



Q4

Financial Highlights 2017

Forward-Looking Statements

(For definitions of capitalized terms, please refer to the Glossary in Enercare's MD&A dated March 5, 2018)

This presentation contains certain forward-looking statements within the meaning of applicable Canadian securities laws ("forward-looking statements" or "forward-looking information") that involve various risks and uncertainties and should be read in conjunction with Enercare Inc.'s ("Enercare") 2017 audited consolidated financial statements. Additional information in respect of Enercare, including the AIF, can be found on SEDAR at www.sedar.com.

Statements other than statements of historical fact contained in this presentation may be forward-looking statements, including, without limitation, management's expectations, intentions and beliefs concerning anticipated future events, results, circumstances, economic performance or expectations with respect to Enercare, including Enercare's business operations, business strategy and financial condition. When used herein, the words "anticipates", "believes", "budgets", "could", "estimates", "expects", "forecasts", "goal", "intends", "may", "might", "outlook", "plans", "projects", "schedule", "should", "strive", "target", "will", "would" and similar expressions are often intended to identify forward-looking information, although not all forward-looking information contains these identifying words. These forward-looking statements may reflect the internal projections, expectations, future growth, results of operations, performance, business prospects and opportunities of Enercare and are based on information currently available to Enercare and/or assumptions that Enercare believes are reasonable. Many factors could cause actual results to differ materially from the results and developments discussed in the forward-looking information.

In developing these forward-looking statements, certain material assumptions were made. These forward-looking statements are also subject to certain risks. These factors include, but are not limited to:

- actual future market conditions being different than anticipated by management;
- the risk that the roll out of rental HVAC offerings beyond the present seven states in the United States does not realize anticipated results as the rental model is a new concept in this industry in the United States; and
- the risks and uncertainties described under "*Risk Factors*" in Enercare's MD&A dated March 5, 2018.

Material factors or assumptions that were applied to drawing a conclusion or making an estimate set out in forward-looking statements include:

- the view of management regarding current and anticipated market conditions;
- industry trends remaining unchanged;
- the financial and operating attributes of Enercare and Service Experts as at the date hereof and the anticipated future performance of Enercare and Service Experts;
- assumptions regarding the volume and mix of business activities remaining consistent with current trends;
- assumptions regarding the interest rate of the 2016 Term Loan, 2014 Revolver, foreign exchange rates and commodity prices; and
- the number of Shares outstanding increasing as a result of the DRIP.

There can be no assurance that the anticipated strategic benefits and operational and competitive synergies from the SE Transaction will be realized. There can be no assurance that recent results from the introduction of the rental model to Service Experts in Canada and the United States are indicative of future results. There can also be no assurance as to any potential outcome of the Bureau's inquiry and the effect on Enercare's business.

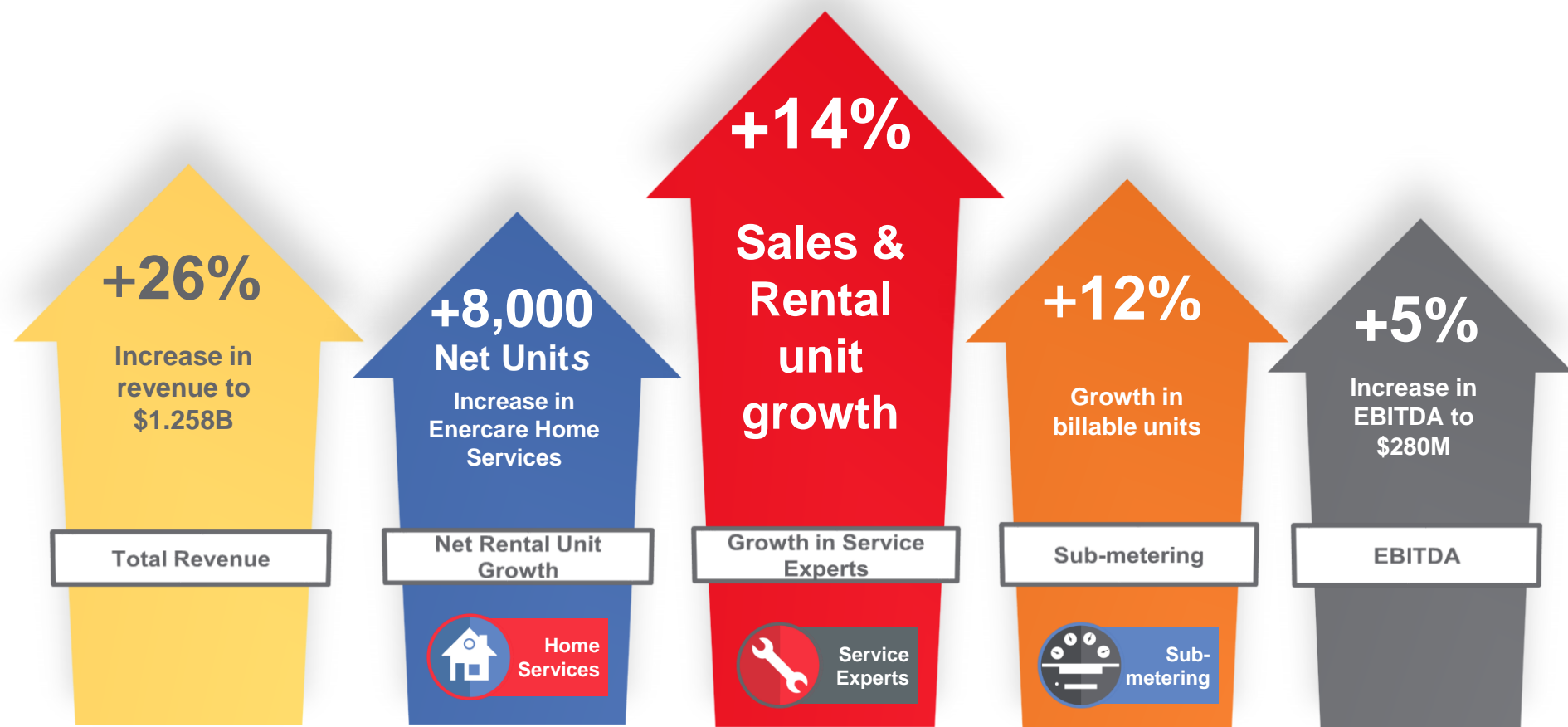
Readers are cautioned that the preceding list of material factors or assumptions is not exhaustive. Although forward-looking statements contained in this presentation are based upon what management believes are reasonable assumptions, there can be no assurance that actual results will be consistent with these forward-looking statements. Accordingly, readers should not place undue reliance on such forward-looking statements and assumptions as management cannot provide assurance that actual results or developments will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, Enercare. All forward-looking information in this presentation is made as of the date of this presentation. These forward-looking statements are subject to change as a result of new information, future events or other circumstances, in which case they will only be updated by Enercare where required by law.

Please see the section entitled "Risk Factors" in Enercare's MD&A dated March 5, 2018 for a discussion in respect of the material risks relating to the business and structure of Enercare.

JOHN MACDONALD

President & CEO

Strong 2017 Results & Performance



EBITDA and customer base expansion in each segment



Growing the Home Services Rental Portfolio

ONE Growing Additions

~13,000

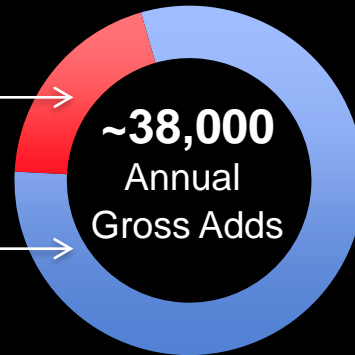
Annual Rental HVAC

- Technician leads

~25,000

Annual Rental Water heaters

- Technician leads
- Builder network
- Dealer network



TWO Reducing Attrition

A.

Bill 55 - *The Stronger Protection for Ontario Consumers Act*

B.

Bill 59 - *Putting Consumers First Act (ON)*

C.

Door-to-door Energy Sales Ban (AB)

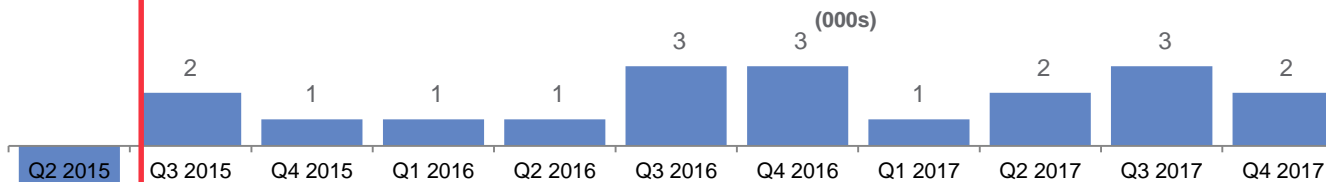
D.

Improved Service and Offerings and Customer Retention Programs

E.

The Buyout Contract

Enercare Home Services Net Rental Units



10 Consecutive Quarters of Organic Growth



Rental Rate **Growth** Drivers

1 Annual Price Increases

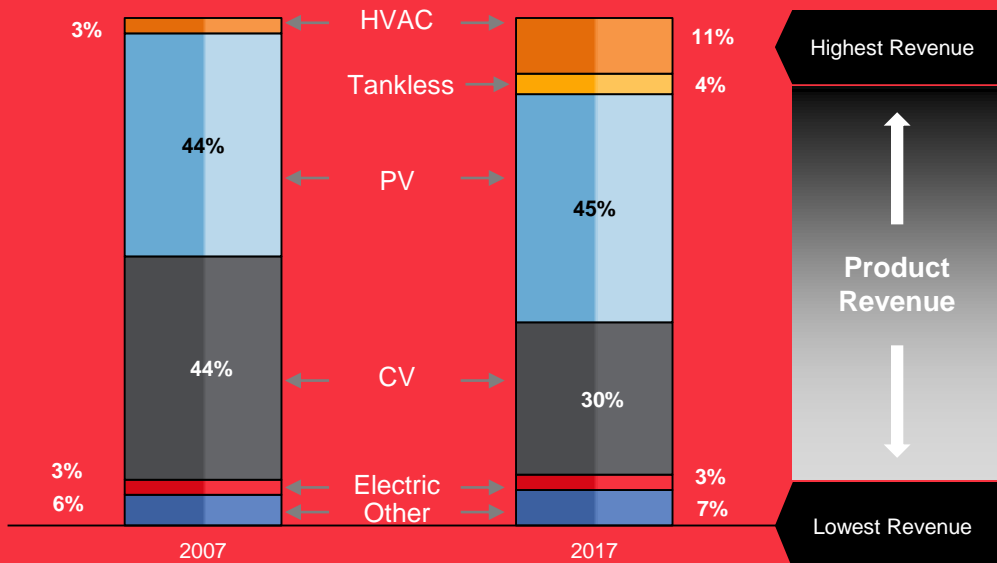
Enercare has successfully implemented rental rate increases of approximately 3% on the majority of residential water heaters in its portfolio in each of the last 4 years (i.e., 2014-2017).



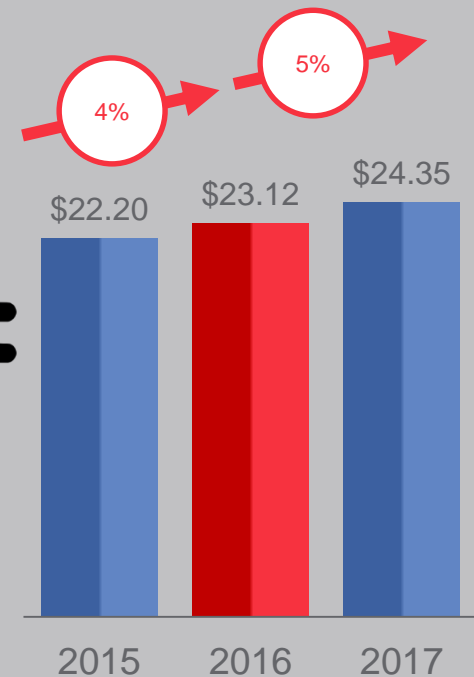
In January 2018, Enercare increased its weighted average rental rate for water heaters by 3.09% and HVAC by 1.8%.

2 Product Mix Changes

Rental Portfolio Revenue

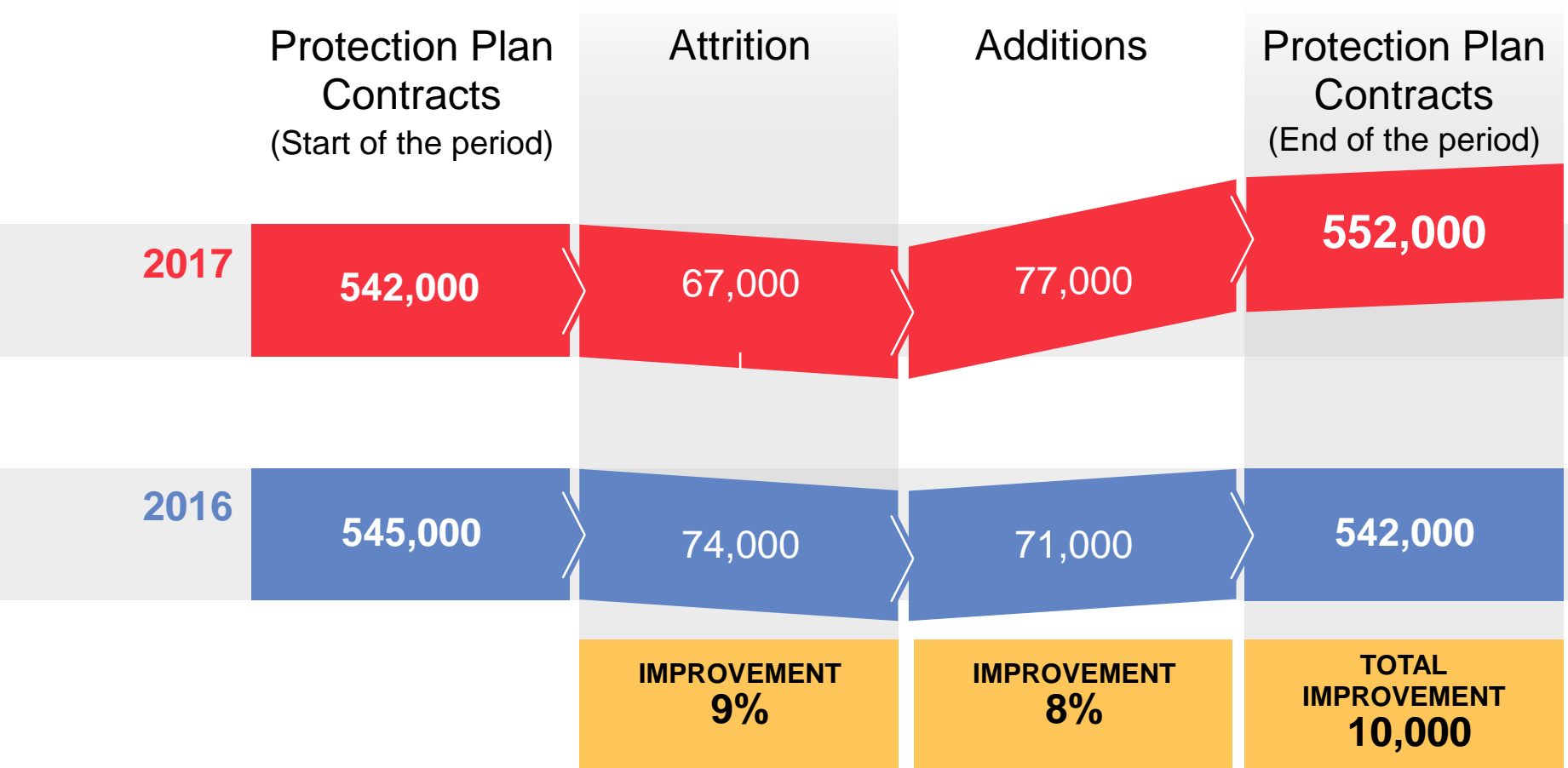


Enercare Home Services
Annual Average Monthly
Rental Rates





Focused on Growing Protection Plans



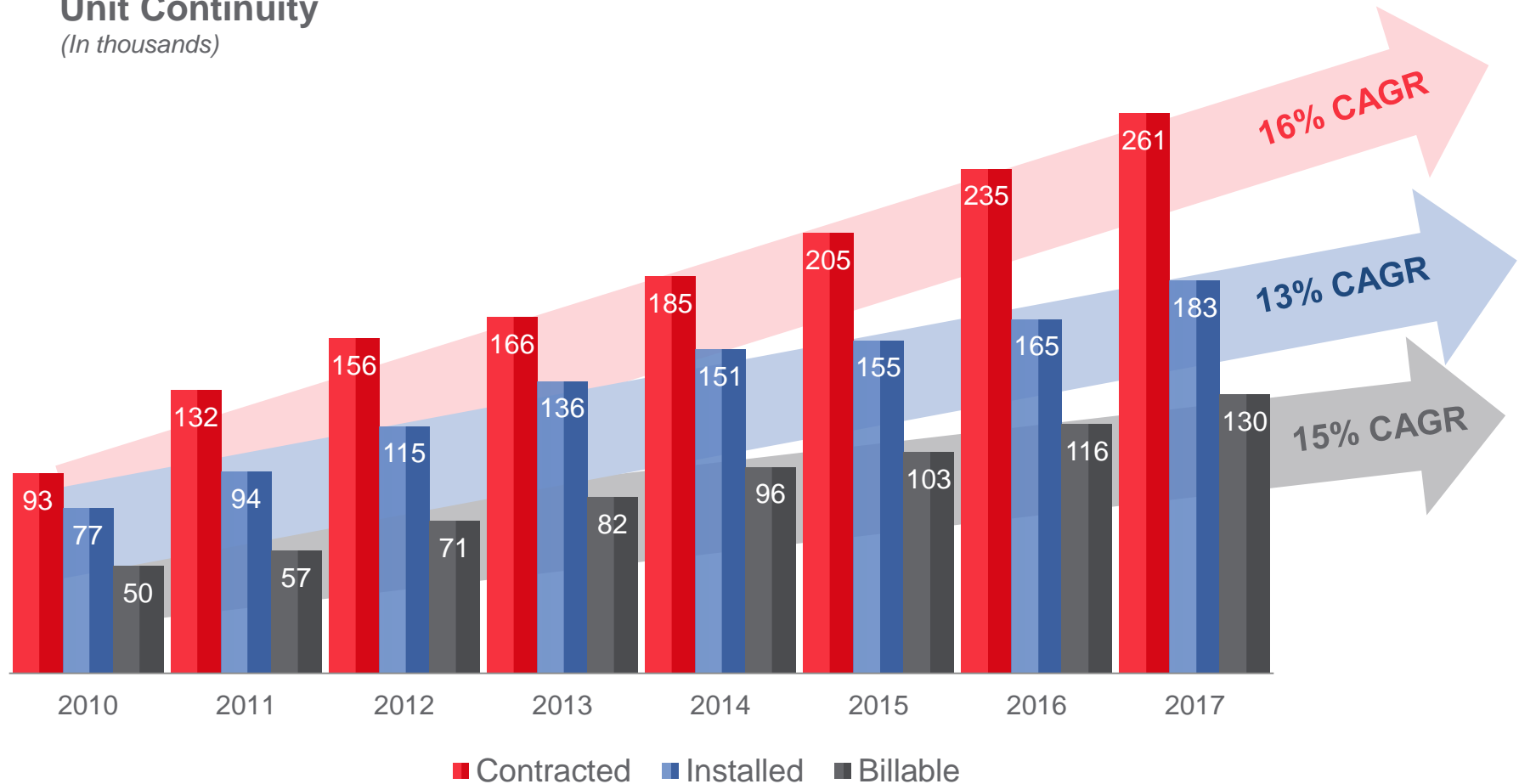
- Approximately two thirds of Enercare's HVAC originations come from a protection plan relationship.
- Attrition includes approximately 9,100 (2016 – 9,300) protection plans cancelled as a result of those plans being replaced by rentals as part of the Enercare Home Services growth strategy.



Achieving Scale in Sub-metering

Unit Continuity

(In thousands)



Strong embedded revenues in contracted units pipeline: 2 to 1 versus billable units



Strong Results from Service Experts

Key Accomplishments

14%

Increase In Originations
(2016 vs 2017)

16%

Increase in EBITDA
(2016 vs 2017)

3

Completed M&A transactions
(2017)

7

States Complete
Rental Rollout
(2017)

\$0.09 per share

Synergy Target Achieved



● Enercare Customer Locations

● Service Experts Locations

● EENA Commercial National Accounts



Expanding Rentals to Service Experts

CANADA



- Water heater and HVAC rental products available
- Roll out complete in Ontario, Manitoba and Alberta
- Useful life contract with customers
- Rental mix of total water heater and HVAC originations YTD:
 - ~15% in ON (range from 8% to 36%)¹ and
 - ~10% in MB & AB (range from 6% to 13%)¹

Canada Rental Rollout

2016

COMPLETE

USA



- Only HVAC rental products currently available
- Launched HVAC rental program in 7 states
- Defined term contract with customers
- Rollout expected to be completed by end of 2018
- Rental mix of total HVAC originations YTD:
 - ~3% (range from 0.2% - 12%)¹

U.S. Rental Rollout

2017

COMMENCES

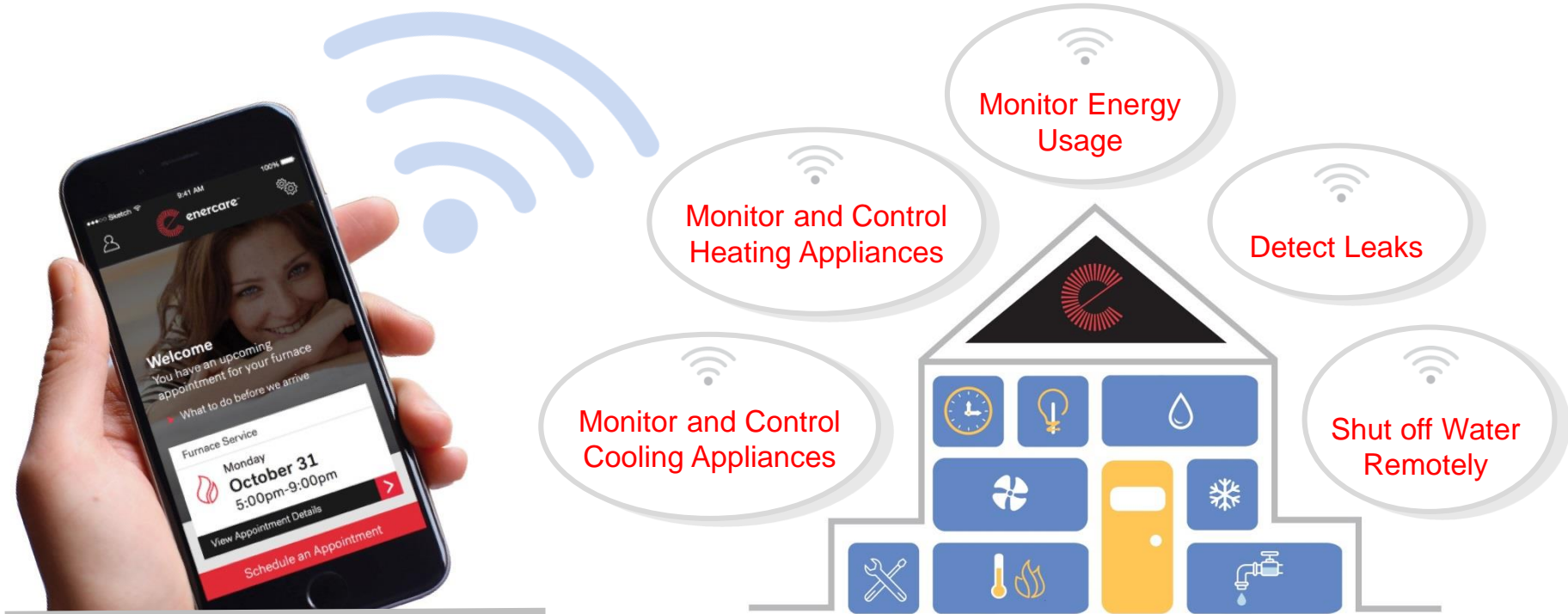
2018

COMPLETE

1. Range dependent on service center.



Enercare Smarter Home™: A Pro-active Home Monitoring Solution



Q1 2018

100-household pilot



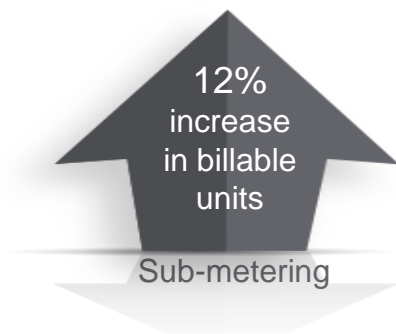
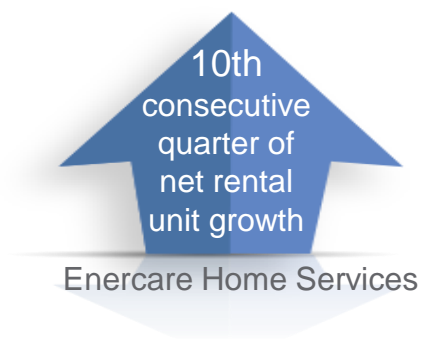
H1 2018

Launch Initial Customer Offerings

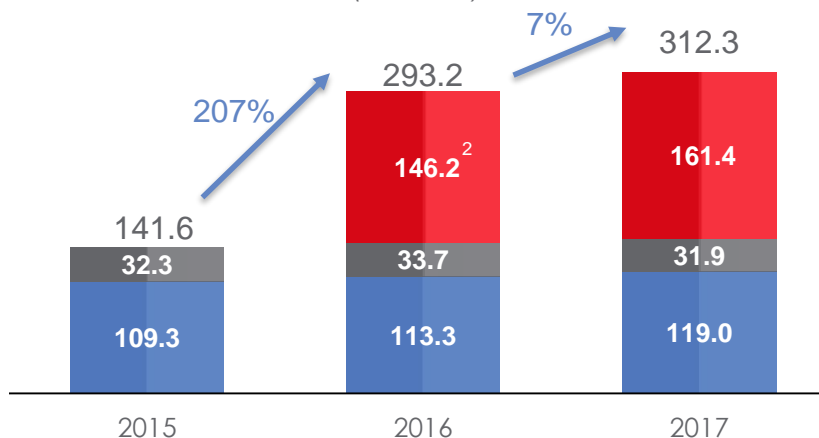
Home Services is preparing to launch a Connected Home Solution in the first half of 2018

Brian Schmitt
CFO

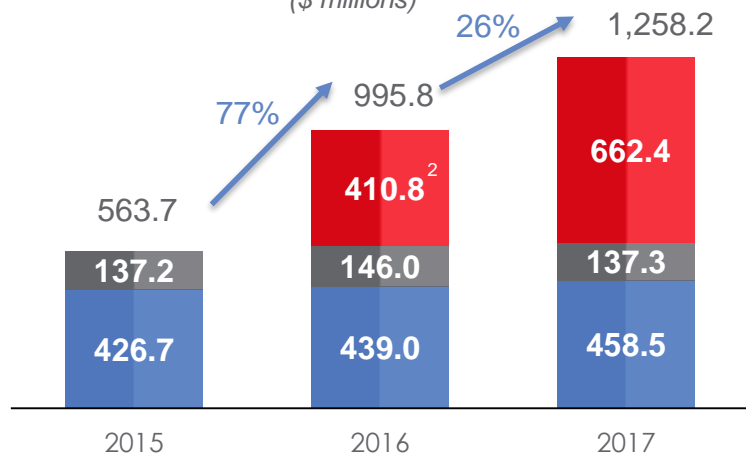
Successfully Growing Long-Term Recurring Revenues



Total Revenue-Fourth Quarter
(\$ millions)



Total Revenue-YTD¹
(\$ millions)



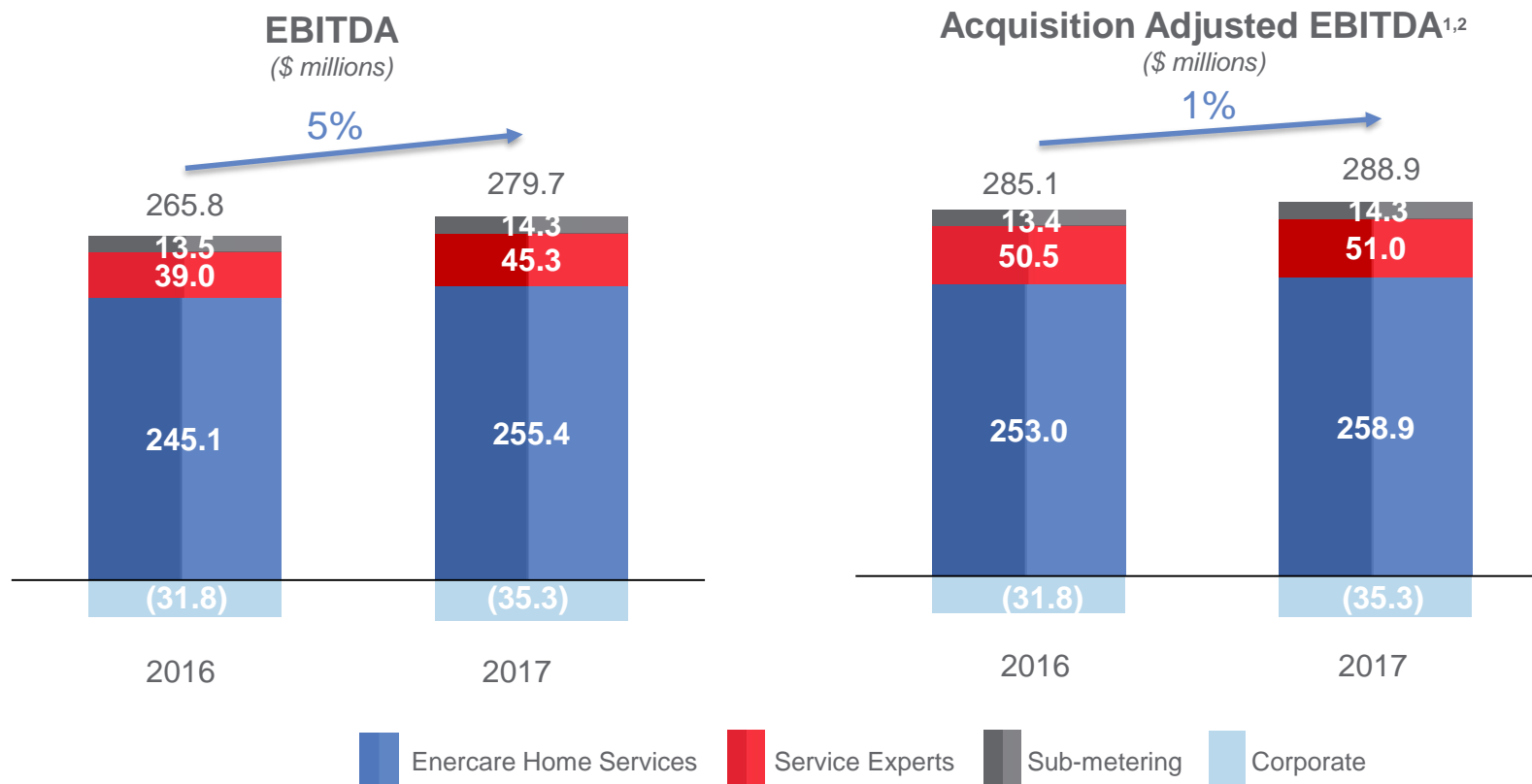
1. Excludes Corporate Segment
2. Enercare acquired Service Experts on May 11, 2016

Enercare Home Services Segment

Sub-metering Segment

Service Experts Segment

EBITDA Performance by Business Segment



Acquisition Adjusted EBITDA was impacted by certain notable items detailed on slide 15. Excluding these notable items Acquisition Adjusted EBITDA would have increased by approximately 5%.

1. See "Non-IFRS Financial and Performance Measures" in Enercare's MD&A .
 2. Enercare acquired Service Experts on May 11, 2016.

Impact of Notable Items to 2017 Acquisition Adjusted EBITDA

▶ **Stock Based Compensation (SG&A)**

- ▶ \$5.2 million of higher stock based compensation costs resulting from an increase in the share price.

▶ **Notable Costs in Service Experts (COGS)**

- ▶ \$3.5 million of costs driven by higher insurance and workers compensation claim volumes and settlement costs.

▶ **Investments in Systems (SG&A)**

- ▶ \$2.3 million of higher SG&A costs associated with investments relating to the implementation of an enterprise resource planning system.

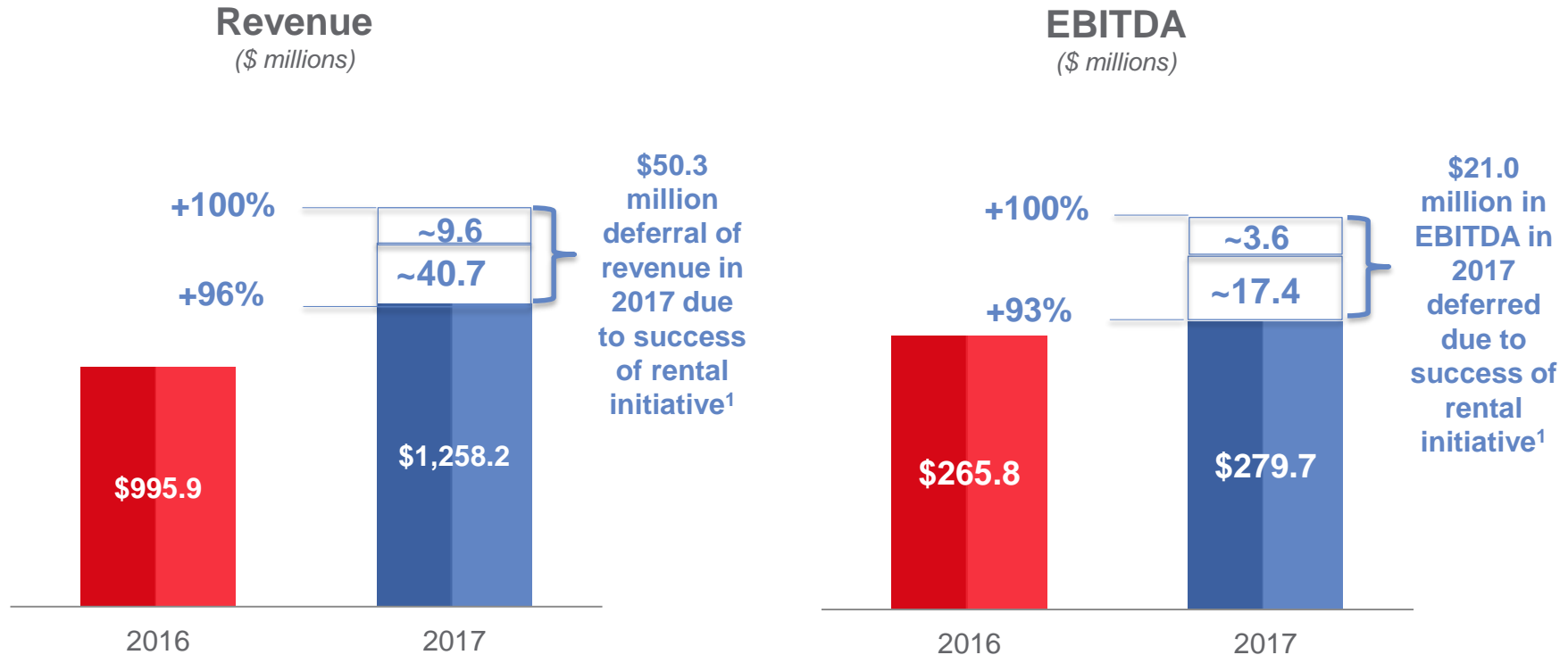
▶ **Hurricane Irma (EBITDA)**

- ▶ Estimated reduction of approximately \$1 million to EBITDA; offset by

▶ **Improvements due to Purchase Price Accounting (EBITDA)**

- ▶ \$1.8 million improvement due to purchase price accounting adjustments from the SE Transaction. Net EBITDA impact of (\$2.5 million) in 2017 vs. (\$4.3 million) in 2016.

Successful Rental Initiative Has Short-term Impact and Long-Term Benefits



\$21.0M in additional EBITDA would have been recorded in 2017 had rental originations been sales instead

1. Rental initiative includes HVAC rentals for Home Services and HVAC and water heater rentals for Service Experts

Stable Credit Metrics

Key Statistics

BBB (Stable) – S&P
BBB (Stable) – DBRS

3.6%

Weighted Average
Interest Rate

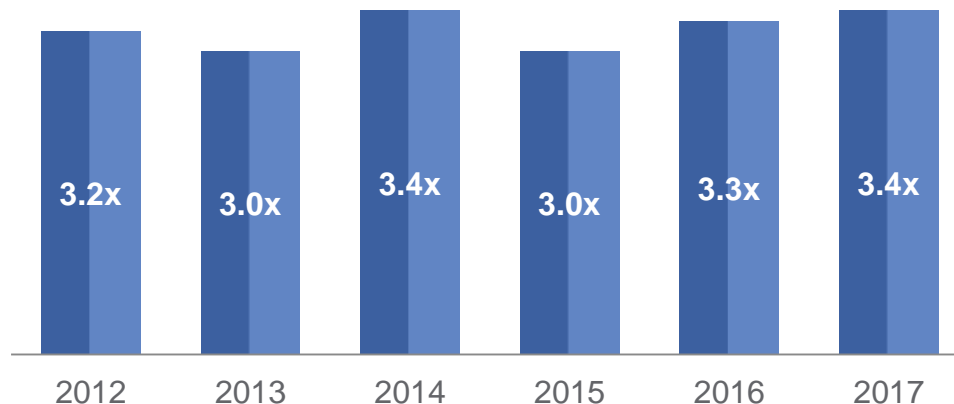
3.4x¹

Net Debt / Acquisition
Adjusted EBITDA Ratio

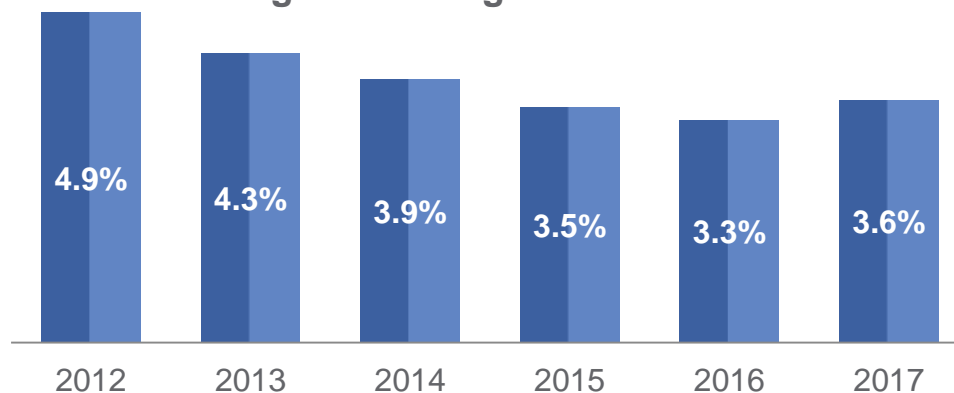
7.6x³

Interest Coverage Ratio

Net Debt / Acquisition Adjusted EBITDA^{1,2}



Weighted Average Interest Rate



1. 2017 is calculated using Acquisition Adjusted EBITDA for the 12 months ending December 31, 2017.

2. See "Non-IFRS Financial and Performance Measures" in Enercare's MD&A .

3. Calculated using cash interest and acquisition adjusted EBITDA for the 12 months ending December 31, 2017. Debt excludes the balances associated with pension, other post-employment benefit liabilities and capital lease obligations.

For definitions, please refer to the Non-IFRS Financial and Performance Measures section in Enercare Inc.'s MD&A dated March 5, 2018.

Other Business Matters

▶ IFRS 15 Implementation

- ▶ Enercare is adopting IFRS 15 effective January 1, 2018, using the full retrospective basis.
- ▶ This retrospective change will decrease Sub-metering segment revenues for the year ended December 31, 2017 by approximately \$99,011, with a corresponding adjustment to commodity charges. This change, does not impact consolidated net earnings or EBITDA.

▶ Taxes

- ▶ Enercare estimates that it will recognize approximately \$26 million to \$32 million in current income tax expense for the fiscal year ending December 31, 2018.
- ▶ Enercare expects that the U.S. tax reform will not significantly impact its 2018 current income tax for Service Experts, as the benefit relating to the lower Federal corporate tax rate will be offset by other tax reform changes.

▶ Capital Expenditures

- ▶ Targeting a range of between \$185 million and \$207 million dollars in capital investments for 2018.

JOHN MACDONALD

President & CEO

Q&A



Q4

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