

### **Extendicare Announces Closing of Transactions with Revera**

#### ***Acquires a 15% managed interest in 25 long-term care homes from Revera and management of an additional 31 long-term care homes owned by Revera***

**MARKHAM, ONTARIO**, August 1, 2023 – Extendicare Inc. (“Extendicare”) (TSX: EXE.TO) announced today that it has completed the previously announced transactions with Revera Inc. and its affiliates (“Revera”) in respect of the ownership, operation and redevelopment of long-term care homes in Ontario and Manitoba. Highlights of the transactions include:

- Acquisition of Revera’s 15% interest in a portfolio of 25 long-term care (“LTC”) homes (consisting of approximately 3,100 funded LTC beds) held in a joint venture partnership with an affiliate of Axiom Infrastructure Inc. (“Axiom”), with Extendicare managing these homes
- Management by Extendicare of 31 LTC homes owned by Revera (consisting of approximately 3,000 funded LTC beds and 900 private pay assisted living and seniors living beds), including 30 Class C LTC homes in Ontario that are currently being considered for redevelopment
- Revera’s LTC operations team joined Extendicare to advance the delivery of high-quality care and services across Extendicare’s homes
- An option to purchase future Revera LTC redevelopment projects either with Axiom or alone pursuant to development arrangement agreements entered into with Revera

The Revera transactions, combined with the earlier sale of Extendicare’s portfolio of retirement communities in 2022, advance Extendicare’s strategy to focus on LTC and home health care using a less capital-intensive, higher margin business model. Extendicare will focus its growth on operating and building new LTC homes, expanding its Managed Services segment through the provision of management and consulting services, and growing its home health care business.

"Today marks another significant milestone in Extendicare’s strategic re-positioning to focus on growth in our long-term care and home health care segments. We are thrilled to expand our highly trained workforce of health care professionals by welcoming Revera’s long-term care team, bringing together two of the most experienced seniors’ care teams in Canada. We look forward to leveraging our combined scale and expertise to drive improved performance and advance the delivery of high-quality care for Canadian seniors," said Dr. Michael Guerriere, President and CEO. "The challenge of replacing long-term care infrastructure that is past its useful life is a serious issue for the health sector. We are now even better positioned to be a driving force in the solution given our vibrant resident communities, strong care teams and integral role in building more and better homes. We are keen to work with Revera and Axiom to replace Revera’s older long-term care homes in Ontario as approvals and favourable market conditions permit, giving us the opportunity to acquire ownership either alone, or with Axiom, as the new homes are redeveloped."

The aggregate cash consideration for the Revera transactions was approximately \$32.6 million, net of holdbacks, plus the assumption of approximately \$37.1 million in debt (Extendicare’s share of JV debt), subject to customary post-closing adjustments. The purchase price was funded from cash on hand.

The previously announced transaction with Axium to form a joint venture to redevelop Extencicare's Class C LTC homes has received regulatory approval and is anticipated to close before the end of the third quarter, subject to customary closing conditions.

For further information on the transactions with Revera and Axium, please refer to the discussion in Extencicare's 2022 Annual Information Form under the section "General Development of the Business – Acquisitions and Dispositions – Revera and Axium Transactions" which is available on Sedar at [www.sedar.com](http://www.sedar.com).

### **Advisors**

BMO Capital Markets acted as financial advisor to Extencicare and Torys LLP acted as legal advisor to Extencicare in connection with these transactions. Stikeman Elliott LLP acted as legal advisor to Axium in connection with these transactions. Stormont Partners Advisory acted as financial advisor to Revera and Goodmans LLP acted as legal advisor to Revera in connection with the Revera transactions.

### **Forward-looking Statements**

This press release contains forward-looking statements concerning anticipated future events, results, circumstances, economic performance or expectations with respect to Extencicare and its subsidiaries, including, without limitation, statements regarding the Revera and Axium transactions and the impact on our business from the Revera transactions. Forward-looking statements can often be identified by the expressions "anticipate", "believe", "estimate", "expect", "intend", "objective", "plan", "project", "will" or other similar expressions or the negative thereof. These forward-looking statements reflect Extencicare's current expectations regarding future results, performance or achievements and are based upon information currently available to us and on assumptions that Extencicare believes are reasonable. Extencicare assumes no obligation to update or revise any forward-looking statement, except as required by applicable securities laws. These statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to differ materially from those expressed or implied in the statements. For further information on the risks, uncertainties and assumptions that could cause Extencicare's actual results to differ from current expectations, refer to "Risk and Uncertainties" and "Forward Looking-Statements" in Extencicare's 2022 MD&A and Q1 2023 MD&A filed by Extencicare with the securities regulatory authorities, available at [www.sedar.com](http://www.sedar.com) and on Extencicare's website at [www.extencicare.com](http://www.extencicare.com). Given these risks and uncertainties, readers are cautioned not to place undue reliance on Extencicare's forward-looking statements.

For further information, please contact:

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