Consolidated Financial Statements

Q2 2025 Sienna Senior Living Inc.

Cultivating happiness in daily life

Sienna
Senior Living

Condensed Interim Consolidated Financial Statements

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Condensed Interim Consolidated Statements of Financial Position (Unaudited)

Thousands of Canadian dollars

	Notes	June 30, 2025	December 31, 2024
ASSETS			
Current assets			
Cash and cash equivalents		**23,199**	127,202
Accounts receivable and other receivables		**15,646**	18,432
Prepaid expenses and deposits		**14,896**	13,321
Government funding receivable		**8,062**	3,387
Construction funding receivable	5, 6	**1,360**	1,333
Derivative assets		**3,055**	1,194
Income taxes recoverable		**2,440**	—
		68,658	164,869
Non-current assets			
Derivative assets		**182**	446
Restricted cash		**3,132**	2,736
Construction funding receivable	5, 6	**4,175**	4,868
Investment in joint ventures	22	**126,747**	131,775
Property and equipment	4, 7	**1,587,401**	1,194,272
Intangible assets	4, 8	**204,565**	195,938
Goodwill	4, 9	**164,345**	164,903
Total assets		**2,159,205**	1,859,807
LIABILITIES			
Current liabilities			
Accounts payable and other liabilities	10	**163,139**	151,821
Government funding payable		**141,464**	145,553
Current portion of long-term debt	5, 11	**198,308**	72,233
Current portion of share-based compensation liability	16	**10,833**	7,058
Income taxes payable		**—**	11,441
		513,744	388,106
Non-current liabilities			
Long-term debt	5, 11	**984,978**	940,112
Deferred income taxes	13	**48,948**	46,523
Share-based compensation liability	16	**3,310**	4,345
Derivative liabilities		**129**	—
Total liabilities		**1,551,109**	1,379,086
EQUITY			
Shareholders' equity		**608,096**	480,721
Total equity		**608,096**	480,721
Total liabilities and equity		**2,159,205**	1,859,807

Commitments and contingencies (Note 23)

See accompanying notes

Approved by the Board of Directors of Sienna Senior Living Inc.

"Shelly Jamieson"
Shelly Jamieson
Chair and Director

"Stephen Sender"
Stephen Sender
Director

Condensed Interim Consolidated Statements of Changes in Equity (Unaudited)

Thousands of Canadian dollars

	Notes	Share capital	Contributed surplus	Accumulated deficit	Total shareholders' equity
Balance, January 1, 2025		**1,105,454**	**203**	**(624,936)**	**480,721**
Issuance of shares, net of share issuance costs	14	**139,102**	**—**	**—**	**139,102**
Issuance of shares pursuant to Sienna Ownership and Reward ("SOAR") program	14	**1,044**	**—**	**—**	**1,044**
Reinvested dividends	14	**8,373**	**—**	**—**	**8,373**
Net income		**—**	**—**	**21,191**	**21,191**
Long-term incentive plan	14	**53**	**—**	**—**	**53**
Dividends	15	**—**	**—**	**(42,388)**	**(42,388)**
Balance, June 30, 2025		**1,254,026**	**203**	**(646,133)**	**608,096**

	Notes	Share capital	Contributed surplus	Accumulated deficit	Total shareholders' equity
Balance, January 1, 2024		964,843	203	(591,275)	373,771
Issuance of shares pursuant to SOAR program	14	471	—	—	471
Net income		—	—	25,815	25,815
Long-term incentive plan	14	12	—	—	12
Dividends	15	—	—	(34,154)	(34,154)
Balance, June 30, 2024		965,326	203	(599,614)	365,915

See accompanying notes.

Condensed Interim Consolidated Statements of Net Income and Comprehensive Income (Unaudited)

Thousands of Canadian dollars, except share and per share data

	Notes	Three months ended June 30, 2025	Three months ended June 30, 2024	Six Months Ended June 30 2025	Six Months Ended June 30 2024
Revenue	18, 21	**243,754**	210,523	**477,999**	441,473
Expenses and other items					
Operating expenses		**196,550**	167,149	**388,005**	336,465
Depreciation and amortization	7, 8	**14,423**	12,959	**26,480**	25,158
Administrative	19	**10,981**	8,777	**20,115**	18,026
Share of net (gain)/ loss in joint ventures	22	**(249)**	2,409	**1,578**	5,421
Net finance charges	12	**9,461**	9,567	**17,978**	19,374
Transaction costs		**4,849**	1,214	**6,940**	1,624
Gain on remeasurement of previously held interest in joint operation	4	**—**	—	**(12,596)**	—
	20	**236,015**	202,075	**448,500**	406,068
Income before provision for (recovery of) income taxes		**7,739**	8,448	**29,499**	35,405
Provision for (recovery of) income taxes					
Current	13	**1,602**	3,033	**4,184**	10,925
Deferred	13	**740**	(671)	**4,124**	(1,335)
	13	**2,342**	2,362	**8,308**	9,590
Net income and comprehensive income		**5,397**	6,086	**21,191**	25,815
Net income per share (basic and diluted)	14	**$0.06**	$0.08	**$0.24**	$0.35
Weighted average number of common shares outstanding	14	**92,191,579**	72,978,178	**89,176,447**	72,972,672

See accompanying notes.

Condensed Interim Consolidated Statements of Cash Flows (Unaudited)

Thousands of Canadian dollars

	Notes	Three months ended June 30, 2025	Three months ended June 30, 2024	Six months ended June 30 2025	Six months ended June 30 2024
OPERATING ACTIVITIES					
Net income		**5,397**	6,086	**21,191**	25,815
Add (deduct) items not affecting cash					
Depreciation of property and equipment	7	**13,634**	11,954	**25,428**	23,792
Amortization of intangible assets	8	**789**	1,005	**1,052**	1,366
Current income tax expense		**1,602**	3,033	**4,184**	10,925
Deferred income tax expense (recovery)	13	**740**	(671)	**4,124**	(1,335)
Share of net (gain) loss in joint ventures	22	**(249)**	2,409	**1,578**	5,421
Share-based compensation expense	16	**1,729**	1,148	**3,229**	2,484
Shares issued pursuant to SOAR program	14	**1,044**	471	**1,044**	471
Net finance charges	12	**9,461**	9,567	**17,978**	19,374
Gain on remeasurement of previously held interest in joint operation	4	**—**	—	**(12,596)**	—
		34,147	35,002	**67,212**	88,313
Non-cash changes in working capital					
Accounts receivable and other receivables		**1,195**	(2,213)	**2,953**	(134)
Prepaid expenses and deposits		**25,783**	1,073	**(940)**	662
Accounts payable and other liabilities		**1,119**	(12,872)	**3,261**	(3,391)
Government funding, net		**(768)**	36,673	**(9,323)**	19,924
		27,329	22,661	**(4,049)**	17,061
Interest paid on long-term debt	12	**(10,176)**	(8,110)	**(21,336)**	(19,478)
Net settlement receipt on interest rate swap contracts	12	**108**	674	**256**	1,373
Income taxes paid		**(3,720)**	(1,104)	**(18,065)**	(1,656)
Cash provided by operating activities		**47,688**	49,123	**24,018**	85,613
INVESTING ACTIVITIES					
Purchase of property and equipment	7	**(35,457)**	(34,113)	**(74,203)**	(62,339)
Government assistance related to capital expenditures	7	**1,962**	656	**8,572**	8,574
Acquisitions, net of cash acquired	4	**(133,942)**	—	**(147,610)**	—
Purchase of intangible assets	8	**(350)**	(531)	**(618)**	(1,066)
Amounts received from construction funding	6	**385**	748	**769**	1,637
Interest received	12	**874**	374	**1,936**	792
Investment in joint ventures	22	**(200)**	(529)	**(900)**	(1,446)
Distributions received from joint ventures	22	**2,000**	1,400	**4,350**	3,150
Increase in restricted cash		**(66)**	(47)	**(396)**	(105)
Cash used in investing activities		**(164,794)**	(32,042)	**(208,100)**	(50,803)
FINANCING ACTIVITIES					
Net proceeds from issuance of common shares	14	**(114)**	—	**137,403**	—
Repayment of long-term debt	11	**(4,686)**	(10,449)	**(48,933)**	(15,680)
Proceeds from long-term debt	11	**25,155**	8,596	**25,155**	14,596
Deferred financing costs		**(85)**	(315)	**(287)**	(428)
Dividends paid	15	**(17,117)**	(17,080)	**(33,259)**	(34,154)
Cash provided by (used in) financing activities		**3,153**	(19,248)	**80,079**	(35,666)
Decrease in cash and cash equivalents during the period		**(113,953)**	(2,167)	**(104,003)**	(856)
Cash and cash equivalents, beginning of period		**137,152**	25,715	**127,202**	24,404
Cash and cash equivalents, end of period		**23,199**	23,548	**23,199**	23,548

See accompanying notes.

1 Organization

Sienna Senior Living Inc. (the "**Company**") and its predecessors have been operating since 1972. The Company is a seniors' living provider serving the continuum of independent living ("**IL**"), independent supportive living ("**ISL**"), assisted living ("**AL**"), memory care ("**MC**") and long-term care ("**LTC**" or "**Long-term Care**") through the ownership and operation of seniors' living residences in the Provinces of British Columbia, Saskatchewan, and Ontario. As at June 30, 2025, the Company owns and operates a total of 88 seniors' living residences: 42 retirement residences ("**RRs**" or "**Retirement Residences**") (including the Company's joint venture interest in 12 residences in Ontario and Saskatchewan, and 70% joint venture interest in one residence in Ontario); 34 LTC residences; and 12 seniors' living residences providing both private-pay IL and AL and funded LTC (including the Company's joint ownership in one residence in British Columbia). The Company also provides management services to 12 seniors' living residences in British Columbia, Alberta and Ontario.

The Company was incorporated under the Business Corporations Act (Ontario) on February 10, 2010 and was subsequently continued under the Business Corporations Act (British Columbia) on March 18, 2010. The Company closed the initial public offering of its common shares on March 23, 2010 and is traded on the Toronto Stock Exchange ("**TSX**") under the symbol "SIA".

The Company's business is carried on through a number of wholly owned limited partnerships and joint ventures formed under the laws of the Province of Ontario. The head office of the Company is located at 302 Town Centre Blvd., Suite 300, Markham, Ontario, L3R 0E8. The registered office of the Company is located at 700 West Georgia Street, Vancouver, British Columbia, V7Y 1B3.

As at June 30, 2025, the Company had outstanding 92,352,720 common shares.

2 Basis of preparation

These condensed interim consolidated financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting as issued by the International Accounting Standards Board (“IASB”).

Certain information and footnote disclosure normally included in annual financial statements prepared in accordance with IFRS® Accounting Standards as issued by the IASB ("IFRS Accounting Standards") have been omitted or condensed. These condensed interim consolidated financial statements should be read in conjunction with the Company's annual consolidated financial statements for the year ended December 31, 2024.

These condensed interim consolidated financial statements have been approved by the Board of Directors, and authorized for issuance on August 12, 2025.

3 Summary of material accounting policy information and significant judgments and estimates

In preparing these condensed interim consolidated financial statements, the accounting policies utilized are consistent with those utilized in the preparation of the annual audited consolidated financial statements for the year ended December 31, 2024.

Accounting standards issued but not yet applied

IFRS 18, Presentation and Disclosure in Financial Statements

In April 2024, IASB issued IFRS 18 *Presentation and Disclosure in Financial Statements* ("IFRS 18"), which will replace IAS 1 *Presentation of Financial Statements.* IFRS 18 introduces new requirements around the structure of profit or loss, disclosures in financial statement for management defined performance measures and principles on aggregation and disaggregation applied to primary financial statements and notes. IFRS 18 will be effective January 1, 2027. The Company is currently assessing the impact of IFRS 18 on our condensed interim consolidated Financial Statements and is in the process of completing our assessment as well as developing a transition plan.

There are no other accounting standards issued but not yet applied that would be expected to have a material impact on the Company.

4 Acquisitions

The table below summarizes all acquisitions completed as of June 30, 2025, with additional information discussed further below.

	Fair value of 30% interest in Nicola Care Community Lodge [1]	Alberta Portfolio [1]	Wildpine Residence [1]	Hazeldean Gardens Residence [1]	Total
Date of Acquisition	February 28, 2025	April 1, 2025	April 16, 2025	June 18, 2025	
Province	British Columbia	Alberta	Ontario	Ontario	
Cash	1,675	4	—	—	1,679
Property and equipment	22,301	184,523	45,900	83,344	336,068
Intangibles	4,072	4,400	1,650	3,125	13,247
Working capital	(1,345)	(1,042)	(279)	108	(2,558)
Net assets acquired at fair value	**26,703**	**187,885**	**47,271**	**86,577**	**348,436**
Cash consideration	15,343	30,031	22,338	81,577	149,289
Long-term debt assumed	11,360	157,854	24,933	—	194,147
Contingent consideration	—	—	—	5,000	5,000
Total consideration transferred	**26,703**	**187,885**	**47,271**	**86,577**	**348,436**
Cash consideration	15,343	30,031	22,338	81,577	149,289
Less: cash acquired	(1,675)	(4)	—	—	(1,679)
Net cash outflow arising on acquisition	**13,668**	**30,027**	**22,338**	**81,577**	**147,610**

[1] Provisional fair value of the identifiable assets acquired and liabilities of the acquisition as at the date of acquisition. The purchase price allocation is based on management's current best estimate of fair value. The actual allocation to certain identifiable net assets could vary as the purchase price allocation is finalized.

Acquisition of Remaining 30% Interest in Nicola Care Community Lodge

On February 28, 2025, the Company acquired the remaining 30% interest in Nicola Care Community Lodge ("**Nicola Lodge**" or "**Nicola**"), increasing its interest in Nicola Lodge from 70% to 100% **("Step-up Acquisition of Nicola")** and obtaining control of Nicola Lodge. The acquisition qualifies as a business combination as defined by IFRS 3 Business Combinations.

As part of the step-up acquisition to 100% ownership of Nicola Lodge, the previously held interest was deemed to be disposed and reacquired at fair value of $61,880, resulting in a gain of $12,596 recorded on the condensed interim consolidated statements of net income and comprehensive income.

The following table summarizes the provisional fair value of the identifiable assets acquired and liabilities of the acquired business as at acquisition date, as well as the consideration transferred.

	February 28, 2025
Assets	
Cash	5,583
Accounts receivable and other receivables	410
Prepaid expenses	620
Property and equipment	74,337
Intangible assets	13,573
Total assets	**94,523**
Liabilities	
Accounts payable and accrued liabilities	3,650
Government funding payable	1,863
Total liabilities	**5,513**
Net assets of Nicola Lodge	**89,010**
Fair value of 30% interest in Nicola Lodge	**26,703**
Satisfied by	
Cash consideration	15,343
Long-term debt assumed	11,360
Total consideration	**26,703**
Cash consideration	15,343
Less: cash acquired	(1,675)
Net cash outflow arising on acquisition	**13,668**

Acquisition-related costs (included in transaction costs) related to the Step-up Acquisition of Nicola were $86. As part of the Step-up Acquisition of Nicola, the Company assumed the remaining 30% of the existing property-level mortgage in the amount of $11,506 with a fair value of $11,360, bearing interest at a rate of 5.01% and maturing on August 1, 2041.

From February 28, 2025, Nicola Lodge contributed incremental revenue and net income of $3,067 and $376, respectively.

Alberta Portfolio Acquisition

On April 1, 2025, the Company completed its acquisition of a portfolio of four continuing care homes in Alberta, consisting of 540 suites in the Calgary Metropolitan Region, Edmonton, Fort Saskatchewan and Medicine Hat ("**Alberta Acquisition**") for an aggregate purchase price of $187.9 million, including working capital adjustments. The acquisition qualifies as a business combination as defined by IFRS 3 Business Combinations.

The Alberta Acquisition is subject to an additional contingent consideration of up to $4.0 million (undiscounted), if certain funding and performance targets are achieved prior to March 2026. The fair value of the contingent consideration was estimated to be insignificant by applying a probability-weighted approach based on management's best estimates of future performance outcomes and the likelihood of achieving specific targets. No contingent consideration was recognized as at acquisition date.

Acquisition-related costs (included in transaction costs) were $1,638.

As part of the Alberta Acquisition, the Company assumed property-level mortgages in the aggregate amount of $150.6 million, with a fair value of $157.9 million, bearing a weighted average interest rate of 4.6% and a remaining average term of approximately 4.3 years.

From April 1, 2025, Alberta Acquisition contributed revenue and net income of $11,682 and $496, respectively.

Wildpine Residence Acquisition ("Wildpine")

On April 16, 2025, the Company completed its acquisition of Wildpine, a 165-suite retirement residence in Ottawa, Ontario, for an aggregate purchase price of $47.3 million, including working capital adjustments. The acquisition qualifies as a business combination as defined by IFRS 3 Business Combinations.

Acquisition-related costs (included in transaction costs) were $1,339.

As part of the acquisition, the Company assumed $25.2 million of CMHC insured debt, with a fair value of $24.9 million, with an interest rate of 3.69% and a remaining term of approximately 7.4 years.

From April 16, 2025, Wildpine contributed revenue and net loss of $1,700 and $47, respectively.

Hazeldean Gardens Retirement Residence Acquisition ("Hazeldean")

On June 18, 2025, the Company completed its acquisition of Hazeldean, a 172-suite retirement residence consisting of 129 independent living (IL), 31 assisted living (AL), and 12 memory care (MC) units in Stittsville, a suburb located in Ottawa's west end for an aggregate purchase price of $86.6 million, including working capital adjustments and contingent consideration. The acquisition qualifies as a business combination as defined by IFRS 3 Business Combinations.

A maximum potential contingent consideration of $5,000 (undiscounted) has been recognized on the acquisition date in respect to an earn-out liability payable subject to meeting specified operation performance threshold targets over a two-year period from the date of acquisition. The fair value of the contingent consideration, determined based on the expected probable outcome, approximates its carrying amount as at both the acquisition date and June 30, 2025.

Acquisition-related costs (included in transaction costs) were $1,772.

From June 18, 2025, Hazeldean contributed revenue and net income of $489 and $217, respectively.

If all of the acquisitions described above had taken place on 1 January 2025, the Company's revenue for the three and six months ended June 30, 2025, would have been $24,526 and $48,742, respectively, and net income would have been $2,582 and $4,893, respectively.

5 Financial instruments

The following financial instruments are measured at amortized cost and the corresponding fair values as at June 30, 2025 and December 31, 2024 are disclosed in the table below:

	June 30, 2025		December 31, 2024	
	Carrying Value	**Fair Value**	Carrying Value	Fair Value
Financial Assets				
Current and long-term portion of construction funding receivable	**5,535**	**5,137**	6,201	5,953
Financial Liabilities				
Current and long-term portion of debt	**1,183,286**	**1,192,825**	1,012,345	1,005,059

Liquidity risk

Liquidity risk is the risk the Company may encounter difficulties in meeting its obligations associated with financial liabilities and commitments. The Company has credit agreements in place related to its long-term debt. These credit agreements contain a number of standard financial and other covenants. The Company was in compliance with all covenants on its borrowings as at June 30, 2025. A failure by the Company to comply with the obligations in these credit agreements could result in a default that, if not rectified or waived, could permit acceleration of the relevant indebtedness.

As at June 30, 2025, the Company had negative working capital (current assets less current liabilities) of $445,086 (December 31, 2024 - $223,237), which is primarily related to the timing of debt maturity and timing of settling accounts payable. To support the Company's working capital deficiency, the Company has available cash from operations, access to multiple sources of financing including available credit facilities.

6 Construction funding receivable

As at June 30, 2025, the Company is eligible to receive funding from the Government of Ontario of approximately $5,535 (December 31, 2024 - $6,201) related to the costs of developing or redeveloping eligible LTC residences. The receipt of this funding is subject to the condition that the residences continue to operate as long-term care residences for the period for which the residences are entitled to the construction funding. As at June 30, 2025, the condition for the funding has been met.

As at June 30, 2025, the weighted average remaining term of the construction funding is approximately 10.9 years (December 31, 2024 - 10.6 years). The fair value of the construction funding receivable is determined by discounting the expected future cash flows of the receivable using the applicable Government of Ontario bond rates. The following table summarizes the construction funding activity:

As at January 1, 2024	8,771
Add: Interest income earned	269
Less: Construction funding payments received	(2,839)
As at December 31, 2024	6,201
Add: Interest income earned	103
Less: Construction funding payments received	(769)
As at June 30, 2025	**5,535**
Less: Current portion	(1,360)
Long-term receivable	**4,175**

7 Property and equipment

	Land	Buildings	Furniture and fixtures	Automobiles	Computer hardware	Circulating equipment	Construction in progress	Right-of-use building and equipment[1]	Total
Cost									
As at January 1, 2025	137,981	1,272,271	95,522	2,763	22,078	1,377	150,704	6,252	1,688,948
Derecognition of previously held interest of Nicola (Note 4)	(6,036)	(36,967)	(3,300)	—	(43)	—	—	—	(46,346)
Acquisition of Nicola (Note 4)	11,800	61,537	1,000	—	—	—	—	—	74,337
Acquisitions (Note 4)	17,900	291,436	4,342	64	25	—	—	—	313,767
Additions[2]	71	8,014	4,441	—	1,131	—	51,526	448	65,631
As at June 30, 2025	**161,716**	**1,596,291**	**102,005**	**2,827**	**23,191**	**1,377**	**202,230**	**6,700**	**2,096,337**
Accumulated depreciation									
As at January 1, 2025	—	405,366	67,920	2,121	14,768	1,278	100	3,123	494,676
Derecognition of previously held interest of Nicola (Note 4)	—	(8,369)	(2,700)	—	(99)	—	—	—	(11,168)
Charges for the period	—	19,065	4,695	169	1,089	17	—	393	25,428
As at June 30, 2025	**—**	**416,062**	**69,915**	**2,290**	**15,758**	**1,295**	**100**	**3,516**	**508,936**
Net book value									
As at December 31, 2024	137,981	866,905	27,602	642	7,310	99	150,604	3,129	1,194,272
As at June 30, 2025	**161,716**	**1,180,229**	**32,090**	**537**	**7,433**	**82**	**202,130**	**3,184**	**1,587,401**

[1] Includes right-of-use building and related accumulated depreciation of $4,659 and $2,565, respectively (December 31, 2024 - $4,227 and $2,373, respectively), and the right-of-use equipment and related accumulated depreciation of $2,041 and $951, respectively (December 31, 2024 - $2,025 and $750, respectively).

[2] Includes government-funded capital expenditures for the three and six months ended June 30, 2025 of $1,962 and $8,572, respectively (2024 - $656 and $8,574, respectively), reduced by related government funding for the three and six months ended June 30, 2025 of $1,962 and $8,572, respectively (2024 - $656 and $8,574, respectively).

8 Intangible assets

	Indefinite life	Finite life			
	Licences	Resident relationships	Service contracts	Computer software	Total
Cost					
As at January 1, 2024	192,420	437	4,490	19,772	217,119
Derecognition[1]	—	—	(4,490)	—	(4,490)
Additions	—	—	—	2,075	2,075
As at December 31, 2024	192,420	437	—	21,847	214,704
Derecognition of previously held interest of Nicola (Note 4)	(13,421)	(437)	—	—	(13,858)
Acquisition of Nicola (Note 4)	12,066	1,507	—	—	13,573
Acquisitions (Note 4)	—	9,175	—	—	9,175
Additions	—	—	—	618	618
As at June 30, 2025	**191,065**	**10,682**	**—**	**22,465**	**224,212**
Accumulated amortization					
As at January 1, 2024	1,426	—	4,490	14,003	19,919
Derecognition	—	—	(4,490)	—	(4,490)
Charges for the period	—	146	—	3,191	3,337
As at December 31, 2024	1,426	146	—	17,194	18,766
Derecognition of previously held interest of Nicola (Note 4)	—	(171)	—	—	(171)
Charges for the period	—	577	—	475	1,052
As at June 30, 2025	**1,426**	**552**	**—**	**17,669**	**19,647**
Net book value					
As at December 31, 2024	190,994	291	—	4,653	195,938
As at June 30, 2025	**189,639**	**10,130**	**—**	**4,796**	**204,565**

[1] Relates to fully amortized resident relationships and service contracts as at December 31, 2024.

9 Goodwill

	June 30, 2025	December 31, 2024
Cost and carrying value at January 1, 2025	**164,903**	164,903
Derecognition of previously held interest (Note 4)	**(558)**	—
Cost and carrying value at June 30, 2025	**164,345**	164,903

10 Accounts payable and other liabilities

	June 30, 2025	December 31, 2024
Accounts payable and other liabilities	**69,982**	61,107
Accrued wages and benefits	**78,771**	77,556
Accrued interest payable	**6,982**	6,450
Dividends payable (Note 15)	**7,204**	6,448
Restructuring provision	**200**	260
Total	**163,139**	151,821

11 Long-term debt

	Interest rate	Maturity date	June 30, 2025	December 31, 2024
Series B Unsecured Debentures	3.450 %	February 27, 2026	**175,000**	175,000
Series C Unsecured Debentures	2.820 %	March 31, 2027	**125,000**	125,000
Series D Unsecured Debentures	4.436 %	October 27, 2029	**150,000**	150,000
Construction Loans	Floating	2025-2029	**18,181**	30,208
Credit facilities[(1)]	Floating	March 19, 2030	**20,000**	—
Mortgages at fixed rates	1.65% - 5.80%	2025-2041	**640,969**	461,381
Mortgages at variable rates	Floating	2025-2029	**62,526**	86,620
Lease liability	2.58% - 3.87%	2025-2030	**3,485**	3,434
			1,195,161	1,031,643
Fair value adjustments on acquired debt			**7,591**	1,815
Less: Deferred financing costs			**(19,466)**	(21,113)
Total debt			**1,183,286**	1,012,345
Less: Current portion			**(198,308)**	(72,233)
Long-term debt			**984,978**	940,112

[(1)] In June 2025, the Company extended its credit facilities with a syndicate of lenders for an additional one-year period expiring on March 19, 2030, substantially the same terms and conditions as the pre-existing agreement. Borrowings under the credit facilities bear an interest at Canadian Overnight Repo Rate Average plus credit spread adjustment plus 145 bps per annum (formerly under the discontinued banker's acceptance rate plus 145 bps per annum).

Credit facilities

The following table summarizes the Company's credit facilities activity:

	June 30, 2025	December 31, 2024
Credit facilities available	**310,500**	308,500
Amounts drawn under credit facilities	**(20,000)**	—
Utilized for letters of credit (Note 23)	**(689)**	(689)
Remaining available balance under credit facilities	**289,811**	307,811

Mortgages

The following table summarizes the scheduled maturities of the Company's property-level mortgages as at June 30, 2025:

	Mortgages			
Year	Regular Principal Repayments	Principal Due at Maturity	Total	% of Total
2025	**9,772**	**—**	**9,772**	1.4 %
2026	**20,125**	**—**	**20,125**	2.9 %
2027	**19,757**	**35,115**	**54,872**	7.8 %
2028	**15,194**	**125,154**	**140,348**	20.0 %
2029	**10,762**	**143,937**	**154,699**	22.0 %
2030	**9,454**	**25,373**	**34,827**	5.0 %
2031	**9,456**	**—**	**9,456**	1.3 %
Thereafter	**36,506**	**242,890**	**279,396**	39.6 %
	131,026	**572,469**	**703,495**	**100.0 %**

12 Net finance charges

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	**2025**	2024
Finance costs				
Interest expense on mortgages	**7,115**	5,888	**12,446**	11,939
Interest expense on debentures	**4,039**	3,543	**8,033**	7,087
Interest expense on construction loan	**322**	74	**859**	74
Interest expense on credit facilities	**254**	871	**468**	1,606
Interest expense on right-of-use assets	**30**	37	**62**	75
Amortization of financing charges and fair value adjustments on acquired debt	**603**	899	**1,556**	1,840
Net settlement receipt on interest rate swap contracts	**(108)**	(674)	**(256)**	(1,373)
Fair value loss on interest rate swap contracts	**92**	675	**659**	368
	12,347	11,313	**23,827**	21,616
Less: Interest capitalized on qualifying development projects	**(1,962)**	(1,303)	**(3,810)**	(1,303)
Net finance costs	**10,385**	10,010	**20,017**	20,313
Finance income				
Interest income on construction funding receivable	**50**	69	**103**	147
Other interest income	**874**	374	**1,936**	792
	924	443	**2,039**	939
Net finance charges	**9,461**	9,567	**17,978**	19,374

13 Income taxes

Total income tax expense for the year can be reconciled to the condensed interim consolidated statements of net income and comprehensive income as follows:

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	**2025**	2024
Income before provision for income taxes	**7,739**	8,448	**29,499**	35,405
Canadian combined income tax rate	**26.59 %**	26.59 %	**26.59 %**	26.59 %
Income tax expense	**2,058**	2,246	**7,844**	9,414
Adjustments to income tax provision:				
Non-deductible items	**(83)**	149	**117**	209
Book to filing adjustment	**288**	(33)	**268**	(33)
Other items	**79**	—	**79**	—
Provision for income taxes	**2,342**	2,362	**8,308**	9,590

The following are the deferred tax assets (liabilities) recognized by the Company and movements thereon during the six months ended June 30, 2025:

	Depreciable tangible and intangible assets	Share issuance	Construction funding interest	Other	Total
As at January 1, 2024	(52,111)	719	540	1,537	(49,315)
(Expenses) recovery in net income	(2,002)	(592)	(71)	3,608	943
Book to filing adjustment	(200)	—	—	283	83
Credit to equity	—	1,766	—	—	1,766
As at December 31, 2024	(54,313)	1,893	469	5,428	(46,523)
(Expenses) recovery in net income	(6,399)	(469)	(27)	2,940	(3,955)
Book to filing adjustment	—	—	—	(169)	(169)
Credit to equity	—	1,699	—	—	1,699
As at June 30, 2025	**(60,712)**	**3,123**	**442**	**8,199**	**(48,948)**

14 Share capital

Authorized

Unlimited number of common shares, without nominal or par value
Unlimited number of preferred shares, without nominal or par value

Issued and outstanding

	Common shares	Amount $
Balance, January 1, 2024	72,967,166	964,843
Dividend reinvestment plan	70,507	1,126
Long-term incentive plan, net of loans receivable	—	24
Common shares issued, net of share issuance costs	9,591,000	138,990
Common shares issued pursuant to SOAR program	32,327	471
Balance, December 31, 2024	82,661,000	1,105,454
Dividend reinvestment plan	525,071	8,373
Long-term incentive plan, net of loans receivable	—	53
Common shares issued, net of share issuance costs	9,108,000	139,102
Common shares issued pursuant to SOAR program	58,649	1,044
Balance, June 30, 2025	**92,352,720**	**1,254,026**

On February 27, 2025, the Company completed a bought-deal offering of 9,108,000 common shares of the Company at a price of $15.80 per common share for aggregate gross proceeds of $143,906. Issuance costs of $4,804, net of taxes of $1,699 (Note 13), were recorded against shareholders' equity.

Normal course issuer bid

On June 17, 2024, the Company received approval from the TSX on its notice of intention to renew its normal course issuer bid (**"NCIB"**) for a portion of the Company's common shares. Pursuant to the notice, the Company had the authority to acquire up to a maximum of 3,649,974 of its common shares for cancellation over the next 12 months. The NCIB expired on June 19, 2025.

No common shares were purchased pursuant to the Company's normal course issuer bid.

Dividend reinvestment plan

On November 11, 2024, the Company reinstated its dividend reinvestment plan ("**DRIP**") for eligible holders of common shares, which allows participants to reinvest cash dividends paid in respect of their common shares in additional common shares at a 3% discount.

Net income per share

Net income per share is calculated using the weighted average number of common shares outstanding for the three and six months ended June 30, 2025.

*At-The-Market Equity Distribution Program ("**ATM Program**")*

On May 6, 2025, Sienna established an ATM Program, which will allow the Company from time to time during favourable market conditions to issue up to $125 million of common shares to raise equity to fund its growth. As at June 30, 2025, no shares have been issued under this program.

15 Dividends

For the three and six months ended June 30, 2025, the Company paid monthly dividends of $0.078 per common share totaling $21,560 and $41,632, respectively (2024 - $17,080 and $34,154, respectively), which includes DRIP of $4,443 and $8,373, respectively (2024 - $nil and $nil, respectively). Dividends payable of $7,204 are included in accounts payable and other liabilities as at June 30, 2025 (December 31, 2024 - $6,448). Subsequent to June 30, 2025, the Board of Directors declared dividends of $0.078 per common share for July 2025 totaling $7,204.

16 Share-based compensation

*Restricted share units plan (**"RSUP"**)*

Total expenses related to the RSUP for the three and six months ended June 30, 2025 $2,246 and $3,701, respectively (2024 - $1,188 and $2,819, respectively), including mark-to-market adjustments and net of forfeitures, which were recognized in administrative expenses. During the six months ended June 30, 2025, 137,904 RSUs vested (2024 - 58,252) and were settled in cash, resulting in a decrease of $2,700 to the share-based compensation liability (2024 - $719). The total liability recorded as part of the share-based compensation liability as at June 30, 2025 was $7,818 (December 31, 2024 - $6,817).

A summary of the movement of the RSUs granted is as follows:

	Number of RSUs
Outstanding, January 1, 2024	453,138
Granted	236,455
Forfeited	(49,885)
Dividends reinvested & forfeiture	37,509
Settled in cash	(84,325)
Outstanding, December 31, 2024	592,892
Granted	203,089
Forfeited	(12,561)
Dividends reinvested & forfeiture	16,675
Settled in cash	(137,904)
Outstanding, June 30, 2025	**662,191**

*Deferred share units plan (**"DSUP"**)*

Total expenses related to the DSUP for the three and six months ended June 30, 2025 were $633 and $990, respectively (2024 - $301 and $805, respectively), including mark-to-market adjustments, which were recognized in administrative expenses. During the six months ended June 30, 2025, no DSUs vested (2024 - 17,691) and were settled in cash, resulting in a nil decrease to the share-based compensation liability (2024 - $235). The total liability recorded related to the DSUP as a part of the share-based compensation liability as at June 30, 2025 was $3,607 (December 31, 2024 - $2,617). The value of each deferred share unit is measured at each reporting date and is equivalent to the fair value of a common share at the reporting date.

A summary of the movement of the DSUs granted is as follows:

	Number of DSUs
Outstanding, January 1, 2024	178,591
Granted	32,107
Dividends reinvested & forfeiture	11,438
Settled in cash	(54,610)
Outstanding, December 31, 2024	167,526
Granted	16,670
Dividends reinvested & forfeiture	5,140
Outstanding, June 30, 2025	**189,336**

*Executive deferred share units plan (**"EDSUP"**)*

Total expenses related to the EDSUP for the three and six months ended June 30, 2025 were $415 and $749, respectively (2024 - $163 and $550, respectively), including mark-to-market adjustments, which were recognized in administrative expenses. During the six months ended June 30, 2025, no executive deferred share unit "EDSU" vested (2024 - 4,193) and settled in cash, resulting in a decrease of $nil to share-based compensation liability (2024 - $56). The total liability recorded related to the EDSUP as a part of the share-based compensation liability as at June 30, 2025 was $2,718 (December 31, 2024 - $1,969). The value of each vested EDSU is measured at each reporting date and is equivalent to the fair value of a common share of the Company at the reporting date.

A summary of the movement of the EDSUs granted is as follows:

	Number of EDSUs
Outstanding, January 1, 2024	133,386
Forfeited	(662)
Dividends reinvested & forfeiture	8,082
Settled in cash	(4,193)
Outstanding, December 31, 2024	136,613
Granted	13,369
Forfeited	(8,726)
Dividends reinvested & forfeiture	4,255
Outstanding, June 30, 2025	**145,511**

Total return swap contracts and mark-to-market adjustments on share-based compensation

Share-based compensation expense, under Notes 17 and 19, includes a fair value gain on Total Return Swap contracts for the three and six months ended June 30, 2025 of $1,565 and $2,211, respectively (2024 - fair value gain of $504 and $1,690, respectively) and mark-to-market expense on share-based compensation liability for the three and six months ended June 30, 2025 of $2,327 and $3,568, respectively (2024 - mark-to-market expenses of $754 and $2,441, respectively).

17 Key management compensation

The remuneration of key management is set out in aggregate for each of the categories below:

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	**2025**	2024
Salaries and short-term employee benefits	**1,756**	1,458	**3,463**	3,383
Share-based compensation expense	**1,377**	1,064	**2,591**	2,075
	3,133	2,522	**6,054**	5,458

18 Economic dependence

The Company holds licences related to each of its LTC residences and receives funding from the applicable health authorities related to those licences, which are included in revenues. Funding for incremental costs of specific initiatives is provided in addition to ongoing long-term care funding, all of which are subject to periodic reconciliations with the regulatory authorities. Funding for the incremental costs is required to be spent entirely on resident care, with any excess amounts not allocated to direct resident care or specific purpose is required to be returned to the regulatory authorities. During the three and six months ended June 30, 2025, the Company received approximately $149,948 and $288,023, respectively (2024 - $158,829 and $295,796, respectively) in funding.

For the six months ended June 30, 2025, approximately 78%, 68% and 66% (2024 - 87%, 73% and nil) of revenue from the Company's Ontario LTC residences, British Columbia LTC residences and Alberta LTC residences are received from the applicable health authorities, respectively. The rest of the LTC segment's revenue are received from resident co-payments.

19 Administrative expenses

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	**2025**	2024
General and administrative expenses	**8,208**	7,158	**15,842**	15,071
SOAR program	**1,044**	471	**1,044**	471
Share-based compensation expense	**1,729**	1,148	**3,229**	2,484
Total administrative expenses	**10,981**	8,777	**20,115**	18,026

20 Expenses and other items by category

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	**2025**	2024
Salaries, benefits and people costs	**157,907**	127,292	**308,129**	254,088
Depreciation and amortization	**14,423**	12,959	**26,480**	25,158
Food	**10,793**	9,361	**20,225**	18,372
Purchased services and non-medical supplies	**7,229**	7,412	**15,599**	15,346
Property taxes	**4,052**	3,887	**7,843**	7,343
Utilities	**4,521**	4,467	**10,928**	10,172
Share of net (gain) loss in joint ventures	**(249)**	2,409	**1,578**	5,421
Net finance charges	**9,461**	9,567	**17,978**	19,374
Share-based compensation expense	**1,729**	1,148	**3,229**	2,484
Transaction costs	**4,849**	1,214	**6,940**	1,624
Gain on remeasurement of previously held interest in joint operation (Note 4)	**—**	—	**(12,596)**	—
SOAR program	**1,044**	471	**1,044**	471
Other [(1)]	**20,256**	21,888	**41,123**	46,215
Total expenses and other items	**236,015**	202,075	**448,500**	406,068

[(1)] Other expenses primarily relates to medical supplies, information technology costs, professional fees, insurance and maintenance and equipment.

21 Segmented information

Segmented information is presented in respect of the Company's business segments. The business segments are based on the Company's management and internal reporting structure. The Company operates solely within Canada, hence no geographical segment disclosures are presented. Inter-segment pricing is determined on an arm's length basis. Segment results and assets include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

The accounting policies of the business segments are the same as those for the Company and is presented on a proportionate share basis in the manner which our chief operation decision maker reviews the financial information. The "**Adjustments for Joint Ventures**" column shows the adjustments to account for Sienna-Sabra LP and Sienna-RSH Niagara Falls LP using the equity method, as applied in these condensed interim consolidated financial statements.

The Company is comprised of the following main business segments:

- Retirement - this segment consists of 42 retirement residences, of which 5 are located in Saskatchewan, 4 are located in British Columbia and 33 are located in Ontario, and the retirement residences management services business;
- LTC - this segment consists of 34 LTC residences located in Ontario, eight seniors' living residences located in British Columbia, 4 seniors' living residences located in Alberta, and the LTC management services business; and
- Corporate, Eliminations and Other - this segment represents the results of head office, intercompany eliminations and other items that are not allocated to the segments.

21 Segmented information (continued):

	Three months ended June 30, 2025				
	Retirement [1]	LTC	Corporate, eliminations and other	Adjustments for Joint Ventures [4]	Total
Gross revenue	60,849	196,660	21,759	(9,851)	269,417
Less: Internal revenue	—	(3,904)	(21,759)	—	(25,663)
Net revenue	60,849	192,756	—	(9,851)	243,754
Operating expense	37,405	165,574	—	(6,429)	196,550
Depreciation and amortization	8,568	7,560	908	(2,613)	14,423
Administrative expense	—	—	10,981	—	10,981
Share of net gain in joint ventures	—	—	—	(249)	(249)
Finance costs	5,487	2,582	2,851	(535)	10,385
Finance income	(9)	(88)	(833)	6	(924)
Transaction costs	2,778	437	1,665	(31)	4,849
Provision for income taxes	—	—	2,342	—	2,342
Net income (loss)	6,620	16,691	(17,914)	—	5,397
Additions to property and equipment [2] [3]	140,220	205,798	1,244	—	347,262
Additions to intangible assets [3]	4,774	4,412	339	—	9,525

[1] For the three months ended June 30, 2025, the Retirement segment recognized accommodation revenues of $27,991 and service revenues of $32,858.
[2] Includes government-funded capital expenditures for the three months ended June 30, 2025 of $1,962.
[3] Includes additions related to acquisitions (see Note 4).
[4] Adjustments to present Sienna-Sabra LP and Sienna-RSH Niagara Falls LP using the equity method, as applied in the condensed interim consolidated financial statements.

21 Segmented information (continued):

	Three months ended June 30, 2024				
	Retirement [1]	LTC	Corporate, eliminations and other	Adjustments for Joint Ventures [3]	Total
Gross revenue	54,953	168,472	19,087	(8,964)	233,548
Less: Internal revenue	—	(3,938)	(19,087)	—	(23,025)
Net revenue	54,953	164,534	—	(8,964)	210,523
Operating expense	34,914	138,563	—	(6,328)	167,149
Depreciation and amortization	9,888	5,942	1,504	(4,375)	12,959
Administrative expense	—	—	8,777	—	8,777
Share of net loss in joint ventures	—	—	—	2,409	2,409
Finance costs	5,537	1,696	3,456	(679)	10,010
Finance income	(9)	(139)	(304)	9	(443)
Transaction costs	160	764	290	—	1,214
Provision for income taxes	—	—	2,362	—	2,362
Net income (loss)	4,463	17,708	(16,085)	—	6,086
Additions to property and equipment [2]	9,905	23,416	136	—	33,457
Additions to intangible assets	4	—	527	—	531

[1] For the three months ended June 30, 2024, the Retirement segment recognized accommodation revenues of $25,828 and service revenues of $29,125.
[2] Includes government-funded capital expenditures for the three months ended June 30, 2024 of $656.
[3] Adjustments to present Sienna-Sabra LP and Sienna-RSH Niagara Falls LP using the equity method, as applied in the condensed interim consolidated financial statements.

21 Segmented information (continued):

	Six months ended June 30, 2025				
	Retirement [1]	LTC	Corporate, eliminations and other	Adjustments for Joint Ventures [4]	Total
Gross revenue	119,320	386,160	43,049	(19,611)	528,918
Less: Internal revenue	—	(7,870)	(43,049)	—	(50,919)
Net revenue	119,320	378,290	—	(19,611)	477,999
Operating expense	74,728	326,374	—	(13,097)	388,005
Depreciation and amortization	18,497	13,233	1,787	(7,037)	26,480
Administrative expense	—	—	20,115	—	20,115
Share of net loss in joint ventures	—	—	—	1,578	1,578
Finance costs	11,436	3,651	6,025	(1,095)	20,017
Finance income	(15)	(190)	(1,846)	12	(2,039)
Transaction costs	2,625	1,274	3,013	28	6,940
Gain on remeasurement of previously held interest in joint operation (Note 4)	—	(12,596)	—	—	(12,596)
Provision for income taxes	—	—	8,308	—	8,308
Net income (loss)	12,049	46,544	(37,402)	—	21,191
Additions to property and equipment [2] [3]	152,955	263,795	1,807	—	418,557
Additions to intangible assets [3]	4,774	4,295	610	—	9,679

[1] For the six months ended June 30, 2025, the Retirement segment recognized accommodation revenues of $55,472 and service revenues of $63,848.
[2] Includes government-funded capital expenditures for the six months ended June 30, 2025 of $8,572.
[3] Includes additions related to acquisitions, net of derecognition of previously held interest in Nicola (see Note 4).
[4] Adjustments to present Sienna-Sabra LP and Sienna-RSH Niagara Falls LP using the equity method, as applied in the condensed interim consolidated financial statements.

21 Segmented information (continued):

	Six months ended June 30, 2024				
	Retirement [1]	LTC	Corporate, eliminations and other	Adjustments for Joint Ventures [3]	Total
Gross revenue	108,204	358,555	36,953	(17,398)	486,314
Less: Internal revenue	—	(7,888)	(36,953)	—	(44,841)
Net revenue	108,204	350,667	—	(17,398)	441,473
Operating expense	70,415	278,957	—	(12,907)	336,465
Depreciation and amortization	19,743	11,811	2,349	(8,745)	25,158
Administrative expense	—	—	18,026	—	18,026
Share of net loss in joint ventures	—	—	—	5,421	5,421
Finance costs	10,035	3,426	8,041	(1,189)	20,313
Finance income	(22)	(283)	(656)	22	(939)
Transaction costs	160	925	539	—	1,624
Provision for income taxes	—	—	9,590	—	9,590
Net income (loss)	7,873	55,831	(37,889)	—	25,815
Purchase of property and equipment, net of disposals [2]	19,170	34,239	356	—	53,765
Purchase of intangible assets	4	—	1,062	—	1,066

[1] For the six months ended June 30, 2024, the Retirement segment recognized accommodation revenues of $50,856 and service revenues of $57,348.
[2] Includes government-funded expenditures for the six months ended June 30, 2024 of $8,574.
[3] Adjustments to present Sienna-Sabra LP and Sienna-RSH Niagara Falls LP using the equity method, as applied in the condensed interim consolidated financial statements.

21 Segmented information (continued):

	As at June 30, 2025				
	Retirement	**LTC**	**Corporate, eliminations and other**	**Adjustments for Joint Venture [1]**	**Total**
Total assets	**1,009,349**	**1,184,814**	**17,411**	**(52,369)**	**2,159,205**

	As at December 31, 2024				
	Retirement	LTC	Corporate, eliminations and other	Adjustments for Joint Venture [1]	Total
Total assets	879,973	921,841	111,726	(53,733)	1,859,807

[1] Adjustments to present Sienna-Sabra LP and Sienna-RSH Niagara Falls LP using the equity method, as applied in the condensed interim consolidated financial statements.

	As at June 30, 2025				
	Retirement	**LTC**	**Corporate, eliminations and other**	**Adjustments for Joint Venture [1]**	**Total**
Total liabilities	**513,007**	**537,875**	**552,596**	**(52,369)**	**1,551,109**

	As at December 31, 2024				
	Retirement	LTC	Corporate, eliminations and other	Adjustments for Joint Venture [1]	Total
Total liabilities	506,479	382,958	543,382	(53,733)	1,379,086

[1] Adjustments to present Sienna-Sabra LP and Sienna-RSH Niagara Falls LP using the equity method, as applied in the condensed interim consolidated financial statements.

22 Joint arrangements

A joint arrangement can be a joint venture or a joint operation. In a joint venture, the parties that have joint control of the arrangement have the rights to the net assets of the arrangement. In a joint operation, the parties that have joint control of the arrangement have the rights to the assets, and obligations for the liabilities, relating to the arrangement. The following are the Company's joint arrangements as at June 30, 2025:

Joint Arrangements	Number of properties	Sienna ownership	Joint arrangement type	Accounting treatment	Investment in joint venture balance as at June 30, 2025	Share of net loss from joint venture for the six months ended June 30, 2025
Sienna-RSH Niagara Falls LP	1	70%	Joint venture	Equity	4,838	(528)
Sienna-Sabra LP	12	50%	Joint venture	Equity	121,710	(1,049)
Sienna Baltic Development LP [(1)]	1	77%	Joint operation	Proportionate	N/A	N/A
Other	N/A	50%	Joint venture	Equity	199	(1)
Total					126,747	(1,578)

[(1)] The Company owns 100% of Sienna Baltic Development LP which owns 77% of Glenmore Lodge Community.

Joint ventures

Sienna-RSH Niagara Falls LP

On February 7, 2020, the Company formed a joint venture with a third party for the purpose of developing a retirement residence in Niagara Falls, Ontario, which began operating in Q1 2024. The Company owns a 70% interest in this joint venture. The Company has accounted for this joint venture using the equity method of accounting, since this joint arrangement is structured through a separate legal vehicle, and the Company has rights to the net assets of the arrangement.

The following tables outline the Company's investment in this joint venture, and the Company's share of the joint venture's net loss.

Investment in joint venture as at January 1, 2025	4,666
Contributions to joint venture	700
Share of net loss in joint venture	(528)
Investment in joint venture as at June 30, 2025	**4,838**

Statements of Financial Position of Joint Venture	**June 30, 2025**	December 31, 2024
Current assets	**94**	266
Long-term assets	**46,641**	47,248
Total assets	**46,735**	47,514
Current liabilities	**848**	1,872
Long-term liabilities	**38,976**	38,976
Total liabilities	**39,824**	40,848
Net assets	**6,911**	6,666
Sienna's share of net investment in joint venture (70%)	**4,838**	4,666

	Three months ended June 30,		Six months ended June 30,	
Statements of Net Income of Joint Venture	**2025**	2024	**2025**	2024
Revenue	**1,512**	**704**	**2,857**	**935**
Expenses and other items				
Operating expenses	**1,082**	846	**2,151**	1,636
Depreciation and amortization	**210**	242	**415**	483
Net finance charges	**504**	701	**1,045**	1,158
	1,796	1,789	**3,611**	3,277
Net loss	**(284)**	(1,085)	**(754)**	(2,342)
Sienna's share of net loss in joint venture (70%)	**(199)**	(759)	**(528)**	(1,639)

Sienna-Sabra LP ("SSLP")

The Company owns 50% interest in this joint venture. The Company has accounted for this joint venture using the equity method of accounting, since this joint arrangement is structured through a separate legal vehicle, and the Company has rights to the net assets of the arrangement.

The following tables outline the Company's investment in this joint venture, and the Company's share of the joint venture's net loss.

Investment in joint venture as at January 1, 2025	127,109
Distribution received from joint venture	(4,350)
Share of net loss in joint venture	(1,049)
Investment in joint venture as at June 30, 2025	**121,710**

Statements of Financial Position of Joint Venture	**June 30, 2025**	December 31, 2024
Current assets	**10,860**	11,013
Long-term assets	**281,495**	293,483
Total assets	**292,355**	304,496
Current liabilities	**6,858**	7,411
Long-term liabilities	**42,077**	42,868
Total liabilities	**48,935**	50,279
Net assets	**243,420**	254,217
Sienna's share of net investment in joint venture (50%)	**121,710**	127,109

	Three months ended June 30,		Six months ended June 30,	
Statements of Net Income of Joint Venture	**2025**	2024	**2025**	2024
Revenue	**17,584**	16,942	**35,221**	33,487
Expenses and other items				
Operating expenses	**11,338**	11,471	**23,180**	23,523
Depreciation and amortization	**4,930**	8,412	**13,492**	16,814
Net finance charges	**352**	359	**702**	713
Transaction costs	**66**	—	**(55)**	—
	16,686	20,242	**37,319**	41,050
Net income (loss)	**898**	(3,300)	**(2,098)**	(7,563)
Sienna's share of net income (loss) in joint venture (50%)	**449**	(1,650)	**(1,049)**	(3,782)

Related party transactions occur between Sienna and its joint ventures. These related party transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to between the related parties. Except as disclosed elsewhere in these condensed interim consolidated financial statements, the related party balances are included in accounts receivable and payable, and in management fee revenue, as applicable. As of June 30, 2025, $166 (December 31, 2024 - $295) of the Company's accounts receivable related to its investments in joint ventures. For the three and six months ended June 30, 2025, $317 and $671, respectively (2024 - $310 and $694, respectively) of the Company's management fees related to its investment in joint ventures.

Joint operations

Sienna Baltic Development LP

On September 14, 2023, the Company entered into an agreement to acquire the remaining 60% interest in Nicola Lodge through two closings. The first closing, which occurred on December 31, 2023, resulted in the acquisition of a 30% interest. On February 28, 2025, the Company acquired all remaining interests, increasing from 70% to 100% and obtained control. This resulted in Nicola Lodge no longer being a joint operation (refer to Note 4).

As at December 31, 2024, the Company's share of net assets of Nicola Lodge was $22,298. For the two months of January and February 2025, the Company's share of net income in Nicola Lodge was $220 (For the three months and six months ended June 30, 2024 - $260 and $1,140, respectively).

The Company's joint arrangement in Glenmore Lodge Community ("**Glenmore Lodge**") is a joint operation, since the parties that have joint control of the arrangements have right to the assets, and obligations for the liabilities, Glenmore Lodge.

The following tables outline the net assets and net income for Nicola Lodge (prior to being wholly owned) and Glenmore Lodge. The Company's share of Nicola Lodge is 70% prior to the Step-up Acquisition and 77% of Glenmore Lodge. Both have been recognized in the condensed interim consolidated financial statements.

Statements of Financial Position of Joint Operation	**June 30, 2025**	December 31, 2024[(1)]
Current assets	**3,403**	10,492
Long-term assets	**28,668**	99,943
Total assets	**32,071**	110,435
Current liabilities	**4,972**	12,988
Long-term liabilities	**18,989**	57,141
Total liabilities	**23,961**	70,129
Net assets	**8,110**	40,306
Sienna's share of net assets	**6,266**	28,827

[(1)] Includes results the Company's share in Nicola Lodge at 70% prior to the Step-up Acquisition.

As at June 30, 2025, the Company's share of net assets in Glenmore Lodge was $6,266 (December 31, 2024 - $6,529).

	Three months ended June 30,		Six months ended June 30,	
Statements of Net Income of Joint Operations	**2025**	2024	**2025**[1]	2024[2]
Revenue	**3,229**	10,233	**11,310**	23,084
Expenses and other items				
Operating, net	**2,685**	8,358	**9,295**	16,672
Depreciation and amortization	**177**	809	**736**	1,721
Net finance charges	**204**	600	**698**	1,208
Net income	**163**	466	**581**	3,483
Sienna's share of net income	**127**	331	**427**	2,572

[1] Includes results of Nicola Lodge for the two months ended February 28, 2025 at 70% ownership.
[2] Includes results of Nicola Lodge for the twelve months in 2024 at 70% ownership.

For the three and six months ended June 30, 2025, the Company's share of net income in Glenmore Lodge is $127 and $207, respectively (June 30, 2024 - $71 and $1,432, respectively).

23 Commitments and contingencies

Contractual commitments

On May 21, 2025, the Company extended its Markham corporate office lease by one year to October 31, 2030, and agreed to lease an additional 7,500 square feet for five years, commencing on November 1, 2025.

The Company also has various leases for office and other equipment that expire over the next four years.

On February 14, 2025, the Company entered into a purchase agreement to acquire Cawthra Gardens, a 192-bed Class A long-term care home in Mississauga, Ontario for a gross purchase price of $32.6 million, subject to certain customary adjustments and a $2.0 million capital allowance which the Company plans to use within the first twelve months after closing. The acquisition will be financed through use of general corporate funds. The transaction is subject to regulatory approvals and customary closing conditions, and is expected to close in Q3 2025.

On June 16, 2025, the Company entered into a purchase agreement to acquire Credit River Retirement Residence, a 133-suite retirement residence, consisting of 84 independent living (IL), 25 assisted living (AL), and 24 memory care (MC) units in Streetsville, Ontario for a gross purchase price of $60.2 million. The acquisition will be financed through use of general corporate funds. The transaction is subject to regulatory approvals and customary closing conditions, and is expected to close in Q3 2025.

Letters of credit

As at June 30, 2025, the Company was contingently liable for letters of credit in the amount of $689 (December 31, 2024 - $689).

Legal Proceedings

The Company is subject to various legal proceedings and claims that arise in the ordinary course of business. These matters are generally covered by insurance other than the deductible amounts of the claims. Management believes the final outcome of such matters will not have a material adverse impact on the business, operating results and financial condition of the Company. However, actual outcomes may differ from management's expectations.

On January 21, 2022, the Superior Court of Justice (the "**Court**") made an order consolidating six proposed class actions in the form ordered by the Court. The aggregate amount of damages claimed in the consolidated claim against the Company is $260,000.

On March 7, 2024, the Court issued its decision certifying the consolidated claim against the Company on the terms set out in the decision, namely only in respect of the Ontario long term care homes owned by the Company and with a gross negligence cause of action.

The Company intends to continue to vigorously defend itself against the consolidated claim.

Given the status of the proceedings, management is unable to assess the potential impact of the consolidated claim on the Company's financial results, and accordingly no provision has been recorded in the condensed interim consolidated financial statements as at June 30, 2025 and December 31, 2024.

On November 20, 2020, the Government of Ontario enacted the Supporting Ontario's Recovery Act (the "**Recovery Act**"). The Recovery Act provides civil liability protection to organizations that made a good faith effort to follow public health guidance and COVID-19 related laws, and did not act with gross negligence. The Recovery Act also deems existing civil proceedings related to COVID-19 exposure to be dismissed without costs and will bar future proceedings from being brought, as long as the defendant acted in good faith and not with gross negligence.

Pay Equity Claim Proceedings

The Company along with a number of other industry participants and the Ontario Government are currently engaged in various proceedings with several unions regarding pay equity maintenance for employees at long-term care facilities, for which wages and benefits are typically funded by the MLTC. In one such proceeding, the Supreme Court of Canada denied leave to appeal and upheld the appellate court ruling that the proxy method should be used and comparisons should be made to an external sector employer. The Company and the other participants in the long-term care sector are working with the unions and government to assess the impact of the ruling and establish a framework for pay equity suitable for the sector.

Given the current status of the various proceedings and significant number of judgements required in establishing the pay equity framework that will impact the measurement of any potential provision, including ongoing discussions with the unions amongst the parties, management has assessed the conditions required for a provision and have concluded that it is not possible to reliably measure the potential outflow of resources, and accordingly no provision has been recorded in the condensed interim consolidated financial statements as at June 30, 2025 and December 31, 2024.