



DELIVERING BEST-IN-CLASS SERVICES & GROWING LONG-TERM VALUE

2020 Fourth Quarter & Year
End Results Conference Call

February 26, 2021

EXTENDICARE[®]

... helping people live better

NON-GAAP MEASURES

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

FORWARD-LOOKING STATEMENTS

This presentation contains certain 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 the Company, including, without limitation: statements regarding its business operations, business strategy, growth strategy, results of operations and financial condition, including anticipated timelines, costs and financial returns in respect of development projects, and in particular statements in respect of the impact of measures taken to mitigate the impact of COVID-19, the availability of various government programs and financial assistance announced in respect of COVID-19, the impact of COVID-19 on the Company’s operating costs, staffing, procurement, occupancy levels (primarily in its retirement communities) and volumes in its home health care business, the impact on the capital and credit markets and the Company’s ability to access the credit markets as a result of COVID-19, increased litigation and regulatory exposure and the outcome of any litigation and regulatory proceedings. Forward-looking statements can often be identified by the expressions “anticipate”, “believe”, “estimate”, “expect”, “intend”, “objective”, “plan”, “project”, “will” 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.

In particular, risks and uncertainties related to the effects of COVID-19 on Extendicare include: the length, spread and severity of the pandemic; the nature and extent of the measures taken by all levels of governments and public health officials, both short and long term, in response to COVID-19; domestic and global credit and capital markets; the Company’s ability to access capital on favourable terms or at all due to the potential for reduced revenue and increased operating expenses as a result of COVID-19; the availability of insurance on favourable terms; litigation and/or regulatory proceedings against or involving the Company, regardless of merit; the health and safety of the Company’s employees and its residents and clients; and domestic and global supply chains, particularly in respect of personal protective equipment. Given the evolving circumstances surrounding COVID-19, it is difficult to predict how significant the adverse impact will be on the global and domestic economy and the business operations and financial position of Extendicare. For further information on the risks, uncertainties and assumptions that could cause Extendicare’s actual results to differ from current expectations, refer to “Risk Factors” in Extendicare’s Annual Information Form and “Forward Looking-Statements” in Extendicare’s Q4 2020 Management’s Discussion and Analysis filed by Extendicare with the securities regulatory authorities, available at www.sedar.com 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.

COVID-19 UPDATE

- ◆ Safety of our residents, clients and staff remains our top priority
- ◆ Vaccine rollout under way:
 - ◆ 91% of LTC residents vaccinated with first dose and 65% have received second dose
 - ◆ 71% of Esprit residents vaccinated with first dose
 - ◆ 33% of LTC and Esprit staff have first dose
 - ◆ ParaMed started vaccinating staff this week
 - ◆ Supply constraints are gradually improving
- ◆ Point-of-care rapid testing deploying to all LTC operations in Q1-21 to further protect our residents and staff
- ◆ Additional COVID funding from governments and provincial health authorities



Vaccines and point-of-care testing enhance our ability to protect residents, clients and staff

2020 FOURTH QUARTER HIGHLIGHTS

- ◆ Impact of COVID-19:
 - ◆ Pandemic costs exceeded funding by \$10.3M (\$30.1M FY20)
 - ◆ Lower occupancy in LTC and retirement living
 - ◆ Home health care volumes recovering in the face of workforce capacity constraints
 - ◆ ParaMed received \$40.4M under the Canada Emergency Wage Subsidy (CEWS) program
 - ◆ Volatility in results expected to continue due to timing of COVID-19 costs and related revenues
- ◆ Investments in people, technology and training in home health care segment impacted Q4 NOI



Investing in people, training and technology

LONG-TERM CARE – REDEVELOPMENT ADVANCING

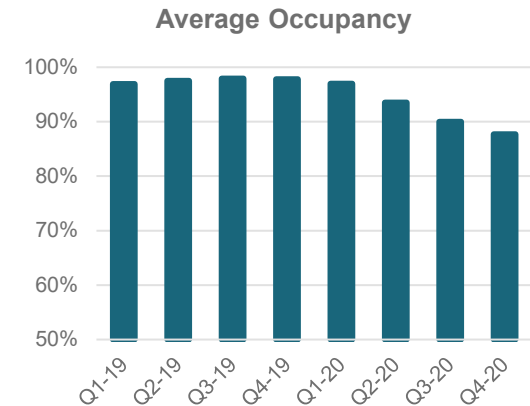
- ◆ Long-term plan to replace aging infrastructure is advancing successfully
- ◆ Sudbury 256-bed LTC home under construction:
 - ◆ Greenfield, commenced November 2020 with completion anticipated in Q4 2022
 - ◆ Estimated investment of \$62.3M
 - ◆ Replacing existing 234-bed Class C home
- ◆ Final approval stages for 192-bed Kingston home to commence construction in Q2 2021
- ◆ Targeting to have total of six projects under construction by end of 2022



Investing in a better future for seniors

LONG-TERM CARE – COVID-19 DRIVES INCREASED COSTS, LOWER OCCUPANCY

- ◆ COVID-19 costs exceed funding support by \$8.7M in Q4 2020 and \$24.2M in 2020 ⁽¹⁾
- ◆ Occupancy declines due to COVID-19 admissions restrictions supported by basic occupancy funding protection
- ◆ Recent COVID funding announcements in Ontario provide additional funding to offset 2020 costs and indicate the intent to continue this support throughout 2021
- ◆ Long-term care staffing plan announced in Ontario features increased hours of direct care and expanded education programs to increase the supply of health care workers

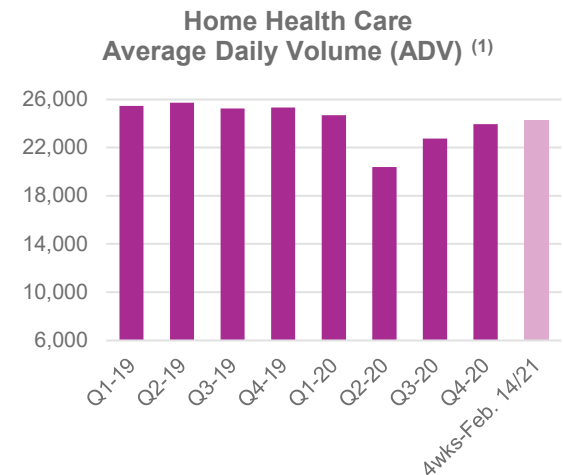


Long-term stable revenue base with future growth potential

(1) For breakdown of COVID related costs and related pandemic funding by line of business see Slide 18

PARAMED – VOLUME RECOVERING, LIMITED BY STAFFING CAPACITY

- ◆ Home care referrals recovered to pre-COVID levels
- ◆ ADV steadily recovering from COVID lows but constrained by workforce capacity:
 - ◆ Q4 ADV up 5.2% from Q3 2020
 - ◆ 4-weeks ending February 14, 2021 up 1.6% from Q4 2020
- ◆ Investments in training programs – 300 caregivers graduated in 2020, plan for over 600 in 2021
- ◆ Volume anticipated to increase as pandemic passes and staffing capacity grows
- ◆ Margin improvement to follow volume recovery as investments are leveraged to increase productivity
- ◆ Strong fundamental long-term market growth >4%



Workforce capacity constraints impeding volume recovery

(1) Excluding ParaMed B.C. contracts expired in January 2020

"ParaMed's Home Support Worker (HSW) program has provided me with everything I need to do my job with complete confidence as well as a stable career with a set schedule. I believe the HSW program is great for anyone looking to start their career in the health care industry or for anyone looking for a second career in life. It has truly changed my life for the better!"

NICOLE,
*Home Support Worker Program
Graduate and ParaMed Employee*



FINANCIAL REVIEW

2020 Fourth Quarter & Year End Results

CONSOLIDATED RESULTS

Three and twelve months ended December 31, 2020

(\$ millions, except per share amounts)

Revenue					
Q4 2020	Q4 2019	Change	YTD 2020	YTD 2019	Change
\$307.7	\$290.9	5.8% ↑	\$1,158.3	\$1,132.0	2.3% ↑

Revenue ⁽¹⁾					
Q4 2020	Q4 2019	Change	YTD 2020	YTD 2019	Change
\$307.7	\$277.6	10.9% ↑	\$1,155.3	\$1,079.1	7.1% ↑

NOI and Margin					
Q4 2020	Q4 2019	Change	YTD 2020	YTD 2019	Change
\$55.8	\$32.9	69.7% ↑	\$182.1	\$133.5	36.5% ↑
18.1%	11.3%	680 bps	15.7%	11.8%	390 bps

NOI and Margin ⁽¹⁾					
Q4 2020	Q4 2019	Change	YTD 2020	YTD 2019	Change
\$15.4	\$32.8	-53.0% ↓	\$90.9	\$131.6	-30.9% ↓
5.0%	11.8%	-680 bps	7.9%	12.2%	-430 bps

Adjusted EBITDA and Margin					
Q4 2020	Q4 2019	Change	YTD 2020	YTD 2019	Change
\$41.0	\$23.5	74.5% ↑	\$133.1	\$92.3	44.2% ↑
13.3%	8.1%	520 bps	11.5%	8.2%	330 bps

AFFO/Share ⁽²⁾ impact of selected items:	Q4 2020 EBITDA Impact	Q4 AFFO/share	YTD 2020 EBITDA Impact	YTD AFFO/share
Net COVID Costs	\$(10.3)	\$(0.08)	\$(30.1)	\$(0.25)
ParaMed CEWS	\$40.4	\$0.33	\$91.2	\$0.75
ParaMed One-Time Investments	\$(6.1)	\$(0.05)	\$(6.5)	\$(0.05)

AFFO and AFFO per Share ⁽²⁾					
Q4 2020	Q4 2019	Change	YTD 2020	YTD 2019	Change
\$21.8	\$11.4	91.9% ↑	\$79.2	\$52.6	50.5% ↑
\$0.24	\$0.13		\$0.88	\$0.59	

Payout ratio of 54.3% in 2020 compared to 81.1% in 2019

(1) Revenue, NOI, Adjusted EBITDA and AFFO excludes the impact on the home health care segment of: CEWS received in 2020, B.C. contracts and incremental funding related to Bill 148 recorded in Q2 2019 – see Slide 19

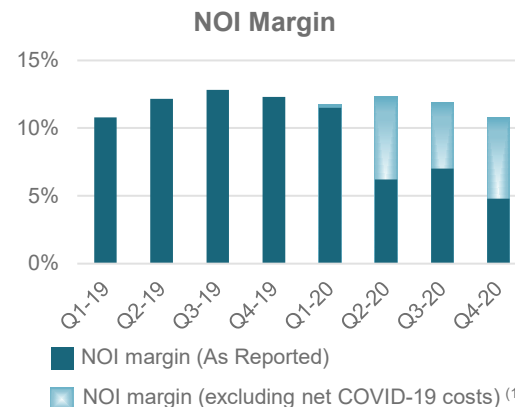
(2) Basic AFFO/share

LONG-TERM CARE

Three and twelve months ended December 31, 2020

Revenue		
Q4 2020	\$192.1M	15.3% ↑
YTD 2020	\$715.6M	11.1%
NOI		
Q4 2020	\$9.2M	-54.9%
<i>margin</i>	4.8%	-750 bps ↓
YTD 2020	\$51.8M	-33.1%
<i>margin</i>	7.2%	-480 bps
Average Occupancy		
Q4 2020	87.7%	-1,010 bps ↓
YTD 2020	92.0%	-550 bps

- ◆ Q4 revenue up \$25.5M, includes COVID-19 funding of \$25.6M
- ◆ Q4 NOI impacted by:
 - ◆ Costs in excess of COVID-19 funding of \$8.7M (full year \$24.2M)
 - ◆ Lower preferred occupancy revenue due to COVID-19
- ◆ Basic occupancy funding protection in place until March 31, 2021
- ◆ Additional funding announcements from Ontario government subsequent to year end



Q4 NOI margin % excluding COVID-19 is 10.8%

HOME HEALTH CARE

Three and twelve months ended December 31, 2020

Revenue ⁽¹⁾		
Q4 2020	\$96.4M	3.2% ↑
YTD 2020	\$365.2M	-1.3% ↓
NOI ⁽¹⁾		
Q4 2020	-\$1.7M	-129.3%
<i>margin</i>	-1.8%	-800 bps
YTD 2020	\$8.7M	-70.4% ↓
<i>margin</i>	2.4%	-560 bps
Average Daily Volume ⁽¹⁾		
Q4 2020	23,943	-5.4% ↓
YTD 2020	22,942	-9.8%

- ◆ Q4 revenue⁽¹⁾ increased slightly as COVID-19 and pandemic pay funding were largely offset by lower average daily volumes (ADVs)
- ◆ Q4 NOI⁽¹⁾ impacted by decline in ADV vs Q4-19 and \$6.1M one-time investments in front-line employee wage harmonization and training programs
- ◆ Q4 NOI margin % excluding COVID-19 and one-time investments is 5.8%
- ◆ ParaMed received \$40.4M⁽¹⁾ in CEWS in Q4 (related to July 5 to December 19, 2020)

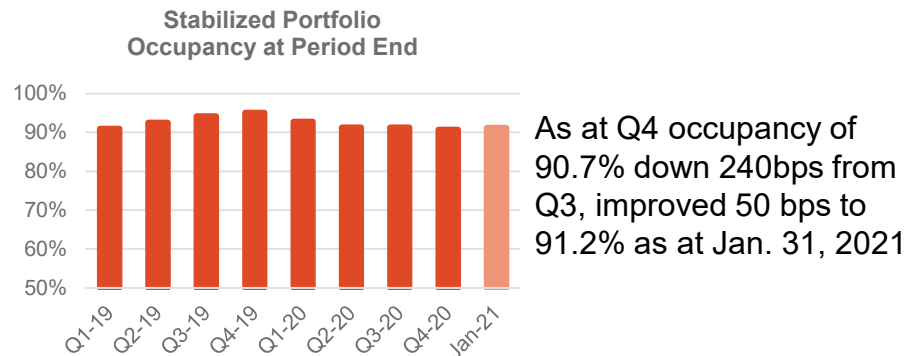
(1) Revenue and NOI excludes the impact on the home health care segment of: CEWS received in Q4 2020, B.C. contracts and incremental funding related to Bill 148 recorded in Q2 2019 – see Slide 19

RETIREMENT LIVING

Three and twelve months ended December 31, 2020

Revenue		
Q4 2020	\$12.0M	6.1% ↑
YTD 2020	\$47.8M	15.8%
NOI		
Q4 2020	\$3.3M	11.0%
<i>margin</i>	27.6%	120 bps ↑
YTD 2020	\$13.8M	20.4%
<i>margin</i>	28.8%	110 bps
Average Stabilized Occupancy		
Q4 2020	91.3%	-360 bps ↓
YTD 2020	92.1%	-60 bps
As at Stabilized Occupancy		
Q4 2020	90.7%	-440 bps ↓

- ◆ Q4 revenue up 6.1% and NOI up 11.0%
- ◆ Contributions from lease-up and non same-store communities offset the negative impact of COVID-19 on occupancy and cost levels
- ◆ Q4 stabilized occupancy impacted by restrictions on in-person tours
- ◆ Average stabilized occupancy down 60bps to 91.3% from Q3 2020 (down 360 bps vs. Q4-19)

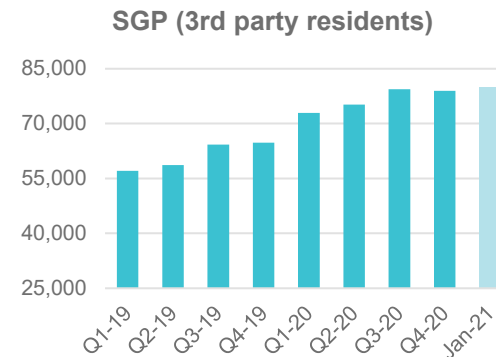


OTHER CANADIAN OPERATIONS

Three and twelve months ended December 31, 2020

Revenue		
Q4 2020	\$7.2M	16.4% ↑
YTD 2020	\$26.8M	12.0%
NOI		
Q4 2020	\$4.6M	32.2%
<i>margin</i>	63.2%	750 bps ↑
YTD 2020	\$16.7M	25.6%
<i>margin</i>	62.2%	670 bps
Contract Services		
Beds	6,379	-3.4% ↓
SGP		
Residents	78,937	21.9% ↑

- ◆ Q4 revenue up 16.4% and NOI up 32.2%
- ◆ Growth in SGP client base of 21.9% and lower travel and marketing costs due to COVID restrictions drove increase in NOI

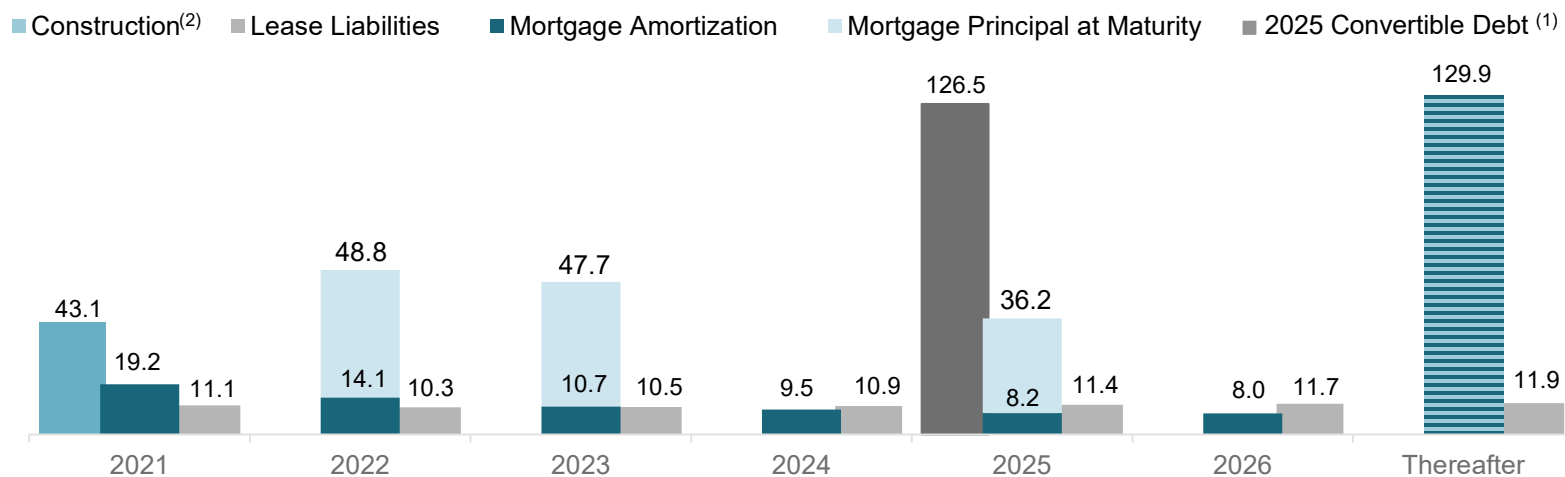


STRONG FINANCIAL POSITION

As at December 31, 2020

Long-term Debt ⁽¹⁾	Cash		EBITDA interest coverage	Debt to GBV	Weighted average rate
\$580M	\$180M	Q4 2020	4.7x	45.9%	4.3%
		Q3 2020	4.0x	47.9%	4.4%
		Q4 2019	3.1x	49.0%	4.7%

Debt Maturities (\$ millions)



Strong liquidity position and no scheduled debt maturities until Q1 2022

(1) Includes current portion, reflects 2025 convertible debt at face of \$126.5M and excludes deferred financing costs

(2) Demand constructions loans are reflected as current

COMPELLING GROWTH OPPORTUNITIES ACROSS THE CARE CONTINUUM

B2C: direct services to seniors

LONG-TERM CARE

EXTENDICARE[®]
... helping people live better

58

Long-term care
homes owned

HOME HEALTH CARE

ParaMed[™]
Redefining Care

8.4M

Home health care
hours delivered (TTM)

RETIREMENT LIVING

Esprit
Lifestyle
Communities

11

Retirement communities
owned

B2B: contract & consulting services

GROUP PURCHASING SERVICES

SGP | PURCHASING
PARTNER
NETWORK

79K

Third-party
residents served

CONTRACT SERVICES AND CONSULTING

EXTENDICARE[®]
assist

52

Homes under
contract

THANK YOU





2020 ESTIMATED COVID-19 REVENUE, OPERATING EXPENSES AND ADMINISTRATIVE COSTS

Three and twelve months ended December 31, 2020 and 2019

(\$ millions)	Q4 2020				YTD 2020			
	LTC	Retirement Living	Home Health Care	Total	LTC	Retirement Living	Home Health Care	Total
Revenue	\$25.6	-	\$6.4	\$32.0	\$64.7	-	\$23.6	\$88.3
Operating expenses	34.3	0.1	7.2	41.6	88.9	1.1	24.9	114.9
NOI Impact	\$(8.7)	\$(0.1)	\$(0.8)	\$(9.6)	\$(24.2)	\$(1.1)	\$(1.3)	\$(26.6)
Administrative costs	-	-	-	0.7	-	-	-	3.5
Adjusted EBITDA impact	\$(8.7)	\$(0.1)	\$(0.8)	\$(10.3)	\$(24.2)	\$(1.1)	\$(1.3)	\$(30.1)

PARAMED FACTORS IMPACTING COMPARABILITY

Three and twelve months ended December 31, 2020 and 2019

- ◆ **ParaMed B.C. contracts** (exited in January 2020)
- ◆ **ParaMed Bill 148** (retro funding of \$2.2M recorded in Q2 2019)
- ◆ **ParaMed CEWS** (\$91.2M received in 2020 (\$40.4M in Q4 2020))

NET IMPACT <i>(\$ millions, except ADV values)</i>	Q4 2020	Q4 2019	Change	YTD 2020	YTD 2019	Change
Revenue						
ParaMed B.C.	\$ -	\$13.3	\$(13.3)	\$ 3.0	\$50.7	\$(47.7)
ParaMed Bill 148	-	-	-	-	2.2	(2.2)
Total Revenue	-	\$13.3	\$(13.3)	\$ 3.0	\$52.9	\$(49.9)
NOI						
NOI (B.C./Bill 148)	-	\$0.1	\$ (0.1)	-	\$ 1.9	\$ (1.9)
NOI (CEWS)	40.4	-	40.4	91.2	-	91.2
Total NOI	\$40.4	\$0.1	\$40.3	\$91.2	\$ 1.9	\$89.3
ADV ParaMed B.C.	-	3,608		200	3,523	

RESULTS – NOI BY DIVISION (1)

Three and twelve months ended December 31, 2020

(\$ millions)

Long-term Care NOI and Margin (1)						Home Health Care NOI and Margin (1)					
Q4 2020	Q4 2019	Change	YTD 2020	YTD 2019	Change	Q4 2020	Q4 2019	Change	YTD 2020	YTD 2019	Change
\$17.9	\$19.1	-6.2%	\$76.0	\$76.3	-0.5%	\$5.2	\$5.8	-10.5%	\$16.5	\$29.5	-44.1%
10.8%	11.5%	-70 bps	11.7%	11.9%	-20 bps	5.8%	6.2%	-40 bps	4.8%	8.0%	-320 bps
Average Occupancy						Average Daily Volume					
87.7%	97.8%	-1,010 bps	92.0%	97.5%	-550 bps	23,943	25,318	-5.4%	22,942	25,435	-9.8%
Retirement Living NOI and Margin (1)						Assist/SGP NOI and Margin					
Q4 2020	Q4 2019	Change	YTD 2020	YTD 2019	Change	Q4 2020	Q4 2019	Change	YTD 2020	YTD 2019	Change
\$3.4	\$3.0	15.1%	\$14.9	\$11.4	30.1%	\$4.6	\$3.4	32.2%	\$16.7	\$13.3	25.6%
28.6%	26.4%	220 bps	31.1%	27.7%	340 bps	63.2%	55.7%	750 bps	62.2%	55.5%	670 bps
Average Stabilized Occupancy						SGP 3 rd Party Residents at period end					
91.3%	94.9%	-360 bps	92.1%	92.7%	-60 bps				78,937	64,762	21.9%

(1) Excludes the impact of COVID-19 related costs in excess of funding as outlined on Slide 18, factors impacting the home health care segment outlined on Slide 19, one-time investments in home health care of \$6.1M (Q4-20) and \$6.5M in (FY 2020), and impact on LTC segment of favourable accrual adjustments of \$1.4M (Q4-19) and \$1.1M (FY2019)