



CHARTwell[®]
retirement residences

Q1 2023 Results Conference Call

May 5, 2023



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 the three months ended March 31, 2023 (the "Q1 2023 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.

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; "2022" refers to the calendar year 2022; "2021" refers to the calendar year 2021; "2021" refers to the calendar year 2021; and "2020" refers to the calendar year 2020.

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") and Adjusted Funds from Operations ("AFFO") (the "REALPAC Guidance"). Our FFO definition is substantially consistent with the definition adopted by REALPAC. Please refer to the "Additional Information on Non-GAAP Measures" section of our MD&A for details. As part of our financial covenants reporting, we present AFFO in accordance with the definitions used in our credit agreements. This definition differs from the definition in the REALPAC Guidance.

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.

Specified financial 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, and Internal Funds from Operations, ("IFFO"), IFFO for continuing operations, Total IFFO, IFFO from LTC Discontinued Operations, Adjusted Funds from Operations ("AFFO") including per unit amounts ("PU"), Earnings before interest, tax, depreciation and amortization ("consolidated EBITDA" or "EBITDA"), Adjusted Resident Revenue, Adjusted Direct Property Operating Expense, 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 and Proforma adjustments.

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

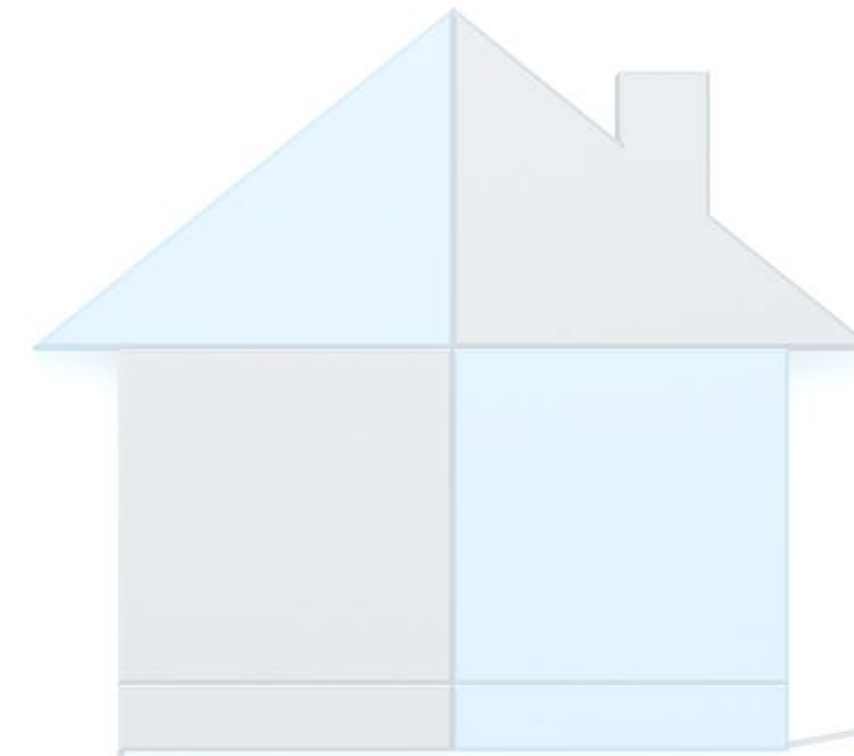
Capital Management Measures

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

Please refer to the "Additional Information on Non-GAAP Measures", "Consolidated Results of Operations – FFO", "Significant Events – Development – Expected Unlevered Yield, Development Lease-up-Losses and Imputed Cost of Debt", "Consolidated Results of Operations – Adjusted Resident Revenue, Adjusted Property Operating Expenses and Adjusted NOI" and "Liquidity and Capital Resources – Financial Covenants" sections of our Q1 2023 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.

Driving Occupancy Recovery & FFO Growth



Same property adjusted NOI



FFO continuing operations



Property portfolio optimization

Ontario LTC platform sale

Sales and Marketing



**OPEN
HOUSE**







**MAKE A
FRIEND A NEW
NEIGHBOUR :)**

Senior Living?

**NOT IN A
MILLION
YEARS!**

That's what some of our residents said before they discovered the lifestyle at Chartwell. Now they're saying:

"I wish I'd moved in sooner."





Visit **Chartwell.com** to
#ReThinkSeniorLiving

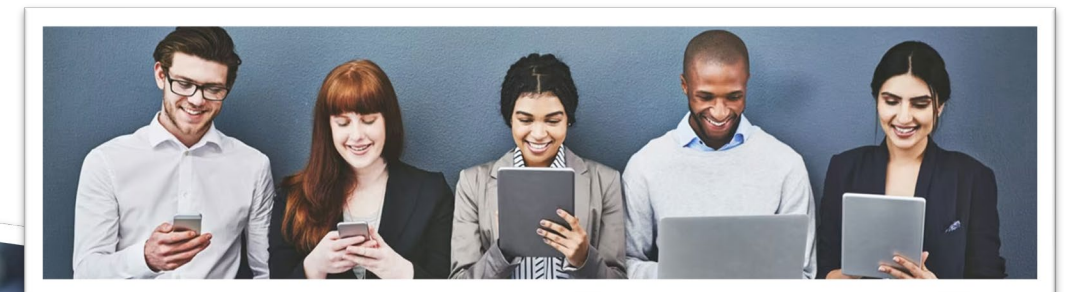
Recruitment and Retention

GREAT PEOPLE DOING GREAT THINGS



ORACLE®

HUMAN CAPITAL MANAGEMENT



Q1 2023 Summary

	Q1 2023	Q1 2022	Change
Net loss ⁽¹⁾	(\$9.2M)	(\$3.3M)	(\$5.9M)
FFO ⁽²⁾			
Continuing operations	\$20.9M	\$20.3M	\$0.6M
Total	\$24.3M	\$31.3M	(\$7.0M)
FFOPU ⁽²⁾			
Continuing operations	\$0.09	\$0.09	-
Total	\$0.10	\$0.13	(\$0.03)
Average occupancy – same property	78.5%	77.1%	1.4pp
Adjusted NOI ⁽³⁾ – same property	\$49.6M	\$46.0M	\$3.6M

(1) Includes net income from LTC Discontinued Operations.

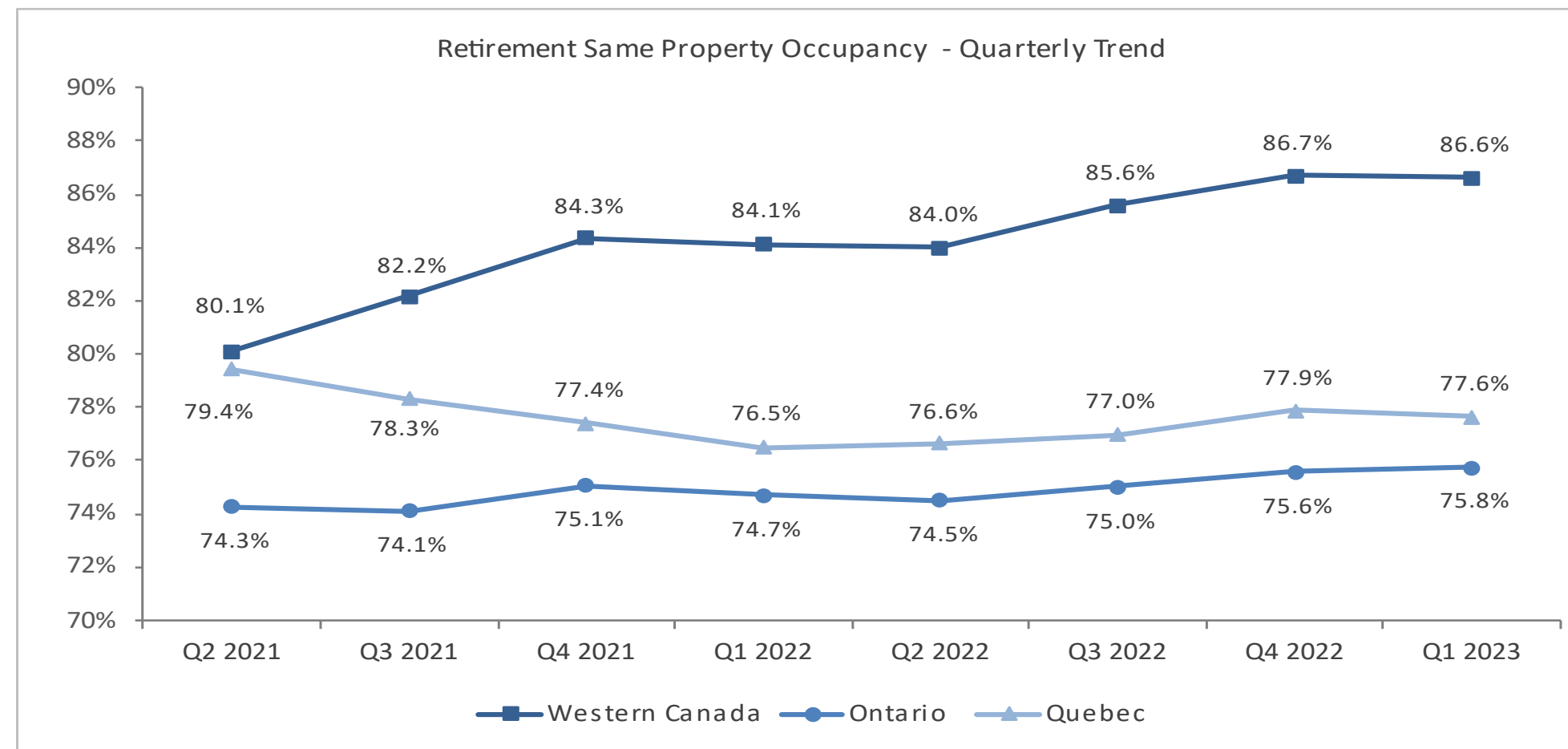
(2) Refer to the "Supplemental Information" section on page 11 of this presentation.

(3) Refer to the "Supplemental Information" section on page 12 of this presentation.

- Included in Q1 2022 FFOPU from continuing operations and Total FFOPU, were prior-period recoveries of \$2.2M and \$9.4M, respectively; no comparable amounts in 2023.
- Excluding these recoveries, FFOPU from continuing operations is up 14.1% and Total FFOPU is up 9.2%.

Q1 2023 Adjusted NOI and Occupancy

	Same Property					
	Adjusted NOI				Occupancy	
	Q1 2023	Q1 2022	Inc/(Dec) \$	%	Q1 2023	Q1 2022
Retirement:						
Western Canada	\$14.1M	\$13.9M	\$0.2M	1.2%	86.6%	84.1%
Ontario	\$25.6M	\$24.0M	\$1.6M	6.5%	75.8%	74.7%
Quebec	\$9.9M	\$8.1M	\$1.8M	22.4%	77.6%	76.5%
Total Retirement	\$49.6M	\$46.0M	\$3.6M	7.7%	78.5%	77.1%
						1.4pp



Platform Specific Trends

Western Canada

- Strong rental and service rate and occupancy growth.
- Q1 2022 recoveries of prior pandemic expenses of \$1.6M, adjusting for this amount, Western Canada same property adjusted NOI increased 14.8%.

Ontario

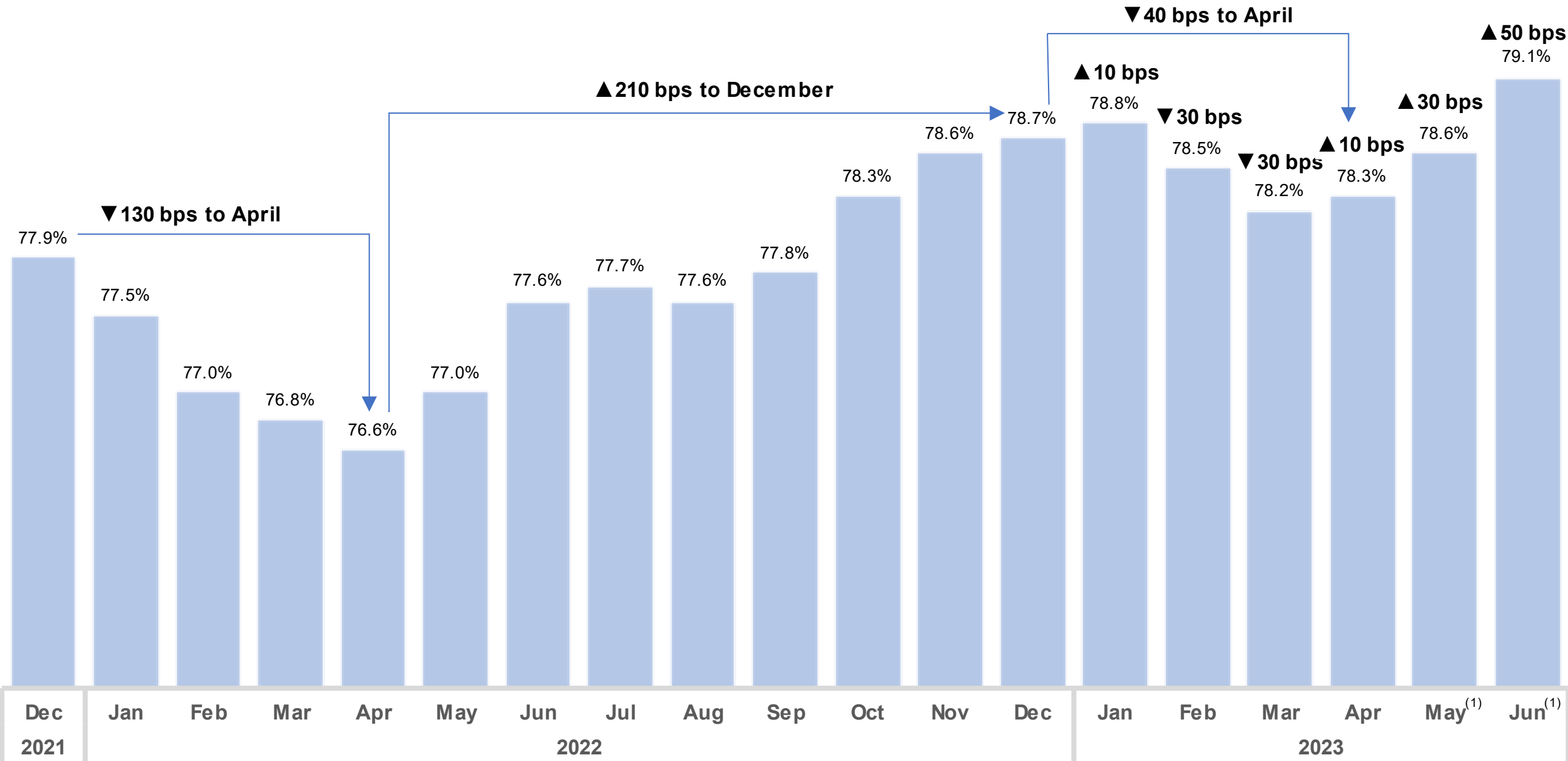
- Occupancy and rental and service rate growth helped mitigate higher costs.
- Pandemic expenses declining.
- Agency staffing declining gradually.

Quebec

- Occupancy and rental and service rate growth mitigating cost pressures.
- Pandemic expenses declining.
- Agency staffing declining gradually..

2023 Outlook: Occupancy Trends

January 2022 to June 2023



- Significantly outperforming pre-pandemic seasonal December to April dip in occupancy.
- Occupancy and leasing trends are outperforming 2022.
- May and June 2023 expected to increase 30 and 50 basis points (“bps”), respectively.
- Our marketing and sales initiatives drove improvements in personalized tours, sales closing ratios, leasing trends, and permanent move-ins. We expect to continue to outperform 2022 occupancy growth in 2023 and beyond.

(1) Forecast includes leases and notices as at April 30, 2023, and an estimate of mid-month move-ins of 20 and 40 bps for May and June, respectively, based on the preceding 12-month average of such activity for the respective period.

Financial Position

At May 4, 2023



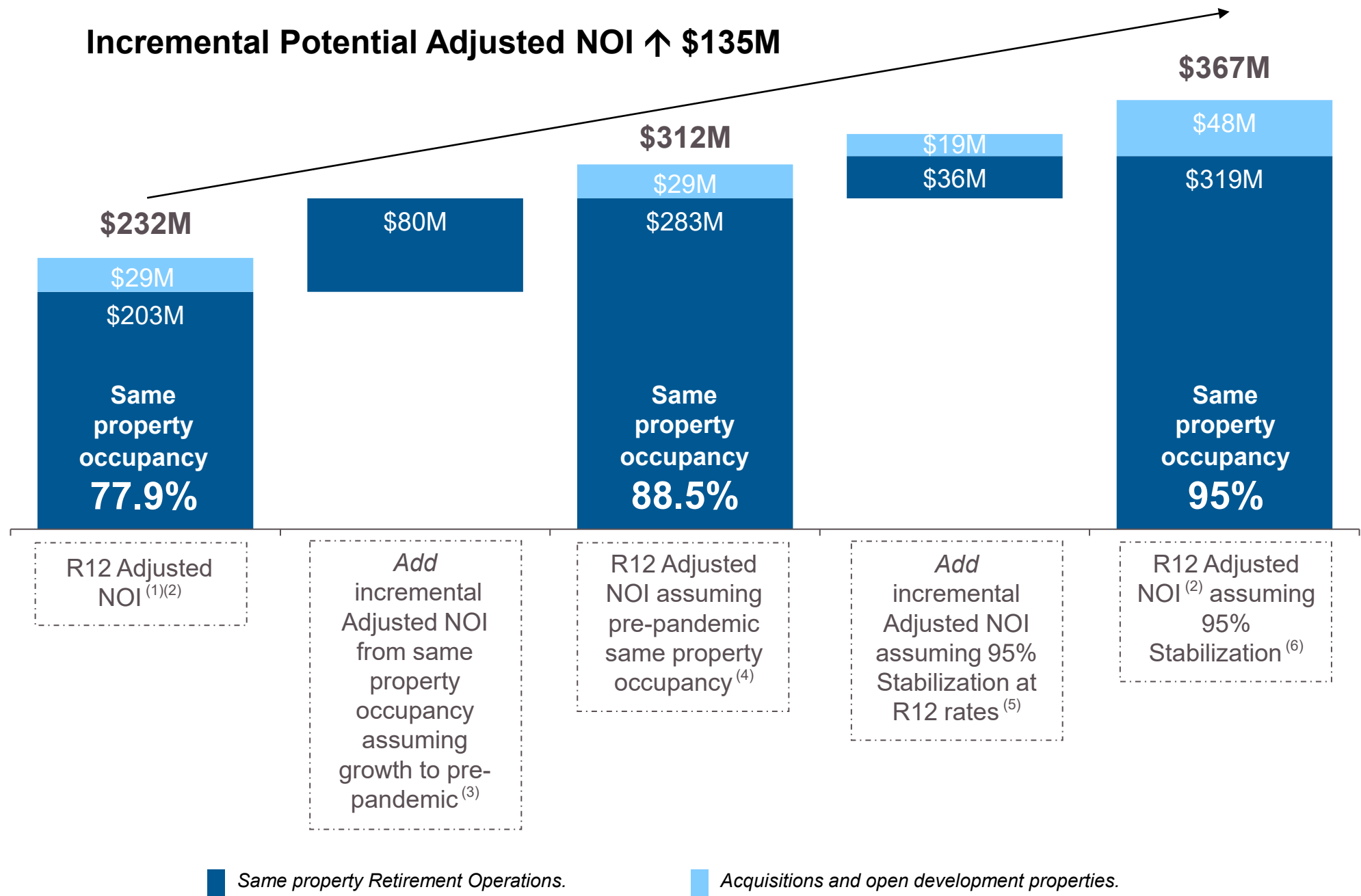
Liquidity
\$185M

\$28M
cash

\$157M
available credit
facilities

- Mortgage refinancings – in progress.
- DBRS confirmed BBB(low) with negative trend.

Embedded Potential Value



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(1) "R12" = Rolling 12 months as at March 31, 2023.
(2) R12 Adjusted NOI for same property, acquisitions and open development properties. Excludes properties classified as disposition, repositioning and other portfolio.
(3) Incremental Adjusted same property NOI at pre-pandemic (Q4 2019) occupancy of 88.5% calculated at R12 average rental rate of \$3,986 per month and pre-pandemic margin of 39%.
(4) R12 Adjusted NOI for same property at pre-pandemic (Q4 2019) occupancy of 88.5% calculated at R12 average rental rate of \$3,986 per month and pre-pandemic margin of 39% and R12 Adjusted NOI for acquisitions and open development properties.
(5) Incremental Adjusted NOI for same property, acquisitions and open development properties to 95%.
(6) R12 Adjusted NOI for same property, acquisitions and open development properties at 95% stabilization.

Chartwell Experience

Chartwell Hartford Retirement Residence

*Creating
moments
that matter
for our residents*



Supplemental Information

Reconciliation Table – FFO and FFOPU

(\$000s, except number of units and per unit amounts)	Continuing Operations			Total Operations		
	Q1 2023	Q1 2022	Change	Q1 2023	Q1 2022	Change
Net loss	(12,590)	(11,862)	(728)	(9,253)	(3,316)	(6,595)
<i>Add (Subtract):</i>						
B Depreciation of PP&E	39,237	36,621	2,616	39,237	38,437	800
D Amortization of limited life intangible assets	739	744	(5)	739	946	(207)
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	(1,144)	(1,222)	78	(1,144)	(1,222)	78
E Gain on disposal of assets	(2,712)	(545)	(2,167)	(2,701)	(545)	(2,156)
J Transaction costs arising on dispositions	402	55	347	474	556	(82)
G Deferred income tax	(7,477)	641	(8,118)	(7,477)	641	(8,118)
O Distributions on Class B Units recorded as interest expense	234	234	-	234	234	-
M Changes in fair value of financial instruments	2,509	(2,641)	5,150	2,509	(2,641)	5,150
Q FFO adjustments for Equity-Accounted JVs	1,720	(1,766)	3,486	1,720	(1,766)	3,486
FFO	20,918	20,259	659	24,338	31,324	(6,986)
Weighted average number of units (000s)	239,948	236,048	3,900	239,948	236,048	3,900
FFOPU	0.09	0.09	-	0.10	0.13	(0.03)

Supplemental Information

Reconciliation Table - Adjusted NOI

(\$000s)	Q1 2023	Q1 2022	Change
Resident revenue	165,824	157,668	8,156
<i>Add:</i>			
Share of resident revenue from joint ventures ⁽¹⁾	30,428	28,080	2,348
Resident revenue from LTC Discontinued Operations ⁽²⁾	61,815	67,955	(6,140)
Adjusted resident revenue	258,067	253,703	4,364
<i>Comprised of:</i>			
Same property	165,375	157,429	7,946
Acquisitions and development	20,262	11,172	9,090
Dispositions and repositioning	72,430	85,102	(12,672)
<i>Adjusted resident revenue</i>	<i>258,067</i>	<i>253,703</i>	<i>4,364</i>
Direct property operating expense	117,874	113,787	4,087
<i>Add:</i>			
Share of direct property operating expense from joint ventures ⁽¹⁾	21,723	20,743	980
Direct property operating expense from LTC Discontinued Operations ⁽²⁾	56,653	55,200	1,453
Adjusted direct property operating expense	196,250	189,730	6,520
<i>Comprised of:</i>			
Same property	115,730	111,337	4,393
Acquisitions and development	12,607	7,376	5,231
Dispositions and repositioning	67,913	71,017	(3,104)
<i>Adjusted direct property operating expense</i>	<i>196,250</i>	<i>189,730</i>	<i>6,520</i>
NOI	47,950	43,881	4,069
<i>Add:</i>			
Share of NOI from joint ventures	8,705	7,337	1,368
Adjusted NOI from continuing operations	56,655	51,218	5,437
<i>Add:</i>			
NOI from LTC Discontinued Operations	5,162	12,755	(7,593)
Adjusted NOI	61,817	63,973	(2,156)
<i>Comprised of:</i>			
Same property	49,645	46,092	3,553
Acquisitions and development	7,655	3,796	3,859
Dispositions and repositioning	4,517	14,085	(9,568)
<i>Adjusted NOI</i>	<i>61,817</i>	<i>63,973</i>	<i>(2,156)</i>

(1) Non-GAAP; represents Chartwell's proportionate share of the results related to our equity-accounted joint ventures. (2) Represents the results related to LTC Discontinued Operations.

THANK YOU



CHARTwell
retirement residences