



A Leading Owner-Operator of Senior Living Communities and Services

Investor Presentation



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May 23rd, 2022

Forward Looking Statements

This presentation contains forward-looking statements which, are subject to certain risks and uncertainties that could cause the actual results and financial condition of Sonida Senior Living, Inc. (the “Company,” “we,” “our” or “us”) to differ materially from those indicated in the forward-looking statements, including, among others, the risks, uncertainties and factors set forth under “Item. 1A. Risk Factors” in our Annual Report on Form 10-K for the fiscal year ended December 31, 2021, filed with the Securities and Exchange Commission (the “SEC”) on April 15, 2022, and also include the following: the impact of COVID-19, including the actions taken to prevent or contain the spread of COVID-19, the transmission of its highly contagious variants and sub-lineages and the development and availability of vaccinations and other related treatments, or another epidemic, pandemic or other health crisis; the Company’s ability to generate sufficient cash flows from operations, additional proceeds from debt financings or refinancings, and proceeds from the sale of assets to satisfy its short and long-term debt obligations; increases in market interest rates that increase the cost of our debt obligations; increased competition for, or a shortage of, skilled workers, including due to the COVID-19 pandemic or general labor market conditions, along with wage pressures resulting from such increased competition, low unemployment levels, use of contract labor, minimum wage increases and/or changes in overtime laws; the Company’s ability to obtain additional capital on terms acceptable to it; the Company’s ability to extend or refinance its existing debt as such debt matures; the Company’s compliance with its debt agreements, including certain financial covenants and the terms and conditions of its recent forbearance agreements, and the risk of cross-default in the event such non-compliance occurs; the Company’s ability to complete acquisitions and dispositions upon favorable terms or at all; the risk of oversupply and increased competition in the markets which the Company operates; the Company’s ability to improve and maintain controls over financial reporting and remediate the identified material weakness discussed in its recent Quarterly and Annual Reports filed with the SEC; the departure of the Company’s key officers and personnel; the cost and difficulty of complying with applicable licensure, legislative oversight, or regulatory changes; risks associated with current global economic conditions and general economic factors such as inflation, the consumer price index, commodity costs, fuel and other energy costs, competition in the labor market, costs of salaries, wages, benefits, and insurance, interest rates, and tax rates; and changes in accounting principles and interpretations for information about the Company, visit www.sonidaseniorliving.com.

Non-GAAP Financial Measures

This presentation contains financial measures (1) same-store Resident Revenue, (2) same-store Adjusted Operating Expenses, (3) same-store Net Operating Income and (4) same-store Net Operating Income Margin which are not calculated in accordance with U.S. Generally Accepted Accounting Principles ("GAAP"). Presentations of these non-GAAP financial measures are intended to aid investors in better understanding the factors and trends affecting the Company's performance and liquidity. However, investors should not consider these non-GAAP financial measures as a substitute for financial measures determined in accordance with GAAP, including net income (loss), income (loss) from operations, or net cash provided by (used in) operating activities. Investors are cautioned that amounts presented in accordance with the Company's definitions of these non-GAAP financial measures may not be comparable to similar measures disclosed by other companies because not all companies calculate non-GAAP measures in the same manner. Investors are urged to review the following reconciliations of these non-GAAP financial measures from the most comparable financial measures determined in accordance with GAAP.

Same-store Resident Revenue is a non-GAAP performance measure for the Company's portfolio of 60 continuing communities that excludes revenue from non-same-store communities acquired or divested in the presented periods. Same-store Adjusted Operating Expenses, Net Operating Income and Same-store Net Operating Income Margin are non-GAAP performance measures for the Company's portfolio of 60 continuing communities that the Company defines as net income (loss) excluding: general and administrative expenses, interest income, interest expense, other income/expense, provision for income taxes, settlement fees and expenses, revenue and operating expenses from the Company's disposed properties; and further adjusted to exclude income/expense associated with non-cash, non-operational, transactional, or organizational restructuring items that management does not consider as part of the Company's underlying core operating performance and that management believes impact the comparability of performance between periods. For the periods presented herein, such other items include facility lease expense, stock-based compensation expense, depreciation and amortization expense, long-lived asset impairment, gain/loss on facility lease modification and termination, gain on extinguishment of debt and loss on disposition of assets.

The Company believes that presentation of same-store Resident Revenue, Adjusted Operating Expenses, Net Operating Income and Net Operating Income Margin as performance measures are useful to investors because (i) they are some of the metrics used by the Company's management to evaluate the performance of our core portfolio of 60 continuing communities, to review the Company's comparable historic and prospective core operating performance of the 60 continuing communities, and to make day-to-day operating decisions; (ii) they provide an assessment of operational factors that management can impact in the short-term, namely revenues and the controllable cost structure of the organization, by eliminating items related to the Company's financing and capital structure and other items that management does not consider as part of the Company's underlying core operating performance and that management believes impact the comparability of performance between periods.

Same-store Adjusted Operating Expenses, Net Operating Income and Same-store Net Operating Income Margin have material limitations as a performance measure, including: (i) excluded interest is necessary to operate the Company's business under its current financing and capital structure; (ii) excluded depreciation, amortization and impairment charges may represent the wear and tear and/or reduction in value of the Company's communities, and other assets and may be indicative of future needs for capital expenditures; and (iii) the Company may incur income/expense similar to those for which adjustments are made, such as gain/loss on sale of assets, facility lease termination, or debt extinguishment, non-cash stock-based compensation expense, and transaction and other costs, and such income/expense may significantly affect the Company's operating results.

Leading Operator of Senior Housing and Services



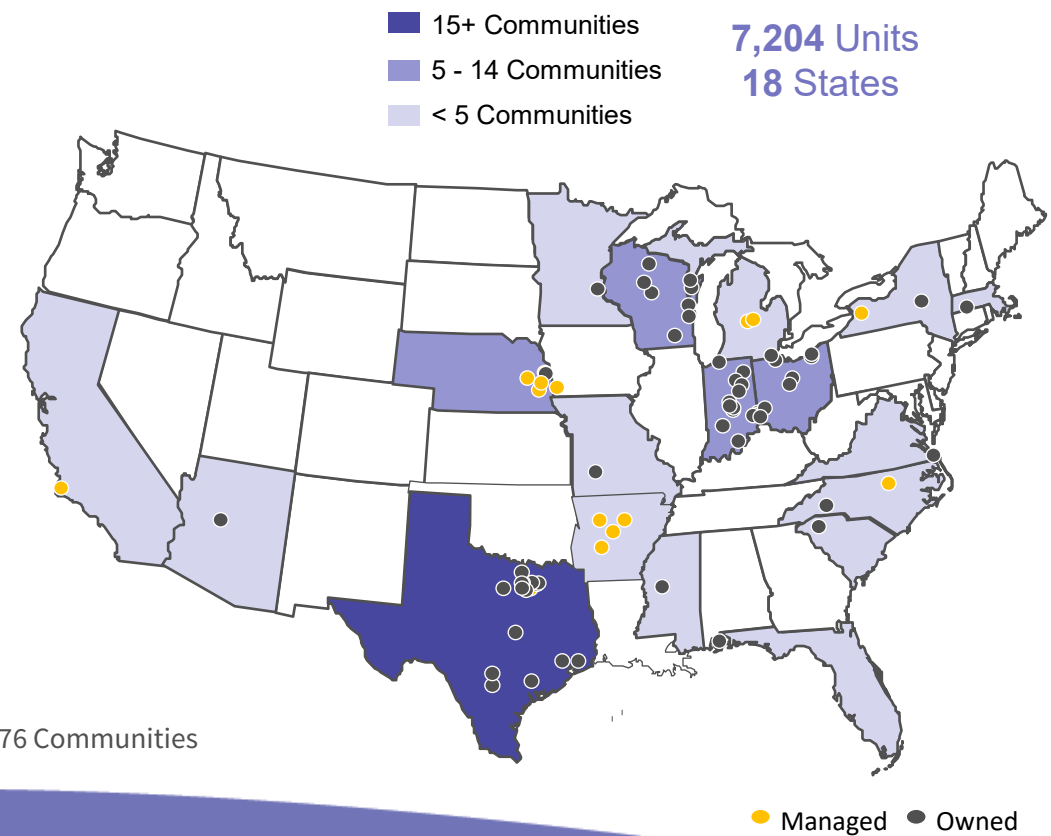
76
Communities
62 Owned
14 Managed

9,500+
Resident
Capacity

30+
Year
History

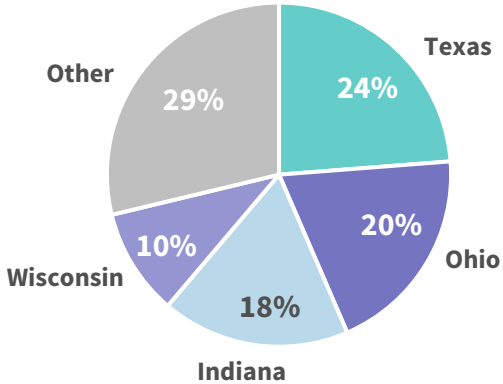
81.8%
2022 YTD Weighted Avg
Occupancy
62 owned communities

3,000+
Employees

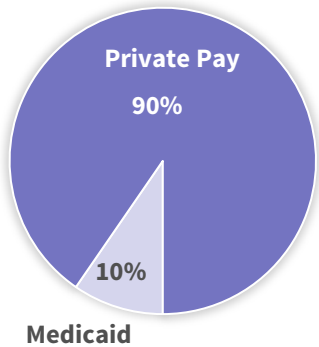


76 Communities

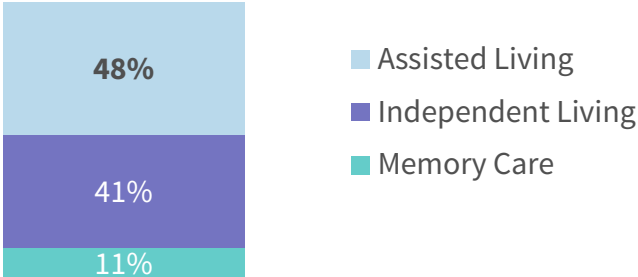
Attractive Markets and Resident Demographics²



Attractive Private Pay Focus²



Balanced Unit Mix Supports Target Market Profile²



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¹ Data through March 31, 2022.
² Q1 2022 data for the Company's same-store 60 owned communities. Excludes data for 2 communities acquired after December 31, 2021.

Same-Store Growth

Four consecutive quarters of occupancy and revenue growth

Occupancy up 680 bps YoY to 82.3%

NOI up 13.3% sequentially from Q4 '21

REVPAR up 12.2% YoY and 2.5% from Q4 '21

REVPOR up 3.2% YoY and 1.4% from Q4 '21

New phase of growth strategy commenced with the acquisition of two communities in Indiana

Talent

Further strengthened leadership team with new talent, including Chief Financial Officer and Chief Accounting Officer

Financial Foundation

Balance sheet improved with \$80 million debt refinancing to address all mortgage debt maturities through mid-2024

2022 Strategic Priorities



Continued development of a people-centered culture and resident programming

Strength of local and regional leadership drives staff retention and resident satisfaction

Enhance revenue growth through investment in the resident experience and community physical plant

Improved offerings developed for memory care, resident wellness and culinary experience

Capital improvements completed throughout 2022 support continued occupancy growth



Improve margin flow-through with strategic staffing solution and enhanced purchasing practices

Recruiting, retention and flexible staffing initiatives optimize wage scale investments and reduce premium staffing costs

Q1 2022 Same-Store Financial Comparisons *

	1Q22	4Q21	1Q21	Q-O-Q Change	Y-O-Y Change
Weighted Average Occupancy	82.3%	81.3%	75.5%	100 bps	680 bps
RevPAR	\$ 2,997	\$ 2,924	\$ 2,670	2.5%	12.2%
RevPOR	\$ 3,644	\$ 3,594	\$ 3,531	1.4%	3.2%
Resident Revenue ^(1, 2)	\$ 50.5	\$ 49.4	\$ 45.0	2.2%	12.2%
Adjusted Operating Expenses ^(1,3)	\$ 40.3	\$ 40.4	\$ 36.1	(.2%)	11.6%
NOI (60 Properties) ⁽¹⁾	\$ 10.2	\$ 9.0	\$ 9.0	13.3%	13.3%
NOI Margin ⁽¹⁾	20.2%	18.2%	20.0%	200 bps	20 bps

\$ in Millions except RevPAR and RevPOR

- (1) Amounts are not calculated in accordance with GAAP. See page 3 for the Company's disclosure regarding non-GAAP financial measures.
- (2) Resident revenue excludes non-same-store communities' revenues for the two Indiana properties acquired by the Company in February 2022 and the communities transitioned in the first quarter of 2021.
- (3) Adjusted operating expense is calculated as operating expense excluding professional fees, settlement expense, non-income tax, non-property tax, casualty gains and losses, operating expense for non-continuing communities and other expenses. Other expenses include corporate operating expenses not allocated to the 60 continuing communities.

* Results for the Company's 60 owned communities operated in all comparative periods.

Key Takeaways

- Comparing the occupancy low point of the COVID-19 pandemic (March 2021), weighted average monthly occupancy has **increased 710 basis points** to 82.6% a year later.

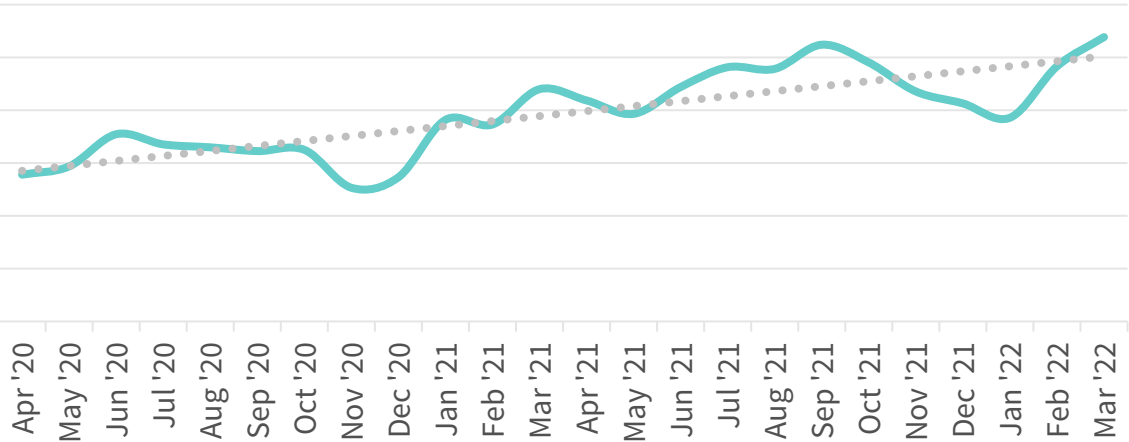
Mar '21 avg monthly occupancy 75.5
Mar '22 avg monthly occupancy 82.6 ↑ **710bps**

- Q1'22 average rent was sequentially \$50 more per occupied unit than Q4'21.
- Q1'22 resident revenue increased \$1.1 million from Q4'21 driven by an occupancy increase of 100 basis points coupled with an increase in average monthly rent from \$3,594 in Q4'21 to \$3,644 in Q1'22.
- Labor costs increased 0.3% sequentially from Q4'21 and 5.3% from Q1'21; with the year over year increase largely due to an increase in contract labor in the challenging labor market.
- Q1'22 NOI Margin was 20.2% compared to 18.2% Q4'21 as revenue showed positive growth while operating expense remained relatively flat.

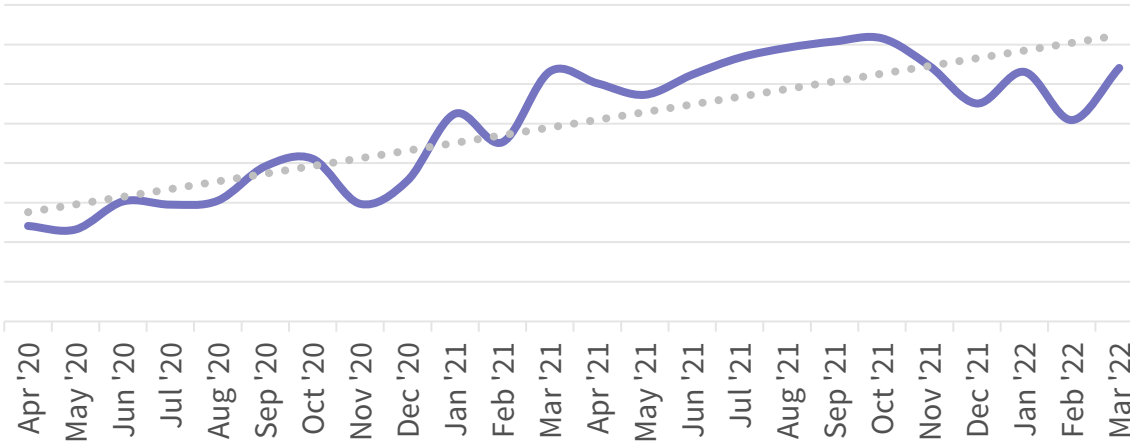
Favorable Leading Indicators and Move-in Trends Continue



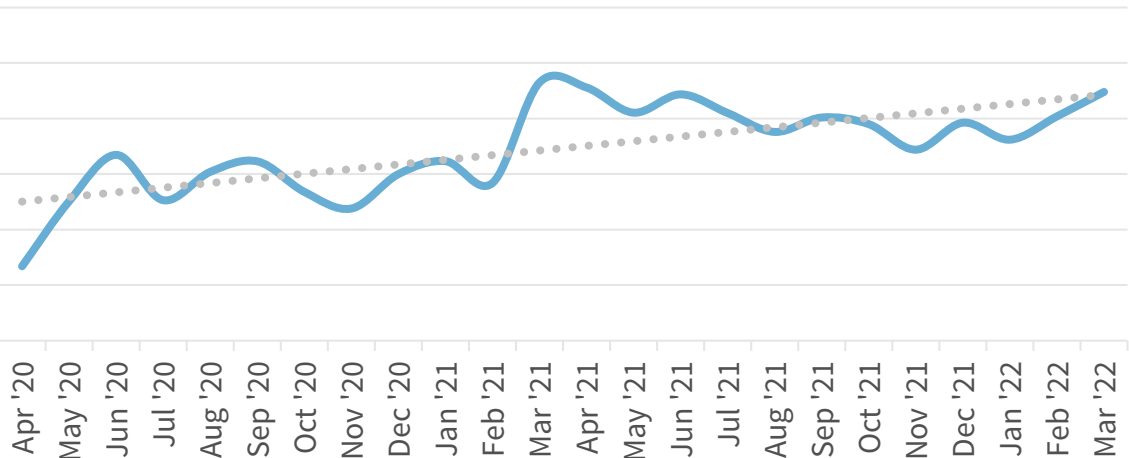
Leads



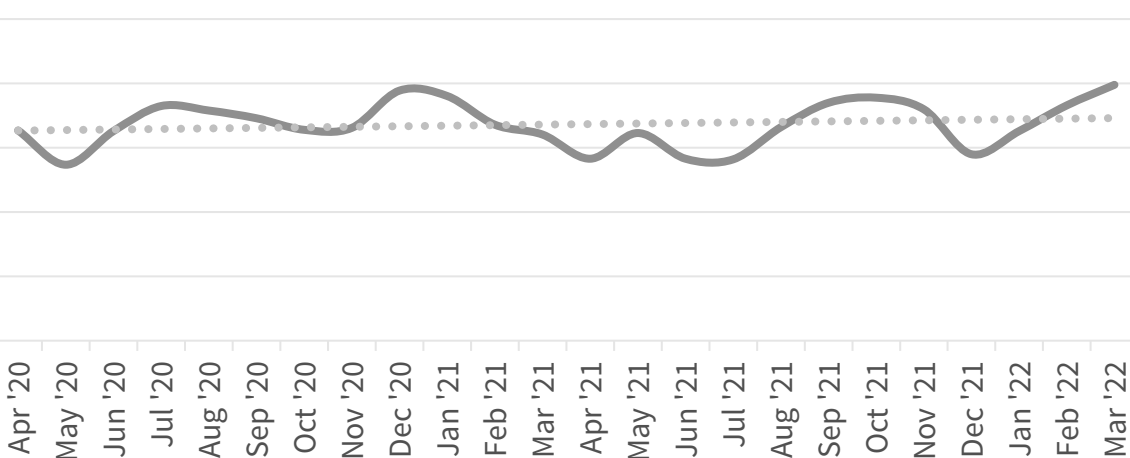
Tours



Move-Ins

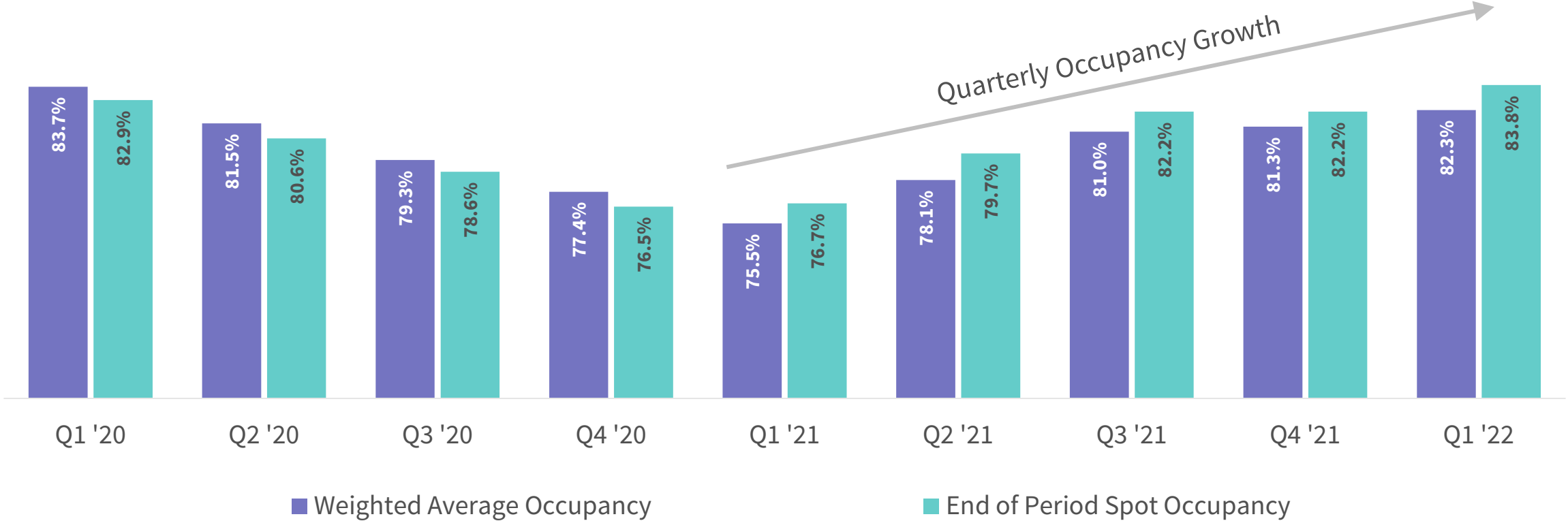


Move-Outs



Solid lines show actual results. Dotted lines show average trend. Data for 60 Sonida Senior Living owned communities

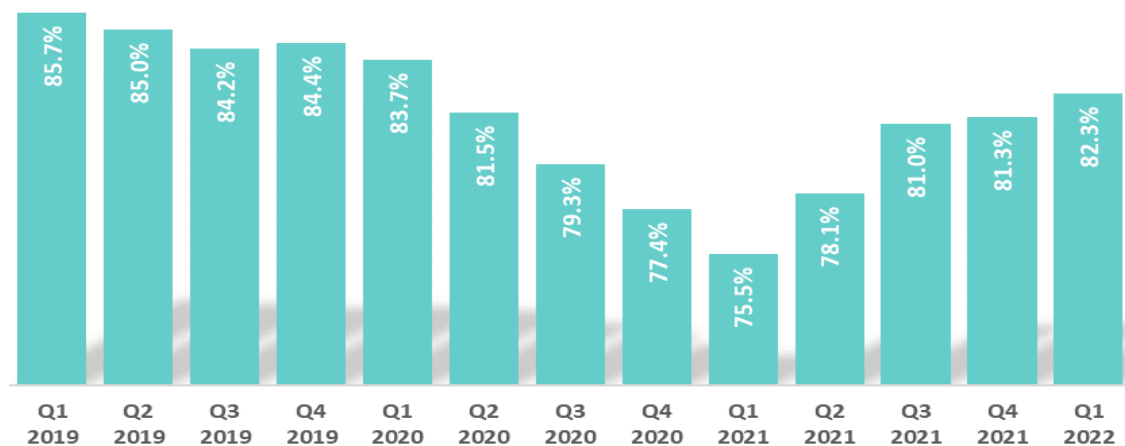
Four Consecutive Quarters of Occupancy Growth



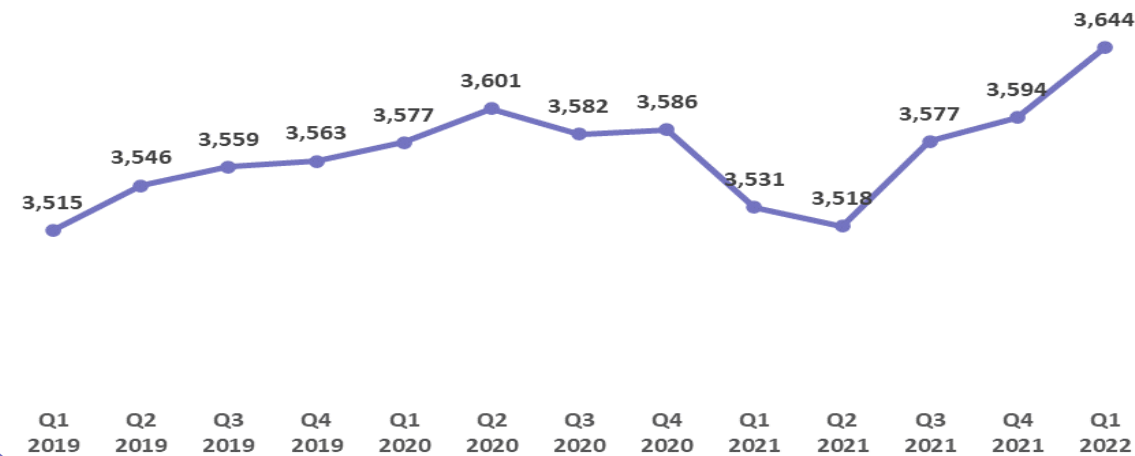
(1) Occupancy for 60 owned same-store communities
(2) Jan '22 excludes 20 units under conversion

Operating Metrics are Improving in Sequential Periods

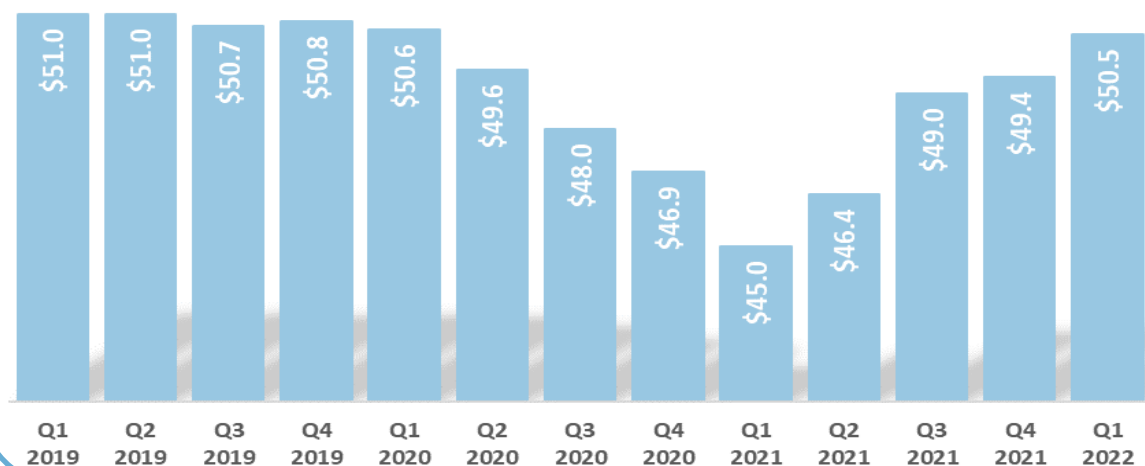
Weighted Average Occupancy



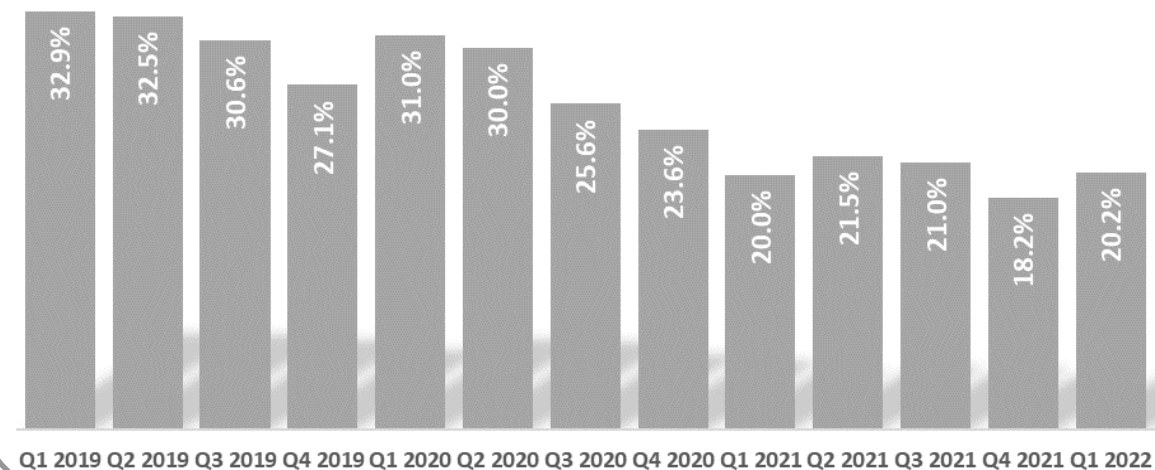
Average Rent



Resident Revenue ⁽¹⁾



Net Operating Income Margin ⁽¹⁾



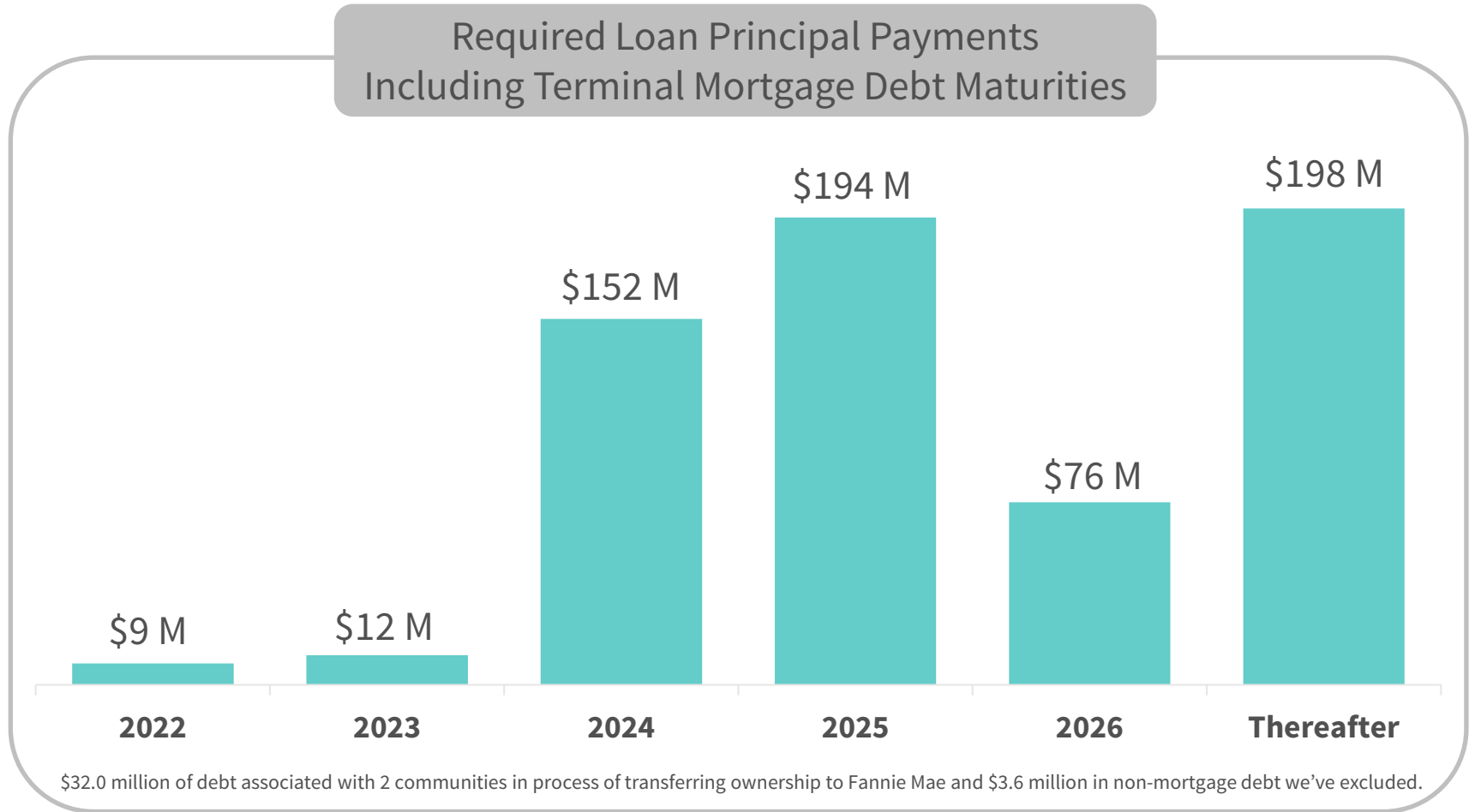
Data for 60 Owned Communities

(1) Amounts are not calculated in accordance with GAAP. See page 3 for the Company's disclosure regarding non-GAAP financial measures.

See Forward Looking Statements on Page 2

Balance Sheet as of March 31, 2022

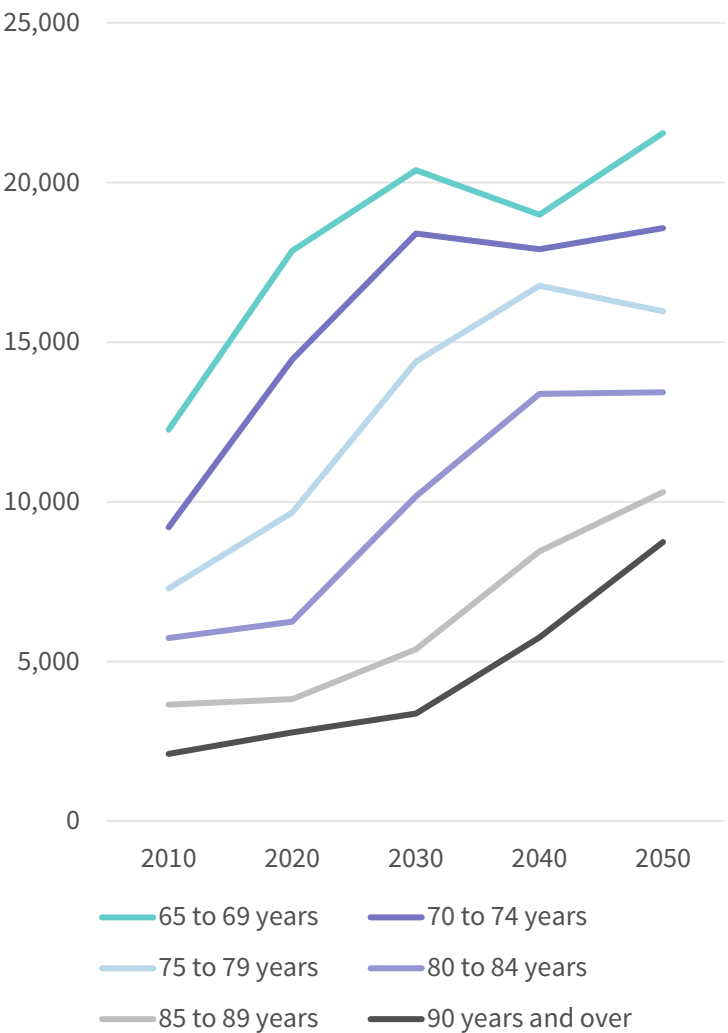
- March 31, 2022 ending balances of \$48.6 million and \$4.0 million in unrestricted cash and restricted cash, respectively.
- As previously announced, the Company further improved its balance sheet by completing an \$80 million refinancing in March 2022 which addressed all debt maturities through mid-2024.



Favorable Demographic Trends Support Sonida’s Growth Strategy



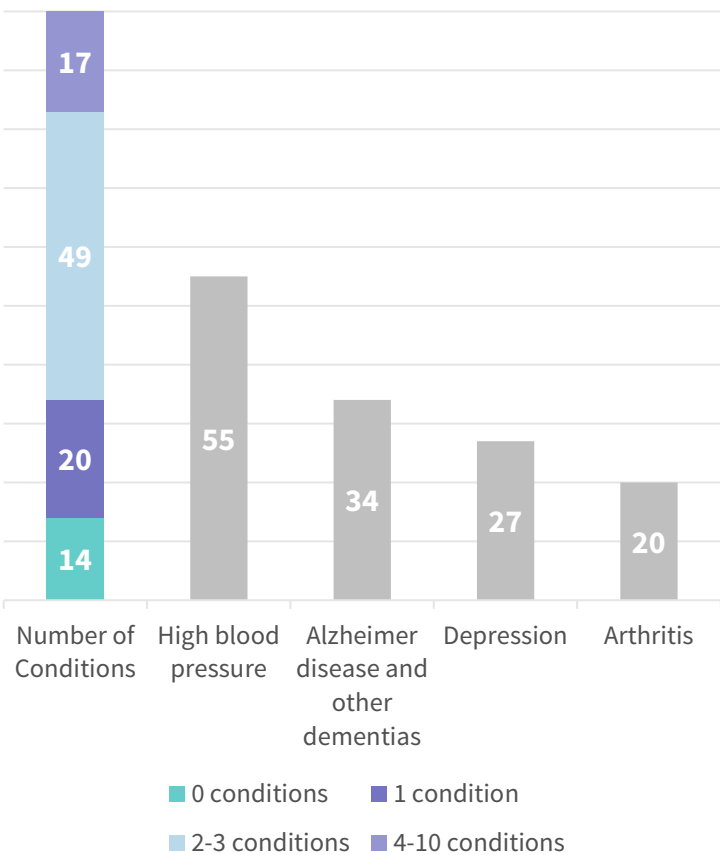
Estimated Population Growth from 2010 to 2050 ¹
(in thousands)



Residential Care Community Residents Needing Assistance with Activities of Daily Living ²



Most Common Chronic Conditions Among Residential Care Community Residents ²



¹U.S. Census Bureau, 2010

²“Residential Care Community Resident Characteristics: United States, 2018” CDC, September 2018

Near-Term Operating Environment

- ✓ Occupancy and rate growth continued in Q1 '22 supporting the expectation for NOI growth in 2022
- ✓ Strong positive net hires since the beginning of Q4 '21 provide stability in our labor model and have resulted in continued decreases in contract labor and overtime utilization
- ✓ Leadership retention in challenging operating environment remains primary focus
- ✓ Inflationary pressures: wage, food, and supplies continue to fluctuate with economic uncertainty

Recent Positive Momentum

- ✓ Continued occupancy gains; Q1'22 Average 82.3% (100 bps Increase compared to Q4 '21) in traditionally challenging quarter
- ✓ Sequential revenue growth of 2.3% in Q1 '22 compared to Q4'21
- ✓ Average rate increased from \$3,594 in the Q4 '21 to \$3,644 for the Q1 '22

Long Term Outlook

- ✓ Sharply accelerating growth of 80+ cohort: 4.1% population CAGR expected from 2020 to 2030¹
- ✓ High cost of construction materials and continued labor market pressures limits new supply expectations in the near term
- ✓ Ongoing investment in portfolio through both property capital expenditures and technology improvements support long term rate and margin growth



At Sonida Senior Living, we bring quality senior living to life by focusing on what matters most. We provide comfortable, safe, affordable communities where residents can form friendships, enjoy new experiences and receive personalized care from dedicated team members who treat them like family.

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