ENSIGN GROUP

November 2023

INVESTOR PRESENTATION

www.ensigngroup.net

Our Mission

We rely on our culture to accomplish our mission

CAPLICO

Our mission is to support the operations we serve in dignifying post-acute care in the eyes of the world. We do that through "Moments of Truth" – everyday situations that are met with out-of-the-ordinary service that surpasses all reasonable expectations. We strive to capture and share these moments of truth on a daily basis.

ENSIGN GROUP

Disclaimers

This presentation contains, and other communications of The Ensign Group, In. ("Ensign" or the "Company") may contain, forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements can be identified by the fact that they do not relate strictly to historical or current facts. Forward-looking statements often use words such as "believe," "expect," "anticipate," "intend," "estimate," "project," "outlook," "forecast," "target," "trend," "plan," "goal," or other words of comparable meaning or future-tense or conditional verbs such as "may," "will," "should," "would," or "could."

Statements in this presentation concerning the Company's future prospects are forward-looking statements, and are based on management's current expectations, assumptions and beliefs about our business, financial performance, operating results, the industry in which we operate and possible future events. These statements include, but are not limited to, statements regarding our growth prospects and future operating and financial performance. Forward-looking statements convey our expectations, intentions, or forecasts about future events, circumstances, results, or aspirations. Forward-looking statements are not guarantees of future results and are subject to risks, uncertainties and assumptions, which may change over time and many of which are beyond our control, and that could cause our actual results to materially and adversely differ from those expressed in any forward-looking statement.

Readers should not place undue reliance on any forward-looking statements and are encouraged to review our periodic filings with the Securities and Exchange Commission, including our recently filed Forms 10-K and 10-Q, or other applicable documents that are filed or furnished by the Company with the U.S. Securities and Exchange Commission (the "SEC"), for a more complete discussion of the risks and other factors that may cause actual results or other future events, circumstances, or aspirations to differ from those in forward-looking statements. These documents are available on our website at www.ensigngroup.net (information on our website is not incorporated by reference into this presentation and should not be considered part of this document). This information is provided as of today's date only, and except as required by federal securities law, Ensign does not undertake to publicly update or revise any forward-looking statements, whether as a result of new information, future events, changing circumstances or for any other reason after the date of this presentation.

We supplement our GAAP reporting with EBITDA, adjusted EBITDA, adjusted EBITDAR, adjusted EBT, adjusted net income, adjusted EPS, Funds from Operations (FFO) metrics, as well as segment income and FFO metrics, all of which are supplemental non-GAAP financial measures. They reflect an additional way of looking at aspects of our operations that, when viewed with our GAAP results, provide a more complete understanding of factors and trends affecting our business. They should not be relied upon to the exclusion of GAAP financial measures. A more ample discussion of these GAAP financial measures is available on the "Investor Relations" tab of our website and a reconciliation to GAAP is included as an Appendix to this presentation.

During this presentation we may reference operations in any or all of the transitional, skilled and assisted living operations and other businesses operated by our subsidiaries. Each such business is operated as a separate, wholly owned independent operating subsidiary that has its own management, employees and assets. References in the presentation to the consolidated "Company" and "its" assets and activities, as well as the use of the terms "we," "us," "our," and similar verbiage are not meant to imply that The Ensign Group, Inc. has direct operating assets, employees or revenue, or that any of the operations, the Service Center, Standard Bearer Healthcare REIT, Inc., or the captive insurance subsidiary are operated by the same entity.

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About US

Since 1999, the independent operating affiliates of The Ensign Group (ENSG) have provided communities with exceptional, post-acute care.

Portfolio

Each of the 290+ business are run independently encompassing services delivered by more than 42,000 employees. We foster an entrepreneurial culture of ownership coupled with a field-driven, flat structure.

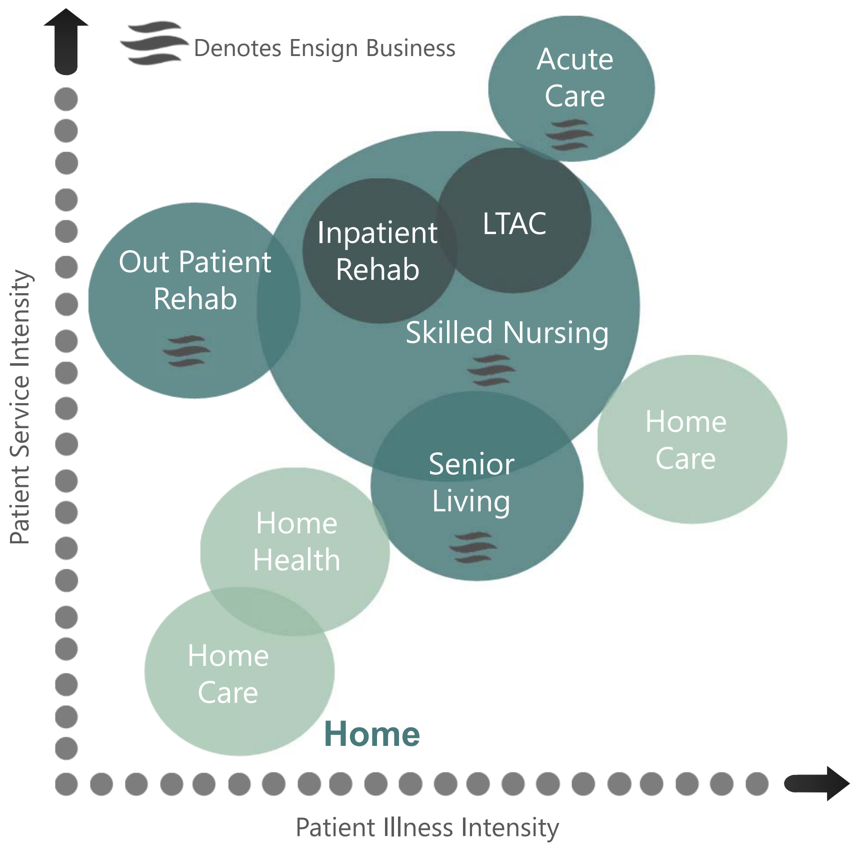
Our Services

Our affiliated entities offer a broad spectrum of post-acute care including skilled nursing, senior living and other healthcare-related properties and other ancillary businesses.

Financials

A clinically strong foundation combined with solid operational fundamentals provides an avenue for strong results.

Ensign's Commitment to Care Continuum

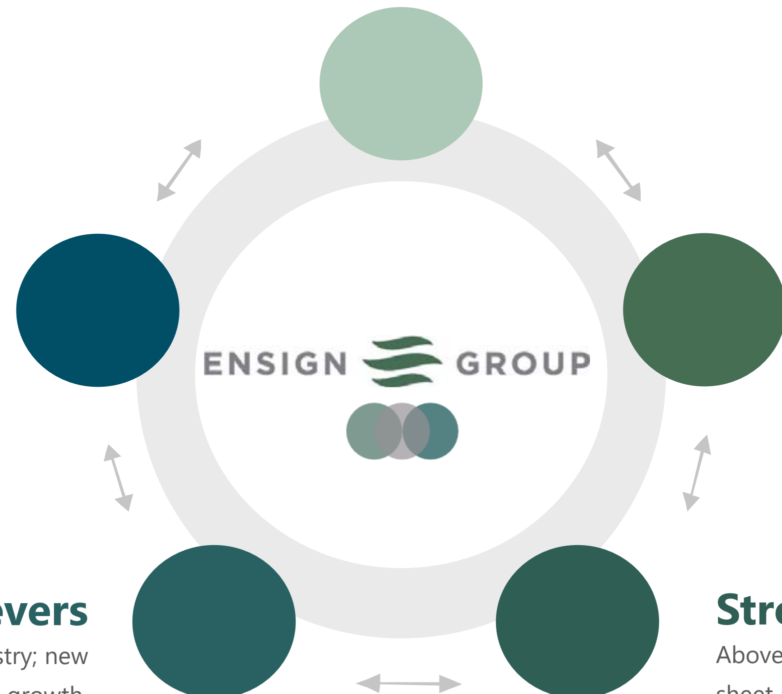


- Local leadership strategy focused on acquisitions in fragmented markets.
- High quality healthcare outcomes across the continuum driving local reputation and partnerships.
- Opportunistically drive new ventures in ancillary businesses and markets through its unique leadership model.
- Access to care continuum through Ensign Pennant Care Continuum.

Ensign Strategically Positioned to Deliver Long-Term Value

Experienced Management

Management team with combined experience of ~90 years at Ensign alone.



Presence in Attractive Markets

Presence in strategic markets across 13 states with attractive reimbursement and growth profile.

Multiple Business Lines

Diversified operations including transitional and skilled services, strategic healthcare campuses and senior living operations, real estate ownership and new ventures.

Several Growth Levers

Leading consolidator in fragmented industry; new ventures; delivering organic and strategic growth.

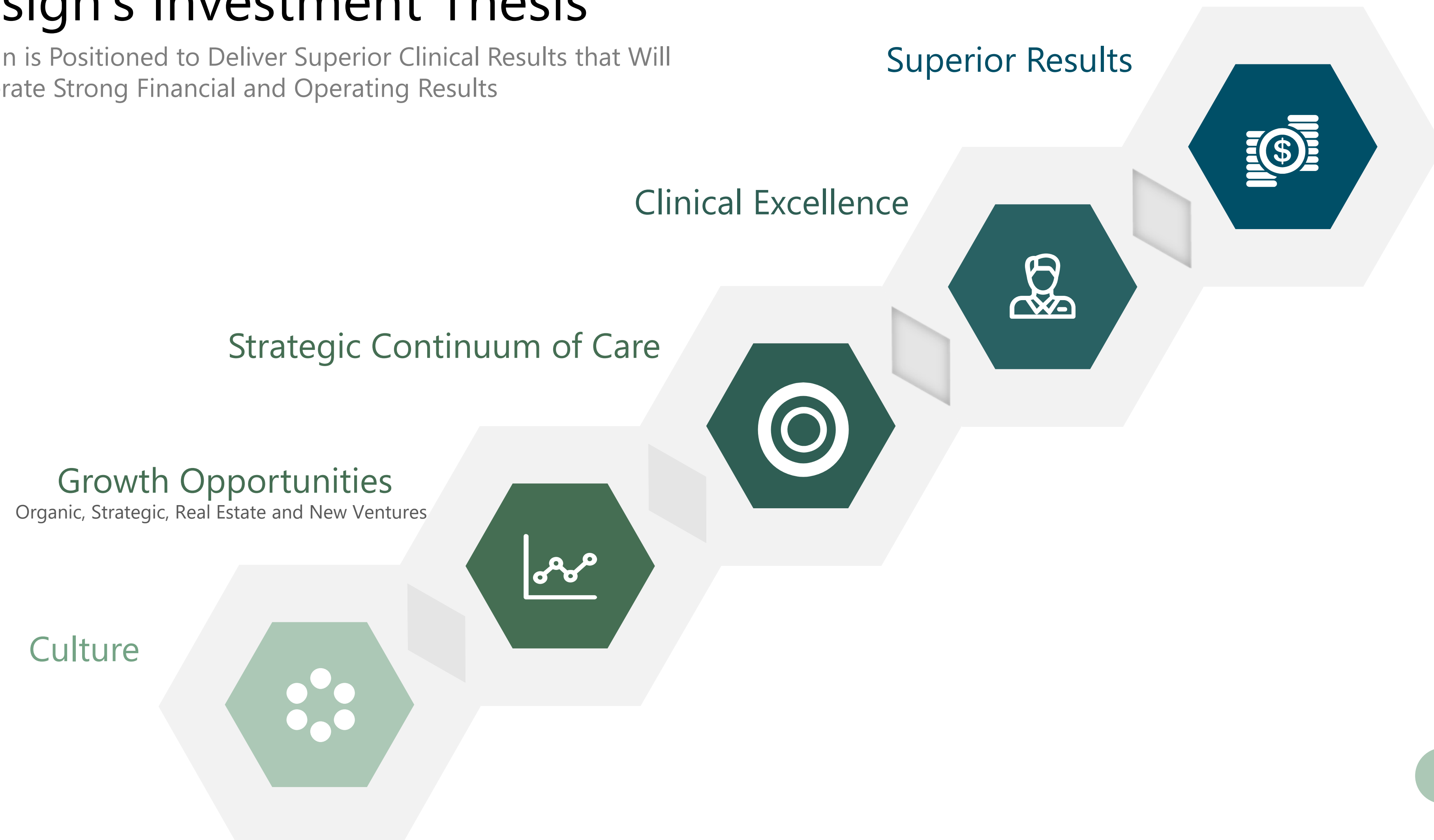
Strong Financial Profile

Above industry growth and profitability, stellar balance sheet and strong cash flow conversion.

Ensign's Capabilities Create an Ecosystem that Enables Connectivity Among All Stakeholders and Drives a Virtuous Cycle of Success

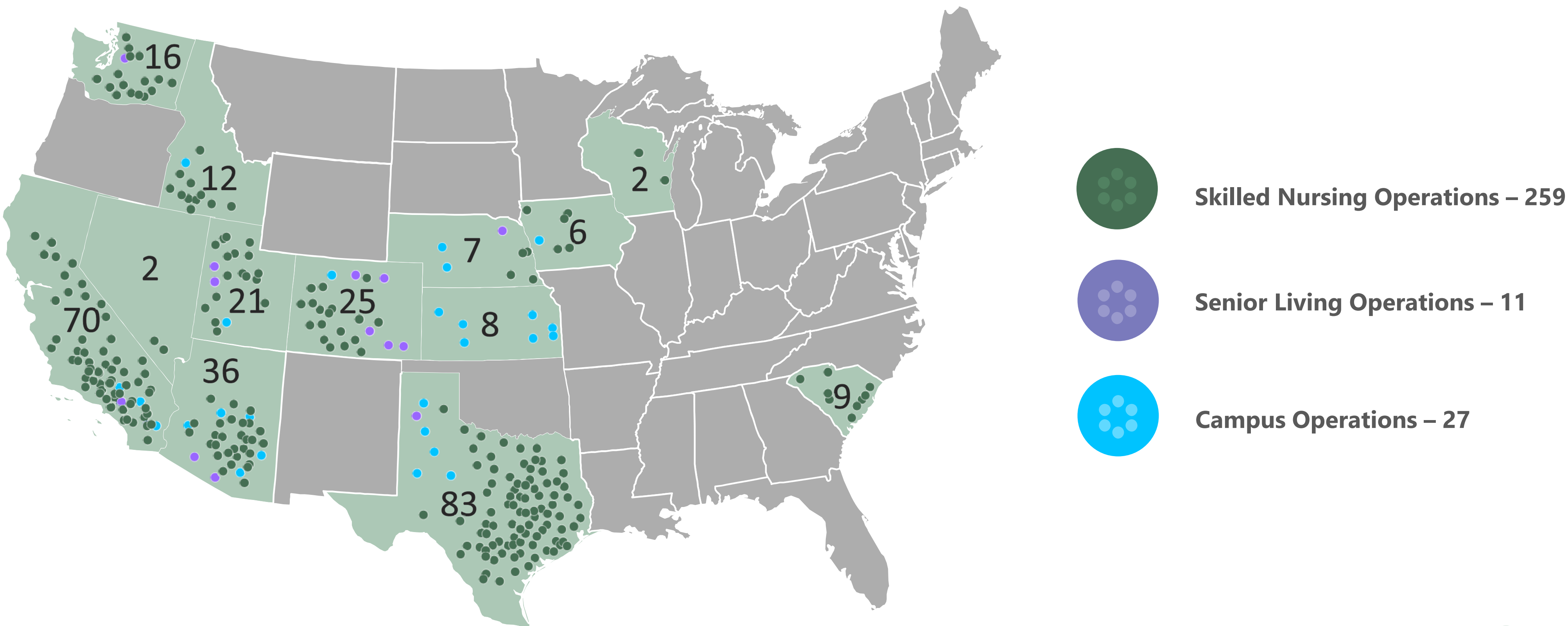
Ensign's Investment Thesis

Ensign is Positioned to Deliver Superior Clinical Results that Will Generate Strong Financial and Operating Results



Leading Operational Presence in Attractive Markets

Industry Leader with Strong and Growing National Presence



Source: Data as of 11/1/2023.

Business Leaders Drive Results

Track record of attracting, empowering & retaining clinically-focused business leaders.

Local Leadership Clusters

Empowering local leaders and their teams to provide superior solutions to the specific medical needs of the communities they serve.

Superior Clinical Outcomes

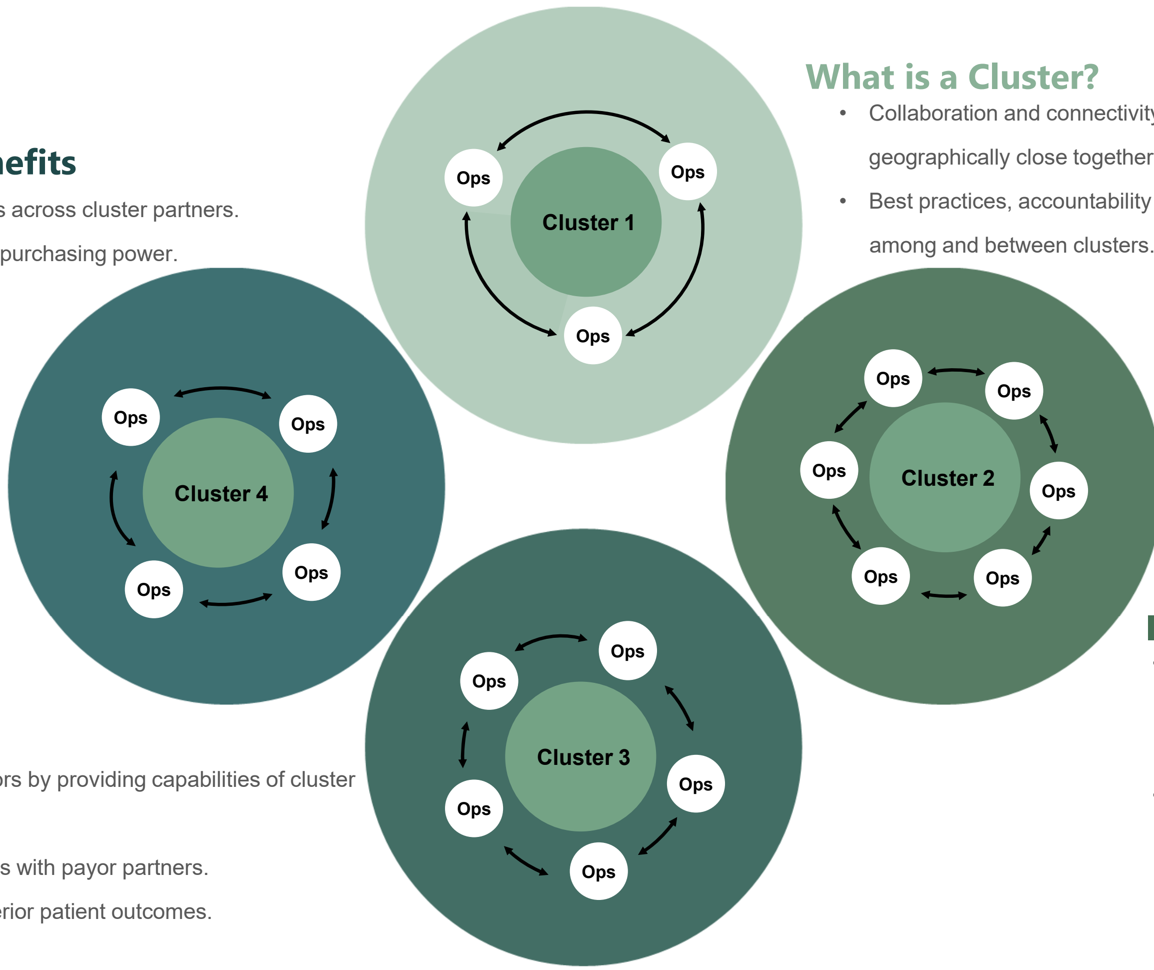
We partner with many other healthcare organizations with the goal of ensuring our patients are receiving the best possible care.

Local Operation of Choice

Our affiliated entities offer a broad spectrum of post-acute care, including skilled nursing, senior living and other healthcare-related properties and other ancillary businesses

Local Leaders are Empowered by our Cluster Model

Best Practices Shared Across Clusters Along with Economic and Payor Benefits at Cluster Level



What is a Cluster?

- Collaboration and connectivity between operations ("ops") that are geographically close together.
- Best practices, accountability and ownership are shared among and between clusters.

Economic Benefits

- Sharing of resources across cluster partners.
- Economies of scale/purchasing power.

Payor Benefits

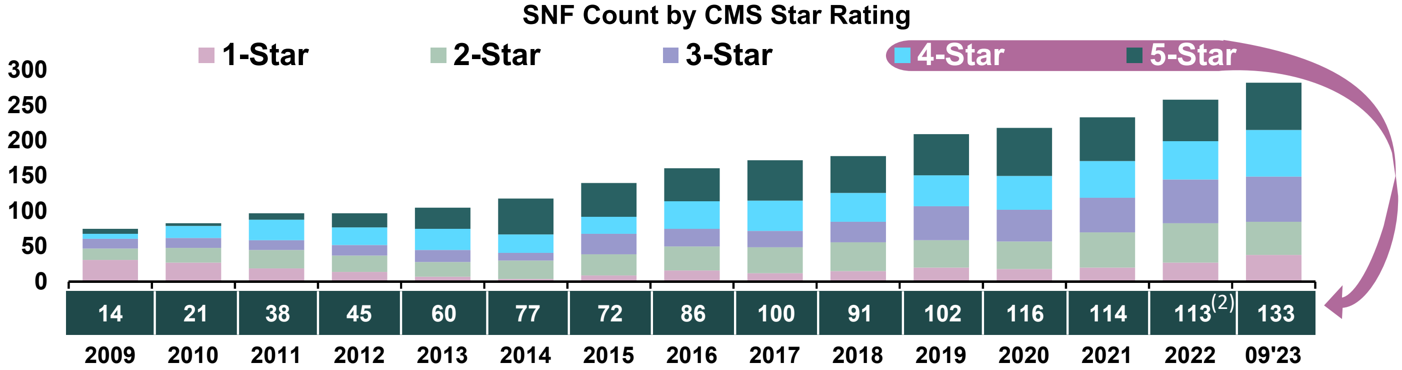
- "Bundle" offering to payors by providing capabilities of cluster model.
- Strengthens relationships with payor partners.
- Coordinate to drive superior patient outcomes.

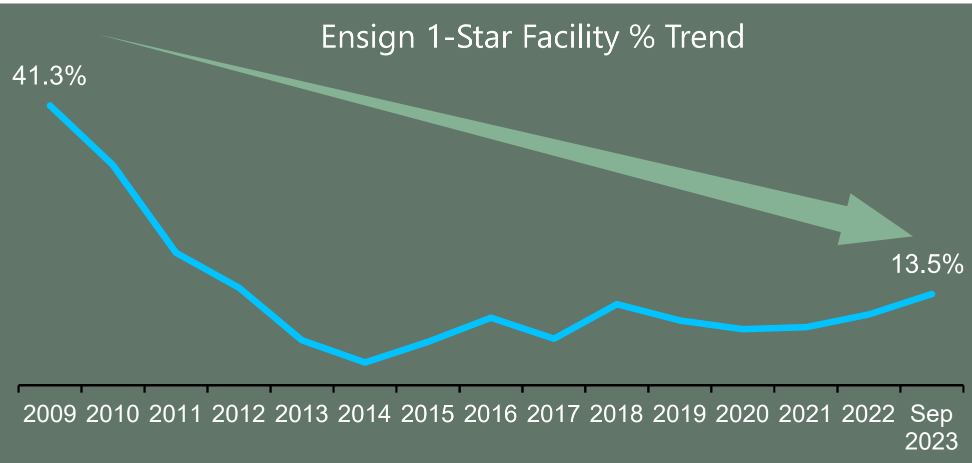
Incentive Driven

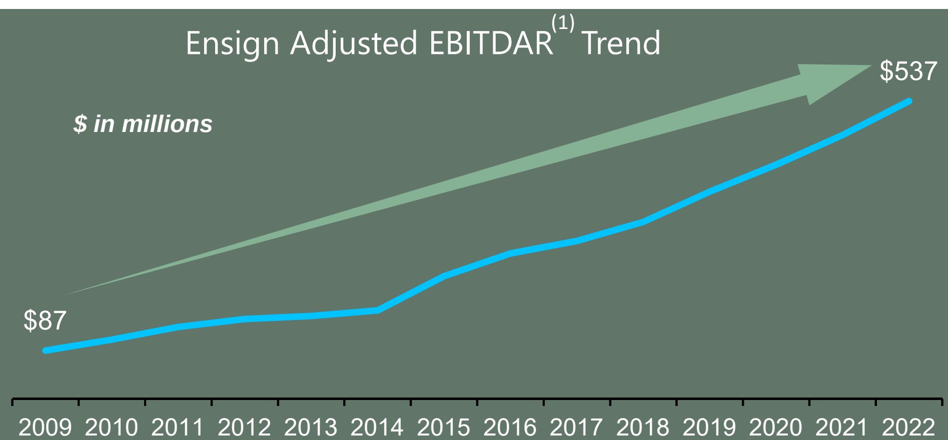
- Each operation has full visibility into and accountability for individual and group results within the cluster.
- Compensation is linked to cluster's clinical and financial success.

Organizational Focus on Clinical Quality Leads to Superior Financial Results

Clinical Quality Translates to Organic Growth



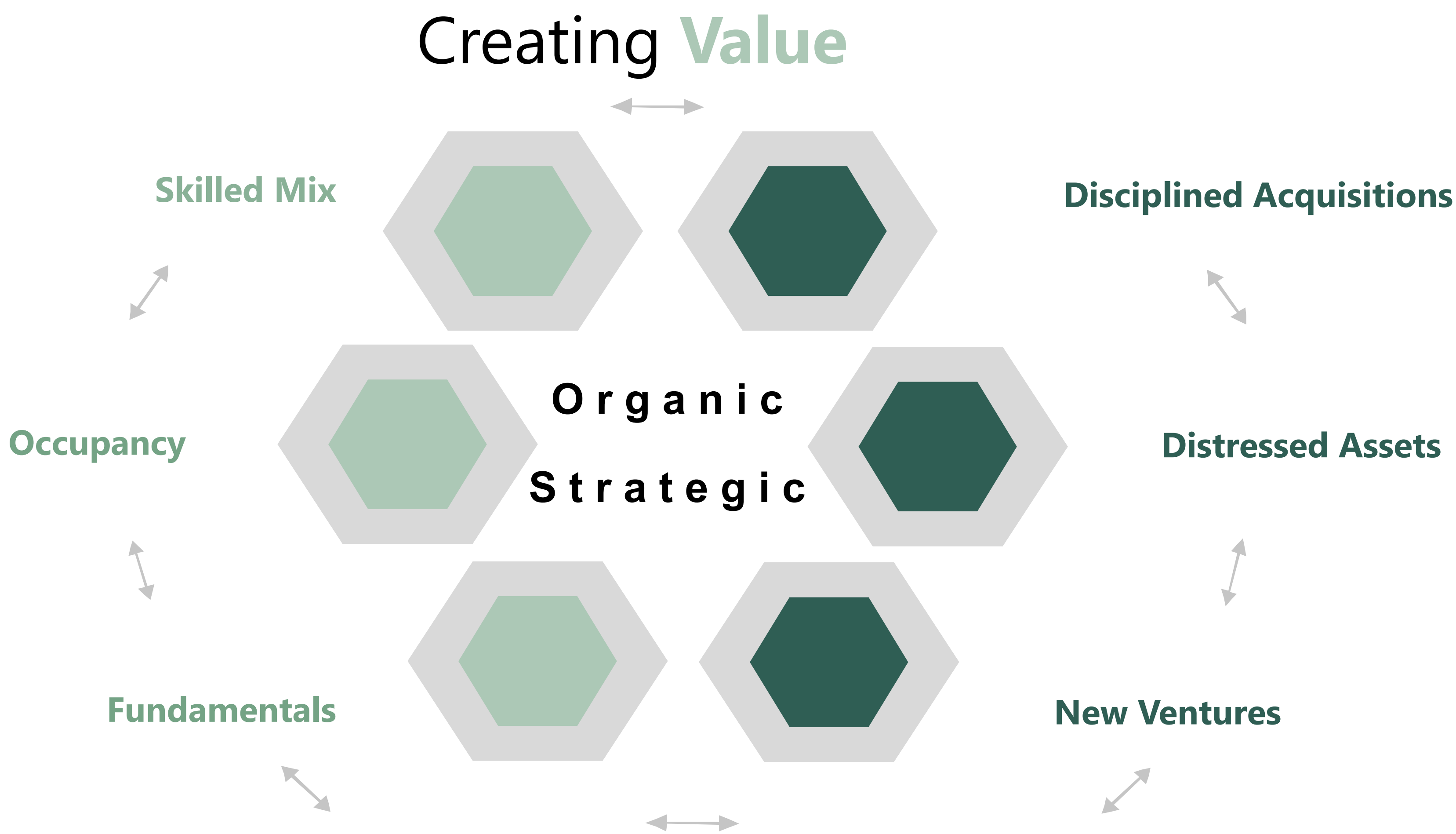




Refer to pages 53 – 54 for end notes. Source: Data as of Q3'23.

Multifaceted Growth Opportunities

Driven by Organic as well as Strategic Opportunities



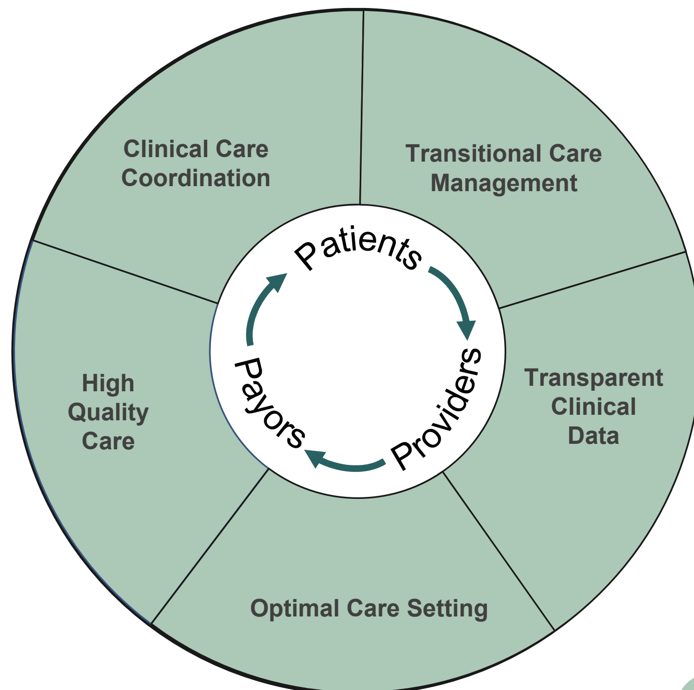
EPCC Enables Value-Based Care Continuum at the Local Level (3)

What is it?

✓ Preferred provider network between Ensign and The Pennant Group, Inc. Empowers local clinical leaders to opt-in resulting in smart and effective solutions for patients.

ENSIGN GROUP

PENNANT GROUP

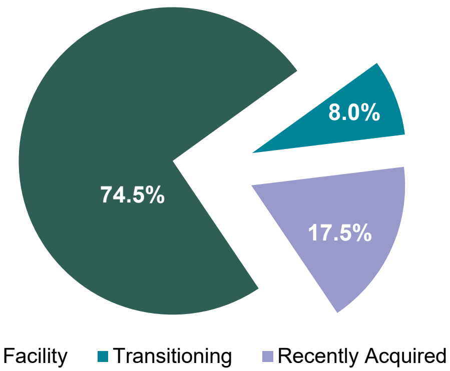


EPCC Enabled Local Ecosystem is Well-Positioned to Existing Clinical Collaboration, Drive Best Quality Care & Outcomes and Benefit From the Shift Toward Value-Based Reimbursement

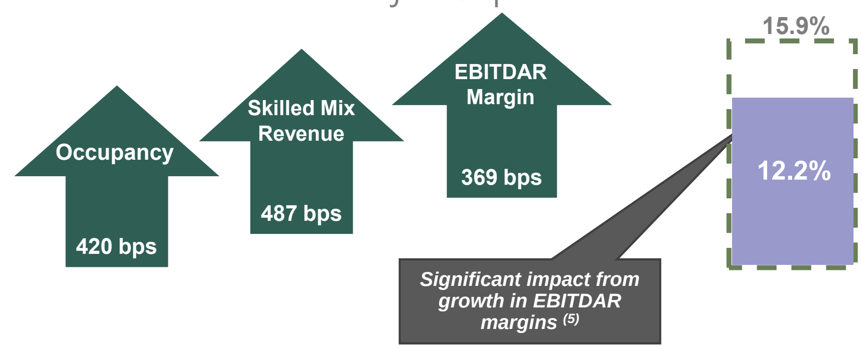
Refer to pages 53 – 54 for end notes.

A Disciplined Approach to Acquisitions & Track Record of Improving Operations to Drive Continued Growth

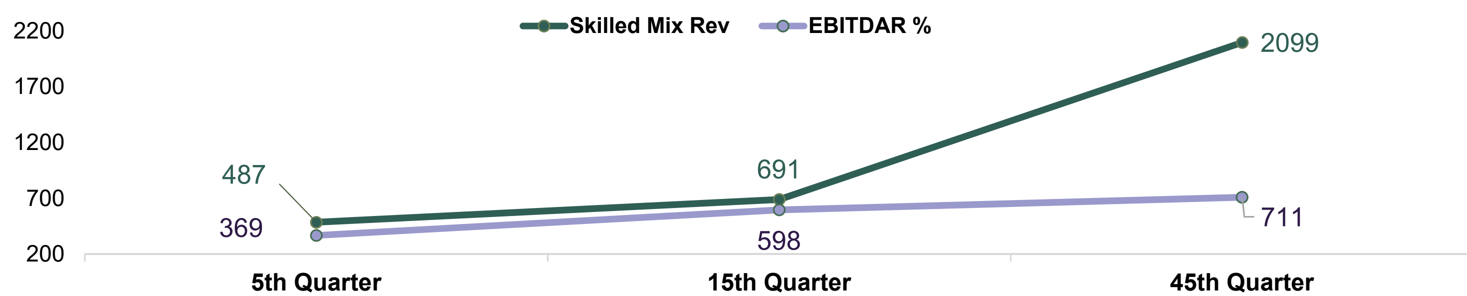
25.5% of Ensign's skilled nursing operations have been operated less than three full years



Proven track record of achieving significant improvement in just 5 quarters[4]

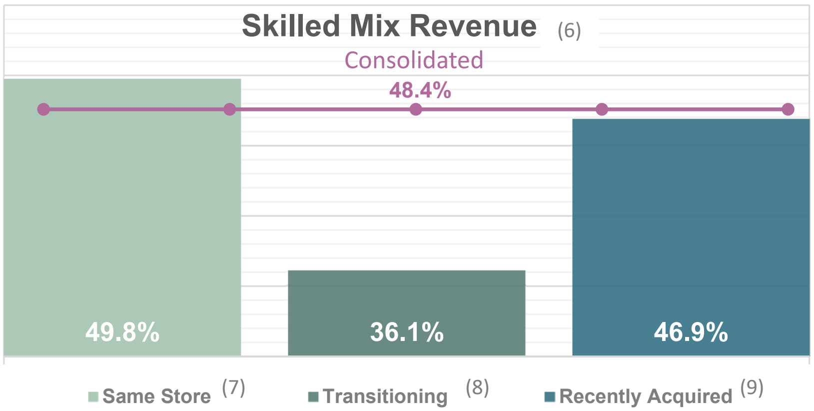


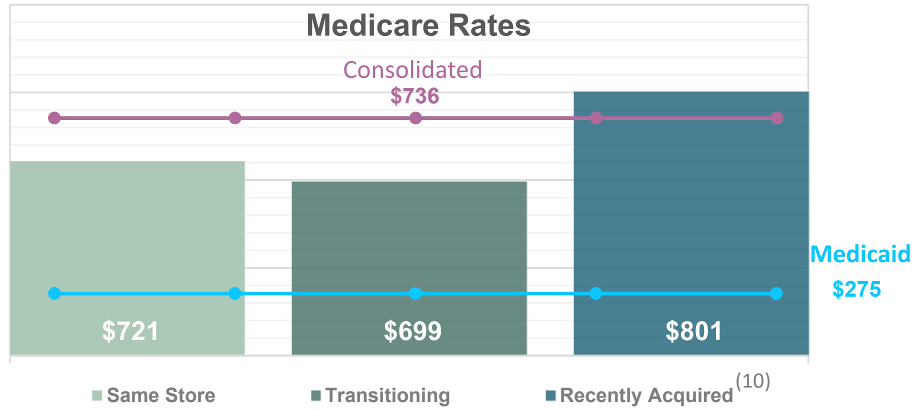
Significant improvement beyond 5th quarter to 45th quarter

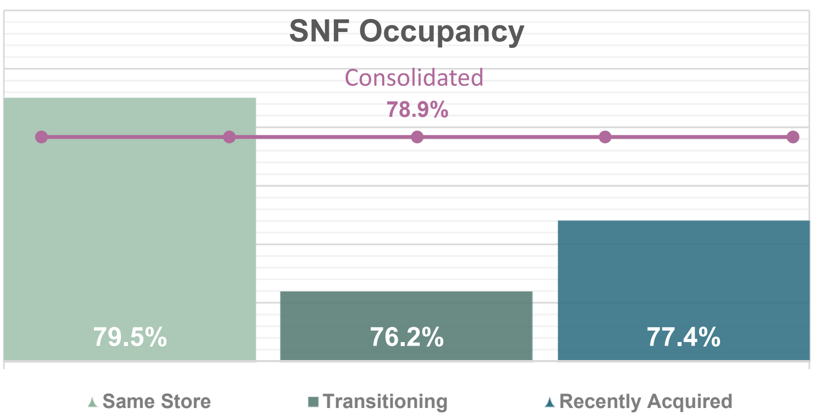


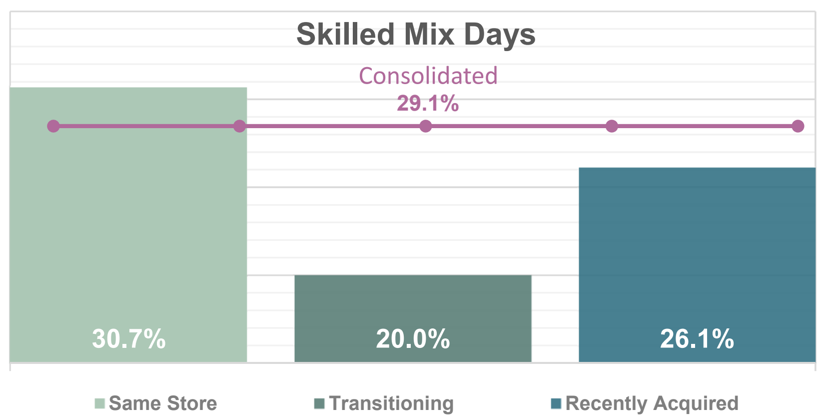
Refer to pages 53 – 54 for end notes. Source: Data as of 11/1/2023.

Demonstrated Track Record of Significant Operational Improvements of Acquired Assets QTD Q3 2023









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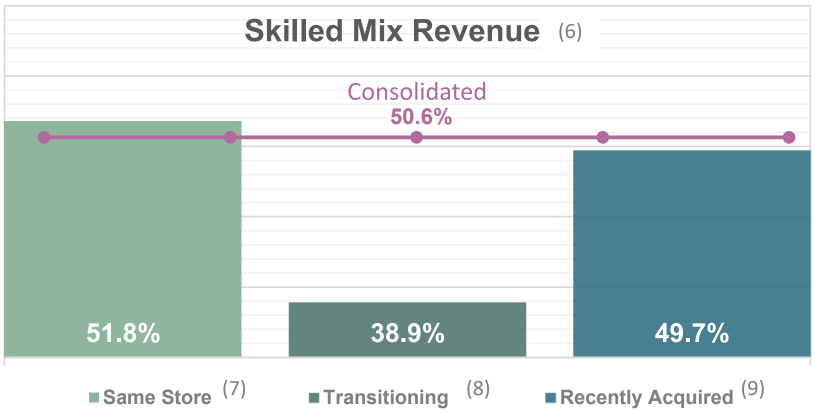
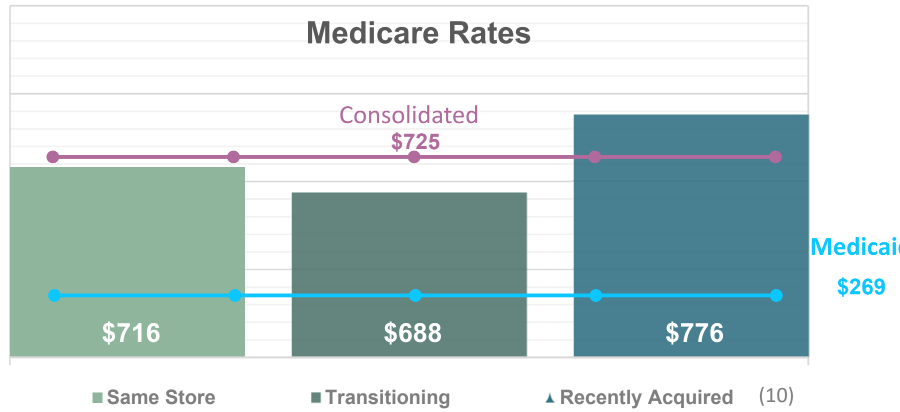
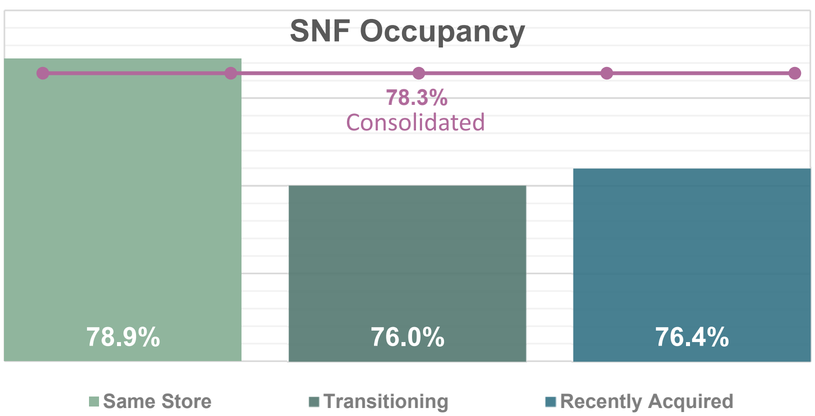
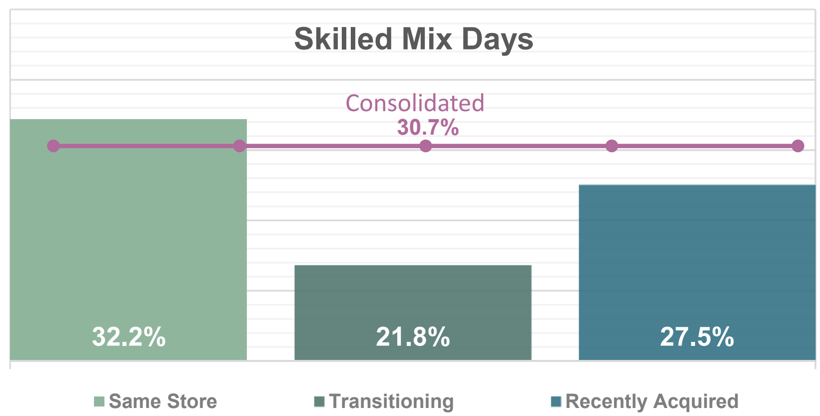
Demonstrated Track Record of Significant Operational Improvements of Acquired Assets YTD Q3 2023







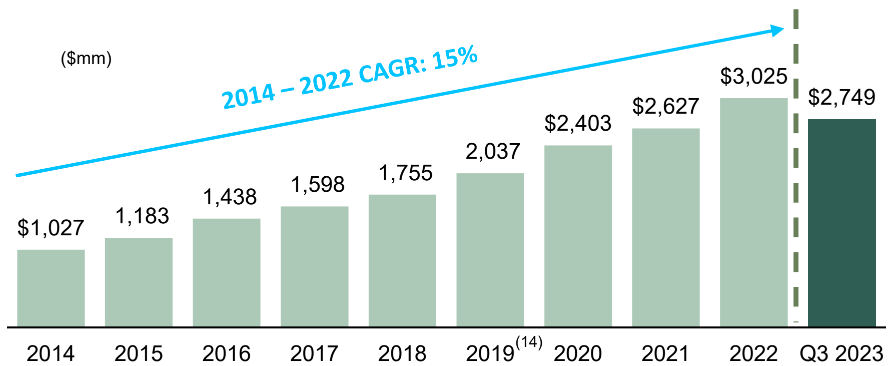


Refer to pages 53 – 54 for end notes. Source: Data as of Q3'23.

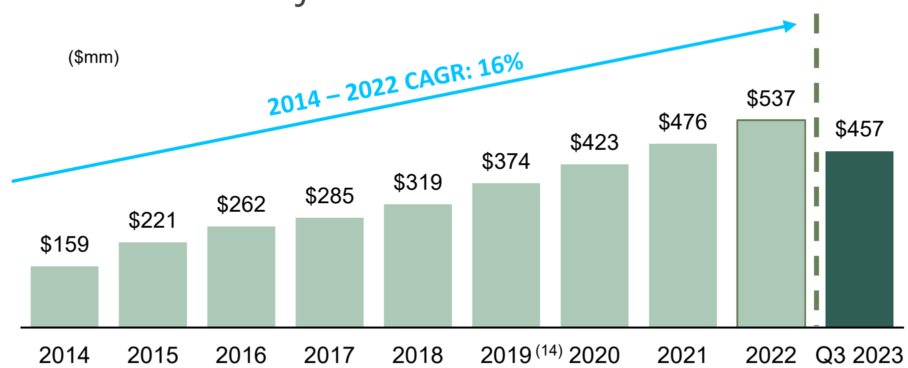
Ensign Represents The Growth Story

In the Facility-Based Healthcare Services & Post-Acute Sector

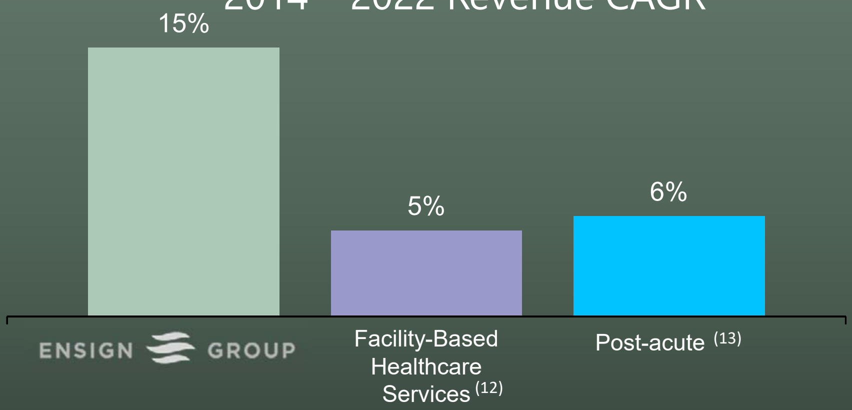
Revenue [11]



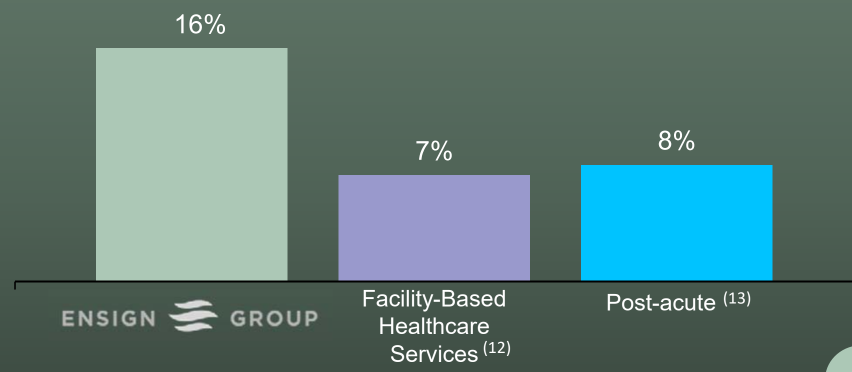
Adjusted EBITDAR [11]



2014 – 2022 Revenue CAGR



2014 – 2022 Adjusted EBITDAR CAGR



Refer to pages 53 – 54 for end notes.

Quarter Over Quarter Highlights

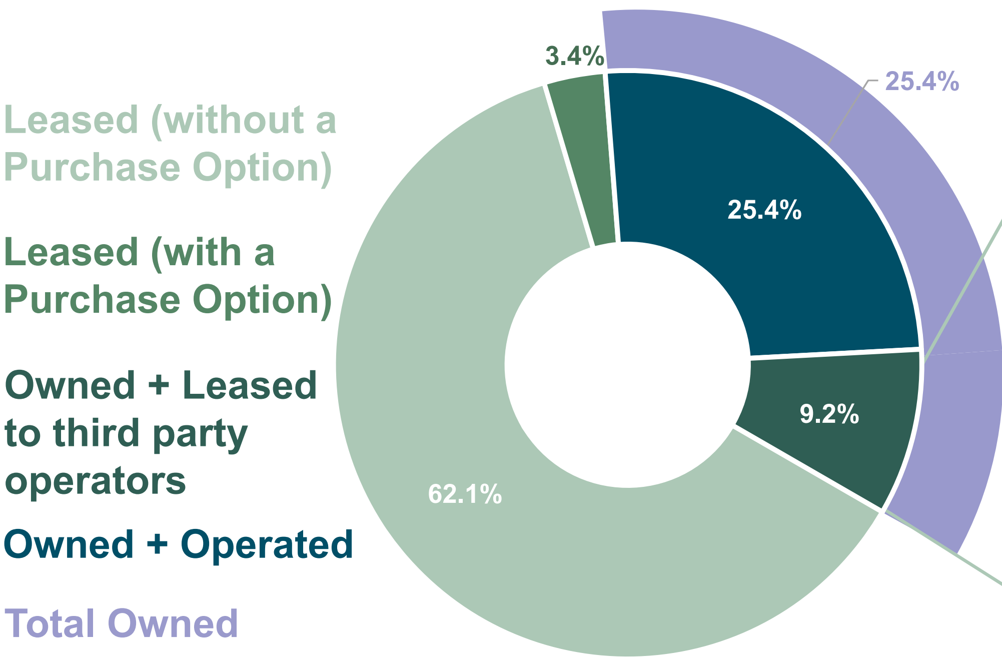
	Change	Q3 2023	Q3 2022
REVENUE	22.2%	$940.8 M	$770.0 M
SAME FACILITY SKILLED NURSING FACILITY REVENUE	6.6%	$692.3 M	$649.7 M
CONSOLIDATED ADJUSTED NET INCOME	16.6%	$69.0 M	$59.2 M

Year Over Year Highlights

		Q3 2023	Q3 2022
REVENUE	24.1%	$2,749.0 M	$2,215.9 M
SAME FACILITY SKILLED NURSING FACILITY REVENUE	7.8%	$2,058.3 M	$1,909.4 M
CONSOLIDATED ADJUSTED NET INCOME	15.5%	$199.9 M	$173.0 M

Significant Real Estate Portfolio As of November 1, 2023

% of 297 Facilities Ensign Operates and 30[15] Owned Real Estate Leased to Third Party Operators



Ensign Triple Net Master Leases with Third Party Operators

Lease Structure	• Multiple "triple-net" master leases
Terms & Termination	• Lease agreements with initial terms between 14 and 16 years, with three 5-year extension options • Consent required for third party operators to sublease, assign, encumber or otherwise transfer or dispose any property
Rent Terms	• Fixed base rent with CPI-based escalators
Expenses	• Third party operators responsible for maintenance, capital expenditures, property taxes, insurance and other expenses
Other	• Customary covenants and events of default

Refer to pages 53 – 54 for end notes. Source: Data as of 11/1/2023.

Track Record of Successfully Incubating New Ventures

PENNANT GROUP
Completed 2019

CareTrust REIT
Completed in 2014

ImmediateClinic URGENT CARE
Completed in 2016

STANDARD BEARER HEALTHCARE REIT, INC

ENSIGN PENNANT CARE CONTINUUM

covalence group

CAPSTONE TRANSPORTATION

PACIFIC MOBILE diagnostics PMDXRAY.com 87

BRIDGE DIALYSIS LIFE SAVING TREATMENT AT HOME

FOUNDERS Rx

Spin Offs · Divestitures · Current

Standard Bearer REIT Structure Summary & Key Benefits

ENSIGN GROUP

Operations

- Transitional & Skilled Services
- Ensign Pennant Care Continuum
- New Ventures

STANDARD BEARER HEALTHCARE REIT, INC

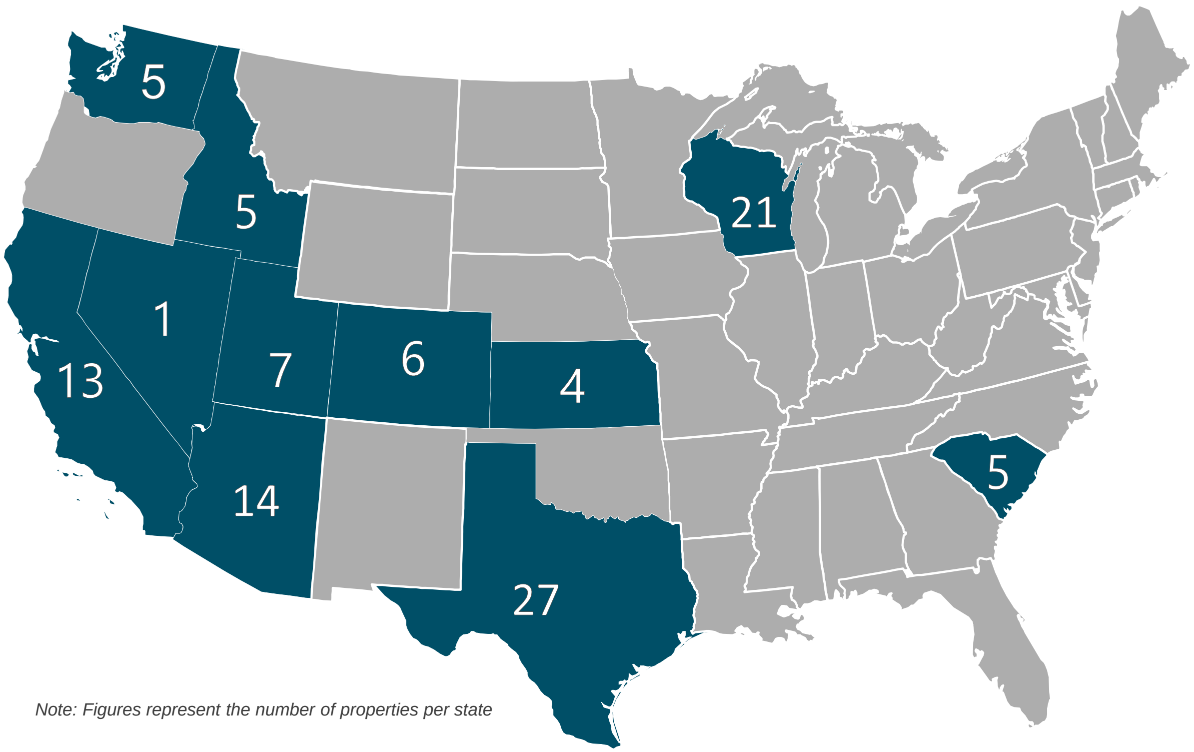
- Real Estate Ownership
- Real Estate Management & Monitoring
- Investment Evaluation and Execution
- Real Estate Portfolio Performance Reporting

Key Benefits of Captive REIT Structure

- Increased Visibility into Embedded Real Estate Value & Earnings
- Expanded Real Estate Acquisition Opportunities
- Capital Flexibility to Grow Independent of Operations
- Low-Cost Structure: No Capital Gains Trigger
- Optionality for Future Spin-Out or Other Transaction

Standard Bearer at a Glance

Geographic Footprint



Note: Figures represent the number of properties per state

Key Stats

108
Properties

$1.1B (16)
Real Estate Fair Value

11
States

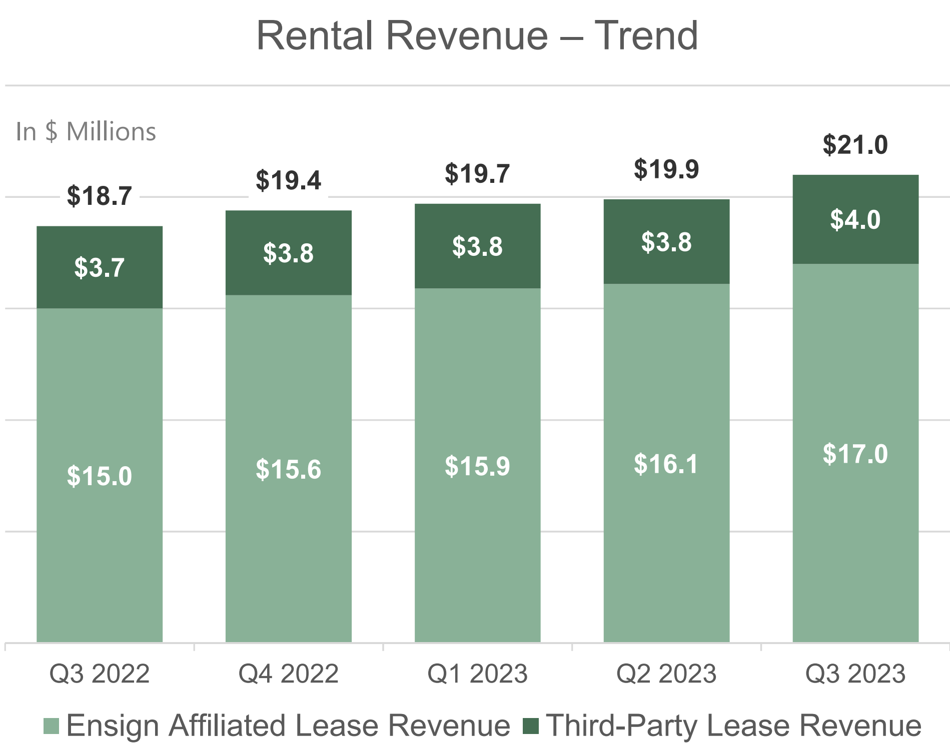
10,759
Operating Beds / Units

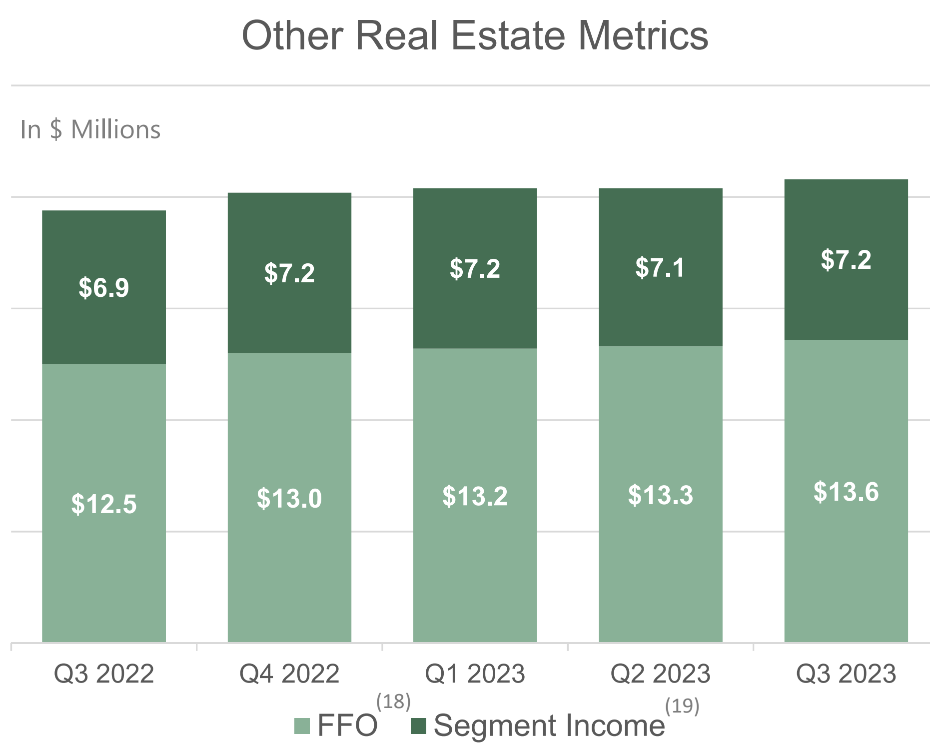
15.1 Years
Weighted Avg. Lease Tenor

80.7% (17)
Ensign Operated

Refer to pages 53 – 54 for end notes. Source: Data as of 11/1/2023.

Standard Bearer Metrics Quarter Over Quarter





Refer to pages 53 – 54 for end notes. Source: Data as of Q3’23.

Liquidity Financials Measure

Summary of Cash Flows (In millions)	Nine Months Ended September 30, 2023	2022
Net cash provided by (used in):		
Operating activities	291.4	222.3
Investing activities	(137.8)	(143.8)
Financing activities	(2.0)	(31.9)
Net increase in cash and cash equivalents	151.6	46.7
Cash and cash equivalents beginning of period	316.3	262.2
Cash and cash equivalents end of period	**$467.9**	**$308.9**
Other Liquidity Metrics:		
Availability under Credit Facility	$593.3	$593.3
Net Debt to Adjusted EBITDAR	**1.99x**	**1.98x**

Increased Guidance 2023

Annual Revenue
$3.72B to $3.73B

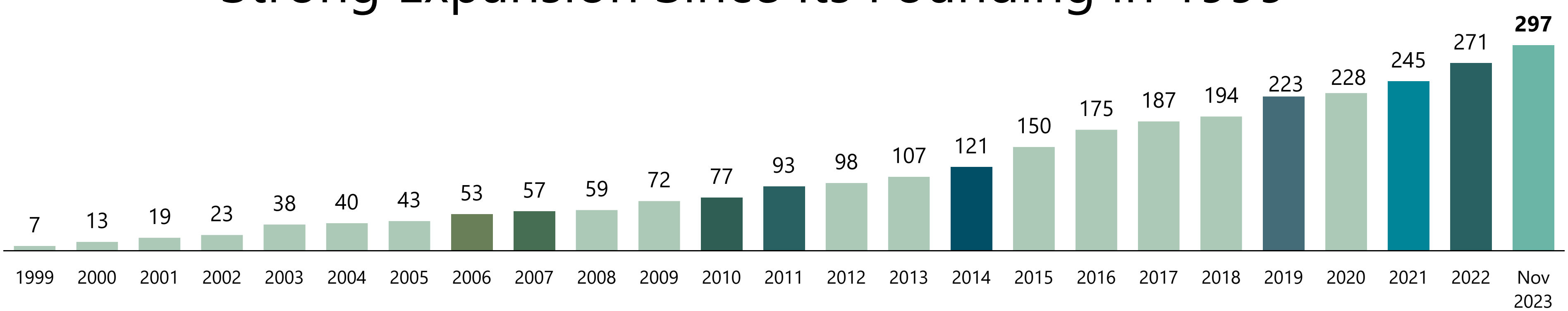
Diluted Adjusted EPS
$4.73 to $4.79

Midpoint is:
15% over 2022
31% over 2021

Entrepreneurial Evolution Of Ensign

- **1999** — The Ensign Group was **founded**
- **2006** — Established **New Market CEO program**
- **2007** — Ensign completes an **IPO** in November 2007
- **2010** — Ensign entered into the **home health industry**
- **2011** — **Senior living** portfolio company was formed in June 2011
- **2014** — Completed the **spin-off** of its real estate business, **CareTrust REIT**
- **2019** — Completed **spin-off** of home health & hospice as well as senior living segments, forming **The Pennant Group**
- **2021** — Continues to execute on **local leadership model** to grow through the **pandemic**
- **2022** — Ensign formed a Captive REIT, **Standard Bearer Healthcare REIT, Inc**.
- **2023** — Ensign completed **52 acquisitions since 2022**, entering its next phase of growth.

Strong Expansion Since Its Founding in 1999



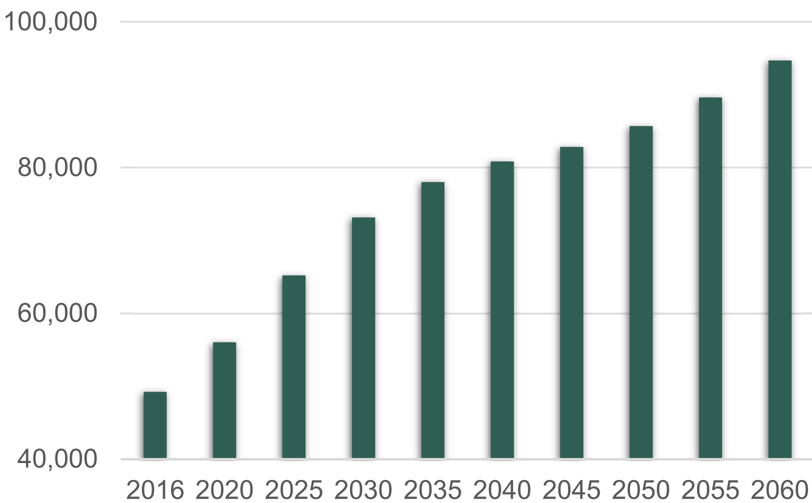
Healthcare Facilities Operated

Fundamentals Remain Favorable for Strong Organic Growth

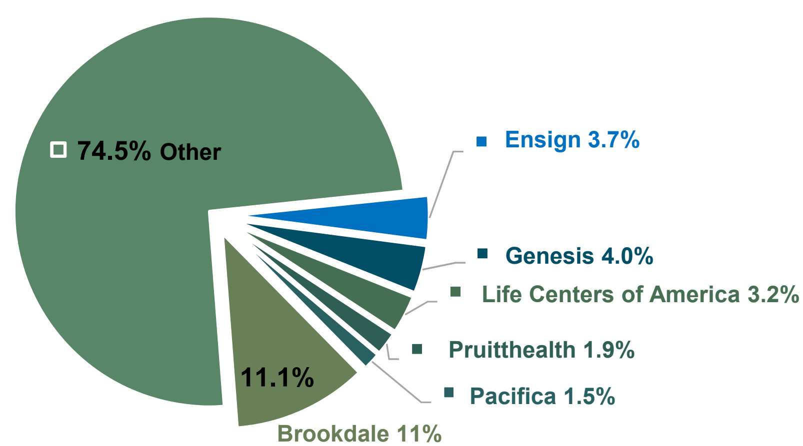
Key Drivers of Organic Growth

Aging Population	Population **over 65** projected to nearly **double by 2060**[20]
Shift to Value-based Care	**Shift to value-based care,** will continue to **benefit low cost, high quality settings (e.g. SNF)**
Reimbursement Environment	Over the last 10 years the **CMS reimbursement rates** in the SNF industry have increased at a steady rate of **1.0% - 4.0%**

Estimated Population Over 65



Market fragmentation creates significant consolidation opportunity[21]

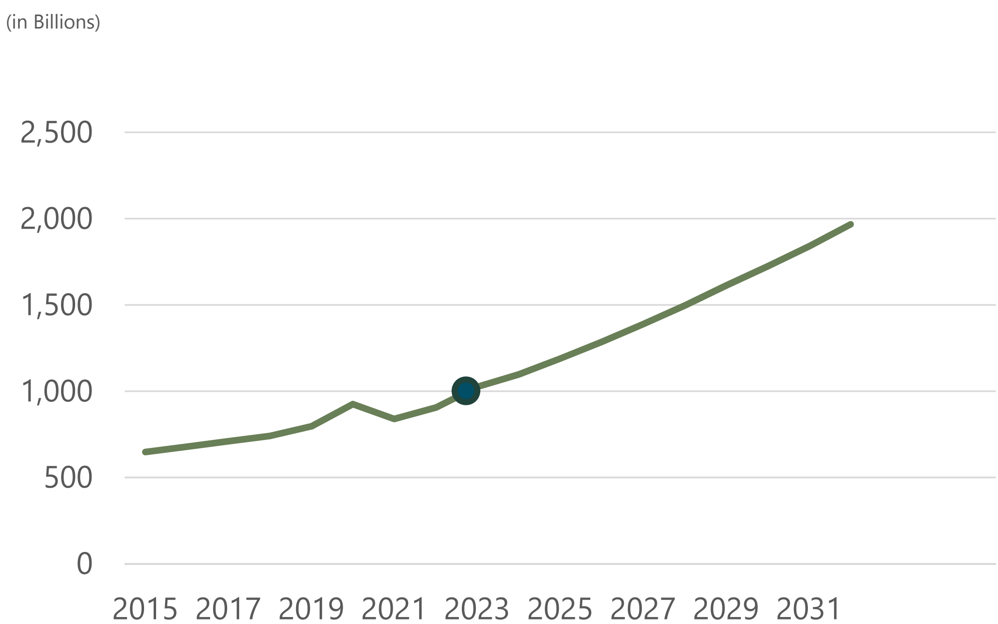


Favorable Backdrop for Growth in the Transitional Skilled Services Industry

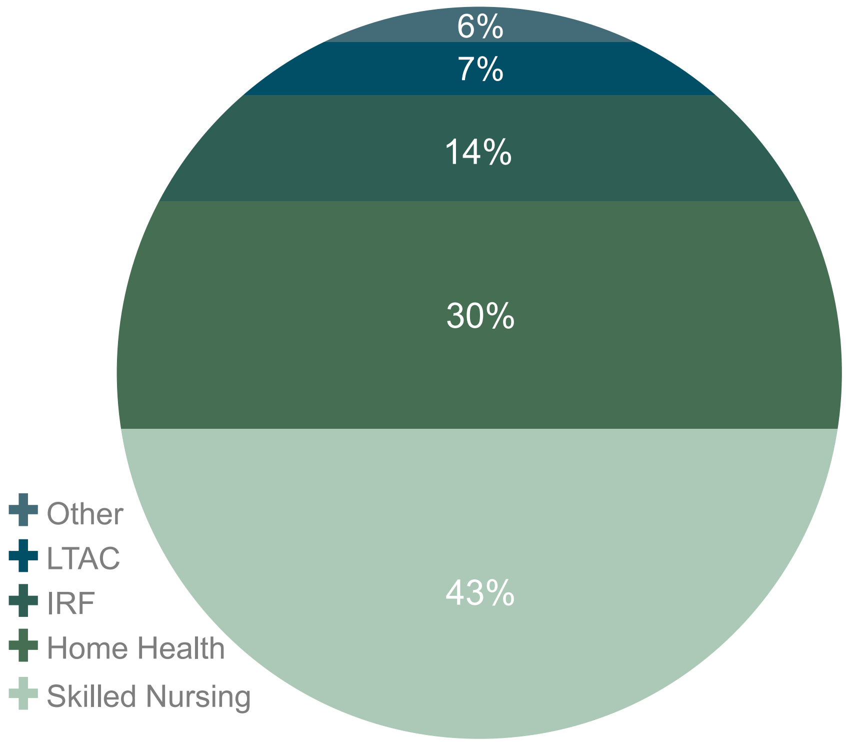
Refer to pages 53 – 54 for end notes.

Largest Beneficiary Of Medicare Post-Acute Dollars While Medicare Spending Continues to Increase

Medicare Spending Projection [22]

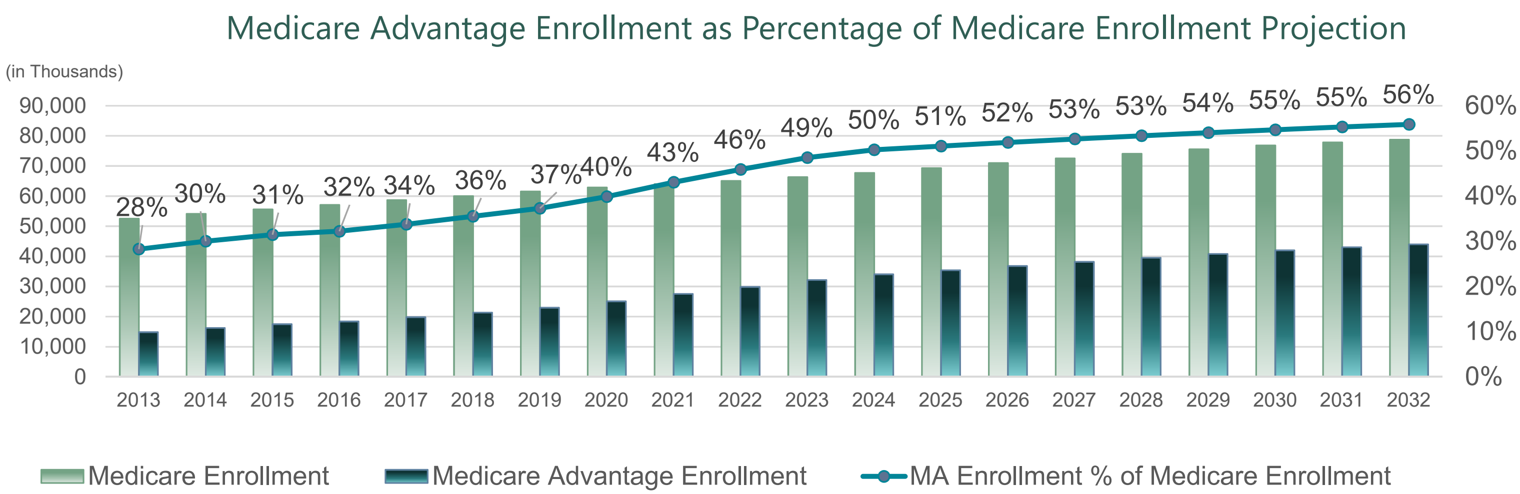


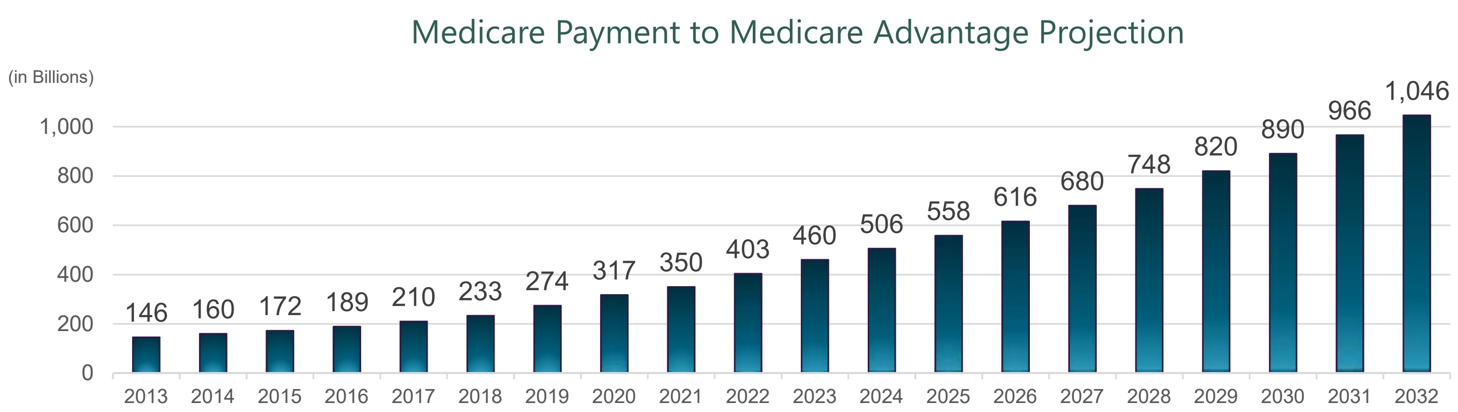
Post-Acute Destinations - % of Medicare Dollars [23]



Refer to pages 53 – 54 for end notes.

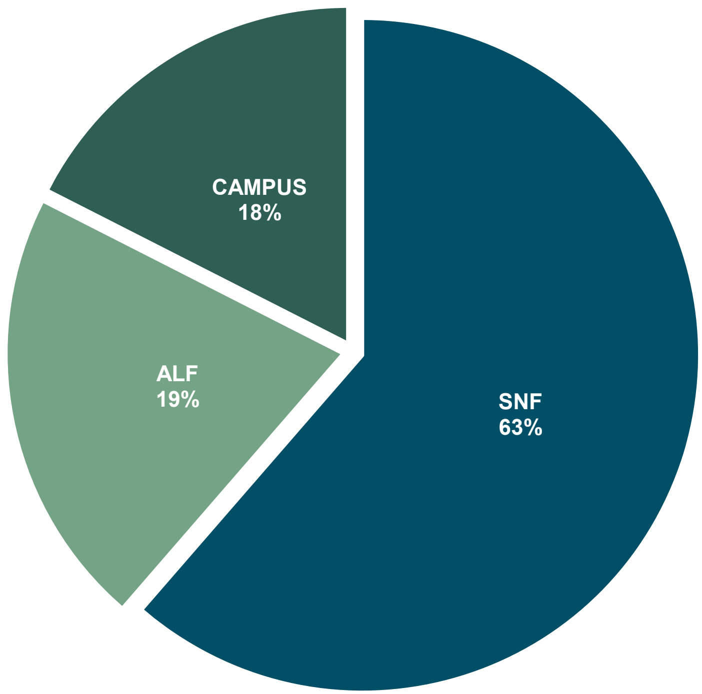
Medicare Advantage Growth Projection [24]



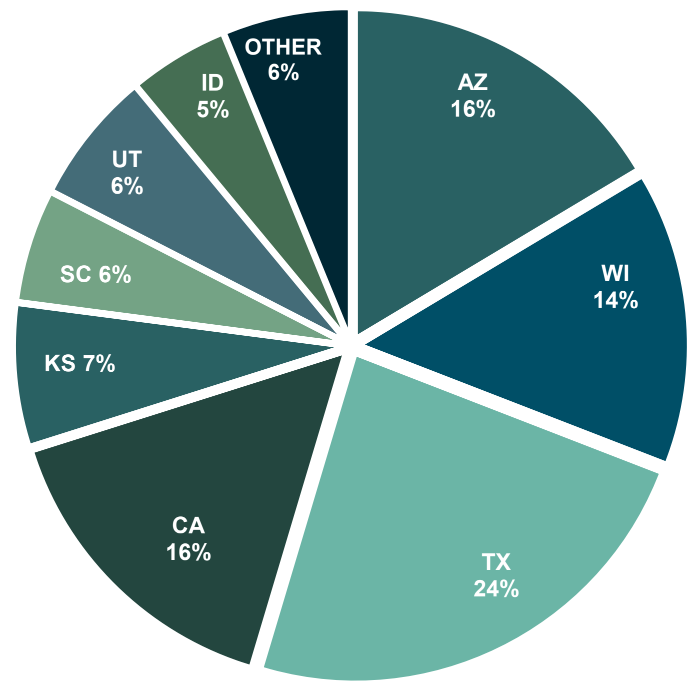


Standard Bearer Portfolio Diversification

Diversification by Property Type[17] [25]



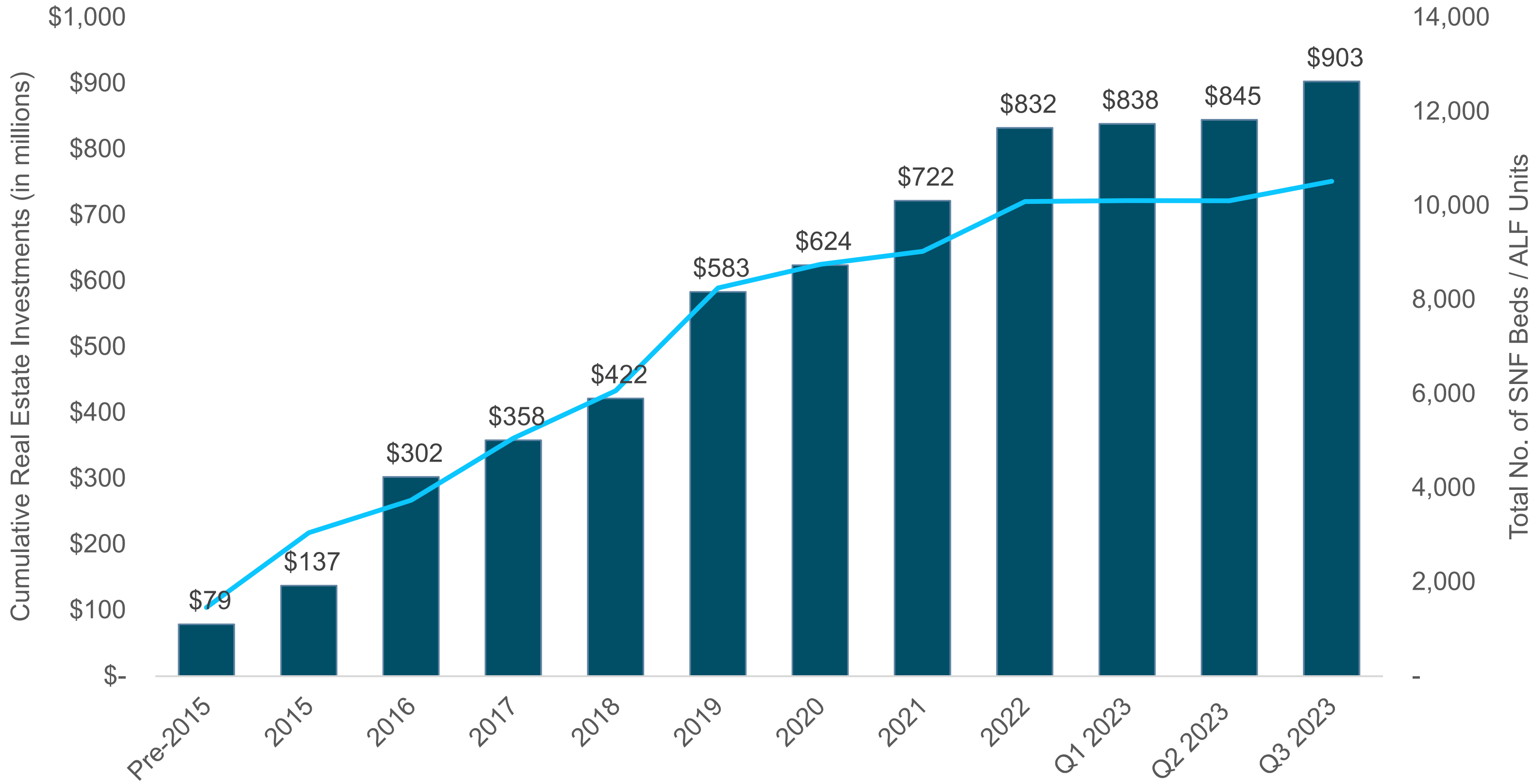
Diversification by State [17]



Refer to pages 53 – 54 for end notes. Source: Data as of 11/1/2023.

Standard Bearer Continuation & Expansion of Real Estate Success

Cumulative Investments Over Time[26]



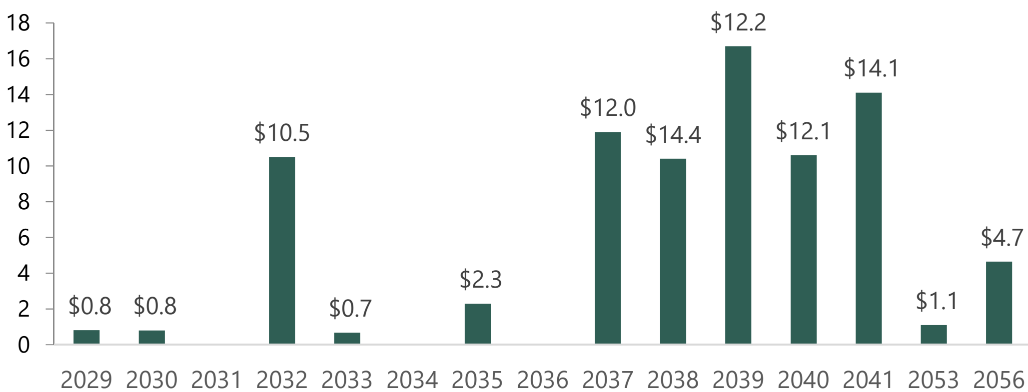
Refer to pages 53 – 54 for end notes. Source: Data as of Q3'23.

Standard Bearer Strong Long Term Leases

15.1 years[27]
Weighted Average
Lease Tenor

98%
of leases expire
after 2031

Annualized Rent Revenue Expirations by Year



Tenant Rent Coverage Summary

	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023
Ensign Affiliated	2.42	2.41	2.70	2.57	2.42
Third-Party	1.28	1.38	1.60	1.40	1.57
Total	**2.21**	**2.23**	**2.50**	**2.37**	**2.27**

Refer to pages 53 – 54 for end notes. Source: Tenant Rent Coverage Summary is as of Q3'23. All other data is as of 11/1/2023.

High-Quality Portfolio Of Assets

Ensign's real estate portfolio includes attractive assets in appealing markets
that provide the foundation for patient care and well-being.

Healthcare Resort of Leawood
Leawood, Kansas

Facilities are purpose-built or customized to accommodate specialty needs

Healthcare Resort of Topeka
Topeka, Kansas

Assets include a mix of state-of-the-art and hands-on therapeutic approaches to provide specific care plans for each individual

The Springs at Pacific Regent
La Jolla, CA

Facilities offer a wide variety of services that provide all the benefits of being at home.

Ensign Management Team

Christopher Christensen

Executive Chairman
24 Years

Former Ensign roles: CEO, President and Director.

Prior to joining Ensign: Acting Chief Operating Officer of Covenant Care, Inc.

Barry Port

Chief Executive Officer and Director
19 Years

Former Ensign roles: COO, President of Keystone Care and CEO of Bella Vita Health and Rehabilitation Center (Ensign Affiliate).

Prior to joining Ensign: Leader of Strategic Sourcing Initiatives for Sprint Corporation.

Suzanne Snapper

Chief Financial Officer, EVP and Director
17 Years

Former Ensign roles: Vice President of Finance.

Prior to joining Ensign: Senior Manager at KPMG LLP.

Chad Keetch

Chief Investment Officer, EVP and Secretary
12 Years

Former Ensign roles: Executive Vice President and Secretary, Vice President of Acquisitions and Business Legal Affairs and Assistant Secretary.

Prior to joining Ensign: Attorney at Kirkland & Ellis LLP.

Spencer Burton

President, Chief Operating Officer
17 Years

Former Ensign roles: President of Pennant Healthcare, CEO of Pacific Care and Rehabilitation (Ensign-affiliate).

Prior to joining Ensign: Utah State Legislature.

Appendix

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Skilled Services Segment

$ in thousands	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Statements of Income Data:				
Segment income	$117,816	$101,750	$348,169	$302,272
Depreciation and amortization[28]	9,936	8,397	28,417	24,411
EBITDA	**127,752**	**110,147**	**376,586**	**326,683**
Adjustments to EBITDA:				
Business interruption recoveries	(259)	-	(1,009)	-
Stock-based compensation expense	4,879	3,758	14,740	10,571
Adjusted EBITDA	**$132,372**	**$113,905**	**$390,317**	**$337,254**

Refer to pages 53 – 54 for end notes.

Standard Bearer Segment

$ in thousands	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Rental revenue generated from third-party tenants	$4,004	$3,708	$11,576	$11,180
Rental revenue generated from Ensign affiliated operations	16,976	15,024	49,035	42,343
Total rental revenue	**20,980**	**18,732**	**60,611**	**53,523**
Segment income (19)	7,165	6,941	21,517	20,679
Depreciation and amortization	6,429	5,561	18,528	15,798
FFO (18)	**$13,594**	**$12,502**	**$40,045**	**$36,477**

Refer to pages 53 – 54 for end notes.

Reconciliation Of GAAP to Non-GAAP Income

$ in thousands	Three Months Ended September 30, 2023	Three Months Ended September 30, 2022	Nine Months Ended September 30, 2023	Nine Months Ended September 30, 2022
Net income attributable to The Ensign Group, Inc.	**$63,863**	**$56,179**	**$187,708**	**$164,210**
Non-GAAP adjustments				
Stock-based compensation expense [29]	7,237	5,898	22,691	16,681
Cost of services – gain on business interruptions recoveries and sale of assets	(259)	(900)	(1,009)	(3,467)
Cost of services - legal adjustments [30]	-	859	(818)	4,212
Cost of services - acquisition related costs [31]	150	245	722	416
Interest expense – write off deferred financing fees [32]	-	-	-	566
Depreciation and amortization – patient base [33]	135	86	182	213
General and administrative – legal costs [34]	2,783	-	2,783	-
General and administrative – costs incurred related to new systems implementation	-	321	875	390
Provision for income taxes on Non-GAAP adjustments [35]	(4,946)	(3,528)	(13,274)	(10,225)
Non-GAAP net income	**$68,963**	**$59,160**	**$199,860**	**$172,996**
Average number of shares outstanding	57,337	56,761	57,245	56,829
Diluted Earnings Per Share	**$1.11**	**$0.99**	**$3.28**	**$2.89**
Adjusted Diluted Earnings Per Share	**$1.20**	**$1.04**	**$3.49**	**$3.04**

Refer to pages 53 – 54 for end notes.

Reconciliation Of GAAP to Non-GAAP Financial Measures

$ in thousands	Three Months Ended September 30, 2023	Three Months Ended September 30, 2022	Nine Months Ended September 30, 2023	Nine Months Ended September 30, 2022
Income before provision for income taxes	$82,045	$72,455	$241,480	$211,638
Stock-based compensation	7,237	5,898	22,691	16,681
Legal costs[34] and adjustments[30]	2,783	859	1,965	4,485
Gain on business interruptions recoveries and sale of assets	(259)	(900)	(1,009)	(3,467)
Write-off of deferred financing fees [32]	-	-	-	566
Acquisition related costs[31]	150	245	722	416
Costs incurred related to new systems implementation	-	321	875	390
Depreciation and amortization – patient base [33]	135	86	182	213
Adjusted EBT	**$92,091**	**$78,964**	**$266,906**	**$230,922**

Refer to pages 53 – 54 for end notes.

Reconciliation Of GAAP to Non-GAAP Financial Measures

$ in thousands	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Net income	$63,968	$56,242	$188,027	$164,133
Less: net income (loss) attributable to noncontrolling interests	105	63	319	(77)
Add: Other (income) expense, net	(2,253)	1,832	(8,939)	9,991
Provision for income taxes	18,077	16,213	53,453	47,505
Depreciation and amortization	18,446	15,941	53,154	45,475
EBITDA	**$98,133**	**$90,165**	**$285,376**	**$267,181**
Adjustments to EBITDA:				
Stock-based compensation expense	7,237	5,898	22,691	16,681
Legal costs[34] and adjustments[36]	2,783	859	1,965	4,212
Gain on business interruptions recoveries and sale of assets	(259)	(900)	(1,009)	(3,467)
Acquisition related costs[31]	150	245	722	416
Costs incurred related to new systems implementation	-	321	875	390
Adjusted EBITDA	**$108,044**	**$96,588**	**$310,620**	**$285,413**
Rent—cost of services	50,357	38,907	146,754	111,897
Adjusted EBITDAR	**$158,401**		**$457,374**	

Refer to pages 53 – 54 for end notes.

Reconciliation From Segment Income to Income Before Provisions For Income Taxes QTD Q3 2023

$ in thousands	Skilled Services	Standard Bearer	All Other	Eliminations	Consolidated
Total Revenue	$902,967	$20,980	$39,124	($22,280)	$940,791
Cost of services (37)	713,290	547	30,007	(2,775)	741,069
Internal rent expense (38)	15,694	-	2,096	(17,790)	-
External rent expense	46,231	241	3,885	-	50,357
Depreciation and amortization	9,936	6,429	2,081	-	18,446
General and administrative expenses (37) (38)	-	1,459	51,383	(1,715)	51,127
Other expense (income), net (37)	-	5,139	(7,392)	-	(2,253)
Total expenses	**785,151**	**13,815**	**82,060**	**(22,280)**	**858,746**
Segment income	**117,816**	**7,165**	**(42,936)**	**-**	**82,045**
Income before provision for income tax					**82,045**

Refer to pages 53 – 54 for end notes.

Reconciliation From Segment Income to Income Before Provisions For Income Taxes YTD Q3 2023

$ in thousands	Skilled Services	Standard Bearer	All Other	Eliminations	Consolidated
Total Revenue	$2,638,090	$60,611	$114,574	($64,298)	$2,748,977
Cost of services (39)	2,081,107	1,587	85,129	(7,843)	2,159,980
Internal rent expense (40)	45,417	-	6,061	(51,478)	-
External rent expense	134,980	709	11,065	-	146,754
Depreciation and amortization	28,417	18,528	6,209	-	53,154
General and administrative expenses (39) (40)	-	3,987	157,438	(4,977)	156,448
Other expense (income), net (39)	-	14,283	(23,222)	-	(8,939)
Total expenses	**2,289,921**	**39,094**	**242,680**	**(64,298)**	**2,507,397**
Segment income	**348,169**	**21,517**	**(128,106)**	**-**	**241,580**
Gain from sale of real estate					(100)
Income before provision for income tax	**348,169**	**21,517**	**(128,106)**	**-**	**241,480**

Refer to pages 53 – 54 for end notes.

Reconciliation From Segment Income to GAAP EBITDA and Non-GAAP EBITDA QTD Q3 2023

$ in thousands	Skilled Services	Standard Bearer	All Other	Eliminations	Consolidated
Segment Income	$117,816	$7,165	($42,936)	-	**$82,045**
Other expense (income), net	-	5,139	(7,392)	-	(2,253)
Depreciation and amortization	9,936	6,429	2,081	-	18,446
Less: Net income attributable to non-controlling interests	-	-	105	-	105
Segment GAAP EBITDA	**127,752**	**18,733**	**(48,352)**	**-**	**98,133**
Consolidated GAAP EBITDA					**98,133**
Non-GAAP Adjustments					
Stock based compensation	4,879	-	2,358	-	7,237
Legal costs	-	-	2,783	-	2,783
Gain on business interruption recoveries	(259)	-	-	-	(259)
Other Non-GAAP adjustments	-	-	150	-	150
Segment Non-GAAP EBITDA	**132,372**	**18,733**	**(43,061)**	**-**	**108,044**
Consolidated Non-GAAP EBITDA					**108,044**
Internal Rent Expense	15,694	-	2,096	(17,790)	-
External Rent Expense	46,231	241	3,885	-	50,357
Total Non-GAAP Rent Expense	**61,925**	**241**	**5,981**	**(17,790)**	**50,357**
Consolidated Non-GAAP EBITDAR	**194,297**	**18,974**			**$158,401**

Reconciliation From Segment Income to GAAP EBITDA and Non-GAAP EBITDA YTD Q3 2023

$ in thousands	Skilled Services	Standard Bearer	All Other	Eliminations	Consolidated
Segment Income	$348,169	$21,517	($128,106)	0	**$241,580**
Other expense (income), net	-	14,283	(23,222)	-	(8,939)
Depreciation and amortization	28,417	18,528	6,209	-	53,154
Less: Net income attributable to non-controlling interests	-	-	319	-	319
Segment GAAP EBITDA	**376,586**	**54,328**	**(145,438)**	**-**	**285,476**
Loss on real estate insurance recoveries					(100)
Consolidated GAAP EBITDA					**285,376**
Non-GAAP Adjustments					
Stock based compensation	14,740	-	7,951	-	22,691
Legal costs and adjustments	-	-	1,965	-	1,965
Gain on business interruption recoveries	(1,009)	-	-	-	(1,009)
Other Non-GAAP adjustments	-	-	1,597	-	1,597
Segment Non-GAAP EBITDA	**390,317**	**54,328**	**(133,925)**	**-**	**310,720**
Loss on real estate insurance recoveries					(100)
Consolidated Non-GAAP EBITDA					**310,620**
Internal Rent Expense	45,417	-	6,061	(51,478)	-
External Rent Expense	134,980	709	11,065	-	146,754
Total Non-GAAP Rent Expense	**180,397**	**709**	**17,126**	**(51,478)**	**146,754**
Consolidated Non-GAAP EBITDAR	**570,714**	**55,037**			**$457,374**

Reconciliation of Deferred Compensation Plan

Impact 5 Quarter Trend

	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
Non-GAAP other income (expense):					
Interest expense	($2,024)	($2,023)	($2,036)	($2,067)	($2,108)
Interest income	5,701	3,952	4,304	2,860	1,411
Deferred compensation plan (DCP) investments gain (loss)	(1,424)	1,250	1,239	1,462	(1,135)
Other income (expense)	4,277	5,202	5,543	4,322	276
Total Non-GAAP other income (expense)	**2,253**	**3,179**	**3,507**	**2,255**	**(1,832)**
Non-GAAP Revenue	**940,791**	**921,345**	**886,841**	**809,532**	**770,005**
Non-GAAP cost of services	736,125	718,388	691,712	630,387	597,692
Less: DCP gain (loss) related to cost of services	(676)	666	640	985	(686)
Non-GAAP cost of services without DCP	**736,801**	**717,722**	**691,072**	**629,402**	**598,378**
Non-GAAP cost of services as a percentage of revenue	78.2%	78.0%	78.0%	77.9%	77.6%
Non-GAAP cost of services as a percentage of revenue without DCP	78.3%	77.9%	77.9%	77.7%	77.7%
Non-GAAP general and administrative expense with DCP	46,160	50,309	48,590	39,788	36,755
Less: DCP gain (loss) related to general and administrative expense	(676)	666	640	530	(369)
Non-GAAP general and administrative expense without DCP	**46,836**	**49,643**	**47,950**	**39,258**	**37,124**
Non-GAAP general and administrative expense as a percentage of revenue	4.9%	5.5%	5.5%	4.9%	4.8%
Non-GAAP general and administrative expense as a percentage of revenue without DCP	5.0%	5.4%	5.4%	4.8%	4.8%
NON-GAAP EBITDA percentage of revenue	11.5%	11.2%	11.3%	12.1%	12.5%
NON-GAAP EBITDA percentage of revenue without DCP	11.3%	11.3%	11.4%	12.3%	12.4%
NON-GAAP EBITDAR percentage of revenue	16.8%	16.6%	16.5%	17.2%	17.6%
NON-GAAP EBITDAR percentage of revenue without DCP	16.7%	16.7%	16.7%	17.4%	17.5%

Property Locations

Property Name	State	Property Type	# of Operating Beds / Units	Tenant
Alta Mesa Health and Rehabilitation and The Groves Assisted and Independent Senior Living Community	AZ	Campus	176	Ensign
Arrowhead Springs Healthcare	CA	SNF	99	Ensign
Avamere Rehabiliation at Ridgemont and The Villas at Ridgemont	WA	Campus	142	Avamere
Bainbridge Island Health and Rehabilitation Center	WA	SNF	58	Ensign
Belmont Terrace	WA	SNF	95	Ensign
Bennett Hills Rehabilitation and Care Center	ID	SNF	58	Ensign
Brenwood Park Assisted Living	WI	Senior Living	46	Pennant
Broadway Villa Post Acute	CA	SNF	138	Ensign
Brookside Healthcare Center	CA	SNF	97	Ensign
California Mission Inn	CA	Senior Living	151	Pennant
Casas Adobes Post Acute Rehabilitation Center	AZ	SNF	224	Ensign
Cedar Health and Rehabilitation	UT	SNF	120	Ensign
Cedar Hills Senior Living	TX	Senior Living	37	Pennant
Champions Healthcare at Willowbrook	TX	Campus	242	Ensign
Compass Post Acute Rehabilitation	SC	SNF	95	Ensign
Cottonwood Manor Assisted Living	WI	Senior Living	30	Pennant
Cranberry Court Assisted Living	WI	Senior Living	40	Pennant
Creekside Transitional Care and Rehabilitation	ID	SNF	139	Ensign
Deer Creek Senior Living	TX	Senior Living	37	Pennant
Desert Blossom Health and Rehabilitation Center	AZ	SNF	98	Ensign
East View Healthcare	TX	SNF	125	Ensign
Fountain Hills Post Acute	AZ	SNF	64	Ensign
Golden Palms Rehabilitation and Retirement	TX	Campus	197	Ensign

Property Locations

Property Name	State	Property Type	# of Operating Beds / Units	Tenant
Greentree Health and Rehabilitation Center	WI	SNF	50	Ensign
Harbor View Assisted Living	WI	Senior Living	39	Pennant
Harrison Pointe Healthcare and Rehabilitation	UT	SNF	63	Ensign
Heritage Park Healthcare and Rehabilitation	UT	SNF	121	Ensign
Horizon Post Acute and Rehabilitation Center	AZ	SNF	179	Ensign
Hunters Pond Rehabilitation and Healthcare	TX	SNF	128	Ensign
Keller Oaks Healthcare Center	TX	SNF	146	Ensign
Kenosha Senior Living	WI	Senior Living	37	Pennant
Kirkwood Manor	TX	SNF	162	Ensign
Lake Pointe Villa Assisted Living	WI	Senior Living	19	Pennant
Lila Doyle Post Acute	SC	SNF	120	Ensign
Legend Healthcare and Rehabilitation - Paris	TX	SNF	120	Ensign
Lo-Har Senior Living	CA	Senior Living	29	Pennant
Madison Pointe Senior Living	WI	Senior Living	39	Pennant
Magnolia Post Acute Care	CA	SNF	99	Ensign
Maple Meadows Assisted Living	WI	Senior Living	19	Pennant
McCall Rehabilitation and Care Center	ID	SNF	40	Ensign
McFarland Villa Assisted Living	WI	Senior Living	35	Pennant
Meadow View Assisted Living	WI	Senior Living	24	Pennant
Meadow View Nursing and Rehabilitation	ID	SNF	112	Ensign
Meadowcreek Senior Living	TX	Senior Living	37	Pennant
Medallion Post Acute Rehabilitation	CO	SNF	60	Ensign

Property Locations

Property Name	State	Property Type	# of Operating Beds / Units	Tenant
Medallion Villas	CO	Senior Living	100	Ensign
Mesa Springs Healthcare Center	TX	Campus	138	Joint (Ensign/Pennant)
Millennium Post Acute Rehabilitation	SC	SNF	132	Ensign
Mission Care Center	CA	SNF	58	Ensign
Mission Palms Post Acute	AZ	SNF	160	Ensign
Mountain Terrace Senior Living	WI	Senior Living	70	Pennant
Mt. Ogden Health and Rehabilitation Center	UT	SNF	108	Ensign
North Point Senior Living	WI	Senior Living	19	Pennant
Olive Ridge Senior Living	AZ	Senior Living	73	Ensign
Olympia Transitional Care and Rehabilitation	WA	SNF	135	Ensign
Opus Post Acute Rehabilitation	SC	SNF	98	Ensign
Panorama Gardens Nursing and Rehabilitation Center	CA	SNF	145	Ensign
Paris Chalet Senior Living	TX	Senior Living	37	Pennant
Park Manor of McKinney	TX	SNF	138	Ensign
Parklane West Healthcare Center	TX	SNF	124	Ensign
Parkside Senior Living	WI	Senior Living	20	Pennant
Pecan Valley Rehabilitation and Healthcare	TX	SNF	124	Ensign
Peoria Post Acute and Rehabilitation	AZ	SNF	179	Ensign
Phoenix Mountain Post Acute	AZ	SNF	130	Ensign
Pleasant Point Senior Living	WI	Senior Living	74	Pennant
Premier Care Center of Palm Springs	CA	SNF	99	Ensign
Pueblo Springs Rehabilitation Center	AZ	SNF	115	Ensign

Property Locations

Property Name	State	Property Type	# of Operating Beds / Units	Tenant
Puget Sound Transitional Care	WA	SNF	125	Ensign
Rehabilitation and Nursing Center of the Rockies	CO	SNF	96	Ensign
Rio Vista Post Acute and Rehabilitiation	AZ	SNF	150	Ensign
Riverbend Post Acute Rehabilitation	KS	Campus	124	Ensign
Riverview Village Senior Living	WI	Senior Living	44	Pennant
Riverwalk Post Acute and Rehabilitation	CO	SNF	60	Ensign
Rock Canyon Respiratory & Rehabilitation Center	CO	SNF	81	Ensign
Rock Creek of Ottawa	KS	Campus	146	Ensign
Rock Hill Post Acute Care Center	SC	SNF	99	Ensign
Rockbrook Assisted Living and Memory Care	TX	Senior Living	52	Pennant
Scandinavian Court Assisted Living	WI	Senior Living	19	Pennant
Sea Cliff Healthcare Center and Assisted Living	CA	Campus	224	Ensign
Sherwood Village Assisted Living and Memory Care	AZ	Senior Living	151	Pennant
Somerset Subacute and Care	CA	SNF	47	Ensign
St. George Rehabilitation	UT	SNF	99	Ensign
Stoughton Meadows Senior Living	WI	Senior Living	39	Pennant
Surprise Health and Rehabilitation Center	AZ	SNF	100	Ensign
Tempe Post Acute and Desert Marigold Senior Living of Tempe	AZ	Campus	198	Ensign
Temple View Transitional Care Center	ID	SNF	119	Ensign
The Eden of Las Colinas	TX	SNF	118	Ensign
The Healthcare Center at Patriot Heights	TX	Campus	232	Ensign
The Healthcare Resort of Leawood	KS	Campus	94	Ensign

Property Locations

Property Name	State	Property Type	# of Operating Beds / Units	Tenant
The Healthcare Resort of Topeka	KS	Campus	94	Ensign
The Medical Lodge of Amarillo	TX	SNF	82	Ensign
The Mildred & Shirley L. Garrison Geriatric Education and Care Center	TX	SNF	116	Ensign
The Orchard Post Acute Care	CA	SNF	162	Ensign
The Pines Post Acute and Memory Care	WI	SNF	50	Ensign
The Shores of Sheboygan Assisted Living	WI	Senior Living	66	Pennant
The Springs at Pacific Regent	CA	SNF	59	Ensign
The Terrace at Mt. Ogden	UT	SNF	114	Ensign
The Villages of Dallas	TX	Campus	304	Ensign
The Villas at Rock Canyon	CO	Senior Living	20	Ensign
The Waterton Healthcare and Rehab	TX	SNF	74	Ensign
Treasure Hills Healthcare and Rehabilitation Center	TX	SNF	110	Ensign
Villa Court Assisted Living and Memory Care	NV	Senior Living	74	Pennant
Villa Maria Post Acute and Rehabilitation	AZ	Campus	85	Ensign
Village Healthcare and Rehabilitation	TX	SNF	112	Ensign
Westover Hills Rehabilitation and Healthcare	TX	SNF	124	Ensign
Wide Horizons Intermediate Care Facility	UT	SNF	44	Ensign
Willow Brooke Point Senior Living	WI	Senior Living	82	Pennant
Windsor Rehabilitation and Healthcare	TX	SNF	108	Ensign

End Notes

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End Notes

(1) Adjusted EBITDAR is a non-GAAP measure and represents net income before (a) interest expense, net, (b) provision for income taxes, (c) depreciation and amortization, (d) rent-cost of services, (e) stock-based compensation expense, (f) acquisition related costs, (g) costs incurred related to new systems implementation, (h) legal costs and adjustments, and (i) gain on business interruption recoveries and sale of assets. See Appendix for a reconciliation of GAAP to non-GAAP financial measures. 2019 Adjusted EBITDAR includes 9 months of Pennant financial results. **[Slide 11]**
(2) Starting in 2022, CMS included new measurements which impacted our overall star rating and resulted in a decrease in our 4 and 5 star locations. **[Slide 11]**
(3) Subsidiaries of Ensign and Pennant may opt into a voluntary joint post-acute care preferred provider network called the Ensign Pennant Care Continuum ("the EPCC"). **[Slide 13]**
(4) Acquisition track record based on an average for all SNF acquisitions from 2001 to June 30, 2022 measuring 5 quarters of operating performance. **[Slide 14]**
(5) 12.2% represents average EBITDAR margin for the 1st quarter after acquisition for acquisitions made from 2001 to June 30, 2022. **[Slide 14]**
(6) At the end of Q3'23, there were 284 skilled nursing facilities in operation. **[Slide 15, 16]**
(7) Same Store represents all skilled nursing operations purchased prior to January 1, 2020 totaling 213 facilities. **[Slide 15, 16]**
(8) Transitioning represents all skilled nursing operations purchased from January 1, 2020 to December 31, 2021 totaling 23 facilities. **[Slide 15, 16]**
(9) Recently Acquired represents all skilled nursing operations purchased on or subsequent to January 1, 2022 totaling 48 facilities. **[Slide 15, 16]**
(10) Recently Acquired includes the operations in states which, on average, have a higher reimbursement rate than our average operation. **[Slide 15, 16]**
(11) Revenue and adjusted EBITDAR not pro forma for spin. **[Slide 17]**
(12) Represents average of peer growth from 2014-2021 annualized, except for peers that were not in existence for the entire time period, in which case the longest time period available was used. Peers grouped by subsector include: Acute Care: HCA, CYH, THC, and UHS; Behavioral: ACHC and CIVI; ASC: SGRY; Dialysis: FMS and DVA; Home Health and Hospice: AMED, ADUS and CHE; Institutional: BKD and EHC; Rehab: SEM and USPH. **[Slide 17]**
(13) Represents 2014 – 2021 average of AMED, ADUS, CHE, BKD, EHC and SEM. **[Slide 17]**
(14) 2019 only includes 9 months Pennant financial data as a result of its 10/1/2019 spin-off. **[Slide 17]**
(15) Of the 30 owned real estate leased to third party operators, one senior living facility is located on the same real estate property as a skilled nursing facility that we own and operate. **[Slide 20]**
(16) Reflects midpoint of the most recent third-party valuation. **[Slide 23]**
(17) Based on percentage of annualized rent for assets as of November 1, 2023. **[Slide 23, 31]**
(18) FFO, in accordance with the definition used by the National Association of Real Estate Investment Trusts, means net income attributable to common stockholders, computed in accordance with U.S. GAAP, excluding gains (or losses) from sales of real estate and impairment of depreciable real estate assets, while including depreciation and amortization related to real estate earnings. **[Slide 24, 38]**
(19) Segment income reflects profit or loss from operations before provision for income taxes, gain or loss from sale of real estate and insurance recoveries from real estate. Included in Standard Bearer segment income for the three months ended September 30, 2023, June 30, 2023, March 31, 2023, December 31, 2022, and September 30, 2022 are management fees of $1.3M, $1.2M, $1.2M, $1.2M, and $1.1M, respectively, and interest expense of $3.4M, $2.9M, $2.8M, $2.6M, and $2.3M, respectively, associated with the intercompany agreements between Standard Bearer and The Ensign Group, Inc., including the Service Center. **[Slide 24, 38]**
(20) Source: US Census, CDC (NCHS), CMS and Population Reference Bureau. From 49MM in 2016 to 95MM in 2060. **[Slide 28]**

End Notes

21) Source from IBISWorld, MatrixCare. Based on total number of facilities. **[Slide 28]**
22) Source: 2023 Medicare Trustees Report. **[Slide 29]**
23) Source: Medpac and US HHS Department as of March 2020. **[Slide 29]**
24) Source: Stephens New Medicare Trustees Report April 3, 2023. **[Slide 30]**
25) The number of SNF beds and ALF units for SNF, ALF and Campus are 6,802, 1,708 and 2,249, respectively. The valuations for SNF, ALF and Campus are $741 million, $244 million and $150 million, respectively. The range of implied capitalization rates for SNF is 6.5% to 11.75%, ALF is 6.0% to 8.5% and Campus is 5.75% to 7.5%. **[Slide 31]**
26) Cumulative investments over time include initial investment and capital expenditures. **[Slide 32]**
27) Leases have two or three extension options of five years. **[Slide 33]**
28) Segment income reflects profit or loss from operations before provision for income taxes and impairment charges from operations. General and administrative expenses are not allocated to the skilled services segment for purposes of determining segment profit or loss. **[Slide 37]**
29) Represents stock-based compensation expense incurred. **[Slide 39]**
30) Legal adjustments relate to findings attributable to our ancillary services subsidiary, which includes the portion attributable to non-controlling interests. **[Slide 39, 40]**
31) Represents costs incurred to acquire operations that are not capitalizable. **[Slide 39, 40, 41]**
32) Represents the write-off of deferred financing fees associated with the amendment of the credit facility. **[Slide 39, 40]**
33) Included in depreciation and amortization are expenses related to patient base intangible assets at newly acquired skilled nursing and senior living facilities. **[Slide 39, 40]**
34) Legal costs incurred in connection with the medical directors related matter. **[Slide 39, 40, 41]**
35) Represents an adjustment to the provision for income tax to our historical year to date effective tax rate of 25.0%. **[Slide 39]**
36) Legal adjustments relate to findings attributable to our ancillary services subsidiary, which excludes the portion attributable to non-controlling interests. **[Slide 41]**
37) Included in other expense (income) for three months ended, net is a loss on investment held in our deferred compensation plan of $1.4 million. There is an offsetting expense allocated between cost of services and general and administrative expenses of $0.7 million and $0.7 million, respectively. **[Slide 42]**
38) Included in general and administrative expenses is internal rent expense for the Service Center of $0.4 million and management fee of $1.3 million. This amount is eliminated in the eliminations column. **[Slide 42]**
39) Included in other expense (income) for nine months ended, net is a gain on investment held in our deferred compensation plan of $1.1 million. There is an offsetting expense allocated between cost of services and general and administrative expenses of $0.6 million and $0.6 million, respectively. **[Slide 43]**
40) Included in general and administrative expenses is internal rent expense for the Service Center of $1.3 million and management fee of $3.7 million. This amount is eliminated in the eliminations column. **[Slide 43]**

THANK YOU

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