



Shareholders' Quarterly Report

Q1 2026

Extendicare Inc.
Dated: May 7, 2026

**Helping people
live better**



Management's Discussion and Analysis

Q1 2026

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Three months ended March 31, 2026
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TABLE OF CONTENTS

Basis of Presentation	1	2026 First Quarter Financial Review	11
Additional Information	2	Funds From Operations and Adjusted Funds From Operations	13
Forward-looking Statements	2	Liquidity and Capital Resources	16
Significant Developments	2	Other Contractual Obligations and Contingencies	19
Business Overview	3	Accounting Policies and Estimates	20
Key Performance Indicators	6	Non-GAAP Measures	20
Select Quarterly Financial Information	9	Risks and Uncertainties	21
Statement of Earnings	10		

BASIS OF PRESENTATION

This Management's Discussion and Analysis ("MD&A") provides information on Extendicare Inc. and its subsidiaries, and unless the context otherwise requires, references to "Extendicare", the "Company", "we", "us" and "our" or similar terms refer to Extendicare Inc., either alone or together with its subsidiaries. The Company's common shares (the "Common Shares") are listed on the Toronto Stock Exchange ("TSX") under the symbol "EXE". The registered office of Extendicare is located at 3000 Steeles Avenue East, Suite 400, Markham, Ontario, Canada, L3R 4T9.

Extendicare is a recognized leader in the delivery of quality health care services to Canadians, inspired by its mission to provide people with the care they need, wherever they call home. In operation since 1968, it is the largest private-sector owner and operator of long-term care ("LTC") homes in Canada and the largest private-sector provider of publicly funded home health care services in Canada through its wholly owned subsidiary ParaMed Inc. ("ParaMed"). As well, the Company provides management, consulting and other services to LTC homes owned by third parties and joint ventures to which the Company is a party through its Extendicare Assist division and procurement services through its group purchasing division, SGP Purchasing Network ("SGP").

The Company has a 15% managed interest in each of two limited partnership joint ventures with Axiom LTC Limited Partnership (with its affiliates "Axiom"). The limited partnership joint ventures, Axiom Extendicare LTC LP ("Axiom JV") and Axiom Extendicare LTC II LP ("Axiom JV II") (together, the "Joint Ventures"), are accounted for in the Company's consolidated financial statements as investments using the equity method.

In This MD&A

This MD&A has been prepared to provide information to current and prospective investors of the Company to assist them to understand the Company's financial results for the three months ended March 31, 2026. This MD&A should be read in conjunction with the Company's unaudited interim condensed consolidated financial statements for the three months ended March 31, 2026, and the notes thereto (the "consolidated financial statements"), together with the annual MD&A and the audited consolidated financial statements for the year ended December 31, 2025, and the notes thereto, prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board ("IASB"). The accompanying consolidated financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting*, as issued by the IASB.

In this document, "Q1" refers to the three-month period ended March 31; "Q2" refers to the three-month period ended June 30; "Q3" refers to the three-month period ended September 30; and "Q4" refers to the three-month period ended December 31. Except as otherwise specified, references to years indicate the fiscal year ended December 31, 2026, or December 31 of the year referenced.

In this MD&A, the Company uses a number of performance measures and indicators to monitor and analyze the financial results that do not have standardized meanings prescribed by generally accepted accounting principles ("GAAP") and, therefore, may not be comparable to similar performance measures and indicators used by other issuers. Refer to the "Key Performance Indicators" and "Non-GAAP Measures" sections of this MD&A for details.

The annual and interim MD&A, financial statements and other materials are available on the Company's website at www.extendicare.com. All currencies are in Canadian dollars unless otherwise indicated.

This MD&A is dated as of May 7, 2026, the date this report was approved by the Company's board of directors (the "Board of Directors" or "Board"), and is based upon information available to management as of that date. This MD&A should not be considered all-inclusive, as it does not include all changes that may occur in general economic, political and environmental conditions. Additionally, other events may or may not occur, which could affect the Company in the future.

ADDITIONAL INFORMATION

Additional information about the Company, including its latest Annual Information Form, may be found on SEDAR+ at www.sedarplus.ca under the Company's issuer profile and on the Company's website at www.extendicare.com.

FORWARD-LOOKING STATEMENTS

This MD&A 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 MD&A 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 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 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. In addition to the assumptions and other factors referred to specifically in connection with these forward-looking statements, the risks, uncertainties and other factors that could cause the actual results, performance or achievements of the Company to differ materially from those expressed or implied by the forward-looking statements, include, without limitation, those described under "Risks and Uncertainties" in this MD&A and those other risks, uncertainties and other factors identified in the Company's other public filings with the Canadian securities regulators available on SEDAR+ at www.sedarplus.ca under the Company's issuer profile. These risks and uncertainties include the following: the occurrence of a pandemic, epidemic or outbreak of a contagious illness, such as COVID-19; changes in the overall health of the economy and changes in government, both domestic and foreign; the availability and ability of the Company to attract and retain qualified personnel; changes in the health care industry in general and the long-term care industry in particular because of political, legal and economic influences; inflationary pressures, tariffs and supply chain interruptions, in particular as they impact redevelopment; changes in regulations governing the health care and long-term care industries and the compliance by the Company with such regulations; changes in government funding levels for health care services; the ability of the Company to comply with and renew its government licenses and customer and joint venture agreements; changes in labour relations, employee costs and pay equity; changes in tax laws; resident care and class action litigation, including the Company's exposure to punitive damage claims, increased insurance costs and other claims; the ability of the Company to maintain and increase resident occupancy levels and business volumes; changes in competition; changes in demographics; changes in interest rates; changes in the financial markets, which may affect the ability of the Company to refinance debt; and the availability and terms of capital to the Company to fund capital expenditures and acquisitions; changes in the anticipated outcome and benefits of proposed or actualized dispositions, acquisitions and development projects, including risks relating to the actual completion of proposed transactions.

The preceding reference to material factors or assumptions is not exhaustive. All forward-looking statements in this MD&A are qualified in their entirety by this forward-looking disclaimer. Although forward-looking statements contained in this MD&A are based upon what management believes are reasonable assumptions, there can be no assurance that actual results will be consistent with these forward-looking statements. Accordingly, 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 MD&A. 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.

SIGNIFICANT DEVELOPMENTS

Acquired CBI Home Health for \$570 Million

On April 1, 2026, the Company, through its wholly owned home health care subsidiary, ParaMed, completed the acquisition of CBI Home Health LP and CBI (GP) 3 Inc. and their respective subsidiaries (collectively, "CBI Home Health"), from CBI Health LP and CBI GP Holdco Inc. (the "CBI Acquisition") for a cash purchase price of \$570.0 million, subject to customary adjustments, plus approximately \$17.3 million in estimated lease liabilities in accordance with IFRS 16 Leases ("IFRS 16"). The CBI Acquisition was funded using a combination of the net proceeds of approximately \$191.5 million from the Company's private placement of Common Shares that was completed on December 3, 2025, aggregate draws of approximately \$308.2 million under the Company's then existing senior secured credit facility (the "Senior Secured Credit Facility"), (\$154.5 million delayed draw term facility and \$153.7 million revolving credit facility), and cash on hand.

The CBI Acquisition accelerates the Company's service-focused growth strategy and strengthens its national leadership position in home health care. CBI Home Health provides services in seven provinces and delivered over 10 million hours of care in 2024, with average daily volume of approximately 28,000 hours. CBI Home Health's approximately 8,500 team members provide a comprehensive suite of publicly funded home health care services, including innovative care models such as hospital to home programs, integrated care provided by interdisciplinary teams and specialized community support services.

Completed \$450 million Inaugural Offering of Investment Grade Senior Unsecured Notes and Amended Credit Facility

On April 14, 2026, the Company completed its offering of \$450.0 million aggregate principal amount of 4.345% senior unsecured notes due April 14, 2031 (the "2031 Notes"). The 2031 Notes have been assigned a final rating of BBB, with a stable trend, by Morningstar DBRS. The Company used approximately \$427.7 million of the net proceeds of the offering to repay in full the indebtedness owing under its delayed draw term facility, and a portion of the indebtedness owing under its revolving credit facility, with the balance to be used for working capital and other general corporate purposes, including the repayment of other existing indebtedness.

In conjunction with the debt repayment, the existing senior secured credit facilities were amended and restated to reflect an investment grade credit rating structure, including the release of all security previously granted to the lenders, such that the Company's remaining \$250.0 million revolving credit facility (the "Unsecured Revolving Facility") is senior unsecured debt that ranks equally and *pari passu* with the 2031 Notes.

For more information refer to "Liquidity and Capital Resources – Long-term Debt – Senior Secured Credit Facility" and *Note 17* of the consolidated financial statements.

Ontario LTC Redevelopment Activities

As at May 7, 2026, the Company has seven LTC redevelopment projects under construction in Ontario, comprising 1,728 new beds to replace 1,375 Class C beds. The homes are being constructed with private and semi-private rooms, with substantial improvements in common areas used by the residents. For more information refer to "Key Performance Indicators – LTC Projects Under Construction".

In July 2025, the Ontario Ministry of Long-Term Care (the "MLTC") introduced the new Long-Term Care Home Capital Funding Program ("CFP"), to support the construction of new LTC homes in the province. The new CFP provides greater funding flexibility as it more effectively addresses regional variation in construction costs, expands eligible costs for funding support and provides increased funding compared to prior programs. Notably, the new CFP has made a meaningful effort to recognize the particular cost challenges inherent in building in the Greater Toronto Area. In addition, the new CFP is not time limited, providing greater certainty that funding support for redevelopment will be available over a longer time horizon.

We continue to advance 17 redevelopment projects not already under construction to make as many of these projects as possible economically feasible under the new CFP.

RECYCLED CAPITAL FROM SALE OF VACATED CLASS C HOME

In February 2026, the Company completed the sale of the vacated West End Villa Class C property for proceeds of \$12.1 million, resulting in a pre-tax gain of \$10.0 million (\$9.8 million after tax). As part of the sale, the Company provided the purchaser with a secured \$9.0 million interest-bearing vendor take-back mortgage, maturing on February 5, 2027 (refer to *Note 11* of the consolidated financial statements).

Dividend Increase

The Company increased its monthly dividend by 5% to \$0.0441 per share, effective with the dividend declared in March 2026. The increase reflects the sustained operating performance throughout 2025 and the Company's sound capital structure. Continued strong performance would give the Company the opportunity to consider further dividend increases. Refer to discussions under "Funds From Operations and Adjusted Funds From Operations – AFFO 2025 First Quarter Financial Review", "Liquidity and Capital Resources" and "Risks and Uncertainties".

BUSINESS OVERVIEW

As at March 31, 2026, the Company operated 99 LTC homes, composed of 59 homes (8,147 beds) wholly owned by the Company and 40 homes (6,237 beds) managed on behalf of third parties through Extencicare Assist, including 28 LTC homes owned by the Joint Ventures, in which the Company holds a 15% managed interest. The Company's network of 99 LTC homes has capacity for 14,384 residents across three provinces in Canada, with Ontario, Manitoba and Alberta accounting for 75.9%, 13.6% and 10.5% of residents served, respectively.

In addition to providing procurement services to the LTC homes owned entirely by the Company, SGP supports third-party clients and the LTC homes owned by the Joint Ventures, which represents approximately 157,100 beds across Canada, as at March 31, 2026.

The Company's home health care segment, operating under the ParaMed brand, delivered approximately 13.9 million hours of home health care services in the twelve months ended March 31, 2026, in Ontario, Nova Scotia and Alberta, accounting for 92.7%, 4.2% and 3.1% of its volume, respectively.

Joint Ventures

Joint ventures are accounted for in the Company's consolidated financial statements as investments using the equity method, whereby the investment is initially recognized at cost, and adjusted thereafter to recognize the Company's share of the profit or loss and other comprehensive income or loss of the joint venture from the date of acquisition, increased by the Company's contributions and reduced by distributions received. The Company's share of joint venture profit or loss is included in the consolidated statements of earnings.

The following table summarizes the classification of the 34 properties (5,294 beds) that are owned through the Company's joint ventures as at March 31, 2026.

Joint Venture	# of Properties		# of Beds		Extendicare Ownership	Accounting Treatment
	Operational	Under Construction	Operational	Under Construction		
Axium Extendicare LTC II LP	25	1	3,182	320	15 %	Equity method
Axium Extendicare LTC LP	3	5	704	1,088	15 %	Equity method

Environmental, Social and Governance ("ESG") Responsibility

Extendicare's mission is to provide people with the care they need, wherever they call home. Extendicare remains focused on supporting the health system across the continuum of care, from long-term care to care in the community, by helping to increase access to care and address capacity pressures. Extendicare's commitment to ESG and its application of a sustainability-focused lens has long been embedded in its strategy and operations, including through its enterprise-wide approach to risk management, ongoing investments in supports for team members and the diversity of its workforce.

The Human Resources, Governance and Sustainability Committee oversees ESG with support from the Board and management, and the Audit Committee oversees ESG-related financial disclosure. In 2025, an ESG Working Group comprised of senior leaders was struck to enhance the progression of the Company's ESG strategy and refine its approach to reporting.

In May 2026, Extendicare published its 2025 ESG Insights report, which outlines how the Company's mission informs its sustainability efforts and highlights priorities including quality of care, workforce, responsible stewardship of resources, effective governance and long-term operational resilience. The report is available at www.extendicare.com under the "ESG" section.

Operating Segments

The Company reports on the following segments: i) long-term care; ii) home health care; iii) managed services, composed of the Extendicare Assist and SGP divisions; and iv) the corporate functions, including the Company's joint venture interests, as "corporate".

The following table summarizes the contribution of the business segments to the Company's consolidated revenue and NOI for the three months ended March 31, 2026 and 2025.

Operating Segments as % of	Three months ended March 31,				Year ended December 31,	
	2026		2025		2025	
	Revenue	NOI	Revenue	NOI	Revenue	NOI
Long-term care	52.3 %	46.7 %	52.8 %	42.2 %	53.7 %	43.2 %
Home health care	44.2 %	40.5 %	42.2 %	38.0 %	42.2 %	41.2 %
Managed services	3.5 %	12.8 %	5.0 %	19.8 %	4.1 %	15.6 %
Total	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %

The following describes the operating segments of the Company.

Long-term Care

The homes owned entirely by the Company are reported under the long-term care operating segment and consist of 59 LTC homes with capacity for 8,147 residents, inclusive of 3,163 operational Class C LTC beds in Ontario that are eligible for redevelopment, a stand-alone funded designated supportive living home (140 suites) and a funded designated supportive living wing (60 suites) in Alberta, and 574 private pay retirement suites in seven mixed-use homes and 76 private pay suites in retirement wings of two homes in Ontario. In addition, the Company has 224 ward-style beds in Ontario LTC homes that were taken out of service as a result of regulatory changes and which are eligible to be reinstated upon redevelopment of the Company's Class C LTC beds.

Provincial legislation and regulations closely control all aspects of the operation and funding of LTC homes and government-funded designated supportive living homes, including the fee structure, subsidies, the adequacy of physical homes, standards of care and accommodation, equipment and personnel. A substantial portion of the fees paid to providers of these services are funded by provincial programs, with a significantly smaller portion to be paid by the resident. No individual is refused access to long-term care due to an inability to pay, as a government subsidy for basic accommodation, generally based on an income test, is available for LTC residents who are unable to afford the resident co-payment. Long-term care funding in Ontario is provided in four envelopes allocated to personal care, programming, nutritional support and other

accommodation, respectively. The first three envelopes must be spent entirely on residents and are independently audited with any surplus funding returned to the government. In Alberta, designated supportive living homes provide an alternative setting for residents not yet requiring the needs of a more expensive LTC home. Such homes are licensed, regulated and funded in Alberta by Assisted Living Alberta ("ALA") in a similar manner to LTC homes, including a government-determined fee structure.

In Ontario, long-term care operators have the opportunity to receive additional funding through higher accommodation rates charged to residents for private and semi-private accommodation, at maximum preferred accommodation rates that are fixed by the government. Long-term care operators are permitted to designate up to 60% of the resident capacity of a home as preferred accommodation and charge premiums that vary according to the structural classification of the LTC home.

The following summarizes the significant government funding changes announced for LTC in 2026 in Alberta.

ALBERTA LTC FUNDING CHANGES

In March 2026, ALA notified continuing care operators of a retroactive increase to funded rates to reflect recently ratified collective bargaining agreements and related market adjustments outlined in Alberta's 2026 budget. The previously communicated 1.25% rate increase for fiscal 2025/2026 was revised upward by 6% to 7.25%, resulting in additional revenue of approximately \$6.9 million recognized in Q1 2026, of which approximately \$5.2 million related to prior periods retroactive to April 1, 2025.

Home Health Care

The Company provides home health care services through ParaMed, whose professionals and staff members are skilled in providing complex nursing care, occupational, physical and speech therapy and assistance with daily activities to accommodate clients of all ages living at home.

Provincial governments fund a wide range of home health care services and contract with service providers such as ParaMed to provide these services. ParaMed receives approximately 99% of its revenue from contracts tendered by locally administered provincial agencies, with the remainder coming from private clients.

HOME HEALTH CARE FUNDING CHANGES

The following summarizes funding changes announcements for home health care to date.

As a result of ALA's retroactive increase to funded rates for continuing care operators implemented in March 2026, the Company's home health care operations recognized additional revenue of approximately \$1.0 million in Q1 2026, of which approximately \$0.8 million related to prior periods retroactive to April 1, 2025.

In April 2026, as part of the Ontario government's 2026 budget, the government announced an additional \$1.1 billion investment over three years to support patients through expanded home and community care services. This investment builds on the \$1.1 billion over three years announced in October 2025 as part of the *2025 Ontario Economic Outlook and Fiscal Review*. While program details have not yet been released, these investments are intended to increase home health care service volumes across the province. It remains uncertain whether rate increases will result from the increased funding. To date, Ontario Health atHome has not announced any bill rate increases for the home health care sector for 2026.

Managed Services

The Company leverages its size, scale and operational expertise in the seniors' care industry to provide managed services to third parties and joint ventures to which the Company is a party through its Extendicare Assist and SGP divisions.

MANAGEMENT CONTRACTS AND CONSULTING AND OTHER SERVICES

Through its Extendicare Assist division, the Company provides management, consulting and other services to third parties and joint ventures to which the Company is a party, including not-for-profit and for-profit organizations, hospitals and municipalities. Extendicare Assist's business is classified into two categories: (i) management contracts and (ii) consulting and other services. The management contracts category consists of two offerings: i) a fully managed service, providing management oversight of the day-to-day operations of the homes and ii) a back-office services only offering. The full-service management contract offering provides the full suite of back-office support services with oversight of the day-to-day operations of a home supported by our regional support and clinical quality management teams. The full suite of back-office support services includes human resources, labour relations, payroll and benefits administration, accounting and information technology expertise supported by our cloud-based integrated technology platform that provides all of the systems needed to operate a seniors' care home. The consulting and other services category covers a wide variety of offerings, including clinical improvement programs, operational reviews, financial performance advice and LTC home redevelopment services. We also offer an LTC operating policy subscription service that can be procured as a standalone service.

As at March 31, 2026, Extendicare Assist held management contracts for 40 LTC homes with capacity for 6,237 residents, including 28 LTC homes owned by the Joint Ventures. Extendicare Assist also provided a further 27 homes with consulting and other services. Some of the LTC homes under management contract include both funded LTC beds and private pay retirement beds as part of the same mixed-use property.

GROUP PURCHASING SERVICES

Through its SGP division, the Company offers cost-effective purchasing contracts to other seniors' care providers and, to a lesser degree, other parties, such as daycares, hostels and clinics, for food, capital equipment, furnishings, cleaning and nursing supplies and office products. SGP negotiates long-term, high volume contracts with suppliers that provide members with preferred pricing, thereby providing a cost-effective means to secure quality national brand-name products, along with a range of innovative services. As at March 31, 2026, SGP provided services to third parties and joint ventures to which the Company is a party representing approximately 157,100 beds across Canada.

KEY PERFORMANCE INDICATORS

In addition to those measures identified under "Non-GAAP Measures", management uses certain key performance indicators in order to compare the financial performance of the Company's operations between periods. Such performance indicators may not be comparable to similar indicators presented by other companies. Set forth below is an analysis of the key performance indicators and a discussion of significant trends when comparing the Company's financial results.

The following is a glossary of terms for some of the Company's key performance indicators:

"Average Daily Volume" or "ADV" in the context of the home health care operations, is measured as the number of hours of service provided divided by the number of days in the period; and

"Occupancy" is measured as the percentage of the number of earned resident days relative to the total available resident days. Total available resident days is the number of beds available for occupancy multiplied by the number of days in the period. The determination of earned and available resident days is adjusted for certain bed types that are excluded from the government's occupancy requirements for funding purposes.

Long-term Care

The following table provides the average occupancy levels of the LTC operations for the past eight quarters.

Long-term Care Homes	2026				2025			2024
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Average Occupancy⁽ⁱ⁾ (%)								
Total LTC	97.5%	98.0%	98.5%	98.3%	97.5%	98.0%	98.4%	97.8%
Change over prior year period (bps)	—	—	10	50	—	20	60	60
Sequential quarterly change (bps)	(50)	(50)	20	80	(50)	(40)	60	30
Ontario LTC								
Total ON LTC	98.2%	98.5%	98.6%	98.6%	98.2%	98.5%	99.1%	98.7%
Preferred Accommodation ⁽ⁱⁱ⁾								
"New" homes – private	97.0%	97.3%	97.6%	97.8%	96.8%	95.9%	96.2%	95.4%
"C" homes – private	96.0%	94.6%	94.7%	94.6%	92.3%	94.5%	93.5%	94.8%
"C" homes – semi-private	76.8%	76.6%	74.9%	75.2%	72.9%	72.5%	70.8%	67.0%

(i) Excludes private pay retirement suites in mixed-use homes and ward-style beds in Ontario LTC homes that were taken out of service per regulatory changes, and which form part of the Company's Class C beds that are eligible to be reinstated upon redevelopment (224 ward-style beds at the end of Q1 2026).

(ii) Average occupancy reported for the available private and semi-private rooms reflects the percentage of residents occupying those beds that pay the respective premium rates.

In Ontario, government funding is occupancy-based, but once the average occupancy level of 97% for the calendar year is achieved, operators are funded based on 100% occupancy. In the event of closure to admissions related to an outbreak, which is not unusual during the winter months, full funding is preserved in Ontario, otherwise referred to as occupancy protection funding. However, occupancy protection does not compensate for the loss of preferred accommodation premiums from private and semi-private room vacancies.

LTC Projects Under Construction

The following table summarizes the LTC development projects under construction as at May 7, 2026.

LTC Project	Owner ⁽ⁱ⁾	Extencicare	# of	# of	Construction	Expected	Estimated
		Ownership	Class C Beds	New			
	Interest	Replaced	Beds	Commenced	Opening		
Forest Trail (Peterborough)	Axium JV	15.0 %	172	256	Q2-23	Q3-26	104.9
Beauclaire (Ottawa)	Axium JV II	15.0 %	303	320	Q4-23	Q2-26	121.4
Orleans	Axium JV	15.0 %	240	256	Q4-23	Q1-27	103.3
St. Catharines	Axium JV	15.0 %	152	256	Q3-24	Q1-27	106.4
Port Stanley	Axium JV	15.0 %	60	128	Q4-24	Q1-27	52.7
London	Axium JV	15.0 %	170	192	Q4-24	Q2-27	77.7
Sudbury ⁽ⁱⁱⁱ⁾	Extencicare	100.0 %	278	320	Q4-25	Q1-29	125.9
			1,375	1,728			692.3

- (i) For the projects owned by Axium JV II, Revera Inc. and/or its affiliates (collectively, "Revera") is responsible for the development and construction of the new home, pursuant to a development and construction management agreement.
- (ii) Development costs are defined on a GAAP basis (which includes the cost of land, hard construction and soft development costs, furniture, fixtures and equipment, financing costs and capitalized interest costs during construction), net of any capital development government grant receivable on substantial completion of construction, if applicable.
- (iii) The Sudbury LTC redevelopment project (320 beds) is anticipated to be sold to Axium JV in Q2 2026, with Extencicare retaining a 15% managed interest, subject to customary closing conditions, including receipt of regulatory approvals from the MLTC.

Certain LTC development projects experienced unforeseen site conditions that impacted projected opening dates. In addition, certain projects have experienced construction delays that have also impacted costs and opening dates. Furthermore, during 2025 the estimated development costs for certain projects were adjusted based on favourable changes to municipal development charges related to LTC and changes to the treatment of indirect taxes associated with new LTC developments. We continue to work with our general contractors and construction partners to mitigate the impacts of these factors on schedules and costs.

Home Health Care

The table set out below provides the service volumes and ADV of the home health care operations for the past eight quarters. In Q1 2026, ADV increased to 41,936, up 32.7% from Q1 2025, driven by organic growth and the acquisition of Closing the Gap Healthcare Group Inc. and certain affiliates (collectively, "Closing the Gap") in July 2025.

Our home health care operations have experienced sequential growth in ADV every quarter since Q3 2022, which has lessened the seasonality that has historically characterized our business, masking the seasonal softness in ADV typically experienced in the summer months. If demand growth slows, seasonal patterns may become more evident in the results.

Demand growth for home health care services continues to increase faster than the 4% annual increase in the population over age 75. Expansion of LTC capacity lags the needs of the growing seniors demographic, driving higher demand for home health services as a means to fill the resulting care gap.

Home Health Care	2026				2025				2024
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	
Service Volumes									
Hours of service (000's)	3,774.2	3,628.4	3,460.0	3,031.2	2,844.3	2,851.4	2,776.7	2,732.5	
ADV	41,936	39,440	37,609	33,310	31,603	30,993	30,181	30,027	
Change over prior year period	32.7 %	27.3 %	24.6 %	10.9 %	8.9 %	10.1 %	10.2 %	10.8 %	
Sequential quarterly change	6.3 %	4.9 %	12.9 %	5.4 %	2.0 %	2.7 %	0.5 %	3.5 %	

Managed Services

The table set out below provides information in respect of the third-party clients, including the Joint Ventures, receiving services from Extendicare Assist and SGP at the end of each period for the past eight quarters. For Extendicare Assist, the key performance indicators reflect homes and beds under our management contracts offering, excluding those homes that receive consulting and other services.

Managed Services	2026				2025			2024
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Extendicare Assist Management Contracts								
Homes at period end								
Third party	12	12	12	12	44	44	44	45
Joint Ventures	28	28	28	28	28	27	26	26
Total homes at period end	40	40	40	40	72	71	70	71
Resident capacity								
Third party	2,351	2,351	2,351	2,351	6,279	6,279	6,279	6,339
Joint Ventures	3,886	3,886	3,886	3,886	3,886	3,630	3,438	3,438
Total resident capacity	6,237	6,237	6,237	6,237	10,165	9,909	9,717	9,777
Change over prior year period	(38.6)%	(37.1)%	(35.8)%	(36.2)%	4.0 %	1.3 %	(2.5)%	64.1 %
Sequential quarterly change	— %	— %	— %	(38.6)%	2.6 %	2.0 %	(0.6)%	— %
SGP Clients								
Third-party and joint-venture beds	157,072	153,575	152,090	149,295	148,209	146,292	143,547	140,937
Change over prior year period	6.0 %	5.0 %	6.0 %	5.9 %	7.2 %	7.4 %	11.4 %	22.1 %
Sequential quarterly change	2.3 %	1.0 %	1.9 %	0.7 %	1.3 %	1.9 %	1.9 %	1.9 %

As at March 31, 2026, Extendicare Assist held management contracts with 40 LTC homes with capacity for 6,237 residents, including 254 private pay retirement beds, and provided a further 27 homes with consulting and other services. During Q1 2025, the Company opened Crossing Bridge (256 beds), a new LTC home within Axium JV, bringing the total LTC homes in operation in the Joint Ventures to 28. During Q2 2025, Revera completed the sale of 30 of its Class C homes operated by Extendicare Assist under management contracts, nine of which were acquired by the Company on June 1, 2025. As a result, the management agreements in respect of the 30 homes, as well as related development agreements, terminated in accordance with their terms. In addition, two LTC homes managed by Extendicare Assist moved to self-management or ceased operations during Q2 2025.

SGP continues to grow its market share, increasing its third-party, including joint-venture, beds served at the end of Q1 2026 by 6.0% from Q1 2025, and 2.3% from Q4 2025.

SELECT QUARTERLY FINANCIAL INFORMATION

The following is a summary of select quarterly financial information for the past eight quarters.

<i>(thousands of dollars unless otherwise noted)</i>	2026				2025				2024
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	
Revenue	465,224	462,034	440,275	383,445	374,654	391,564	359,061	348,482	
Net operating income ⁽¹⁾	69,024	65,736	65,902	54,972	50,228	53,822	50,117	52,807	
<i>NOI margin⁽¹⁾</i>	14.8%	14.2%	15.0%	14.3%	13.4%	13.7%	14.0%	15.2%	
Adjusted EBITDA ⁽¹⁾	52,858	49,452	50,771	39,785	35,606	39,699	36,107	38,611	
<i>Adjusted EBITDA margin⁽¹⁾</i>	11.4%	10.7%	11.5%	10.4%	9.5%	10.1%	10.1%	11.1%	
Share of profit (loss) from investment in joint ventures	344	924	846	210	(126)	107	431	265	
Net earnings	40,732	25,579	24,119	31,927	15,031	19,928	16,295	25,890	
per basic share (\$)	0.427	0.291	0.285	0.378	0.178	0.236	0.194	0.307	
per diluted share (\$)	0.422	0.286	0.281	0.373	0.176	0.232	0.187	0.289	
AFFO ⁽¹⁾	32,746	29,551	29,535	24,776	19,807	28,977	23,125	23,073	
per basic share (\$)	0.343	0.337	0.349	0.293	0.235	0.344	0.274	0.274	
per diluted share (\$)	0.339	0.331	0.345	0.290	0.232	0.318	0.253	0.254	
Maintenance capex (including 15% share of joint ventures)	2,771	10,274	5,604	5,158	2,709	5,270	4,093	4,829	
Cash dividends declared	12,116	11,008	10,561	10,561	10,198	10,016	10,016	10,013	
per share (\$)	0.1281	0.1260	0.1260	0.1260	0.1220	0.1200	0.1200	0.1200	
Weighted Average Number of Shares (000's)									
Basic	95,371	88,005	84,626	84,599	84,345	84,269	84,237	84,305	
Diluted	96,600	89,396	85,716	85,555	85,468	94,079	95,556	95,248	

There are a number of factors affecting the trend of the Company's quarterly results.

With respect to the core operations, while year-over-year quarterly comparisons will generally remain comparable, sequential quarters can vary materially for seasonal and other reasons. The significant factors that impact the results from period to period, are as follows:

- Ontario long-term care funding tied to flow-through funding envelopes requires revenue be deferred until it is matched with the related costs for resident care in the periods in which the costs are incurred, resulting in a fluctuation in revenue and operating expenses by quarter, with both generally being at their lowest in Q1 and at their highest in Q4;
- Ontario long-term care providers generally receive annual flow-through funding increases and case mix index adjustments effective April 1st and increases in preferred accommodation premiums effective July 1st; Alberta long-term care providers generally receive annual rate increases and acuity-based funding adjustments on April 1st and accommodation funding increases effective July 1st, and changes in home health care bill rates for Ontario and Alberta government contracts generally take effect April 1st;
- salary and wage increases for non-unionized staff are generally implemented on January 1st, with increases for unionized staff occurring throughout the year based on agreements in effect;
- home health care volumes are impacted by seasonal patterns with volumes in the summer months generally lower, impacting Q3 volumes; also, statutory holidays vary between quarters which can have an impact on the comparability of sequential quarterly NOI and NOI margins;
- maintenance capex spending, which impacts AFFO, fluctuates on a quarterly basis with the timing of projects and seasonality and is generally at its lowest in Q1 and its highest in Q4;
- utility costs are generally at their highest in Q1 and their lowest in Q2 and Q3; and
- certain line items that are reported separately due to their transitional nature that would otherwise distort the comparability of the historical trends, being "other income or expense" and "fair value adjustments".

Reconciliations of Adjusted EBITDA and Net Operating Income

The following table provides a reconciliation of "earnings before income taxes" to Adjusted EBITDA and "net operating income". Refer to the discussion under "Non-GAAP Measures".

	2026				2025			
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
<i>(thousands of dollars)</i>								
Earnings before income taxes	49,370	35,393	34,379	41,412	18,919	26,719	22,657	32,892
Add (Deduct):								
Depreciation and amortization	10,100	10,272	9,918	8,480	8,273	8,497	8,635	8,049
Net finance costs	1,204	1,991	5,300	2,013	5,118	4,336	4,164	3,627
Other (income) expense	(7,472)	2,720	2,020	(11,910)	3,170	254	1,082	(5,692)
Share of (profit) loss from investment in joint ventures	(344)	(924)	(846)	(210)	126	(107)	(431)	(265)
Adjusted EBITDA	52,858	49,452	50,771	39,785	35,606	39,699	36,107	38,611
Administrative costs	16,166	16,284	15,131	15,187	14,622	14,123	14,010	14,196
Net operating income	69,024	65,736	65,902	54,972	50,228	53,822	50,117	52,807

STATEMENT OF EARNINGS

The following provides the consolidated statement of earnings for the periods ended March 31, 2026 and 2025.

	Three months ended March 31,		
	2026	2025	Change
<i>(thousands of dollars unless otherwise noted)</i>			
Revenue	465,224	374,654	90,570
Operating expenses	396,200	324,426	71,774
Net operating income⁽¹⁾	69,024	50,228	18,796
Administrative costs	16,166	14,622	1,544
Adjusted EBITDA⁽¹⁾	52,858	35,606	17,252
Depreciation and amortization	10,100	8,273	1,827
Other (income) expense	(7,472)	3,170	(10,642)
Share of (profit) loss from investment in joint ventures	(344)	126	(470)
Earnings before net finance costs and income taxes	50,574	24,037	26,537
Interest expense (net of capitalized interest)	5,017	4,214	803
Interest revenue	(2,937)	(1,377)	(1,560)
Accretion	59	585	(526)
Fair value adjustments	(935)	1,696	(2,631)
Net finance costs	1,204	5,118	(3,914)
Earnings before income taxes	49,370	18,919	30,451
Current income tax expense	6,763	6,329	434
Deferred income tax expense (recovery)	1,875	(2,441)	4,316
Total income tax expense	8,638	3,888	4,750
Net earnings	40,732	15,031	25,701
Net earnings	40,732	15,031	25,701
Add (Deduct)⁽ⁱ⁾:			
Fair value adjustments	(687)	1,247	(1,934)
Other (income) expense	(7,678)	2,327	(10,005)
Earnings before separately reported items, net of taxes⁽¹⁾	32,367	18,605	13,762

(i) The separately reported items being added to or deducted from earnings are net of income taxes.

2026 FIRST QUARTER FINANCIAL REVIEW

The following is an analysis of the consolidated results from operations for Q1 2026, as compared to Q1 2025. The comparability of the results is impacted by, among other things, the acquisition of nine Class C LTC homes in June 2025 (the "LTC Acquisition") and the acquisition of Closing the Gap in July 2025.

Revenue

Revenue of \$465.2 million increased by \$90.6 million or 24.2% from \$374.7 million in Q1 2025. Excluding a reduction in out-of-period funding of \$1.4 million, revenue increased by \$92.0 million or 25.3% to \$455.6 million from \$363.7 million, driven primarily by the LTC Acquisition, LTC funding enhancements, timing of spend under flow-through care envelopes, a 32.7% increase in home health care ADV, driven by organic growth and the acquisition of Closing the Gap, partially offset by the closure of a Class C LTC home in connection with the opening of a new LTC home in Axium JV. The reduction in out-of-period funding of \$1.4 million related to a \$9.3 million change in home health care retroactive funding (\$1.7 million in Q1 2026 compared to \$11.0 million in Q1 2025), partially offset by \$7.9 million of LTC out-of-period funding recognized in Q1 2026.

Operating Expenses

Operating expenses of \$396.2 million increased by \$71.8 million or 22.1% from Q1 2025. Excluding a net reduction in out-of-period costs of \$3.5 million, operating expenses increased by \$75.3 million or 23.5% to \$395.3 million, largely driven by higher labour costs, due to higher home health care volumes, increased hours of care in LTC and labour rate increases, as well as the impacts of the LTC Acquisition and the acquisition of Closing the Gap, partially offset by the closure of a Class C LTC home that was redeveloped in Axium JV. The year-over-year impact of out-of-period items of \$3.5 million related to changes in additional compensation for home health care staff supported by retroactive funding of \$10.1 million (\$0.9 million in Q1 2026 compared to \$11.0 million in Q1 2025), partially offset by workers compensation rebates of \$6.6 million recognized in Q1 2025 (\$2.7 million in LTC and \$3.9 million in home health care).

Net Operating Income

Net operating income increased by \$18.8 million or 37.4% to \$69.0 million (14.8% of revenue) from \$50.2 million (13.4% of revenue) in Q1 2025. Excluding a \$2.1 million year-over-year increase from out-of-period items (\$8.7 million in Q1 2026 and \$6.6 million in Q1 2025), NOI increased by \$16.7 million to \$60.3 million (13.2% of revenue) from \$43.6 million (12.0% of revenue) in Q1 2025. The 38.3% increase in NOI reflects approximately \$3.5 million from the LTC Acquisition, LTC funding enhancements, and a 32.7% increase in home health care ADV, driven by organic growth and the acquisition of Closing the Gap, partially offset by higher operating costs and the closure of a Class C LTC home that was replaced by a redeveloped home in Axium JV.

Administrative Costs

Administrative costs increased by \$1.5 million to \$16.2 million in Q1 2026, primarily due to higher wages, benefits and technology costs, partially offset by lower professional fees.

Adjusted EBITDA

Adjusted EBITDA increased by \$17.3 million or 48.5% to \$52.9 million (11.4% of revenue) from \$35.6 million (9.5% of revenue) in Q1 2025, reflecting the increase in NOI, partially offset by higher administrative costs. Excluding the year-over-year reduction in NOI of \$2.1 million related to out-of-period items, Adjusted EBITDA increased by \$15.2 million or 52.2% to \$44.2 million (9.7% of revenue) in Q1 2026 from \$29.0 million (8.0% of revenue) in Q1 2025.

Depreciation and Amortization

Depreciation and amortization costs increased by \$1.8 million to \$10.1 million related to the additional homes from the LTC Acquisition and the increase in intangible assets due to customer relationships from the acquisition of Closing the Gap.

Other (Income) Expense

Other income was \$7.5 million in Q1 2026, reflecting a gain on sale of assets of \$10.0 million, partially offset by transaction-related professional fees and integration costs. Other expense of \$3.2 million in Q1 2025 related to strategic transformation costs in connection with the Revera and Axium transactions entered into in 2023. Refer to *Note 11* of the consolidated financial statements.

Share of (Profit) Loss From Investment in Joint Ventures

Share of profit from joint ventures was \$0.3 million in Q1 2026, compared to a loss of \$0.1 million in Q1 2025. The increase is primarily due to the opening of a new LTC home and the impact of a \$0.2 million favourable fair value adjustment on interest rate swaps. Refer to *Note 6* of the consolidated financial statements.

Net Finance Costs

Net finance costs decreased by \$3.9 million in Q1 2026, primarily due to a favourable \$2.6 million fair value adjustment on interest rate swaps and higher interest revenue from cash on hand, partially offset by higher interest expense due to higher debt levels.

Income Taxes

The income tax provision of \$8.6 million for Q1 2026 represented an effective tax rate of 17.5%, compared to a tax provision of \$3.9 million and an effective tax rate of 20.6% in Q1 2025. Excluding the impact of separately reported "other (income) expense" and "fair value adjustments", the effective tax rate was 21.0% in Q1 2026, compared to 21.8% in Q1 2025.

Net Earnings

The Company reported net earnings of \$40.7 million (\$0.427 per basic share) compared to \$15.0 million (\$0.178 per basic share) in Q1 2025. The increase in net earnings of \$25.7 million was largely driven by the increase in Adjusted EBITDA of \$17.3 million, an increase in other income and a decrease in net finance costs, partially offset by higher depreciation and amortization costs.

Summary of Results of Operations by Segment

The following summarizes the Company's segmented "revenue", "operating expenses" and "net operating income", followed by an analysis of the operating performance of each of the Company's operating segments.

Three months ended March 31 <i>(thousands of dollars unless otherwise noted)</i>	Long-term Care	Home Health Care	Managed Services	Total
2026				
Revenue	243,547	205,435	16,242	465,224
Operating expenses	211,330	177,499	7,371	396,200
Net operating income ⁽¹⁾	32,217	27,936	8,871	69,024
<i>NOI margin⁽¹⁾</i>	13.2%	13.6%	54.6%	14.8%
2025				
Revenue	197,753	158,258	18,643	374,654
Operating expenses	176,553	139,192	8,681	324,426
Net operating income ⁽¹⁾	21,200	19,066	9,962	50,228
<i>NOI margin⁽¹⁾</i>	<i>10.7%</i>	<i>12.0%</i>	<i>53.4%</i>	<i>13.4%</i>
Change				
Revenue	45,794	47,177	(2,401)	90,570
Operating expenses	34,777	38,307	(1,310)	71,774
Net operating income ⁽¹⁾	11,017	8,870	(1,091)	18,796

LONG-TERM CARE OPERATIONS

Revenue from LTC operations increased by \$45.8 million or 23.2% to \$243.5 million in Q1 2026. Excluding out-of-period funding recognized in Q1 2026 of \$7.9 million, revenue increased by \$37.9 million, largely driven by approximately \$32.5 million from homes added through the LTC Acquisition, funding increases, timing of spend and improved preferred occupancy, partially offset by the closure of a Class C LTC home that was replaced by a newly opened LTC home in Axium JV.

Net operating income from LTC operations increased by \$11.0 million or 52.0% to \$32.2 million (13.2% of revenue) in Q1 2026 compared to \$21.2 million (10.7% of revenue) in Q1 2025. Excluding the impact of out-of-period items of \$5.2 million, NOI improved by \$5.8 million or 31.4% to \$24.3 million (10.3% of revenue) in Q1 2026 from \$18.5 million (9.4% of revenue) in the prior year period, reflecting approximately \$3.5 million in NOI from the LTC Acquisition, funding enhancements, timing of spend, and improved preferred occupancy, partially offset by higher operating costs, and the closure of a redeveloped Class C LTC home. The impact of out-of-period items of \$5.2 million related to \$5.2 million in LTC retroactive funding and \$2.7 million from release of prior period funding provisions recognized in Q1 2026, partially offset by \$2.7 million of workers' compensation rebates recognized in Q1 2025.

HOME HEALTH CARE OPERATIONS

Revenue from home health care operations increased by \$47.2 million or 29.8% to \$205.4 million in Q1 2026 from \$158.3 million in Q1 2025. Excluding a year-over-year decrease of \$9.3 million related to retroactive funding, revenue increased by \$56.5 million, primarily due to a 32.7% increase in ADV, driven by organic growth and the acquisition of Closing the Gap. The reduction in retroactive funding of \$9.3 million (\$1.7 million in Q1 2026 compared to \$11.0 million in Q1 2025) largely related to changes in the recovery of increased wages, benefits and technology costs.

Net operating income from home health care operations increased by \$8.9 million to \$27.9 million (13.6% of revenue) in Q1 2026 from \$19.1 million (12.0% of revenue) in Q1 2025. Excluding a year-over-year decrease of \$3.1 million related to out-of-period items, NOI increased by \$12.0 million to \$27.1 million (13.3% of revenue) in Q1 2026 from \$15.2 million (10.3% of revenue) in the prior year period, primarily due to a 32.7% increase in volume, driven by organic growth and the acquisition of Closing the Gap, partially offset by higher wages and benefits. The out-of-period items of \$3.1 million related to retroactive funding of \$0.8 million recognized in Q1 2026, offset by workers' compensation rebates of \$3.9 million recognized in Q4 2025.

MANAGED SERVICES

Revenue from managed services decreased by \$2.4 million or 12.9% to \$16.2 million in Q1 2026 from \$18.6 million in Q1 2025. Net operating income from managed services declined by \$1.1 million or 11.0% to \$8.9 million in Q1 2026 compared to \$10.0 million in Q1 2025, with NOI margins of 54.6% and 53.4%, respectively. The declines in revenue and NOI were largely due to the sale in Q1 2025 by Revera of 30 Class C LTC homes that had been operated by Extencicare Assist under management contracts, nine of which were acquired by the Company, partially offset by changes in the mix of Extencicare Assist services, management fees from a newly opened home in the Joint Ventures and growth in the number of SGP clients.

FUNDS FROM OPERATIONS AND ADJUSTED FUNDS FROM OPERATIONS

Reconciliations of FFO to Net Earnings

The following table provides a reconciliation of "net earnings" to FFO, which the Company believes is the most comparable GAAP measure to FFO. In addition, the table includes a reconciliation from FFO to AFFO as supplemental information. Refer to the discussion under "Non-GAAP Measures".

<i>(thousands of dollars unless otherwise noted)</i>	Three months ended March 31,		
	2026	2025	Change
Net earnings	40,732	15,031	25,701
Add (Deduct):			
Depreciation and amortization	10,100	8,273	1,827
Depreciation for FFEC (maintenance capex)	(2,300)	(1,888)	(412)
Depreciation for office leases	(783)	(732)	(51)
Other (income) expense	(7,472)	3,170	(10,642)
Fair value adjustments	(935)	1,696	(2,631)
Current income tax expense (recovery) on other expense (income) and fair value adjustments	(408)	(843)	435
Deferred income tax expense (recovery)	1,875	(2,441)	4,316
FFO adjustments for joint ventures ⁽ⁱ⁾	464	687	(223)
FFO	41,273	22,953	18,320
Amortization of deferred financing costs	328	289	39
Accretion costs	59	585	(526)
Non-cash share-based compensation	(9,168)	(3,912)	(5,256)
Principal portion of government capital funding	417	403	14
Additional maintenance capex	(233)	(697)	464
AFFO adjustments for joint ventures ⁽ⁱ⁾	70	186	(116)
AFFO	32,746	19,807	12,939
Per Basic Share (\$)			
FFO	0.433	0.272	0.161
AFFO	0.343	0.235	0.108
Per Diluted Share (\$)			
FFO	0.427	0.269	0.158
AFFO	0.339	0.232	0.107
Dividends			
Declared	12,116	10,198	1,918
Declared per share (\$)	0.1281	0.1220	0.0061
Weighted Average Number of Shares			
Basic (000's)	95,371	84,345	
Diluted (000's)	96,600	85,468	
Current income tax expense included in FFO	7,171	7,172	(1)
<i>FFO effective tax rate</i>	14.8 %	23.8 %	

(i) Refer to the additional information provided under "FFO and AFFO Adjustments for Joint Ventures".

Reconciliations of AFFO to Net Cash From Operating Activities

The following table provides a reconciliation of AFFO to “net cash from operating activities”, which the Company believes is the most comparable GAAP measure to AFFO. Refer to the discussion under “Non-GAAP Measures”.

<i>(thousands of dollars)</i>	Three months ended March 31,		
	2026	2025	Change
Net cash from operating activities	(4,744)	18,421	(23,165)
Add (Deduct):			
Net change in operating assets and liabilities, including interest and taxes	37,368	1,226	36,142
Other expense	2,551	3,170	(619)
Current income tax on items excluded from AFFO	(408)	(843)	435
Depreciation for office leases	(783)	(732)	(51)
Depreciation for FFEC (maintenance capex) ⁽ⁱ⁾	(2,300)	(1,888)	(412)
Additional maintenance capex ⁽ⁱ⁾	(233)	(697)	464
Principal portion of government capital funding	417	403	14
AFFO for joint ventures ⁽ⁱⁱ⁾	878	747	131
AFFO	32,746	19,807	12,939
Total maintenance capex⁽ⁱ⁾	2,771	2,709	62

(i) Total maintenance capex represents the aggregate of the items classified as “depreciation for FFEC” and “additional maintenance capex”, and includes \$0.2 million in respect of the Company’s 15% managed interest in joint ventures for the three months ended March 31, 2026. An amount equivalent to depreciation for FFEC, or furniture, fixtures, equipment and computers, is deducted in determining FFO, and the difference from the actual total maintenance capex incurred is adjusted for in determining AFFO.

(ii) Refer to the additional information provided under “FFO and AFFO Adjustments for Joint Ventures”.

AFFO 2026 First Quarter Financial Review

In Q1 2026, AFFO increased by \$12.9 million to \$32.7 million (\$0.343 per basic share) from \$19.8 million (\$0.235 per basic share) in Q1 2025, largely reflecting the improvement in Adjusted EBITDA, partially offset by an unfavourable change in the adjustment for non-cash share-based compensation. Excluding the impact of out-of-period items recognized in both periods, AFFO improved by \$11.4 million to \$26.4 million (\$0.276 per basic share) from \$15.0 million (\$0.177 per basic share) in the prior year period.

A discussion of the factors impacting net earnings and Adjusted EBITDA can be found under “2026 First Quarter Financial Review”.

Dividends declared as a percentage of AFFO for the three months ended March 31, 2026 represented a payout ratio of 37%. The Company increased its monthly dividend by 5% to \$0.0441 per share, effective with the dividend declared in March 2026. Refer to the discussions under “Significant Developments – Dividend Increase” and “Liquidity and Capital Resources”.

The current income tax expense included in AFFO was \$7.2 million for the three months ended March 31, 2026, compared to \$7.2 million in the prior year period, representing effective tax rates on FFO of 14.8% and 23.8%, respectively. The determination of FFO includes a deduction for current income tax expense and does not include deferred income tax expense. As a result, the effective tax rates on FFO can be impacted by: adjustments to estimates of annual deferred timing differences, particularly when dealing with cash-based tax items versus accounting accruals; changes in the proportion of earnings between taxable and non-taxable entities; book-to-file adjustments for prior year filings; and the ability to utilize loss carryforwards. For 2026, the Company expects the effective tax rate on FFO will be in the range of 19% to 22%.

Including the Company’s 15% managed interest in joint ventures, maintenance capex was \$2.8 million for Q1 2026 compared to \$2.7 million for Q1 2025 and to \$10.3 million for Q4 2025, representing 0.6%, 0.7% and 2.1% of revenue, respectively. These costs fluctuate on a quarterly and annual basis with the timing of projects and seasonality. The Company expects to spend in the range of \$20.0 to \$22.0 million in maintenance capex in 2026, including approximately \$1.6 million in connection with the Company’s 15% managed interest in joint ventures.

The following provides a reconciliation of "Adjusted EBITDA" to AFFO as supplemental information. Refer to the discussion under "Non-GAAP Measures".

<i>(thousands of dollars)</i>	Three months ended March 31,		
	2026	2025	Change
Adjusted EBITDA	52,858	35,606	17,252
Add (Deduct):			
Depreciation for FFEC (maintenance capex)	(2,300)	(1,888)	(412)
Depreciation for office leases	(783)	(732)	(51)
Accretion costs	(59)	(585)	526
Interest expense	(5,017)	(4,214)	(803)
Interest revenue	2,937	1,377	1,560
FFO for joint ventures	808	561	247
	48,444	30,125	18,319
Current income tax expense	7,171	7,172	(1)
FFO	41,273	22,953	18,320
Amortization of deferred financing costs	328	289	39
Accretion costs	59	585	(526)
Non-cash share-based compensation	(9,168)	(3,912)	(5,256)
Principal portion of government capital funding	417	403	14
Additional maintenance capex	(233)	(697)	464
AFFO adjustments for joint ventures	70	186	(116)
AFFO	32,746	19,807	12,939

FFO and AFFO Adjustments for Joint Ventures

The following tables provide additional information in respect of the adjustments to FFO and AFFO for joint ventures. Refer to the discussion under "Non-GAAP Measures".

<i>(thousands of dollars)</i>	Three months ended March 31,		
	2026	2025	Change
Share of profit from investment in joint ventures	344	(126)	470
Depreciation and amortization	695	673	22
Depreciation for FFEC (maintenance capex)	(136)	(136)	—
Fair value adjustments	(95)	150	(245)
FFO adjustments for joint ventures	464	687	(223)
Amortization of deferred financing costs	12	39	(27)
Principal portion of government capital funding	160	135	25
Additional maintenance capex	(102)	12	(114)
AFFO adjustments for joint ventures	70	186	(116)
AFFO for joint ventures	878	747	131

<i>(thousands of dollars)</i>	Three months ended March 31,		
	2026	2025	Change
Adjusted EBITDA	1,385	1,207	178
Depreciation for FFEC (maintenance capex)	(136)	(136)	—
Interest expense	(691)	(735)	44
Interest revenue	250	225	25
FFO for joint ventures	808	561	247
Amortization of deferred financing costs	12	39	(27)
Principal portion of government capital funding	160	135	25
Additional maintenance capex	(102)	12	(114)
AFFO for joint ventures	878	747	131
Total maintenance capex for joint ventures	238	124	114

LIQUIDITY AND CAPITAL RESOURCES

Sources and Uses of Cash

The following summarizes the sources and uses of cash for the three months ended March 31, 2026 and 2025.

<i>(thousands of dollars)</i>	Three months ended March 31,	
	2026	2025
Net cash (used in) from operating activities	(4,744)	18,421
Net cash used in investing activities	(5,009)	(14,620)
Net cash used in financing activities	(17,291)	(16,175)
Decrease in cash and cash equivalents	(27,044)	(12,374)

As at March 31, 2026, the Company had cash and cash equivalents on hand of \$320.9 million, reflecting a decline in cash of \$27.0 million from the beginning of the year. Cash flow used in operating activities of \$4.7 million for the three months ended March 31, 2026 reflected earnings offset by timing of working capital changes, including income taxes paid related to the improvement in earnings for the prior year period. Cash dividends paid of \$11.9 million for the three months ended March 31, 2026 were funded in part from cash on hand.

Net cash from operating activities was a use of cash of \$4.7 million for the three months ended March 31, 2026 compared to a source of cash of \$18.4 million in the prior year period, reflecting the increase in earnings offset by unfavourable changes in operating assets and liabilities between periods. Fluctuations in operating assets and liabilities between periods are primarily attributable to the volatility and timing of cash receipts related to funding changes and flow-through funding, and the timing of payroll cycles.

Net cash used in investing activities was a use of cash of \$5.0 million for the three months ended March 31, 2026 compared to \$14.6 million in the prior year period. The 2026 activity included purchases of property, equipment and other intangible assets of \$7.5 million and investments in the Joint Ventures of \$1.2 million. This was partially offset by net proceeds of \$3.0 million from the sale of the vacated West End Villa Class C property, the collection of other assets of \$0.4 million and distributions from investments in the Joint Ventures of \$0.3 million. The 2025 activity included purchases of property, equipment and other intangible assets of \$15.4 million, partially offset by the collection of other assets of \$0.4 million and distributions from investments in the Joint Ventures of \$0.4 million.

The table that follows summarizes the additions to property, equipment and other intangibles, allocated between growth and maintenance capex. Growth capex relates to LTC redevelopment projects, building improvements, investments in key IT platforms, and other capital projects, all of which are aimed at earnings growth. Maintenance capex relates to the capital additions incurred to sustain and upgrade existing property and equipment.

<i>(thousands of dollars)</i>	Three months ended March 31,	
	2026	2025
Growth capex	6,580	13,542
Maintenance capex	2,533	2,585
	9,113	16,127

Management monitors and prioritizes capital expenditure requirements throughout the year, taking into account the urgency and necessity of the expenditure. Growth capex in 2026 will be focused primarily on the LTC projects under construction, redevelopment activities, including acquisition of land, and continued investments in technology to support growth initiatives (refer to "Other Contractual Obligations and Contingencies – Commitments"). The level of future growth capex will primarily be impacted by the timing of redevelopment projects advancing to construction, which is dependent on the Capital Funding Program in Ontario, any potential redevelopment programs that are introduced in Alberta and Manitoba, and whether such projects are sold to Axium JV.

Net cash used in financing activities was a use of cash of \$17.3 million for the three months ended March 31, 2026 compared to a use of cash of \$16.2 million in the prior year period. The 2026 activity included cash dividends paid of \$11.9 million and debt and lease liability repayments of \$5.3 million. The 2025 activity included cash dividends paid of \$10.0 million and debt and lease liability repayments of \$6.0 million.

Capital Structure

SHAREHOLDERS' EQUITY

Total shareholders' equity as at March 31, 2026, was \$393.2 million as compared to \$373.4 million at December 31, 2025, reflecting contributions from net earnings and comprehensive income, partially offset by dividends declared of \$12.1 million.

As at March 31, 2026, the Company had 94,821,945 Common Shares issued and outstanding (carrying value – \$663.3 million), as compared to 94,457,909 Common Shares (carrying value – \$662.9 million) as at December 31, 2025, reflecting 364,036 Common Shares issued under the Company's equity-based compensation plan.

Share Information (000's)	May 6, 2026	March 31, 2026	December 31, 2025
Common Shares (TSX symbol: EXE) ⁽ⁱ⁾	94,821.9	94,821.9	94,457.9

(i) Closing market value per TSX on May 6, 2026, was \$30.17.

As at May 7, 2026, the Company had an aggregate of 2,860,981 Common Shares reserved and available for issuance pursuant to the Company's long-term incentive plan, of which there were in aggregate 2,028,333 performance share units and deferred share units outstanding as at March 31, 2026 (refer to *Note 8* of the consolidated financial statements).

Dividends

The Company declared cash dividends of \$0.1281 per share for the three months ended March 31, 2026, compared with \$0.122 per share in the same prior year period, representing \$12.1 million and \$10.2 million in each period, respectively. During 2025, the Company increased its monthly dividend by 5% to \$0.042 per share, effective with the dividend declared in March 2025.

As announced on February 26, 2026, the Company increased its monthly dividend by 5% to \$0.0441 per share, effective with the dividend declared in March 2026.

Normal Course Issuer Bid

In June 2025, the Company received approval from the TSX to renew its normal course issuer bid ("NCIB") to purchase for cancellation up to 7,281,193 Common Shares, representing 10% of its public float, through the facilities of the TSX and/or through alternative Canadian trading systems, in accordance with TSX rules. The NCIB commenced on July 2, 2025, and provides the Company with flexibility to purchase Common Shares for cancellation until July 1, 2026, or on such earlier date as the NCIB is complete. The actual number of Common Shares purchased under the NCIB and the timing of any such purchases will be at the Company's discretion. Subject to the TSX's block purchase exception, daily purchases will be limited to 44,803 Common Shares. The Company has entered into an automatic purchase plan with its designated broker in connection with its NCIB to facilitate the purchase of Common Shares during times when the Company would ordinarily not be active in the market. The Board authorized the NCIB because it believes that, from time to time, the market price of the Common Shares may be such that their purchase may be an attractive and appropriate use of corporate funds. Decisions regarding the quantity and timing of purchases of Common Shares are based on market conditions, share price and the outlook for capital needs, including LTC redevelopment needs and other factors. The Company did not purchase any Common Shares under its NCIB program during 2025, or year-to-date through to May 6, 2026.

Long-term Debt

Long-term debt totalled \$324.6 million as at March 31, 2026, as compared to \$330.2 million as at December 31, 2025, representing a decrease of \$5.6 million, largely reflecting regular debt and lease liability repayments of \$5.3 million. The current portion of long-term debt as at March 31, 2026 was \$19.5 million.

The Company was subject to debt service coverage covenants on its \$375.0 million Senior Secured Credit Facility, and certain of its loans and was in compliance with all covenants as at March 31, 2026. Details of the components, maturities dates, terms and conditions of long-term debt are provided in *Note 7* of the consolidated financial statements.

SENIOR SECURED CREDIT FACILITY

As at March 31, 2026, the Company's Senior Secured Credit Facility consisted of a revolving credit facility of \$190.0 million and a delayed draw term facility of \$185.0 million. The fully utilized delayed draw term facility had a balance owing of \$173.2 million as at March 31, 2026. In addition, the Company had issued \$35.6 million in letters of credit under the revolving credit facility, leaving \$154.4 million of undrawn capacity. The letters of credit consisted of \$24.2 million to secure the Company's legacy defined benefit pension plan obligations, \$10.9 million to secure the Company's obligation to fund capital contributions to the Joint Ventures in connection with construction of LTC redevelopment projects within the Joint Ventures, and \$0.5 million to secure obligations relating to LTC homes.

Amendments to the Credit Facility

On April 1, 2026, and in connection with the closing of the CBI Acquisition, the Company increased its Senior Secured Credit Facility by \$214.5 million, consisting of a \$60.0 million increase to the revolving credit facility and a \$154.5 million increase to the delayed draw term facility, and extended the term to April 1, 2029, with provisions for consecutive one-year extensions. The Company utilized the full delayed draw term facility and \$153.7 million of the revolving credit facility to partially fund the CBI Acquisition.

On April 14, 2026, following the issuance of the 2031 Notes, the Company used approximately \$427.7 million of the net proceeds to repay the delayed draw term loan in full and the revolving credit facility in part. Concurrent with these debt repayments and the issuance of 2031 Notes, the Company's senior secured credit facilities were amended and restated to consist of a \$250.0 million Unsecured Revolving Facility that will rank *pari passu* with the 2031 Notes, and all security previously granted to the lenders under the former senior secured credit facilities was released. Borrowings under the Unsecured Revolving Facility can take place by way of direct borrowings at either the prime rate plus an applicable margin ranging from 0.45% to 1.45%, or the Canadian Overnight Repo Rate Average ("CORRA") plus an applicable margin ranging from 1.45% to 2.45%, or through letters of credit.

For more information on the Senior Secured Credit Facility, CBI Acquisition and the 2031 Notes, refer to "Significant Developments" and *Notes 7 and 17* of the consolidated financial statements.

LONG-TERM DEBT KEY METRICS

Management has limited the amount of debt that may be subject to changes in interest rates, with \$18.9 million of mortgage debt at variable rates. The Company's \$173.2 million borrowing under the delayed draw term facility and term loan of \$26.4 million as at March 31, 2026, have effectively been converted to fixed-rate financings with interest rate swaps over the full respective terms. As at March 31, 2026, the interest rate swaps were classified as a liability of \$0.3 million.

The following summarizes key metrics of consolidated long-term debt as at March 31, 2026, and December 31, 2025.

	March 31, 2026			December 31, 2025		
	Before Adjustments for Joint Ventures	Adjustments for Joint Ventures ⁽ⁱⁱ⁾	Adjusted for Joint Ventures	Before Adjustments for Joint Ventures	Adjustments for Joint Ventures ⁽ⁱⁱ⁾	Adjusted for Joint Ventures
<i>(thousands of dollars unless otherwise noted)</i>						
Weighted average interest rate of long-term debt outstanding	5.2%		5.3%	5.3%		5.3%
Weighted average term to maturity of long-term debt outstanding	4.1 yrs		7.5 yrs	4.3 yrs		7.4 yrs
Trailing twelve months consolidated interest coverage ratio ^{(i) (1)}	10.6 X		8.4 X	10.0 X		8.1 X
Debt to Gross Book Value ("GBV")						
Total assets (carrying value)	1,071,251	136,129	1,207,380	1,066,515	132,317	1,198,832
Accumulated depreciation on property and equipment	301,889	6,168	308,057	303,949	5,964	309,913
Accumulated amortization on other intangible assets	61,140	1,619	62,759	58,495	1,540	60,035
GBV	1,434,280	143,916	1,578,196	1,428,959	139,821	1,568,780
Debt ⁽ⁱⁱⁱ⁾	366,196	111,374	477,570	372,237	106,968	479,205
Debt to GBV	25.5%		30.3%	26.0%		30.5%
Debt to Adjusted EBITDA⁽¹⁾	1.9 X			2.1 X		

(i) Capitalized interest included in the calculation of the interest coverage ratio before adjustments for joint ventures was nil for the trailing twelve months ended March 31, 2026 (nil for the three months ended March 31, 2026). The calculation adjusted for joint ventures includes the Company's 15% share of the joint ventures' Adjusted EBITDA and interest expense of \$6.7 million and \$5.5 million, respectively, the latter of which is inclusive of \$2.8 million of capitalized interest (\$0.8 million for the three months ended March 31, 2026).

(ii) The adjustments to GBV represent the Company's 15% share of the joint ventures' GBV of \$169.6 million less the Company's carrying value in the joint ventures of \$25.7 million. The adjustment for debt represents the Company's 15% share of the joint ventures' mortgages at carrying amount, excluding deferred financing costs.

(iii) Debt excludes deferred financing costs and includes letters of credit of \$35.6 million drawn under the Company's revolving credit facility.

Future Liquidity and Capital Resources

The Company's consolidated cash and cash equivalents on hand, excluding restricted cash, was \$320.9 million as at March 31, 2026, compared with \$347.9 million as at December 31, 2025, representing a decrease of \$27.0 million. In addition, the Company had access to a further \$154.4 million under the revolving facility.

The Company had working capital (current assets less current liabilities) of \$141.3 million as at March 31, 2026, including the current portion of long-term debt of \$19.5 million.

Subsequent to March 31, 2026, the Company closed the CBI Acquisition for a cash purchase price of \$570.0 million and issued the 2031 Notes, of which approximately \$427.7 million of the net proceeds were used to repay the delayed draw term loan in full and the revolving credit facility in part. The Company intends to consider early prepayments of certain of its senior secured mortgages, including those that mature in 2027, to further improve its maturity profile outlook and its weighted cost of debt. Refer to the discussions under "– Long-term Debt", "Significant Developments", and to *Note 17* of the consolidated financial statements.

Management believes that the current cash and cash equivalents on hand, cash from operating activities, available funds from credit facilities and future debt financings will be sufficient to support the Company's ongoing business operations, including required working capital, maintenance capex and debt repayment obligations and the Company's share of capital

requirements, in partnership with Axium, to support our long-term care redevelopment program. Growth through redevelopment of LTC homes over the next few years, strategic acquisitions and developments may necessitate the raising of funds through debt, equity financings and/or other means. Decisions will be made on a specific transaction basis and will depend on market and economic conditions at the time.

Inflationary impacts on operating costs, changes in interest rates such that capital and credit markets and industry sentiment are adversely affected, ongoing pressures of funding and rate increases not keeping pace with cost increases, health care staffing constraints and the potential for another pandemic, epidemic or outbreak may make it more difficult for the Company to access the necessary capital or credit markets or if able to do so, at a higher cost or less advantageous terms than existing borrowings. In addition, reduced revenue and higher operating costs due to inflationary impacts and rising interest rates may result in reductions or early prepayments of existing financings if covenants are unable to be met (refer to "Risks and Uncertainties").

OTHER CONTRACTUAL OBLIGATIONS AND CONTINGENCIES

Commitments

As at March 31, 2026, the Company had outstanding commitments of \$96.6 million in connection with construction contracts for its Sudbury redevelopment project. The Company also has outstanding commitments of \$51.1 million in connection with various IT service and license agreements for IT cloud-based applications in support of the Company's growth initiatives (refer to *Note 13* of the consolidated financial statements).

The CBI Acquisition closed in Q2 2026 for a cash purchase price of \$570.0 million, subject to customary adjustments, plus approximately \$17.3 million in estimated lease liabilities in accordance with IFRS 16.

For further details on the above commitments and the CBI Acquisition, refer to "Significant Developments – Acquired CBI Home Health for \$570 Million" and to *Notes 13 and 17* of the consolidated financial statements.

Guarantees

The Company provides unsecured guarantees related to certain credit facilities held by the Joint Ventures; namely, construction loans and letter of credit facilities in support of ongoing construction of joint venture LTC redevelopment projects and term loans and lease-up credit facilities for operating joint venture LTC homes. As at March 31, 2026, 28 LTC homes within the Joint Ventures have existing credit facilities available of up to \$885.9 million. The guarantees provided by the Company vary depending upon the project, but are typically either on a joint and several basis for 50% of the loan amount or on a several basis for 15% of the loan amount or some lesser portion thereof. The amount of the guarantees will vary as borrowings increase on projects under construction and reduce as homes become operational, when guarantee requirements are generally lower. As at March 31, 2026, the Company has provided unsecured guarantees of \$361.1 million in support of the credit facilities held by the Joint Ventures (refer to *Note 13* of the consolidated financial statements).

The Joint Ventures are subject to debt service coverage covenants on certain of their respective credit facilities. The Joint Ventures were in compliance with the covenants as at March 31, 2026.

Legal Proceedings and Regulatory Actions

In the ordinary course of business, the Company is involved in and potentially subject to legal proceedings brought against it from time to time in connection with its operations. The COVID-19 pandemic has increased the risk that litigation or other legal proceedings, regardless of merit, will be commenced against the Company.

In April 2021, the Company was served with a statement of claim filed in the Court of Queen's Bench for Saskatchewan alleging negligence, breach of fiduciary duty, breach of contract and breach of the required standard of care by the Company and certain unnamed defendants in respect of all residents of Company LTC homes and retirement communities located in Saskatchewan as well as their family members. The claim seeks an order certifying the action as a class action and unspecified damages.

In January 2022, four active class actions against the Company in Ontario were consolidated into one action pursuant to the *Class Proceedings Act* (Ontario). The consolidated claim is in respect of all Ontario LTC homes owned, operated, licensed and/or managed by the Company and its affiliates and names as defendants the Company, certain of its affiliates and the owners of any such managed LTC homes and alleges negligence, gross negligence, breach of fiduciary duty, breach of contract, unjust enrichment, wrongful death in respect of all persons who contracted COVID-19 at the residence or subsequently contracted COVID-19 from such persons and breach of section 7 of the *Canadian Charter of Rights and Freedoms*. The consolidated claim seeks damages in the aggregate of \$110.0 million. On March 7, 2024, the consolidated claim was certified against the Company in respect of owned and managed homes with a gross negligence cause of action.

The Company is vigorously defending itself against these claims, and these claims are subject to insurance coverage maintained by the Company. However, given the status of the proceedings, the Company is unable to assess their potential outcome and they could have a materially adverse impact on the Company's business, results of operations and financial condition (refer to "Risks and Uncertainties").

In December 2020, the Government of Ontario passed Bill 218, *Supporting Ontario's Recovery Act* (Ontario), which provides targeted liability protection against COVID-19 exposure-related claims against any individual, corporation, or other entity that made a "good faith" or "honest" effort to act in accordance with public health guidance and laws relating to COVID-19 and did not otherwise act with "gross negligence". The protection under Bill 218 is retroactive to March 17, 2020, when

Ontario first implemented emergency measures as part of its response to the COVID-19 pandemic. Similar legislation has been passed in other provincial jurisdictions, including Saskatchewan.

In October 2021, the Supreme Court of Canada dismissed an application for leave to appeal by the Attorney General of Ontario which sought to challenge the decision issued by the previous presiding court that ruled in favour of certain unions in respect of a legal challenge to a 2016 Pay Equity Tribunal decision. The unions argued that new pay equity adjustments were required in order to maintain pay equity with municipal LTC homes where PSWs and other direct care workers in other industries are included in determining pay equity. The matter has now been referred back to the Pay Equity Tribunal to settle the matter between the participating LTC homes, unions and the Government and establish a framework for pay equity suitable for the sector. The Company, along with other participants in the LTC sector, including the Government of Ontario, are working to resolve the matter. Given the uncertainty of the matter and the various stakeholders involved, and as a result the wide range of possible settlement outcomes and related funding changes the Company is unable to determine a reliable estimate of the potential outcome and it could have a materially adverse impact on the Company's business, results of operations and financial condition.

ACCOUNTING POLICIES AND ESTIMATES

Critical Accounting Policies and Estimates

A full discussion of the Company's critical accounting policies and estimates was provided in the MD&A and the accompanying notes to the audited consolidated financial statements for the year ended December 31, 2025, contained in the Company's 2025 Annual Report. The disclosures in such report have not materially changed since that report was filed, and to the extent there have been any changes in management's estimates, they are discussed under "Significant Developments".

Future Changes in Accounting Policies

PRESENTATION AND DISCLOSURE IN FINANCIAL STATEMENTS

In April 2024, the IASB published its new standard IFRS 18 *Presentation and Disclosure in Financial Statements*. This standard will replace IAS 1 *Presentation of Financial Statements* and introduce new presentation and disclosure requirements, including updates to the statement of earnings and disclosures relating to performance measures. The new standard will be effective January 1, 2027 onwards. The Company is currently assessing the potential impact of this standard on its consolidated financial statements.

NON-GAAP MEASURES

Certain measures used in this MD&A listed below, including any related per share amounts, used by management to measure, compare and explain the operating results and financial performance of the Company, are not measures recognized under GAAP and do not have standardized meanings prescribed by GAAP. These measures may differ from similar computations as reported by other issuers and, accordingly, may not be comparable to similarly titled measures as reported by such issuers. These measures are not intended to replace earnings (loss) from continuing operations, net earnings (loss), cash flow, or other measures of financial performance and liquidity reported in accordance with GAAP. Such measures are presented in this document because management believes that they are relevant measures of Extencicare's operating performance and ability to pay cash dividends.

Management uses these measures to exclude the impact of certain items, because it believes doing so provides investors a more effective analysis of underlying operating and financial performance and improves comparability of underlying financial performance between periods. The exclusion of certain items does not imply that they are non-recurring or not useful to investors.

These measures are defined below and reconciliations to the most comparable GAAP measure are referenced, as applicable.

"Net operating income", or **"NOI"**, is defined as revenue less operating expenses, and this value represents the underlying performance of the operating business segments.

"NOI margin" is defined as NOI as a percentage of revenue.

"EBITDA" is defined as earnings (loss) from continuing operations before net finance costs, income taxes, depreciation and amortization.

"Adjusted EBITDA" is defined as EBITDA adjusted to exclude the line items "share of profit from investment in joint ventures" and "other (income) expense", and as a result, is equivalent to the line item "earnings before depreciation, amortization, and other" reported on the consolidated statements of earnings. Management believes that certain lenders, investors and analysts use EBITDA, Adjusted EBITDA and Adjusted EBITDA margin to measure a company's ability to service debt and meet other payment obligations, and as a common valuation measurement.

"Adjusted EBITDA Margin" is defined as Adjusted EBITDA as a percentage of revenue.

Reconciliations of "net operating income" and "Adjusted EBITDA" to "earnings (loss) from continuing operations before income taxes" are provided under "Select Quarterly Financial Information – Reconciliations of Adjusted EBITDA and Net Operating Income".

"Earnings (loss) before separately reported items, net of tax" is defined as earnings (loss) from continuing operations, excluding the following separately reported line items: "fair value adjustments", "other (income) expense" and "loss on early redemption of convertible debentures". These line items are reported separately and excluded from certain

performance measures, because they are transitional in nature and would otherwise distort historical trends. "Fair value adjustments" relate to the change in the fair value of or gains and losses on interest rate agreements. "Other (income) expense" relates to gains or losses on the disposal or impairment of assets, transaction and integration costs in connection with acquisitions, restructuring and transformation charges, and proxy related costs. The above separately reported line items are reported on a pre-tax and on an after-tax basis as a means of deriving earnings (loss) from operations and related earnings per share excluding such items.

Reconciliations of "earnings (loss) before separately reported items" to "net earnings (loss)" are provided under "Statement of Earnings".

"Funds From Operations", or "FFO", is defined as net earnings before income taxes, depreciation and amortization and fair value adjustments, and the line item "other (income) expense", less depreciation for furniture, fixtures, equipment and computers, or "depreciation for FFEC", depreciation for office leases, accretion costs, net interest expense and current income taxes (excluding current income taxes in respect of "fair value adjustments" and "other (income) expense" that are not otherwise included in FFO). The Company determines and includes its 15% share of FFO from its joint ventures on this same basis. Depreciation for FFEC is considered representative of the amount of maintenance (non-growth) capital expenditures, or "maintenance capex", to be used in determining FFO, as the depreciation term is generally in line with the life of these assets. FFO is a recognized earnings measure that is widely used by public real estate entities, particularly by those entities that own and/or operate income-producing properties. Management believes that certain investors and analysts use FFO, and as such has included FFO to assist with their understanding of the Company's operating results.

Reconciliations of FFO to "net earnings" are provided under "Funds From Operations and Adjusted Funds From Operations – Reconciliations of FFO to Net Earnings".

"Adjusted Funds From Operations", or "AFFO", is defined as FFO plus: i) the reversal of non-cash deferred financing and accretion costs; ii) the reversal of non-cash share-based compensation; iii) the principal portion of government capital funding; iv) amounts received from income support arrangements; and v) the reversal of income or loss of the captive insurance company that was included in the determination of FFO, as those operations were funded through investments held for the former U.S. self-insured liabilities, which are not included in the Company's reported cash and cash equivalents. In addition, AFFO is further adjusted to account for the difference in total maintenance capex incurred from the amount deducted in the determination of FFO. Since the Company's actual maintenance capex spending fluctuates on a quarterly basis with the timing of projects and seasonality, the adjustment to AFFO for these expenditures from the amount of depreciation for FFEC already deducted in determining FFO, may result in an increase to AFFO in the interim periods reported. The Company determines and includes its 15% share of AFFO from its joint ventures on this same basis. Management considers AFFO a relevant measure of the ability of the Company to earn cash and pay cash dividends to shareholders.

"Payout ratio" is defined as the ratio of dividends declared to AFFO. Management considers this a useful metric to evaluate the Company's dividend capacity.

Both FFO and AFFO are subject to other adjustments, as determined by management in its discretion, that are not representative of the Company's operating performance.

Reconciliations of "net cash from operating activities" to "AFFO" are provided under "Funds From Operations and Adjusted Funds From Operations – Reconciliations of AFFO to Net Cash From Operating Activities".

"Debt to Adjusted EBITDA" is defined as total debt divided by Adjusted EBITDA. Total debt consists of all short-term and long-term credit facilities, mortgages and lease liabilities on the Company's balance sheet, excluding deferred financing costs, and includes letters of credit of drawn under the Company's revolving credit facility.

"Interest coverage ratio" is defined as the ratio of Adjusted EBITDA to interest expense, including interest capitalized and excluding financing prepayment costs and the amortization of deferred financing costs.

Management considers debt to Adjusted EBITDA and interest coverage ratio relevant measures as they indicate the Company's ability to service and repay its debt.

RISKS AND UNCERTAINTIES

There are certain risks inherent in an investment in securities and activities of the Company, which investors should carefully consider before investing in the Company. Risks and uncertainties are disclosed in the Company's 2025 Annual Information Form, including without limitation, "Risks Related to Inflationary Pressures, Tariffs and Supply Chain Interruptions", "Risks Related to Liability and Insurance", "Risks Related to Government Oversight, Funding and Regulatory Changes", and "Risks Related to a Pandemic, Epidemic or Outbreak of a Contagious Illness, such as COVID-19", found under the section "Risk Factors – Risks Related to the Business" and "Cash Dividends Are Not Guaranteed", found under the section "Risk Factors – Risks Related to the Common Shares". To the extent there have been any changes to those risks or uncertainties as of the date of this MD&A, they are discussed under "Forward-looking Statements" and "Significant Developments".

Endnote

(1) This is a non-GAAP financial measure. Refer to the discussion under "Non-GAAP Measures".



Interim Condensed Consolidated Financial Statements

Q1 2026

Extendicare Inc.
Dated: May 7, 2026

Extendicare Inc.

Interim Condensed Consolidated Financial Statements

Three months ended March 31, 2026 and 2025

Interim Condensed Consolidated Financial Statements	1
Notes to the Unaudited Interim Condensed Consolidated Financial Statements	
1 General Information and Nature of the Business	6
2 Basis of Preparation	6
3 Significant Transactions	6
4 Property and Equipment	8
5 Goodwill and Other Intangible Assets	9
6 Joint Ventures	9
7 Long-term Debt	11
8 Share-based Compensation	12
9 Share Capital	13
10 Expenses by Nature	14
11 Other Income and Expense	14
12 Net Finance Costs	14
13 Commitments and Contingencies	15
14 Financial Instruments	16
15 Related Party Transactions	16
16 Segmented Information	17
17 Subsequent Events	18

Extendicare Inc.
Interim Condensed Consolidated Statements of Financial Position
(Unaudited)

<i>(thousands of dollars)</i>	<i>notes</i>	March 31, 2026	December 31, 2025
Assets			
Current assets			
Cash and cash equivalents		320,893	347,937
Restricted cash		1,378	1,244
Accounts receivable		101,500	84,209
Income taxes recoverable		4,910	966
Other assets		32,375	17,578
Total current assets		461,056	451,934
Non-current assets			
Property and equipment	4	352,974	353,687
Goodwill and other intangible assets	5	192,625	195,300
Other assets		32,040	33,449
Deferred tax assets		6,871	7,673
Investment in joint ventures	6	25,685	24,472
Total non-current assets		610,195	614,581
Total assets		1,071,251	1,066,515
Liabilities and Equity			
Current liabilities			
Accounts payable and accrued liabilities		299,389	298,739
Income taxes payable		784	11,594
Current portion of long-term debt	7	19,543	19,847
Total current liabilities		319,716	330,180
Non-current liabilities			
Long-term debt	7	305,018	310,356
Provisions		9,356	9,869
Other long-term liabilities		31,260	31,314
Deferred tax liabilities		12,737	11,426
Total non-current liabilities		358,371	362,965
Total liabilities		678,087	693,145
Share capital	9	663,301	662,850
Contributed surplus	8	13,782	16,290
Accumulated deficit		(278,171)	(299,676)
Accumulated other comprehensive loss		(5,748)	(6,094)
Shareholders' equity		393,164	373,370
Total liabilities and equity		1,071,251	1,066,515

See accompanying notes to the unaudited interim condensed consolidated financial statements.
Commitments and Contingencies (*Note 13*), Subsequent Events (*Notes 13, 17*).

Extendicare Inc.
Interim Condensed Consolidated Statements of Earnings
(Unaudited)

<i>(thousands of dollars except for per share amounts)</i>	<i>notes</i>	Three months ended March 31,	
		2026	2025
Revenue		465,224	374,654
Operating expenses		396,200	324,426
Administrative costs		16,166	14,622
Total expenses	10	412,366	339,048
Earnings before depreciation, amortization, and other		52,858	35,606
Depreciation and amortization	4, 5	10,100	8,273
Other (income) expense	11	(7,472)	3,170
Share of (profit) loss from investment in joint ventures	6	(344)	126
Earnings before net finance costs and income taxes		50,574	24,037
Net finance costs	12	1,204	5,118
Earnings before income taxes		49,370	18,919
Current income tax expense		6,763	6,329
Deferred income tax expense (recovery)		1,875	(2,441)
Total income tax expense		8,638	3,888
Net earnings		40,732	15,031
Basic Earnings per Share			
Net earnings		\$0.427	\$0.178
Diluted Earnings per Share			
Net earnings		\$0.422	\$0.176

See accompanying notes to the unaudited interim condensed consolidated financial statements.

Extendicare Inc.

Interim Condensed Consolidated Statements of Comprehensive Income

(Unaudited)

<i>(thousands of dollars)</i>	Three months ended March 31,	
	2026	2025
Net earnings	40,732	15,031
Other Comprehensive Income (Loss), Net of Taxes		
Items that will not be reclassified to profit or loss:		
Defined benefit plan actuarial gains (losses)	471	(91)
Tax (expense) recovery on changes in defined benefit plan	(125)	24
Other comprehensive income (loss), net of taxes	346	(67)
Total comprehensive income	41,078	14,964

See accompanying notes to the unaudited interim condensed consolidated financial statements.

Extendicare Inc.
Interim Condensed Consolidated Statements of Changes in Equity
(Unaudited)

<i>(thousands of dollars, except for number of shares)</i>	<i>notes</i>	<i>Number of Shares</i>	<i>Share Capital</i>	<i>Contributed Surplus</i>	<i>Accumulated Deficit</i>	<i>Accumulated Other Comprehensive Loss</i>	<i>Shareholders' Equity</i>
Balance at January 1, 2025		83,466,978	469,328	14,331	(352,546)	(6,761)	124,352
Share-based compensation	8	350,931	195	(3,785)	(322)	—	(3,912)
Net earnings		—	—	—	15,031	—	15,031
Dividends declared	9	—	—	—	(10,198)	—	(10,198)
Other comprehensive loss		—	—	—	—	(67)	(67)
Balance at March 31, 2025		83,817,909	469,523	10,546	(348,035)	(6,828)	125,206

<i>(thousands of dollars, except for number of shares)</i>	<i>notes</i>	<i>Number of Shares</i>	<i>Share Capital</i>	<i>Contributed Surplus</i>	<i>Accumulated Deficit</i>	<i>Accumulated Other Comprehensive Loss</i>	<i>Shareholders' Equity</i>
Balance at January 1, 2026		94,457,909	662,850	16,290	(299,676)	(6,094)	373,370
Share-based compensation	8	364,036	—	(2,508)	(6,660)	—	(9,168)
Net earnings		—	—	—	40,732	—	40,732
Dividends declared	9	—	—	—	(12,116)	—	(12,116)
Other comprehensive income		—	—	—	—	346	346
Reclassification		—	451	—	(451)	—	—
Balance at March 31, 2026		94,821,945	663,301	13,782	(278,171)	(5,748)	393,164

See accompanying notes to the unaudited interim condensed consolidated financial statements.

Extendicare Inc.
Interim Condensed Consolidated Statements of Cash Flows
(Unaudited)

<i>(thousands of dollars)</i>	<i>notes</i>	Three months ended March 31,	
		2026	2025
Operating Activities			
Net earnings		40,732	15,031
Adjustments for:			
Share-based compensation		(9,168)	(3,912)
Depreciation and amortization	4, 5	10,100	8,273
Net finance costs	12	1,204	5,118
Current taxes		6,763	6,329
Deferred taxes		1,875	(2,441)
Defined benefit plan expenses		239	243
Defined benefit plan contributions		(422)	(436)
Gain on sale of Class C LTC assets	11	(10,023)	—
Share of (profit) loss from investment in joint ventures	6	(344)	126
		40,956	28,331
Net change in operating assets and liabilities			
Accounts receivable		(17,126)	2,614
Other assets		(3,997)	88
Accounts payable and accrued liabilities		(1,889)	16,542
		17,944	47,575
Interest paid, net		(1,553)	(2,370)
Income taxes paid, net		(21,135)	(26,784)
Net cash (used in) from operating activities		(4,744)	18,421
Investing Activities			
Purchase of property, equipment and other intangible assets	4, 5	(7,545)	(15,440)
Change in other assets		417	403
Proceeds from sale of Class C LTC assets	11	2,988	—
Investment in joint ventures	6	(1,207)	—
Distributions from investment in joint ventures	6	338	417
Net cash used in investing activities		(5,009)	(14,620)
Financing Activities			
Repayment of long-term debt and lease liabilities	7	(5,255)	(5,983)
Change in restricted cash		(134)	(133)
Dividends paid	9	(11,902)	(10,016)
Financing costs	7	—	(43)
Net cash used in financing activities		(17,291)	(16,175)
Decrease in cash and cash equivalents		(27,044)	(12,374)
Cash and cash equivalents at beginning of period		347,937	121,846
Cash and cash equivalents at end of period		320,893	109,472

See accompanying notes to the unaudited interim condensed consolidated financial statements.

1. GENERAL INFORMATION AND NATURE OF THE BUSINESS

The common shares (the "Common Shares") of Extendicare Inc. ("Extendicare" or the "Company") are listed on the Toronto Stock Exchange ("TSX") under the symbol "EXE". The Company and its predecessors have been in operation since 1968. The Company is a leading provider of care and services for seniors across Canada, operating under the Extendicare, ParaMed, Extendicare Assist and SGP Purchasing Network ("SGP") brands and is committed to delivering quality care to meet the needs of a growing seniors' population, inspired by its mission to provide people with the care they need, wherever they call home. The registered office of the Company is located at 3000 Steeles Avenue East, Suite 400, Markham, Ontario, Canada, L3R 4T9.

2. BASIS OF PREPARATION

a) Statement of Compliance

The unaudited interim condensed consolidated financial statements (the "consolidated financial statements") have been prepared in accordance with IAS 34 *Interim Financial Reporting* as issued by the International Accounting Standards Board ("IASB"), and were approved by the board of directors (the "Board") of the Company on May 7, 2026.

The consolidated financial statements do not include all of the information required for full annual consolidated financial statements, and should be read in conjunction with the Company's 2025 annual audited consolidated financial statements. These consolidated financial statements follow the same accounting policies and methods of application as the consolidated financial statements for the year ended December 31, 2025. Newly effective accounting standards or amendments for the three months ended March 31, 2026 have no material impact on the consolidated financial statements.

b) Basis of Measurement

The consolidated financial statements are presented in Canadian dollars, which is the Company's functional currency. All financial information presented in dollars has been rounded to the nearest thousand, unless otherwise noted.

c) Future Changes in Accounting Policies

PRESENTATION AND DISCLOSURE IN FINANCIAL STATEMENTS

In April 2024, the IASB published its new standard IFRS 18 *Presentation and Disclosure in Financial Statements*. This standard will replace IAS 1 *Presentation of Financial Statements* and introduce new presentation and disclosure requirements, including updates to the statement of earnings and disclosures relating to performance measures. The new standard will be effective January 1, 2027 onwards. The Company is currently assessing the potential impact of this standard on its consolidated financial statements.

3. SIGNIFICANT TRANSACTIONS

LTC Transaction

In the fourth quarter of 2024, the Company entered into an agreement with Revera Inc. and its affiliates (collectively, "Revera") to acquire nine Class C long-term care ("LTC") homes located in Ontario and Manitoba and one parcel of vacant land located in Ontario (the "LTC Transaction").

On June 1, 2025, Extendicare completed the LTC Transaction. The purchase price of \$46.2 million was funded from cash on hand of \$41.9 million, plus an estimated \$4.3 million to be paid upon the sale of the land and building from one of the acquired Class C LTC homes in Ontario after it vacated following redevelopment. Upon closing of the LTC Transaction, the Company's existing management agreements with Revera in respect of the nine homes, as well as related development arrangement agreements, terminated in accordance with their terms.

The Company applied the optional concentration test in accordance with IFRS 3 *Business Combinations* and accounted for the LTC Transaction as an acquisition of a group of assets and liabilities.

	<i>notes</i>	June 1, 2025
Accounts receivable		622
Other assets		190
Property and equipment ⁽¹⁾	4	72,713
Accounts payable and accrued liabilities		(27,367)
Net assets acquired		46,158

⁽¹⁾Includes transaction costs of \$1.7 million.

Relatedly, Revera completed a previously announced transaction to sell 21 of Revera's Class C LTC homes located in Ontario that were managed by Extendicare to a third party. Upon closing of the transaction on May 1, 2025, the Company's existing management agreements with Revera in respect of the 21 homes, as well as related development agreements, terminated in accordance with their terms. In connection with the termination of the management agreements, the Company was reimbursed an amount of \$1.6 million by Revera related to amounts previously paid toward operational entitlement rights (Note 5).

CTG Transaction

In the second quarter of 2025, the Company, through its wholly owned home health care subsidiary, ParaMed Inc. ("ParaMed"), entered into an agreement to acquire all of the issued and outstanding shares of Closing the Gap Healthcare Group Inc. and certain affiliates (collectively, "Closing the Gap") (the "CTG Transaction").

On July 1, 2025, the Company completed the CTG Transaction. The aggregate cash consideration for the CTG Transaction was \$75.1 million, subject to customary and other adjustments and was funded from cash on hand. The CTG Transaction includes an earnout tied to new business revenue generation in the twelve months after closing. The estimated contingent consideration from the earnout is between \$2.2 million and \$2.7 million, and is expected to be funded from cash on hand and the Company's existing Senior Secured Credit Facility. There has been an increase of \$0.7 million in the estimated fair value of the earnout as of March 31, 2026, recorded in profit and loss.

The following table summarizes the acquisition date fair value of each class of consideration transferred:

	July 1, 2025
Cash	75,116
Contingent consideration	1,750
Consideration transferred	76,866

The Company accounted for the CTG Transaction as a business combination in accordance with IFRS 3 *Business Combinations* and recognized the following identifiable net assets.

	<i>notes</i>	July 1, 2025
Cash and cash equivalents		1,954
Accounts receivable ⁽ⁱ⁾		5,729
Other assets		232
Property and equipment	4	3,000
Customer relationships	5	38,705
Accounts payable and accrued liabilities		(6,206)
Deferred tax liabilities		(10,257)
Lease liabilities	4, 7	(2,667)
Net assets acquired		30,490

⁽ⁱ⁾Represents gross contractual amounts.

Goodwill has been recognized as follows, and arises from the expanded platform, future growth opportunities, and access to further opportunities in existing provinces:

	<i>notes</i>	July 1, 2025
Consideration transferred		76,866
Less: Fair value of identifiable net assets		(30,490)
Goodwill	5	46,376

4. PROPERTY AND EQUIPMENT

	Land & Land Improvements	Buildings & Leasehold Improvements	Right-of-use Assets	Furniture & Equipment	Construction in Progress ("CIP")	Projects in Progress ("PIP")	Total
Cost							
January 1, 2025	38,847	389,998	25,592	81,473	41,116	4,904	581,930
Additions	—	548	3,235	865	26,501	24,004	55,153
Derecognition	—	(552)	(1,032)	(9,591)	—	—	(11,175)
Sale of assets to joint venture	—	—	—	—	(43,985)	—	(43,985)
Acquisition of LTC assets (Note 3)	24,906	44,198	—	1,981	1,628	—	72,713
Acquisition of home health care business (Note 3)	—	96	2,667	195	—	42	3,000
Transfers	484	13,440	(85)	10,743	—	(24,582)	—
December 31, 2025	64,237	447,728	30,377	85,666	25,260	4,368	657,636
Additions	—	16	193	242	5,712	3,143	9,306
Derecognition	—	(35)	(292)	(1,003)	—	—	(1,330)
Sale of Class C LTC assets (Note 11)	(318)	(9,122)	—	(1,309)	—	—	(10,749)
Transfers	11	635	—	789	—	(1,435)	—
March 31, 2026	63,930	439,222	30,278	84,385	30,972	6,076	654,863
Accumulated Depreciation and Impairment Losses							
January 1, 2025	7,005	217,308	13,272	49,114	—	—	286,699
Depreciation	591	15,845	2,928	8,163	—	—	27,527
Derecognition	—	(552)	(134)	(9,591)	—	—	(10,277)
December 31, 2025	7,596	232,601	16,066	47,686	—	—	303,949
Depreciation	144	4,201	963	2,147	—	—	7,455
Derecognition	—	(35)	(204)	(1,003)	—	—	(1,242)
Sale of Class C LTC assets (Note 11)	(172)	(7,254)	—	(847)	—	—	(8,273)
March 31, 2026	7,568	229,513	16,825	47,983	—	—	301,889
Carrying Amounts							
December 31, 2025	56,641	215,127	14,311	37,980	25,260	4,368	353,687
March 31, 2026	56,362	209,709	13,453	36,402	30,972	6,076	352,974

5. GOODWILL AND OTHER INTANGIBLE ASSETS

	Goodwill	Operational Entitlements	Customer Relationships	Software and Other Intangible Assets	Total
Cost					
January 1, 2025	45,850	20,809	39,100	68,023	173,782
Additions	—	—	—	951	951
Derecognition (Note 3)	—	(5,423)	—	—	(5,423)
Write-offs	—	—	—	(596)	(596)
Acquisition of home health care business (Note 3)	46,376	—	38,705	—	85,081
December 31, 2025	92,226	15,386	77,805	68,378	253,795
Write-offs	—	—	—	(30)	(30)
March 31, 2026	92,226	15,386	77,805	68,348	253,765
Accumulated Amortization					
January 1, 2025	—	4,477	26,298	22,100	52,875
Amortization	—	682	3,454	5,280	9,416
Derecognition (Note 3)	—	(3,796)	—	—	(3,796)
December 31, 2025	—	1,363	29,752	27,380	58,495
Amortization	—	151	1,127	1,367	2,645
March 31, 2026	—	1,514	30,879	28,747	61,140
Carrying Amounts					
December 31, 2025	92,226	14,023	48,053	40,998	195,300
March 31, 2026	92,226	13,872	46,926	39,601	192,625

6. JOINT VENTURES

Axium Extencicare LTC LP

Axium Extencicare LTC LP ("Axium JV") is jointly redeveloping certain of Extencicare's existing Ontario Class C homes. Axium LTC Limited Partnership (with its affiliates, "Axium") owns an 85% interest and Extencicare has the remaining 15% managed interest. The Company has undertaken all development activities for a development fee in respect of the joint venture homes and will operate the homes upon completion of construction for a management fee.

Axium JV owns three new LTC homes located in Ontario, consisting of approximately 700 funded LTC beds, and five under construction in Ontario.

Axium Extencicare LTC II LP

Axium Extencicare LTC II LP ("Axium JV II") owns 19 new LTC homes located in Ontario and six homes in Manitoba, consisting of approximately 3,000 funded LTC beds, and one LTC home under construction in Ontario. The Company has a 15% managed interest in the joint venture, with the remaining 85% interest owned by Axium. Extencicare is operating the homes in consideration for a customary management fee.

The Company accounts for its investments in the joint ventures above using the equity method:

	March 31, 2026	December 31, 2025
Interest in Axium JV - 15% ownership	8,991	8,994
Interest in Axium JV II - 15% ownership	16,694	15,478
Total	25,685	24,472

The assets and liabilities of the joint ventures below including a reconciliation to the carrying amount of Extendicare's interest are as follows:

	March 31, 2026	December 31, 2025
Current assets (including cash and cash equivalents - \$39,163)	64,238	70,739
Non-current assets	1,014,523	974,522
Total assets	1,078,761	1,045,261
Current liabilities (Current portion of long-term debt - \$198,905)	347,243	342,594
Long-term debt (Note 13)	543,509	521,139
Other long-term liabilities	16,317	17,925
Total liabilities	907,069	881,658
Total net assets (100%)	171,692	163,603
Company share of net assets (15%)	25,685	24,472
Carrying amount of investment in joint ventures	25,685	24,472

	March 31, 2026	December 31, 2025
Investment in joint ventures as at January 1	24,472	24,746
Investment in joint ventures	1,207	1,080
Distributions from investment in joint ventures	(338)	(1,617)
Share of profit from investment in joint ventures	344	1,854
Other adjustments ⁽ⁱ⁾	—	(1,591)
Investment in joint ventures as at end of period	25,685	24,472

⁽ⁱ⁾Related primarily to provincial land transfer taxes and losses not attributable to Extendicare.

Financial information of the joint ventures are as follows:

	Three months ended March 31,	
	2026	2025
Revenue	121,847	108,241
Operating expenses	112,495	100,173
Administrative costs	126	20
Earnings before depreciation, amortization, and net finance costs	9,226	8,048
Depreciation and amortization	4,629	4,489
Net finance costs	2,305	4,401
Net income (loss) (100%)	2,292	(842)
Company share of net income (loss) (15%)	344	(126)

7. LONG-TERM DEBT

	Interest Rate	Year of Maturity	March 31, 2026	December 31, 2025
CMHC mortgages, fixed rate	2.65% - 7.70%	2026 - 2037	32,867	33,664
CMHC mortgage, variable rate	Variable	2027	18,860	19,082
Non-CMHC mortgages and loans	5.05% - 5.64%	2027 - 2038	89,496	90,620
Lease liabilities ⁽ⁱ⁾	4.27% - 5.50%	2026 - 2033	16,141	16,838
Senior secured credit facility, term loan ⁽ⁱⁱ⁾	5.30%	2027	173,188	175,500
Total debt			330,552	335,704
Deferred financing costs			(5,991)	(5,501)
Total debt, net of deferred financing costs			324,561	330,203
Less: current portion			(19,543)	(19,847)
Long-term debt			305,018	310,356

⁽ⁱ⁾ 'Year of Maturity' excludes options to extend the lease term at the end of the non-cancellable lease term.

⁽ⁱⁱ⁾ Further discussion on interest rate in the Senior Secured Credit Facility section below.

Principal Repayments

	Mortgages and Loans ⁽ⁱ⁾		Lease Liabilities	Credit Facility ⁽ⁱ⁾	Total
	Regular	Maturity			
2026 remaining	6,509	—	3,097	6,938	16,544
2027	7,141	43,133	3,643	166,250	220,167
2028	6,747	—	2,774	—	9,521
2029	7,099	—	2,255	—	9,354
2030	6,607	12,098	1,878	—	20,583
Thereafter	44,016	7,873	5,886	—	57,775
Total debt principal and lease liability repayments	78,119	63,104	19,533	173,188	333,944
Interest on lease liabilities	—	—	(3,392)	—	(3,392)
Principal and lease liabilities, after interest	78,119	63,104	16,141	173,188	330,552

⁽ⁱ⁾ Excludes netting of deferred financing costs.

Long-term Debt Continuity

	March 31, 2026	December 31, 2025
As at January 1	330,203	292,487
Issuance of long-term debt	—	55,000
New lease liabilities	193	3,235
Lease liabilities from acquisition of home health care business (Note 3)	—	2,667
Repayments of long-term debt	(4,455)	(17,786)
Payment of lease liabilities	(800)	(2,896)
Derecognition of lease liabilities	(90)	(904)
Increase in deferred financing costs	(818)	(2,807)
Amortization of deferred financing costs and other	328	1,207
As at end of period	324,561	330,203

CMHC Variable Rate Mortgage

The Company has one variable rate mortgage, insured through the Canada Mortgage and Housing Corporation ("CMHC") program, that is secured by a Canadian financial institution at a variable rate based on the lender's cost of funds plus 225 basis points.

Senior Secured Credit Facility

As at March 31, 2026, the Company's existing senior secured credit facility (the "Senior Secured Credit Facility") consisted of a revolving credit facility of up to \$190.0 million and a fully utilized delayed draw term facility of 185.0 million, was secured by 30 LTC homes, and was subject to certain customary financial and non-financial covenants and other terms.

Borrowings under the Senior Secured Credit Facility took place by way of direct borrowings at either the prime rate plus an applicable margin ranging from 0.70% to 1.95%, or the Canadian Overnight Repo Rate Average ("CORRA") plus an applicable margin ranging from 1.70% to 2.95%, or through letters of credit. The Company has swap contracts with a syndicate of Canadian chartered banks for the delayed draw term facility that fix the CORRA portion of the interest rate of the credit facility at a rate of 2.80%, and mature in November 2029 (*Note 12*).

As at March 31, 2026, \$24.2 million of the revolving credit facility secures the Company's defined benefit pension plan obligations (December 31, 2025 – \$24.2 million), \$10.9 million secures the Company's obligation to fund capital contributions to the joint ventures in connection with construction of LTC redevelopment projects within the joint ventures (December 31, 2025 – \$11.8 million), and \$0.5 million was used in connection with obligations relating to LTC homes (December 31, 2025 – \$0.5 million), leaving \$154.4 million unutilized (December 31, 2025 – \$153.5 million).

Subsequent to the first quarter of 2026, the Company amended its existing senior secured credit facility agreement (*Note 17*).

Financial Covenants

The Company is subject to debt service coverage covenants on certain of its loans and its Senior Secured Credit Facility. The Company was in compliance with all of these covenants as at March 31, 2026.

8. SHARE-BASED COMPENSATION

Equity-settled Long-term Incentive Plan

The Company's long-term incentive plan ("LTIP") provides for a share-based component of executive and director compensation designed to encourage a greater alignment of the interests of the Company's executives and directors with its shareholders, in the form of deferred share units ("DSUs") for non-employee directors and preferred share units ("PSUs") for employees.

DSUs and PSUs granted under the LTIP do not carry any voting rights. DSUs vest immediately upon grant and PSUs vest with a term of not less than 24 months and not more than 36 months from the date of grant. The Company settled DSUs and PSUs as follows:

<i>(number of units)</i>	DSUs and PSUs	
	Three months ended March 31,	
	2026	2025
Settled in Common Shares issued from treasury	364,036	350,931
Settled in cash	409,923	399,657
DSUs and PSUs settled during the period	773,959	750,588

During the three months ended March 31, 2026, the Company's DSUs and PSUs were an expense of \$1.7 million (March 31, 2025 – \$1.3 million), recorded in administrative costs.

The carrying amounts of the Company's DSUs and PSUs are recorded in the consolidated statements of financial position as follows:

	March 31, 2026	December 31, 2025
Contributed surplus – DSUs	7,433	7,054
Contributed surplus – PSUs	6,349	9,236
Total	13,782	16,290

As at March 31, 2026, an aggregate of 2,860,981 (December 31, 2025 – 3,225,017) Common Shares were reserved and available for issuance pursuant to the LTIP.

DSU and PSU activity was as follows:

<i>(number of units)</i>	DSUs		PSUs	
	Three months ended March 31, 2026	Year ended December 31, 2025	Three months ended March 31, 2026	Year ended December 31, 2025
Units outstanding, beginning of year	847,895	825,011	1,489,324	1,623,854
Granted	10,543	73,182	203,135	415,839
Reinvested dividend equivalents	4,439	29,208	7,760	55,240
Change due to performance and forfeiture	—	—	239,196	65,473
Settled	—	(79,506)	(773,959)	(671,082)
Units outstanding, end of period	862,877	847,895	1,165,456	1,489,324
Weighted average fair value of units granted during the period at grant date	\$25.84	\$15.14	\$28.54	\$14.63

DSUs are fair valued at the date of grant using the previous day's closing trading price of the Common Shares. The grant date values of PSUs awarded were based on the fair values of one award comprised of two equal components being the earnings-based component and total shareholder return ("TSR"). The fair values of the earnings-based component were measured using the previous day's closing trading price of the Common Shares. The fair values of the TSR component were measured using the Monte Carlo simulation method.

PSUs granted and the assumptions used to determine the grant date values are as follows:

	Three months ended March 31, 2026	Year ended December 31, 2025		
Grant date	Mar 9, 2026	Dec 12, 2025	Aug 15, 2025	Mar 10, 2025
Vesting date	Mar 9, 2029	Mar 10, 2028	Mar 10, 2028	Mar 10, 2028
PSUs granted	203,135	5,526	30,598	379,715
Fair value of earnings-based component	\$13.15	\$11.12	\$6.74	\$6.52
Fair value of TSR component	\$15.39	\$14.36	\$7.50	\$7.98
Grant date fair value	\$28.54	\$25.48	\$14.24	\$14.50
Expected volatility of the Company's Common Shares	24.72 %	24.74 %	23.44 %	21.77 %
Expected volatility of the Index	15.77 %	15.08 %	14.05 %	15.06 %
Risk-free rate	2.66 %	2.60 %	2.70 %	2.51 %
Dividend yield	nil	nil	nil	nil

9. SHARE CAPITAL

Extencicare is authorized to issue an unlimited number of Common Shares, without nominal or par value, and that number of preferred shares of Extencicare, issuable in series, equal to 50% of the number of Common Shares that are issued and outstanding at the time of the issuance of any series of preferred shares, without nominal or par value.

Each Common Share is transferable, represents an equal and undivided beneficial interest in the assets of the Company and entitles the holder to one vote at all meetings of shareholders of the Company. Shareholders are entitled to receive dividends from the Company when declared by the Board. During the three months ended March 31, 2026, the Company declared cash dividends of \$0.1281 per share (March 31, 2025 – \$0.1220 per share).

In June 2025, the Company received approval from the TSX to renew its normal course issuer bid ("NCIB") to purchase for cancellation up to 7,281,193 Common Shares, representing 10% of its public float, through the facilities of the TSX and/or through alternative Canadian trading systems, in accordance with TSX rules. The NCIB commenced on July 2, 2025, and provides the Company with flexibility to purchase Common Shares for cancellation until July 1, 2026, or on such earlier date as the NCIB is complete. The actual number of Common Shares purchased under the NCIB and the timing of any such purchases will be at the Company's discretion. Subject to the TSX's block purchase exception, daily purchases will be limited to 44,803 Common Shares. There were no purchases under the Company's NCIB program during the three months ended March 31, 2026.

10. EXPENSES BY NATURE

	Three months ended March 31,	
	2026	2025
Employee wages and benefits	365,197	296,725
Food, drugs, supplies and other variable costs	15,608	13,097
Property based and leases	13,992	13,068
Other	17,569	16,158
Total operating expenses and administrative costs	412,366	339,048

11. OTHER INCOME AND EXPENSE

	Three months ended March 31,	
	2026	2025
Gain on sale of Class C LTC assets	(10,023)	—
Integration and transaction costs	2,568	—
Strategic transformation costs	—	3,182
Other	(17)	(12)
Total other (income) expense	(7,472)	3,170

Strategic Transformation Costs

In the first quarter of 2025, the Company incurred transaction, legal, regulatory, IT integration and management transition costs related to the strategic transformation of the Company.

Gain on Sale of Class C LTC Assets

In the first quarter of 2026, the Company completed the sale of the land and building associated with its vacated Ottawa (West End Villa) Class C LTC home for proceeds of \$12.1 million. The net book value of the net assets was \$2.0 million, resulting in a pre-tax gain of \$10.0 million (\$9.8 million after tax), after certain closing and other costs. As part of the sale, the Company provided the purchaser with a secured \$9.0 million interest-bearing vendor take-back mortgage, maturing on February 5, 2027, recorded in other assets.

Integration and Transaction Costs

In the first quarter of 2026, the Company incurred integration costs and transaction-related professional fees.

12. NET FINANCE COSTS

	Three months ended March 31,	
	2026	2025
Interest expense	5,017	4,214
Interest revenue	(2,937)	(1,377)
Accretion	59	585
Fair value adjustments	(935)	1,696
Net finance costs	1,204	5,118

Fair Value Adjustments

Fair value adjustments related to interest rate swap contracts for the three months ended March 31, 2026 were a gain of \$0.9 million (three months ended March 31, 2025 – loss of \$1.7 million). The interest rate swaps changed from a liability of \$1.2 million as at December 31, 2025 to a liability of \$0.3 million as at March 31, 2026. All interest rate swap contracts are measured at FVTPL and are categorized as Level 2 on the fair value hierarchy, and hedge accounting has not been applied (Note 7).

13. COMMITMENTS AND CONTINGENCIES

Commitments

As at March 31, 2026, the Company has outstanding commitments of \$147.7 million, primarily related to construction contracts for its LTC redevelopment projects and various IT service and licence agreements for IT cloud-based applications in support of the Company's growth initiatives. The expected payments towards those obligations are due as follows:

	Construction Commitments	Technology Commitments	Total
2026	31,312	9,421	40,733
2027	39,772	13,775	53,547
2028 and thereafter	25,490	27,923	53,413
Total	96,574	51,119	147,693

In the fourth quarter of 2025, the Company entered into a \$91.5 million (before taxes) fixed-price construction agreement in connection with the construction of a new 320-bed LTC home in Sudbury, Ontario.

CBI Acquisition

In the fourth quarter of 2025, the Company, through its wholly owned home health care subsidiary, ParaMed, entered into an agreement to acquire all of the equity interests of CBI Home Health LP and CBI (GP) 3 Inc and their respective subsidiaries (collectively, "CBI Home Health") (the "CBI Acquisition") for a cash purchase price of \$570.0 million, subject to customary adjustments. In the fourth quarter of 2025, the Company entered into an agreement to amend the existing senior secured credit facility agreement to increase the revolving credit facility by \$60.0 million to \$250.0 million and the delayed draw term facility by \$154.5 million to \$339.5 million, contingent upon the closing of the CBI Acquisition (*Note 7*).

Subsequent to the first quarter of 2026, the Company completed the CBI Acquisition (*Note 17*).

Guarantees

The Company provides unsecured guarantees related to certain credit facilities held by its joint ventures; namely, construction loans and letter of credit facilities in support of ongoing construction of joint venture LTC redevelopment projects and term loans and lease-up credit facilities for operating joint venture LTC homes. As at March 31, 2026, 28 LTC homes within the joint ventures have existing credit facilities available of up to \$885.9 million. The guarantees provided by the Company vary depending upon the project, but are typically either on a joint and several basis for 50% of the loan amount or on a several basis for 15% of the loan amount or some lesser portion thereof. The amount of the guarantees will vary as borrowings increase on projects under construction and reduce as homes become operational, when guarantee requirements are generally lower. As at March 31, 2026, the Company has provided unsecured guarantees of \$361.1 million in support of the credit facilities held by its joint ventures.

The joint ventures are subject to debt service coverage covenants on certain of its credit facilities. The joint ventures were in compliance with the covenants as at March 31, 2026.

Legal Proceedings and Regulatory Actions

In the ordinary course of business, the Company is involved in and potentially subject to legal proceedings brought against it from time to time in connection with its operations. The COVID-19 pandemic has increased the risk that litigation or other legal proceedings, regardless of merit, will be commenced against the Company.

In April 2021, the Company was served with a statement of claim filed in the Court of Queen's Bench for Saskatchewan alleging negligence, breach of fiduciary duty, breach of contract and breach of the required standard of care by the Company and certain unnamed defendants in respect of all residents of Company LTC homes and retirement communities located in Saskatchewan as well as their family members. The claim seeks an order certifying the action as a class action and unspecified damages.

In January 2022, four active class actions against the Company in Ontario were consolidated into one action pursuant to the *Class Proceedings Act* (Ontario). The consolidated claim is in respect of all Ontario LTC homes owned, operated, licensed and/or managed by the Company and its affiliates and names as defendants the Company, certain of its affiliates and the owners of any such managed LTC homes and alleges negligence, gross negligence, breach of fiduciary duty, breach of contract, unjust enrichment, wrongful death in respect of all persons who contracted COVID-19 at the residence or subsequently contracted COVID-19 from such persons and breach of section 7 of the *Canadian Charter of Rights and Freedoms*. The consolidated claim seeks damages in the aggregate of \$110.0 million. On March 7, 2024, the consolidated claim was certified against the Company in respect of owned and managed homes with a gross negligence cause of action.

The Company is vigorously defending itself against these claims, and these claims are subject to insurance coverage maintained by the Company. However, given the status of the proceedings, the Company is unable to assess their potential outcome and they could have a materially adverse impact on the Company's business, results of operations and financial condition.

In December 2020, the Government of Ontario passed Bill 218, *Supporting Ontario's Recovery Act* (Ontario), which provides targeted liability protection against COVID-19 exposure-related claims against any individual, corporation, or other entity that made a "good faith" or "honest" effort to act in accordance with public health guidance and laws relating to COVID-19 and did not otherwise act with "gross negligence". The protection under Bill 218 is retroactive to March 17, 2020, when Ontario first implemented emergency measures as part of its response to the COVID-19 pandemic. Similar legislation has been passed in other provincial jurisdictions, including Saskatchewan.

In October 2021, the Supreme Court of Canada dismissed an application for leave to appeal by the Attorney General of Ontario which sought to challenge the decision issued by the previous presiding court that ruled in favour of certain unions in respect of a legal challenge to a 2016 Pay Equity Tribunal decision. The unions argued that new pay equity adjustments were required in order to maintain pay equity with municipal LTC homes where personal support workers and other direct care workers in other industries are included in determining pay equity. The matter has now been referred back to the Pay Equity Tribunal to settle the matter between the participating LTC homes, unions and the Government and establish a framework for pay equity suitable for the sector. The Company, along with other participants in the LTC sector, including the Government of Ontario, are working to resolve the matter. Given the uncertainty of the matter and the various stakeholders involved, and as a result the wide range of possible settlement outcomes and related funding changes the Company is unable to determine a reliable estimate of the potential outcome. Therefore, the Company did not record a provision with respect to this matter as at March 31, 2026. This matter could have a materially adverse impact on the Company's business, results of operations and financial condition.

14. FINANCIAL INSTRUMENTS

Fair Values of Financial Instruments

The following table presents the fair value and fair value hierarchy of the Company's financial instruments and excludes financial instruments measured at amortized cost that are short-term in nature. The carrying amounts of the Company's financial instruments approximate their fair values except for items presented below.

As at March 31, 2026	Carrying Amount	Fair Value	Fair Value Hierarchy
Financial assets			
Construction funding subsidy receivable ⁽ⁱ⁾	25,900	24,516	Level 2
	25,900	24,516	
Financial liabilities			
Long-term debt ⁽ⁱ⁾⁽ⁱⁱ⁾	141,223	139,448	Level 2
Senior secured credit facility, term loan	173,188	172,540	Level 2
	314,411	311,988	
As at December 31, 2025			
Financial assets			
Construction funding subsidy receivable ⁽ⁱ⁾	26,317	24,866	Level 2
	26,317	24,866	
Financial liabilities			
Long-term debt ⁽ⁱ⁾⁽ⁱⁱ⁾	143,366	141,888	Level 2
Senior secured credit facility, term loan	175,500	161,158	Level 2
	318,866	303,046	

⁽ⁱ⁾ Includes current portion.

⁽ⁱⁱ⁾ Excludes leases, credit facility and netting of deferred financing costs.

15. RELATED PARTY TRANSACTIONS

Transactions with Joint Ventures

Related party transactions between the Company and its joint ventures occur in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties (Note 6). Except as disclosed elsewhere in these consolidated financial statements, the related party balances are included in accounts receivable, accounts payable, other long-term liabilities, revenue, and other income, as applicable.

The Company's assets, liabilities and distributions related to its joint ventures are as follows:

	March 31, 2026	December 31, 2025
Accounts receivable	5,919	4,183
Other assets	10,649	11,625
Accounts payable and accrued liabilities	531	506
Other long-term liabilities related to unrealized gain and deferred revenue	6,850	7,100
Distributions from investment in joint ventures (Note 6)	338	1,617

The Company's revenue related to its joint ventures are as follows:

	Three months ended March 31,	
	2026	2025 ⁽¹⁾
Revenue	5,243	3,969

⁽¹⁾Certain comparative information has been reclassified to conform to the current year presentation.

16. SEGMENTED INFORMATION

The Company reports on the following segments: i) LTC; ii) home health care; iii) managed services, composed of its Extencicare Assist and SGP divisions; and iv) the corporate functions, including the Company's joint venture interests, as "corporate".

The LTC segment represents the 59 LTC homes that the Company owns and operates in Canada. The Company's home health care operations are carried on through its wholly owned subsidiary, ParaMed, which provides complex nursing care, occupational, physical and speech therapy, and assistance with daily activities to accommodate those living at home.

The Company's managed services are composed of its management, consulting and group purchasing divisions. Through the Extencicare Assist division, the Company provides management, consulting and other services to third parties and joint ventures to which the Company is a party; and through the SGP division, the Company offers cost-effective purchasing contracts to other senior care providers for food, capital equipment, furnishings, cleaning and nursing supplies, and office products.

	Three months ended March 31, 2026				
	Long-term Care	Home Health Care	Managed Services	Corporate	Total
Revenue	243,547	205,435	16,242	—	465,224
Operating expenses	211,330	177,499	7,371	—	396,200
Net operating income	32,217	27,936	8,871	—	69,024
Administrative costs				16,166	16,166
Earnings before depreciation, amortization, and other					52,858
Depreciation and amortization				10,100	10,100
Other income				(7,472)	(7,472)
Share of profit from investment in joint ventures				(344)	(344)
Earnings before net finance costs and income taxes					50,574
Net finance costs				1,204	1,204
Earnings before income taxes					49,370
Current income tax expense				6,763	6,763
Deferred income tax expense				1,875	1,875
Total income tax expense				8,638	8,638
Net earnings					40,732

	Three months ended March 31, 2025				
	Long-term Care	Home Health Care	Managed Services	Corporate	Total
Revenue	197,753	158,258	18,643	—	374,654
Operating expenses	176,553	139,192	8,681	—	324,426
Net operating income	21,200	19,066	9,962	—	50,228
Administrative costs				14,622	14,622
Earnings before depreciation, amortization, and other					35,606
Depreciation and amortization				8,273	8,273
Other expense				3,170	3,170
Share of loss from investment in joint ventures				126	126
Earnings before net finance costs and income taxes					24,037
Net finance costs				5,118	5,118
Earnings before income taxes					18,919
Current income tax expense				6,329	6,329
Deferred income tax recovery				(2,441)	(2,441)
Total income tax expense				3,888	3,888
Net earnings					15,031

17. SUBSEQUENT EVENTS

CBI Acquisition

Subsequent to the first quarter of 2026, the Company amended its existing senior secured credit facility agreement to increase the revolving credit facility by \$60.0 million to \$250.0 million and the delayed draw term facility by \$154.5 million to \$339.5 million (*Note 13*).

On April 1, 2026, the Company completed the CBI Acquisition for a cash purchase price of \$572.6 million, plus approximately \$17.3 million in estimated lease liabilities in accordance with IFRS 16 *Leases*. The CBI Acquisition was funded using a combination of the net proceeds of approximately \$191.5 million from the Company's private placement of Common Shares that was completed on December 3, 2025, aggregate draws of approximately \$308.2 million under the Company's then existing senior secured credit facility (\$153.7 million revolving credit facility and \$154.5 million delayed draw term facility), and cash on hand. Transaction-related costs incurred in the three months ended March 31, 2026 of \$1.9 million were recorded in profit and loss.

The Company will account for the CBI Acquisition as a business combination in accordance with IFRS 3 *Business Combinations*. The following is a preliminary fair value estimate of the identifiable assets acquired and liabilities assumed by the Company in connection with the CBI Acquisition.

	April 1, 2026
Cash and cash equivalents	1,000
Accounts receivable	30,506
Other assets	827
Property and equipment, including right of use assets	22,325
Customer relationships	294,400
Accounts payable and accrued liabilities	(29,737)
Deferred tax liabilities	(78,016)
Lease liabilities	(17,274)
Net assets acquired	224,031

Goodwill is not expected to be deductible for tax purposes, and is expected to arise from the expanded platform, future growth, and access to further opportunities in existing provinces and is estimated as follows:

	April 1, 2026
Consideration transferred	572,596
Less: Fair value of identifiable net assets	(224,031)
Goodwill	348,565

Net cash outflows related to the CBI Acquisition are estimated to be as follows:

	April 1, 2026
Consideration transferred	(572,596)
Cash and cash equivalents acquired	1,000
Net cash outflows	(571,596)

Issuance of Senior Unsecured Notes and Unsecured Revolving Credit Facility

Subsequent to the first quarter of 2026, the Company issued \$450.0 million aggregate principal amount of 4.345% senior unsecured notes due April 14, 2031 (the "2031 Notes"). The Company used approximately \$427.7 million of the net proceeds of the offering to repay in full the indebtedness owing under its delayed draw term facility, and a portion of the indebtedness owing under its revolving credit facility.

In conjunction with the debt repayments, the Company's existing senior secured credit facilities were amended and restated to reflect an investment grade credit rating structure, including the release of all security previously granted to the lenders, such that the Company's remaining \$250.0 million revolving credit facility (the "Unsecured Revolving Facility") is senior unsecured debt that ranks *pari passu* with the 2031 Notes. Borrowings under the Unsecured Revolving Facility can take place by way of direct borrowings at either the prime rate plus an applicable margin ranging from 0.45% to 1.45%, or the CORRA plus an applicable margin ranging from 1.45% to 2.45%, or through letters of credit.

Extendicare

ParaMed

Extendicare
ASSIST

SGP PURCHASING
NETWORK

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