



**CHARTWELL**  
retirement residences

# Q1 2025 Results Conference Call

May 9, 2025



# Cautionary Statements

*This presentation contains forward-looking information that reflects the current expectations, estimates and projections of management about the future results, performance, achievements, prospects or opportunities for Chartwell and the seniors housing industry. Forward-looking statements are based upon a number of assumptions and are subject to a number of known and unknown risks and uncertainties, many of which are beyond our control, and that could cause actual results to differ materially from those that are disclosed in or implied by such forward-looking statements. Examples of forward-looking information in this document include, but are not limited to, statements regarding our business strategies, operational, sales, marketing, and optimization strategies including targets, and the expected results of such strategies, predictions and expectations with respect to industry trends regarding growth in the senior population, a deficit of long term care beds and the slow down of new construction starts, expectations with respect to taxes that are expected to be payable in the current and future years and statements regarding the tax classification of distributions, and occupancy rate forecasts. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those expected or estimated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. These factors are more fully described in the "Risks and Uncertainties and Forward-Looking Information" section of our Management's Discussion & Analysis for three months ended March 31, 2025 (the "Q1 2025 MD&A"), and in materials filed with the securities regulatory authorities in Canada from time to time, including but not limited to our most recent Annual Information Form. Except as required by law, Chartwell does not intend to update or revise any forward-looking statements, whether as a result of new information, future events or for any other reason.*

*In this presentation "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; "Q4" refers to the three-month period ended December 31; "2025" refers to the calendar year 2025, "2024" refers to the calendar year 2024; "2023" refers to the calendar year 2023; and "2022" refers to the calendar year 2022.*

*In this presentation we use a number of performance measures that are not defined in generally accepted accounting principles ("GAAP") which follow the disclosure requirements established by National Instrument 52-112 Non-GAAP and Other Financial Measures Disclosures (effectively, the "Non-GAAP Measures"), to measure, compare and explain the operating results and financial performance of the Trust.*

*These Non-GAAP Measures do not have standardized meanings prescribed by GAAP and, therefore, may not be comparable to similar measures used by other issuers. The Real Property Association of Canada ("REALPAC") issued white papers with recommendations for calculations of Funds from Operations ("FFO") (the "REALPAC Guidance"). Our FFO definition is substantially consistent with the definition adopted in the REALPAC Guidance. Please refer to the "Additional Information on Non-GAAP Measures" section of our 2024 MD&A for details.*

*In this presentation we use various financial metrics and ratios in our disclosure of financial covenants. These metrics are calculated in accordance with the definitions contained in our credit agreements and the trust indenture governing our outstanding debentures and may be described using terms which differ from standardized meanings prescribed by GAAP. These metrics may not be comparable to similar metrics used by other issuers.*

*The Non-GAAP Measures are categorized as non-GAAP financial measures, non-GAAP ratios, supplementary financial measures, and capital management measures as follows:*

## **Non-GAAP Financial Measures**

*FFO, FFO for continuing operations, Total FFO, FFO from LTC Discontinued Operations, FFO for Equity-Accounted JVs, Internal Funds from Operations, ("IFFO"), IFFO for continuing operations, Total IFFO, IFFO from LTC Discontinued Operations, including per unit amounts ("PU"), Earnings before interest, tax, depreciation and amortization ("consolidated EBITDA" or "EBITDA"), Adjusted Resident Revenue, Adjusted Direct Property Operating Expense, Adjusted Operation Margin, Consolidated Interest Expense, Adjusted Consolidated Gross Book Value of Assets, Book value of assets, Gross book value adjustment on IFRS transition, Adjustment for accumulated depreciation and amortization, Aggregate Adjusted Assets, Payment of cash distributions and Amortization of finance costs and fair value adjustments on assumed mortgages, Finance cost reserve, Proforma adjustments, and Total Units Outstanding.*

## **Non-GAAP Ratios**

*Debt Service Coverage Ratio, Interest Coverage Ratio, Total Leverage Ratio, Adjusted Consolidated Unitholders' Equity Ratio, Secured Indebtedness Ratio, Unencumbered Property Asset Ratio, Consolidated EBITDA to Consolidated Interest Expense Ratio, Indebtedness Percentage, Net Debt to Adjusted EBITDA Ratio, Payment of Cash Distributions, Expected Unlevered Yield, and Coverage Ratio.*

## **Supplementary Financial Measures**

*Net Operating Income ("NOI"), Adjusted NOI, Adjusted Development Costs, Lease-up-Losses, Estimated Stabilized NOI, Unencumbered Property Asset Value and Unencumbered Aggregate Adjusted Assets*

## **Capital Management Measures**

*Liquidity, Imputed Cost of Debt, Regularly Scheduled Debt Principal Payments, Consolidated Indebtedness, Secured Indebtedness, Unsecured Indebtedness, Investment restrictions*

*Please refer to the "Additional Information on Non-GAAP Measures", "Results of Operations/FFO", "Significant Events/Development/Expected Unlevered Yield, Development Lease-up-Losses and Imputed Cost of Debt", "Results of Operations/Adjusted Resident Revenue, Adjusted Property Operating Expenses, Adjusted Operating Margin, and Adjusted NOI" and "Liquidity and Capital Resources/Debt Covenants" sections of our Q1 2025 MD&A for details on these measures.*

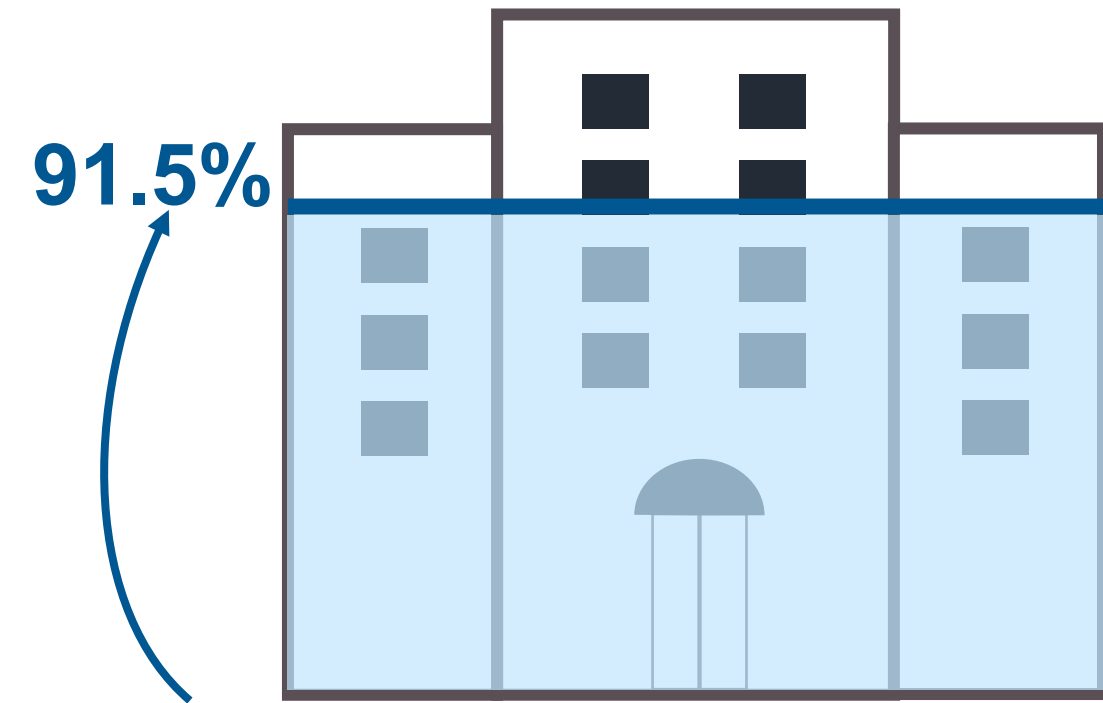
**Due to rounding, numbers presented throughout this presentation may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.**

# Solid Operating and Financial Results



***Occupancy and  
cash flow  
growth***

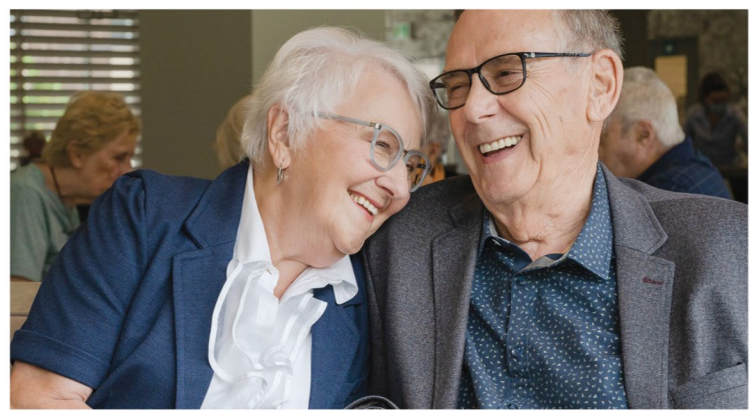
# Sales and Marketing



making people's  
lives **BETTER**



# Operations



Reducing  
Staffing Agency  
Costs

Completed  
Operational  
Reorganizations

Integrating  
Recently Acquired  
Properties

Individual  
Property-Specific  
Strategies

# Q1 2025 Summary

	Q1 2025	Q1 2024	Change
Net income/(loss)	\$33.2M	(\$2.0M)	\$35.2M
FFO <sup>(1)</sup>	\$56.2M	\$39.2M	\$17.0M
FFOPU <sup>(1)</sup>	\$0.20	\$0.16	\$0.04
<b>Same Property:</b>			
Average occupancy	91.5%	86.2%	5.3pp
Adjusted NOI <sup>(2)</sup>	\$70.5M	\$58.1M	\$12.4M

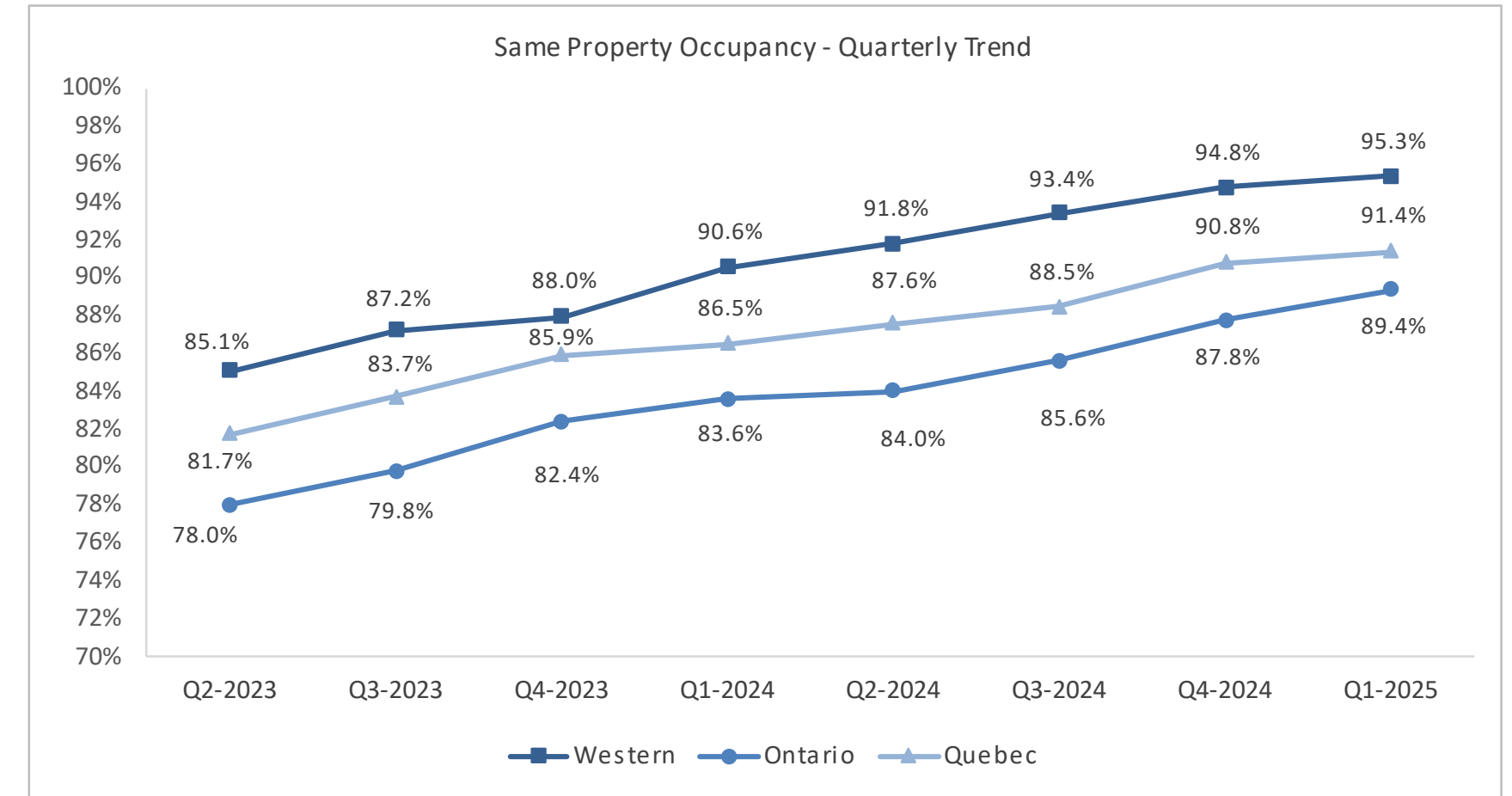
(1) Refer to the "Supplemental Information" section on page 14 of this presentation.

(2) Refer to the "Supplemental Information" section on page 15 of this presentation.



# Q1 2025 Adjusted NOI and Occupancy

	Adjusted NOI				Occupancy		
	Q1 2025	Q1 2024	Inc/(Dec) \$	%	Q1 2025	Q1 2024	Change
<b>Same Property:</b>							
Western Canada	\$22.3M	\$19.5M	\$2.8M	14.4%	95.3%	90.6%	4.7pp
Ontario	\$40.0M	\$32.4M	\$7.6M	23.3%	89.4%	83.6%	5.8pp
Quebec	\$8.2M	\$6.2M	\$2.0M	32.1%	91.4%	86.5%	4.9pp
	<b>\$70.5M</b>	<b>\$58.1M</b>	<b>\$12.4M</b>	<b>21.3%</b>	<b>91.5%</b>	<b>86.2%</b>	<b>5.3pp</b>



# Financial Position

At May 8, 2025

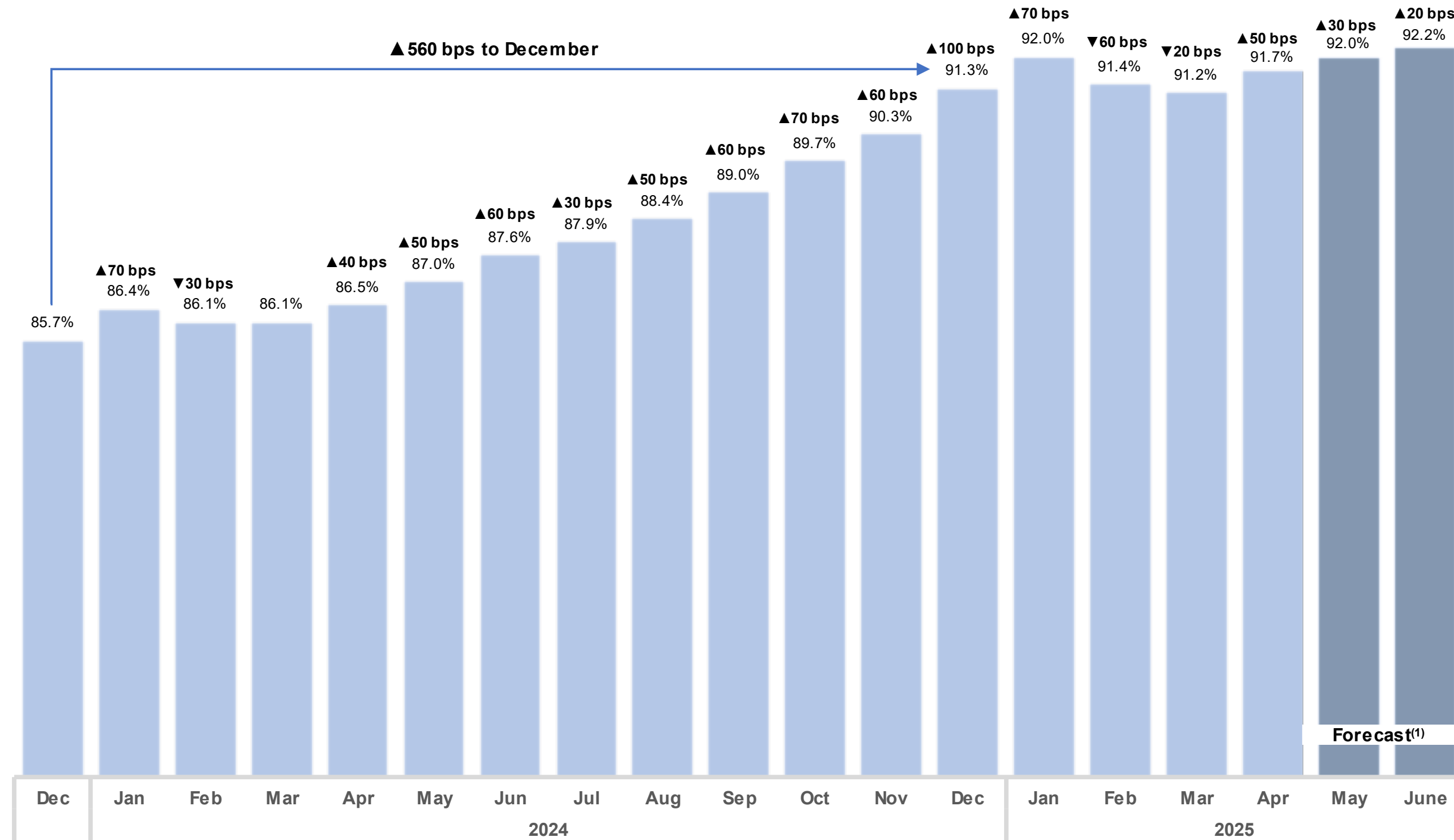
Liquidity  
**\$450M**

**\$55M**  
cash

**\$395M**  
available credit  
facilities

# 2025 Outlook

## Same Property Occupancy



(1) Forecast includes leases and notices as at April 30, 2025, and an estimate of mid-month move-ins of 30 basis points ("bps") for May and 60 bps for June, based on the preceding 12-month average of such activity.

# Portfolio Optimization

## Recent Acquisitions



## Under Investigation

✓ Acquisitions

✓ Development

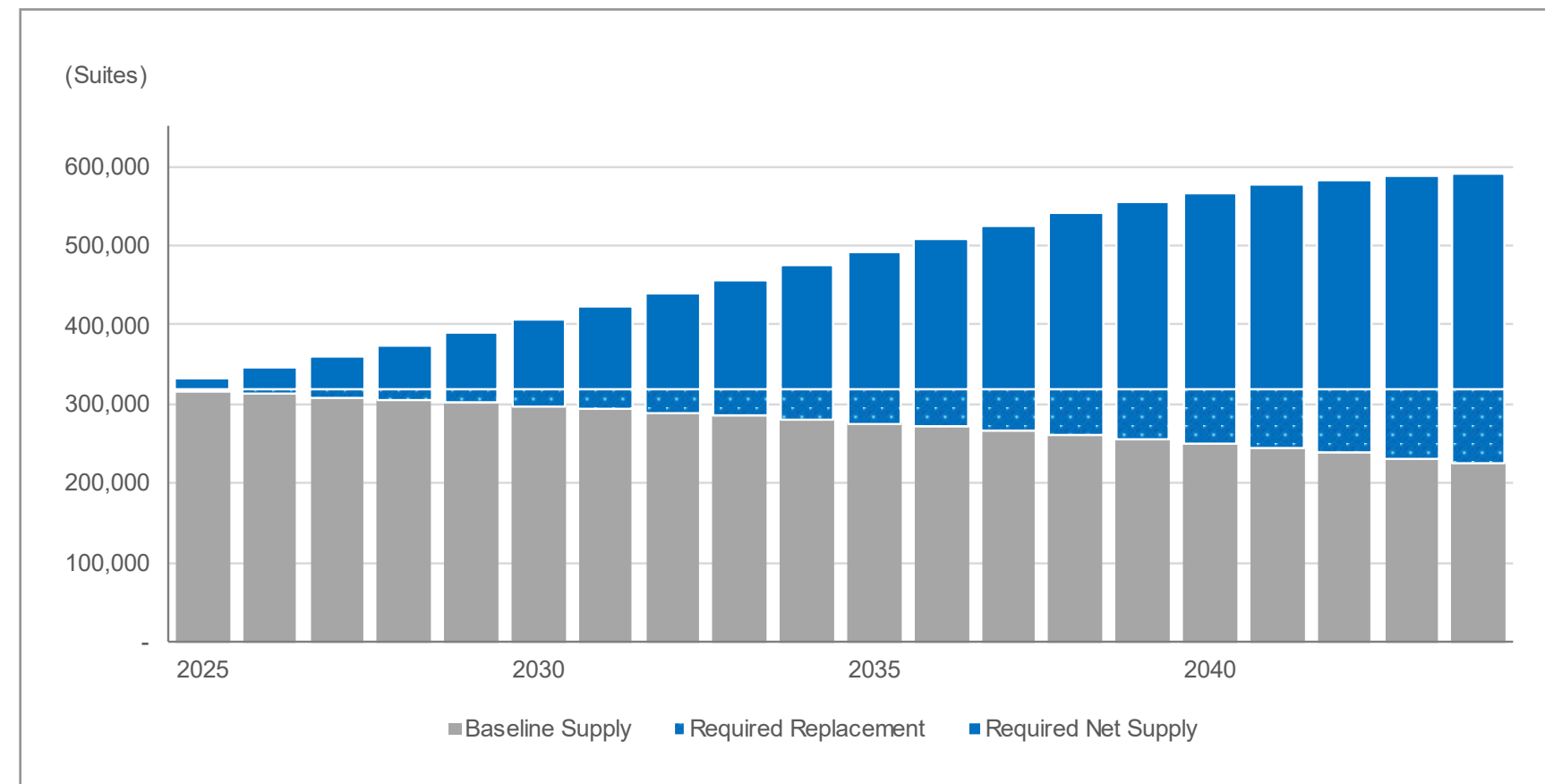
✓ Repositioning

✓ Dispositions

# Strong Industry Fundamentals

## Demand will Overwhelm Supply

**New Supply Required to Maintain Market Equilibrium**



Source: Cushman and Wakefield ULC.

- Current seniors housing demand is projected to double over the next 20 years.
- 200,000+ new suites required over the next 10 years compared with ~73,000 suites built over the past 10 years.
- Represents ~\$100 billion capital requirement over next 10 years, despite limited development pipelines, resources and capital given the broader housing shortage.

Market imbalance will drive higher occupancy levels and fuel rent growth

# Focus on the Future

## Service Excellence

- Resident Experience
- Employee Engagement
- Agile Scalable Platform

## Portfolio Optimization

- Add high-quality assets in core markets
- Reinvest in core assets
- Sell non-core assets

## Capital Management

- Diverse capital sources
- Prudent debt leverage
- Distributions to unitholders



# Chartwell Experience



**2024 Residence of the Year!**

# Supplemental Information

## Reconciliation Table – FFO and FFOPU

<i>(\$000s, except per unit amounts and number of units)</i>	<b>Q1 2025</b>	Q1 2024	Change
Net income/(loss)	33,194	(1,971)	35,165
<i>Add (Subtract):</i>			
B Depreciation of PP&E	52,692	35,342	17,350
D Amortization of limited life intangible assets	466	615	(149)
B Depreciation of PP&E and amortization of intangible assets used for administrative purposes included in depreciation of PP&E and amortization of intangible assets above	(879)	(1,055)	176
E Loss/(gain) on disposal of assets	(60,253)	(638)	(59,615)
J Transaction costs arising on dispositions	4,458	1,992	2,466
H Impairment losses	-	-	-
F Tax on gains or losses on disposal of properties	8,125	(351)	8,476
G Deferred income tax	11,617	1,053	10,564
O Distributions on Class B Units recorded as interest expense	228	232	(4)
M Changes in fair value of financial instruments	5,479	3,285	2,194
Q FFO adjustments for Equity-Accounted JVs	1,130	735	395
U Non-controlling interest	(88)	-	(88)
<b>FFO</b>	<b>56,169</b>	<b>39,239</b>	<b>16,930</b>
Weighted average number of units (000)	277,943	244,216	33,727
<b>FFOPU</b>	<b>0.20</b>	<b>0.16</b>	<b>0.04</b>

# Supplemental Information

## Reconciliation Table - Adjusted NOI

(\$000s)	Q1 2025	Q1 2024	Change
<b>Resident revenue</b>	<b>243,568</b>	<b>183,920</b>	<b>59,648</b>
<i>Add (Subtract):</i>			
Share of resident revenue from joint ventures <sup>(1)</sup>	21,629	33,616	(11,987)
Share of resident revenue from non-controlling interest <sup>(2)</sup>	(1,244)	-	(1,244)
<b>Adjusted resident revenue</b>	<b>263,953</b>	<b>217,536</b>	<b>46,417</b>
<i>Comprised of:</i>			
Same property	173,042	157,903	15,139
Growth	59,580	15,202	44,378
Repositioning	31,331	44,431	(13,100)
<i>Adjusted resident revenue</i>	<i>263,953</i>	<i>217,536</i>	<i>46,417</i>
<b>Direct property operating expense</b>	<b>150,056</b>	<b>121,374</b>	<b>28,682</b>
<i>Add (Subtract):</i>			
Share of direct property operating expense from joint ventures <sup>(1)</sup>	13,509	22,572	(9,063)
Share of direct property operating expense from non-controlling interest <sup>(2)</sup>	(626)	-	(626)
<b>Adjusted direct property operating expense</b>	<b>162,939</b>	<b>143,946</b>	<b>18,993</b>
<i>Comprised of:</i>			
Same property	102,515	99,753	2,762
Growth	36,456	10,236	26,220
Repositioning	23,968	33,957	(9,989)
<i>Adjusted direct property operating expense</i>	<i>162,939</i>	<i>143,946</i>	<i>18,993</i>
<b>NOI</b>	<b>93,512</b>	<b>62,546</b>	<b>30,966</b>
<i>Add (Subtract):</i>			
Share of NOI from joint ventures	8,120	11,044	(2,924)
Share of NOI from non-controlling interest	(618)	-	(618)
<b>Adjusted NOI</b>	<b>101,014</b>	<b>73,590</b>	<b>27,424</b>
<i>Comprised of:</i>			
Same property	70,527	58,150	12,377
Growth	23,124	4,966	18,158
Repositioning	7,363	10,474	(3,111)
<i>Adjusted NOI</i>	<i>101,014</i>	<i>73,590</i>	<i>27,424</i>

(1) Non-GAAP; represents Chartwell's proportionate share of the results related to our equity-accounted joint ventures.

(2) Non-GAAP; represents Chartwell's proportionate share of the results related to non-controlling interest.

# THANK YOU



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