Growing together for a bright future

Q1 2023 RESULTS

Conference Call

May 5, 2023

Extendicare

ParaMed
Redefining Care

Extendicare assist
Management & Consulting Services

SGP Purchasing Partner Network
Better all together

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 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, statements relating to the agreements entered into with Revera Inc. and its affiliates ("Revera") and Axium Infrastructure Inc. and its affiliates ("Axium") in respect of the ownership, operation and redevelopment of LTC homes in Ontario and Manitoba; statements relating to expected future current income taxes and maintenance capex impacting AFFO; 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 and the impact of COVID-19 on the Company's operating costs, staffing, procurement, occupancy levels and volumes in its home health care business.

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 Q1 2023 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.

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 Q1 2023 MD&A.

End of pandemic funding and easing of COVID protocols marks endemic transition

- Pandemic funding ended March 31, 2023 in Ontario and Manitoba, and Alberta to end June 30, 2023
- Ontario April 1, 2023 increase in care funding will support costs associated with ongoing infection control protocols
- Q1 2023 COVID-19 funding of $24.8M, included recovery of prior period unfunded costs of $13.1M; pandemic costs declined to $12.7M, resulting in a net recovery of $12.1M(1)
- We do not anticipate any further material recovery of the remaining $19.3M(1) in unfunded COVID-19 costs we incurred since the start of the pandemic
- Easing number of outbreaks during the quarter supported +60 bps sequential occupancy recovery in LTC

Protecting our residents, caregivers and team members is our top priority

(1) Unfunded COVID costs from continuing operations; for a breakdown of COVID-19 costs and expenses and related pandemic funding by line of business, see Slide 17

Progress on strategic initiatives

Close of the Revera and Axium transactions will mark a key milestone on our path to strategic transformation

Revera and Axium transactions

- Progress through regulatory approvals process continues; anticipate closing in Q3 2023
- Advancing comprehensive integration plan to ensure a smooth and efficient transition
- Transaction leverages our deep expertise and scale to drive higher-margin growth

Normal course issuer bid ("NCIB")

- Purchased 5,531,980 common shares for cancellation under NCIB since June 2022 launch, representing approximately 6.2% of outstanding shares[1]; includes 520,800 common shares purchased subsequent to March 31, 2023

We will leverage our scale, clinical expertise and alternative capital sources to drive growth

(1) At cost of $38.4M, at a weighted average price per share of $6.94

Extendicare ParaMed Redefining Care Extendicare assist Management & Consulting Services SGP Purchasing Partner Network Better all together

Long-term care redevelopment gaining momentum

Construction to start on fourth redevelopment project in Peterborough

- Received approval to build new 256-bed LTC home in Peterborough; expect construction to begin in Q2 2023 for completion in Q4 2025
- Working to start construction on up to three additional projects in 2023 under the enhanced capital funding program
- Peterborough joins three projects already under construction and scheduled to open in Q3-23 (Sudbury) and Q1-24 (Kingston and Stittsville)
- The four projects comprise 960 beds and a total net investment of $281.1M[(1)]
- Our Ontario redevelopment program includes 20 projects with 4,248 beds to replace 3,285 Class C beds and add 963 new beds

Investing in a better future for seniors with new LTC homes designed to improve functionality, safety and comfort for residents

(1) Net of the capital provided by the Ontario government under the Long-Term Care Home Capital Development Funding Program – refer to discussion under "Non-GAAP Measures" in the Q1 2023 MD&A

Q1 2023 operating highlights

- Further improvement in LTC occupancy as outbreaks waned
- Sequential increase of 2.0% in home health care volumes due to improved recruiting and retention
- Continued strong growth in the SGP customer base

	vs. Q1 2022	vs. Q4 2022
LTC occupancy	+430 bps	+60 bps
Home health care ADV	+6.1%	+2.0%
SGP customer base	+13.1%	+1.9%

- Ontario implemented a 2.0% funding increase April 1st that lags inflationary cost increases
- Ontario government accelerating $569M in funding for home health care, including $300M in 2023-24 for contract rate increases and funds to help stabilize staffing; details and timing yet to be announced

Improvement in financial results across all segments

Extendicare ParaMed Redefining Care Extendicare assist Management & Consulting Services SGP Purchasing Partner Network Better all together

Financial review

Q1 2023

Consolidated results

Three months ended March 31, 2023

($ millions, except per share amounts)

	Q1 2023	Q1 2022	Change
Revenue[1]	**$324.7**	**$305.7**	**6.2%** ⬆
NOI[1]	**$44.6**	**$33.0**	**35.1%** ⬆
margin	***13.7%***	***10.8%***	***290 bps***
Adjusted EBITDA[1]	**$31.0**	**$20.2**	**53.3%** ⬆
margin	***9.5%***	***6.6%***	***290 bps***
AFFO[2]	**$20.8**	**$12.5**	**66.5%** ⬆
AFFO/Basic Share	**$0.24**	**$0.14**	**$0.10**

Payout ratio of 49% Q1 2023 | 86% Q1 2022

- NOI improvement driven by recovery of COVID-19 costs, prior period LTC funding, home health care ADV growth and billing rate increases and growth in managed services
- Expect volatility experienced in our financial results to subside as we enter Q2
- AFFO/basic share up $8.3M ($0.10) driven by earnings improvement and impact of NCIB activity in 2022
- **AFFO/basic share up $0.03 from PY, excluding YoY impact of net COVID funding and prior period LTC funding**

Impact of Select Items on Adjusted EBITDA and AFFO/Basic Share[2][3]

Impact on:	Q1 2023	Q1 2022	Change
Adjusted EBITDA			
Net COVID funding	**$12.1**	**$8.5**	**$3.6**
Prior period LTC funding	**$6.6**	**$2.9**	**$3.7**
AFFO/Basic Share			
Net COVID funding	**$0.10**	**$0.07**	**$0.03**
Prior period LTC funding	**$0.06**	**$0.02**	**$0.04**

(1) Revenue, NOI and Adjusted EBITDA reflect results from continuing operations
(2) AFFO and AFFO per share include contribution/loss from discontinued operations in Q1 2022 (retirement living segment and Saskatchewan LTC homes)
(3) Reflects impact of net COVID funding (costs) from continuing operations on Adjusted EBITDA and AFFO and prior period LTC funding impacts

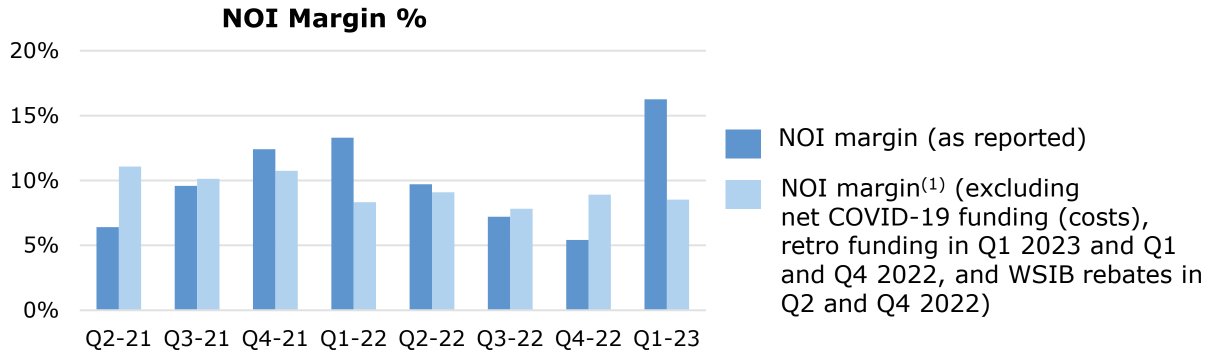
Extendicare ParaMed Redefining Care Extendicare assist Management & Consulting Services SGP Purchasing Partner Network Better all together

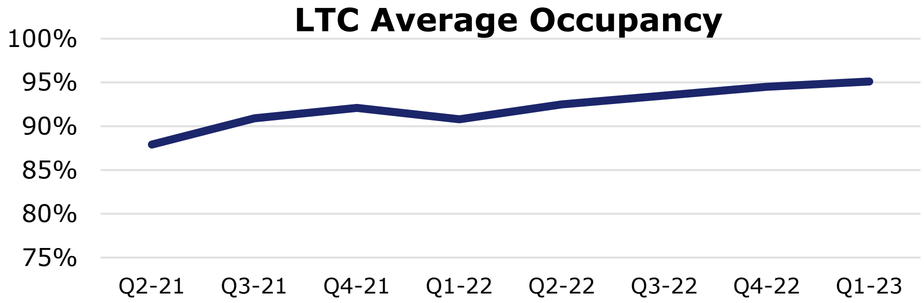
Long-term care

Three months ended March 31, 2023

Revenue		
Q1 2023	**$207.6M**	**3.9%** ↑
NOI		
Q1 2023 *margin*	**$33.8M** ***16.3%***	**27.1%** ***300 bps*** ↑
Average Occupancy		
Q1 2023	**95.1%**	***430 bps*** ↑

- **Q1 revenue up $7.8M** due to funding enhancements and timing of spend, including Ontario flow-through funding of $16.2M, improvements in occupancy, and prior period funding adjustments of $3.7M, partially offset by lower COVID-19 funding of $19.0M
- **Q1 NOI up $7.2M** due to benefit of prior period funding of $3.7M, funding enhancements, increased occupancy, and higher recovery of COVID costs of $1.3M, partially offset by higher operating costs
  - Q1 NOI margin(1) excluding COVID recoveries/one-time items was 8.5%, up from 8.3% in Q1 2022
- **Occupancy up 430 bps from Q1 2022 and 60 bps from Q4 2022**
  - Sequential increase as incidence of outbreaks declined throughout quarter
- **Flow-through funding for ward-style beds no longer in service being phased out while accommodation funding preserved until 2025**; net impact of these funding changes and 2% rate increase effective April 1st adds incremental annual revenue of ~$4.0M, of which $2.2M is accommodation envelope funding





(1) NOI margins excluding net COVID funding (costs) as outlined on Slide 17, prior period funding adjustments ($6.6M in Q1 2023, $2.9M in Q1 2022, $2.2M in Q4 2022), WSIB rebates ($1.8M in Q2 2022 and $0.3M in Q4 2022)

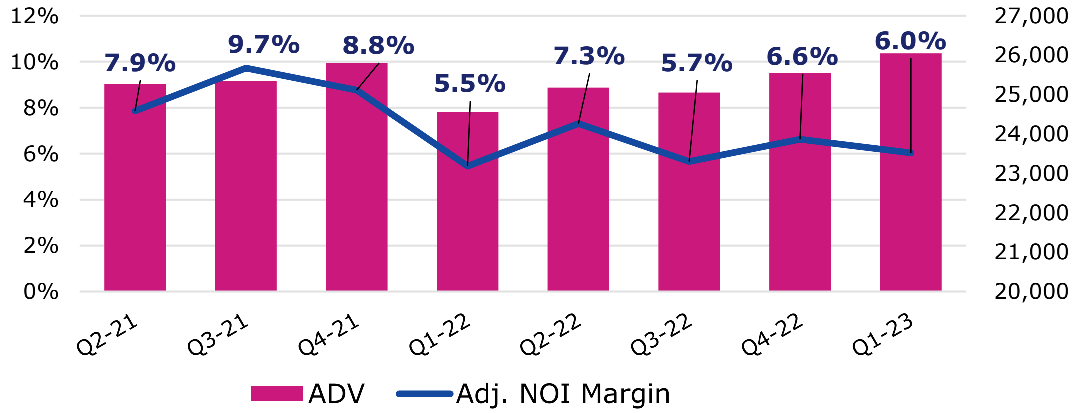
Home health care

Three months ended March 31, 2023

Revenue		
Q1 2023	**$107.4M**	**8.9%** ↑
NOI, as reported		
Q1 2023 *margin*	**$6.4M** ***6.0%***	**137.3%** ***330 bps*** ↑
Average Daily Volume		
Q1 2023	**26,043**	**6.1%** ↑

- **Q1 revenue up $8.8M** reflecting 6.1% increase in ADV, billing rate increases and $6.5M PSW wage enhancement funding, partially offset by lower COVID-19 funding of $6.9M
- **Q1 NOI up $3.7M** reflecting higher ADV, rate increases, and lower net COVID-19 costs of $2.2M, partially offset by higher operating wages and benefits, travel and technology costs, including increased costs associated with recruitment, retention and training to address ongoing staff capacity challenges
- **Q1 NOI margin(1) excluding COVID recoveries was 6.0%, up from 5.5% in Q1 2022**

Home Health Care
Average Daily Volume ("ADV") and Adjusted NOI Margin %(1)



- **Sequential ADV up 2.0% from Q4 2022** due to continued strong demand for services and modest easing of staffing capacity challenges**;** Q1 NOI margin of 6.0%(1) down 60 bps from Q4 2022(1) due, in part, to seasonal impacts

(1) NOI margins exclude net COVID costs as outlined on Slide 17, CEWS (Q1 2021 $9.7M and Q2 2021 $7.7M), Q2 2022 WSIB rebate of $2.1M, and Q4 2021 retro billing rate increase of $3.5M

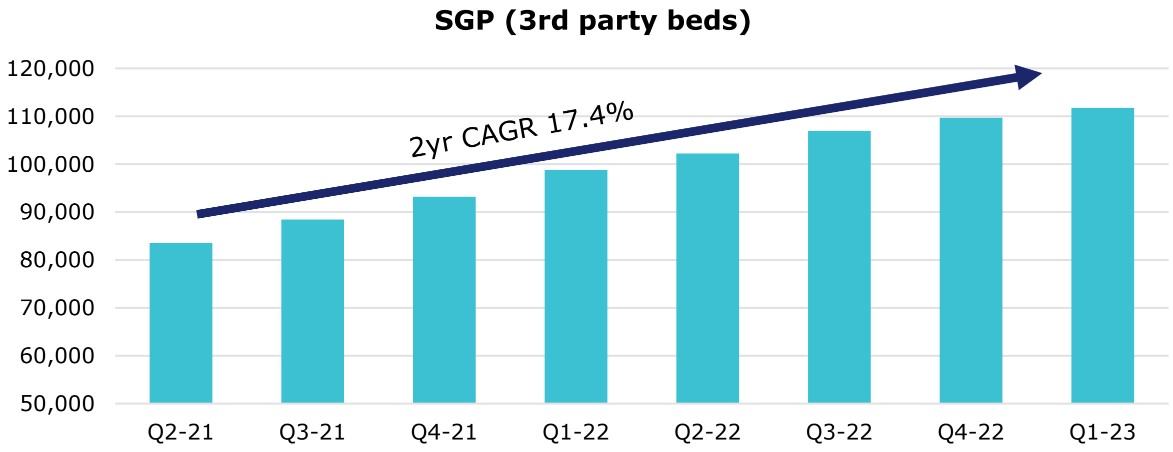
ParaMed™
Redefining Care

Managed services | Extendicare Assist and SGP

Three months ended March 31, 2023

Revenue		
Q1 2023	**$9.7M**	**33.4%**
NOI		
Q1 2023 *margin*	**$4.4M** ***45.2%***	**18.3%** ***-580 bps***
Contract Services		
Beds(1)	**5,959**	**-4.9%**
SGP		
Beds	**111,772**	**13.1%**

- **Q1 revenue up $2.4M** due to timing and mix of Assist consulting services and growth in SGP clients
- **Q1 NOI up $0.7M** on revenue growth, partially offset by higher costs related to mix of Assist consulting services, business development and IT costs
- **Q1 NOI margin of 45.2%** down 580 bps from Q1 2022 largely due to lower margin consulting activity in the quarter
- **+13.1% growth in SGP beds** from Q1 2022 (+1.9% from Q4 2022)



(1) Reduction in beds reflects third and fourth ward-style beds taken out of service in our Assist client homes

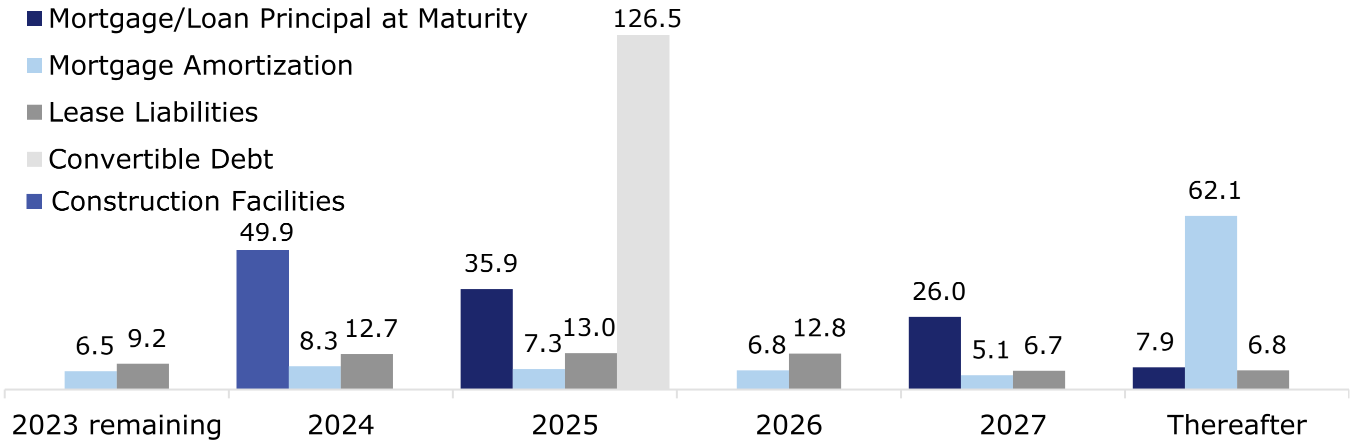
Strong financial position

March 31, 2023

Cash	Available Demand Facilities	Undrawn Construction Financing(2)	Long-term Debt(1)
$105M	$77M	$107M	$403M

	TTM Adjusted EBITDA interest coverage	Debt to GBV	Weighted average rate
Q1 2023	3.0x	37.5%	5.7%
Q4 2022	2.6x	35.4%	5.5%

Debt Maturities *($ millions)*



Strong liquidity position; modest debt maturities due prior to 2025

NCIB initiated June 30, 2022

- Provides flexibility to acquire up to 7,829,630 common shares for cancellation
- Subsequent to Q1 2023, acquired 520,800 common shares at a cost of $3.4M (average $6.48/share)
- Cumulative purchases under NCIB since June 2022 total 5,531,980 common shares at a cost of $38.4M (average $6.94/share)
- Quantity and timing of purchases based on market conditions, share price and outlook on capital needs

(1) Includes current portion, reflects 2025 convertible debt at face of $126.5M; excludes deferred financing costs
(2) As at March 31, 2023, $49.9M drawn on aggregate $156.6M LTC construction credit facilities

Extendicare

Services that cross the care continuum

Direct services to seniors

Long-term care

Helping people live better

53

Long-term care homes owned

Home health care

Redefining Care

9.3M

Home health care hours delivered (TTM)

Managed services

Management and consulting services

Management & Consulting Services

50

Homes under contract

Group purchasing services

PURCHASING PARTNER NETWORK

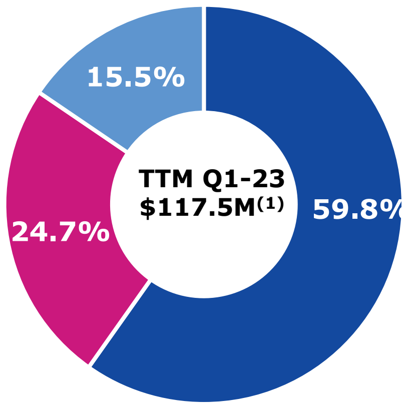
112K

Third-party beds served

Geographically diversified operations

Province	ON	AB	MB	BC	QC	Other	Total
LTC homes owned (beds)	5,023	1,514	762	-	-	-	**7,299**
Home health care hours delivered (TTM 000's)	8,650	410	130	-	-	100	**9,290**
Assist homes under contract (beds)	5,580	211	168	-	-	-	**5,959**
SGP 3rd party beds served	37,816	17,735	1,022	26,797	23,455	4,947	**111,772**

NOI contribution by segment[1]



(1) Excludes the impact of net COVID-19 costs as outlined on Slide 17

Better all together

Thank you

Extendicare

ParaMed
Redefining Care

Extendicare assist
Management & Consulting Services

SGP Purchasing Partner Network
Better all together

Appendix

Strategic repositioning

Revera and Axium transactions drive services growth using a less capital intensive approach

- **Add scale in higher-margin managed services** with the addition of management fees for 56 LTC homes and a 15% share of distributions from the Axium JV
- **Less capital-intensive business model** as Axium JV provides capital to support redevelopment of Class C portfolio and potential greenfield LTC builds
- Preferential rights to Revera's 31 Class C redevelopment projects provides **additional growth opportunities**

Revera Transaction	Axium JV
Adds 56 LTC homes and ~7,000 beds to managed services segment	Established to acquire Extendicare redevelopment projects
Recurring management fees for Extendicare Assist plus incremental SGP revenue opportunity	Agreement provides for development fees and recurring management fees payable by the JV to Extendicare on acquired Extendicare Class C redevelopment projects
15% managed interest in the JV with Axium that owns 24 of the 56 LTC homes (~3,000 beds)	Extendicare to hold 15% managed interest in JV with Axium holding the balance
Preferential rights to acquire (either alone or with Axium) any Class C homes redeveloped by Revera (31 homes)	Entered into a purchase and sale agreement with the JV for 3 redevelopment projects currently under construction

Estimated COVID-19 revenue, operating expenses and administrative costs

Three months ended March 31, 2023

	2023					2022	2021	2020
(millions of dollars)	Q1	Q4	Q3	Q2	Q1	Year	Year	Year
Revenue								
Long-term care	24.1	14.4	18.7	17.0	43.1	93.2	121.2	62.5
Home health care	0.7	0.9	3.3	4.5	7.6	16.3	33.0	23.6
Revenue impact	**24.8**	**15.3**	**22.0**	**21.5**	**50.7**	**109.5**	**154.2**	**86.1**
Operating Expenses								
Long-term care	12.0	22.1	18.4	16.1	32.3	88.9	118.2	85.3
Home health care	0.7	1.7	4.0	5.9	9.8	21.4	35.8	24.9
Operating expenses impact	**12.7**	**23.8**	**22.4**	**22.0**	**42.1**	**110.3**	**154.0**	**110.2**
NOI								
Long-term care	12.1	(7.7)	0.3	0.9	10.8	4.3	3.0	(22.8)
Home health care	-	(0.8)	(0.7)	(1.4)	(2.2)	(5.1)	(2.8)	(1.3)
NOI impact	**12.1**	**(8.5)**	**(0.4)**	**(0.5)**	**8.6**	**(0.8)**	**0.2**	**(24.1)**
Administrative costs	-	-	0.1	0.1	0.1	0.3	2.9	3.5
Adjusted EBITDA impact	**12.1**	**(8.5)**	**(0.5)**	**(0.6)**	**8.5**	**(1.1)**	**(2.7)**	**(27.6)**
Discontinued operations	-	-	(0.5)	(1.0)	(3.2)	(4.7)	(5.6)	(2.5)
Total impact	**12.1**	**(8.5)**	**(1.0)**	**(1.6)**	**5.3**	**(5.8)**	**(8.3)**	**(30.1)**

(1) Out of period funding towards COVID costs incurred in prior period:
- *Q1 2023 of $13.1M*
- *2022 of $17.6M: Q1 of $13.3M; Q2 of $1.6M; Q3 of $1.1M; Q4 of $1.6M*
- *2021 of $23.9M*

Results – NOI by division(1)

Three months ended March 31, 2023

($ millions)

Long-term Care NOI and Margin(1)		
Q1 2023	Q1 2022	Change
$15.1	**$12.8**	**17.5%**
8.5%	***8.3%***	***20 bps***
Average Occupancy		
95.1%	**90.8%**	**430 bps**

Home Health Care NOI and Margin(1)		
Q1 2023	Q1 2022	Change
$6.4	**$5.0**	**29.4%**
6.0%	***5.5%***	***50 bps***
Average Daily Volume ("ADV")		
26,043	**24,552**	**6.1%**

Managed Services NOI and Margin		
Q1 2023	Q1 2022	Change
$4.4	**$3.7**	**18.3%**
45.2%	***51.0%***	***-580 bps***
SGP 3rd Party Residents at period end		
111,772	**98,845**	**13.1%**

(1) Excludes the impact of COVID-19 related costs and funding as outlined on Slide 17; for the LTC segment, the impact of prior period LTC funding adjustments of $6.6M in Q1 2023 and $2.9M in Q1 2022

Helping people live better

Extendicare

ParaMed
Redefining Care

Extendicare assist
Management & Consulting Services

SGP
PURCHASING PARTNER NETWORK
Better all together