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Chartwell Announces a Public Offering of \$175 Million of Trust Units

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MISSISSAUGA, Ontario, Aug. 16, 2021 (GLOBE NEWSWIRE) -- Chartwell Retirement Residences (TSX:CSH.UN) ("**Chartwell**" or the "**Trust**") announced today that it has entered into an agreement with a syndicate of underwriters led by BMO Capital Markets, RBC Capital Markets and CIBC World Markets (collectively the "**Underwriters**") to issue to the public, on a bought deal basis, 13,470,000 of trust units ("**Trust Units**"), representing approximately \$175 million of gross proceeds, at a price of \$13.00 per Trust Unit (the "**Offering**"). BMO Capital Markets and RBC Capital Markets will act as joint bookrunners for this Offering. Chartwell has also granted the Underwriters an over-allotment option to purchase up to an additional 15% of the Trust Units offered in the Offering on the same terms and conditions, exercisable at any time, in whole or in part, up to 30 days after the closing of the Offering.

Chartwell intends to use the net proceeds from the Offering to repay indebtedness and fund development and capital expenditures, with the remainder to fund future acquisitions, developments and for general trust purposes. Pro forma the Offering and the intended use of proceeds, Chartwell's ratio of consolidated indebtedness to aggregated adjusted assets as at June 30, 2021 is expected to be reduced by ~340 bps to approximately 49.4%.

"From the beginning of the COVID-19 pandemic we have been focused on the health and safety of our residents, their families and our staff and we continue to be vigilant in our infection prevention and control protocols today. With the high vaccination rates of our residents and staff, as well as in the society overall, we are seeing easing of the pandemic related restrictions. As a result our web site traffic, initial contacts, personalized visits and move-ins have been gradually increasing, pointing to the beginning of occupancy recovery in the coming months," said Vlad Volodarski, Chief Executive Officer. "We believe it is prudent at this time to raise additional equity capital to pay down debt and provide flexibility to invest in value creating initiatives within our property portfolio, development of new residences, and potentially, future acquisitions."

The Offering is being made pursuant to Chartwell's short form base shelf prospectus dated December 6, 2019 (the "**Base Shelf Prospectus**"). The terms of the Offering will be described in a prospectus supplement (the "**Prospectus Supplement**") to be filed with Canadian securities regulators in each of the provinces of Canada. The Offering is expected to close on or about August 25, 2021 and is subject to customary conditions, including the approval of the Toronto Stock Exchange. The Prospectus Supplement and the Base Shelf Prospectus contain important detailed information about the Trust and the proposed Offering. Prospective investors should read the Prospectus Supplement, the Base Shelf Prospectus and the other documents the Trust has filed before making an investment decision. Copies of the Prospectus Supplement, following filing thereof, and the Base Shelf Prospectus will be available on SEDAR at www.sedar.com.

The Trust Units have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**1933 Act**"), or any state securities laws, and accordingly may not be offered, sold or delivered, directly or indirectly, within the United States of America, (the "**United States**"), its possessions and other areas subject to its jurisdiction, except pursuant to an exemption from the registration requirements of the 1933 Act. This press release does not constitute an offer to sell or a solicitation of an offer to buy any Trust Units in the United States.

About Chartwell

Chartwell is an unincorporated, open-ended real estate trust which indirectly owns and operates a complete range of seniors housing communities, from independent supportive living through assisted living to long term care. It is the largest operator in the Canadian seniors living sector with over 200 quality retirement communities in four provinces. Chartwell is committed to its vision of Making People's Lives BETTER and to providing a happier, healthier and more fulfilling life experience for its residents. 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 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. Forward-looking statements in this press release include statements relating to expectations regarding timing for completion of the Offering, the anticipated use of the net proceeds of the Offering and pro forma ratio of consolidated indebtedness to aggregated adjusted assets. 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. 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. See the "Risks and Uncertainties" section in Chartwell's management's discussion analysis of results of operations and financial condition for the year ended December 31, 2020 and in our management's discussion and analysis of results of operations and financial condition for the three and six months ended June 30, 2021 ("**Q2 2021 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 and in the Prospectus Supplement to be filed in connection with the Offering. 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.

Non-GAAP Measures

Chartwell's consolidated financial statements are prepared in accordance with International Financial Reporting Standards ("**IFRS**"). Management uses certain financial measures to assess Chartwell's financial performance, which are measures not defined in generally accepted accounting principles ("**GAAP**") under IFRS. Chartwell's credit agreements and outstanding debentures contain numerous financial covenants. The calculation of the pro forma ratio of consolidated indebtedness to aggregate adjusted assets in this press release is based on the definitions of various financial metrics as reflected in the indenture governing Chartwell's outstanding debentures and may not be comparable to similar metrics used by other entities or to any GAAP measure. For a full description of certain of these covenants, please refer to the Q2 2021 MD&A available on Chartwell's website and at www.sedar.com.

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