



Chartwell Announces Strong First Quarter 2026 Results and Significant Advances on Key Strategic Priorities

MISSISSAUGA, ONTARIO – May 7, 2026 – Chartwell Retirement Residences (“Chartwell”) (TSX: CSH.UN) announced today its results for the three months ended March 31, 2026.

Highlights

- Property revenue increased \$59.4 million or 24.4% in Q1 2026 compared to Q1 2025.
- Net income decreased \$25.2 million in Q1 2026 compared to Q1 2025.
- Funds from operations (“FFO”)⁽¹⁾ increased \$29.4 million or 52.4%, and \$0.07 per unit or 35.0% in Q1 2026 compared to Q1 2025.
- Same property adjusted net operating income (“NOI”)⁽¹⁾ increased 15.6% from Q1 2025.
- Same property adjusted operating margin increased 230 basis points (“bps”) to 42.0% from Q1 2025.
- Weighted average same property occupancy increased 400 bps to 94.7% from Q1 2025.
- Same property adjusted NOI per occupied suite (“NOIPOS”)⁽¹⁾ increased 10.7% in Q1 2026 from Q1 2025.

“On the heels of the record year in 2025, our teams delivered a strong start to 2026, with same property NOI up 15.6%, and FFO per unit up 35%, driven by continued occupancy improvements and solid execution in all aspects of our business. I am grateful to our frontline and corporate support teams for their dedication and focus on creating exceptional experiences for those we have the privilege of serving. This strong operating and financial performance is the direct result of their excellent work,” said Vlad Volodarski, Chartwell’s Chief Executive Officer. “We continue building the sophistication, effectiveness and efficiency of our operating platform and property portfolio, including through the recently announced portfolio optimization, acquisitions and strategic partnerships. I am confident in our team’s ability to continue driving this positive momentum and successfully execute on our strategic priorities.”

Results of Operations

<i>(\$000s, except per unit amounts, number of units, per occupied suite amounts, and percentages)</i>	Three Months Ended March 31		
	2026	2025	Change
Property revenue	302,950	243,568	59,382
Direct property operating expense	179,211	150,056	29,155
Net income	7,992	33,194	(25,202)
FFO ⁽¹⁾	85,578	56,169	29,409
FFO per unit ⁽¹⁾	0.27	0.20	0.07
Weighted average number of units outstanding (000s) ⁽²⁾	320,375	277,943	42,432
G&A expenses	14,702	17,083	(2,381)
Same property:			
Adjusted resident revenue ⁽¹⁾	202,006	184,353	17,653
Adjusted other property revenue ⁽¹⁾	2,835	3,400	(565)
Adjusted property revenue ⁽¹⁾	204,841	187,753	17,088
Adjusted DOE ⁽¹⁾	118,707	113,247	5,460
Adjusted NOI ⁽¹⁾	86,134	74,506	11,628
Adjusted operating margin ⁽¹⁾	42.0%	39.7%	2.3pp
Weighted average occupancy rate ⁽³⁾	94.7%	90.7%	4.0pp
Adjusted resident revenue per occupied suite (“REVPOS”) ⁽¹⁾	4,825	4,596	229
Adjusted direct property operating expense per occupied suite (“DOEPOS”) ⁽¹⁾	2,835	2,823	12
NOIPOS ⁽¹⁾	2,057	1,858	199

For Q1 2026, property revenue increased \$59.4 million or 24.4%, and direct property operating expense increased \$29.2 million or 19.4%.

For Q1 2026, net income was \$8.0 million compared to \$33.2 million in Q1 2025 that included the gain on sale of \$60.3 million due to the completed Welltower Transaction. The remaining differences are primarily due to:

- higher direct property operating expense,
 - higher depreciation of property, plant and equipment (“PP&E”),
 - lower lease revenue from joint ventures, and
 - lower management and other fees,
- partially offset by:
- higher property revenue,
 - lower current income taxes,
 - lower negative changes in fair value of financial instruments,
 - lower transaction costs related to dispositions, and
 - lower general, administrative and Trust (“G&A”) expenses.

For Q1 2026, FFO was \$85.6 million or \$0.27 per unit, compared to \$56.2 million or \$0.20 per unit for Q1 2025. FFO does not include \$3.3 million or 0.01 per unit of income guarantees related to recently acquired properties. The change in FFO was primarily due to:

- higher adjusted NOI of \$27.8 million, and
 - lower G&A expenses of \$2.4 million,
- partially offset by:
- lower management fees of \$1.0 million.

Financial Position

	March 31, 2026	December 31, 2025	December 31, 2024
Net Debt to Adjusted EBITDA ⁽⁴⁾	6.3x	6.9x	8.4x
Interest Coverage Ratio ⁽⁴⁾	3.7x	3.5x	2.7x
Available liquidity ⁽¹⁾ (\$000)	646,599	504,043	314,295
Weighted average interest rate (consolidated)	3.93%	3.92%	4.30%

As at March 31, 2026, liquidity⁽¹⁾ amounted to \$646.6 million, which included \$251.7 million of cash and cash equivalents and \$394.9 million of available borrowing capacity on our credit facilities.

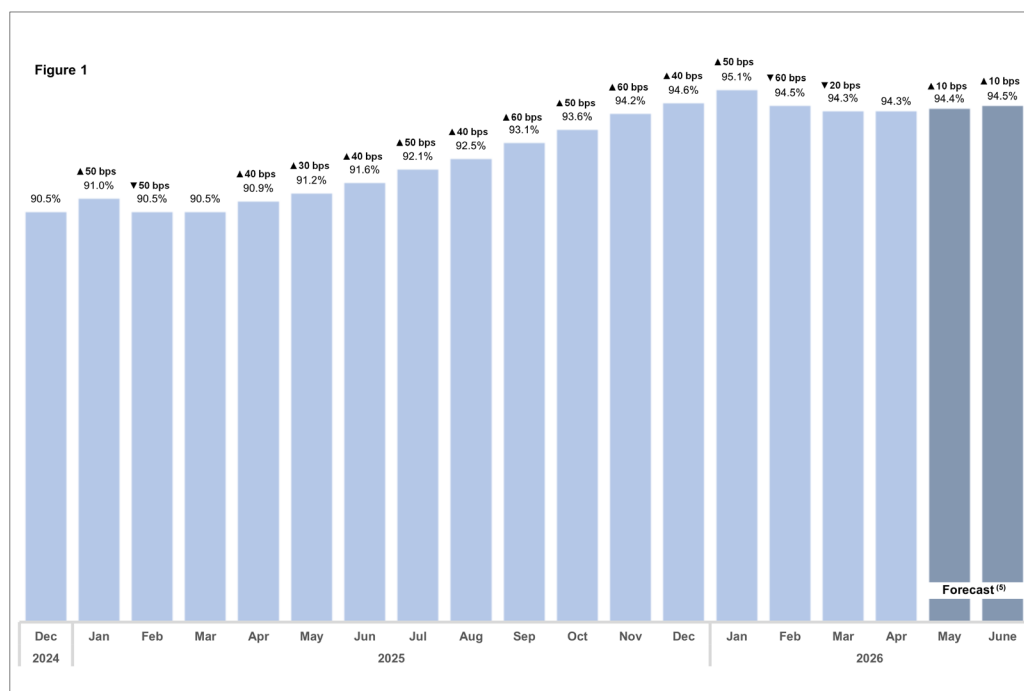
2026 Outlook and Recent Developments

An updated discussion of our business outlook can be found in the “2026 Outlook” section of our Management’s Discussion and Analysis for the three months ended March 31, 2026 (the “Q1 2026 MD&A”).

Operations

Figure 1 provides an update in respect of our same property occupancy.

We experienced a seasonal occupancy dip during the 2026 winter that was more in-line with historical periods given severe weather conditions and a more pronounced flu season. We expect to see continued strong leasing activity given the robust industry supply and demand fundamentals and expect to achieve our full year average occupancy target of 95%.



Portfolio Optimization Activities

We continue to execute on our portfolio strategy of enhancing our asset base to generate increased NOI, acquiring new strategic properties in core markets, selling non-core properties, and repositioning underperforming properties. We are also pursuing new developments that support future growth of our asset base in line with our strategy. Recent activities include:

- On March 2, 2026, we acquired the remaining 15% ownership interest in Chartwell L'Unique, a 421-suite retirement residence located in the Saint-Eustache suburb of Montreal, Quebec from Batimo for \$18.8 million before working capital adjustments and closing costs. The purchase price was partially settled through the proportionate assumption of the \$6.5 million in place mortgage, with the balance settled in cash. We now have a 100% ownership interest in this residence.
- On March 24, 2026, we completed the sale of one non-core property in Ottawa, Ontario for \$49.0 million.
- On April 2, 2026, we completed the acquisition of six seniors housing communities comprising 1,024 suites located in London, Waterloo, and Mississauga, for a total purchase price of \$416.2 million. The purchase price at closing was partially settled through the assumption of \$229.2 million of mortgages, the majority of which are CMHC-insured, with a weighted average interest rate of 4.50% and weighted average remaining term of 18.9 years. The remainder of the purchase price, subject to normal working capital and other closing adjustments was settled in cash. In addition, we entered into a forward purchase agreement to acquire 29 townhomes currently under development in London, Ontario for a purchase price of \$15.8 million subject to normal capital and other closing adjustments. This acquisition is expected to close upon construction completion which is anticipated in Q1 2027.
- On April 15, 2026, we entered into a definitive agreement to acquire 100% ownership interest in Palermo Village Retirement Residence (116 suites) in Oakville, Ontario for \$43.0 million. This transaction is expected to close in Q2 2026.
- On April 25, 2026, we entered into a definitive agreement to sell nine non-core properties in Ontario for \$117.9 million. Net proceeds are expected to be \$82.1 million, after transaction costs and repayment of \$33.7 million of mortgages with a weighted average interest rate of 3.38% and weighted average term to maturity of 4.4 years. The transaction is expected to close in Q2 2026. Refer to the "Disposition Property List" section on page 7 of this press release for a complete list of the residences.
- On May 1, 2026, we entered into a definitive agreement to sell Chartwell Ballycliffe LTC in Ajax, Ontario for \$68.3 million. The transaction is subject to customary adjustments in accordance with the terms of the purchase and sale agreement and, subject to regulatory and other required approvals, is expected to close in Q4 2026.

Strategic Partnership and Acquisition of Interests in 23 Retirement Residences

On May 7, 2026, we entered into a definitive agreement to acquire a 30% ownership interest in the Seasons Retirement Communities portfolio (the "Portfolio") through a joint venture with Fengate Asset Management ("Fengate"), the existing owner and a leading alternative investment manager and real estate developer acting on behalf of its investor, the LiUNA Pension Fund of Central and Eastern Canada. Fengate will retain a 70% ownership interest in the joint venture (the "Transaction"). The Transaction represents a significant milestone in Chartwell's strategy to grow its platform with high-quality assets through partnerships with institutional capital. Closing is expected by the end of Q2 2026, subject to customary closing conditions, including third-party consents and regulatory approvals.

The Portfolio is comprised of 23 seniors housing communities totalling 2,943 suites in Ontario, British Columbia and Alberta. These communities are designed to serve a broad range of seniors and strategically located in markets with strong underlying fundamentals. Current occupancy stands at approximately 86%. Refer to the "Acquisition Property List" section on page 7 of this press release for a complete list of the residences.

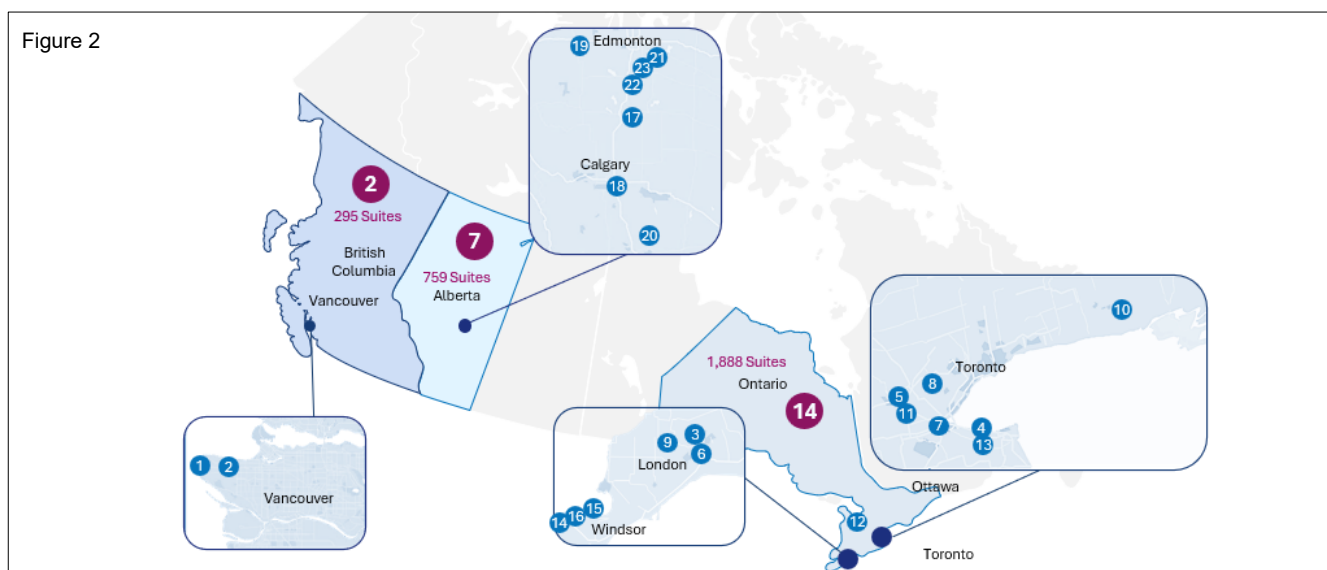
The purchase price for Chartwell's 30% interest is \$382.5 million (\$1.275 billion at 100% ownership) and is expected to be funded through the assumption of approximately \$195.8 million of in-place mortgages with a weighted average interest rate of 4.47% and a weighted average term to maturity of 3.7 years, with the balance to be paid in cash. RBC Capital Markets acted as the exclusive financial advisor to Chartwell on the Transaction.

Chartwell will serve as operations manager of the Portfolio and Fengate will provide asset management services. Chartwell's agreement with Fengate provides for the opportunity to acquire a further 20% of the portfolio upon certain milestones being met.

As part of the ongoing strategic partnership, Chartwell will have the option to participate in Fengate's future development of retirement residences in Ontario. Should Chartwell elect to participate in any such development, Chartwell will provide operations management services, and the parties will have certain put and call rights once the residence is stabilized.

"This Transaction reflects the continued execution of our disciplined investment strategy focused on acquiring high-quality residences in core markets with strong demographic profiles and long-term demand fundamentals," said Jonathan Boulakia, Chief Investment Officer of Chartwell. "The transaction also provides us with meaningful upside while managing capital deployment prudently with a 30% investment. The Portfolio's embedded lease-up and operational optimization opportunities, combined with Chartwell's proven operating platform and expertise, position us to deliver strong risk-adjusted returns for our unitholders. In addition, the partnership with Fengate, a leading real estate investment and development firm, represents an opportunity to align with a new development partner in Ontario for future growth and brings together two experienced organizations with a shared commitment to the long-term stewardship of retirement communities."

Figure 2 presents a map of the Portfolio locations.



Liquidity and Financing

As at May 7, 2026, liquidity amounted to \$581.6 million, which included \$186.7 million of cash and cash equivalents and \$394.9 million of available borrowing capacity on our Credit Facilities.

As of the date of this release, for the remainder of 2026, we have \$209.6 million of mortgage debt maturing with a weighted average interest rate of 2.99%. At May 7, 2026, 10-year CMHC-insured mortgage rates are estimated at approximately 4.13% and five-year unsecured debenture rate to be approximately 4.44%.

Taxation

In 2026, we expect to incur SIFT tax payable, primarily driven by taxable income arising from property dispositions completed and announced during the year. This includes the sale of nine non-core properties in Ontario and the planned disposition of the Ballycliffe LTC (see the “Portfolio Optimization Activities” section of this release).

The expected tax reflects the impact of recapture of capital cost allowance and capital gains associated with these transactions. We continue to assess available tax planning opportunities to manage and mitigate cash taxes where appropriate.

Board Renewal Update and 2026 Annual General Meeting

As part of its ongoing commitment to strong governance, disciplined Board renewal, and long-term succession planning, Chartwell is providing an update on its Board renewal process and on its upcoming Annual General Meeting (the “2026 AGM”).

The 2026 AGM will be held on June 18, 2026, and unitholders of record as of the applicable record date will be entitled to vote at the meeting. Further details regarding the 2026 AGM, including voting procedures and meeting logistics, is set out in Chartwell’s Management Information Circular dated April 24, 2026 (the “Circular”).

At the 2026 AGM, unitholders will be asked to elect directors to serve on Chartwell’s Board until the next annual meeting. As disclosed in the Circular, the proposed slate of directors includes all current directors, as well as Douglas MacLatchy, who is standing for election as a new independent director. Rael Diamond, who was appointed to the Board effective January 1, 2026, is also standing for election for the first time.

Mr. MacLatchy has more than thirty years of leadership experience across senior living, real estate, and financial services organizations. He previously served as President and Chief Executive Officer of Amica Senior Lifestyles, and as Vice Chair of Amica’s Board of Directors. Mr. MacLatchy was also the founder and Chief Executive Officer of BayBridg Senior Living prior to its amalgamation with Amica. Earlier in his career, he served as Chief Executive Officer of Sunrise Senior Living REIT and held senior leadership and executive roles in a range of real estate and financial services organizations.

Huw Thomas, Chair of the Board of Chartwell, commented:

“Doug brings an exceptional combination of leadership, operational, financial, investment, and governance experience to Chartwell’s Board. His deep understanding of senior living operations, capital stewardship, and resident-centric cultures makes him a highly valuable addition. Doug’s breadth of experience strengthens our Board as we continue to thoughtfully execute our renewal process and support Chartwell’s long-term strategy, for the benefit of our residents, employees and investors.”

At-the-Market Program

On May 7, 2026, we filed a new final base shelf prospectus (the “Base Shelf Prospectus”) with the securities regulatory authorities in each province of Canada. The Base Shelf Prospectus is valid for a 37-month period, during which time we may offer and issue, from time to time, trust units (“Trust Units”), subscription receipts and debt securities. Our previous base shelf prospectus is scheduled to expire on May 30, 2026.

On May 7, 2026, we will file a new prospectus supplement (the “Prospectus Supplement”) to the Base Shelf Prospectus to renew our at-the-market equity distribution program (the “2026 ATM Program”) that will allow Chartwell to issue up to \$500.0 million of Trust Units. Since establishing our prior at-the-market equity distribution program (the “Prior ATM Program”) on November 6, 2025, we have issued approximately \$382 million of Trust Units which includes \$142.4 million issued during the three months ended March 31, 2026. The 2026 ATM Program allows Chartwell to issue Trust Units from treasury to the public from time to time during the term of the ATM Program, at its discretion and will continue to provide Chartwell with additional financing flexibility, should it be required in the future. We intend to use the net proceeds from the 2026 ATM Program, if any, for future property acquisitions, development and redevelopment opportunities, repayment of indebtedness and for general trust purposes.

In connection with the 2026 ATM Program, Chartwell has entered into an equity distribution agreement dated May 7, 2026 (the “Distribution Agreement”) with TD Securities Inc., Scotia Capital Inc., and RBC Capital Markets (collectively, the “Agents”). Upon entry into the Distribution Agreement, the equity distribution agreement dated November 6, 2025, for the Prior ATM Program was terminated. Any Trust Units sold under the 2026 ATM Program will be distributed through the Toronto Stock Exchange or any other permitted marketplace at the market prices prevailing at the time of sale. The volume and timing of distributions under the 2026 ATM Program, if any, will be determined at Chartwell’s sole discretion. There is no certainty that any Trust Units will be offered or sold under the 2026 ATM Program. The ATM Program will be effective until June 7, 2029, unless terminated prior to such date by Chartwell or otherwise in accordance with the terms of the Distribution Agreement.

Given that Trust Units sold in the 2026 ATM Program, if any, will be distributed at the market prices prevailing at the time of sale, prices may vary among purchasers during the period of the distribution. Distributions of Trust Units through the 2026 ATM Program, if any, will be made pursuant to the terms of the Distribution Agreement.

The Base Shelf Prospectus is and the Prospectus Supplement and the Distribution Agreement will be available on SEDAR+ at www.sedarplus.com under Chartwell’s profile. Alternatively, the Agents will send copies of the Prospectus Supplement, the Distribution Agreement and the Base Shelf Prospectus, as applicable, to investors upon request to TD Securities Inc. at 1625 Tech Avenue, Mississauga, Ontario L4W 5P5, attention: Symcor, NPM, by telephone at (289) 360-2009, or by email at sdccconfirms@td.com, Scotia Capital Inc. at 40 Temperance Street, 6th Floor, Toronto, Ontario M5H 0B4, by telephone at (416) 863-7704 or by email at equityprospectus@scotiabank.com and RBC Dominion Securities Inc. at Distribution Centre, RBC Wellington Square, 8th Floor, 180 Wellington Street West, Toronto, Ontario M5J 0C2, by telephone at 416-842-5349 or by email at Distribution.RBCDS@rbc.com.

This press release does not constitute an offer to sell securities, nor is it a solicitation of an offer to buy securities, in any jurisdiction in which such offer or solicitation is unlawful. This press release is not an offer of securities for sale in the United States (“U.S.”). The securities being offered have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and accordingly are not being offered for sale and may not be offered, sold or delivered, directly or indirectly within the U.S., its possessions and other areas subject to its jurisdiction or to, or for the account or for the benefit of a U.S. person, except pursuant to an exemption from the registration requirements of that Act.

Quarterly Investor Materials and Conference Call

We invite you to review our Q1 2026 investor materials on our website at investors.chartwell.com.

Q1 2026 Financial Statements Q1 2026 MD&A Q1 2026 Investor Presentation

A conference call hosted by Chartwell’s senior management will be held **Friday, May 8, 2026, at 10:00 AM ET**. Participation in the live conference call can be accessed by registering on the Investor Relations section of Chartwell’s website or by clicking on the following link [Participant Registration](#). A slide presentation to accompany management’s comments during the conference call will be available on the website. To access the live **webcast** of the conference call and presentation, please go to the Investor Relations section of Chartwell’s website or click on the following link [Q1 2026 Results Webcast](#).

A replay of the webcast will be available following the conference call on the Investor Relations section of Chartwell’s website at investors.chartwell.com.

Footnotes

- (1) FFO, FFO per unit, adjusted property revenue, adjusted resident revenue, adjusted other property revenue, adjusted DOE, adjusted NOI, adjusted operating margin, NOIPOS, REVPOS, DOEPOS, liquidity, interest coverage ratio, Imputed Cost of Debt, and net debt to adjusted EBITDA ratio are non-GAAP measures. These measures do not have standardized meanings prescribed by GAAP and, therefore, may not be comparable to similar measures used by other issuers. These measures are used by management in evaluating operating and financial performance. Please refer to the heading "Non-GAAP Financial Measures" on page 8 of this press release. Certain information about non-GAAP financial measures, non-GAAP ratios, capital management measures, and supplementary measures found in Chartwell's Q1 2026 MD&A, is incorporated by reference. Full definitions of FFO and FFO per unit can be found on page 14, same property adjusted NOI on page 15, adjusted NOI on page 15, adjusted operating margin, NOIPOS, REVPOS, and DOEPOS on page 15, liquidity on page 21, interest coverage ratio on page 35, and net debt to adjusted EBITDA ratio on page 37 of the Q1 2026 MD&A available on Chartwell's website, and under Chartwell's profile on the System for Electronic Document and Analysis Retrieval ("SEDAR+") website at sedarplus.com. The definitions of these measures have been incorporated by reference.
- (2) Includes Trust Units, Class B Units of Chartwell Master Care LP, and Trust Units issued under Executive Unit Purchase Plan and Deferred Trust Unit Plan.
- (3) 'pp' means percentage points.
- (4) Non-GAAP; calculated in accordance with the Trust indentures for Chartwell's 6.000% Series C senior unsecured debentures, 4.400% Series D senior unsecured debentures, 3.650% Series E senior unsecured debentures, and 4.500% Series F senior unsecured debentures and may not be comparable to similar metrics used by other issuers or to any GAAP measures.
- (5) Forecast includes leases and notices as at April 30, 2026, and an estimate of mid-month move-ins of 30 bps for May and 50 bps for June, based on the preceding 12-month average of such activity.

About Chartwell

Chartwell is in the business of serving and caring for Canada's seniors, committed to its vision of Making People's Lives BETTER and to providing a happier, healthier, and more fulfilling life experience for its residents. Chartwell is an unincorporated, open-ended real estate trust which indirectly owns and operates a complete range of seniors housing communities, from independent living through to assisted living and long term care. Chartwell is one of the largest operators in Canada, serving approximately 25,000 residents in four provinces across the country. For more information visit www.chartwell.com.

Forward-Looking Information

This press release 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 acquisitions, including closing and financing details; development activities; debt financings; portfolio optimization strategies; expectations with respect to taxes that are expected to be payable in the current and future years; statements regarding occupancy and rate forecasts; and the 2026 ATM Program, including the expected benefits thereof and intended use of net proceeds. Forward-looking information can be generally identified by the use of words such as "anticipate," "continue," "estimate," "expect," "expected," "intend," "may," "will," "project," "plan," "should," "believe," and similar expressions. 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 in Chartwell's Q1 2026 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 the ("AIF"). A copy of the Q1 2026 MD&A, the AIF, and Chartwell's other publicly filed documents can be accessed under Chartwell's profile on the SEDAR+ website at sedarplus.com. 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.

For more information, please contact:

Chartwell Retirement Residences

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Disposition Property List – Ontario Non-Core Property Sale

#	Property	Location	Year Built	Suite Count by Level of Care ⁽¹⁾			Total
				IL	ISL	AL	
1	Anne Hathaway	Stratford, ON	1998	-	61	-	61
2	Bayview	Belleville, ON	1997	-	59	-	59
3	Colonial	Whitby, ON	1996	-	94	-	94
4	Hartford	Morrisburg, ON	1998	-	87	-	87
5	Park Place	Aurora, ON	1991	-	91	-	91
6	Pinewood	Pembroke, ON	1984	-	45	-	45
7	Quail Creek	Renfrew, ON	1999	-	90	-	90
8	Rosedale	Brockville, ON	1997	-	66	-	66
9	Westmount on William	Sudbury, ON	1988	-	84	-	84
1994				-	677	-	677

(1) IL = Independent Living; ISL = Independent Supportive Living; AL = Assisted Living.

Acquisition Property List – Seasons Retirement Communities Portfolio

#	Property	Location	Year Built	Suite Count by Level of Care ⁽¹⁾			Total
				IL	ISL	AL	
1	Wesbrook Village	Vancouver, BC	2011	-	154	-	154
2	Arbutus	Vancouver, BC	2002	-	141	-	141
3	London	London, ON	2024	12	147	-	159
4	St. Catharines	St. Catharines, ON	2024	-	120	23	143
5	Cambridge	Cambridge, ON	2020	-	120	19	139
6	St. Thomas	St. Thomas, ON	2020	9	122	20	151
7	Stoney Creek	Stoney Creek, ON	2017	-	105	31	136
8	Milton	Milton, ON	2015	-	122	28	150
9	Strathroy	Strathroy, ON	2011	18	99	-	117
10	Dufferin Centre	Trenton, ON	2010	-	125	-	125
11	Brantford	Brantford, ON	2009	25	96	25	146
12	Owen Sound	Owen Sound, ON	2008	-	118	-	118
13	Welland	Welland, ON	2008	12	110	22	144
14	Amherstburg	Amherstburg, ON	2007	25	72	31	128
15	Belle River	Belle River, ON	2006	12	93	-	105
16	Royal Oak Village	LaSalle, ON	2006	20	81	26	127
17	Lethbridge Gardens	Lethbridge, AB	2012	-	103	-	103
18	Encore	Olds, AB	2015	-	38	69	107
19	High River	High River, AB	2014	6	62	108	176
20	Drayton Valley	Drayton Valley, AB	2012	7	21	40	68
21	Camrose	Camrose, AB	2011	-	59	82	141
22	Ponoka	Ponoka, AB	2010	2	26	40	68
23	Wetaskiwin	Wetaskiwin, AB	2005	-	51	46	97
2013				148	2,185	610	2,943

(1) IL = Independent Living; ISL = Independent Supportive Living; AL = Assisted Living and includes Memory Care and Continuing Care Type B suites.

Non-GAAP Financial Measures

Chartwell's condensed consolidated interim financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS"). Management uses certain financial measures to assess Chartwell's operating and financial performance, which are measures not defined in generally accepted accounting principles ("GAAP") under IFRS. The following measures: FFO, FFO per unit, same property adjusted NOI, adjusted NOI, adjusted operating margin, REVPOS, DOEPOS, NOIPOS, liquidity, interest coverage ratio and net debt to adjusted EBITDA ratio as well as other measures discussed elsewhere in this release, do not have a standardized definition prescribed by IFRS. They are presented because management believes these non-GAAP measures are relevant and meaningful measures of Chartwell's performance and as computed may differ from similar computations as reported by other issuers and may not be comparable to similarly titled measures reported by such issuers. For a full definition of these measures, please refer to the Q1 2026 MD&A available on Chartwell's website and on SEDAR+.

The following table reconciles property revenue and direct property operating expense from our financial statements to adjusted property revenue and adjusted direct property operating expense, and NOI to Adjusted NOI, and identifies contributions from our same property portfolio, our growth portfolio, and our repositioning portfolio:

<i>(\$000s, except occupancy rates)</i>	Q1 2026	Q1 2025	Change
Property revenue	302,950	243,568	59,382
<i>Add (Subtract):</i>			
Share from joint ventures ⁽¹⁾	11,696	21,629	(9,933)
Share from non-controlling interest ⁽²⁾	-	(1,244)	1,244
Adjusted property revenue	314,646	263,953	50,693
<i>Comprised of:</i>			
Same property	204,841	187,753	17,088
Growth	76,900	39,394	37,506
Repositioning	32,905	36,806	(3,901)
Adjusted property revenue	314,646	263,953	50,693
Resident revenue	298,878	239,039	59,839
<i>Add (Subtract):</i>			
Share from joint ventures ⁽¹⁾	11,588	21,385	(9,797)
Share from non-controlling interest ⁽²⁾	-	(1,228)	1,228
Adjusted resident revenue	310,466	259,196	51,270
<i>Comprised of:</i>			
Same property	202,006	184,353	17,653
Growth	75,829	38,722	37,107
Repositioning	32,631	36,121	(3,490)
Adjusted resident revenue	310,466	259,196	51,270
Other property revenue	4,072	4,529	(457)
<i>Add (Subtract):</i>			
Share from joint ventures ⁽¹⁾	108	244	(136)
Share from non-controlling interest ⁽²⁾	-	(16)	16
Adjusted other property revenue	4,180	4,757	(577)
<i>Comprised of:</i>			
Same property	2,835	3,400	(565)
Growth	1,071	672	399
Repositioning	274	685	(411)
Adjusted other property revenue	4,180	4,757	(577)
Direct property operating expense	179,211	150,056	29,155
<i>Add (Subtract):</i>			
Share from joint ventures	6,631	13,509	(6,878)
Share from non-controlling interest	-	(626)	626
Adjusted direct property operating expense	185,842	162,939	22,903
<i>Comprised of:</i>			
Same property	118,707	113,247	5,460
Growth	42,710	23,255	19,455
Repositioning	24,425	26,437	(2,012)
Adjusted direct property operating expense	185,842	162,939	22,903
NOI	123,739	93,512	30,227
<i>Add (Subtract):</i>			
Share from joint ventures	5,065	8,120	(3,055)
Share from non-controlling interest	-	(618)	618
Adjusted NOI	128,804	101,014	27,790
<i>Comprised of:</i>			
Same property	86,134	74,506	11,628
Growth	34,190	16,139	18,051
Repositioning	8,480	10,369	(1,889)
Adjusted NOI	128,804	101,014	27,790
Weighted average occupancy rate:			
Same property portfolio	94.7%	90.7%	4.0pp
Growth portfolio	91.8%	89.3%	2.5pp
Repositioning portfolio	90.5%	86.2%	4.3pp
Total portfolio	93.4%	89.5%	3.9pp

(1) Non-GAAP; represents Chartwell's proportionate share of the property revenue and direct property operating expense of our Equity-Accounted JVs, respectively.

(2) Non-GAAP; represents Chartwell's proportionate share of the resident revenue and direct property operating expense of our non-controlling interest, respectively.

The following table provides a reconciliation of net income/(loss) to FFO:

<i>(\$000s, except per unit amounts and number of units)</i>	Q1 2026	Q1 2025	Change
Net income/(loss)	7,992	33,194	(25,202)
<i>Add (Subtract):</i>			
B Depreciation of PP&E	67,154	52,692	14,462
D Amortization of limited life intangible assets	378	466	(88)
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	(993)	(879)	(114)
E Loss/(gain) on disposal of assets	(2,421)	(60,253)	57,832
J Transaction costs arising on dispositions	304	4,458	(4,154)
F Tax on gains or losses on disposal of properties	-	8,125	(8,125)
G Deferred income tax	11,386	11,617	(231)
O Distributions on Class B Units recorded as interest expense	223	228	(5)
M Changes in fair value of financial instruments	444	5,479	(5,035)
Q FFO adjustments for Equity-Accounted JVs	1,111	1,130	(19)
U Non-controlling interest	-	(88)	88
FFO	85,578	56,169	29,409
Weighted average number of units (000)	320,375	277,943	42,432
FFO per unit	0.27	0.20	0.07

The following table provides details of the weighted average number of occupied suites used in calculations of REVPOS, DOEPOS, and NOIPOS:

	Q1 2026	Q1 2025	Change
Weighted average number of occupied suites	13,956	13,369	587