

EXTENDICARE COMPLETES SALE OF ESPRIT RETIREMENT COMMUNITIES

MARKHAM, ONTARIO, May 17, 2022 – Extendicare Inc. (“Extendicare” or the “Company”) (TSX: EXE.TO) announced today that, effective May 16, 2022, it has completed the previously announced sale of its retirement living operations comprised of 1,048 retirement living suites across 11 retirement communities (the “Portfolio”), located in Ontario and Saskatchewan, to Sienna-Sabra LP, a partnership formed between Sienna Senior Living Inc. (TSX: SIA.TO) and SABRA Healthcare REIT (NASDAQ: SBRA), for an aggregate purchase price of \$307.5 million (the “Transaction”).

“With the successful closing of the sale of our retirement living operations, we are now firmly focused on growth opportunities in our long-term care and home health care segments, including the services we provide to senior living operators through Extendicare Assist and SGP Purchasing Partner Network,” said President and CEO, Dr. Michael Guerriere. “This transaction, together with our recently announced partnership with Axiom Infrastructure, provide us with the flexibility to allocate capital for strategic investments in our people, technology, acquisitions, and our long-term care redevelopment program in support of our mission to provide high-quality care for seniors across Canada,” added Dr. Guerriere.

The purchase price was settled in cash of \$254.1 million and assumption of mortgages by Sienna-Sabra LP of \$53.4 million on certain retirement communities. Cash proceeds were used to repay all remaining outstanding indebtedness related to the retirement living operations of \$117.1 million. The estimated net proceeds realized on the Transaction, net of debt repayments, taxes, certain closing adjustments and transactions costs, is estimated to be approximately \$125.0 million, subject to customary post-closing working capital adjustments. The net book value of the property and equipment and intangible assets related to the Transaction is approximately \$220.0 million, resulting in an estimated gain, net of taxes and transaction costs, of \$75.0 million, which will be recognized in our second quarter results through Discontinued Operations.

About Extendicare

Extendicare is a leading provider of care and services for seniors across Canada, operating under the Extendicare, ParaMed, Extendicare Assist, and SGP Purchasing Partner Network brands. We are committed to delivering quality care throughout the health continuum to meet the needs of a growing seniors population. We operate or provide contract services to a network of 108 long-term care homes and retirement communities (58 owned/50 contract services), provide approximately 9.2 million hours of home health care services annually, and provide group purchasing services to third parties representing approximately 98,800 senior residents across Canada. Extendicare proudly employs approximately 19,000 qualified, highly trained and dedicated individuals who are passionate about providing high quality care and services to help people live better.

Forward-looking Statements

This press release contains forward-looking statements concerning anticipated future events, results, circumstances, economic performance or expectations with respect to Extendicare and its subsidiaries, including, without limitation, statements regarding its business operations, business strategy, growth strategy, results of operations and financial condition, including statements relating to the agreements entered into with Revera Inc. and its affiliates (“Revera”) and Axiom Infrastructure Inc. and its affiliates (“Axiom”) in respect of the ownership, operation and redevelopment of LTC homes in Ontario and Manitoba; statements relating to the Transaction; 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. The Company assumes no obligation to update or revise any forward-looking statement, except as required by applicable securities laws. These statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements of the Company 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 "Risk and Uncertainties" and "Forward Looking-Statements" in Extendicare's Q1 2022 MD&A filed by Extendicare with the securities regulatory authorities, available at www.sedar.com and on Extendicare's website at www.extendicare.com. Given these risks and uncertainties, readers are cautioned not to place undue reliance on Extendicare's forward-looking statements.

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