022 ***(in thousands)***	**Q1**	**Q2**	**Q3**	**Q4**	**Full Year**
Income from continuing operations	$ 39,048	$ 60,099	$ 78,176	$ 99,018	$ 276,341
Income tax expense from continuing operations	12,083	20,848	28,288	27,644	88,863
Income from continuing operations before income tax	51,131	80,947	106,464	126,662	365,204
Interest expense	30,570	33,153	38,009	44,546	146,278
Depreciation and amortization	72,910	78,181	83,671	84,337	319,099
Currency losses, net	137	(173)	160	762	886
Restructuring costs, lease impairment expense and other related charges	263	(95)	—	—	168
Transaction costs	13	22	—	(10)	25
Integration costs	4,087	5,193	3,902	2,302	15,484
Stock compensation expense	6,273	9,128	7,111	7,101	29,613
Other	2,389	2,287	51	2,390	7,117
Adjusted EBITDA from continuing operations	167,773	208,643	239,368	268,090	883,874
Adjusted EBITDA from discontinued operations	24,050	24,693	25,045	11,989	85,750
Adjusted EBITDA from continuing and discontinued operations	$ 191,823	$ 233,336	$ 264,413	$ 280,079	$ 969,624

2021 *(in thousands)*	Q1	Q2	Q3	Q4	Full Year
(Loss) income from continuing operations	$ (6,147)	$ 10,050	$ 48,580	$ 62,412	$ 114,895
Income tax expense from continuing operations	7,302	15,803	3,130	10,293	36,528
(Loss) income from continuing operations before income tax	1,155	25,853	51,710	72,705	151,423
Loss on extinguishment of debt	3,185	2,814	—	—	5,999
Interest expense	29,567	28,802	28,798	29,191	116,358
Fair value (gain) loss on common stock warrant liabilities	27,207	(610)	—	—	26,597
Depreciation and amortization	67,163	74,673	66,775	71,956	280,567
Currency losses (gains), net	37	41	8	341	427
Restructuring costs, lease impairment expense and other related charges	4,393	7,434	2,457	470	14,754
Transaction costs	844	—	303	228	1,375
Integration costs	7,342	7,622	8,242	5,204	28,410
Stock compensation expense	3,494	4,641	6,138	4,455	18,728
Other	(694)	1,801	1,517	2,342	4,966
Adjusted EBITDA from continuing operations	143,693	153,071	165,948	186,892	649,604
Adjusted EBITDA from discontinued operations	19,892	22,424	24,201	24,272	90,789
Adjusted EBITDA from continuing and discontinued operations	$ 163,585	$ 175,495	$ 190,149	$ 211,164	$ 740,393

The following tables provide unaudited reconciliations of Income (loss) from discontinued operations to Adjusted EBITDA:

2022 *(in thousands)*	Q1	Q2	Q3	Q4	Full Year
Income (loss) from discontinued operations	$ 12,123	$ 13,277	$ 50,417	$ (12,618)	$ 63,199
Gain on sale of discontinued operations	—	—	34,049	1,407	35,456
Income tax expense from discontinued operations	3,664	3,863	3,917	24,281	35,725
Income from discontinued operations before income tax and gain on sale	15,787	17,140	20,285	10,256	63,468
Interest expense	422	422	299	158	1,301
Depreciation and amortization	7,771	9,188	5,650	1,799	24,408
Currency losses, net	1	46	76	15	138
Stock compensation expense	122	164	(151)	80	215
Other	(53)	(2,267)	(1,114)	(319)	(3,780)
Adjusted EBITDA from discontinued operations	$ 24,050	$ 24,693	$ 25,045	$ 11,989	$ 85,750

2021 *(in thousands)*	Q1	Q2	Q3	Q4	Full Year
Income from discontinued operations	$ 10,594	$ 10,321	$ 12,523	$ 11,811	$ 45,249
Income tax expense from discontinued operations	3,179	3,025	3,514	3,300	13,018
Income from discontinued operations before income tax and gain on sale	13,773	13,346	16,037	15,111	58,267
Interest expense	397	410	403	419	1,629
Depreciation and amortization	6,859	9,842	8,501	9,798	35,000
Currency losses, net	(1)	(8)	119	11	121
Restructuring costs, lease impairment expense and other related charges	2	—	—	—	2
Integration costs	—	—	5	9	14
Stock compensation expense	20	66	121	54	261
Other	(1,158)	(1,232)	(985)	(1,130)	(4,505)
Adjusted EBITDA from discontinued operations	$ 19,892	$ 22,424	$ 24,201	$ 24,272	$ 90,789

Adjusted EBITDA Margin

We define Adjusted EBITDA Margin as Adjusted EBITDA divided by revenue. Management believes that the presentation of Adjusted EBITDA Margin provides useful information to investors regarding the performance of our business. The following table provides unaudited reconciliations of Adjusted EBITDA Margin:

	Year Ended December 31,	
(in thousands)	2022	2021
Adjusted EBITDA from continuing operations (A)	$ 883,874	$ 649,604
Revenue (B)	$ 2,142,623	$ 1,672,980
Adjusted EBITDA Margin from Continuing Operations (A/B)	41.3 %	38.8 %
Income from continuing operations (C)	$ 276,341	$ 114,895
Income from Continuing Operations Margin (C/B)	12.9 %	6.9 %

Net Debt to Adjusted EBITDA ratio, including results from discontinued operations from the UK Storage Solutions segment

Net Debt to Adjusted EBITDA ratio, including results from discontinued operations from the UK Storage Solutions segment is defined as Net Debt divided by Adjusted EBITDA including discontinued operations for the UK Storage Solutions segment. We define Net Debt as total debt from continuing operations and total debt from discontinued operations included in liabilities held for sale net of total cash and cash equivalents from continuing operations and total cash and cash equivalents from discontinued operations included in assets held for sale. Management believes that the presentation of Net Debt to Adjusted EBITDA ratio, including results from discontinued operations from the UK Storage Solutions segment provides useful information to investors regarding the performance of our business. The following table provides an unaudited reconciliation of Net Debt to Adjusted EBITDA ratio, including results from discontinued operations from the UK Storage Solutions segment:

(in thousands)	Year Ended December 31, 2022	
Long-term debt	$	3,063,042
Current portion of long-term debt		13,324
Long-term debt from discontinued operations included in liabilities held for sale		6,278
Total debt	$	3,082,644
Cash and cash equivalents		7,390
Cash and cash equivalents from discontinued operations included in assets held for sale		10,384
Net debt (A)	$	3,064,870
Adjusted EBITDA from continuing operations	$	883,874
Adjusted EBITDA from discontinued operations for the UK Storage Solutions segment		48,734
Adjusted EBITDA including discontinued operations for the UK Storage Solutions segment (B)	$	932,608
Net Debt to Adjusted EBITDA ratio, including results from discontinued operations from the UK Storage Solutions segment (A/B)		3.3

Adjusted Gross Profit and Adjusted Gross Profit Percentage

We define Adjusted Gross Profit as gross profit plus depreciation on rental equipment. Adjusted Gross Profit Percentage is defined as Adjusted Gross Profit divided by revenue. Adjusted Gross Profit and Adjusted Gross Profit Percentage are not measurements of our financial performance under GAAP and should not be considered as alternatives to gross profit, gross profit percentage, or other performance measures derived in accordance with GAAP. In addition, our measurement of Adjusted Gross Profit and Adjusted Gross Profit Percentage may not be comparable to similarly titled measures of other companies. Management believes that the presentation of Adjusted Gross Profit and Adjusted Gross Profit Percentage provides useful information regarding our results of operations and assists in analyzing the underlying performance of our business.

The following table provides an unaudited reconciliation of gross profit to Adjusted Gross Profit and Adjusted Gross Profit Percentage:

(in thousands)	Year Ended December 31, 2022		2021	
Revenue (A)	$	2,142,623	$	1,672,980
Gross profit (B)	$	1,135,482	$	844,703
Depreciation of rental equipment		256,719		218,790
Adjusted Gross Profit (C)	$	1,392,201	$	1,063,493
Gross Profit Percentage (B/A)		53.0 %		50.5 %
Adjusted Gross Profit Percentage (C/A)		65.0 %		63.6 %

Income from Continuing Operations Excluding Gain/Loss from Warrants

We define Income from Continuing Operations Excluding Gain/Loss from Warrants as income from continuing operations plus or minus the impact of the change in the fair value of the common stock warrant liability. Management believes that the presentation of our financial statements excluding the impact of the mark-to-market adjustment provides useful information regarding our results of operations and assists in the review of our actual operating performance.

The following tables provide unaudited reconciliations of Income from Continuing Operations to Income from Continuing Operations Excluding Gain/Loss from Warrants for the year ended December 31, 2021. There was no Gain/Loss from Warrants for the year ended December 31, 2022.

2021 *(in thousands)*	Q1	Q2	Q3	Q4	Full Year
(Loss) Income from Continuing Operations	$ (6,147)	$ 10,050	$ 48,580	$ 62,412	$ 114,895
Fair value loss (gain) on common stock warrant liabilities	27,207	(610)	—	—	26,597
Income from Continuing Operations Excluding Gain/Loss from Warrants	$ 21,060	$ 9,440	$ 48,580	$ 62,412	$ 141,492

Net CAPEX

We define Net CAPEX as purchases of rental equipment and refurbishments and purchases of property, plant and equipment (collectively, "Total Capital Expenditures"), less proceeds from the sale of rental equipment and proceeds from the sale of property, plant and equipment (collectively, "Total Proceeds"), which are all included in cash flows from investing activities. Management believes that the presentation of Net CAPEX provides useful information regarding the net capital invested in our rental fleet and property, plant and equipment each year to assist in analyzing the performance of our business. As presented below, Net CAPEX includes amounts for the former Tank and Pump segment through September 30, 2022 and the UK Storage Solutions segment through December 31, 2022.

The following tables provide unaudited reconciliations of Net CAPEX on a historical quarterly basis:

Quarterly Consolidated Results for the Year Ended December 31, 2022

(in thousands)	Q1	Q2	Q3	Q4	Full Year
Total Capital Expenditures	$ 105,717	$ 139,925	$ 145,076	$ 96,084	$ 486,802
Total Proceeds	14,814	21,017	18,077	18,570	72,478
Net CAPEX	$ 90,903	$ 118,908	$ 126,999	$ 77,514	$ 414,324

Quarterly Consolidated Results for the Year Ended December 31, 2021

(in thousands)	Q1	Q2	Q3	Q4	Full Year
Total Capital Expenditures	$ 59,842	$ 75,425	$ 63,760	$ 109,969	$ 308,996
Total Proceeds	28,931	17,944	11,806	13,440	72,121
Net CAPEX	$ 30,911	$ 57,481	$ 51,954	$ 96,529	$ 236,875

Free Cash Flow

We define Free Cash Flow as net cash provided by operating activities, less purchases of, and proceeds from, rental equipment and property, plant and equipment, which are all included in cash flows from investing activities. Management believes that the presentation of Free Cash Flow provides useful additional information concerning cash flow available to fund our capital allocation alternatives. As presented below, Free Cash Flow includes amounts for the former Tank and Pump segment through September 30, 2022 and the UK Storage Solutions segment through December 31, 2022.

The following tables provide a reconciliation of net cash provided by operating activities to Free Cash Flow:

Quarterly Consolidated Results for the Year Ended December 31, 2022

(in thousands)	Q1	Q2	Q3	Q4	Full Year
Net cash provided by operating activities	$ 145,527	$ 188,326	$ 210,385	$ 200,420	$ 744,658
Purchase of rental equipment and refurbishments	(95,236)	(130,153)	(135,076)	(82,673)	(443,138)
Proceeds from sale of rental equipment	14,554	20,526	17,183	18,440	70,703
Purchase of property, plant and equipment	(10,481)	(9,772)	(10,000)	(13,411)	(43,664)
Proceeds from the sale of property, plant and equipment	260	491	894	130	1,775
Free Cash Flow	$ 54,624	$ 69,418	$ 83,386	$ 122,906	$ 330,334

Quarterly Consolidated Results for the Year Ended December 31, 2021

(in thousands)	Q1	Q2	Q3	Q4	Full Year
Net cash provided by operating activities	$ 122,071	$ 139,537	$ 130,447	$ 147,847	$ 539,902
Purchase of rental equipment and refurbishments	(52,535)	(65,282)	(60,374)	(100,307)	(278,498)
Proceeds from sale of rental equipment	15,202	15,235	11,597	13,176	55,210
Purchase of property, plant and equipment	(7,307)	(10,143)	(3,386)	(9,662)	(30,498)
Proceeds from the sale of property, plant and equipment	13,729	2,709	209	264	16,911
Free Cash Flow	$ 91,160	$ 82,056	$ 78,493	$ 51,318	$ 303,027

Liquidity and Capital Resources

Overview

WillScot Mobile Mini is a holding company that derives its operating cash flow from its operating subsidiaries. Our principal sources of liquidity include cash generated by operating activities from our subsidiaries, borrowings under our ABL Facility, and sales of equity and debt securities. We believe that our liquidity sources and operating cash flows are sufficient to address our operating, debt service and capital requirements over the next twelve months.

We have consistently accessed the debt and equity capital markets both opportunistically and as necessary to support the growth of our business, desired leverage levels, and other capital allocation priorities. We believe we have ample liquidity in the ABL Facility and are generating substantial free cash flow, which together support both organic operations and other capital allocation priorities as they arise.

We continue to review available acquisition opportunities with the awareness that any such acquisition may require us to incur additional debt to finance the acquisition and/or to issue shares of our Common Stock or other equity securities as acquisition consideration or as part of an overall financing plan. In addition, we will continue to evaluate alternatives to optimize our capital structure, which could include the issuance or repurchase of additional unsecured and secured debt, equity securities and/or equity-linked securities. There can be no assurance as to the timing of any such issuance or repurchase. If we obtain additional capital by issuing equity, the interests of our existing stockholders will be diluted. If we incur additional indebtedness, that indebtedness may contain significant financial and other covenants that may significantly restrict our operations. Availability of financing and the associated terms are inherently dependent on the debt and equity capital markets and subject to change. From time to time, we may also seek to streamline our capital structure and improve our financial position through refinancing or restructuring our existing debt or retiring certain of our securities for cash or other consideration.

Our revolving credit facility provides an aggregate principal amount of up to $3.7 billion, consisting of: (i) a senior secured asset-based US dollar revolving credit facility in the aggregate principal amount of $3.3 billion (the “US Facility”) and (ii) a $400.0 million senior secured asset-based multicurrency revolving credit facility (the "Multicurrency Facility," and together with the US Facility, the “ABL Facility”). Borrowing availability under the ABL Facility is equal to the lesser of $3.7 billion and the applicable borrowing bases. The borrowing bases are a function of, among other things, the value of the assets in the relevant collateral pool of which our rental equipment represents the largest component. At December 31, 2022, we had $1.0 billion of available borrowing capacity under the ABL Facility.

Cash Flows

Significant factors driving our liquidity include cash flows generated from operating activities and capital expenditures. Our ability to fund our capital needs will be affected by our ongoing ability to generate cash from operations and access to capital markets.

The consolidated statements of cash flows include amounts for the former Tank and Pump segment through September 30, 2022 and the UK Storage Solutions segment through December 31, 2022. See Note 3 to the financial statements for disclosure of significant operating and investing items related to the former Tank and Pump segment and the UK Storage Solutions segment. The following summarizes our change in cash and cash equivalents for the periods presented:

	Year Ended December 31,		
(in thousands)	2022	2021	2020
Net cash from operating activities	$ 744,658	$ 539,902	$ 304,812
Net cash from investing activities	(309,333)	(384,047)	(125,360)
Net cash from financing activities	(429,368)	(167,887)	(158,958)
Effect of exchange rate changes on cash and cash equivalents	(882)	(206)	1398
Net change in cash and cash equivalents	$ 5,075	$ (12,238)	$ 21,892

Comparison of the Years Ended December 31, 2022 and 2021 and December 31, 2021 and 2020

Cash Flows from operating activities

Cash provided by operating activities for the year ended December 31, 2022 was $744.7 million as compared to $539.9 million for the year ended December 31, 2021, an increase of $204.8 million, or 38%. The increase in cash provided by operating activities was driven by an increase of $198.7 million of net income, adjusted for non-cash items, and an increase of $6.2 million in the net movements of the operating assets and liabilities, which was primarily attributable to a decrease in cash used from accounts receivable of $10.6 million compared to 2021 and an increase of $19.7 million in deferred revenue compared to 2021, partially offset by a decrease in accounts payable and other accrued liabilities of $18.1 million.

Cash provided by operating activities for the year ended December 31, 2021 was $539.9 million as compared to $304.8 million for the year ended December 31, 2020, an increase of $235.1 million, or 77%. The increase in cash provided by operating activities was driven by an increase of $252.0 million of net income, adjusted for non-cash items. This was partially offset by a decrease of $17.2 million in the net movements of the operating assets and liabilities, which was primarily attributable to an increase in cash used from accounts receivable of $78.3 million compared to 2020, partially offset by an increase in accounts payable and other accrued liabilities of $55.5 million and an increase of $10.2 million in deferred revenue compared to 2020.

Cash flows from investing activities

Cash used in investing activities for the year ended December 31, 2022 was $309.3 million as compared to $384.0 million for the year ended December 31, 2021, a decrease of $74.7 million. The decrease in cash used in investing activities was driven by the proceeds of $325.6 million from the sale of discontinued operations and a $15.5 million increase in proceeds from the sale of rental equipment. Proceeds from sale of rental equipment increased compared to the prior year due to higher sales demand. The decrease was partially offset by a $73.4 million increase in cash used in acquisitions, net of cash acquired, a $164.6 million increase in cash used for the purchase of rental equipment and refurbishments to support growing demand for new project deliveries across all segments, a $15.1 million decrease in proceeds from sale of property, plant and equipment and a $13.2 million increase in cash used for the purchase of property, plant, and equipment.

Cash used in investing activities for the year ended December 31, 2021 was $384.0 million as compared to $125.4 million for the year ended December 31, 2020, an increase of $258.6 million. The increase in cash used in investing activities was driven by a $164.3 million increase in cash used in acquisitions, net of cash acquired. During 2021, the Company acquired certain assets and liabilities of several smaller entities for $147.2 million in cash. During 2020, $17.2 million of cash was acquired as part of the Merger. The increase in cash used in investing activities was also driven by a $106.1 million increase in cash used for the purchase of rental equipment and refurbishments to support growing demand for new project deliveries across all segments and a $14.0 million increase in cash used for the purchase of property, plant, and equipment. These increases were partially offset by a $9.5 million increase in proceeds from sale of property, plant and equipment and a $16.3 million increase in proceeds from the sale of rental equipment. Proceeds from sale of rental equipment increased compared to the prior year due to higher sales demand.

Cash flows from financing activities

Cash used in financing activities for the year ended December 31, 2022 was $429.4 million as compared to $167.9 million for the year ended December 31, 2021, an increase of $261.5 million. The increase in cash used in financing activities was driven by an increase of $388.2 million in repurchases of common stock and warrants as well as an increase of $76.6 million in repayment of borrowings, partially offset by a $235.6 million increase in receipts from borrowings.

Cash used in financing activities for the year ended December 31, 2021 was $167.9 million as compared to $159.0 million for the year ended December 31, 2020, an increase of $8.9 million. The increase in cash used in financing activities was driven by an increase of $341.8 million in repurchases of common stock and warrants as well as a $2,058.1 million decrease in receipts from borrowings. This was partially offset by a decrease of $2,296.2 million in repayment of borrowings, a decrease of $65.5 million in payment of financing costs, and a decrease of $30.9 million in payment of debt extinguishment premium costs.

Material cash requirements

The Company's material cash requirements include the following contractual and other obligations:

Debt

The Company has outstanding debt related to its ABL Facility, 2025 Secured Notes, 2028 Secured Notes and finance leases, including interest, totaling $3.1 billion as of December 31, 2022, $15.6 million of which is obligated to be repaid within the next twelve months. Refer to Note 10 for further information regarding outstanding debt.

Operating leases

The Company has commitments for future minimum rental payments relating to operating leases, which are primarily for equipment and office space. As of December 31, 2022, the Company had lease obligations of $258.5 million, with $60.1 million payable within the next twelve months.

In addition to the cash requirements described above, the Company has a Share Repurchase program authorized by the Board of Directors, which allows the Company to repurchase up to $1.0 billion of outstanding shares of Common Stock and equivalents. This program does not obligate the Company to repurchase any specific amount of shares.

The Company believes its cash, cash flows generated from ongoing operations, and continued access to its revolving credit facility as well as access to debt markets are sufficient to satisfy its currently anticipated cash requirements over the next twelve months.

Critical Accounting Policies and Estimates

Our discussion and analysis of our financial condition, results of operations, liquidity and capital resources is based on our consolidated financial statements, which have been prepared in accordance with GAAP. GAAP requires that we make estimates and judgments that affect the reported amount of assets, liabilities, revenue, expenses and the related disclosure of contingent assets and liabilities. We base these estimates on historical experience and on various other assumptions that we consider reasonable under the circumstances and reevaluate our estimates and judgments as appropriate. The actual results experienced by us may differ materially and adversely from our estimates. We believe that the following critical accounting policies involve a higher degree of judgment or complexity in the preparation of financial statements:

Revenue Recognition

Leasing and Services Revenue

The majority of revenue is generated by rental income subject to the guidance in *Leases (Topic 842)* ("ASC 842"). The remaining revenue is generated by performance obligations in contracts with customers for services or sale of units subject to the guidance in Accounting Standards Update ("ASU") 2014-09, *Revenue from Contracts with Customers (Topic 606)* ("ASC 606").

Leasing Revenue

Income from operating leases is recognized on a straight-line basis over the lease term. The Company's lease arrangements can include multiple lease and non-lease components. Examples of lease components include, but are not limited to, the lease of modular space and portable storage units and VAPS. Examples of non-lease components include, but are not limited to, the delivery, installation, maintenance, and removal services commonly provided in a bundled transaction with the lease components. Arrangement consideration is allocated between lease deliverables and non-lease components based on the relative estimated selling (leasing) price of each deliverable. Estimated selling (leasing) price of the lease deliverables is based upon the estimated stand-alone selling price of the related performance obligations using an adjusted market approach.

When leases and services are billed in advance, recognition of revenue is deferred until services are rendered. If equipment is returned prior to the contractually obligated period, the excess, if any, between the amount the customer is contractually required to pay over the cumulative amount of revenue recognized to date is recognized as incremental revenue upon return.

Rental equipment is leased primarily under operating leases. Operating lease minimum contractual terms within the Modular segment generally range from 1 month to 60 months and averaged approximately 10 months across this segment's rental fleet for the year ended December 31, 2022. Rental contracts with customers within the Storage segment, as defined in Note 18, are generally based on a 28-day rate and billing cycle. The rental continues until cancelled by the Company or the customer. The Company records changes in estimated collectability directly against leasing revenue.

The Company may use third parties to satisfy its performance obligations, including both the provision of VAPS and other services. To determine whether it is the principal or agent in the arrangement, the Company reviews each third-party relationship on a contract-by-contract basis. The Company is considered an agent when its role is to arrange for another entity to provide the VAPS and other services to the customer. In these instances, the Company does not control the rental unit or service before it is provided and the risk of performance is held by the third party. The Company is considered the principal when it controls the VAPS or other services prior to transferring control to the customer and retains the risk of performance. WillScot Mobile Mini may be a principal in the fulfillment of some leasing contracts and services elements and an agent for other elements within the same contract. Revenue is recognized on a gross basis when the Company is the principal in the arrangement and on a net basis when it is the agent.

Services Revenue

The Company generally has three non-lease service-related performance obligations in its contracts with customers:

- Delivery and installation of the modular or portable storage unit;
- Maintenance and other ad hoc services performed during the lease term; and
- Removal services that occur at the end of the lease term.

Consideration is allocated to each of these performance obligations within the contract based upon their estimated relative standalone selling prices using the estimated cost plus a margin approach. Revenue from these activities is recognized as the services are performed.

Sales Revenue

Sales revenue is generated by the sale of new and rental units. Revenue from the sale of new and rental units is generally recognized at a point in time upon the transfer of control to the customer, which occurs when the unit is delivered and installed in accordance with the contract. Sales transactions constitute a single performance obligation.

Other Matters

The Company's non-lease revenues do not include material amounts of variable consideration, other than the variability noted for services arrangements expected to be performed beyond a twelve-month period.

The Company's payment terms vary by the type and location of its customer and the product or services offered. The time between invoicing and when payment is due is not significant. While the Company may bill certain customers in advance, its contracts do not contain a significant financing component based on the short length of time between upfront billings and the performance of contracted services. For certain products, services, or customer types, the Company requires payment before the products or services are delivered to the customer.

Revenue is recognized net of sales tax billed to customers, which is subsequently remitted to governmental authorities.

Evaluation of Goodwill Impairment

For acquired businesses, the Company records assets acquired and liabilities assumed at their respective estimated fair values on the date of acquisition. The Company performs its annual impairment test of goodwill at the reporting unit level as of October 1, as well as during any reporting period in which events or changes in circumstances occur that, in management's judgment, may constitute triggering events under ASC 350-20, *Intangibles – Goodwill and Other, Testing Goodwill for Impairment*. Generally, reporting units are at the operating segment level or one level below the operating segment (the component level), if discrete financial information is prepared and regularly reviewed by segment management. The Company performs its assessment of goodwill utilizing either a qualitative or quantitative impairment test. The qualitative impairment test assesses company-specific, industry, market and general economic factors to determine whether it is more likely than not that the fair value of the reporting unit is less than its carrying amount. If the Company concludes that it is more likely than not that the fair value of the reporting unit is less than its carrying amount, or elects not to use the qualitative impairment test, a quantitative impairment test is performed. The quantitative impairment test involves a comparison of the estimated fair value of a reporting unit to its carrying amount. The Company uses an independent valuation specialist for its quantitative impairment tests to assist in the valuation.

Determining the fair value of a reporting unit is judgmental in nature and involves the use of significant estimates and assumptions. These estimates and assumptions include revenue growth rates and operating margins used to calculate projected future cash flows, risk-adjusted discount rates, value of net operating losses, future economic and market conditions and determination of appropriate market comparables. Management bases fair value estimates on assumptions it believes to be reasonable but that are unpredictable and inherently uncertain. Actual future results may differ from these estimates and the estimate is inherently sensitive to any material changes to the inputs noted above; these changes could potentially impact the fair value of reporting units.

If the carrying amount of the reporting unit exceeds the calculated fair value of the reporting unit, an impairment charge would be recognized for the excess, not to exceed the amount of goodwill allocated to that reporting unit.

Intangible Assets Other than Goodwill

Intangible assets that are acquired by the Company and determined to have an indefinite useful life are not amortized but are tested for impairment at least annually. The Company's indefinite-lived intangible assets consist of the Williams Scotsman and Mobile Mini trade names. The Company performs its assessment of indefinite-lived intangible assets utilizing either a qualitative or quantitative impairment test. When utilizing a quantitative impairment test, the Company calculates fair value using a relief-from-royalty method. This method is used to estimate the cost savings that accrue to the owner of an intangible asset who would otherwise have to pay royalties or license fees on revenues earned through the use of the asset. If the carrying amount of the indefinite-lived intangible asset exceeds its fair value, an impairment charge would be recorded to the extent the recorded indefinite-lived intangible asset exceeds the fair value. The relief-from-royalty method requires the Company to make assumptions regarding future revenue and the appropriate selection of royalty and discount rates. Any material deviation in actual results could affect the calculated fair value of the intangible asset.

Other intangible assets that have finite useful lives are measured at cost less accumulated amortization and impairment losses, if any. Amortization is recognized in profit or loss over the estimated useful lives of the intangible asset.

Rental Equipment

Rental equipment is comprised of modular space and portable storage units held for rent or on rent to customers and value-added products and services ("VAPS") which are in use or available to be used by customers. Rental equipment is measured at cost less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. Costs of improvements and conversions of rental equipment are capitalized when such costs extend the useful life of the equipment or increase the rental value of the unit. Costs incurred for equipment to meet a particular customer specification are capitalized and depreciated over the lease term taking into consideration the residual value of the asset. Maintenance and repair costs are expensed as incurred.

Depreciation is computed using the straight-line method over estimated useful lives, as follows:

	Estimated Useful Life	Residual Value
Modular space units	10 - 30 years	20 - 55%
Portable storage units	30 years	55%
VAPS and other related rental equipment	1 - 8 years	—%

Trade Receivables and Allowance for Credit Losses

. The Company is exposed to credit losses from trade receivables. The Company assesses each customer's ability to pay for the products it leases or sells by conducting a credit review. The credit review considers expected billing exposure and timing for payment and the customer's established credit rating. The Company performs its credit review of new customers at inception of the customer relationship and for existing customers when the customer transacts after a defined period of dormancy. The Company also considers contract terms and conditions, country risk and business strategy in the evaluation.

The Company monitors ongoing credit exposure through an active review of customer balances against contract terms and due dates. The Company may employ collection agencies and legal counsel to pursue recovery of defaulted receivables. The allowance for credit losses reflects the estimate of the amount of receivables that the Company will be unable to collect based on historical write-off experience and, as applicable, current conditions and reasonable and supportable forecasts that affect collectability. This estimate is sensitive to changing circumstances, including changes in the economy or in the particular circumstances of individual customers. Accordingly, the Company may be required to increase or decrease its allowances.

Specifically identifiable lease revenue receivables and sales receivables not deemed probable of collection are recorded as a reduction of revenue. The remaining provision for credit losses is recorded as selling, general and administrative expenses.

Warrants

The Company accounts for warrants in accordance with applicable accounting guidance provided in ASC 815-40, *Contracts in Entity's Own Equity*, as either derivative liabilities or as equity instruments depending on the specific terms of the warrant agreements. In periods subsequent to issuance, warrants classified as liabilities are subject to remeasurement at each balance sheet date and transaction date with changes in the estimated fair values of the common stock warrant liabilities and gains and losses on extinguishment of common stock warrant liabilities reported in the consolidated statements of operations. At December 31, 2022, no warrants remain outstanding.

Income Taxes

The Company accounts for income taxes under the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements. Under this method, deferred tax assets and liabilities are determined based on the differences between the financial statement and tax basis of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in income in the period that includes the enactment date.

The Company records deferred tax assets to the extent it believes that it is more likely than not that these assets will be realized. In making such determination, the Company considers all available positive and negative evidence, including scheduled reversals of deferred tax liabilities, projected future taxable income, tax planning strategies and recent results of operations. Valuation allowances are recorded to reduce the deferred tax assets to an amount that will more likely than not be realized.

The Company assesses the likelihood that each of the deferred tax assets will be realized. To the extent management believes realization of any deferred tax assets is not likely, the Company establishes a valuation allowance. When a valuation allowance is established or there is an increase in an allowance in a reporting period, tax expense is generally recorded in the Company's consolidated statement of operations. Conversely, to the extent circumstances indicate that a valuation allowance is no longer necessary, that portion of the valuation allowance is reversed, which generally reduces the Company's income tax expense.

Deferred tax liabilities are recognized for the income taxes on the undistributed earnings of wholly-owned foreign subsidiaries unless such earnings are indefinitely reinvested, or will only be repatriated when possible to do so at minimal additional tax cost. Current income tax relating to items recognized directly in equity is recognized in equity and not in profit (loss) for the year.

In accordance with applicable authoritative guidance, the Company accounts for uncertain income tax positions using a benefit recognition model with a two-step approach; a more-likely-than-not recognition criterion; and a measurement approach that measures the position as the largest amount of tax benefit that is greater than 50% likely of being realized upon ultimate settlement. If it is not more-likely-than-not that the benefit of the tax position will be sustained on its technical merits, no benefit is recorded. Uncertain tax positions that relate only to timing of when an item is included on a tax return are considered to have met the recognition threshold. The Company classifies interest on tax deficiencies and income tax penalties within income tax expense. The evaluation of uncertain tax positions involves judgment in the application of GAAP and complex tax laws.

None of the critical accounting policies and estimates noted above have changed materially since the prior year.

ITEM 7A. Quantitative and Qualitative Disclosures about Market Risk

We are exposed to certain market risks from changes in foreign currency exchange rates and interest rates. Changes in these factors cause fluctuations in our earnings and cash flows. We evaluate and manage exposure to these market risks as follows:

Interest Rate Risk

We are primarily exposed to interest rate risk through our ABL Facility, which bears interest at variable rates. We had $2.0 billion in outstanding principal under the ABL Facility at December 31, 2022. An increase in interest rates by 100 basis points on our ABL Facility would have increased annual interest expense by approximately $16.3 million based on borrowings during 2022.

To manage interest rate risk, in January 2023, we executed interest rate swap agreements relating to an aggregate of $750.0 million in notional amount of variable-rate debt under our ABL Facility. The swap agreements provide for us to pay a weighted average effective fixed interest rate of 3.44% per annum and receive a variable interest rate equal to one-month term SOFR, with maturity dates of June 30, 2027. The swap agreements were designated and qualified as hedges of the Company's exposure to changes in interest payment cash flows created by fluctuations in variable interest rates on our ABL Facility. After consideration of the swaps, an increase in interest rates by 100 basis points on our ABL Facility would have increased annual interest expense by approximately $12.7 million based on outstanding borrowings at December 31, 2022.

Foreign Currency Risk

We currently generate approximately 93% of our consolidated net revenues in the US, and the reporting currency for our consolidated financial statements is the US dollar. However, we are exposed to currency risk through our operations in Canada and Mexico. For the operations outside the US, we bill customers primarily in their local currency, which is subject to foreign currency rate changes. As our net revenues and expenses generated outside of the US increase, our results of operations could be adversely impacted by changes in foreign currency exchange rates. Since we recognize foreign revenues in local foreign currencies, if the US dollar strengthens, it could have a negative impact on our foreign revenues upon translation of those results into the US dollar for consolidation into our financial statements.

In addition, we are exposed to gains and losses resulting from fluctuations in foreign currency exchange rates on transactions generated by our foreign subsidiaries in currencies other than their local currencies. These gains and losses are primarily driven by intercompany transactions and rental equipment purchases denominated in currencies other than the functional currency of the purchasing entity. These exposures are included in currency (gains) losses, net, on the consolidated statements of operations. To date, we have not entered into any hedging arrangements with respect to foreign currency risk.

Seasonality

Although demand from certain of our customers is seasonal, our operations as a whole are not impacted in any material respect by seasonality.

Impact of Inflation

Similar to many other organizations, we face inflationary pressures across most of our input costs such as building materials, labor, transportation and fuel. Inflation has contributed to increased capital costs for both new units and refurbishment of our existing units. However, given our scale and our strong rate performance, we believe we have been able to navigate the inflationary environment well and have consistently driven margin improvements during this period of rising costs. Therefore, we do not believe that inflation has had a material effect on our results of operations.

Item 8. Financial Statements and Supplementary Data

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of WillScot Mobile Mini Holdings Corp.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of WillScot Mobile Mini Holdings Corp. (the Company) as of December 31, 2022 and 2021, the related consolidated statements of operations, comprehensive income, changes in equity and cash flows for each of the three years in the period ended December 31, 2022, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2022 and 2021, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2022, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2022, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) and our report dated February 22, 2023 expressed an unqualified opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Allowance for Credit Losses

Description of the Matter	As described in Note 1 to the consolidated financial statements, the Company maintains an allowance for credit losses on trade receivables. At December 31, 2022 the allowance for credit losses was $57.0 million, or 12.2% of gross trade receivables. The allowance for credit losses is estimated based on historical write-off experience and, as applicable, current conditions and reasonable and supportable forecasts that affect collectability. Auditing the Company's estimation of the allowance for credit losses was judgmental due to the subjectivity in assessing the appropriateness of the assumptions made by management. The assumptions include an expectation that the Company’s collection of receivables will be consistent with historical write-off experience and the consideration of current or forecasted conditions that may affect the Company’s customers’ ability to pay outstanding trade receivables.
How We Addressed the Matter in Our Audit	We obtained an understanding, evaluated the design, and tested the operating effectiveness of the Company's controls over its estimation of the allowance for credit losses, including internal controls over the Company’s process to develop the assumptions used to estimate credit losses. To test the allowance for credit losses, we performed audit procedures that included, among others, testing management's process for developing the allowance for credit losses, testing the completeness, accuracy, and relevance of the data used; and evaluating significant assumptions used by management, including assessing the Company’s expectation that the collection of receivables will be consistent with historical write-off experience. For example, we compared the days sales outstanding, customer concentration, and days past due as of December 31, 2022, to the Company’s historical experience to evaluate the relevancy of the historical data utilized to estimate the allowance for credit losses. We also performed sensitivity analyses of the significant assumptions to evaluate the change in the allowance that would result from changes in assumptions.

/s/ Ernst & Young LLP

We have served as the Company’s auditor since 2017

Baltimore, Maryland

February 22, 2023

WillScot Mobile Mini Holdings Corp.
Consolidated Balance Sheets
(in thousands, except share data)

	December 31, 2022	December 31, 2021
Assets		
Cash and cash equivalents	$ 7,390	$ 6,393
Trade receivables, net of allowance for credit losses at December 31, 2022 and December 31, 2021 of $57,048 and $45,773, respectively	409,766	351,285
Inventories	41,030	29,795
Prepaid expenses and other current assets	31,635	34,935
Assets held for sale - current	31,220	60,632
Total current assets	521,041	483,040
Rental equipment, net	3,077,287	2,777,800
Property, plant and equipment, net	304,659	258,176
Operating lease assets	219,405	218,752
Goodwill	1,011,429	1,013,601
Intangible assets, net	419,125	442,875
Other non-current assets	6,683	8,138
Assets held for sale - non-current	268,022	571,217
Total long-term assets	5,306,610	5,290,559
Total assets	$ 5,827,651	$ 5,773,599
Liabilities and equity		
Accounts payable	$ 108,071	$ 102,563
Accrued expenses	110,820	107,188
Accrued employee benefits	56,340	49,832
Deferred revenue and customer deposits	203,793	152,343
Operating lease liabilities - current	50,499	48,399
Current portion of long-term debt	13,324	11,968
Liabilities held for sale - current	19,095	45,352
Total current liabilities	561,942	517,645
Long-term debt	3,063,042	2,671,831
Deferred tax liabilities	401,453	305,674
Operating lease liabilities - non-current	169,618	169,729
Other non-current liabilities	18,537	15,737
Liabilities held for sale - non-current	47,759	96,220
Long-term liabilities	3,700,409	3,259,191
Total liabilities	4,262,351	3,776,836
Preferred Stock: $0.0001 par, 1,000,000 shares authorized and zero shares issued and outstanding at December 31, 2022 and 2021	—	—
Common Stock: $0.0001 par, 500,000,000 shares authorized and 207,951,682 and 223,939,527 shares issued and outstanding at December 31, 2022 and December 31, 2021, respectively	21	22
Additional paid-in-capital	2,886,951	3,616,902
Accumulated other comprehensive loss	(70,122)	(29,071)
Accumulated deficit	(1,251,550)	(1,591,090)
Total shareholders' equity	1,565,300	1,996,763
Total liabilities and shareholders' equity	$ 5,827,651	$ 5,773,599

See the accompanying notes which are an integral part of these consolidated financial statements.

WillScot Mobile Mini Holdings Corp.
Consolidated Statements of Operations
(in thousands, except share and per share data)

	Years Ended December 31, 2022	2021	2020
Revenues:			
Leasing and services revenue:			
Leasing	$ 1,621,690	$ 1,252,490	$ 936,458
Delivery and installation	429,152	321,129	250,734
Sales revenue:			
New units	40,338	46,993	48,834
Rental units	51,443	52,368	36,965
Total revenues	2,142,623	1,672,980	1,272,991
Costs:			
Costs of leasing and services:			
Leasing	376,868	282,576	214,367
Delivery and installation	322,636	267,533	202,734
Costs of sales:			
New units	24,011	31,348	31,799
Rental units	26,907	28,030	23,474
Depreciation of rental equipment	256,719	218,790	192,190
Gross profit	1,135,482	844,703	608,427
Expenses:			
Selling, general and administrative	567,214	464,278	338,395
Transaction costs	25	1,375	64,053
Other depreciation and amortization	62,380	61,777	35,181
Lease impairment expense and other related charges	254	2,888	4,876
Restructuring costs	(86)	11,866	6,109
Currency losses (gains), net	886	427	(257)
Other (income) expense, net	(6,673)	1,715	(1,722)
Operating income	511,482	300,377	161,792
Interest expense	146,278	116,358	119,319
Fair value loss (gain) on common stock warrant liabilities	—	26,597	(3,461)
Loss on extinguishment of debt	—	5,999	42,401
Income from continuing operations before income tax	365,204	151,423	3,533
Income tax expense (benefit) from continuing operations	88,863	36,528	(56,040)
Income from continuing operations	276,341	114,895	59,573
Income from continuing operations attributable to non-controlling interest, net of tax	—	—	1,213
Income from continuing operations attributable to WillScot Mobile Mini common shareholders	276,341	114,895	58,360
Discontinued operations:			
Income from discontinued operations before income tax	63,468	58,267	20,356
Income tax expense from discontinued operations	35,725	13,018	4,589
Gain on sale of discontinued operations	35,456	—	—
Income from discontinued operations	63,199	45,249	15,767
Net income	$ 339,540	$ 160,144	$ 74,127
Earnings per share from continuing operations attributable to WillScot Mobile Mini common shareholders:			
Basic	$ 1.27	$ 0.51	$ 0.35
Diluted	$ 1.25	$ 0.49	$ 0.16
Earnings per share from discontinued operations attributable to WillScot Mobile Mini common shareholders:			
Basic	$ 0.30	$ 0.20	$ 0.09
Diluted	$ 0.28	$ 0.20	$ 0.09
Earnings per share attributable to WillScot Mobile Mini common shareholders:			
Basic	$ 1.57	$ 0.71	$ 0.44
Diluted	$ 1.53	$ 0.69	$ 0.25
Weighted average shares:			
Basic	216,808,577	226,518,931	169,230,177
Diluted	221,399,162	232,793,902	177,268,383

See the accompanying notes which are an integral part of these consolidated financial statements.

WillScot Mobile Mini Holdings Corp.
Consolidated Statements of Comprehensive Income
(in thousands)

	Years Ended December 31,		
	2022	2021	2020
Net income	$ 339,540	$ 160,144	$ 75,340
Other comprehensive income:			
Foreign currency translation adjustment, net of income tax (benefit) of $—, $(60) and $(685) for the years ended December 31, 2022, 2021 and 2020, respectively	(44,548)	(880)	28,404
Net gain (loss) on derivatives, net of income tax expense (benefit) of $1,171, $2,661 and $(539) for the years ended December 31, 2022, 2021 and 2020, respectively	3,497	9,016	(1,749)
Total other comprehensive income	(41,051)	8,136	26,655
Comprehensive income (loss)	298,489	168,280	101,995
Comprehensive loss attributable to non-controlling interest	—	—	(672)
Total comprehensive income attributable to WillScot Mobile Mini	$ 298,489	$ 168,280	$ 102,667

See the accompanying notes which are an integral part of these consolidated financial statements.

WillScot Mobile Mini Holdings Corp.
Consolidated Statements of Changes in Equity
(in thousands)

	Common Stock(1)		Class B Common Stock							
	Shares	Amount	Shares	Amount	Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total Shareholders' Equity	Non-Controlling Interest	Total Equity
Balance at December 31, 2019	108,819	$ 11	8,024	$ 1	$ 2,378,733	$ (62,775)	$ (1,825,361)	$ 490,609	$ 64,590	$ 555,199
Net income	—	—	—	—	—	—	74,127	74,127	1,213	75,340
Other comprehensive income	—	—	—	—	—	28,540	—	28,540	(1,885)	26,655
Mobile Mini Merger	106,427	11	—	—	1,348,619	—	—	1,348,630	—	1,348,630
Sapphire Exchange - See Note 11	10,641	1	(8,024)	(1)	66,890	(2,972)	—	63,918	(63,918)	—
Stock-based compensation and issuance of Common Stock from vesting	315	—	—	—	9,879	—	—	9,879	—	9,879
Repurchase and cancellation of options and warrants	—	—	—	—	(300)	—	—	(300)	—	(300)
Issuance of Common Stock from the exercise of options and warrants	2,836	—	—	—	35,727	—	—	35,727	—	35,727
Withholding taxes on net share settlement of stock-based compensation and option exercises	—	—	—	—	(13,473)	—	—	(13,473)	—	(13,473)
Reclassification of 2018 Warrants					26,216			26,216		26,216
Balance at December 31, 2020	229,038	23	—	—	3,852,291	(37,207)	(1,751,234)	2,063,873	—	2,063,873
Net income	—	—	—	—	—	—	160,144	160,144	—	160,144
Other comprehensive income	—	—	—	—	—	8,136	—	8,136	—	8,136
Stock-based compensation and issuance of Common Stock from vesting	485	—	—	—	26,184	—	—	26,184	—	26,184
Repurchase and cancellation of Common Stock and warrants	(11,851)	(1)	—	—	(340,375)	—	—	(340,376)	—	(340,376)
Issuance of Common Stock from the exercise of options and warrants	6,268	—	—	—	85,979	—	—	85,979	—	85,979
Withholding taxes on net share settlement of stock-based compensation and option exercises	—	—	—	—	(7,177)	—	—	(7,177)	—	(7,177)
Balance at December 31, 2021	223,940	22	—	—	3,616,902	(29,071)	(1,591,090)	1,996,763	—	1,996,763
Net income	—	—	—	—	—	—	339,540	339,540	—	339,540
Other comprehensive loss	—	—	—	—	—	(41,051)	—	(41,051)	—	(41,051)
Stock-based compensation and issuance of Common Stock from vesting	594	—	—	—	29,613	—	—	29,613	—	29,613
Repurchase and cancellation of Common Stock and warrants	(19,836)	(2)	—	—	(756,906)	—	—	(756,908)	—	(756,908)
Issuance of Common Stock from the exercise of options and warrants	3,254	1	—	—	11,230	—	—	11,231	—	11,231
Withholding taxes on net share settlement of stock-based compensation and option exercises	—	—	—	—	(13,888)	—	—	(13,888)	—	(13,888)
Balance at December 31, 2022	207,952	$ 21	—	$ —	$ 2,886,951	$ (70,122)	$ (1,251,550)	$ 1,565,300	$ —	$ 1,565,300

(1) See Note 1 for information regarding the Company's conversion of Class A Common Stock to Common Stock on July 1, 2020 concurrent with the Merger.

See the accompanying notes which are an integral part of these consolidated financial statements.

WillScot Mobile Mini Holdings Corp.
Consolidated Statements of Cash Flows
(in thousands)

	Years Ended December 31, 2022	2021	2020
Operating activities:			
Net income	$ 339,540	$ 160,144	$ 75,340
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	343,507	318,202	246,948
Provision for credit losses	34,835	38,191	32,593
Gain on sale of discontinued operations	(35,456)	—	—
Impairment losses on right of use assets	—	—	57
Gain on sale of rental equipment and other property, plant and equipment	(31,196)	(26,175)	(14,124)
Amortization of debt discounts and debt issuance costs	12,064	14,033	13,085
Fair value loss (gain) on common stock warrant liabilities	—	26,597	(3,461)
Loss on extinguishment of debt	—	5,999	42,401
Stock-based compensation expense	29,613	26,184	9,879
Deferred income tax expense (benefit)	100,849	36,563	(55,155)
Unrealized currency losses, net	753	295	424
Other	4,081	—	—
Changes in operating assets and liabilities, net of effect of businesses acquired:			
Trade receivables	(94,463)	(105,053)	(26,723)
Inventories	(12,345)	(9,083)	2,775
Prepaid expenses and other assets	149	3,324	(4,547)
Operating lease assets and liabilities	856	473	789
Accounts payable and other accrued expenses	9,443	27,525	(27,923)
Deferred revenue and customer deposits	42,428	22,683	12,454
Net cash provided by operating activities	744,658	539,902	304,812
Investing activities:			
Proceeds from sale of discontinued operations	325,611	—	—
Acquisitions, net of cash acquired	(220,620)	(147,172)	17,173
Proceeds from sale of rental equipment	70,703	55,210	38,949
Purchase of rental equipment and refurbishments	(443,138)	(278,498)	(172,383)
Proceeds from the sale of property, plant and equipment	1,775	16,911	7,355
Purchase of property, plant and equipment	(43,664)	(30,498)	(16,454)
Net cash used in investing activities	(309,333)	(384,047)	(125,360)
Financing activities:			
Repurchase and cancellation of Common Stock and warrants	(751,795)	(363,586)	(21,777)
Receipts from issuance of Common Stock from the exercise of options	11,230	7,484	10,616
Taxes paid on employee stock awards	(13,888)	(7,177)	(13,473)
Payment of Common Stock issuance costs	—	—	(4,222)
Receipts from borrowings	964,308	728,677	2,786,793

Repayment of borrowings	(588,808)	(512,181)	(2,808,370)
Payment of financing costs	(8,187)	—	(65,475)
Principal payments on finance lease obligations	(42,228)	(17,399)	(8,440)
Payment of debt extinguishment premium costs	—	(3,705)	(34,610)
Net cash used in financing activities	(429,368)	(167,887)	(158,958)
Effect of exchange rate changes on cash and cash equivalents	(882)	(206)	1,398
Net change in cash and cash equivalents	5,075	(12,238)	21,892
Cash and cash equivalents at the beginning of the period	12,699	24,937	3,045
Cash and cash equivalents at the end of the period	$ 17,774	$ 12,699	$ 24,937
Supplemental cash flow information:			
Interest paid	$ 130,463	$ 103,795	$ 118,519
Income taxes paid, net	$ 25,092	$ 9,855	$ 4,234
Capital expenditures accrued or payable	$ 21,052	$ 27,667	$ 23,553
Reconciliation of cash and cash equivalents to the consolidated balance sheet:			
Cash and cash equivalents of continuing operations	$ 7,390	$ 6,393	$ 5,635
Cash and cash equivalents included in assets held for sale	10,384	6,306	19,302
Total cash and cash equivalents shown in the consolidated statement of cash flows	$ 17,774	$ 12,699	$ 24,937

See the accompanying notes which are an integral part of these consolidated financial statements.

NOTE 1 - Summary of Significant Accounting Policies

Organization and Nature of Operations

WillScot Mobile Mini Holdings Corp. (“WillScot Mobile Mini” and, together with its subsidiaries, the “Company”) is a leading business services provider specializing in innovative flexible work space and portable storage solutions in the United States (“US”), Canada and Mexico. The Company leases, sells, delivers and installs mobile solutions and storage products through an integrated network of branch locations that spans North America.

On July 1, 2020, a wholly-owned subsidiary of WillScot Corporation, a Delaware corporation, merged with and into Mobile Mini, Inc. (the “Merger”). At the effective time of the Merger, Mobile Mini, Inc. ("Mobile Mini") continued its existence as the surviving corporation in the Merger and a wholly-owned subsidiary of WillScot Corporation (“WillScot”). Immediately following the Merger, WillScot changed its name to “WillScot Mobile Mini Holdings Corp.” and filed an amended and restated certificate of incorporation (the “A&R Charter”), which reclassified all outstanding shares of WillScot Class A Common Stock and converted such shares into shares of Common Stock, par value $0.0001 per share, of WillScot Mobile Mini (“WillScot Mobile Mini Common Stock”). The WillScot Class A Common Stock was listed on the Nasdaq Capital Market (Nasdaq: WSC) up until the Merger, and the WillScot Mobile Mini Common Stock has been listed on the Nasdaq Capital Market (Nasdaq: WSC) since the Merger. As used herein, the term “Common Stock” or “the Company’s Common Stock” refers to WillScot Class A Common Stock prior to filing of the A&R Charter on July 1, 2020 and to WillScot Mobile Mini Common Stock as of and following the filing of the A&R Charter on July 1, 2020. Unless the context otherwise requires, the terms “Company” and “WillScot Mobile Mini” as used in these financial statements mean WillScot and its subsidiaries when referring to periods prior to July 1, 2020 (prior to the Merger) and to WillScot Mobile Mini, when referring to periods on or after July 1, 2020 (after the Merger).

On September 30, 2022, the Company completed the sale of its former Tank and Pump Solutions ("Tank and Pump") segment. On December 12, 2022, the Company entered into a Stock Purchase Agreement to sell its United Kingdom Storage Solutions ("UK Storage Solutions") segment. The Company completed the sale of the UK Storage Solutions segment on January 31, 2023. The consolidated financial statements present the historical financial results of the former Tank and Pump segment and the UK Storage Solutions segment as income from discontinued operations for all periods presented and the carrying values of the former Tank and Pump segment and the UK Storage Solutions segment assets and liabilities within assets and liabilities held for sale for reporting periods prior to the segments' disposals. See Note 3 for further discussion.

Basis of Presentation and Principles of Consolidation

The consolidated financial statements were prepared in conformity with accounting principles generally accepted in the US (“GAAP”). The consolidated financial statements comprise the financial statements of WillScot Mobile Mini and its subsidiaries that it controls due to ownership of a majority voting interest. Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases. The financial statements of the subsidiaries are prepared for the same reporting period as WillScot Mobile Mini. All intercompany balances and transactions are eliminated.

Reclassifications

Certain reclassifications have been made to prior year financial statements to conform to the current year presentation.

Accounting Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in these consolidated financial statements and accompanying notes. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Company considers all highly liquid instruments with a maturity of three months or less when purchased to be cash equivalents.

Trade Receivables and Allowance for Credit Losses

The Company is exposed to credit losses from trade receivables. The Company assesses each customer’s ability to pay for the products it leases or sells by conducting a credit review. The credit review considers expected billing exposure and timing for payment and the customer’s established credit rating. The Company performs its credit review of new customers at inception of the customer relationship and for existing customers when the customer transacts after a defined period of dormancy. The Company also considers contract terms and conditions, country risk and business strategy in the evaluation.

The Company monitors ongoing credit exposure through an active review of customer balances against contract terms and due dates. The Company may employ collection agencies and legal counsel to pursue recovery of defaulted receivables. The allowance for credit losses reflects the estimate of the amount of receivables that the Company will be unable to collect based on historical write-off experience and, as applicable, current conditions and reasonable and supportable forecasts that affect collectability. This estimate is sensitive to changing circumstances, including changes in the economy or in the particular circumstances of individual customers. Accordingly, the Company may be required to increase or decrease its allowances.

Specifically identifiable lease revenue receivables and sales receivables not deemed probable of collection are recorded as a reduction of revenue. The remaining provision for credit losses is recorded as selling, general and administrative expenses.

Activity in the allowance for credit losses for the years ended December 31 was as follows:

(in thousands)	2022	2021	2020
Balance at beginning of period	$ 45,773	$ 28,105	$ 15,828
Provision for credit losses, net of recoveries[(a)]	34,881	37,469	30,544
Write-offs	(23,705)	(19,777)	(18,296)
Foreign currency translation and other	99	(24)	29
Balance at end of period	$ 57,048	$ 45,773	$ 28,105

(a) For the years ended December 31, 2022, 2021 and 2020, the provision for credit losses included $23.7 million, $19.8 million and $18.3 million, respectively, recorded as a reduction to revenue for the provision of specific receivables whose collection was not considered probable.

The Company's trade accounts receivable subject the Company to potential concentrations of credit risk. The Company performs on-going credit evaluations of its customers. Receivables related to sales are generally secured by the product sold to the customer. The Company generally has the right to repossess its rental units in the event of non-payment of receivables relating to the Company's leasing operations.

Inventories

Inventories consist of raw materials, supplies, and finished units for sale. Inventories are measured at the lower of cost or net realizable value based on the weighted-average cost. The cost includes expenditures incurred in acquiring the inventories, production or conversion costs, and other costs incurred in bringing them to their existing location and condition.

Rental Equipment

Rental equipment is comprised of modular space and portable storage units held for rent or on rent to customers and value-added products and services ("VAPS") which are in use or available to be used by customers. Rental equipment is measured at cost less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. Costs of improvements and conversions of rental equipment are capitalized when such costs extend the useful life of the equipment or increase the rental value of the unit. Costs incurred for equipment to meet a particular customer specification are capitalized and depreciated over the lease term taking into consideration the residual value of the asset. Maintenance and repair costs are expensed as incurred.

Depreciation is computed using the straight-line method over estimated useful lives, as follows:

	Estimated Useful Life	Residual Value
Modular space units	10 - 30 years	20 - 55%
Portable storage units	30 years	55%
VAPS and other related rental equipment	1 - 8 years	—%

Property, Plant and Equipment

Property, plant and equipment is measured at cost less accumulated depreciation and impairment losses.

The Company capitalizes external costs and directly attributable internal costs to acquire or create internal use software incurred subsequent to the completion of the preliminary project stage. Costs associated with post-implementation activities are expensed as incurred. The Company evaluates implementation costs incurred in a cloud computing arrangement that is a service contract as described in Cloud Computing Arrangements below.

Land is not depreciated. Leasehold improvements are amortized over the lease term. Assets leased under capital leases are depreciated over the shorter of the lease term or their useful life, unless it is reasonably certain that the Company will obtain ownership by the end of the lease term. Maintenance and repair costs are expensed as incurred.

Depreciation is computed using the straight-line method over estimated useful lives as follows:

	Estimated Useful Life
Buildings and leasehold improvements	10 - 40 years
Vehicles, machinery, and equipment	3 - 30 years
Furniture and fixtures	3 - 10 years
Software	3 - 10 years

Impairment of Long-Lived Assets

When circumstances indicate the carrying amount of long-lived assets in a held-for-use asset group may not be recoverable, the Company evaluates the assets for potential impairment using internal projections of undiscounted cash flows resulting from the use and eventual disposal of the assets. Events or changes in circumstances that may necessitate a recoverability evaluation include, but are not limited to, adverse changes in the regulatory environment or an expectation it is more likely than not that the asset will be disposed of before the end of its previously estimated useful life. If the carrying amount of the assets exceeds the undiscounted cash flows, an impairment expense is recognized for the amount by which the carrying amount of the asset group exceeds its fair value (subject to the carrying amount not being reduced below fair value for any individual long-lived asset that is determinable without undue cost and effort).

Consistent with the provisions of ASC 842, the Company assesses whether any operating lease asset impairment exists in accordance with the measurement guidance in Accounting Standard Codification ("ASC") 360, *Property Plant and Equipment*.

Cloud Computing Arrangements

In accordance with ASU 2018-15, *Goodwill and Other – Internal-Use Software (Subtopic 350-40)* (“ASC 350-40"), the Company evaluates implementation costs incurred in a cloud computing arrangement that is a service contract under the internal-use software framework. Costs related to preliminary project activities and post implementation activities are expensed as incurred. Costs incurred in the development stage are generally capitalized as other assets. Amortization expense is calculated on a straight-line basis over the contractual term of the cloud computing arrangement and recorded as selling, general and administrative expense.

Purchase Accounting

The Company accounts for acquisitions of businesses under the acquisition method. Under the acquisition method of accounting, the Company records assets acquired and liabilities assumed at their respective estimated fair values on the date of acquisition. Goodwill is measured as the excess of the fair value of the consideration transferred over the fair value of the identifiable net assets and is assigned to the Company's reporting units that are expected to benefit from the acquisition. When appropriate, our estimates of the fair values of assets and liabilities acquired include assistance from independent third-party valuation firms. Valuations are finalized as soon as practicable, but not later than one year from the acquisition date. Any subsequent changes to purchase price allocations result in a corresponding adjustment to goodwill. Transaction costs are expensed in the acquisition of a business.

Long-lived assets (principally rental equipment), goodwill and other intangible assets generally represent the largest components of our acquisitions. Rental equipment is valued utilizing a replacement cost approach. Intangible assets are recognized at their estimated fair values as of the date of acquisition and generally consist of customer relationships and trade names. Determination of the estimated fair value of intangible assets requires judgment. The estimated fair value of customer relationships is determined based on estimates and judgments regarding discounted future after-tax earnings and cash flows arising from lease renewals and new lease arrangements expected from customer relationships. The fair value of trade name intangible assets is determined utilizing the relief from royalty method. Under this form of the income approach, a royalty rate based on observed market royalties is applied to projected revenue supporting the trade name and discounted to present value.

Acquisitions that do not meet the definition of a business are accounted for as asset acquisitions. An asset acquisition is accounted for by allocating the cost of the acquisition to the individual assets acquired and liabilities assumed on a relative fair value basis. Goodwill is not recognized in an asset acquisition. Any consideration in excess of net assets acquired is allocated to qualifying acquired assets on a relative fair value basis. The Company measures the fair value of assets acquired utilizing observable market transaction data for comparable assets or recent purchase prices. Transaction costs are considered a component of the cost of an asset acquisition.

Evaluation of Goodwill Impairment

For acquired businesses, the Company records assets acquired and liabilities assumed at their respective estimated fair values on the date of acquisition. The Company performs its annual impairment test of goodwill at the reporting unit level as of October 1, as well as during any reporting period in which events or changes in circumstances occur that, in management’s judgment, may constitute triggering events under ASC 350-20, *Intangibles – Goodwill and Other, Testing Goodwill for Impairment*. Generally, reporting units are at the operating segment level or one level below the operating segment (the component level), if discrete financial information is prepared and regularly reviewed by segment management. The Company performs its assessment of goodwill utilizing either a qualitative or quantitative impairment test. The qualitative impairment test assesses company-specific, industry, market and general economic factors to determine whether it is more likely than not that the fair value of the reporting unit is less than its carrying amount. If the Company concludes that it is more likely than not that the fair value of the reporting unit is less than its carrying amount, or elects not to use the qualitative impairment test, a quantitative impairment test is performed. The quantitative impairment test involves a comparison of the estimated fair value of a reporting unit to its carrying amount. The Company uses an independent valuation specialist for its quantitative impairment tests to assist in the valuation.

Determining the fair value of a reporting unit is judgmental in nature and involves the use of significant estimates and assumptions. These estimates and assumptions include revenue growth rates and operating margins used to calculate projected future cash flows, risk-adjusted discount rates, value of net operating losses, future economic and market conditions and determination of appropriate market comparables. Management bases fair value estimates on assumptions it believes to be reasonable but that are unpredictable and inherently uncertain. Actual future results may differ from these estimates.

If the carrying amount of the reporting unit exceeds the calculated fair value of the reporting unit, an impairment charge would be recognized for the excess, not to exceed the amount of goodwill allocated to that reporting unit.

Intangible Assets Other than Goodwill

Intangible assets that are acquired by the Company and determined to have an indefinite useful life are not amortized but are tested for impairment at least annually. The Company’s indefinite-lived intangible assets consist of the Williams Scotsman and Mobile Mini trade names. The Company performs its assessment of indefinite-lived intangible assets utilizing either a qualitative or quantitative impairment test. When utilizing a quantitative impairment test, the Company calculates fair value using a relief-from-royalty method. This method is used to estimate the cost savings that accrue to the owner of an intangible asset who would otherwise have to pay royalties or license fees on revenues earned through the use of the asset. If the carrying amount of the indefinite-lived intangible asset exceeds its fair value, an impairment charge would be recorded to the extent the recorded indefinite-lived intangible asset exceeds the fair value.

Other intangible assets that have finite useful lives are measured at cost less accumulated amortization and impairment losses, if any. Amortization is recognized in profit or loss over the estimated useful lives of the intangible asset.

Retirement Benefit Obligation

The Company provides benefits to certain of its employees under defined contribution benefit plans. The Company’s contributions to these plans are generally based on a percentage of employee compensation or employee contributions. These plans are funded on a current basis. For its US and Canada employees, the Company sponsors defined contribution benefit plans that have discretionary matching contribution and profit-sharing features. For the years ended December 31, 2022, 2021 and 2020, the Company made matching contributions of $13.8 million, $10.9 million and $7.1 million to these plans, respectively.

Stock-Based Compensation

Prior to the Merger, stock awards were granted under the WillScot Corporation 2017 Incentive Award Plan (the "2017 Incentive Plan"), which included Restricted Stock Awards ("RSAs") and Restricted Stock Units. On June 24, 2020, WillScot's stockholders approved the WillScot Mobile Mini 2020 Incentive Award Plan ("2020 Incentive Plan") to take effect pending completion of the Merger and, as a result, all future incentive awards are granted under the 2020 Incentive Plan. The 2020 Incentive Plan is administered by the Compensation Committee. Under the 2020 Incentive Plan, the Compensation Committee may grant an aggregate of 6,488,988 shares of Common Stock in the form of non-qualified stock options, incentive stock options, stock appreciation rights, RSAs, RSUs, performance compensation awards and stock bonus awards. Stock-based payments, including the grant of stock options, RSAs and RSUs, are subject to service-based vesting requirements, and expense is recognized on a straight-line basis over the vesting period. Forfeitures are accounted for as they occur.

Stock-based compensation expense includes grants of stock options, time-based RSUs ("Time-Based RSUs") and performance-based RSUs ("Performance-Based RSUs", together with Time-Based RSUs, the "RSUs"). RSUs are recognized in the financial statements based on their fair value. In addition, stock-based payments to non-executive directors include grants of RSAs. Time-Based RSUs and RSAs are valued based on the intrinsic value of the difference between the exercise price, if any, of the award and the fair market value of WillScot Mobile Mini's Common Stock on the grant date. Performance-Based RSUs are valued based on a Monte Carlo simulation model to reflect the impact of the Performance-Based RSUs market condition. The probability of satisfying a market condition is considered in the estimation of the grant-date fair value for Performance-Based RSUs and the compensation cost is not reversed if the market condition is not achieved, provided the requisite service has been provided.

RSAs cliff vest in a one year period. Time-Based RSUs vest ratably over a period of four years. Certain Performance-Based RSUs cliff vest based on achievement of the relative total stockholder return ("TSR") of the Company's Common Stock as compared to the TSR of the constituents in an Index at the grant date over the performance period of three years. For certain 2022 and 2021 grants, the TSR of the Company's Common Stock is compared to the TSR of the constituents in the S&P 400 index. The target number of RSUs may be adjusted from 0% to 200% based on the TSR attainment levels defined by the Compensation Committee. The 100% target payout is tied to performance at the 50% percentile, with a payout curve ranging from 0% (for performance less than the 25% percentile) to 200% (for performance at or above the 85% percentile). For grants in 2020 and prior, the TSR of the Company's Common Stock is compared to the TSR of constituents in the Russell 3000 index. The target number of RSUs may be adjusted from 0% to 150% based on the TSR attainment levels defined by the Compensation Committee. The 100% target payout is tied to performance at the 50% percentile, with a payout curve ranging from 0% (for performance less than the 25% percentile) to 150% (for performance at or above the 75% percentile). Vesting is also subject to continued service requirements through the vesting date.

For 555,790 Performance-Based RSUs granted in 2021, the awards cliff vest based on achievement of specified share prices of the Company's Common Stock at annual measurement dates over performance periods of 4.5 years to 4.8 years. The target number of RSUs may be adjusted from 0 to 1,333,334 based on the stock price attainment levels defined by the Company's Compensation Committee. The 555,790 RSU target payout is tied to a stock price of $47.50, with a payout ranging from 0 RSUs (for a stock price less than $42.50) to 1,333,334 RSUs (for a stock price of $60.00 or greater).

Stock options vest in tranches over a period of four years and expire ten years from the grant date. The fair value of each stock option award on the grant date is estimated using the Black-Scholes option-pricing model with the following assumptions: expected dividend yield, expected stock price volatility, weighted-average risk-free interest rate and weighted-average expected term of the options. The volatility assumption used in the Black-Scholes option-pricing model was based on a blend of peer group volatility and Company trading history as the Company did not have a sufficient trading history as a stand-alone public company to rely exclusively on its own trading history. Future calculations may use the Company trading history. Additionally, due to an insufficient history with respect to stock option activity and post-vesting cancellations, the expected term assumption was based on the simplified method under GAAP, which is based on the vesting period and contractual term for each tranche of awards. The mid-point between the weighted-average vesting term and the expiration date is used as the expected term under this method. The risk-free interest rate used in the Black-Scholes model is based on the implied US Treasury bill yield curve at the date of grant with a remaining term equal to the Company’s expected term assumption. WillScot Mobile Mini has never declared or paid a cash dividend on common shares.

Foreign Currency Translation and Transactions

The Company’s reporting currency is the US Dollar (“USD”). Exchange rate adjustments resulting from foreign currency transactions are recognized in profit or loss, whereas effects resulting from the translation of financial statements are reflected as a component of accumulated other comprehensive loss, which is a component of shareholders’ equity.

The assets and liabilities of subsidiaries whose functional currency is different from the USD are translated into USD at exchange rates at the reporting date and income and expenses are translated using average exchange rates for the respective period.

Exchange rate adjustments resulting from transactions in foreign currencies (currencies other than the Company entities’ functional currencies) are remeasured to the respective functional currencies using exchange rates at the dates of the transactions and are recognized in currency (gains) losses on the consolidated statements of operations.

Foreign exchange gains and losses arising from a receivable or payable to a consolidated Company entity, the settlement of which is neither planned nor anticipated in the foreseeable future, are considered to form part of a net investment in the Company entity and are included within accumulated other comprehensive loss.

Derivative Instruments and Hedging Activities

The Company utilizes derivative financial instruments to manage its exposure to fluctuations in interest rates on variable rate debt and currency exchange rates. The Company does not use derivatives for trading or speculative purposes.

The Company records derivatives on the balance sheet at fair value within prepaid expenses and other current assets and other non-current assets (if in an unrealized gain position) or within accrued liabilities and other non-current liabilities (if in an unrealized loss position). If a derivative is designated as a cash flow hedge and meets the highly effective threshold, the changes in the fair value of derivatives are recorded in accumulated other comprehensive income (loss). Amounts reported in accumulated other comprehensive income (loss) related to the cash flow hedges are reclassified to earnings when the hedged item impacts earnings. For any derivative instruments not designated as hedging instruments, changes in fair value would be recognized in earnings in the period that the change occurs. The Company assesses, both at the inception of the hedge and on an ongoing quarterly basis, whether the derivatives designated as cash flow hedges are highly effective in offsetting the changes in cash flows of the hedged items. In the consolidated statements of cash flows, cash inflows and outflows related to derivative instruments are presented based on the underlying nature of the hedged items.

The use of derivative financial instruments carries certain risks, including the risk that the counterparties to these contractual arrangements are not able to perform under the agreements. To mitigate this risk, the Company enters into derivative financial instruments only with counterparties with high credit ratings and with major financial institutions. The Company does not anticipate that any of the counterparties will fail to meet their obligations.

Revenue Recognition

A performance obligation is a promise in a contract to transfer a distinct good or service to the customer. A contract’s transaction price is allocated to each distinct performance obligation and recognized as revenue when, or as, the performance obligation is satisfied.

Leasing and Services Revenue

The majority of revenue is generated by rental income subject to the guidance in ASC 842. The remaining revenue is generated by performance obligations in contracts with customers for services or sale of units subject to the guidance in Accounting Standards Update No. 2014-09, *Revenue from Contracts with Customers (Topic 606)* ("ASC 606").

Leasing Revenue

Income from operating leases is recognized on a straight-line basis over the lease term. The Company's lease arrangements can include multiple lease and non-lease components. Examples of lease components include, but are not limited to, the lease of modular space and portable storage units and VAPS. Examples of non-lease components include, but are not limited to, the delivery, installation, maintenance, and removal services commonly provided in a bundled transaction with the lease components. Arrangement consideration is allocated between lease deliverables and non-lease components based on the relative estimated selling (leasing) price of each deliverable. Estimated selling (leasing) price of the lease deliverables is based upon the estimated stand-alone selling price of the related performance obligations using an adjusted market approach.

When leases and services are billed in advance, recognition of revenue is deferred until services are rendered. If equipment is returned prior to the contractually obligated period, the excess, if any, between the amount the customer is contractually required to pay over the cumulative amount of revenue recognized to date is recognized as incremental revenue upon return.

Rental equipment is leased primarily under operating leases. Operating lease minimum contractual terms within the Modular segment, as defined in Note 18, generally range from 1 month to 60 months and averaged approximately 10 months across this segment's rental fleet for the year ended December 31, 2022. Rental contracts with customers within the Storage segment, as defined in Note 18, are generally based on a 28-day rate and billing cycle. The rental continues until cancelled by the Company or the customer. The Company records changes in estimated collectability directly against leasing revenue.

The Company may use third parties to satisfy its performance obligations, including both the provision of VAPS and other services. To determine whether it is the principal or agent in the arrangement, the Company reviews each third-party relationship on a contract-by-contract basis. The Company is considered an agent when its role is to arrange for another entity to provide the VAPS and other services to the customer. In these instances, the Company does not control the rental unit or service before it is provided and the risk of performance is held by the third party. The Company is considered the principal when it controls the VAPS or other services prior to transferring control to the customer and retains the risk of performance. WillScot Mobile Mini may be a principal in the fulfillment of some leasing contracts and services elements and an agent for other elements within the same contract. Revenue is recognized on a gross basis when the Company is the principal in the arrangement and on a net basis when it is the agent.

Services Revenue

The Company generally has three non-lease service-related performance obligations in its contracts with customers:

- Delivery and installation of the modular or portable storage unit;
- Maintenance and other ad hoc services performed during the lease term; and
- Removal services that occur at the end of the lease term.

Consideration is allocated to each of these performance obligations within the contract based upon their estimated relative standalone selling prices using the estimated cost plus a margin approach. Revenue from these activities is recognized as the services are performed.

Sales Revenue

Sales revenue is generated by the sale of new and rental units. Revenue from the sale of new and rental units is generally recognized at a point in time upon the transfer of control to the customer, which occurs when the unit is delivered and installed in accordance with the contract. Sales transactions constitute a single performance obligation.

Other Matters

The Company's non-lease revenues do not include material amounts of variable consideration, other than the variability noted for services arrangements expected to be performed beyond a twelve-month period.

The Company's payment terms vary by the type and location of its customer and the product or services offered. The time between invoicing and when payment is due is not significant. While the Company may bill certain customers in advance, its contracts do not contain a significant financing component based on the short length of time between upfront billings and the performance of contracted services. For certain products, services, or customer types, the Company requires payment before the products or services are delivered to the customer. At December 31, 2022, current deferred revenue and customer deposits included deferred revenue of $195.8 million and customer deposits of $8.0 million, respectively. At December 31, 2021, current deferred revenue and customer deposits included deferred revenue of $150.1 million and customer deposits of $2.2 million, respectively.

Revenue is recognized net of sales tax billed to customers, which is subsequently remitted to governmental authorities.

Leases as Lessee

The Company leases real estate for certain of its branch offices, administrative offices, rental equipment storage properties, vehicles and equipment, and administrative operations. The Company determines if an arrangement is or contains a lease at inception. Leases are classified as either finance or operating at inception of the lease, with classification affecting the pattern of expense recognition in the income statement. Short-term leases, defined as leases with an initial term of 12 months or less, are not recorded on the balance sheet. Lease expense for short-term leases is recognized on a straight-line basis over the lease term.

The Company has leases that contain both lease and non-lease components and has elected, as an accounting policy, to not separate lease components and non-lease components. Right of use ("ROU") assets and liabilities are recognized at the commencement date based on the present value of lease payments over the lease term. The lease liability is calculated as the present value of the remaining minimum rental payments for existing leases using either the rate implicit in the lease or, if none exists, the Company's incremental borrowing rate, as the discount rate. The Company uses its incremental borrowing rate at commencement date in determining the present value of lease payments for those leases where the implicit rate is not known. The Company's incremental borrowing rate is a hypothetical rate based on its understanding of what would be the Company's secured credit rating. Variable lease payments are expensed in the period in which the obligation for those payments is incurred. Variable lease payments include payments for common area maintenance, real estate taxes, management fees and insurance.

Many of the Company’s real estate lease agreements include one or more options to extend the lease, which are not included in the minimum lease terms unless the Company is reasonably certain it will exercise the option. Additionally, the Company’s leases do not generally include options to terminate the lease prior to the end of the lease term. The Company’s lease agreements do not contain any material residual value guarantees or material restrictive covenants.

Advertising and Promotion

Advertising and promotion costs, which are expensed as incurred, were $8.5 million, $7.6 million and $7.0 million for the years ended December 31, 2022, 2021 and 2020, respectively.

Shipping Costs

The Company includes third-party costs to deliver rental equipment to customers in costs of leasing and services, and cost of sales.

Income Taxes

The Company accounts for income taxes under the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements. Under this method, deferred tax assets and liabilities are determined based on the differences between the financial statement and tax basis of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in income in the period that includes the enactment date.

The Company records deferred tax assets to the extent it believes that it is more likely than not that these assets will be realized. In making such determination, the Company considers all available positive and negative evidence, including scheduled reversals of deferred tax liabilities, projected future taxable income, tax planning strategies and recent results of operations. Valuation allowances are recorded to reduce the deferred tax assets to an amount that will more likely than not be realized.

The Company assesses the likelihood that each of the deferred tax assets will be realized. To the extent management believes realization of any deferred tax assets is not likely, the Company establishes a valuation allowance. When a valuation allowance is established or there is an increase in an allowance in a reporting period, tax expense is generally recorded in the Company’s consolidated statement of operations. Conversely, to the extent circumstances indicate that a valuation allowance is no longer necessary, that portion of the valuation allowance is reversed, which generally reduces the Company’s income tax expense.

Deferred tax liabilities are recognized for the income taxes on the undistributed earnings of wholly-owned foreign subsidiaries unless such earnings are indefinitely reinvested, or will only be repatriated when possible to do so at minimal additional tax cost. Current income tax relating to items recognized directly in equity is recognized in equity and not in profit (loss) for the year.

In accordance with applicable authoritative guidance, the Company accounts for uncertain income tax positions using a benefit recognition model with a two-step approach; a more-likely-than-not recognition criterion; and a measurement approach that measures the position as the largest amount of tax benefit that is greater than 50% likely of being realized upon ultimate settlement. If it is not more-likely-than-not that the benefit of the tax position will be sustained on its technical merits, no benefit is recorded. Uncertain tax positions that relate only to timing of when an item is included on a tax return are considered to have met the recognition threshold. The Company classifies interest on tax deficiencies and income tax penalties within income tax expense.

The Company accounts for any impacts of the Global Intangible Low-Taxed Income ("GILTI") in the period in which they are incurred.

Fair Value Measurements

The Company maximizes the use of observable inputs and minimizes the use of unobservable inputs when measuring fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. The inputs are prioritized into three levels that may be used to measure fair value. See further discussion of the levels in Note 15.

Warrants

The Company accounts for warrants in accordance with applicable accounting guidance provided in ASC 815-40, *Contracts in Entity's Own Equity*, as either derivative liabilities or as equity instruments depending on the specific terms of the warrant agreements. In periods subsequent to issuance, warrants classified as liabilities are subject to remeasurement at each balance sheet date and transaction date with changes in the estimated fair values of the common stock warrant liabilities and gains and losses on extinguishment of common stock warrant liabilities reported in the consolidated statements of operations. At December 31, 2022, no warrants remain outstanding.

Recently Issued Accounting Standards

ASU 2021-08. *Business Combinations (Topic 815): Accounting for Contract Assets and Contract Liabilities from Contracts with Customers*

In October 2021, the FASB issued ASU No. 2021-08, B*usiness Combinations (Topic 805): Accounting for Contract Assets and Contract Liabilities from Contracts with Customers* ("ASU 2021-08"). ASU 2021-08 requires that an acquirer recognize and measure contract assets and liabilities acquired in a business combination in accordance with ASC 606. This standard is effective for annual periods beginning after December 15, 2022, including interim periods therein, with early adoption permitted. The guidance will be applied prospectively to acquisitions occurring on or after the effective date. The Company will continue to evaluate the impact of this guidance, which will depend on the contract assets and liabilities acquired in future business combinations.

NOTE 2 - Acquisitions

Asset Acquisitions

During 2022, the Company acquired certain assets and liabilities of 13 smaller entities, which consisted primarily of approximately 14,100 storage units and 4,400 modular units for $220.6 million in cash. The accompanying consolidated financial statements include $214.8 million of rental equipment as a result of these acquisitions.

Integration Costs

The Company records integration costs related to asset acquisitions and the Merger within selling, general and administrative ("SG&A") expense. The Company incurred $15.5 million, $28.4 million and $16.6 million in integration costs for asset acquisitions and the Merger for the years ended December 31, 2022, 2021 and 2020, respectively.

NOTE 3 - Discontinued Operations

Tank and Pump Divestiture

On September 30, 2022, the Company sold its former Tank and Pump segment for $321.9 million. Exiting the former Tank and Pump segment represented the Company's strategic shift to concentrate its operations on its core modular and storage businesses. In accordance with ASC 360, *Property, Plant, and Equipment*, the Company ceased recording depreciation and amortization for the former Tank and Pump segment rental fleet, property, plant and equipment, and operating lease assets during the third quarter of 2022 when the former Tank and Pump segment initially qualified as held for sale. In accordance with ASC 205-20, *Presentation of Financial Statements - Discontinued Operations*, the criteria for discontinued operations presentation were met during the third quarter of 2022 and results for the former Tank and Pump segment were reported in income from discontinued operations within the consolidated statements of operations for all periods presented. The carrying values of the divested business' assets and liabilities were presented within assets and liabilities held for sale on the consolidated balance sheet as of December 31, 2021.

As part of the divestiture, the Company entered into a customary transition services agreement with the buyer to assist them in the transition of certain functions, including, but not limited to, information technology, accounting and human resources, for a period of six months with an option for the buyer to extend the agreement for a period of up to twelve months. There was no significant continuing involvement with the former Tank and Pump segment after its disposal.

UK Storage Solutions Divestiture

On December 12, 2022, the Company entered into a stock purchase agreement to sell its UK Storage Solutions segment for cash consideration of £335.0 million, subject to certain adjustments. The sale transaction was completed on January 31, 2023. Total cash consideration for the transaction was $418.1 million. The Company will record a gain on the sale of the UK Storage Solutions segment in the first quarter of 2023. Exiting the UK Storage Solutions segment represented the Company's strategic shift to concentrate its operations on its core modular and storage businesses in North America. The Company ceased recording depreciation and amortization for the UK Storage Solutions segment rental fleet, property, plant and equipment, and operating lease assets during the fourth quarter of 2022 when the UK Storage Solutions segment initially qualified as held for sale. The criteria for discontinued operations presentation were met and results for the UK Storage Solutions segment were reported in income from discontinued operations within the consolidated statements of operations for all periods presented. The carrying value of the UK Storage Solutions segment's assets and liabilities were presented within assets and liabilities held for sale on the consolidated balance sheets as of December 31, 2022 and 2021.

As part of the divestiture, the Company entered into a customary transition services agreement with the buyer to assist them in the transition of certain functions, including, but not limited to, information technology, accounting and human resources, for a period of six months with an option for the buyer to extend the agreement for a period of up to twelve months. There will be no significant continuing involvement with the UK Storage Solutions segment after its disposal.

The following tables present the results of the former Tank and Pump segment and the UK Storage Solutions segment as reported in income from discontinued operations within the consolidated statements of operations, and the carrying value of the segments' assets and liabilities as presented within assets and liabilities held for sale on the consolidated balance sheets. The 2022 results for the former Tank and Pump segment represent results for the nine months ended September 30, 2022 as the Company sold the former Tank and Pump segment on September 30, 2022. The 2020 results for the former Tank and Pump segment and the UK Storage Solutions segment represent results subsequent to July 1, 2020, the date the Company acquired the segments.

	Year Ended December 31, 2022		
(in thousands)	Tank and Pump	UK Storage Solutions	Total
Revenues:			
Leasing and services revenue:			
Leasing	$ 65,572	$ 79,772	$ 145,344
Delivery and installation	27,665	22,876	50,541
Sales revenue:			
New units	2,202	1,106	3,308
Rental units	917	1,455	2,372
Total revenues	96,356	105,209	201,565
Costs:			
Costs of leasing and services:			
Leasing	13,828	16,737	30,565
Delivery and installation	23,285	14,867	38,152
Costs of sales:			
New units	1,636	738	2,374
Rental units	310	1,012	1,322
Depreciation of rental equipment	8,145	4,254	12,399
Gross profit	49,152	67,601	116,753
Expenses:			
Selling, general and administrative	18,045	21,795	39,840
Other depreciation and amortization	6,103	5,906	12,009
Currency losses, net	—	138	138
Other expense (income), net	4	(7)	(3)
Operating income	25,000	39,769	64,769
Interest expense	512	789	1,301
Income from discontinued operations before income tax	24,488	38,980	63,468
Income tax expense from discontinued operations	843	34,882	35,725
Gain on sale of discontinued operations	35,456	—	35,456
Income from discontinued operations	$ 59,101	$ 4,098	$ 63,199
Other selected data:			
Adjusted EBITDA from discontinued operations	$ 37,016	$ 48,734	$ 85,750

(in thousands)	Year Ended December 31, 2021 Tank and Pump	UK Storage Solutions	Total
Revenues:			
Leasing and services revenue:			
Leasing	$ 77,527	$ 82,106	$ 159,633
Delivery and installation	29,530	24,023	53,553
Sales revenue:			
New units	2,355	3,534	5,889
Rental units	1,479	1,363	2,842
Total revenues	110,891	111,026	221,917
Costs:			
Costs of leasing and services:			
Leasing	17,045	17,440	34,485
Delivery and installation	25,057	14,271	39,328
Costs of sales:			
New units	1,672	2,357	4,029
Rental units	536	1,287	1,823
Depreciation of rental equipment	14,319	4,428	18,747
Gross profit	52,262	71,243	123,505
Expenses:			
Selling, general and administrative	22,194	24,974	47,168
Other depreciation and amortization	9,366	6,887	16,253
Restructuring costs	2	—	2
Currency losses, net	—	121	121
Other expense, net	11	54	65
Operating income	20,689	39,207	59,896
Interest expense	779	850	1,629
Income from discontinued operations before income tax	19,910	38,357	58,267
Income tax expense from discontinued operations	5,277	7,741	13,018
Income from discontinued operations	$ 14,633	$ 30,616	$ 45,249
Other selected data:			
Adjusted EBITDA from discontinued operations	$ 41,750	$ 49,039	$ 90,789

(in thousands)	Year Ended December 31, 2020 Tank and Pump	UK Storage Solutions	Total
Revenues:			
Leasing and services revenue:			
Leasing	$ 32,356	$ 32,633	$ 64,989
Delivery and installation	14,013	9,409	23,422
Sales revenue:			
New units	1,135	3,124	4,259
Rental units	789	1,195	1,984
Total revenues	48,293	46,361	94,654
Costs:			
Costs of leasing and services:			
Leasing	5,618	7,391	13,009
Delivery and installation	11,015	6,353	17,368
Costs of sales:			
New units	741	2,301	3,042
Rental units	272	1,026	1,298
Depreciation of rental equipment	6,743	1,648	8,391
Gross profit	23,904	27,642	51,546
Expenses:			
Selling, general and administrative	11,354	10,877	22,231
Other depreciation and amortization	5,348	2,720	8,068
Restructuring costs	54	364	418
Currency gains, net	—	(98)	(98)
Other expense, net	2	2	4
Operating income	7,146	13,777	20,923
Interest expense	200	367	567
Income from discontinued operations before income tax	6,946	13,410	20,356
Income tax expense from discontinued operations	1,783	2,806	4,589
Income from discontinued operations	$ 5,163	$ 10,604	$ 15,767
Other selected data:			
Adjusted EBITDA from discontinued operations	$ 17,843	$ 17,822	$ 35,665

(in thousands)	December 31, 2022 UK Storage Solutions
Assets	
Cash and cash equivalents	$ 10,384
Trade receivables, net of allowances for doubtful accounts of $300	15,991
Inventories	3,058
Prepaid expenses and other current assets	1,787
Rental equipment, net	165,853
Property, plant and equipment, net	20,645
Operating lease assets	15,134
Goodwill	58,144
Intangible assets, net	6,414
Other non-current assets	1,832
Total assets held for sale	$ 299,242
Liabilities	
Accounts payable	$ 4,515
Accrued expenses	3,273
Accrued employee benefits	1,009
Deferred revenue and customer deposits	6,850
Deferred tax liabilities	29,737
Operating lease liabilities	15,192
Other non-current liabilities	6,278
Total liabilities held for sale	$ 66,854

(in thousands)	Tank and Pump	December 31, 2021 UK Storage Solutions	Total
Assets			
Cash and cash equivalents	$ —	$ 6,306	$ 6,306
Trade receivables, net of allowance for credit losses of $1,469 related to Tank and Pump and $387 related to UK Storage Solutions	31,031	17,571	48,602
Inventories	647	2,297	2,944
Prepaid expenses and other current assets	222	1,604	1,826
Rental equipment, net	134,973	168,208	303,181
Property, plant and equipment, net	29,931	24,071	54,002
Operating lease assets	11,720	16,592	28,312
Goodwill	100,107	65,098	165,205
Intangible assets, net	8,750	9,053	17,803
Other non-current assets	55	2,659	2,714
Total assets held for sale	$ 317,436	$ 313,459	$ 630,895
Liabilities			
Accounts payable	$ 8,001	$ 7,707	$ 15,708
Accrued expenses	4,603	2,971	7,574
Accrued employee benefits	2,487	1,528	4,015
Deferred revenue and customer deposits	27	7,269	7,296
Deferred tax liabilities	17,095	32,110	49,205
Operating lease liabilities	11,959	17,174	29,133
Other non-current liabilities	23,487	5,154	28,641
Total liabilities held for sale	$ 67,659	$ 73,913	$ 141,572

At December 31, 2021, assets held for sale of $1.0 million were not related to the former Tank and Pump segment or the UK Storage Solutions segment and were excluded from the table above.

For the years ended December 31, 2022, 2021 and 2020, significant operating and investing items related to the former Tank and Pump segment were as follows:

(in thousands)	Years Ended December 31, 2022	2021	2020
Operating activities of discontinued operations:			
Depreciation and amortization	$ 14,248	$ 23,685	$ 12,091
Investing activities of discontinued operations:			
Proceeds from sale of rental equipment	$ 918	$ 1,480	$ 789
Purchases of rental equipment and refurbishments	$ (21,831)	$ (17,747)	$ (2,394)
Proceeds from sale of property, plant and equipment	$ —	$ 388	$ 72
Purchases of property, plant and equipment	$ (525)	$ (1,743)	$ (465)

The following table presents reconciliations of Income from discontinued operations before income tax to Adjusted EBITDA from discontinued operations for the former Tank and Pump segment for the years ended December 31, 2022, 2021 and 2020, respectively. See Note 18 for further information regarding Adjusted EBITDA.

	Years Ended December 31,		
(in thousands)	2022	2021	2020
Income from discontinued operations	$ 59,101	$ 14,633	$ 5,163
Gain on sale of discontinued operations	35,456	—	—
Income tax expense from discontinued operations	843	5,277	1,783
Income from discontinued operations before income tax and gain on sale	24,488	19,910	6,946
Interest expense	512	779	200
Depreciation and amortization	14,248	23,685	12,091
Restructuring costs, lease impairment expense and other related charges	—	2	54
Integration costs	—	14	—
Stock compensation expense	18	222	—
Other	(2,250)	(2,862)	(1,448)
Adjusted EBITDA from discontinued operations	$ 37,016	$ 41,750	$ 17,843

For the years ended December 31, 2022, 2021 and 2020, significant operating and investing items related to the UK Storage Solutions segment were as follows:

	Years Ended December 31,		
(in thousands)	2022	2021	2020
Operating activities of discontinued operations:			
Depreciation and amortization	$ 10,160	$ 11,315	$ 4,368
Investing activities of discontinued operations:			
Proceeds from sale of rental equipment	$ 1,455	$ 1,363	$ 1,195
Purchases of rental equipment and refurbishments	$ (23,931)	$ (27,830)	$ (1,693)
Proceeds from sale of property, plant and equipment	$ 504	$ 387	$ —
Purchases of property, plant and equipment	$ (3,752)	$ (1,680)	$ (1,043)

The following table presents reconciliations of Income from discontinued operations before income tax to Adjusted EBITDA from discontinued operations for the UK Storage Solutions segment for the years ended December 31, 2022, 2021 and 2020, respectively. See Note 18 for further information regarding Adjusted EBITDA.

	Years Ended December 31,		
(in thousands)	2022	2021	2020
Income from discontinued operations	$ 4,098	$ 30,616	$ 10,604
Income tax expense from discontinued operations	34,882	7,741	2,806
Income from discontinued operations before income tax and gain on sale	38,980	38,357	13,410
Interest expense	789	850	367
Depreciation and amortization	10,160	11,315	4,368
Currency losses, net	138	121	(98)
Restructuring costs, lease impairment expense and other related charges	—	—	364
Stock compensation expense	197	39	—
Other	(1,530)	(1,643)	(589)
Adjusted EBITDA from discontinued operations	$ 48,734	$ 49,039	$ 17,822

NOTE 4 - Revenue

Revenue Disaggregation

Geographic Areas

The Company had total revenue in the following geographic areas for the years ended December 31, as follows:

	Years Ended December 31,		
(in thousands)	2022	2021	2020
US	$ 1,998,796	$ 1,542,076	$ 1,179,171
Canada	125,536	116,070	79,630
Mexico	18,291	14,834	14,190
Total revenues	$ 2,142,623	$ 1,672,980	$ 1,272,991

Major Product and Service Lines

Equipment leasing is the Company's core business and the primary driver of the Company's revenue and cash flows. This includes rental modular space and portable space units along with VAPS, which include furniture, steps, ramps, basic appliances, internet connectivity devices, and other items used by customers in connection with the Company's products. Leasing is complemented by new unit sales and sales of rental units. In connection with its leasing and sales activities, the Company provides services including delivery and installation, maintenance and ad hoc services and removal services at the end of lease transactions. The Company's revenue by major product and service line for the years ended December 31, was as follows:

	Years Ended December 31,		
(in thousands)	2022	2021	2020
Modular space leasing revenue	$ 840,926	$ 697,852	$ 581,452
Portable storage leasing revenue	361,197	233,868	114,952
VAPS and third party leasing revenues[a]	343,625	263,021	194,809
Other leasing-related revenue[b]	75,942	57,749	45,245
Leasing revenue	1,621,690	1,252,490	936,458
Delivery and installation revenue	429,152	321,129	250,734
Total leasing and services revenue	2,050,842	1,573,619	1,187,192
New unit sales revenue	40,338	46,993	48,834
Rental unit sales revenue	51,443	52,368	36,965
Total revenues	$ 2,142,623	$ 1,672,980	$ 1,272,991

(a) Includes $25.3 million, $17.1 million, and $16.1 million of VAPS service revenue for the years ended December 31, 2022, 2021 and 2020, respectively.

(b) Includes primarily damage billings, delinquent payment charges, and other processing fees.

Leasing and Services Revenue

The majority of revenue (75%, 74%, and 72% for the years ended December 31, 2022, 2021 and 2020, respectively) is generated by lease income subject to the guidance of ASC 842. The remaining revenue is generated by performance obligations in contracts with customers for services or sale of units subject to the guidance in ASC 606.

At December 31, 2022 and for the years ended December 31, 2023 through 2027 and thereafter, future committed leasing revenues under non-cancelable operating leases with the Company's customers, excluding revenue from delivery and installation and potential lease extensions, were as follows:

(in thousands)	Operating Leases
2023	$ 326,819
2024	111,650
2025	38,578
2026	16,074
2027	6,731
Thereafter	5,513
Total	$ 505,365

Receivables

The Company manages credit risk associated with its accounts receivables at the customer level. Because the same customers generate the revenues that are accounted for under both ASC 606 and ASC 842, the discussions below on credit risk and the Company's allowance for credit losses address the Company's total revenues.

Concentration of credit risk with respect to the Company's receivables is limited because of a large number of geographically diverse customers who operate in a variety of end user markets. No single customer accounted for more than 1.7% and 1.6% of the Company's receivables at December 31, 2022 and 2021, respectively. The Company's top five customers with the largest open receivables balances represented 5.4% and 5.6% of the total receivables balance as of December 31, 2022 and 2021, respectively. The Company manages credit risk through credit approvals, credit limits, and other monitoring procedures.

The Company's allowance for credit losses reflects its estimate of the amount of receivables that it will be unable to collect. The estimated losses are calculated using the loss rate method based upon a review of outstanding receivables, related aging, and historical collection experience. The Company's estimates reflect changing circumstances, and the Company may be required to increase or decrease its allowance. During the years ended December 31, 2022, 2021 and 2020, the Company recognized bad debt expense to reflect changes in the allowance for credit losses of $10.4 million, $16.4 million, and $12.7 million, respectively, within SG&A expense in its consolidated statements of operations. For the years ended December 31, 2022, 2021 and 2020, the provision for credit losses included $23.7 million, $19.8 million and $18.3 million, respectively, recorded as a reduction to revenue for the provision of specific receivables whose collection was not considered probable.

Contract Assets and Liabilities

When customers are billed in advance for services, the Company defers recognition of revenue until the related services are performed, which generally occurs at the end of the contract. The balance sheet classification of deferred revenue is determined based on the contractual lease term. For contracts that continue beyond their initial contractual lease term, revenue continues to be deferred until the services are performed. During the years ended December 31, 2022, 2021 and 2020, $47.2 million, $38.8 million and $35.6 million, respectively, of deferred revenue relating to these services, was recognized as revenue. At December 31, 2022 and 2021, the Company had approximately $102.2 million and $74.4 million, respectively, of deferred revenue related to these services.

The Company does not have material contract assets, and it did not recognize any material impairments of any contract assets.

The Company's uncompleted contracts with customers have unsatisfied (or partially satisfied) performance obligations. For the future services revenues that are expected to be recognized within twelve months, the Company has elected to utilize the optional disclosure exemption made available regarding transaction price allocated to unsatisfied (or partially unsatisfied) performance obligations. The transaction price for performance obligations that will be completed in greater than twelve months is variable based on the costs ultimately incurred to provide those services and therefore the Company is applying the optional exemption to omit disclosure of such amounts.

The primary costs to obtain contracts for new and rental unit sales with the Company's customers are commissions. The Company pays its sales force commissions on the sale of new and rental units. For new and rental unit sales, the period benefited by each commission is less than one year. As a result, the Company has applied the practical expedient for incremental costs of obtaining a sales contract and expenses commissions as incurred.

NOTE 5 - Leases

As of December 31, 2022, the undiscounted future lease payments for operating and finance lease liabilities were as follows:

(in thousands)	Operating Leases	Finance Leases
2023	$ 60,119	$ 15,580
2024	51,123	13,873
2025	42,828	13,547
2026	31,702	13,217
2027	20,846	9,988
Thereafter	51,895	16,331
Total lease payments	258,513	82,536
Less: interest	(38,396)	(8,166)
Present value of lease liabilities	$ 220,117	$ 74,370

Finance lease liabilities are included within long-term debt and current portion of long-term debt on the consolidated balance sheets.

The Company's lease activity during the years ended December 31, 2022, 2021, and 2020 was as follows:

	Years Ended December 31,		
Financial Statement Line *(in thousands)*	2022	2021	2020
Finance Lease Expense			
Amortization of finance lease assets	$ 13,900	$ 12,602	$ 6,713
Interest on obligations under finance leases	1,899	1,406	719
Total finance lease expense	$ 15,799	$ 14,008	$ 7,432
Operating Lease Expense			
Fixed lease expense			
Cost of leasing and services	$ 2,797	$ 3,979	$ 5,723
Selling, general and administrative	59,804	53,977	40,616
Lease impairment expense and other related charges	213	2,028	2,800
Short-term lease expense			
Cost of leasing and services	32,947	22,335	25,576
Selling, general and administrative	1,792	794	1,937
Lease impairment expense and other related charges	—	—	471
Variable lease expense			
Cost of leasing and services	5,388	7,794	6,981
Selling, general and administrative	7,249	4,642	4,698
Lease impairment expense and other related charges	40	492	855
Total operating lease expense	$ 110,230	$ 96,041	$ 89,657

The Company initiated certain restructuring plans associated with the Merger to capture operating synergies as a result of integrating these entities. The restructuring activities primarily included the termination of leases for duplicative branches, equipment, and other facilities. As part of these plans, certain of its leased locations were vacated and leases were terminated or impaired.

During the year ended December 31, 2022, the Company recorded $0.3 million in lease impairment expense and other related charges which is comprised of closed location rent expense. During the year ended December 31, 2021, the Company recorded $2.9 million in lease impairment expense and other related charges which is comprised of $0.3 million loss on lease exit and $2.6 million in closed location rent expense. During the year ended December 31, 2020, the Company recorded $4.9 million in lease impairment expense and other related charges which is comprised of $0.7 million loss on lease exit and $4.2 million in closed location rent expense.

Supplemental cash flow information related to leases for the years ended December 31, 2022, 2021, and 2020 were as follows:

Supplemental Cash Flow Information *(in thousands)*	Years Ended December 31, 2022	2021	2020
Cash paid for the amounts included in the measurement of lease liabilities:			
Operating cash outflows from operating leases	$ 61,418	$ 58,931	$ 43,185
Operating cash outflows from finance leases	$ 1,895	$ 1,432	$ 696
Financing cash outflows from finance leases	$ 15,159	$ 12,476	$ 6,379
Right of use assets obtained in exchange for lease obligations	$ 55,005	$ 66,887	$ 33,256
Assets obtained in exchange for finance leases	$ 29,803	$ 19,435	$ 7,915

Weighted-average remaining operating lease terms and the weighted average discount rates as of December 31 were as follows:

Lease Terms and Discount Rates	2022	2021
Weighted-average remaining lease term - operating leases	5.8 years	6.0 years
Weighted-average discount rate - operating leases	5.4 %	5.1 %
Weighted-average remaining lease term - finance leases	5.1 years	4.8 years
Weighted-average discount rate - finance leases	3.4 %	2.7 %

NOTE 6 - Inventories

Inventories at December 31, consisted of the following:

(in thousands)	2022	2021
Raw materials	$ 38,611	$ 26,059
Finished units	2,419	3,736
Inventories	$ 41,030	$ 29,795

NOTE 7 - Rental Equipment, net

Rental equipment, net at December 31 consisted of the following:

(in thousands)	2022	2021
Modular space units	$ 3,197,779	$ 3,005,195
Portable storage units	849,193	585,034
Value added products	203,444	167,694
Total rental equipment	4,250,416	3,757,923
Less: accumulated depreciation	(1,173,129)	(980,123)
Rental equipment, net	$ 3,077,287	$ 2,777,800

NOTE 8 – Property, Plant and Equipment, net

Property, plant and equipment, net at December 31 consisted of the following:

(in thousands)	2022	2021
Land, buildings, and leasehold improvements	$ 174,322	$ 154,269
Vehicles and equipment	167,337	132,733
Office furniture, fixtures and software	106,747	79,659
Total property, plant and equipment	448,406	366,661
Less: accumulated depreciation	(143,747)	(108,485)
Property, plant and equipment, net	$ 304,659	$ 258,176

Depreciation expense related to property, plant and equipment was $38.6 million, $37.5 million, and $23.1 million for the years ended December 31, 2022, 2021 and 2020, respectively.

As of December 31, 2022 and 2021, the gross cost of property, plant and equipment assets under finance leases was $84.7 million and $63.2 million, respectively, with related accumulated depreciation of $26.9 million and $17.6 million, respectively. The depreciation expense for these assets is presented in other depreciation and amortization in the consolidated statements of operations.

NOTE 9 - Goodwill and Intangible Assets

Goodwill

Changes in the carrying amount of goodwill were as follows:

(in thousands)	Modular	Storage	Total
Balance at December 31, 2020	$ 235,828	$ 726,529	$ 962,357
Changes to Mobile Mini purchase accounting	285,000	(233,666)	51,334
Effects of movements in foreign exchange rates	221	(311)	(90)
Balance at December 31, 2021	521,049	492,552	1,013,601
Effects of movements in foreign exchange rates	(2,172)	—	(2,172)
Balance at December 31, 2022	$ 518,877	$ 492,552	$ 1,011,429

The Company conducted its annual impairment test of goodwill as of October 1, 2022 and determined that there was no impairment of goodwill identified as a result of the annual impairment analysis. Accumulated historical goodwill impairment losses were $792.8 million and pertain to the Modular segment (as defined in Note 18) prior to Double Eagle Acquisition Corporation's ("DEAC") acquisition of Williams Scotsman International, Inc. ("WSII") in 2017. There were no goodwill impairments recorded for the years ended December 31, 2022, 2021 and 2020.

Intangible Assets

Intangible assets other than goodwill at December 31, consisted of the following:

	December 31, 2022			
(in thousands)	Weighted average remaining life (in years)	Gross carrying amount	Accumulated amortization	Net book value
Intangible assets subject to amortization:				
Mobile Mini customer relationships	5.5	$ 188,000	$ (58,750)	$ 129,250
Technology	3.5	1,500	(625)	875
Indefinite-lived intangible assets:				
Trade name - Mobile Mini		164,000	—	164,000
Trade name - WillScot		125,000	—	125,000
Total intangible assets other than goodwill		$ 478,500	$ (59,375)	$ 419,125

(in thousands)	Weighted average remaining life (in years)	December 31, 2021 Gross carrying amount	Accumulated amortization	Net book value
Intangible assets subject to amortization:				
Mobile Mini customer relationships	6.5	$ 188,000	$ (35,250)	$ 152,750
Technology	4.5	1,500	(375)	1,125
Indefinite-lived intangible assets:				
Trade name - Mobile Mini		164,000	—	164,000
Trade name - WillScot		125,000	—	125,000
Total intangible assets other than goodwill		$ 478,500	$ (35,625)	$ 442,875

For the years ended December 31, 2022, 2021 and 2020, the aggregate amount recorded to depreciation and amortization expense for intangible assets subject to amortization was $23.8 million, $24.3 million and $12.1 million, respectively.

As of December 31, 2022, the expected future amortization expense for intangible assets is as follows:

(in thousands)	Amortization Expense
2023	$ 23,750
2024	23,750
2025	23,750
2026	23,625
2027	23,500
Thereafter	11,750
Total	$ 130,125

NOTE 10 - Debt

The carrying value of debt outstanding at December 31 consisted of the following:

(in thousands, except rates)	Interest rate	Year of maturity	2022	2021
2025 Secured Notes	6.125%	2025	$ 520,350	$ 518,117
ABL Facility[(a)]	Varies	2027	1,988,176	1,612,783
2028 Secured Notes	4.625%	2028	493,470	492,490
Finance Leases	Varies	Varies	74,370	60,409
Total debt			3,076,366	2,683,799
Less: current portion of long-term debt			13,324	11,968
Total long-term debt			$ 3,063,042	$ 2,671,831

(a) As of December 31, 2022 and 2021, the Company had no outstanding principal borrowings on the Multicurrency Facility (defined below) and $2.5 million and $6.2 million, respectively, of related debt issuance costs. No related debt issuance costs were recorded as a direct offset against the principal borrowings on the Multicurrency Facility, and the $2.5 million and $6.2 million in excess of principal was included in other non-current assets on the consolidated balance sheets as of December 31, 2022 and 2021, respectively.

Maturities of debt, including finance leases, during the years subsequent to December 31, 2022 are as follows:

(in thousands)	
2023	$ 15,580
2024	13,873
2025	540,047
2026	13,217
2027	2,029,988
Thereafter	516,331
Total	$ 3,129,036

The Company has debt issuance costs recorded as offsets against the carrying value of the related debt. These debt costs will be amortized and included as part of interest expense over the remaining contractual terms of those debt instruments for each of the next five years as follows:

(in thousands)		Debt issuance cost amortization
2023	$	11,048
2024	$	11,263
2025	$	9,987
2026	$	8,826
2027	$	5,069
Thereafter	$	836

Asset Backed Lending Facility

On July 1, 2020, in connection with the completion of the Merger, Williams Scotsman Holdings Corp ("Holdings"), WSII, and certain of its subsidiaries, entered into a new asset-based credit agreement that initially provided for revolving credit facilities in the aggregate principal amount of up to $2.4 billion, consisting of: (i) a senior secured asset-based US dollar revolving credit facility in the aggregate principal amount of $2.0 billion (the "US Facility"), available to WSII and certain of its subsidiaries (collectively, the "US Borrowers"), and (ii) a $400.0 million senior secured asset-based multicurrency revolving credit facility (the "Multicurrency Facility," together with the US Facility, the "ABL Facility"), available to be drawn in US Dollars, Canadian Dollars, British Pounds Sterling or Euros by the US Borrowers and certain of WSII's wholly-owned subsidiaries organized in Canada and in the UK. On July 1, 2020, in connection with the completion of the Merger, approximately $1.47 billion of proceeds from the ABL Facility were used to repay an asset-based credit agreement entered into by the Company in 2017 and an asset-backed lending facility assumed in the transaction with Mobile Mini, as well as, to pay fees and expenses related to the Merger and the related financing transactions. In connection with these repayments, the Company wrote off $4.4 million of deferred financing costs to loss on extinguishment of debt. The ABL Facility was initially scheduled to mature on July 1, 2025.

Borrowings under the ABL Facility bear interest at a base rate plus an applicable margin determined quarterly by reference to the Company's excess availability for the most recently completed quarter. Borrowings under the ABL Facility initially bore interest at (i) in the case of US Dollars, at WSII's option, either an adjusted LIBOR rate plus 1.875% or an alternative base rate plus 0.875%, (ii) in the case of Canadian Dollars, at WSII's option, either a Canadian BA rate plus 1.875% or Canadian prime rate plus 0.875%, and (iii) in the case of Euros and British Pounds Sterling, an adjusted LIBOR rate plus 1.875%. Effective January 7, 2022, borrowings were subject to the highest applicable margin and bore interest at (i) in the case of US Dollars, at the borrower's option, either an adjusted LIBOR rate plus 2.125% or an alternative base rate plus 1.125%, (ii) in the case of Canadian Dollars, at the borrower's option, either a Canadian BA rate plus 2.125% or Canadian prime rate plus 1.125%, (iii) in the case of Euros, the EURIBOR rate plus 2.125%, and (iv) in the case of British Pounds Sterling, the SONIA rate plus 2.125%. On December 13, 2021, due to the upcoming transition of LIBOR, the ABL Facility was amended to adjust the rate for borrowings denominated in Euros from a LIBOR-based rate to the EURIBOR (Euro Interbank Offered Rate) rate plus 1.875% and to adjust the rate of borrowings denominated in British Pounds Sterling from a LIBOR-based rate to the SONIA (Sterling Overnight Index Average) rate plus 1.9076%. On December 16, 2021, the ABL Facility was amended to permit (i) the merger of WSII with and into Williams Scotsman, Inc. ("WSI") and (ii) WSI to assume the duties and obligations of WSII, the administrative borrower of the ABL Facility.

On June 30, 2022, certain subsidiaries of the Company entered into an amendment to the ABL Facility to, among other things, extend the expiration date until June 30, 2027 and increase the aggregate principal amount of the revolving credit facilities to $3.7 billion, consisting of: (i) a senior secured asset-based US dollar revolving credit facility in the aggregate principal amount of $3.3 billion (the “US Facility”) and (ii) a $400.0 million senior secured asset-based multicurrency revolving credit facility (the "Multicurrency Facility"), available to be drawn in US Dollars, Canadian Dollars, British Pounds Sterling or Euros. The amendment also converted the interest rate for borrowings denominated in US dollars from a LIBOR-based rate to a Term SOFR-based rate with an interest period of one month and adjusted the applicable margins. The applicable margin for Canadian BA rate, Term SOFR, British Pounds Sterling and Euros loans is 1.50%. The facility includes a credit spread adjustment of 0.10% in addition to the applicable margin. The applicable margin for base rate and Canadian Prime Rate loans is 0.50%. The applicable margins are subject to one step down of 0.25% based on excess availability or one step up of 0.25% based on the Company's leverage ratio. The ABL Facility requires the payment of an annual commitment fee on the unused available borrowings of 0.2% annually. At December 31, 2022, the weighted average interest rate for borrowings under the ABL Facility was 5.91%.

Borrowing availability under the US Facility and the Multicurrency Facility is equal to the lesser of (i) the aggregate Revolver Commitments and (ii) the Borrowing Base ("Line Cap"). At December 31, 2022, the Line Cap was $3.0 billion and the Borrowers had approximately $1.0 billion of available borrowing capacity under the ABL Facility, including $705.0 million under the US Facility and $309.1 million under the Multicurrency Facility. Borrowing capacity under the ABL Facility is made available for up to $205.9 million of letters of credit and up to $220.0 million of swingline loans. At December 31, 2022, letters of credit and bank guarantees carried fees of 1.625%. The Company had issued $14.1 million of standby letters of credit under the ABL Facility at December 31, 2022.

The Company had approximately $2.0 billion outstanding principal under the ABL Facility at December 31, 2022. Debt issuance costs of $31.8 million were included in the carrying value of the ABL Facility at December 31, 2022.

The obligations of the US Borrowers are unconditionally guaranteed by Holdings and each existing and subsequently acquired or organized direct or indirect wholly-owned US organized restricted subsidiary of Holdings, other than excluded subsidiaries (together with Holdings, the "US Guarantors"). The obligations of the Multicurrency Borrowers are unconditionally guaranteed by the US Borrowers and the US Guarantors, and each existing and subsequently acquired or organized direct or indirect wholly-owned Canadian organized restricted subsidiary of Holdings other than certain excluded subsidiaries (together with the US Guarantors, the "ABL Guarantors").

2025 Senior Secured Notes

In anticipation of the Merger, on June 15, 2020, Picasso Finance Sub, Inc., a newly-formed indirect finance subsidiary (the "Finance Sub") of the Company completed a private offering of $650.0 million in aggregate principal amount of its 6.125% senior secured notes due 2025 (the "2025 Secured Notes") to qualified institutional buyers pursuant to Rule 144A of the Securities Act of 1933, as amended ("Rule 144A"). In connection with the completion of the Merger, on July 1, 2020, the proceeds were used to repay the 2022 Senior Secured Notes, repay Mobile Mini senior notes assumed in the acquisition and pay certain fees and expenses related to the Merger and the related financing transactions. In addition, Finance Sub was merged into WSII on July 1, 2020. The Company recorded $14.3 million in deferred financing fees related to the 2025 Secured Notes.

The 2025 Secured Notes mature on June 15, 2025 and bear interest at a rate of 6.125% per annum. Interest is payable semi-annually on June 15 and December 15 of each year, beginning December 15, 2020. If the Company undergoes a change of control or sells certain of its assets, the Company may be required to offer to repurchase the 2025 Secured Notes. Unamortized deferred financing costs pertaining to the 2025 Secured Notes were $6.2 million as of December 31, 2022.

In the first quarter of 2021, using cash on hand and borrowings on the ABL Facility, the Company redeemed 10% of the outstanding principal, or $65.0 million, of its 2025 Secured Notes and recorded a loss on extinguishment of debt in the consolidated statement of operations of $3.2 million comprised of a redemption premium of $1.9 million and write off of unamortized deferred financing fees of $1.3 million. In the second quarter of 2021, using cash on hand and borrowings on the ABL Facility, the Company redeemed 10% of the outstanding principal, or $58.5 million, of its 2025 Secured Notes and recorded a loss on extinguishment of debt in the consolidated statement of operations of $2.8 million comprised of a redemption premium of $1.8 million and write-off of unamortized deferred financing fees of $1.0 million.

On and after June 15, 2022, the Company may redeem the 2025 Secured Notes, in whole or in part, at the redemption prices expressed as percentages of principal amount set forth below plus accrued and unpaid interest to but not including the applicable redemption date, subject to the holders' right to receive interest due on an interest payment date falling on or prior to the redemption date, if redeemed during the twelve-month period beginning on June 15 of each of the years set forth below.

Year	Redemption Price
2022	103.063 %
2023	101.531 %
2024 and thereafter	100.000 %

On December 23, 2021, in connection with the merger of WSII with and into WSI, WSI entered into the 2025 Notes Supplemental Indenture, pursuant to which WSI assumed all of WSII's obligations and rights related to the 2025 Secured Notes. The 2025 Secured Notes are unconditionally guaranteed by each of WSII's direct and indirect domestic subsidiaries and WSII's parent, Holdings (collectively, "the Note Guarantors"). WillScot Mobile Mini is not a guarantor of the 2025 Secured Notes. The Note Guarantors, as well as certain of the Company's non-US subsidiaries, are guarantors or borrowers under the ABL Facility. To the extent lenders under the ABL Facility release the guarantee of any Note Guarantor, such Note Guarantor will also be released from obligations under the 2025 Secured Notes. These guarantees are secured by a second priority security interest in substantially all of the assets of WSII and the Note Guarantors, subject to customary exclusions. The guarantees of the 2025 Secured Notes by WillScot Equipment II, LLC, a Delaware limited liability company which holds certain of WSII's assets in the US, will be subordinated to its obligations under the ABL Facility.

2028 Senior Secured Notes

On August 25, 2020, the Company completed a private offering of $500.0 million in aggregate principal amount of 4.625% senior secured notes due 2028 (the "2028 Secured Notes") to qualified institutional buyers pursuant to Rule 144A. Proceeds were used to repay the 2023 Senior Secured Notes. The 2028 Secured Notes mature on August 15, 2028 and bear interest at a rate of 4.625% per annum. Interest is payable semi-annually on August 15 and February 15 of each year, beginning February 15, 2021. Unamortized deferred financing costs pertaining to the 2028 Secured Notes were $6.5 million as of December 31, 2022.

The Company may redeem the 2028 Secured Notes at any time before August 15, 2023 at a redemption price equal to 100% of the principal amount thereof, plus a customary make whole premium for the 2028 Secured Notes being redeemed, plus accrued and unpaid interest, if any, to but not including the redemption date. Before August 15, 2023, the Company may redeem up to 40% of the aggregate principal amount of the 2028 Secured Notes at a price equal to 104.625% of the principal amount of the 2028 Secured Notes being redeemed, plus accrued and unpaid interest, if any, to but not including the redemption date with the net proceeds of certain equity offerings. At any time prior to August 15, 2023, the Company may also redeem up to 10% of the aggregate principal amount at a redemption price equal to 103% of the principal amount of the 2028 Secured Notes being redeemed during each twelve-month period commencing with the issue date, plus accrued and unpaid interest, if any, to but not including the redemption date. If the Company undergoes a change of control or sells certain of its assets, the Company may be required to offer to repurchase the 2028 Secured Notes.

On and after August 15, 2023, the Company may redeem the 2028 Secured Notes, in whole or in part, at the redemption prices expressed as percentages of principal amount set forth below plus accrued and unpaid interest to but not including the applicable redemption date, subject to the holders' right to receive interest due on an interest payment date falling on or prior to the redemption date, if redeemed during the twelve-month period beginning on August 15 of each of the years set forth below.

Year	Redemption Price
2023	102.313 %
2024	101.156 %
2025 and thereafter	100.000 %

On December 23, 2021, in connection with the merger of WSII with and into WSI, WSI entered into the 2028 Notes Supplemental Indenture, pursuant to which WSI assumed all of WSII's obligations and rights related to the 2028 Secured Notes. The 2028 Secured Notes are unconditionally guaranteed by the Note Guarantors. WillScot Mobile Mini is not a guarantor of the 2028 Secured Notes. The Note Guarantors, as well as certain of the Company’s non-US subsidiaries, are guarantors or borrowers under the ABL Facility. To the extent lenders under the ABL Facility release the guarantee of any Note Guarantor, such Note Guarantor will also be released from obligations under the 2028 Secured Notes. These guarantees are secured by a second priority security interest in substantially all of the assets of WSII and the Note Guarantors, subject to customary exclusions. The guarantees of the 2028 Secured Notes by WillScot Equipment II, LLC, a Delaware limited liability company which holds certain of WSII’s assets in the US, will be subordinated to its obligations under the ABL Facility.

2022 Senior Secured Notes

In connection with the Merger and related financing transactions in the third quarter of 2020, using proceeds from the 2025 Secured Notes, the Company redeemed all of its 2022 Senior Secured Notes and recorded a loss on extinguishment of debt in the 2020 consolidated statement of operations of $15.2 million comprised of a redemption premium of $10.6 million and write off of unamortized deferred financing fees of $4.6 million.

2023 Senior Secured Notes

In connection with the private offering of its 2028 Secured Notes, the Company used the offering proceeds to repay, along with expenses, the $441.0 million outstanding principal amount of its 2023 Senior Secured Notes at a redemption price of 103.438% plus accrued interest and unpaid interest. The Company recorded a loss on extinguishment of debt in the 2020 consolidated statement of operations of $22.7 million comprised of a redemption premium of $16.6 million and a write off of unamortized deferred financing fees of $6.1 million.

Finance Leases

The Company maintains finance leases primarily related to transportation equipment. At December 31, 2022 and December 31, 2021, obligations under the finance leases for certain real property and transportation related equipment were $74.4 million and $60.4 million, respectively.

The Company is in compliance with all debt covenants and restrictions for the aforementioned debt instruments for the year ended December 31, 2022.

NOTE 11 - Equity

Preferred Stock

WillScot Mobile Mini's certificate of incorporation authorizes the issuance of 1,000,000 shares of Preferred Stock with a par value of $0.0001 per share. As of December 31, 2022, the Company has zero shares of Preferred Stock issued and outstanding.

Common Stock

WillScot Mobile Mini's certificate of incorporation authorizes the issuance of 500,000,000 shares of Common Stock with a par value of $0.0001 per share. The Company has 207,951,682 shares of Common Stock issued and outstanding as of December 31, 2022. The outstanding shares of the Company's Common Stock are duly authorized, validly issued, fully paid and non-assessable.

On June 30, 2020, as contemplated by the Merger, Sapphire Holdings exchanged each of its shares of common stock of Holdings for 1.3261 shares of newly issued WillScot Class A Common Stock (the "Sapphire Exchange"). As a result of the Sapphire Exchange, all issued and outstanding shares of WillScot's Class B Common Stock, par value $0.0001 per share, were automatically canceled for no consideration and the existing exchange agreement was automatically terminated. As a result of the Sapphire Exchange, Sapphire Holdings became a wholly-owned subsidiary of WillScot. Sapphire Holdings received 10,641,182 shares of Common Stock of WillScot in the Sapphire Exchange. Prior to the Sapphire Exchange, Sapphire Holdings' ownership of Holdings was recorded as a non-controlling interest in the consolidated financial statements. Subsequent to the Sapphire Exchange, the Company's subsidiaries are each wholly owned and there is no non-controlling interest. As a result of the Sapphire Exchange, non-controlling interest of $63.9 million was reclassified to $66.9 million of additional paid-in-capital and $3.0 million to accumulated other comprehensive loss, on the consolidated balance sheet.

In connection with the Merger on July 1, 2020, the Company issued 106,426,722 shares of Class A Common Stock in exchange for Mobile Mini Common Stock outstanding and subsequently filed an amended and restated certificate of incorporation, which reclassified all outstanding shares of the Class A Common Stock and converted such shares into shares of Common Stock, par value of $0.0001 per share, of WillScot Mobile Mini.

In connection with stock compensation vesting and stock option exercises described in Note 16, and the warrant exercises described below, the Company issued 3,847,905, 6,752,647 and 3,151,400 shares of Common Stock during the years ended December 31, 2022, 2021 and 2020, respectively.

Stock Repurchase Program

On August 7, 2020, the Company's Board of Directors approved a stock repurchase program that authorized the Company to repurchase up to $250 million of its outstanding shares of Common Stock and equivalents. In April 2021, the Board of Directors approved an increase in repurchase authority up to $500 million. In October 2021, the Board of Directors replaced the existing share repurchase program with a new share repurchase program that authorized the Company to repurchase up to $1.0 billion of its outstanding shares of Common Stock and equivalents. In July 2022, the Board of Directors approved an increase to the share repurchase program authorizing the Company to repurchase up to $1.0 billion of its outstanding shares of Common Stock and equivalents. The stock repurchase program does not obligate the Company to purchase any particular number of shares, and the timing and exact amount of any repurchases will depend on various factors, including market pricing, business, legal, accounting, and other considerations. The Company may repurchase its shares in open market transactions or through privately negotiated transactions in accordance with federal securities laws, at the Company's discretion. The repurchase program, which has no expiration date, may be increased, suspended, or terminated at any time. The program is expected to be implemented over the course of several years and will be conducted subject to the covenants in the agreements governing indebtedness.

During the year ended December 31, 2022, the Company repurchased 19,854,424 shares of Common Stock and stock equivalents for $756.9 million. During the year ended December 31, 2021, the Company repurchased 12,878,490 shares of Common Stock and stock equivalents for $365.9 million. As of December 31, 2022, $630.8 million of the approved repurchase pool remained available.

Accumulated Other Comprehensive Loss

The changes in accumulated other comprehensive loss ("AOCI"), net of tax, for the years ended December 31, 2022, 2021 and 2020, were as follows:

(in thousands)	Foreign Currency Translation	Unrealized losses on hedging activities	Total
Balance at December 31, 2019	$ (52,982)	$ (9,793)	$ (62,775)
Other comprehensive income (loss) before reclassifications	28,404	(11,874)	16,530
Reclassifications from AOCI to income [(a)]	—	10,125	10,125
Less other comprehensive (loss) income attributable to non-controlling interest	1,183	702	1,885
Impact of elimination of non-controlling interest on accumulated other comprehensive income	(1,299)	(1,673)	(2,972)
Balance at December 31, 2020	(24,694)	(12,513)	(37,207)
Other comprehensive income (loss) before reclassifications	(880)	(2,985)	(3,865)
Reclassifications from AOCI to income [(a)]	—	12,001	12,001
Balance at December 31, 2021	(25,574)	(3,497)	(29,071)
Other comprehensive loss before reclassifications	(44,548)	(1,033)	(45,581)
Reclassifications from AOCI to income [(a)]	—	4,530	4,530
Balance at December 31, 2022	$ (70,122)	$ —	$ (70,122)

(a) For the years ended December 31, 2022, 2021 and 2020, $4.5 million, $12.0 million and $10.1 million, respectively, was reclassified from AOCI into the consolidated statements of operations within interest expense related to the interest rate swaps discussed in Note 14. For the years ended December 31, 2022, 2021 and 2020, the Company recorded tax benefits of $1.1 million, $3.0 million and $2.4 million, respectively, associated with this reclassification.

NOTE 12 - Warrants

Warrants

2015 Public Warrants

In 2015, as part of its initial public offering, the Company issued warrants (the “2015 Public Warrants”). Each 2015 Public Warrant entitled the holder to purchase one-half of one share of WillScot Class A Common Stock at a price of $5.75 per half share (or $11.50 per whole share), subject to adjustment. In the first quarter of 2020, the 2015 Public Warrants were exercised or redeemed as follows: (i) 796,610 warrants were exercised for cash proceeds of $4.6 million and the Company issued 398,305 shares of Class A Common Stock, (ii) 5,836,048 warrants were exercised on a cashless basis and the Company issued 1,097,162 shares of Class A Common Stock, and (iii) 38,509 remaining warrants were redeemed for $0.01 per warrant. Effective February 2020, no 2015 Public Warrants were outstanding.

2015 Private Warrants

The Company also issued warrants to purchase its Common Stock in a private placement concurrently with its initial public offering (the “2015 Private Warrants”). The 2015 Private Warrants were purchased at a price of $0.50 per unit for an aggregate purchase price of $9.75 million. The 2015 Private Warrants were identical to the 2015 Public Warrants, except that, if held by certain original investors (or their permitted assignees), the 2015 Private Warrants could be exercised on a cashless basis and were not subject to redemption.

During the year ended December 31, 2020, 4,781,700 of the 2015 Private Warrants were repurchased for $21.6 million and cancelled, and 70,000 of the 2015 Private Warrants were exercised, resulting in the Company receiving cash proceeds of $0.4 million and issuing 35,000 shares of Common Stock. During the year ended December 31, 2021, 3,055,000 of the 2015 Private Warrants were repurchased for $25.5 million and cancelled, and 9,655,000 warrants were exercised on a cashless basis, resulting in the issuance of 2,939,898 shares of Common Stock. As a result of these transactions, effective May 2021, no 2015 Private Warrants were outstanding.

2018 Warrants

In connection with the acquisition of Modular Space Holdings, Inc. ("ModSpace") in 2018, the Company issued warrants to purchase approximately 10.0 million shares of WillScot Class A Common Stock (the "2018 Warrants") to former shareholders of ModSpace. Each 2018 Warrant entitled the holder to purchase one share of WillScot Class A Common Stock at an exercise price of $15.50 per share, subject to potential adjustment. The 2018 Warrants expired on November 29, 2022.

During the year ended December 31, 2020, 195,410 of the 2018 warrants were exercised, on a cashless basis, and 38,802 shares of the Company's Common Stock were issued. Also, during the year ended December 31, 2020, the Company repurchased and subsequently cancelled 51,865 of the 2018 warrants for approximately $0.3 million.

During the year ended December 31, 2021, 254,373 of the 2018 Warrants were repurchased for $2.9 million and cancelled. In addition, during the year ended December 31, 2021, 5,397,695 of the 2018 Warrants were exercised on a cashless basis, resulting in the issuance of 2,835,968 shares of Common Stock.

During the year ended December 31, 2022, 33,965 of the 2018 Warrants were repurchased for $0.6 million and cancelled. In addition, during the year ended December 31, 2022, 4,011,665 of the 2018 Warrants were exercised on a cashless basis, resulting in the issuance of 2,590,940 shares of Common Stock. The remaining 32,543 of 2018 Warrants expired on November 29, 2022. As a result of these transactions, at December 31, 2022, no 2018 Warrants were outstanding.

The Company accounted for its warrants as follows: (i) the 2015 Public Warrants as liabilities through their final redemption in February 2020, (ii) the 2015 Private Warrants as liabilities through their final repurchase or exercise in May 2021, and (iii) the 2018 Warrants as liabilities until June 30, 2020, the date all issued and outstanding shares of the Company's Class B Common Stock were cancelled. Subsequent to June 30, 2020, the 2018 Warrants were equity classified through their expiration in November 2022.

NOTE 13 – Income Taxes

The components of income tax expense (benefit) from continuing operations for the years ended December 31, are comprised of the following:

(in thousands)	2022	2021	2020
Current			
Federal	$ —	$ —	$ —
State	11,327	4,645	1,601
Foreign	6,204	1,795	77
Deferred			
Federal	63,585	23,707	(54,589)
State	8,917	(2,671)	(5,724)
Foreign	(1,170)	9,052	2,595
Total income tax expense (benefit) from continuing operations	$ 88,863	$ 36,528	$ (56,040)

Income tax expense (benefit) from continuing operations differed from the amount computed by applying the US statutory income tax rate of 21% to the income (loss) from continuing operations before income taxes for the following reasons for the years ended December 31,:

(in thousands)	2022	2021	2020
Income (loss) from continuing operations before income tax			
US	$ 341,412	$ 137,922	$ (1,553)
Foreign	23,792	13,501	5,086
Total income from continuing operations before income tax	$ 365,204	$ 151,423	$ 3,533
US Federal statutory income tax expense	$ 76,693	$ 31,798	$ 742
Effect of tax rates in foreign jurisdictions	1,085	743	372
State income tax expense, net of federal benefit	16,917	1,130	3,442
Valuation allowances	(6,907)	(2,595)	(56,585)
(Non-taxable) non-deductible items	1,147	(410)	198
Non-deductible executive compensation	1,258	2,309	1,449
Non-deductible transaction costs	—	33	4,425
Non-deductible (non-taxable) remeasurement of common stock warrant liabilities	—	5,585	(727)
Uncertain tax positions	(804)	(11,748)	(11,166)
Tax law changes (excluding valuation allowance) (a)	(94)	8,411	2,523
Other	(432)	1,272	(713)
Income tax expense (benefit) from continuing operations	$ 88,863	$ 36,528	$ (56,040)
Effective income tax rate	24.33 %	24.12 %	(1,586.19)%

(a) Tax law changes primarily represents changes in tax law in foreign jurisdictions.

Deferred Income Taxes

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities and their tax bases, as well as from net operating loss and carryforwards. Significant components of the Company's deferred tax assets and liabilities as of December 31, are as follows:

(in thousands)	2022	2021
Deferred tax assets		
Deferred interest expense	$ 133,223	$ 116,339
Employee benefit plans	6,233	4,167
Accrued liabilities	8,043	9,362
Deferred revenue	50,531	37,852
Operating lease liability	59,740	62,502
Other	21,270	18,315
Tax loss carryforwards	233,133	286,470
Deferred tax assets, gross	512,173	535,007
Valuation allowance	(2,245)	(10,323)
Net deferred income tax asset	$ 509,928	$ 524,684
Deferred tax liabilities		
Rental equipment and other property, plant and equipment	$ (770,964)	$ (710,372)
Intangible assets	(84,390)	(107,033)
ROU asset	(59,258)	(62,158)
Deferred gain	(26,691)	—
Deferred tax liability	(941,303)	(879,563)
Net deferred income tax liability	$ (431,375)	$ (354,879)

As of December 31, 2022, the net deferred income tax liability presented in the table above included net deferred tax liability of $29.7 million ($33.7 million of deferred tax liability, net of $4.0 million of deferred tax asset) related to the UK Storage Solutions segment and recorded in liabilities held for sale - non-current on the consolidated balance sheet.

As of December 31, 2021, the net deferred income tax liability presented in the table above included net deferred tax liability of $32.1 million ($36.8 million of deferred tax liability, net of $4.7 million of deferred tax asset) and $17.1 million ($37.2 million of deferred tax liability, net of $21.3 million of gross deferred tax asset, which was net of $1.2 million of valuation allowance) included in liabilities held for sale - non-current related to the UK Storage Solutions segment and the former Tank and Pump segment, respectively. See Note 3 for further information.

In general, ASC Topic 740, *Income Taxes* ("ASC 740") requires us to evaluate the realizability of our deferred tax assets and reduce the deferred tax assets by valuation allowances to the extent we determine some or all of our deferred tax assets are not more likely than not realizable. To determine the realizability, ASC 740 requires consideration of sources of available taxable income of the proper character and within the time period before which our deferred tax assets, if any, expire due to the passage of time.

The Company's valuation allowance decreased by $8.1 million from 2021, primarily related to a $7.1 million reduction to the valuation allowance on state NOL where the Company determined that it is more likely than not realizable due to sufficient current and future taxable income. Additionally, the valuation allowance decreased by $1.0 million from 2021 due to the sale of the former Tank and Pump segment.

Tax loss carryforwards as of December 31, 2022 are outlined in the table below and include US Federal, US State and foreign (Canada and Mexico). The availability of these tax losses to offset future income varies by jurisdiction. Furthermore, the ability to utilize the tax losses may be subject to additional limitations upon the occurrence of certain events, such as a change in the ownership of the Company. Some of the Company's tax attributes are subject to annual limitations due to historical changes in ownership from acquisitions, mergers or other related ownership shift events; however, the Company anticipates that our remaining available net operating losses will be consumed prior to their expiration.

The Company's tax loss carryforwards are as follows at December 31, 2022:

(in thousands)	Loss Carryforward	Deferred Tax	Expiration
Jurisdiction:			
US - Federal	$ 1,011,711	$ 209,119	2027 – 2037, Indefinite
US - State	484,295	23,395	2023 –2037, Indefinite
Foreign - Canada and Mexico	2,595	619	2032 – 2037
Total	$ 1,498,601	$ 233,133	

As of December 31, 2022, the total amount of the basis difference in investments outside the US, which are indefinitely reinvested and for which deferred taxes have not been provided, is approximately $139.5 million. The basis difference decreased in 2022 due to the basis difference in the UK no longer being deemed indefinitely reinvested following classification of the UK Storage Solution segment as held for sale. The tax, if any, associated with the recovery of the basis difference is dependent on the manner in which it is recovered and is not readily determinable.

Unrecognized Tax Positions

The Company is subject to taxation in US, Canada, Mexico, and state jurisdictions. The Company's tax returns are subject to examination by the applicable tax authorities prior to the expiration of statute of limitations for assessing additional taxes, which generally ranges from two to five years after the end of the applicable tax year. As of December 31, 2022, generally, tax years for 2015 through 2021 remain subject to examination by the tax authorities. In addition, in certain taxing jurisdictions, in the case of carryover tax attributes to years open for assessment, such attributes may be subject to reduction by taxing authorities.

A reconciliation of the beginning and ending amount of unrecognized tax benefits is as follows:

(in thousands)	2022	2021	2020
Unrecognized tax benefits – January 1,	$ 44,314	$ 54,494	$ 63,747
Increases based on tax positions related to current period	—	—	1,211
Increases based on tax positions related to prior period	—	9	—
Decrease from expiration of statute of limitations	(687)	(10,189)	(10,464)
Unrecognized tax benefits – December 31,	$ 43,627	$ 44,314	$ 54,494

At December 31, 2022, 2021 and 2020, respectively, there were $42.3 million, $43.3 million and $53.2 million of unrecognized tax benefits that, if recognized, would affect the annual effective tax rate.

The Company classifies interest on tax deficiencies and income tax penalties within income tax expense. During the years ended December 31, 2022, 2021 and 2020, the Company recognized approximately $0.1 million, $1.0 million, and $0.9 million in interest, respectively. The Company accrued approximately $0.4 million and $0.6 million for the payment of interest at December 31, 2022 and 2021, respectively.

Future tax settlements or statute of limitation expirations could result in a change to the Company's uncertain tax positions. As of December 31, 2022, the Company believes that it is reasonably possible that approximately $0.6 million of unrecognized tax benefits could decrease in the next twelve months as a result of the expiration of statutes of limitation, audit settlements or resolution of tax uncertainties.

NOTE 14 - Derivatives

Interest Rate Swap

In 2018, the Company entered into an interest rate swap agreement (the “Swap Agreement”) with a financial counterparty that effectively converted $400.0 million in aggregate notional amount of variable-rate debt under the Company’s ABL Facility into fixed-rate debt. Under the terms of the Swap Agreement, the Company received a floating rate equal to one-month LIBOR and made payments based on a fixed rate of 3.06% on the notional amount. The Swap Agreement was designated and qualified as a hedge of the Company’s exposure to changes in interest payment cash flows created by fluctuations in variable interest rates on the ABL Facility. The Swap Agreement terminated on May 29, 2022.

The location and the fair value of derivative instruments designated as hedges in the consolidated balance sheet as of December 31, 2021 was as follows:

(in thousands)	Balance Sheet Location	2021
Cash Flow Hedges:		
Interest rate swap	Accrued liabilities	$ 5,259

The fair value of the interest rate swap was based on dealer quotes of market forward rates, a Level 2 input on the fair value hierarchy, and reflected the amount that the Company would receive or pay for contracts involving the same attributes and maturity dates.

The following table discloses the impact of the interest rate swap, excluding the impact of income taxes, on other comprehensive income (“OCI”), AOCI and the Company’s statement of operations for the years ended December 31:

(in thousands)	2022	2021	2020
Gain (loss) recognized in OCI	$ 4,669	$ 11,677	$ (2,288)
Location of loss recognized in income	Interest expense, net	Interest expense, net	Interest expense, net
Loss reclassified from AOCI into income (effective portion)	$ (4,530)	$ (12,001)	$ (10,125)

Foreign Currency Contract

In December 2022, the Company executed a contingent forward contract to sell £330.0 million upon the closing of the sale of the UK Storage Solutions segment at a price ranging from 1.20550 to 1.20440 USD to British Pounds Sterling. The price was dependent upon the date of the closing of the sale. This contract, which was to expire on September 11, 2023, mitigated the foreign currency risk of the USD relative to the British Pound Sterling prior to the closing of the sale of the UK Storage Solutions segment. This contract did not qualify for hedge accounting and was revalued at fair value at the reporting period with unrealized gains and losses reflected in the Company's results of operations. Upon the closing of the sale of the UK Storage Solutions segment on January 31, 2023, the Company settled the contingent forward contract and received cash at an exchange rate of 1.205 USD to British Pounds Sterling.

The location and the fair value of the foreign currency contract in the consolidated balance sheet as of December 31, 2022 was as follows:

(in thousands)	Balance Sheet Location	2022
Derivative Contracts:		
Foreign currency contract	Accrued liabilities	$ 930

The fair value of the foreign currency contract was based on dealer quotes of market forward rates, a Level 2 input on the fair value hierarchy, and reflected the amount that the Company would receive or pay for contracts involving the same attributes and maturity dates.

The following table discloses the impact of the foreign currency contract, excluding the impact of income taxes, on the Company’s statement of operations for the year ended December 31, 2022:

(in thousands)	2022
Loss recognized in income	$ 930
Location of loss recognized in income	Currency losses (gains), net

NOTE 15 - Fair Value Measures

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Company utilizes the suggested accounting guidance for the three levels of inputs that may be used to measure fair value:

Level 1 - Observable inputs such as quoted prices in active markets for identical assets or liabilities;
Level 2 - Observable inputs, other than Level 1 inputs in active markets, that are observable either directly or indirectly; and
Level 3 - Unobservable inputs for which there is little or no market data, which require the reporting entity to develop its own assumptions

The Company has assessed that the fair value of cash and short-term deposits, trade receivables, trade payables, capital lease and other financing obligations, and other current liabilities approximate their carrying amounts.

The following table shows the carrying amounts and fair values of financial assets and liabilities, including their levels in the fair value hierarchy:

	December 31, 2022				December 31, 2021			
		Fair Value				Fair Value		
(in thousands)	Carrying Amount	Level 1	Level 2	Level 3	Carrying Amount	Level 1	Level 2	Level 3
ABL Facility[(a)]	$ 1,988,176	$ —	$ 2,020,000	$ —	$ 1,612,783	$ —	$ 1,644,500	$ —
2025 Secured Notes[(a)]	520,350	—	526,800	—	518,117	—	551,835	—
2028 Secured Notes[(a)]	493,470	—	450,135	—	492,490	—	515,635	—
Total	$ 3,001,996	$ —	$ 2,996,935	$ —	$ 2,623,390	$ —	$ 2,711,970	$ —

(a) The carrying values of the ABL Facility, the 2025 Secured Notes, and the 2028 Secured Notes included $31.8 million, $6.2 million, and $6.5 million of unamortized debt issuance costs as of December 31, 2022, which were presented as a direct reduction of the corresponding liability. As of December 31, 2021, the carrying values of the ABL Facility, the 2025 Secured Notes, and the 2028 Secured Notes included $31.7 million, $8.4 million, and $7.5 million of unamortized debt issuance costs which were presented as a direct reduction of the corresponding liability.

There were no transfers of financial instruments between the three levels of the fair value hierarchy during the years ended December 31, 2022 and 2021. The carrying value of the ABL Facility, excluding debt issuance costs, approximates fair value as the interest rates are variable and reflective of market rates. The fair values of the 2025 Secured Notes and the 2028 Secured Notes are based on their last trading price at the end of each period obtained from a third party. The location and the fair value of derivative assets and liabilities in the consolidated balance sheet are disclosed in Note 14.

As part of the Merger, on July 2, 2020, the Company converted Mobile Mini's outstanding fully vested stock options to 7,361,516 WillScot Mobile Mini stock options using a conversion ratio of 2.405 as set by the merger agreement. The fair value of these options was valued at $19.3 million and is part of the purchase consideration. The value of the Mobile Mini stock options converted to WillScot Mobile Mini stock options in connection with the Merger, was determined utilizing the Black-Scholes option-pricing model and is affected by several variables, the most significant of which are the expected life of the equity award, the exercise price of the stock option as compared to the fair market value of the Common Stock on the Merger date, and the estimated volatility of the Common Stock over the term of the equity award. The volatility assumption was based on a blend of peer group volatility and Company trading history as the Company did not have a sufficient trading history as a stand-alone public company to rely exclusively on its own trading history. The risk-free interest rate is based on the US Treasury yield curve in effect at the time of the Merger. The key inputs utilized to determine the fair value of the stock options converted included within the purchase price were expected volatility of 51.92%, risk free rate of interest 0.17%, dividend yield of zero and expected life of 2 years.

Level 3 Disclosures

When the 2015 Private Warrants and 2018 Warrants were classified as liabilities, the Company utilized a Black Scholes option-pricing model to value the warrants at each reporting period and transaction date, with changes in fair value recognized in the statements of operations. The estimated fair value of the common stock warrant liability was determined using Level 3 inputs. Inherent in the pricing model were assumptions related to expected share-price volatility, expected life, risk-free interest rate and dividend yield. The volatility assumption was based on a blend of peer group volatility and Company trading history that matched the expected remaining life of the warrants as the Company did not have a sufficient trading history as a stand-alone public company to rely exclusively on its own trading history. The risk-free interest rate was based on the US Treasury zero-coupon yield curve on the grant date for a maturity similar to the expected remaining life of the warrants. The expected life of the warrants was assumed to be equivalent to their remaining contractual term. The dividend rate was based on the historical rate, which the Company anticipated to remain at zero.

The 2018 Warrants were reclassified to equity at June 30, 2020, the date all issued and outstanding shares of the Company's Class B Common Stock were cancelled.

The following table presents changes in Level 3 liabilities measured at fair value for the year ended December 31, 2021:

(in thousands)	2015 Private Warrants
Balance - beginning of year	$ 77,404
Exercise or conversion	(78,495)
Measurement adjustment	25,486
Repurchases	(24,395)
Balance - end of year	$ —

NOTE 16 - Stock-Based Compensation

Restricted Stock Awards

The following table summarizes the Company's RSA activity during the years ended December 31, 2022, 2021 and 2020:

	Number of Shares	Weighted-Average Grant Date Fair Value
Balance December 31, 2019	52,755	$ 14.69
Granted	65,959	$ 11.75
Vested	(61,266)	$ 14.28
Balance December 31, 2020	57,448	$ 11.75
Granted	44,708	$ 29.30
Forfeited	(8,532)	$ 29.30
Vested	(57,448)	$ 11.75
Balance December 31, 2021	36,176	$ 29.30
Granted	35,244	$ 37.17
Vested	(36,176)	$ 29.30
Balance December 31, 2022	35,244	$ 37.17

Compensation expense for RSAs recognized in SG&A expense in the consolidated statements of operations was $1.2 million, $0.8 million, and $0.9 million for the years ended December 31, 2022, 2021, and 2020, respectively. At December 31, 2022, unrecognized compensation cost related to RSAs totaled $0.6 million and was expected to be recognized over the remaining weighted average vesting period of 0.7 years. The total fair value of RSA's vested in 2022, 2021, and 2020 was $1.3 million, $1.6 million, and $0.9 million, respectively.

Time-Based RSUs

The following table summarizes the Company's Time-Based RSU activity during the years ended December 31, 2022, 2021 and 2020:

	Number of Shares		Weighted-Average Grant Date Fair Value
Balance December 31, 2019	1,065,305	$	12.78
Granted	632,864	$	14.37
Forfeited	(33,558)	$	13.28
Vested	(338,749)	$	13.02
Balance December 31, 2020	1,325,862	$	13.46
Granted	415,737	$	27.25
Forfeited	(72,505)	$	17.80
Vested	(671,643)	$	13.99
Balance December 31, 2021	997,451	$	18.54
Granted	377,804	$	35.40
Forfeited	(106,570)	$	31.35
Vested	(478,906)	$	16.42
Balance December 31, 2022	789,779	$	26.16

Compensation expense for Time-Based RSUs recognized in SG&A expense in the consolidated statements of operations was $8.2 million, $9.0 million, and $5.6 million for the years ended December 31, 2022, 2021, and 2020, respectively. At December 31, 2022, unrecognized compensation cost related to Time-Based RSUs totaled $13.7 million and was expected to be recognized over the remaining weighted average vesting period of 2.4 years. The total fair value of RSU's vested in 2022, 2021, and 2020 was $18.0 million, $18.5 million, and $2.9 million, respectively.

Included in restructuring costs for the year ended December 31, 2021 was expense of approximately $5.9 million recognized as a result of the modification of certain RSUs with the Transition, Separation and Release Agreement entered into on February 25, 2021, with the Company's former President and Chief Operating Officer.

Performance-Based RSUs

The following table summarizes the Company's Performance-Based RSU award activity during the years ended December 31, 2022 and 2021 and 2020:

	Number of Shares		Weighted-Average Grant Date Fair Value
Balance December 31, 2019	288,281	$	13.22
Granted	325,256	$	16.35
Forfeited	(12,700)	$	14.70
Vested	(7,449)	$	16.82
Balance December 31, 2020	593,388	$	14.88
Granted	977,645	$	33.21
Forfeited	(23,753)	$	27.92
Vested	(10,886)	$	14.70
Balance December 31, 2021	1,536,394	$	26.34
Granted	745,079	$	42.34
Forfeited	(74,071)	$	41.66
Vested	(313,152)	$	16.45
Balance December 31, 2022	1,894,250	$	33.67

Compensation expense for Performance-Based RSUs recognized in SG&A expense in the consolidated statements of operations was $20.2 million, $8.3 million and $2.5 million for the years ended December 31, 2022, 2021, and 2020, respectively. At December 31, 2022, unrecognized compensation cost related to Performance-Based RSUs totaled $35.8 million and was expected to be recognized over the remaining vesting period of 2.3 years. The total fair value of Performance-

Based RSU's vested in 2022, 2021, and 2020 was $11.9 million, $0.3 million and $0.2 million, respectively. Refer to Note 1 for the details of conditions required for the performance-based RSUs to vest.

Included in restructuring costs for the year ended December 31, 2021, was expense of approximately $1.3 million recognized as a result of the modification of certain Performance-Based RSUs with the Transition, Separation and Release Agreement entered into on February 25, 2021, with the Company's former President and Chief Operating Officer.

Stock Options

The following table summarizes the Company's stock option activity during the years ended December 31, 2022, 2021 and 2020:

	WillScot Options	Weighted-Average Exercise Price per Share	Converted Mobile Mini Options	Weighted-Average Exercise Price per Share
Balance December 31, 2019	534,188	$ 13.60	—	$ —
Converted at Merger	—	$ —	7,361,516	$ 13.52
Exercised	—	$ —	(428,653)	$ 13.07
Cancelled in settlement, net of taxes	—	$ —	(4,901,408)	$ 13.04
Balance December 31, 2020	534,188	$ 13.60	2,031,455	$ 14.78
Forfeited	—	$ —	(6,240)	$ 12.19
Exercised	—	$ —	(497,572)	$ 15.21
Balance at December 31, 2021	534,188	$ 13.60	1,527,643	$ 14.66
Exercised	—	$ —	(663,367)	$ 16.93
Balance at December 31, 2022	534,188	$ 13.60	864,276	$ 12.91
Fully vested and exercisable options, December 31, 2022	534,188	$ 13.60	864,276	$ 12.91

Under our stock option plans, the Company may issue shares on a net basis at the request of the option holder. This occurs by netting the option costs in shares from the shares exercised. No options were granted in the years ended December 31, 2022, 2021, and 2020.

At December 31, 2022, the intrinsic value of both stock options outstanding and stock options fully vested and currently exercisable was $44.7 million. At December 31, 2022, the weighted-average remaining contractual term of options outstanding was 5.2 years for WillScot options and 4.1 years for converted Mobile Mini options. The total pre-tax intrinsic value of stock options exercised during the years ended December 31, 2022, 2021, and 2020 was $16.0 million, $6.2 million and $30.7 million, respectively.

Compensation expense for stock option awards, recognized in SG&A expense in the consolidated statements of operations was $0.2 million, $0.7 million, and $0.7 million for the years ended December 31, 2022, 2021, and 2020, respectively. At December 31, 2022, all compensation cost related to stock option awards had been recognized.

NOTE 17 - Commitments and Contingencies

The Company is involved in various lawsuits, claims and legal proceedings that arise in the ordinary course of business. The Company assesses these matters on a case-by-case basis as they arise and establishes reserves as required. As of December 31, 2022, with respect to these outstanding matters, the Company believes that the amount or range of reasonably possible loss will not, either individually or in the aggregate, have a material adverse effect on the consolidated financial position, results of operations, or cash flows. However, the outcome of such matters is inherently unpredictable and subject to significant uncertainties.

NOTE 18 - Segment Reporting

The divestitures of the UK Storage Solutions segment and the former Tank and Pump segment completed the Company's transition of its portfolio to its core modular space and storage solutions businesses in North America. Following the completion of these transactions, the Company operates in two reportable segments and renamed them as follows: Modular Solutions ("Modular") and Storage Solutions ("Storage").

Prior to the third quarter of 2021, the Modular segment represented the activities of WillScot historical segments prior to the Merger. During the third quarter of 2021, the majority of the portable storage product business within the Modular segment was transitioned to the Storage segment, and associated revenues, expenses, and operating metrics beginning in the third quarter of 2021 were transferred to the Storage segment, representing a shift of approximately $5.0 million of revenue and gross margin per quarter from the Modular segment to the Storage segment. This adjustment was not made to the historical segment results of prior periods, as the Company believes such adjustments to be immaterial.

Total assets for each reportable segment are not available because the Company utilizes a centralized approach to working capital management.

The Company defines EBITDA as net income (loss) plus interest (income) expense, income tax (benefit) expense, depreciation and amortization. The Company reflects the further adjustments to EBITDA ("Adjusted EBITDA") to exclude certain non-cash items and the effect of what the Company considers transactions or events not related to its core and ongoing business operations. In addition, the Chief Operating Decision Maker ("CODM") evaluates business segment performance utilizing Adjusted EBITDA as shown in the reconciliation of the Company's income from continuing operations to Adjusted EBITDA below. Management believes that evaluating segment performance excluding such items is meaningful because it provides insight with respect to the intrinsic and ongoing operating results of the Company. The Company also regularly evaluates gross profit by segment to assist in the assessment of its operational performance. The Company considers Adjusted EBITDA to be the more important metric because it more fully captures the business performance of the segments, inclusive of indirect costs.

Reportable Segments

The following tables set forth certain information regarding each of the Company's reportable segments for the years ended December 31, 2022, 2021, and 2020, respectively. Consistent with the financial statements, the segment results only include results from Mobile Mini's operations after July 1, 2020, the Merger date.

	Year Ended December 31, 2022			
(in thousands)	Modular	Storage	Unallocated Costs	Total
Revenues:				
Leasing and services revenue:				
Leasing	$ 1,034,300	$ 587,390		$ 1,621,690
Delivery and installation	279,841	149,311		429,152
Sales revenue:				
New units	34,061	6,277		40,338
Rental units	43,611	7,832		51,443
Total revenues	1,391,813	750,810		2,142,623
Costs:				
Cost of leasing and services:				
Leasing	284,803	92,065		376,868
Delivery and installation	227,543	95,093		322,636
Cost of sales:				
New units	20,514	3,497		24,011
Rental units	21,584	5,323		26,907
Depreciation of rental equipment	225,058	31,661		256,719
Gross profit	$ 612,311	$ 523,171		$ 1,135,482
Other selected data:				
Adjusted EBITDA from continuing operations	$ 529,109	$ 354,765	$ —	$ 883,874
Selling, general and administrative expense (a)	$ 316,272	$ 204,397	$ 46,570	$ 567,239
Purchases of rental equipment and refurbishments	$ 279,079	$ 118,297	$ —	$ 397,376

(a) Includes both SG&A expense and Transaction costs from the consolidated statement of operations.

(in thousands)	Year Ended December 31, 2021 Modular	Storage	Unallocated Costs	Total
Revenues:				
Leasing and services revenue:				
Leasing	$ 864,923	$ 387,567		$ 1,252,490
Delivery and installation	219,385	101,744		321,129
Sales revenue:				
New units	40,366	6,627		46,993
Rental units	39,505	12,863		52,368
Total Revenues	1,164,179	508,801		1,672,980
Costs:				
Cost of leasing and services:				
Leasing	229,129	53,447		282,576
Delivery and installation	196,137	71,396		267,533
Cost of sales:				
New units	27,415	3,933		31,348
Rental units	20,592	7,438		28,030
Depreciation of rental equipment	194,461	24,329		218,790
Gross profit	$ 496,445	$ 348,258		$ 844,703
Other selected data:				
Adjusted EBITDA from continuing operations	$ 423,004	$ 226,600	$ —	$ 649,604
Selling, general and administrative expense (a)	$ 266,187	$ 150,281	$ 49,185	$ 465,653
Purchases of rental equipment and refurbishments	$ 187,495	$ 45,426	$ —	$ 232,921

(a) Includes both SG&A expense and Transaction costs from the consolidated statement of operations.

(in thousands)	Year Ended December 31, 2020 Modular	Storage	Unallocated Costs	Total
Revenues:				
Leasing and services revenue:				
Leasing	$ 770,330	$ 166,128		$ 936,458
Delivery and installation	208,079	42,655		250,734
Sales revenue:				
New units	41,858	6,976		48,834
Rental units	30,895	6,070		36,965
Total revenues	1,051,162	221,829		1,272,991
Costs:				
Cost of leasing and services:				
Leasing	194,442	19,925		214,367
Delivery and installation	175,705	27,029		202,734
Cost of sales:				
New units	27,555	4,244		31,799
Rental units	19,213	4,261		23,474
Depreciation of rental equipment	182,605	9,585		192,190
Gross profit	$ 451,642	$ 156,785		$ 608,427
Other selected data:				
Adjusted EBITDA from continuing operations	$ 394,805	$ 99,837	$ —	$ 494,642
Selling, general and administrative expense (a)	$ 242,010	$ 68,574	$ 91,864	$ 402,448
Purchase of rental equipment and refurbishments	$ 153,327	$ 14,969	$ —	$ 168,296

(a) Includes both SG&A expense and Transaction costs from the consolidated statement of operations.

The following tables present a reconciliation of the Company's Income from continuing operations to Adjusted EBITDA for the years ended December 31, 2022, 2021, and 2020, respectively:

	Year Ended December 31,		
(in thousands)	2022	2021	2020
Income from continuing operations	$ 276,341	$ 114,895	$ 58,360
Income from continuing operations attributable to non-controlling interest, net of tax	—	—	1,213
Income tax expense (benefit) from continuing operations	88,863	36,528	(56,040)
Loss on extinguishment of debt	—	5,999	42,401
Fair value loss (gain) on common stock warrant liabilities	—	26,597	(3,461)
Interest expense	146,278	116,358	119,319
Depreciation and amortization	319,099	280,567	227,371
Currency losses (gains), net	886	427	(257)
Restructuring costs, lease impairment expense and other related charges	168	14,754	10,985
Transaction costs	25	1,375	64,053
Integration costs	15,484	28,410	18,337
Stock compensation expense	29,613	18,728	9,879
Other	7,117	4,966	2,482
Adjusted EBITDA from continuing operations	$ 883,874	$ 649,604	$ 494,642

Included in restructuring costs for the year ended December 31, 2021 was expense of approximately $7.2 million recognized as a result of the modification of certain equity awards associated with the Transition, Separation and Release Agreement entered into on February 25, 2021 with the Company's former President and Chief Operating Officer. For the year ended December 31, 2021, stock-based compensation expense reported in the Statement of Cash Flows included these charges.

Assets

Assets related to the Company's reportable segments include the following:

(in thousands)	Modular	Storage	Total
As of December 31, 2022:			
Goodwill	$ 518,877	$ 492,552	$ 1,011,429
Intangible assets, net	$ 125,000	$ 294,125	$ 419,125
Rental equipment, net	$ 2,004,055	$ 1,073,232	$ 3,077,287
As of December 31, 2021:			
Goodwill	$ 521,049	$ 492,552	$ 1,013,601
Intangible assets, net	$ 125,000	$ 317,875	$ 442,875
Rental equipment, net	$ 1,877,978	$ 899,822	$ 2,777,800

NOTE 19 - Earnings Per Share

Basic earnings per share ("EPS") is calculated by dividing net income attributable to WillScot Mobile Mini common shareholders by the weighted average number of shares of Common Stock outstanding during the period. The shares of Common Stock issued as a result of the vesting of RSUs and RSAs as well as the exercise of stock options or redemption of warrants are included in EPS based on the weighted average number of days in which they were outstanding during the period.

Prior to June 30, 2020, the Company had shares of Class B Common Stock which had no rights to dividends or distributions made by the Company and, in turn, were excluded from the EPS calculation. On June 30, 2020, all shares of Class B Common Stock were cancelled.

Diluted EPS is computed similarly to basic EPS, except that it includes the potential dilution that could occur if dilutive securities were exercised. Effects of potentially dilutive securities are presented only in periods in which they are dilutive. When liability-classified warrants are in the money and the impact of their inclusion on diluted EPS is dilutive, diluted EPS also assumes share settlement of such instruments through an adjustment to net income available to common stockholders for the fair value (gain) loss on common stock warrant liabilities and inclusion of the number of dilutive shares in the denominator.

The following table reconciles income from continuing operations attributable to WillScot Mobile Mini common shareholders to net income attributable to common shareholders for the dilutive EPS calculation and the weighted average shares outstanding for the basic calculation to the weighted average shares outstanding for the diluted calculation for the years ended December 31:

(in thousands)	2022	2021	2020
Numerator:			
Income from continuing operations attributable to WillScot Mobile Mini common shareholders	$ 276,341	$ 114,895	$ 58,360
Income from discontinued operations	63,199	45,249	15,767
Net income attributable to common shareholders - basic	339,540	160,144	74,127
Fair value gain on common stock warrant liabilities	—	—	(30,524)
Net income attributable to common shareholders - dilutive	$ 339,540	$ 160,144	$ 43,603
Denominator:			
Weighted average Common Shares outstanding - basic	216,809	226,519	169,230
Dilutive effect of outstanding securities:			
Warrants	1,605	3,589	752
RSAs	18	24	39
Time-Based RSUs	401	594	778
Performance-Based and Market-Based RSUs	1,471	955	544
Stock Options	1,095	1,113	634
Class B common shares	N/A	N/A	5,291
Weighted average Common Shares outstanding - dilutive	221,399	232,794	177,268

The following potential common shares were excluded from the computation of dilutive EPS because their effect would have been anti-dilutive:

(in thousands)	2022	2021	2020
Warrants	—	—	2,366
RSAs	—	—	—
Time-based RSUs	—	—	—
Performance-based RSUs	591	375	—
Stock Options	—	—	—
Class B common shares	N/A	N/A	—

NOTE 20 - Quarterly Financial Data (Unaudited)

The following tables present certain unaudited consolidated quarterly financial information incorporating the impact of the discontinued operations described in Note 3.

(in thousands, except share and per share data)	Quarter Ended			
2022	**March 31**	**June 30**	**September 30**	**December 31**
Total revenue	$ 451,171	$ 522,890	$ 578,008	$ 590,554
Gross profit	$ 234,061	$ 275,213	$ 297,885	$ 328,323
Income from continuing operations	$ 39,048	$ 60,099	$ 78,176	$ 99,018
Net income	$ 51,171	$ 73,376	$ 128,593	$ 86,400
Earnings per share from continuing operations:				
Basic	$ 0.17	$ 0.27	$ 0.37	$ 0.46
Diluted	$ 0.17	$ 0.26	$ 0.36	$ 0.46
Earnings per share attributable to WillScot Mobile Mini common shareholders:				
Basic	$ 0.23	$ 0.33	$ 0.60	$ 0.41
Diluted	$ 0.22	$ 0.32	$ 0.59	$ 0.40
Weighted average shares:				
Basic	223,490,912	223,376,276	213,636,876	209,373,239
Diluted	228,955,504	227,484,012	217,927,725	213,872,403

(in thousands, except share and per share data)	Quarter Ended			
2021	**March 31**	**June 30**	**September 30**	**December 31**
Total revenue	$ 373,971	$ 405,177	$ 432,947	$ 460,885
Gross profit	$ 185,619	$ 191,860	$ 220,349	$ 246,875
(Loss) income from continuing operations	$ (6,147)	$ 10,050	$ 48,580	$ 62,412
Net income	$ 4,447	$ 20,371	$ 61,103	$ 74,223
(Loss) earnings per share from continuing operations attributable to WillScot Mobile Mini common shareholders:				
Basic	$ (0.03)	$ 0.04	$ 0.21	$ 0.28
Diluted	$ (0.03)	$ 0.04	$ 0.20	$ 0.27
Earnings per share attributable to WillScot Mobile Mini common shareholders:				
Basic	$ 0.02	$ 0.09	$ 0.27	$ 0.33
Diluted	$ 0.02	$ 0.09	$ 0.26	$ 0.32
Weighted average shares:				
Basic	228,293,197	228,406,812	225,998,202	223,436,603
Diluted	234,720,295	236,536,713	231,868,397	229,965,703

NOTE 21 - Subsequent Events

In January 2023, the Company entered into two interest rate swap agreements with financial counterparties relating to $750.0 million in aggregate notional amount of variable-rate debt under the Company’s ABL Facility. Under the terms of the agreements, the Company receives a floating rate equal to one-month term SOFR and will make payments based on a weighted average fixed interest rate of 3.44% on the notional amount. The swap agreements were designated and qualified as hedges of the Company’s exposure to changes in interest payment cash flows created by fluctuations in variable interest rates on the ABL Facility. The swap agreements terminate on June 30, 2027.

ITEM 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

ITEM 9A. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our management, with participation of our Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934 as amended (the "Exchange Act") as of December 31, 2022. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of December 31, 2022.

Management's Report on Internal Control over Financial Reporting

As required by SEC rules and regulations, our management is responsible for establishing and maintaining adequate internal control over financial reporting ("ICFR"), as such term is defined in Exchange Act Rule 13a-15(f). Our ICFR is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of our consolidated financial statements for external reporting purposes in accordance with GAAP. Our ICFR includes policies and procedures that: (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the Company's assets, (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP, and that receipts and expenditures are being made only in accordance with the authorization of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

ICFR, no matter how well designed, has inherent limitations and may not prevent or detect misstatements in our consolidated financial statements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Under the supervision of the Chief Executive Officer and Chief Financial Officer, management assessed the effectiveness of the Company's ICFR as of December 31, 2022 using the criteria set forth in *Internal Control - Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 Framework). Based on that assessment, the Company's management believes that, as of December 31, 2022, the Company's ICFR was effective based on those criteria.

The effectiveness of the Company's ICFR as of December 31, 2022 has been audited by Ernst & Young LLP, an independent registered public accounting firm, as stated in their report appearing below, which expresses an unqualified opinion on the effectiveness of the Company's internal control over financial reporting as of December 31, 2022.

Changes in Internal Control over Financial Reporting

There were no changes in our ICFR that occurred during the quarter ended December 31, 2022 that materially affected, or are reasonably likely to materially affect, our ICFR.

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of WillScot Mobile Mini Holdings Corp.

Opinion on Internal Control Over Financial Reporting

We have audited WillScot Mobile Mini Holdings Corp.'s internal control over financial reporting as of December 31, 2022, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, WillScot Mobile Mini Holdings Corp. (the Company) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2022, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the 2022 consolidated financial statements of the Company and our report dated February 22, 2023 expressed an unqualified opinion thereon.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young LLP

Baltimore, Maryland

February 22, 2023

ITEM 9B. Other Information

None

PART III

ITEM 10. Directors, Executive Officers and Corporate Governance

The information to be included under the captions “Director Nominee Biographies & Qualifications,” “Codes of Business Conduct and Ethics,” and “Audit Committee,” in the Company’s definitive proxy statement for the 2023 annual meeting of stockholders, to be filed with the Securities and Exchange Commission, is hereby incorporated by reference in answer to this item.

ITEM 11. Executive Compensation

The information to be included under the captions “Executive Compensation,” “Compensation Committee Interlocks and Insider Participation,” and “Compensation Committee Report,” in the Company’s definitive proxy statement for the 2023 annual meeting of stockholders, to be filed with the Securities and Exchange Commission, is hereby incorporated by reference in answer to this item.

ITEM 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The information to be included under the captions “Security Ownership of Certain Beneficial Owners and Management,” in the Company’s definitive proxy statement for the 2023 annual meeting of stockholders, to be filed with the Securities and Exchange Commission, is hereby incorporated by reference in answer to this item.

Securities Authorized for Issuance under Equity Compensation Plans

On February 5, 2018, we filed a registration statement on Form S-8, registering 4,000,000 shares of Common Stock, relating to awards to be undertaken in the future, with such vesting conditions, as applicable, to be determined in accordance with the WillScot Corporation 2017 Incentive Award Plan (the "2017 Incentive Award Plan"). On July 2, 2020, we filed a registration statement on Form S-8 registering 6,488,988 shares of Common Stock (including 1,488,988 shares that remained available under the 2017 Incentive Award Plan), relating to awards to be undertaken in the future, with such vesting conditions, as applicable, to be determined in accordance with the WillScot Mobile Mini 2020 Incentive Award Plan (the "2020 Incentive Plan"). The following types of awards can be issued under the 2020 Incentive Plan: non-qualified stock options, incentive stock options, stock appreciation rights, restricted stock awards, restricted stock units, performance compensation awards and stock bonus awards. See Note 16 in Part II, Item 8 herein for additional information.

The following table sets forth information as of December 31, 2022 with respect to compensation plans under which equity securities are authorized for issuance:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights		Weighted-average exercise price of outstanding options, warrants, and rights		Number of securities remaining available for issuance under equity compensation plans (excluding securities reflected the first column)
Equity compensation plans approved by security holders	3,344,121	(1)	$ 13.60	(2)	3,999,228
Equity compensation plans not approved by security holders	N/A		N/A		N/A
Total	3,344,121		$ 13.60		3,999,228

(1) Includes (a) 0.5 million stock options, (b) 0.8 million restricted stock units and 2.0 million performance-based restricted stock units based on relative total stockholder return ("TSR") attainment levels at December 31, 2022, and (c) 0.04 million restricted stock awards issued to non-employee directors.

(2) The weighted-average exercise price is reported for the outstanding stock options reported in the first column. There are no exercise prices for the restricted stock units, performance-based restricted stock units or restricted stock awards in the first column.

In connection with the Merger, on July 2, 2020, we converted Mobile Mini's outstanding fully vested stock options to 7,361,516 WillScot Mobile Mini stock options using a conversion ratio of 2.405. As of December 31, 2022, 864,276 options were outstanding and exercisable; each option is exercisable for one share of Common Stock. The weighted average exercise price of the outstanding options was $12.91 as of December 31, 2022. These options are not included in the table above as they were not issued under the incentive award plans.

ITEM 13. Certain Relationships and Related Transactions, and Director Independence

The information to be included under the captions “Director Independence,” in the Company’s definitive proxy statement for the 2023 annual meeting of stockholders, to be filed with the Securities and Exchange Commission, is hereby incorporated by reference in answer to this item.

ITEM 14. Principal Accounting Fees and Services

The information to be included under the caption “Independent Registered Public Accounting Firm Fee Information,” if applicable, in the Company’s definitive proxy statement for the 2023 annual meeting of stockholders, to be filed with the Securities and Exchange Commission, is hereby incorporated by reference in answer to this item.

PART IV

ITEM 15. Exhibits and Financial Statement Schedules

The following documents are filed as part of this report:

Consolidated Financial Statements

Financial Statement Schedule

All schedules have been omitted because the information required to be set forth therein is not applicable or is shown in the financial statements or notes thereto.

Exhibits

The exhibits listed in the accompanying Exhibit Index are filed or incorporated by reference as part of this Annual Report on Form 10-K.

Exhibit Index

Exhibit No.	Exhibit Description
3.1	Amended and Restated Certificate of Incorporation of WillScot Mobile Mini Holdings Corp (incorporated by reference to Exhibit 3.1(b) to the Current Report on Form 8-K of WillScot Corporation, filed July 1, 2020).
3.2	Certificate of Amendment of Certificate of Incorporation of WillScot Mobile Mini Holdings Corp (incorporated by reference to Exhibit 3.1 of the Company's Current Report on Form 8-K, filed June 16, 2021)
3.3	Certificate of Amendment of Certificate of Incorporation of WillScot Mobile Mini Holdings Corp (incorporated by reference to Exhibit 3.1 of the Company's Current Report on Form 8-K, filed June 3, 2022)
3.4	Fifth Amended and Restated Bylaws of WillScot Mobile Mini Holdings Corp. (incorporated by reference to Exhibit 3.1 of the Company's Current Report on Form 8-K, filed November 2, 2022).
4.1	Specimen Common Stock Certificate
4.2	Indenture, dated as of June 15, 2020, by and between Picasso Finance Sub, Inc., and Deutsche Bank Trust Company Americas, as trustee (incorporated by reference to Exhibit 4.1 of WillScot Corporation's Report on Form 8-K, filed June 16, 2020).
4.3	Supplemental Indenture, dated July 1, 2020, to the Indenture dated June 15, 2020, by and among Williams Scotsman International, Inc. (as successor to Picasso Finance Sub, Inc.), the guarantors party thereto and Deutsche Bank Trust Company Americas, as trustee (incorporated by reference to Exhibit 4.1 to WillScot Corporation's Current Report on Form 8-K, filed July 1, 2020).
4.4	Indenture, dated as of August 25, 2020, by and between Williams Scotsman International, Inc., the guarantors named therein, and Deutsche Bank Trust Company Americas, as trustee (incorporated by reference to Exhibit 4.1 to WillScot Corporation's Current Report on Form 8-K, filed on August 27, 2020.
4.5	Shareholders Agreement, dated July 1, 2020, by and among WillScot Mobile Mini Holdings Corp., Sapphire Holdings, S.á r.l., TDR Capital Holdings L.P. and TDR Capital, L.L.P (incorporated by reference to Exhibit 1.1 of the Company's Current Report on Form 8-K, filed July 1, 2020).
4.6	Second Supplemental Indenture, dated December 23, 2021, to the Indenture dated June 15, 2020, by and among Williams Scotsman, Inc., the guarantors party thereto and Deutsche Bank Trust Company Americas, as trustee and collateral agent (incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K, filed December 27, 2021).
4.7	First Supplemental Indenture, dated December 23, 2021, to the Indenture dated August 25, 2020, by and among Williams Scotsman, Inc., the guarantors party thereto and Deutsche Bank Trust Company Americas, as trustee and collateral agent (incorporated by reference to Exhibit 4.2 of the Company's Current Report on Form 8-K, filed December 27, 2021).
4.8	Description of Registered Securities
10.1	ABL Credit Agreement, dated July 1, 2020, by and among Williams Scotsman Holdings Corp., WSII, the guarantors party thereto, the lenders party thereto, and Bank of America, N.A., as administrative agent and collateral agent (incorporated by reference to Exhibit 10.1 of the Company's Current Report on Form 8-K, filed July 1, 2020).
10.2	Form of Indemnification Agreement (incorporated by reference to Exhibit 10.2 of the Company's Current Report on Form 8-K, filed July 1, 2020).
10.3	WillScot Mobile Mini Holdings Corp. 2020 Incentive Plan (incorporated by reference to Exhibit 10.3 of the Company's Current Report on Form 8-K, filed July 1, 2020).
10.4	Form of Restricted Stock Unit Agreement (incorporated by reference to Exhibit 10.4 of the Company's Current Report on Form 8-K, filed July 1, 2020).
10.5	Form of Performance-Based Restricted Stock Unit Agreement (incorporated by reference to Exhibit 10.5 of the Company's Current Report on Form 8-K, filed July 1, 2020).
10.6	Amended and Restated Employment Agreement, dated as of September 7, 2021, by and between WillScot Mobile Mini Holdings Corp. and Bradley Soultz (incorporated by reference to Exhibit 10.1 of the Company's Current Report on Form 8-K, filed September 8, 2021).
10.7	Amended and Restated Employment Agreement, dated as of September 7, 2021, by and between WillScot Mobile Mini Holdings Corp. and Timothy Boswell (incorporated by reference to Exhibit 10.2 of the Company's Current Report on Form 8-K, filed September 8, 2021).
10.8	Employment Agreement, dated as of March 1, 2020, by and between WillScot Corporation and Christopher Miner (incorporated by reference to Exhibit 10.4 of WillScot Corporation's Current Report on Form 8-K, filed March 5, 2020).
10.9	Amended and Restated Employment Agreement, dated as of June 3, 2022, by and between WillScot Mobile Mini Holdings Corp. and Hezron Lopez (incorporated by reference to Exhibit 10.1 of the Company's Current Report on Form 8-K, filed June 7, 2022).
10.10	Employment Letter with Sally Shanks dated August 23, 2017 (incorporated by reference to Exhibit 10.17 of WillScot Corporation's Annual Report on Form 10-K, filed March 16, 2018).

10.11	Amended Employment Letter with Sally Shanks dated March 18, 2019 (incorporated by reference to Exhibit 10.1 to WillScot Corporation's Current Report on Form 8-K, filed March 21, 2019).
10.12	Transition, Separation and Release Agreement, dated as of April 21, 2022, by and between WillScot Mobile Mini Holdings Corp. and Christopher J. Miner (incorporated by reference to Exhibit 10.1 of the Company's Current Report on Form 8-K, filed April 26, 2022).
10.13	Form of Performance-Based Restricted Stock Unit Award Agreement (incorporated by reference to Exhibit 10.3 of the Company's Current Report on Form 8-K, filed September 8, 2021).
10.14	First Amendment to the ABL Credit Agreement, dated December 2, 2020, among Williams Scotsman International, Inc. and Bank of America, N.A., as Administrative Agent (incorporated by reference to Exhibit 10.16 of the Company's Annual Report on Form 10-K, filed February 25, 2022).
10.15	LIBOR Transition Amendment, dated December 6, 2021, among Williams Scotsman International, Inc. and Bank of America, N.A., as Administrative Agent (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed December 13, 2021).
10.16	Third Amendment to the ABL Credit Agreement, dated December 16, 2021, by and among Williams Scotsman International, Inc., the other loan parties party thereto and Bank of America, N.A., as administrative agent and collateral agent for itself and the other secured parties (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed December 16, 2021).
10.17	Fourth Amendment to the ABL Credit Agreement, dated June 30, 2022, by and among Williams Scotsman, Inc., Williams Scotsman Holdings Corp., the other Loan Parties thereto and Bank of America, N.A. as administrative agent, collateral agent and swingline lender (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed July 1, 2022).
10.18	Amended and Restated Employment Agreement with Graeme Parkes dated February 16, 2023
14.1	Code of Ethics for the Chief Executive Officer and Senior Financial Officers, effective November 14, 2019 (incorporated by reference to Exhibit 14.1 of WillScot Corporation's Current Report on Form 8-K, filed November 15, 2019).
21.1	Subsidiaries of the registrant
23.1	Consent of Ernst & Young LLP
31.1	Certification of Chief Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act
31.2	Certification of Chief Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act
32.1	Certification of Chief Executive Officer Pursuant to 18 USC Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act
32.2	Certification of Chief Financial Officer Pursuant to 18 USC Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act
101*	Inline XBRL Document Set for the consolidated financial statements and accompanying notes in Part II, Item 8, "Financial Statements and Supplementary Data" of this Annual Report on Form 10-K.
104*	Inline XBRL for the cover page of this Annual Report on Form 10-K, included in the Exhibit 101 Inline XBRL Document Set.

* Filed herewith

Signatures

Pursuant to the requirements of the Section 13 or Section 15(d) of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

WillScot Mobile Mini Holdings Corp.

		By:	/s/ Hezron Timothy Lopez
Date:	February 22, 2023		Name: Hezron Timothy Lopez
			Title: Executive Vice President, Chief Legal & Compliance Officer & ESG

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ BRADLEY L. SOULTZ Bradley L. Soultz	*Chief Executive Officer and Director (Principal Executive Officer)*	February 22, 2023
/s/ TIMOTHY D. BOSWELL Timothy D. Boswell	*President and Chief Financial Officer (Principal Financial Officer)*	February 22, 2023
/s/ SALLY J. SHANKS Sally J. Shanks	*Chief Accounting Officer (Principal Accounting Officer)*	February 22, 2023
/s/ ERIK OLSSON Erik Olsson	*Chairman of the Board*	February 22, 2023
/s/ MARK S. BARTLETT Mark S. Bartlett	*Director*	February 22, 2023
/s/ ERIKA DAVIS Erika Davis	*Director*	February 22, 2023
/s/ SARA R. DIAL Sara R. Dial	*Director*	February 22, 2023
/s/ JEFFREY S. GOBLE Jeffrey S. Goble	*Director*	February 22, 2023
/s/ GERARD E. HOLTHAUS Gerard E. Holthaus	*Director*	February 22, 2023
/s/ KIMBERLY J. MCWATERS Kimberly J. McWaters	*Director*	February 22, 2023
/s/ REBECCA L. OWEN Rebecca L. Owen	*Director*	February 22, 2023
/s/ JEFF SAGANSKY Jeff Sagansky	*Director*	February 22, 2023
/s/ MICHAEL W. UPCHURCH Michael W. Upchurch	*Director*	February 22, 2023

Exhibit 4.1

NUMBER C-

SHARES

SEE REVERSE FOR CERTAIN DEFINITIONS CUSIP 971378104

WILLSCOT MOBILE MINI HOLDINGS CORP.
INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE
COMMON STOCK

This Certifies that _______________ is the owner of ______________ fully paid and non-assessable shares of common stock of the par of the par value of $0.0001 each of **WILLSCOT MOBILE MINI HOLDINGS CORP.**, a Delaware corporation (the “Company”), transferable on the books of the Company in person or by duly authorized attorney upon surrender of this certificate properly endorsed.

This certificate is not valid unless countersigned by the Transfer Agent and registered by the Registrar.

____
Authorized Signatory

____
Transfer Agent

WILLSCOT MOBILE MINI HOLDINGS CORP.

The Company will furnish without charge to each shareholder who so requests the powers, designations, preferences and relative, participating, optional or other special rights of each class of shares or series thereof of the Company and the qualifications, limitations, or restrictions of such preferences and/or rights. This certificate and the shares represented thereby are issued and shall be held subject to all the provisions of the amended and restated certificate of incorporation and all amendments thereto and resolutions of the Board of Directors providing for the issue of securities (copies of which may be obtained from the secretary of the Company), to all of which the holder of this certificate by acceptance hereof assents.

The following abbreviations, when used in the inscription on the face of this certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM -	as tenants in common	UNIF GIFT MIN ACT	-	____________________ Custodian (Cust)	____________________ (Minor)
TEN ENT -	as tenants by the entireties			Under Uniform Gifts to Minors Act	
JT TEN -	as joint tenants with right of survivorship and not as tenants in common			____________________ (State)	

Additional abbreviations may also be used though not in the above list.
For value received,____________________ hereby sells, assigns and transfers unto ______________

(PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER(S) OF ASSIGNEE(S))

(PLEASE PRINT OR TYPEWRITE NAME(S) AND ADDRESS(ES), INCLUDING ZIP CODE, OF ASSIGNEE(S))

________________________ *Shares of the capital stock represented by the Certificate, and hereby irrevocably constitutes and appoints*

________________________ *Attorney to transfer the said stock on the books of the within named Company with full power of substitution in the premises.*

Dated ________________________

Notice: The signature to this assignment must correspond with the name as written upon the face of the certificate in every particular, without alteration or enlargement or any change whatever.

Signature(s) Guaranteed:

THE SIGNATURE(S) MUST BE GUARANTEED BY AN ELIGIBLE GUARANTOR INSTITUTION (BANKS, STOCKBROKERS,SAVINGS AND LOAN ASSOCIATIONS AND CREDIT UNIONS WITH MEMBERSHIP IN AN APPROVED SIGNATURE GUARANTEE MEDALLION PROGRAM, PURSUANT TO S.E.C. RULE 17Ad-15 (OR ANY SUCCESSOR RULE) UNDER THE SECURITIES ACT OF1933, AS AMENDED).

DESCRIPTION OF COMMON STOCK AND WARRANTS REGISTERED UNDER SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934

As of December 31, 2022, WillScot Mobile Mini Holdings Corp., a Delaware corporation (the “Company,” “we,” “our,” “us”), had one class of securities registered under Section 12 of the Securities Exchange Act of 1934, as amended: our common stock, par value $0.0001 per share

The following description of our common stock summarizes material terms and provisions that apply to the securities. The summary is subject to and qualified in its entirety by reference to certain documents, including our amended and restated certificate of incorporation, as amended (“Certificate of Incorporation”), our amended and restated bylaws (“Bylaws”), and certain other documents pertaining to our capital stock specified below, which are filed as exhibits to the Annual Report on Form 10-K to which this exhibit is a part, and applicable Delaware law, including the General Corporation Law of the State of Delaware (the “DGCL”). This description includes not only our common stock, but also our authorized preferred stock, certain terms of which affect the common stock.

Authorized Capital Stock

Our Certificate of Incorporation authorizes the issuance of 501,000,000 shares of capital stock, consisting of: (i) 500,000,000 shares of common stock and (ii) 1,000,000 shares of preferred stock.

Common Stock

This section describes the general terms and provisions of our common stock. For more detailed information, you should refer to our Certificate of Incorporation and Bylaws, copies of which have been filed with the SEC. These documents are also incorporated by reference into the Annual Report on Form 10-K to which this exhibit is a part.

The holders of shares of common stock possess all voting power for the election of our directors and all other matters requiring stockholder action and will at all times vote together as one class on all matters properly submitted to a vote of the stockholders of the Company. Holders of common stock are entitled to one vote per share on matters to be voted on by stockholders, provided, however that, except as otherwise required by law, holders of common stock shall not be entitled to vote on any amendment to the Certificate of Incorporation (including any preferred designation) that relates solely to the terms of one or more outstanding series of preferred stock if the holders of such affected series are entitled, either separately or together as a class with the holders of one or more other such series, to vote thereon pursuant to the Certificate of Incorporation (including any preferred designation) or pursuant to the DGCL.

Holders of common stock will be entitled to receive dividends if and when declared by our board of directors (the “Board”) out of funds legally available therefor and shall share equally on a per share basis in such dividends and distributions. The Board may set apart out of any of the funds of the Company available for dividends a reserve or reserves for any proper purpose and may abolish any such reserve. Upon liquidation, dissolution or winding-up of our Company, the holders of the common stock will be entitled to receive an equal amount per share of all of our assets available for distribution, after the rights of the holders of any preferred stock have been satisfied. Our stockholders have no preemptive, subscription, redemption or conversion rights and there are no sinking fund or redemption provisions applicable to our common stock. Delaware law and our Bylaws permit us to issue uncertificated shares of common stock by resolution of the Board. The rights, preferences and privileges of holders of common stock are subject to the rights of the holders of any series of preferred stock that the Company may designate and issue in the future.

As of December 31, 2022, we had 207,951,682 shares of common stock issued and outstanding.

Preferred Stock

This section describes the general terms and provisions of our preferred stock. For more detailed information, you should refer to our Certificate of Incorporation and Bylaws, copies of which have been filed with the SEC. These documents are also incorporated by reference into the Annual Report on Form 10-K to which this exhibit is a part.

Preferred stock may be issued from time to time in one or more series. Our Board can fix the rights, preferences and privileges applicable to the shares of each series and any of its qualifications, limitations or restrictions, including without limitation authority to fix by resolution or resolutions the dividend rights, dividend rate, conversion rights, voting rights, rights and terms of redemption (including sinking fund provisions), redemption price or prices, and liquidation preferences of any such series, and the number of shares constituting any such series and the designation thereof. Our Board is authorized, without stockholder approval, to issue preferred stock with voting and other rights that could adversely affect the voting power and other rights of the holders of the common stock and could have anti-takeover effects. The ability of our Board to issue preferred stock without stockholder approval could have the effect of delaying, deferring or preventing a change of control of us or the removal of existing management.

As of December 31, 2022, we had no preferred stock outstanding.

Our Board will fix the designations, voting powers, preferences and rights of each series, as well as the qualifications, limitations or restrictions thereof, of the preferred stock of each series that we offer under any applicable prospectus or prospectus supplements in the certificate of designation relating to that series. We will file as an exhibit to any applicable registration statement the form of any certificate of designation that describes the terms of the series of preferred stock we are offering before the issuance of that series of preferred stock. This description will include:

- the title and stated value;
- the number of shares we are offering;
- the liquidation preference per share;
- the purchase price per share;
- the dividend rate per share, dividend period and payment dates and method of calculation for dividends;
- whether dividends will be cumulative or non-cumulative and, if cumulative, the date from which dividends will accumulate;
- our right, if any, to defer payment of dividends and the maximum length of any such deferral period;
- the procedures for any auction and remarketing, if any;
- the provisions for a sinking fund, if any;
- the provisions for redemption or repurchase, if applicable, and any restrictions on our ability to exercise those redemption and repurchase rights;
- any listing of the preferred stock on any securities exchange or market;
- whether the preferred stock will be convertible into our common stock or other securities of ours, including depositary shares and warrants, and, if applicable, the conversion period, the conversion price, or how it will be calculated, and under what circumstances it may be adjusted;
- whether the preferred stock will be exchangeable into debt securities, and, if applicable, the exchange period, the exchange price, or how it will be calculated, and under what circumstances it may be adjusted;
- voting rights, if any, of the preferred stock;
- preemption rights, if any;
- restrictions on transfer, sale or other assignment, if any;
- whether interests in the preferred stock will be represented by depositary shares;
- a discussion of any material or special United States federal income tax considerations applicable to the preferred stock;
- the relative ranking and preferences of the preferred stock as to dividend rights and rights if we liquidate, dissolve or wind up our affairs;
- any limitations on issuances of any class or series of preferred stock ranking senior to or on a parity with the series of preferred stock being issued as to dividend rights and rights if we liquidate, dissolve or wind up our affairs; and
- any other specific terms, rights, preferences, privileges, qualifications or restrictions of the preferred stock.

The DGCL provides that the holders of preferred stock will have the right to vote separately as a class (or, in some cases, as a series) on an amendment to our Certificate of Incorporation if the amendment would change the par value or, unless our Certificate of Incorporation provided otherwise, the number of authorized shares of the class or change the powers, preferences or special rights of the class or series so as to adversely affect the class or series, as the case may be. This right is in addition to any voting rights that may be provided for in the applicable certificate of designation.

Dividends

We have not declared or paid any cash dividends on our common stock to date. The payment of cash dividends in the future will be dependent upon our results of operations, capital requirements and general financial condition. The payment of any cash dividends is within the discretion of our Board. In addition, our Board is not currently contemplating and does not anticipate declaring any stock dividends in the foreseeable future. Further, our ability to declare dividends is limited by restrictive covenants contained in the agreements governing the indebtedness of our subsidiaries.

Certain Anti-Takeover Provisions of Delaware Law, Our Certificate of Incorporation and Our Bylaws

We are subject to Section 203 of the DGCL, which we refer to as “Section 203,” regulating corporate takeovers.

Section 203 prevents certain Delaware corporations, under certain circumstances, from engaging in a “business combination” with:

- a stockholder who owns fifteen percent (15%) or more of our outstanding voting stock (otherwise known as an “interested stockholder”);
- an affiliate of an interested stockholder; or

- an associate of an interested stockholder, for three years following the date that the stockholder became an interested stockholder.
- A “business combination” includes a merger or sale of more than ten percent (10%) of our assets. However, the above provisions of Section 203 do not apply if:
- our Board approves the transaction that made the stockholder an “interested stockholder,” prior to the date of the transaction;
- after the completion of the transaction that resulted in the stockholder becoming an interested stockholder, that stockholder owned at least eighty-five percent (85%) of our voting stock outstanding at the time the transaction commenced, other than statutorily excluded shares of common stock; or
- on or subsequent to the date of the transaction, the business combination is approved by our Board and authorized at a meeting of our stockholders, and not by written consent, by an affirmative vote of at least two-thirds of the outstanding voting stock not owned by the interested stockholder.

Our Certificate of Incorporation, our Bylaws and the DGCL contain provisions that could have the effect of rendering more difficult, delaying or preventing an acquisition deemed undesirable by our Board. These provisions could also make it difficult for stockholders to take certain actions, including electing directors who are not nominated by the members of our Board or taking other corporate actions, including effecting changes in our management. For instance, our Certificate of Incorporation provides that our Board is classified into three classes of directors. As a result, in most circumstances, a person can gain control of our Board only by successfully engaging in a proxy contest at three or more annual meetings.

In addition, our Certificate of Incorporation does not provide for cumulative voting in the election of directors. Our Board is empowered to elect a director to fill a vacancy created by the expansion of the Board or the resignation, death, or removal of a director in certain circumstances; and the advance notice provisions of our Bylaws require that stockholders must comply with certain procedures and meet strict deadlines to nominate candidates to our Board or to propose matters to be acted upon at a stockholders’ meeting.

Our Bylaws provide that, except as otherwise required by law, special meetings of stockholders for any purpose or purposes may be called at any time only by the Board, the Chairman of the Board, or the Chief Executive Officer of the Company, to be held at such date and time as shall be designated in the notice or waiver of notice thereof. Only business within the purposes described in the Corporation’s notice of meeting may be conducted at the special meetings. The ability of the stockholders to call a special meeting is specifically denied.

Our Bylaws also provide our Board with discretion in postponing stockholder meetings, including, within certain limits, special meetings of stockholders. Additionally, our chairman or Board (acting by resolution) may adjourn a stockholder meeting at any time prior to the transaction of business at such meeting, within certain limits. Our Bylaws also include additional procedures that apply to stockholder actions by written consent.

Our authorized but unissued common stock and preferred stock are available for future issuances without stockholder approval and could be utilized for a variety of corporate purposes, including future offerings to raise additional capital, acquisitions and employee benefit plans. The existence of authorized but unissued and unreserved common stock and preferred stock could render more difficult or discourage an attempt to obtain control of us by means of a proxy contest, tender offer, merger or otherwise.

Stockholders Rights Plan

The Company does not have a stockholder rights plan currently in effect.

Transfer Agent and Warrant Agent

The transfer agent and warrant agent for our common stock and warrants is Continental Stock Transfer & Trust Company.

Listing of Securities

Our common stock is listed on the Nasdaq Capital Market under the symbol “WSC.”

AMENDED AND RESTATED EMPLOYMENT AGREEMENT

This AMENDED AND RESTATED EMPLOYMENT AGREEMENT ("Agreement") is entered into by and between WillScot Mobile Mini Holdings Corp., a Delaware corporation (the "Employer"), and Graeme Parkes, an individual (the "Executive").

WHEREAS, the Executive previously entered into that certain Employment Agreement with Mobile Mini, Inc. ("Mobile Mini"), dated as of August 17, 2017 (the "Employment Agreement");

WHEREAS, WillScot Corporation, Inc. ("WillScot") entered into an Agreement and Plan of Merger with Mobile Mini, dated as of March 1, 2020, pursuant to which Mobile Mini merged with and into WillScot (the "Merger Agreement"), and effective as of the consummation of the transactions contemplated in the Merger Agreement (the "Merger"), the Employer became the surviving company of which the Executive is currently employed as Senior Vice President and Chief Information Officer;

WHEREAS, following the Merger, the Executive entered into the revised offer letter from the Employer to the Executive dated as of June 30, 2020 (the "Letter"); and

WHEREAS, the parties desire to amend and restate the Employment Agreement and the Letter on the terms and conditions set out in this Agreement for the continued employment relationship of the Executive with the Employer on the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein and for other good and valuable consideration, the receipt and sufficiency of which hereby are acknowledged, the parties hereto agree as follows:

1. Employment Agreement. On the terms and conditions set forth in this Agreement, the Employer agrees to continue to employ the Executive and the Executive agrees to continue to be employed by the Employer for the Employment Period set forth in Section 2 and in the positions and with the duties set forth in Section 3. Terms used herein with initial capitalization not otherwise defined are defined in Section 25. This Agreement shall become effective February 15, 2023 (the "Effective Date").

2. Term. The initial term of employment under this Agreement shall commence on the Effective Date and extend until four (4) years from the Effective Date (the "Initial Term"). The term of employment shall be automatically extended for an additional consecutive 12-month period (the "Extended Term") on the last day of the Initial Term and each subsequent anniversary thereof, unless and until the Employer or Executive provides written notice to the other party in accordance with Section 10 hereof not less than 90 days before such anniversary date that such party is electing not to extend the term of employment under this Agreement ("Non-Renewal"), in which case the term of employment hereunder shall end as of the end of such Initial Term or Extended Term, as the case may be, unless sooner terminated as hereinafter set forth. Such Initial Term and all such Extended Terms are collectively referred to herein as the "Employment Period." Anything herein to the contrary notwithstanding, if on the date of a Change in Control the remaining term of the Employment Period is less than 12 months, the Employment Period shall be automatically extended to the end of the 12-month period following such Change in Control, and the extension and renewal provisions in this Section 2 shall apply with regard to the last day of the Employment Period as extended by this sentence and on each subsequent anniversary thereof.

3. Position and Duties. During the Employment Period the Executive shall serve as Executive Vice President and Chief Information Officer. In such capacities, the Executive shall report exclusively and directly to the Chief Executive Officer and shall have the duties, responsibilities and authorities customarily associated with such position(s) in a company the size and nature of the Employer. The Executive shall devote the Executive's reasonable best efforts and full business time to the performance of the Executive's duties hereunder and the advancement of the business and affairs of the Employer; provided that, the Executive may serve on civic, charitable, educational, religious, public interest or public service boards, and manage the Executive's personal and family investments, in each case, to the extent such activities do not materially interfere with the performance of the Executive's duties and responsibilities hereunder.

4. Place of Performance. The Executive shall be based primarily at the Employer's executive headquarters, in Phoenix, Arizona.

5. Compensation and Benefits.

(a) Base Salary. During the Employment Period, the Employer shall pay to the Executive a base salary (the "Base Salary") at the rate of no less than $420,000 per calendar year, less applicable deductions, and prorated for any partial year. The Base Salary shall be reviewed for increase by the Employer no less frequently than annually, and shall be increased in the discretion of the Employer and any such adjusted Base Salary shall constitute the "Base Salary" for purposes of this Agreement. The Base Salary shall be paid in substantially equal installments in accordance with the Employer's regular payroll procedures. The Executive's Base Salary may not be decreased during the Employment Period.

(b) Annual Bonus. For each fiscal year of the Employer ending during the Employment Period, the Executive shall be eligible to earn an annual cash performance bonus (an "Annual Bonus") based on performance against performance criteria determined by the Compensation Committee of the Board (the "Committee"). The Executive's annual target bonus opportunity for each fiscal year shall equal 75% of the Executive's Base Salary (the "Target Bonus"). The Executive's Annual Bonus for a fiscal year shall be determined by the Committee after the end of the applicable bonus period and shall be paid to the Executive when annual bonuses for that year are paid to other senior executives of the Employer generally, but in no event later than March 15 of the year following the year to which such Annual Bonus relates.

(c) Long Term Incentive Equity.

(i) Annual Award. With respect to each fiscal year of the Employer ending during the Employment Period, the Executive shall be eligible to receive annual equity awards under the WillScot Mobile Mini Holdings Corp. 2020 Incentive Award Plan or other long-term equity incentive plan of the Employer then in effect (the "Plan"), 65% of which shall be in the form of performance-based restricted stock units ("PSUs") vesting over three years and 35% in the form of restricted stock units ("RSUs") vesting ratably over four years. The level of the Executive's participation in the Plan, if any, shall be determined in the discretion of the Committee from time to time. The target grant value of this annual award is $750,000, but the actual value of any grant may be higher or lower based on Committee discretion. Terms and conditions of such awards shall be governed by the terms and conditions of the Plan and the applicable award agreements.

(ii) Existing Equity Awards. The Executive has been granted equity-based awards prior to the date hereof (the "Existing Equity Awards").

(d) Vacation. During the Employment Period, the Executive shall be entitled to four (4) weeks' vacation annually to be used in accordance with the Employer's applicable vacation policy.

(e) Benefits. During the Employment Period, the Employer shall provide to the Executive employee benefits and perquisites on a basis that is comparable in all material respects to that provided to other similarly situated executives of the Employer. The Employer shall have the right to change insurance carriers and to adopt, amend, terminate or modify employee benefit plans and arrangements at any time and without the consent of the Executive.

6. Expenses. The Executive is expected and is authorized to incur reasonable expenses in the performance of his duties hereunder. The Employer shall reimburse the Executive for all such expenses reasonably and actually incurred in accordance with policies which may be adopted from time to time by the Employer promptly upon periodic presentation by the Executive of an itemized account, including reasonable substantiation, of such expenses.

7. Confidentiality, Non-Disclosure and Non-Competition Agreement. The Employer and the Executive acknowledge and agree that during the Executive's employment with the Employer, the Executive will have access to and may assist in developing Employer Confidential Information and will occupy a position of trust and confidence with respect to the Employer's affairs and business and the affairs and business of the Employer Affiliates. The Executive agrees that the following obligations are necessary to preserve the confidential and proprietary nature of Employer Confidential Information and to protect the Employer and the Employer Affiliates against harmful solicitation of employees and customers, harmful competition and other actions by the Executive that may result in serious adverse consequences for the Employer and the Employer Affiliates:

(a) Non-Disclosure. During and after the Executive's employment with the Employer, the Executive will not knowingly use, disclose or transfer any Employer Confidential Information other than as authorized in writing by the Employer or within the scope of the Executive's duties with the Employer as determined reasonably and in good faith by the Executive. Anything herein to the contrary notwithstanding, the provisions of this Section 7(a) shall not apply when disclosure is required by law or by any court, arbitrator, mediator or administrative or legislative body (including any committee thereof) with actual or apparent jurisdiction to order the Executive to disclose or make accessible any information or as to information that becomes generally known to the public or within the relevant trade or industry other than due to the Executive's violation of this Section 7(a).

(b) Materials. The Executive will not remove any Employer Confidential Information or any other property of the Employer or any Employer Affiliate from the Employer's premises or make copies of such materials except for normal and customary use in the Employer's business as determined reasonably and in good faith by the Executive. The Executive will return to the Employer all Employer Confidential Information and copies thereof and all other property of the Employer or any Employer Affiliate at any time upon the request of the Employer and in any event promptly after termination of Executive's employment. The Executive agrees to attempt in good faith to identify and return to the Employer any copies of any Employer Confidential Information after the Executive ceases to be employed by the Employer. Anything to the contrary notwithstanding, nothing in this Section 7 shall prevent the Executive from retaining a home computer, papers and other materials of a personal nature that do not contain Employer Confidential Information.

(c) No Solicitation or Hiring of Employees. During the Non-Compete Period, the Executive shall not solicit, entice, persuade or induce any individual who is employed by the Employer or any Employer Affiliate (or who was so employed within 180 days prior to the Executive's action) to terminate or refrain from continuing such employment or to become employed by or enter into contractual relations with any other individual or entity, and the Executive shall not hire, directly or indirectly, as an employee, consultant or otherwise, any such person.

(d) Non-Competition.

(i) During the Non-Compete Period, the Executive shall not, directly or indirectly, (A) solicit or encourage any client or customer of the Employer or any direct or indirect subsidiary of the Employer, or any person or entity who was such a client or customer within 180 days prior to Executive's action to terminate, reduce or alter in a manner adverse to the Employer or any direct or indirect subsidiary of the Employer, any existing business arrangements with the Employer or any direct or indirect subsidiary of the Employer or to transfer existing business from the Employer or any direct or indirect subsidiary of the Employer to any other person or entity, (B) provide services in any capacity to any entity in any geographic area in which the Employer or any direct or indirect subsidiary of the Employer conducts that business, or is actively planning to conduct that business, as of the date of such termination (the "Non-Competition Area") if (i) the entity competes with the Employer or any direct or indirect subsidiary of the Employer by engaging in the Business, or (ii) the services to be provided by the Executive are competitive with the Business and substantially similar to those previously provided by the Executive to the Employer, or (C) own an interest in any entity, including those described in Section 7(d)(i)(B)(i) immediately above. The Executive agrees that, before providing services, whether as an employee or consultant, to any entity during the Non-Compete Period, the Executive will provide a copy of this Section 7 of this Agreement to such entity. The Executive acknowledges that this covenant has a unique, very substantial and immeasurable value to the Employer, that the Executive has sufficient assets and skills to provide a livelihood for the Executive while such covenant remains in force and that, as a result of the foregoing, in the event that the Executive breaches such covenant, monetary damages may be an insufficient remedy for the Employer and equitable enforcement of the covenant may be proper.

(ii) If the restrictions contained in Section 7(d)(i) shall be determined by any court of competent jurisdiction to be unenforceable by reason of their extending for too great a period of time or over to great a geographical area or by reason of their being too extensive in any other respect, Section 7(d)(i) shall be modified to be effective for the maximum period of time for which it may be enforceable and over the maximum geographical area as to which it may be enforceable and to the maximum extent in all other respects as to which it may be enforceable.

(iii) For the avoidance of doubt, the non-competition restrictions herein shall not apply to any employment or provision of services whereby Executive's responsibilities involve the provision of legal services only, including in private practice or in-house counsel responsibilities.

(e) Enforcement. The Executive acknowledges that in the event of any breach of this Section 7, the business interests of the Employer and the Employer Affiliates could be irreparably injured, the full extent of the damages to the Employer and the Employer Affiliates may be impossible to ascertain, monetary damages may not be an adequate remedy for the Employer and the Employer Affiliates, and the Employer will be entitled to seek to enforce this Agreement by a temporary, preliminary and/or permanent injunction or other equitable relief, without the necessity of posting bond or security, which the Executive expressly waives. The Executive understands that the Employer may waive some of the requirements expressed in this Agreement, but that such a waiver to be effective must be made in writing and should not in any way be deemed a waiver of the Employer's right to enforce any other requirements or provisions of this Agreement. The Executive agrees that each of the Executive's obligations specified in this Agreement is a separate and independent covenant and that the unenforceability of any of them shall not preclude the enforcement of any other covenants in this Agreement. In signing this Agreement, the Executive gives the Employer assurance that the Executive has carefully read and considered all of the terms and conditions of this Agreement. The Executive agrees that these restraints are necessary for the reasonable and proper protection of the Employer and the Employer Affiliates and their Confidential Information and that each and every one of the restraints is reasonable in respect to subject matter, length of time and geographic area, and that these restraints, individually or in the aggregate, will not prevent the Executive from obtaining other suitable employment during the period in which the Executive is bound by the restraints. It is also agreed that each of the Employer Affiliates will have the right to enforce all of the Executive's obligations to that affiliate under this Agreement.

8. Termination of Employment.

(a) Permitted Terminations. The Executive's employment hereunder may be terminated during the Employment Period under the following circumstances:

(i) Death. The Executive's employment hereunder shall terminate automatically upon the Executive's death;

(ii) By the Employer. The Employer may terminate the Executive's employment:

(A) Disability. If the Executive shall have been substantially unable to perform the Executive's material duties hereunder by reason of illness, physical or mental disability or other similar incapacity, which inability shall continue for 180 consecutive days or 270 days in any 24-month period (a "Disability") (provided, that until such termination, the Executive shall continue to receive the Executive's compensation and benefits hereunder, reduced by any benefits payable to the Executive under any applicable disability insurance policy or plan); or

(B) Cause. For Cause or without Cause;

(iii) By the Executive. The Executive may terminate the Executive's employment for any reason (including Good Reason) or for no reason.

(b) Termination. Any termination of the Executive's employment by the Employer or the Executive (other than because of the Executive's death) shall be communicated by written Notice of Termination to the other party hereto in accordance with Section 10 hereof. For purposes of this Agreement, a "Notice of Termination" shall mean a notice which shall indicate the specific termination provision in this Agreement relied upon, if any, and set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated. Termination of the Executive's employment shall take effect on the Date of Termination. The Executive agrees, in the event of any dispute under Section 8(a)(ii)(A) as to whether a Disability exists, and if requested by the Employer, to submit to a physical examination by a licensed physician selected by mutual consent of the Employer and the Executive, the cost of such examination to be paid by the Employer. The written medical opinion of such physician shall be conclusive and binding upon each of the parties hereto as to whether a Disability exists and the date when such Disability arose. This Section shall be interpreted and applied so as to comply with the provisions of the Americans with Disabilities Act and any applicable state or local laws. For the purposes of this Agreement, a voluntary termination by the Executive upon the expiration of the Employment Period due to delivery of a non-renewal notice by the Employer pursuant to Section 2 shall be treated as a termination by the Employer without Cause.

9. Compensation Upon Termination.

(a) Disability. If the Employer terminates the Executive's employment during the Employment Period because of the Executive's Disability pursuant to Section 8(a)(ii)(A), the Employer shall pay to the Executive (i) the Accrued Benefits; (ii) a pro rata portion (based on the number of days during the applicable fiscal period prior to the Date of Termination) of the Annual Bonus the Executive would have earned absent such termination, with such payment to be made based on actual performance and at the time bonus payments are made to executives of the Employer generally; (iii) any outstanding equity awards granted pursuant to Sections 5(c)(i)-(ii) that are subject solely to time-based vesting conditions shall immediately vest in full and any outstanding equity awards that are subject to performance-based vesting conditions shall vest based on target performance for the applicable performance period in which termination occurs; and (iv) the Executive shall be entitled to additional payments payable in equal installments in accordance with the Employer's normal payroll practices, equal to the total costs that would be incurred by the Executive to obtain and pay for continued coverage under the Employer's health insurance plans pursuant to COBRA for 12 months following the Date of Termination (the "Continued Coverage Payment"). Except as set forth herein, the Employer shall have no further obligation to the Executive under this Agreement.

(b) Death. If the Executive's employment is terminated during the Employment Period as a result of the Executive's death, the Employer shall pay to the Executive's legal representative or estate, and the Executive's legal representative or estate shall be entitled to, as applicable, (i) the amounts and acceleration of outstanding equity awards set forth in Section 9(a)(i)-(iii) (excluding, for the avoidance of doubt, the Continued Coverage Payment under clause (iv)); and (ii) one times the Executive's Base Salary at the time of termination, payable in a lump sum. Except as set forth herein, the Employer shall have no further obligation to the Executive under this Agreement.

(c) Termination by the Employer for Cause or by the Executive without Good Reason. If, during the Employment Period, the Employer terminates the Executive's employment for Cause pursuant to Section 8(a)(ii)(B) or the Executive terminates his employment without Good Reason, the Employer shall pay to the Executive the Accrued Benefits. Except as set forth herein, the Employer shall have no further obligations to the Executive under this Agreement.

(d) Termination by the Employer without Cause or by the Executive with Good Reason. Subject to Section 9(e), if the Employer terminates the Executive's employment during the Employment Period for a reason other than for Cause or if the Executive terminates his employment hereunder with Good Reason, (i) the Employer shall pay the Executive (A) the Accrued Benefits, (B) a pro rata portion (based on the number of days during the applicable fiscal period prior to the Date of Termination) of the Annual Bonus the Executive would have earned absent such termination, with such payment to be made based on actual performance and at the time bonus payments are made to executives of the Employer generally, (C) a lump sum equal to 1x the Executive's Target Annual Bonus for the year of termination, and (D) continued Base Salary for (i) 12 months following the Date of Termination in the case of Good Reason or (ii) 18 months following the Date of Termination in the case of termination without cause (in each case, the "Severance Period") payable in equal installments in accordance with the Employer's normal payroll practices (the "Cash Severance Payment"); (ii) (A) any outstanding equity awards granted pursuant to Section 5(c)(i) of this Agreement shall continue to vest during the Severance Period and (B) the Existing Equity Awards shall immediately vest in full on the Date of Termination (without regard to any time-based or performance-based vesting conditions); and (iii) the Executive shall be entitled to the Continued Coverage Payment (collectively, the "Severance Benefits").

(e) Change in Control.

(i) Section 9(e)(ii) shall apply if there is (A) a termination of the Executive's employment by the Employer for a reason other than for Cause or due to the Executive's Disability or by the Executive for Good Reason during the 12-month period after a Change in Control; or (B) a termination of the Executive's employment by the Employer for a reason other than for Cause or due to the Executive's Disability prior to a Change in Control, if the termination was at the request of a third party or otherwise arose in anticipation of a Change in Control (a termination described in either clause (A) or clause (B), a "CIC Termination").

(ii) If any such CIC Termination occurs, the Executive shall receive the benefits set forth in Section 9(d)(i), including for the avoidance of doubt, the accelerated vesting of his outstanding equity awards, except that (A) if such Change in Control is a "change in control event" under Section 409A of the Code (a "Qualifying CIC"), shall be paid in a lump sum; (B) the Continued Coverage Payment shall be equal to the total costs that would be incurred by the Executive to obtain and pay for continued coverage under the Employer's health insurance plans for 18 months following the CIC Termination and shall be paid in a lump sum; and (C) any outstanding equity awards granted pursuant to Section 5(c)(i)-(ii) shall immediately vest in full upon a CIC Termination (without regard to any time-based or performance-based vesting conditions). To the extent the Executive's CIC Termination is described in Section 9(e)(i)(B) and the Change in Control is a Qualifying CIC, the incremental Cash Severance Payment and any unpaid Cash Severance Payment shall be paid in a lump sum.

(f) Release of Claims. As a condition to receiving the Severance Benefits, the Executive must execute a release of claims substantially in the form attached hereto as Exhibit A (the "Release"). To be eligible for Severance Benefits, the Executive must execute and deliver the Release, and such Release must become irrevocable, within 60 days of the Date of Termination. The Cash Severance Payment shall be made, and the continuing health insurance coverage shall commence, promptly after the Release becomes irrevocable; provided that to the extent the 60-day period spans two calendar years and to the extent required to comply with Code Section 409A, such payments shall be made or commence, as applicable, on the 60th day following the Date of Termination.

(g) No Offset. In the event of termination of his employment, the Executive shall be under no obligation to seek other employment and there shall be no offset against amounts due to him on account of any remuneration or benefits provided by any subsequent employment he may obtain. The Employer's obligation to make any payment pursuant to, and otherwise to perform its obligations under, this Agreement shall not be affected by any offset, counterclaim or other right that the Employer or any Employer Affiliate may have against him for any reason.

10. Notices. All notices, demands, requests, or other communications which may be or are required to be given or made by any party to any other party pursuant to this Agreement shall be in writing and shall be hand delivered, mailed by first-class registered or certified mail, return receipt requested, postage prepaid, delivered by overnight air courier, or transmitted by facsimile transmission addressed as follows:

(i) If to the Employer:
WillScot Mobile Mini Holdings Corp.
4646 E Van Buren St #400
Phoenix, AZ 85008
Attn: General Counsel & Secretary

(ii) If to the Executive:
Graeme Parkes
To the address on file for Graeme Parkes with the Employer

Each party may designate by notice in writing a new address to which any notice, demand, request or communication may thereafter be so given, served or sent. Each notice, demand, request, or communication that shall be given or made in the manner described above shall be deemed sufficiently given or made for all purposes at such time as it is delivered to the addressee (with the return receipt, the delivery receipt, confirmation of facsimile transmission or the affidavit of messenger being deemed conclusive but not exclusive evidence of such delivery) or at such time as delivery is refused by the addressee upon presentation.

11. Severability. The invalidity or unenforceability of any one or more provisions of this Agreement shall not affect the validity or enforceability of the other provisions of this Agreement, which shall remain in full force and effect.

12. Effect on Other Agreements. The provisions of this Agreement shall supersede the terms of any plan, policy, agreement, award or other arrangement of the Employer (whether entered into before or after the date hereof) to the extent application of the terms of this Agreement is more favorable to the Executive.

13. Survival. It is the express intention and agreement of the parties hereto that the provisions of Sections 7, 9, 10, 14, 15, 17, 18, 20, 21, 23 and 24 hereof and this Section 13 shall survive the termination of employment of the Executive. In addition, all obligations of the Employer to make payments hereunder shall survive any termination of this Agreement on the terms and conditions set forth herein.

14. Assignment. The rights and obligations of the parties to this Agreement shall not be assignable or delegable, except that (i) in the event of the Executive's death, the personal representative or legatees or distributees of the Executive's estate, as the case may be, shall have the right to receive any amount owing and unpaid to the Executive hereunder and (ii) the rights and obligations of the Employer hereunder shall be assignable and delegable in connection with any subsequent merger, consolidation, sale of all or substantially all of the assets or equity interests of the Employer or similar transaction involving the Employer or a successor corporation. The Employer shall require any successor to the Employer to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Employer would be required to perform it if no such succession had taken place.

15. Binding Effect. Subject to any provisions hereof restricting assignment, this Agreement shall be binding upon the parties hereto and shall inure to the benefit of the parties and their respective heirs, devisees, executors, administrators, legal representatives, successors and assigns.

16. Amendment; Waiver. This Agreement shall not be amended, altered or modified except by an instrument in writing duly executed by the party against whom enforcement is sought. Neither the waiver by either of the parties hereto of a breach of or a default under any of the provisions of this Agreement, nor the failure of either of the parties, on one or more occasions, to enforce any of the provisions of this Agreement or to exercise any right or privilege hereunder, shall thereafter be construed as a waiver of any subsequent breach or default of a similar nature, or as a waiver of any such provisions, rights or privileges hereunder.

17. Headings. Section and subsection headings contained in this Agreement are inserted for convenience of reference only, shall not be deemed to be a part of this Agreement for any purpose, and shall not in any way define or affect the meaning, construction or scope of any of the provisions hereof.

18. Governing Law. This Agreement, the rights and obligations of the parties hereto, and any claims or disputes relating thereto, shall be governed by and construed in accordance with the laws of the State of Delaware (but not including any choice of law rule thereof that would cause the laws of another jurisdiction to apply). In the event of a dispute concerning or arising out of this Agreement the prevailing party (meaning the party who received substantially all of the relief sought) in such action will be reimbursed by the other party for all costs (including, without limitation, reasonable attorneys' fees) incurred in connection with any such action.

19. Entire Agreement. This Agreement constitutes the entire agreement between the parties respecting the employment of the Executive, there being no representations, warranties or commitments except as set forth herein and supersedes the Employment Agreement and the Letter.

20. Counterparts. This Agreement may be executed in two counterparts, each of which shall be an original and all of which shall be deemed to constitute one and the same instrument. This Agreement may be executed using a secure electronic signature program (such as Docusign), which shall be deemed to constitute original signatures.

21. Withholding. The Employer may withhold from any benefit payment under this Agreement all federal, state, city or other taxes as shall be required pursuant to any law or governmental regulation or ruling; provided that any withholding obligation arising in connection with the exercise of a stock option or the transfer of stock or other property shall be satisfied through withholding an appropriate number of shares of stock or appropriate amount of such other property.

22. Section 409A. The intent of the parties is that payments and benefits under this Agreement comply with Section 409A of the Code and the regulations and guidance promulgated thereunder (collectively "Code Section 409A") and, accordingly, to the maximum extent permitted, this Agreement shall be interpreted to be in compliance therewith. If the Executive notifies the Employer (with specificity as to the reason therefor) that the Executive believes that any provision of this Agreement (or of any award of compensation, including equity compensation or benefits) would cause the Executive to incur any additional tax or interest under Code Section 409A and the Employer concurs with such belief or the Employer (without any obligation whatsoever to do so) independently makes such determination, the Employer shall, after consulting with the Executive, reform such provision to attempt to comply with Code Section 409A through good faith modifications to the minimum extent reasonably appropriate to conform with Code Section 409A. To the extent that any provision hereof is modified in order to comply with Code Section 409A, such modification shall be made in good faith and shall, to the maximum extent reasonably possible, maintain the original intent and economic benefit to the Executive and the Employer of the applicable provision without violating the provisions of Code Section 409A. In no event whatsoever shall the Employer be liable for any additional tax, interest or penalty that may be imposed on the Executive by Code Section 409A or damages for failing to comply with Code Section 409A. With respect to any payment or benefit considered to be nonqualified deferred compensation under Code Section 409A, a termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits upon or following a termination of employment unless such termination is also a "separation from service" within the meaning of Code Section 409A and, for purposes of any such provision of this Agreement, references to a "termination," "termination of employment" or like terms shall mean "separation from service." Notwithstanding anything to the contrary in this Agreement, if the Executive is deemed on the date of termination to be a "specified employee" within the meaning of that term under Code Section 409A(a)(2)(B), then with regard to any payment or the provision of any benefit that is considered nonqualified deferred compensation under Code Section 409A payable on account of a "separation from service," such payment or benefit shall not be made or provided until the date which is the earlier of (A) the expiration of the six (6)-month period measured from the date of such "separation from service" of the Executive, and (B) the date of the Executive's death, to the extent required under Code Section 409A. Upon the expiration of the foregoing delay period, all payments and benefits delayed pursuant to this Section 22 (whether they would have otherwise been payable in a single sum or in installments in the absence of such delay) shall be paid or reimbursed to the Executive in a lump sum, and any remaining payments and benefits due under this Agreement shall be paid or provided in accordance with the normal payment dates specified for them herein. To the extent that reimbursements or other in-kind benefits under this Agreement constitute "nonqualified deferred compensation" for purposes of Code Section 409A, (A) all expenses or other reimbursements hereunder shall be made on or prior to the last day of the taxable year following the taxable year in which such expenses were incurred by the Executive, (B) any right to reimbursement or in-kind benefits shall not be

subject to liquidation or exchange for another benefit, and (C) no such reimbursement, expenses eligible for reimbursement, or in-kind benefits provided in any taxable year shall in any way affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year. For purposes of Code Section 409A, the Executive's right to receive any installment payments pursuant to this Agreement shall be treated as a right to receive a series of separate and distinct payments. Whenever a payment under this Agreement specifies a payment period with reference to a number of days, the actual date of payment within the specified period shall be within the sole discretion of the Employer. Notwithstanding any other provision of this Agreement to the contrary, in no event shall any payment under this Agreement that constitutes "nonqualified deferred compensation" for purposes of Code Section 409A be subject to offset by any other amount unless otherwise permitted by Code Section 409A.

23. Section 280G. (ii) Notwithstanding any other provision of this Agreement or any other plan, arrangement or agreement to the contrary, if any of the payments or benefits provided or to be provided by the Employer or its affiliates to the Executive or for the Executive's benefit pursuant to the terms of this Agreement or otherwise ("Covered Payments") constitute "parachute payments" within the meaning of Section 280G of the Code and would, but for this Section 23 be subject to the excise tax imposed under Section 4999 of the Code (or any successor provision thereto) or any similar tax imposed by state or local law or any interest or penalties with respect to such taxes (collectively, the "Excise Tax"), then prior to making the Covered Payments, a calculation shall be made comparing (i) the Net Benefit (as defined below) to the Executive of the Covered Payments after payment of the Excise Tax to (ii) the Net Benefit to the Executive if the Covered Payments are limited to the extent necessary to avoid being subject to the Excise Tax. Only if the amount calculated under (i) above is less than the amount under (ii) above will the Covered Payments be reduced to the minimum extent necessary to ensure that no portion of the Covered Payments is subject to the Excise Tax. "Net Benefit" shall mean the present value of the Covered Payments net of all federal, state, local, foreign income, employment and excise taxes. The calculation shall take into consideration all available exemptions, including to what extent (if any) to what extent (if any) such payment or benefits or portions thereof may properly be treated as "reasonable compensation for personal services rendered" by the Executive before, or after, the Change of Control, within the meaning of Code Section 280G(b)(4) and the regulations issued thereunder, including, without limitation, the valuation of the Executive's obligations under Section 7 hereof and any other covenants to refrain from performing services.

(a) The Covered Payments shall be reduced in a manner that maximizes the Executive's economic position. In applying this principle, the reduction shall be made in a manner consistent with the requirements of Section 409A of the Code, and where two economically equivalent amounts are subject to reduction but payable at different times, such amounts shall be reduced on a pro rata basis but not below zero.

(b) Any determination required under this Section 23 shall be made in writing in good faith by an independent accounting firm selected by the Employer that is reasonably acceptable to the Executive (the "Accountants") which shall provide detailed supporting calculations to the Employer and the Executive as requested by the Employer or the Executive. The Employer and the Executive shall provide the Accountants with such information and documents as the Accountants may reasonably request in order to make a determination under this Section 23. For purposes of making the calculations and determinations required by this Section 23, the Accountants may rely on reasonable, good faith assumptions and approximations concerning the application of Section 280G and Section 4999 of the Code. The Accountants' determinations shall be final and binding on the Employer and the Executive. The Employer shall be responsible for all reasonable and customary fees and expenses incurred by the Accountants in connection with the calculations required by this Section 23.

24. Indemnification. Employer hereby agrees to indemnify the Executive and provide Directors & Officers Liability Insurance ("D&O Insurance") coverage to the Executive, in each case, on terms and conditions no less favorable than those provided to members of the Board and other executive officers.

25. Definitions.

"Accrued Benefits" means (i) Base Salary through the Date of Termination; (ii) accrued and unused vacation pay; (iii) any earned but unpaid Annual Bonus; (iv) any amounts owing to the Executive for reimbursement of expenses properly incurred by the Executive prior to the Date of Termination and which are reimbursable in accordance with Section 6; and (v) any other benefits or amounts due and owing to the Executive under the terms of any plan, program or arrangement of the Employer. Amounts payable pursuant to the clauses (i) – (iii) shall be paid promptly after the Date of Termination and all other amounts will be paid in accordance with the terms of the applicable plan, program or arrangement (as modified by this Agreement).

"Board" means the Board of Directors of the Employer.

"Business" means the provision of (i) specialty rental services providing innovative modular space and portable storage solutions across North America and the UK, and (ii) modular space for the construction, education, health care, government, retail, commercial, transportation, security, retail and energy sectors.

"Cause" shall be limited to the following events (i) the Executive's conviction of, or plea of nolo contendere to, a felony (other than in connection with a traffic violation) under any state or federal law; (ii) the Executive's failure to substantially perform his essential job functions hereunder after receipt of written notice from the Employer requesting such performance; (iii) a material act of fraud or material misconduct with respect, in each case, to the Employer, by the Executive; (iv) any material misconduct by the Executive that could be reasonably expected to damage the reputation or business of the Employer or any Employer Affiliate; or (v) the Executive's material violation of a material written policy of the Employer. Anything herein to the contrary notwithstanding, the Executive shall not be terminated for Cause hereunder unless (A) written notice stating the basis for the termination is provided to the Executive, (B) as to clauses (ii), (iii), (iv) or (v) of this paragraph, the Executive is given 30 days to cure the neglect or conduct that is the basis of such claim (it being understood that any errors in expense reimbursement may be cured by repayment), and (C) if the Executive fails to cure such neglect or conduct, there is a vote of a majority of the members of the Board to terminate the Executive for Cause.

"Change in Control" For the purposes of this Agreement, "Change in Control" means the occurrence of any one of the following events:

(a) During any twenty-four (24) month period, individuals who, as of the beginning of such period, constitute the Board (the "Incumbent Directors") cease for any reason to constitute at least a majority of the Board, provided that any person becoming a director subsequent to the beginning of such period whose election or nomination for election was approved by a vote of at least a majority of the Incumbent Directors then on the Board (either by a specific vote or by approval of the proxy statement of the Employer in which such person is named as a nominee for director, without written objection to such nomination) shall be an Incumbent Director; provided, however, that no individual initially elected or nominated as a director of the Employer as a result of an actual or threatened election contest with respect to directors or as a result of any other actual or threatened solicitation of proxies by or on behalf of any person other than the Board shall be deemed to be an Incumbent Director;

(b) Any "person" (as such term is defined in the Securities Exchange Act of 1934, as amended (the "Exchange Act") and as used in Sections 13(d)(3) and 14(d)(2) of the Exchange Act) is or becomes a "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Employer representing 35% or more of the combined voting power of the Employer's then outstanding securities eligible to vote for the election of the Board (the "Employer Voting Securities"); provided, however, that the event described in this paragraph (ii) shall not be deemed to be a Change in Control by virtue of any of the following acquisitions: (A) by the Employer or any Subsidiary; (B) by any employee benefit plan (or related trust) sponsored or maintained by the Employer or any subsidiary; (C) by any underwriter temporarily holding securities pursuant to an offering of such securities; (D) pursuant to a Non-Qualifying Transaction, as defined in paragraph (iii), or (E) by any person of Employer Voting Securities from the Employer, if a majority of the Incumbent Board approves in advance the acquisition of beneficial ownership of 35% or more of Employer Voting Securities by such person;

(c) The consummation of a merger, consolidation, statutory share exchange or similar form of corporate transaction involving the Employer or any of its subsidiaries that requires the approval of the Employer's stockholders, whether for such transaction or the issuance of securities in the transaction (a "Business Combination"), unless immediately following such Business Combination: (A) more than 50% of the total voting power of (1) the corporation resulting from such Business Combination (the "Surviving Corporation"), or (2) if applicable, the ultimate parent corporation that directly or indirectly has beneficial ownership of 100% of the voting securities eligible to elect directors of the Surviving Corporation (the "Parent Corporation"), is represented by Employer Voting Securities that were outstanding immediately prior to such Business Combination (or, if applicable, is represented by shares into which such Employer Voting Securities were converted pursuant to such Business Combination), and such voting power among the holders thereof is in substantially the same proportion as the voting power of such Employer Voting Securities among the holders thereof immediately prior to the Business Combination; (B) no person (other than any employee benefit plan (or related trust) sponsored or maintained by the Surviving Corporation or the Parent Corporation), is or becomes the beneficial owner, directly or indirectly, of 35% or more of the total voting power of the outstanding voting securities eligible to elect directors of the Parent Corporation (or, if there is no Parent Corporation, the Surviving Corporation) and (C) at least a majority of the members of the board of directors of the Parent Corporation (or, if there is no Parent Corporation, the Surviving Corporation) following the consummation of the Business Combination were Incumbent Directors at the time of the Board's approval of the execution of the initial agreement providing for such Business Combination (any Business Combination which satisfies all of the criteria specified in (A), (B) and (C) above shall be deemed to be a "Non-Qualifying Transaction"); or

(d) The consummation of a sale of all or substantially all of the Employer's assets or the stockholders of the Employer approve a plan of complete liquidation or dissolution of the Employer.

Notwithstanding the foregoing, a Change in Control shall not be deemed to occur solely because any person acquires beneficial ownership of more than 35% of the Employer Voting Securities as a result of the acquisition of Employer Voting Securities by the Employer which reduces the number of Employer Voting Securities outstanding; provided, that if after such acquisition by the Employer such person becomes the beneficial owner of additional Employer Voting Securities that increases the percentage of outstanding Employer Voting Securities beneficially owned by such person, a Change in Control of the Employer shall then occur.

Solely with respect to any award that constitutes "deferred compensation" subject to Section 409A of the Code and that is payable on account of a Change in Control (including any installments or stream of payments that are accelerated on account of a Change in Control), a Change in Control shall occur only if such event also constitutes a "change in the ownership", "change in effective control", and/or a "change in the ownership of a substantial portion of assets" of the Employer as those terms are defined under Treasury Regulation §1.409A-3(i)(5), but only to the extent necessary to establish a time or form of payment that complies with Section 409A of the Code, without altering the definition of Change in Control for purposes of determining whether rights to such award have become vested or otherwise unconditional upon the Change in Control.

"Code" means the Internal Revenue Code of 1986, as amended, and the regulations and guidance promulgated thereunder.

"Date of Termination" means (i) if the Executive's employment is terminated by the Executive's death, the date of the Executive's death; (ii) if the Executive's employment is terminated because of the Executive's Disability, 30 days after Notice of Termination, provided that the Executive shall not have returned to the performance of the Executive's duties on a full-time basis during such 30-day period; or (iii) if the Executive's employment is terminated by the Employer pursuant to Section 8(a)(ii)(B) or by the Executive pursuant to Section 8(a)(iii), the date specified in the Notice of Termination, which may not be less than 60 days after the Notice of Termination in the event the Employer is terminating the Executive without Cause or the Executive is terminating employment without Good Reason.

"Employer Affiliate" means any entity controlled by, in control of, or under common control with, the Employer.

"Employer Confidential Information" means information known to the Executive to constitute trade secrets or proprietary information belonging to the Employer or other confidential financial information, operating budgets, strategic plans research methods, personnel data, projects or plans, or non-public information regarding the terms of any existing or pending lending transaction between Employer and an existing or pending client or customer (as the phrase "client or customer" is defined in Section 7(d)(i) hereof), in each case, received by the Executive in the course of his employment by the Employer or in connection with his duties with the Employer. Notwithstanding anything to the contrary contained herein, the general skills, knowledge and experience gained during the Executive's employment with the Employer, information publicly available or generally known within the industry or trade in which the Employer competes and information or knowledge possessed by the Executive prior to his employment by the Employer, shall not be considered Employer Confidential Information.

"Good Reason" means, unless otherwise agreed to in writing by the Executive, (i) any material diminution or adverse change in the Executive's title(s); (ii) a reduction in the Executive's Base Salary or Target Bonus; (iii) a failure to grant the Executive, in any consecutive 12 month period, long term incentive equity awards having a grant date fair value (as determined by the Committee in good faith) of at least $750,000; (iv) a material diminution in the Executive's authority, responsibilities or duties or material interference with the Executive's carrying out his duties; (v) the assignment of duties inconsistent with the Executive's position or status with the Employer as of the date hereof; (vi) a relocation of the Executive's primary place of employment to a location more than 75 miles from the Employer's executive headquarters; or (vii) any action or inaction by the Employer that constitutes a material breach of the terms of this Agreement In order to invoke a termination for Good Reason, (A) the Executive must give written notice of the occurrence of an event of Good Reason within 60 days of its occurrence, (B) the Employer must fail to cure such event within 30 days of such notice, and (C) the Executive must terminate employment within 10 days of the expiration of such cure period.

"Non-Compete Period" means the period commencing on the date hereof and ending eighteen months after the earlier of the expiration of the Employment Period or the Executive's Date of Termination.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the undersigned have duly executed and delivered this Agreement, or have caused this Agreement to be duly executed and delivered on their behalf.

WILLSCOT MOBILE MINI HOLDINGS CORP.

By: /s/ Brad Soultz

Date: February 16, 2023

Brad Soultz

Chief Executive Officer

EXECUTIVE

By: /s/ Graeme Parkes

Date: February 16, 2023

Graeme Parkes

EXHIBIT A
FORM OF RELEASE

This Confidential Separation and Release Agreement ("***Agreement***") is between Graeme Parkes ("***Employee***") and WillScot Mobile Mini Holdings Corp. (the "***Company***") (hereinafter the "***parties***"), and is entered into as of . This Agreement will not become effective until the expiration of seven (7) days from Employee's execution of this Agreement (the "***Effective Date***").

WHEREAS, Employee has been employed by Company and is a party to that certain Employment Agreement dated , 20 Date (the *"**Employment Agreement**"*).

WHEREAS, the Employee's employment with Company was terminated effective as of , 20 (the "***Termination Date***")*;*

WHEREAS, Company and Employee desire to avoid disputes and/or litigation regarding Employee's termination from employment or any events or circumstances preceding or coincident with the termination from employment; and

WHEREAS, Company and Employee have agreed upon the terms on which Employee is willing, for sufficient and lawful consideration, to compromise any claims known and unknown which Employee may have against Company.

WHEREAS, the parties desire to settle fully and finally, in the manner set forth herein, all differences between them which have arisen, or which may arise, prior to, or at the time of, the execution of this Agreement, including, but in no way limited to, any and all claims and controversies arising out of the employment relationship between Employee and Company, and the termination thereof;

NOW, THEREFORE, in consideration of these recitals and the promises and agreements set forth in this Agreement, Employee's employment with Company will terminate upon the following terms:

1. General Release: Employee for himself or herself and on behalf of Employee's attorneys, heirs, assigns, successors, executors, and administrators, each in their capacity as such, IRREVOCABLY AND UNCONDITIONALLY RELEASES, ACQUITS AND FOREVER DISCHARGES Company and any current or former stockholders, directors, parent, subsidiary, affiliated, and related corporations, firms, associations, partnerships, and entities, and their successors and assigns, each in their capacity as such, from any and all claims and causes of action whatsoever, whether known or unknown or whether connected with Employee's employment by Company or not, which may have arisen, or which may arise, prior to, or at the time of, the execution of this Agreement, including, but not limited to, any claim or cause of action arising out of any contract, express or implied, any covenant of good faith and fair dealing, express or implied, any tort (whether intentional or released in this agreement), or under Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act, the Americans with Disabilities Act, the Worker Adjustment and Retraining Notification (WARN) Act, the Older Workers Benefit Protection Act, or any other municipal, local, state, or federal law, common or statutory, but excluding any claims with respect to the Company's obligations under the Employment Agreement, any claims relating to vested benefits under any Company employee benefit plan (including without limitation any such plan subject to the Employee Retirement Income Security Act of 1974, as amended) and any claims which Employee cannot release as a matter of applicable law. Furthermore, neither this Agreement nor the Employment Agreement shall apply to, modify or in any way supersede obligations arising from any of (i) the terms of directors and officers insurance or (ii) any indemnification agreement for the benefit of the Employee as a result of the Employee's position as a director or officer of the Company or one of its affiliates. Notwithstanding anything to the contrary in this Agreement, this Agreement does not waive any claims or rights: (a) that may arise after the date on which you sign this Agreement, including the right to enforce this Agreement; (b) that cannot be released as a matter of law, including your rights to COBRA, workers compensation, and unemployment insurance (the application for which shall not be contested by the Company); and/or (c) to accrued, vested benefits under any employee benefit, stock, savings, insurance, or pension plan of the Company.

2. Covenant Not to Sue: Employee also COVENANTS NOT TO SUE, OR OTHERWISE PARTICIPATE IN ANY ACTION OR CLASS ACTION against Company or any of the released parties based upon any of the claims released in this Agreement.

3. Severance Terms: Upon the expiration of seven (7) days from Employee's execution of this Agreement and provided that this Agreement has become effective in accordance with its terms, in consideration for the promises, covenants, agreements, and releases set forth herein and in the Employment Agreement, Company agrees to pay Employee the Severance Benefits as defined in and pursuant to the Employment Agreement (the "***Severance Benefits***").

4. Right to Revoke: Employee may revoke this Agreement by notice to Company, in writing, received within seven (7) days of the date of its execution by Employee (the "***Revocation Period***"). Employee agrees that Employee will not receive the benefits provided by this Agreement if Employee revokes this Agreement. Employee also acknowledges and agrees that if Company has not received from Employee notice of Employee's revocation of this Agreement prior to the

expiration of the Revocation Period, Employee will have forever waived Employee's right to revoke this Agreement, and this Agreement shall thereafter be enforceable and have full force and effect.

5. Acknowledgement: Employee acknowledges and agrees that: (A) except as to any Severance Benefits which remain unpaid as of the date of this Agreement, no additional consideration, including salary, wages, bonuses or Equity Awards as described in the Employment Agreement, is to be paid to him by Company in connection with this Agreement; (B) except as provided by this Agreement, Employee has no contractual right or claim to the Severance Benefits; and, (C) payments pursuant to this Agreement shall terminate immediately if Employee materially breaches any of the material provisions of this Agreement.

6. Non-Admissions: Employee acknowledges that by entering into this Agreement, Company does not admit, and does specifically deny, any violation of any local, state, or federal law.

7. Confidentiality: Employee agrees that Employee shall not directly or indirectly disclose the terms, amount or fact of this Agreement to anyone other than Employee's immediate family or counsel, bankers or financial advisors, except as such disclosure may be required for accounting or tax reporting purposes or as otherwise may be required by law.

8. Nondisparagement: Each party agrees that it will not make any statements, written or verbal, or cause or encourage others to make any statements, written or verbal, that defame, disparage or in any way criticize the personal or business reputation, practices or conduct of the other including, in the case of Company, its employees, directors and stockholders.

9. Acknowledgement of Restrictions; Confidential Information: Employee acknowledges and agrees that Employee has continuing non-competition, non-solicitation and non-disclosure obligations under the Employment Agreement . Employee acknowledges and reaffirms Employee's obligation to continue abide fully and completely with all post-employment provisions of the Employment Agreement and agrees that nothing in this Agreement shall operate to excuse or otherwise relieve Employee of such obligations.

10. Severability: If any provision of this Agreement is held to be illegal, invalid, or unenforceable, such provision shall be fully severable and/or construed in remaining part to the full extent allowed by law, with the remaining provisions of this Agreement continuing in full force and effect.

11. Entire Agreement: This Agreement, along with the Employment Agreement , constitute the entire agreement between the Employee and Company, and supersede all prior and contemporaneous negotiations and agreements, oral or written. This Agreement cannot be changed or terminated except pursuant to a written agreement executed by the parties.

12. Governing Law: This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, except where preempted by federal law.

13. Statement of Understanding: By executing this Agreement, Employee acknowledges that (a) Employee has had at least twenty-one (21) or forty-five (45) days, as applicable in accordance with the Age Discrimination in Employment Act, as amended, (the "***ADEA***") to consider the terms of this Agreement **(and any attachment necessary or desirable in accordance with the ADEA)** and has considered its terms for such a period of time or has knowingly and voluntarily waived Employee's right to do so by executing this Agreement and returning it to Company; (b) Employee has been advised by Company to consult with an attorney regarding the terms of this Agreement; (c) Employee has consulted with, or has had sufficient opportunity to consult with, an attorney of Employee's own choosing regarding the terms of this Agreement; (d) any and all questions regarding the terms of this Agreement have been asked and answered to Employee's complete satisfaction; (e) Employee has read this Agreement and fully understands its terms and their import; (f) except as provided by this Agreement, Employee has no contractual right or claim to the benefits and payments described herein; (g) the consideration provided for herein is good and valuable; and (h) Employee is entering into this Agreement voluntarily, of Employee's own free will, and without any coercion, undue influence, threat, or intimidation of any kind or type whatsoever.

HAVING READ AND UNDERSTOOD THIS AGREEMENT, CONSULTED COUNSEL OR VOLUNTARILY ELECTED NOT TO CONSULT COUNSEL, AND HAVING HAD SUFFICIENT TIME TO CONSIDER WHETHER TO ENTER INTO THIS AGREEMENT, THE UNDERSIGNED HEREBY EXECUTE THIS AGREEMENT ON THE DATES SET FORTH BELOW.

EMPLOYEE

____
Graeme Parkes
Date: ________________________

WILLSCOT MOBILE MINI HOLDINGS CORP.
By: ________________________

Name: ________________________
Title: ________________________
Date: ________________________

Subsidiaries of WillScot Mobile Mini Holdings Corp.

The following is a listing of Subsidiaries of WillScot Mobile Mini Holdings Corp., including the name under which they do business and their jurisdictions of incorporation, as of December 31, 2022.

Company Name	Jurisdiction of Incorporation
Williams Scotsman Holdings Corp.	Delaware
WillScot Equipment II, LLC	Delaware
Williams Scotsman, Inc.	Maryland
Williams Scotsman Mexico S. de R. L. de C.V.	The Federal District (Mexico City)
Williams Scotsman of Canada, Inc.	Ontario, Canada
Mobile Mini Canada, ULC	British Columbia, Canada
Mobile Mini UK Holdings Limited	England and Wales
Ravenstock MSG Limited	England and Wales
Mobile Mini UK Limited	England and Wales
Williams Scotsman Metis Services, Inc.	British Columbia, Canada
Elite Modular Leasing & Sales, Inc.	California

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the following Registration Statements:

(1) Registration Statement (Form S-8 No. 333-222870) of WillScot Mobile Mini Holdings Corp.,

(2) Registration Statement (Form S-3 No. 333-227480) of WillScot Mobile Mini Holdings Corp., and

(3) Registration Statement (Form S-8 No. 333-239626) pertaining to the Employees' Savings Plan of WillScot Mobile Mini Holdings Corp.;

of our reports dated February 22, 2023, with respect to the consolidated financial statements of WillScot Mobile Mini Holdings Corp. and the effectiveness of internal control over financial reporting of WillScot Mobile Mini Holdings Corp. included in this Annual Report (Form 10-K) of WillScot Mobile Mini Holdings Corp. for the year ended December 31, 2022.

/s/ Ernst & Young LLP
Baltimore, Maryland
February 22, 2023

Exhibit 31.1

Certification of Chief Executive Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Bradley L. Soultz, certify that:

1. I have reviewed this annual report on Form 10-K of WillScot Mobile Mini Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 22, 2023

/s/ BRADLEY L. SOULTZ
Bradley L. Soultz
Chief Executive Officer and Director
(Principal Executive Officer)

Certification of Chief Financial Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Timothy D. Boswell, certify that:

1. I have reviewed this annual report on Form 10-K of WillScot Mobile Mini Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 22, 2023

/s/ TIMOTHY D. BOSWELL
Timothy D. Boswell
President and Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

Certification of Chief Executive Officer

Pursuant to 18 U.S.C. Section 1350, as created by Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of WillScot Mobile Mini Corp. (the “Company”) hereby certifies, to such officer's knowledge, that:

(i) the annual report on Form 10-K of the Company for the period ended December 31, 2022 (the “Report”) fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 22, 2023

/s/ BRADLEY L. SOULTZ

Bradley L. Soultz

Chief Executive Officer and Director (Principal Executive Officer)

Certification of Chief Financial Officer

Pursuant to 18 U.S.C. Section 1350, as created by Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of WillScot Mobile Mini Corp. (the "Company") hereby certifies, to such officer's knowledge, that:

(i) the annual report on Form 10-K of the Company for the period ended December 31, 2022 (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 22, 2023

/s/ TIMOTHY D. BOSWELL

Timothy D. Boswell

President and Chief Financial Officer (Principal Financial Officer)