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SIENNA SENIOR LIVING ANNOUNCES SIGNIFICANT EXPANSION OF ONTARIO RETIREMENT PORTFOLIO AND ENTRY INTO SASKATCHEWAN RETIREMENT MARKET THROUGH THE FORMATION OF A STRATEGIC JOINT VENTURE

- Acquisition of a 50% ownership interest in a \$307.5 million portfolio of eleven private-pay retirement residences in Ontario and Saskatchewan, subject to customary closing adjustments
- Formation of new strategic joint venture with Sabra Health Care REIT, Inc. ("**Sabra**"), one of North America's leading owners of seniors housing properties
- High-quality, modern portfolio consisting of 1,048 suites, with an average age of six years
- Accretive to Operating Funds From Operations ("**OFFO**") and Adjusted Funds From Operations ("**AFFO**") per common share on a leverage neutral basis

MARKHAM, Ontario, Feb. 3, 2022 (GLOBE NEWSWIRE) -- Sienna Senior Living Inc. ("**Sienna**" or the "**Company**") (TSX:SIA) announced today that it has entered into an agreement to acquire a 50% ownership interest in a portfolio of eleven seniors' living assets in Ontario and Saskatchewan consisting of 1,048 high-quality, private-pay suites (the "**Portfolio**" or "**Acquisition**"). Sienna will acquire the Portfolio in partnership with Sabra, who is acquiring the other 50% interest, with Sienna as the manager of the Portfolio. Sienna and Sabra will acquire the Portfolio from Extendicare Inc., with the Portfolio representing the entirety of Extendicare's currently owned private-pay retirement properties in Canada.

The Portfolio is an attractive expansion opportunity for Sienna in its existing Ontario markets, featuring high-quality, recently built retirement residences. It also provides an entry into the Saskatchewan market with immediate scale and a platform for further expansion. Strategically located in growing communities, the properties are well positioned with coveted locations in their respective markets. With an average age of approximately six years, the Portfolio offers modern seniors living accommodation with extensive amenities reflecting the changing lifestyle preferences of seniors. While predominantly consisting of independent living ("**IL**") suites, the Portfolio offers opportunities to age in-place with private-pay assisted living ("**AL**") and memory care ("**MC**") suites.

Sienna's share of the purchase price for the Portfolio is \$153.75 million. The Company expects the Acquisition to generate an approximate 6% unlevered yield in the first twelve months following closing of the transaction.

"Today's announcement marks an important acquisition by Sienna and supports our outlook for the Company going forward. Sienna has invested significant resources during the COVID-19 pandemic to ensure the safety and well-being of our residents and staff. As a result of the tireless commitment to resident safety and quality of life from our entire team, the market responded through industry leading increases in retirement occupancy for Sienna in Q3 and Q4 2021, putting the Company in a position to once again invest in strategic growth and value creation initiatives," said Nitin Jain, President and Chief Executive Officer of Sienna. "We are excited to enter into the Saskatchewan market and expand our Ontario footprint, welcome new team members and residents, and integrate high quality assets within the Sienna platform, and we look forward to the enhanced quality and growth prospects they will bring to our retirement business. In addition, our strategic joint venture with Sabra through this transaction is expected to be an additional source of future growth for the Company."

DESCRIPTION OF THE ACQUISITION

The Portfolio consists of high-quality seniors' living assets, strategically located in growing Ontario and Saskatchewan communities. Sienna expects to capitalize on the growing demand for quality seniors' living in each community, and the efficiencies available through operating together with the Company's other owned and managed retirement residences and care communities. Additionally, excess land at four of the properties represents future incremental development potential of 233 suites.

The following table summarizes key information about the Portfolio:

Property	City	Year Built / Expanded	Suites				Potential Expansion
			IL	AL	MC	Total	
The Barrievew	Barrie, ON	2019	78	23	23	124	-
Douglas Crossing	Uxbridge, ON	2017	102	28	18	148	-
Harvest Crossing	Tillsonburg, ON	2011/15	100	-	-	100	52
Lynde Creek Manor	Whitby, ON	2004/14	93	-	-	93	77
Bolton Mills	Bolton, ON	2019	112	-	-	112	-
Cedar Crossing	Simcoe, ON	2016	67	-	-	67	45
Empire Crossing	Port Hope, ON	2015	63	-	-	63	59
Total Ontario			615	51	41	707	233
Stonebridge Crossing	Saskatoon, SK	2012	89	-	27	116	-
Yorkton Crossing	Yorkton, SK	2016	79	-	-	79	-
West Park Crossing	Moose Jaw, SK	2016	57	-	22	79	-
Riverbend Crossing	Regina, SK	2013	-	-	67	67	-
Total Saskatchewan			225	-	116	341	-
Total Portfolio			840	51	157	1,048	233

BENEFITS OF THE ACQUISITION

Recently Built, Modern Portfolio

The premium seniors' living Portfolio offers high-quality and contemporary-design accommodations. All properties are either constructed or expanded post-2010, with an average age of approximately six years. In addition, the Portfolio offers a suite of extensive and sought-after amenities and services, such as movie theatres, fitness centres and spas. Purpose-built to high-quality standards and well-maintained, the Portfolio represents an enhancement to Sienna's retirement platform. In addition, the joint venture intends to allocate approximately \$5 million, or \$2.5 million representing the Company's proportionate ownership interest, for further capital improvements to be completed in the near-term following closing of the Acquisition.

Strategic Portfolio Expansion

The Acquisition represents a rare opportunity for Sienna to enter the Saskatchewan seniors' living market with four desirable retirement residences, achieving immediate scale and providing a platform for future growth. Saskatchewan's growing retirement-aged population, solid market fundamentals, workforce productivity and influx of capital investment all make this an attractive new market. The Acquisition also

provides meaningful expansion in Ontario through seven retirement residences in markets within close proximity to the Greater Toronto Area, resulting in an approximate 60% expansion of Sienna's owned and managed retirement suites within a one hour drive of Toronto. The Acquisition continues to enhance the size and quality of Sienna's private-pay retirement portfolio, increasing the number of owned and managed retirement suites by 26%, and solidifying the Company's position as a leading seniors' living provider in key markets across Canada.

Track Record of Strong Financial Performance

The Portfolio has a demonstrated resiliency throughout the COVID-19 pandemic. The average occupancy of the Portfolio for the first nine months of 2021 was approximately 90%, excluding one property in lease-up that opened in 2019. Overall occupancy for the Portfolio has been trending upward since Q2 2021. Sienna expects continued occupancy growth as the pandemic subsides.

Formation of Strategic Joint Venture with Sabra

The newly formed joint venture, with Sienna acting as a manager, is an endorsement of the Company as one of Canada's leading operators of seniors' living properties. The joint venture is expected to become an additional avenue of future growth for the Company, as it collaborates with Sabra on new growth initiatives in Canada. As manager of the Portfolio, Sienna will generate enhanced returns on the Acquisition through a management fee income stream, expanding upon an already established operating relationship and existing revenue stream that Sienna earns as manager of eight Canadian retirement residences which are wholly-owned by Sabra.

Accretive to OFFO and AFFO per Common Share

The Acquisition is expected to be accretive to Sienna's OFFO and AFFO per common share on a leverage neutral basis.

ACQUISITION FINANCING

The Acquisition and related transaction costs are being financed through a combination of: (i) \$150 million acquisition term loan that the Company expects to refinance post-closing; (ii) proceeds from the previously announced sale of Rideau Retirement Residence and Camilla Care Community; and (iii) draws on the Company's existing credit facilities. Following the closing of the Acquisition, the Company's Debt to Gross Book Value ratio on a pro forma basis, taking into account expected proceeds from the sale of Rideau Retirement Residence and Camilla Care Community, is expected to increase from 46% as at September 30, 2021 to approximately 48%.

ACQUISITION CLOSING

Completion of the Acquisition is subject to customary closing conditions for transactions of this nature, including the receipt of all necessary regulatory approvals, including approvals from the Ontario Retirement Homes Regulatory Authority and the Saskatchewan Health Authority, and pursuant to the *Competition Act* (Canada). Sienna expects the completion of the Acquisition to occur in late Q2 2022.

ADVISORS

TD Securities Inc. is acting as exclusive financial advisor to Sienna and Torys LLP is acting as legal advisor to Sienna in connection with the Acquisition.

ABOUT SIENNA SENIOR LIVING

Sienna Senior Living Inc. (TSX:SIA) offers a full range of seniors' living options, including independent living, assisted living, long-term care, and specialized programs and services. Sienna's approximately 12,000 employees are passionate about helping residents live fully every day. For more information, please visit www.siennialiving.ca.

FORWARD-LOOKING STATEMENTS

This news release contains forward-looking information based on management's current expectations, estimates and projections about the future results, performance, achievements, prospects or opportunities for Sienna. Forward-looking statements include: the successful closing of the Acquisition and the timing thereof; the expected benefits of the Acquisition to Sienna shareholders, including that the Acquisition is anticipated to be accretive to the Company's OFFO and AFFO per common share; expected future growth; the new acquisition term loan; the financing of the Acquisition through proceeds from dispositions or draws on the Company's existing credit facilities; other capital required for the Acquisition; the expected Debt to Gross Book Value ratio following the closing of the Acquisition and the anticipated closing date of the Acquisition. 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.

The forward-looking statements in this news release are based on information currently available and what management currently believes are reasonable assumptions, including the funding of long-term care residences by government entities. Material factors or assumptions that were applied to drawing a conclusion or making an estimate set out in forward-looking statements include: the views of management of Sienna regarding current and anticipated market conditions; expected government priorities and spending; absence of material changes to government and environmental regulations affecting Sienna's operations; management's views as to demographic trends; Sienna's ability to maintain good relationships with unionized employees; the successful completion of the Acquisition and the financing thereof, and the financial and operating attributes of Sienna and the Acquisition as at the date hereof.

Although management believes that it has a reasonable basis for the expectations reflected in these forward-looking statements, actual results may differ from those suggested by the forward-looking statements for various reasons. The assumptions, risks and uncertainties described above are not exhaustive and other events and risk factors could cause actual results to differ materially from the results and events discussed in the forward-looking statements. These forward-looking statements reflect current expectations of Sienna as at the date of this news release and speak only as at the date of this news release. Sienna does not undertake any obligation to publicly update or revise any forward-looking statements except as may be required by applicable law.

There can be no assurance that forward-looking information will prove to be accurate, as actual results could differ materially from those expected, estimated or implied by such statements. Accordingly, readers should not place undue reliance on forward-looking information. These factors are more fully described under "Risk Factors" in the short form prospectus, in the "Risk Factors" section of Sienna's most recent management's discussion and analysis, and in materials filed with the securities regulatory authorities in Canada from time to time, including, but not limited to, the Company's most recent annual information form.

NON-IFRS MEASURES

Certain terms used in this news release, such as OFFO per common share, AFFO per common share and NOI, are not measures defined under International Financial Reporting Standards ("IFRS") and do not have standardized meanings prescribed by IFRS. OFFO, AFFO and NOI should not be construed as alternatives to "net income (loss) from continuing operations" or "cash flow from operating activities" determined in accordance with IFRS as indicators of the Company's performance. The Company's method of calculating OFFO, AFFO and NOI may differ from other issuers' methods and accordingly, these measures may not be comparable to measures used by other issuers. The Company believes that NOI and OFFO are useful in the assessment of its operating performance, and AFFO is a relevant measure of its ability to earn cash and pay dividends on its common shares. The definitions of these non-IFRS measures and an example of the reconciliation of OFFO and AFFO to the most directly comparable IFRS measure are provided in the Company's most recent management's discussion and analysis.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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