

Extendicare

Growing Together

Q4 2024

Conference Call

February 28, 2025



Forward-looking statements and non-GAAP measures

Forward-looking Statements

This presentation contains forward-looking statements within the meaning of applicable Canadian securities laws ("forward-looking statements" or "forward-looking information"). Statements other than statements of historical fact contained in this presentation may be forward-looking statements, including, without limitation, management's expectations, intentions and beliefs concerning anticipated future events, results, circumstances, economic performance or expectations with respect to Extendicare Inc. (the "Company" or "Extendicare"), including, without limitation: statements regarding dividend levels, its business operations, business strategy, growth strategy, results of operations and financial condition, including anticipated timelines and costs in respect of development projects; statements relating to the agreements entered into with Revera Inc. and its affiliates ("Revera"), Axiom LTC Limited Partnership and its affiliates ("Axiom") and two limited partnership joint ventures with Axiom in respect of the acquisition, disposition, ownership, operation and redevelopment of LTC homes in Ontario and Manitoba; and statements relating to expected future current income taxes and maintenance capex impacting AFFO.

Forward-looking statements can often be identified by the expressions "anticipate", "believe", "estimate", "expect", "intend", "objective", "plan", "project", "will", "may", "should" or other similar

expressions or the negative thereof. These forward-looking statements reflect the Company's current expectations regarding future results, performance or achievements and are based upon information currently available to the Company and on assumptions that the Company believes are reasonable. Actual results and developments may differ materially from results and developments discussed in the forward-looking statements, as they are subject to a number of risks and uncertainties.

Although forward-looking statements are based upon estimates and assumptions that the Company believes are reasonable based upon information currently available, these statements are not representations or guarantees of future results, performance or achievements of the Company and are inherently subject to significant business, economic and competitive uncertainties and contingencies and involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements of Extendicare to differ materially from those expressed or implied in the statements.

For further information on the risks, uncertainties and assumptions that could cause Extendicare's actual results to differ from current expectations, refer to "Risks and Uncertainties" and "Forward-looking Statements" in Extendicare's Q4 2024 Management's Discussion and Analysis and latest Annual Information Form filed by Extendicare with

the securities regulatory authorities, available at www.sedarplus.ca and on Extendicare's website at www.extendicare.com.

Readers should not place undue reliance on such forward-looking statements and assumptions as management cannot provide assurance that actual results or developments will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, the Company. The forward-looking statements speak only as of the date of this presentation. Except as required by applicable securities laws, the Company assumes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Non-GAAP Measures

"EBITDA", "Adjusted EBITDA", "Adjusted EBITDA margin", "net operating income" ("NOI"), "NOI margin", "funds from operations" ("FFO"), "adjusted funds from operations" ("AFFO"), and "payout ratio", are non-GAAP measures and do not have standardized meanings prescribed by GAAP. See "Non-GAAP Measures" in Extendicare's Q4 2024 MD&A.

Q4 growth highlights

Adjusted EBITDA excluding out-of-period items increased by \$10.1 million or 43.5% to \$33.4 million

Financial highlights

Adjusted Divisional NOI Margins⁽¹⁾	Q4 2024	Q4 2023	
Long-term care	10.0%	8.5%	+150 bps
Home health care	10.4%	8.8%	+160 bps
Managed services	54.6%	55.1%	-50 bps

Adjusted Divisional NOI Margins⁽¹⁾	FY 2024	FY 2023	
Long-term care	10.4%	8.4%	+200 bps
Home health care	11.4%	9.4%	+200 bps
Managed services	53.5%	52.5%	+100 bps

Operational highlights

10.1% YoY increase in home health care ADV

7.4% YoY increase in SGP customer base

Opened 192 bed home in Kingston

Started construction on two new homes

Agreed to acquire nine Class C LTC homes


Subsequent to Q4

Opened 256 bed home outside Ottawa

(1) Excluding the impact of out-of-period items, refer to slides 15 and 16 for details

Momentum in services segments drives Q4 performance

Strong financial results and outlook support 5.0% dividend increase; redevelopment supported by Axium JV

Growth in Services Q4 vs PY		LTC Redevelopment in Axium JVs	Strong Balance Sheet enhancing capital flexibility
Managed Services	Home Health Care	Began construction on two new homes in Q4: 192 beds in London and 128 beds in Port Stanley	\$230M in liquidity at Q4 2024; further flexibility from \$275M senior secured credit facility established in Q4
SGP beds +10,128 +7.4%	Q4 ADV +10.1% (11.0M TTM hours of service)	Expect to sell three new construction projects into the Axium JV in Q2-25 , subject to regulatory approval	April 2025 convertible debentures redeemed in December 2024 utilizing \$130.0M under new credit facility
2024 NOI up 55.3% to \$38.9M	2024 NOI up 42.1% to \$62.8M	Opened two Axium JV homes: 192-bed home in Kingston in Q4 2024 and 256-bed home in Stittsville in February 2025	2024 payout ratio improved to 50%⁽¹⁾ ; supporting dividend increase of 5.0% to 4.2 cents per month
Positioned for GROWTH 	Less capital-intensive, higher margin business model to expand managed services, build new LTC homes through JV partnerships with Axium and drive growth in home health care		

(1) Payout ratio for 2024 is adjusted to exclude out-of-period funding of \$16.3M (\$12.3M after-tax)

Redevelopment continues to progress

Opened two new homes in the Axium JV and commenced construction on two new projects

- **Opened two LTC homes;** Kingston and Stittsville (448 beds replace 406)
- **Commenced construction on two projects;** London and Port Stanley (320 beds will replace 230 C beds)
- **Recycling capital from the sale of vacated C home properties;** vacated Kingston Class C home sold in Q4 2024 for \$3.7M; initiated sale process for vacated West End Villa in Ottawa
- **6 LTC homes under construction;** 3 in the Axium JVs and 3 pending regulatory approval for sale to Axium JVs in Q2 2025
 - 1,408 new beds will replace 1,097 Class C beds
- Advancing **12 other redevelopment projects** to replace remaining C homes in future years (2,456 new beds to replace 1,841 Class C beds), if conditions are favourable



Redevelopment projects ⁽¹⁾	# of Class C beds replaced	# of new beds	Expected opening	Estimated development costs (\$ millions)
Extendicare ownership interest – 15%⁽²⁾				
Peterborough	172	256	Q1-26	100.6
Orleans (Ottawa)	240	256	Q1-27	107.3
Carlingview Manor (Ottawa)	303	320	Q2-26	121.4
Extendicare ownership interest – 100%⁽³⁾				
St. Catharines	152	256	Q1-27	106.4
Port Stanley	60	128	Q1-27	52.7
London	170	192	Q2-27	77.7
	1,097	1,408		566.1

(1) All projects are replacing Extendicare homes/licensed beds, except for Carlingview Manor, which is replacing a Revera home currently managed by Extendicare.

(2) Projects held in Axium JVs in which Extendicare holds a 15% managed interest.

(3) Projects expected to be sold to the JV in Q2 2025, retaining a 15% managed interest.

Agreement to acquire nine LTC homes from Revera

Anticipate the \$60.3M transaction to close in Q2 2025 following regulatory approval

- The homes are **currently managed by Extendicare**
- The nine homes will **add 822 LTC and 574 private pay retirement beds** to the LTC segment
- Extendicare intends to redevelop the LTC beds into **6 new LTC homes, adding approximately 1,100 beds to our pipeline**
- Resale of the legacy homes as private pay retirement has potential to recover the purchase price
- Revera announced the sale of 21 Class C LTC homes currently managed by Extendicare to a third party, subject to regulatory approval
- **Net impact of the two transactions would increase revenue and NOI by approximately \$109.3M and \$6.8M, respectively or \$0.02/AFFO share⁽³⁾**

Home Name	Address	LTC Beds ⁽¹⁾	Ret. Beds
Blenheim Community Village	Blenheim, ON	57	30
Brierwood Gardens	Brantford, ON	67	71
Riverbend Place	Cambridge, ON	39	92
Summit Place	Owen Sound, ON	99	77
Telfer Place	Paris, ON	35	180
Village on the Ridge	Ridgetown, ON	30	65
Trillium Court	Kincardine, ON	34	59
Carlingview Manor ⁽²⁾	Ottawa, ON	250	-
Poseidon	Winnipeg, MB	211	-
Total Beds		822	574

(1) LTC Beds excludes 133 3rd and 4th ward-style beds that have been taken out of service per regulatory requirements that are eligible to be reinstated upon redevelopment.

(2) Carlingview Manor is in the process of being redeveloped into a new 320-bed LTC home that is owned by the Axiom JV.

(3) Financial impact of the two transactions is based on annualized revenue, NOI and AFFO based on actual results for the nine months ended September 30, 2024.



Financial Review

Q4 2024

Consolidated results

Q4 2024

(\$ millions, except per share amounts)

- **Q4 results include out-of-period funding of \$6.3M** (\$1.9M for LTC and \$4.4M for ParaMed) **in 2024, compared with \$5.4M for ParaMed in 2023**⁽¹⁾
- **Q4 revenue up \$41.4M**, driven primarily by LTC and home health care rate increases and volume growth across all segments
- **Q4 NOI up \$11.0M** (\$10.1M excluding \$0.9M of out-of-period funding), reflecting improved performance across all segments
- **Q4 AFFO/basic share up \$0.11**, reflecting increased after-tax earnings (excluding out-of-period LTC funding, AFFO⁽¹⁾ improved by \$0.10 to \$0.28)

Q4 2024 vs Q4 2023

Revenue		NOI	
\$391.6	+\$41.4	\$53.8	+\$11.0
	+11.8%		+25.8%
Adjusted EBITDA		Net earnings	
\$39.7	+\$11.0	\$19.9	+\$11.3
	+38.5%		+131.2%
AFFO/basic share		Payout ratio	
\$0.34	+\$0.11	35%	
	+47.8%		

(1) Refer to slide 15 for the impact of out-of-period items

Strong financial position

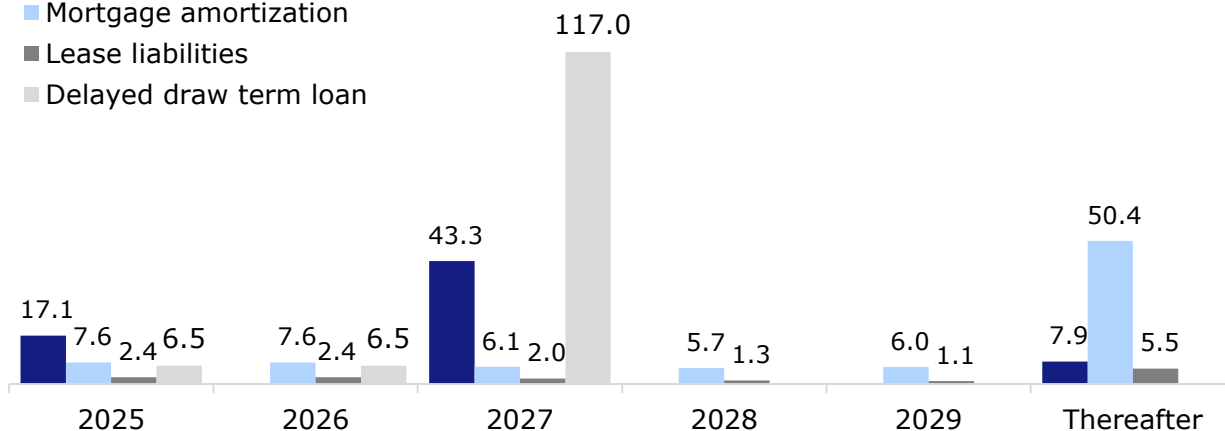
New \$275M senior secured credit facility enhances flexibility; \$126.5M convertible debenture redeemed in Q4

As at December 31, 2024

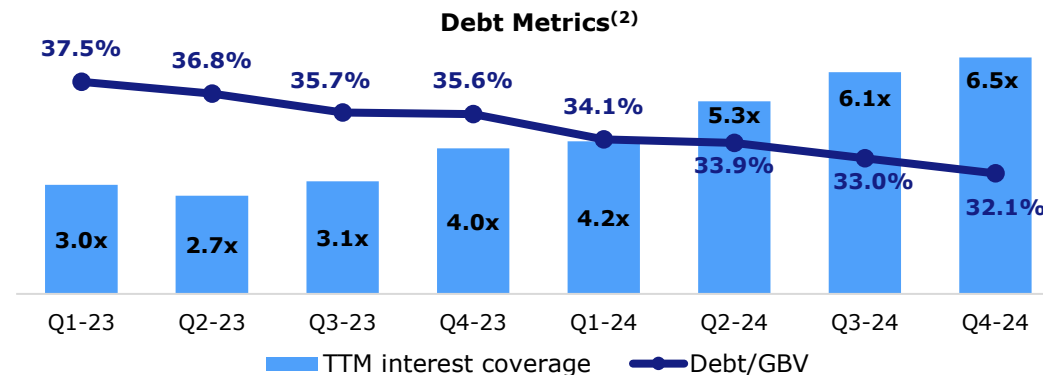
Cash	Available Credit Facilities	Long-term debt ⁽¹⁾	Long-term debt ⁽¹⁾ (including 15% JV share ⁽²⁾)
\$122M	\$108M	\$296M	\$372M

Debt maturities⁽³⁾⁽⁴⁾ (\$ millions)

- Mortgage/loan principal at maturity
- Mortgage amortization
- Lease liabilities
- Delayed draw term loan



- (1) Includes current portion; excludes deferred financing costs
 (2) Includes the impact of 15% share of Axiom JV and Axiom JV II long-term debt outstanding as at December 31, 2024 and TTM EBITDA and net interest expense of the joint ventures, as applicable
 (3) Debt maturities exclude 15% share of Axiom JV and Axiom JV II long-term debt
 (4) The delayed draw term loan can be extended with one-year extensions, subject to certain conditions; amortization of delayed draw term loan is 5% per annum
 (5) Payout ratio for 2024 is adjusted to exclude out-of-period funding of \$16.3M (\$12.3M after-tax)



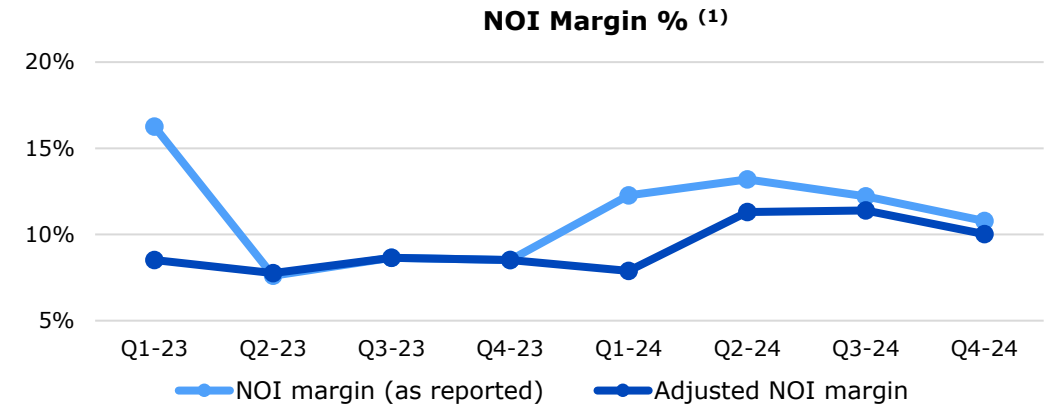
\$230M in liquidity and strong financial results support 5% dividend increase

- Secured new \$275M senior credit facility in Q4 comprised of \$145M revolving credit facility available for general corporate purposes, capital expenditures and acquisitions and \$130M delayed draw term loan used to redeem \$126.5M April 2025 convertible debentures on December 16, 2024
- FY24 adjusted payout ratio 50%⁽⁵⁾
- 5.0% dividend increase (to 4.2 cents per month) announced effective March 2025 dividend

Long-term care

Funding increases, lower agency costs and improved occupancy drive strong results

- **Q4 results include \$1.9M of out-of-period revenue** (retroactive funding)
- **Q4 revenue up \$18.5M;** up \$16.6M⁽²⁾ excluding out-of-period funding, reflecting funding increases and improved occupancy
- **Q4 NOI up \$6.7M;** up \$4.7M to \$22.3M⁽²⁾ excluding out-of-period funding, reflecting funding increases and timing of spend, partially offset by higher labour costs
- **Q4 adjusted NOI margin⁽²⁾ of 10.0%;** up 150 bps from 8.5% in Q4 2023
- **YTD adjusted NOI margin⁽²⁾ of 10.4%;** up 200 bps from 8.4% PY, reflecting funding increases, timing of spend and reduced agency costs



Revenue		
Q4 2024	\$224.9M	9.0%
YTD 2024	\$827.4M	5.0%
NOI		
Q4 2024	\$24.2M	37.9%
<i>margin</i>	10.8%	230 bps
YTD 2024	\$99.8M	22.0%
<i>margin</i>	12.1%	170 bps
Average occupancy		
Q4 2024	98.0%	20 bps
YTD 2024	97.9%	50 bps

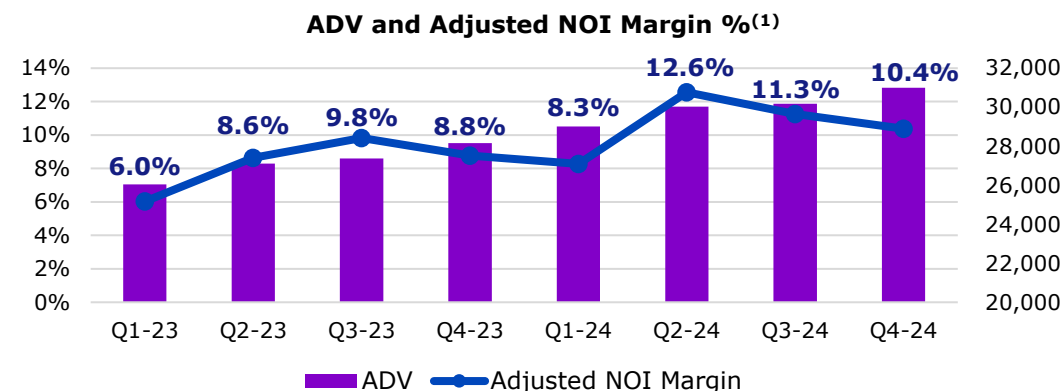
(1) Adjusted NOI margins exclude out-of-period funding (\$6.6M in Q1 2023, \$9.8M in Q1 2024, \$4.1M in Q2 2024, \$1.8M in Q3 2024 and \$1.9M in Q4 2024), and net COVID-19 funding (costs) as outlined in the COVID-19 table in the Q4 2023 MD&A

(2) Excluding the impact of out-of-period adjustments, refer to slide 16

Home health care

Revenue growth driven by rate increases and strong volume growth

- **Q4 results include out-of-period funding of \$4.4M in 2024**, compared with **\$5.4M in 2023**
- **Q4 revenue up \$20.6M**, reflecting 10.1% growth in ADV and bill rate increases
- **Q4 NOI up \$3.2M**, reflecting higher volume and rate increases, partially offset by higher wages and benefits
- **Q4 adjusted NOI margin⁽²⁾ of 10.4%**; up 160 bps from 8.8% in Q4 2023
- **YTD adjusted NOI margin⁽²⁾ of 11.4%**; up 200 bps from 9.4% PY
- Additional statutory holiday in Q4 vs. Q3 impacts sequential NOI margins by ~100 bps



Revenue		
Q4 2024	\$147.8M	16.2%
YTD 2024	\$566.0M	20.7%
NOI		
Q4 2024	\$19.3M	20.1%
<i>margin</i>	13.1%	50 bps
YTD 2024	\$62.8M	42.1%
<i>margin</i>	11.1%	170 bps
Average daily volume ("ADV")		
Q4 2024	30,993	10.1%
YTD 2024	30,055	10.6%

(1) Adjusted NOI margins excluding out-of-period retroactive billing rate increases (\$5.4M in Q4 2023, \$13.6M in Q1 2024); one-time retroactive compensation costs (\$13.6M in Q1 2024), and net COVID-19 costs as outlined in the COVID-19 table in the Q4 2023 MD&A

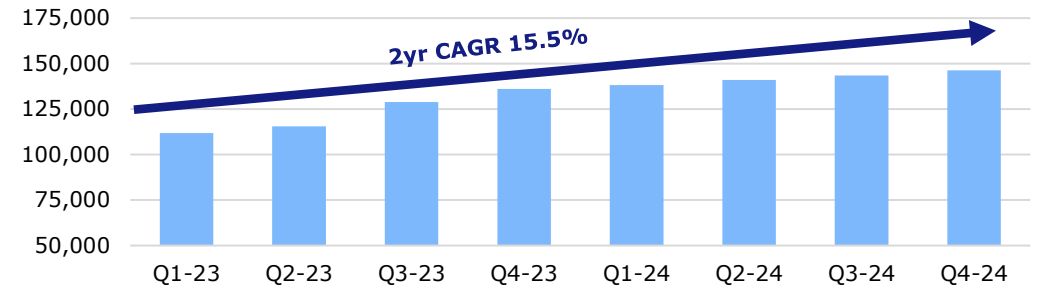
(2) Excluding the impact of out-of-period adjustments, refer to slide 16

Managed services | Extendicare Assist and SGP

Organic growth in SGP clients driving strong financial performance

- **Q4 revenue up \$2.3M** largely driven by organic growth in SGP clients and newly opened homes in the JV
- **Q4 NOI up \$1.2M** on revenue growth, partially offset by higher costs to support business development and change in mix of Assist consulting and other services
- **Q4 SGP beds up 7.4%** from Q4 2023

SGP (3rd party and JV beds)

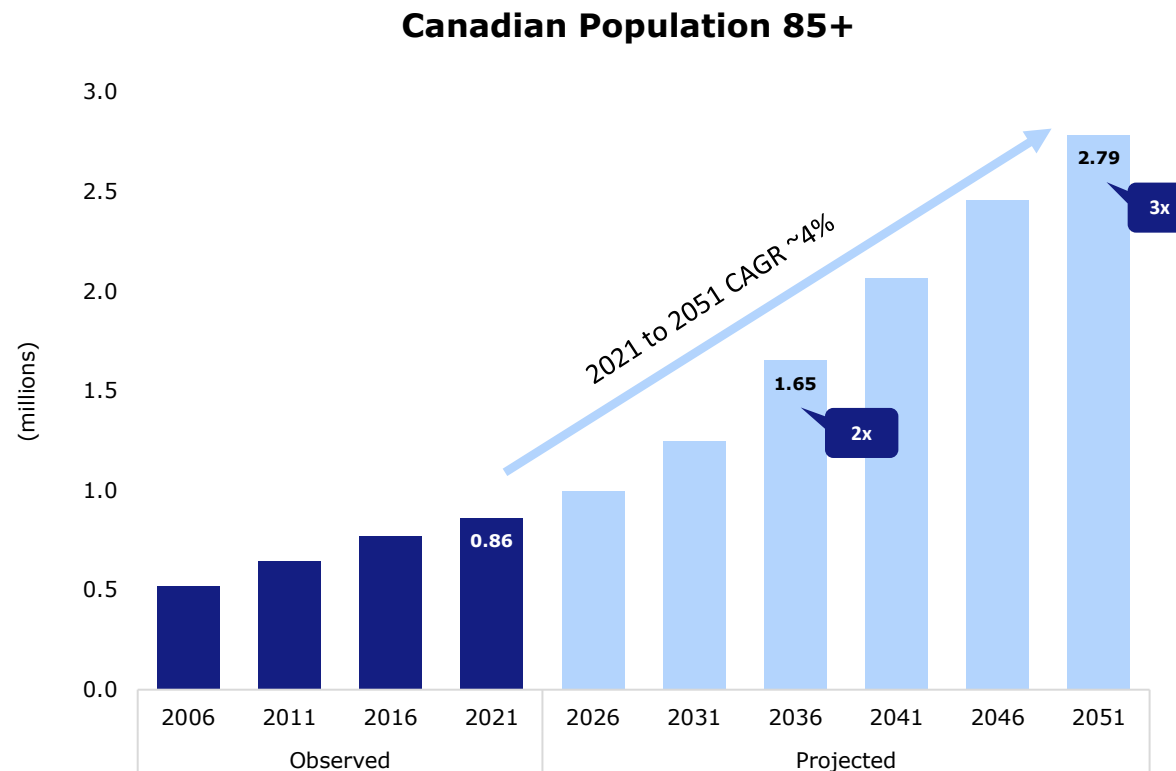


Revenue		
Q4 2024	\$18.8M	13.8%
YTD 2024	\$72.7M	52.2%
NOI		
Q4 2024	\$10.3M	12.7%
<i>margin</i>	54.6%	-50 bps
YTD 2024	\$38.9M	55.3%
<i>margin</i>	53.5%	100 bps
Management contract beds		
Third party	6,279	} 1.3%
Joint venture	3,630	
SGP 3rd party & joint venture beds		
Beds	146,292	7.4%

Meeting the needs of a growing demographic

Compelling growth opportunities in long-term care and home health care

- **Building new LTC homes** to address the increased need for long-term care
 - Seniors aged 85+ increasing at ~4% per year⁽¹⁾
 - LTC waitlist of more than 48,000⁽²⁾ in Ontario
 - Need for >200,000 new LTC beds in Canada by 2035⁽³⁾
- **Home health services growth** is required to address system capacity challenges
 - ParaMed's care volumes grew by more than 10% YoY in 2024
 - Volumes increasing faster than population growth to address shortfall in LTC capacity



Canadians aged 85+ will double by 2036 and triple by 2051

(1) Source: [A portrait of Canada's growing population aged 85 and older from the 2021 Census](#)

(2) As of September 2024, per Ontario Ministry of Long-Term Care

(3) The Conference Board of Canada; *Sizing Up the Challenge; Meeting the Demand for Long-Term Care*, November 2017

Appendix



Adjustments to revenue, EBITDA and AFFO

Three and twelve months ended December 31, 2024

(\$ millions, except per share amounts)

- **Q4 results** impacted by out-of-period LTC funding of \$1.9M retroactive to April 1, 2023 and ParaMed funding of \$4.4M related to recovery of increased labour costs
- **YTD 2024 results** impacted by out-of-period funding and one-time compensation costs (revenue \$28.9M and NOI \$15.3M)
 - LTC out-of-period revenue of \$15.3M, including \$11.3M to support Ontario and Alberta LTC homes with capital or operating needs and \$2.9M to support Manitoba homes with wage settlements (Q1-23 recognized \$6.6M of out-of-period funding)
 - Home health care recognized funding of \$13.6M in Q1 2024 and offsetting one-time payment to all home health care staff in connection with the 6.7% rate increase announced in Q4-23

Impact of select items on Revenue, Adjusted EBITDA and AFFO/basic share⁽¹⁾

Impact on:	Q4 2024	Q4 2023	Change	FY 2024	FY 2023	Change
Revenue						
Out-of-period funding						
Long-term care	\$1.9	-	\$1.9	\$15.3	\$6.6	\$8.7
Home health care	4.4	5.4	(1.0)	\$13.6	-	\$13.6
COVID-19 funding	-	-	-	-	\$28.7	\$(28.7)
Adjusted EBITDA						
Out-of-period funding	\$6.3	5.4	\$0.9	\$15.3	\$6.6	\$8.7
Net COVID-19 funding	-	-	-	-	\$12.1	\$(12.1)
AFFO/Basic Share						
Out-of-period funding	\$0.06	0.05	\$0.01	\$0.14	\$0.06	\$0.08
Net COVID-19 funding	-	-	-	-	\$0.10	\$(0.10)

(1) Reflects impact of net COVID-19 funding on Adjusted EBITDA and AFFO and impact of out-of-period LTC and home health care funding

Adjusted NOI by division⁽¹⁾

Three and twelve months ended December 31, 2024

(\$ millions)

Long-term care NOI and margin ⁽¹⁾					
Q4 2024	Q4 2023	Change	YTD 2024	YTD 2023	Change
\$22.3	\$17.6	27.1%	\$84.5	\$63.1	33.8%
10.0%	8.5%	150 bps	10.4%	8.4%	200 bps
Average occupancy					
98.0%	97.8%	20 bps	97.9%	97.4%	50 bps

Home health care NOI and margin ⁽¹⁾					
Q4 2024	Q4 2023	Change	YTD 2024	YTD 2023	Change
\$14.9	\$10.7	39.4%	\$62.8	\$44.2	42.1%
10.4%	8.8%	160 bps	11.4%	9.4%	200 bps
Average daily volume					
30,993	28,158	10.1%	30,055	27,177	10.6%

Managed services NOI and margin					
Q4 2024	Q4 2023	Change	YTD 2024	YTD 2023	Change
\$10.3	\$9.1	12.7%	\$38.9	\$25.1	55.3%
54.6%	55.1%	-50 bps	53.5%	52.5%	100 bps
SGP 3 rd party & joint venture beds at period end					
	146,292	136,164			7.4%

(1) Excludes the impact of the following adjustments: for the LTC segment, the impact of out-of-period funding of \$1.9M in Q4 2024, \$15.3M in YTDQ4 2024 (\$9.8M in Q1 2024, \$4.1M in Q2 2024 and \$1.4M in Q4 2024) and \$6.6M in YTDQ4 2023 (all in Q1); for the home health care segment, the impact of out-of-period funding of \$4.4M in Q4 2024 and \$5.4M in Q4 2023 and retroactive funding and offsetting compensation costs of \$13.6M in YTDQ4 2024 (all in Q1); and for both segments, excludes the impact of COVID-19 related funding and costs as outlined in the COVID-19 table in the Q4 2023 MD&A

Services-focused growth

Services represented ~55% of FY 2024 adjusted NOI

Direct care for seniors

Long-term care

51 Long-term care homes owned

Extencicare

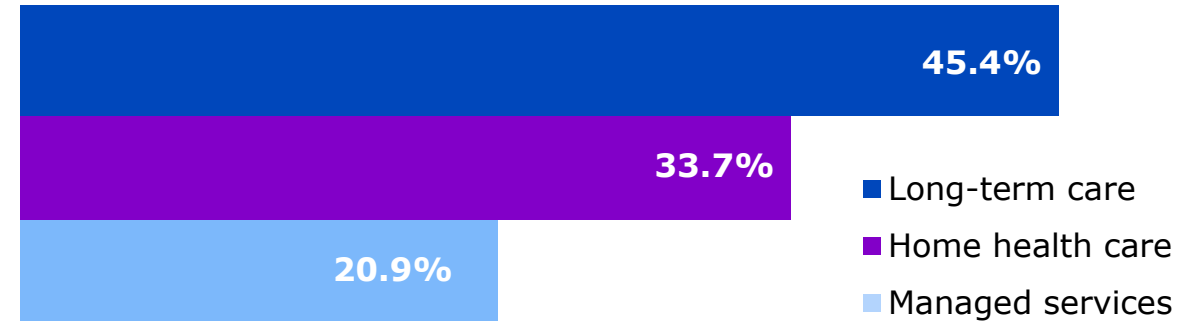
Home health care

11.0M Home health care hours delivered (TTM)

ParaMed

NOI contribution by segment⁽¹⁾

2024 Adjusted NOI⁽¹⁾ \$186.2M



Managed services

Management & consulting

71 Homes under contract

Extencicare
ASSIST

Group purchasing

146K Third-party & JV beds served

SGP PURCHASING NETWORK

Geographically diversified operations⁽²⁾

Province	ON	AB	MB	BC	QC	Other	Total
LTC homes owned - beds	32 4,715	14 1,514	5 762	-	-	-	51 6,991
Home health care hours delivered (TTM 000's)	10,345	410	-	-	-	245	11,000
Assist and JV beds under management contract⁽³⁾	8,720	-	1,189	-	-	-	9,909
SGP 3rd party & JV beds served	56,692	19,082	2,151	29,735	33,270	5,362	146,292

(1) 2024 adjusted NOI excludes out-of-period LTC funding of \$15.3M

(2) Figures as at December 31, 2024

(3) Represents 71 homes, including 27 operational LTC homes owned in the joint ventures with Axium in which the Company has a 15% managed interest

**Helping
people
live
better**

Extendicare

ParaMed

Extendicare
ASSIST

SGP PURCHASING
NETWORK