



ENSIGN GROUP

March 2025

INVESTOR PRESENTATION

www.ensigngroup.net

Table Of Contents



About US

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



Portfolio

Each of the 350+ businesses are run independently encompassing services delivered by more than 50,000 employees. We foster an entrepreneurial culture of ownership coupled with a field-driven, flat structure.



Our Services

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



Financials

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

Disclaimers

This presentation contains, and other communications of The Ensign Group, Inc. (“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 skilled and assisted living operations and other businesses operated by our independent subsidiaries. Each such business is operated as a separate, wholly owned independent 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.

Our Mission

We rely on our culture to accomplish our mission

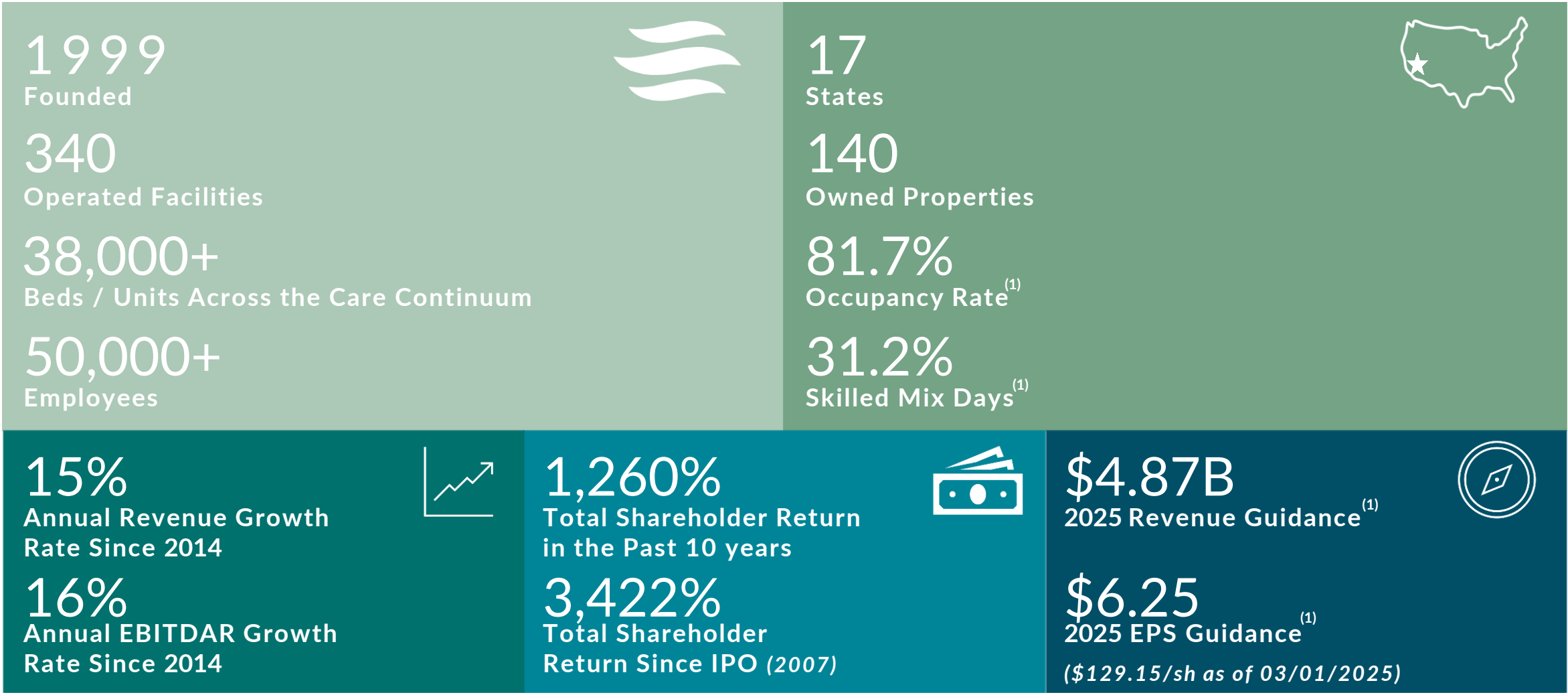


CAPLICO

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.



Leading Healthcare Services Operator With Proven Track Record



Refer to pages 55 - 56 for end notes. Source: Data as of 03/01/2025.

Entrepreneurial Evolution Of Ensign

The Ensign Group was **founded**

Established **New Market CEO** program

Ensign completes an **IPO** in November 2007

Ensign entered into the **home health** industry

Senior living portfolio company was formed in June 2011

Completed the **spin-off** of its real estate business, **CareTrust REIT**

Completed **spin-off** of home health & hospice as well as senior living segments, forming **The Pennant Group**

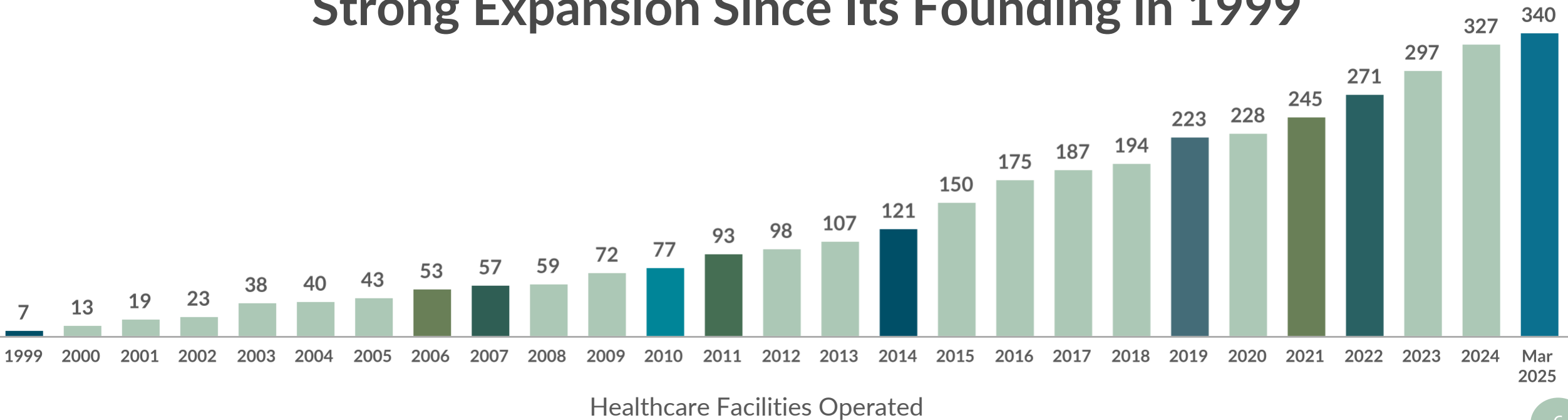
Continues to execute on **local leadership model** to grow through the pandemic

Ensign formed a Captive REIT, **Standard Bearer Healthcare REIT, Inc.**

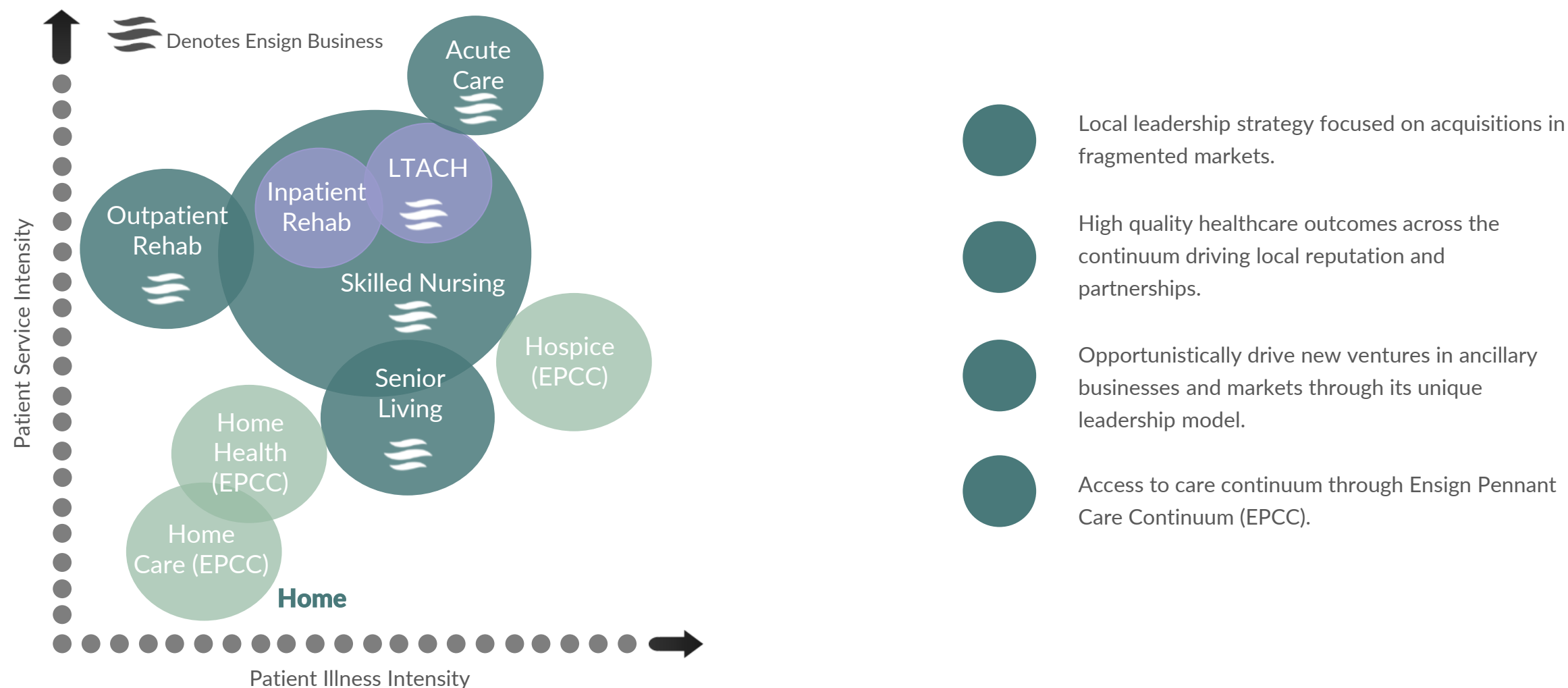
Ensign completed **70 acquisitions** since 2023, entering its next phase of growth.



Strong Expansion Since Its Founding in 1999



Ensign's Commitment to The Care Continuum



Ensign is Strategically Positioned to Deliver Long-term Value

Ensign Strategically Positioned to Deliver Long-Term Value

Experienced Management

Management team with combined experience over 90 years at Ensign alone.

Presence in Attractive Markets

Presence in strategic markets across 17 states with attractive reimbursement and growth profile.

Multiple Business Lines

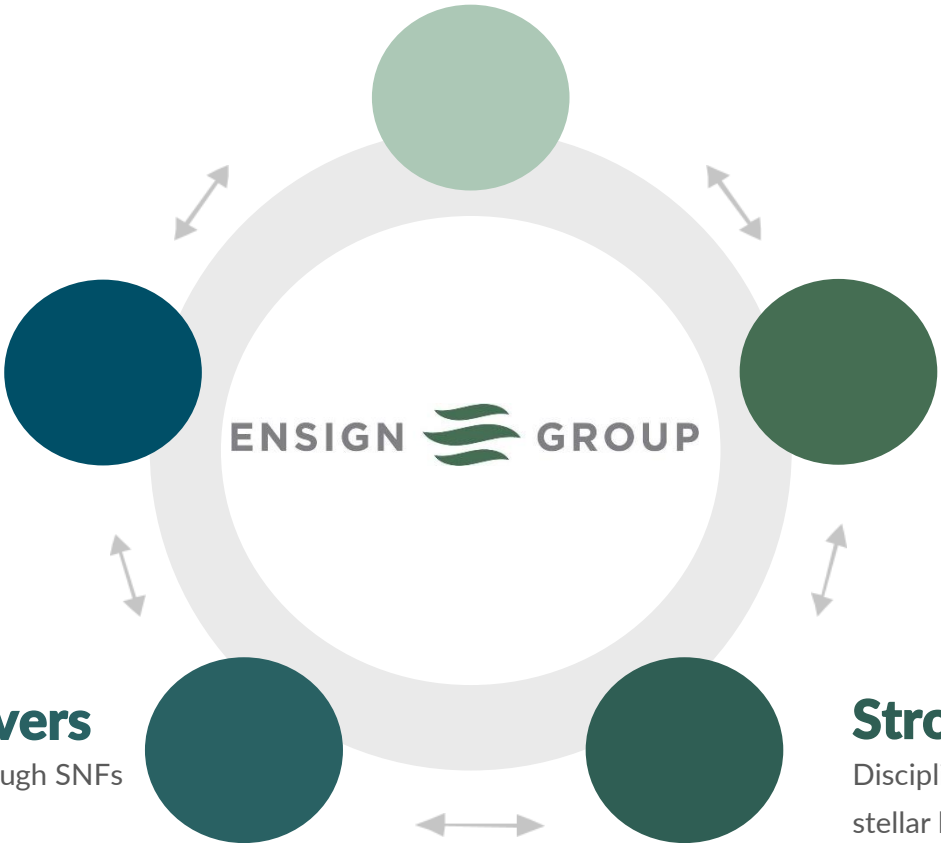
Diversified operations including skilled services (SNFs), strategic healthcare campuses, senior living operations, real estate ownership and new ventures.

Several Growth Levers

Delivering organic and strategic growth through SNFs and ancillary business.

Strong Financial Profile

Discipline and consistent growth and profitability; stellar balance sheet and strong cash flow conversion.



Ensign's Investment Thesis

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

Superior Results

Growth Opportunities

Organic, Strategic, Real Estate and New Ventures

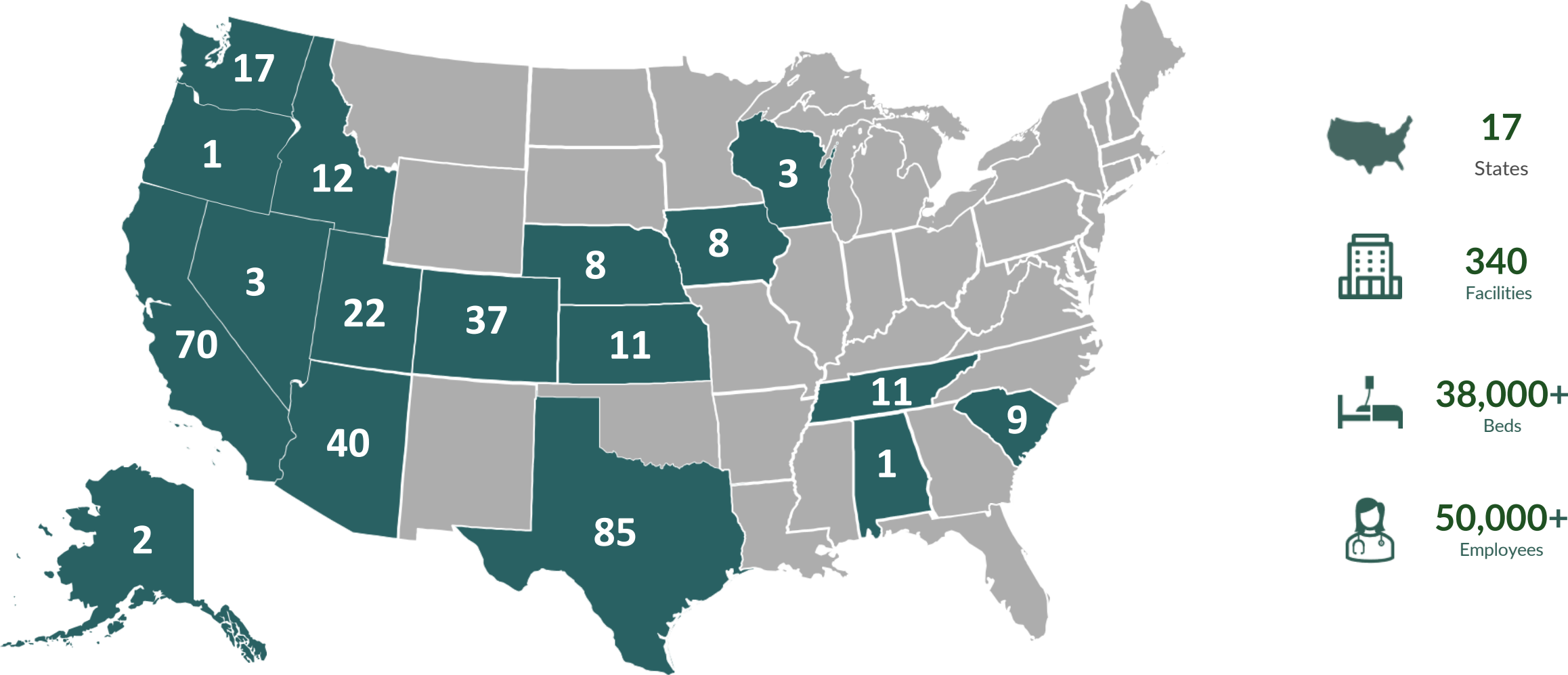
Clinical Excellence

Strategic Continuum of Care

Culture



Leading Operational Presence in Attractive Markets



Skilled Nursing Operations - 296

Senior Living Operations - 12

Campus Operations - 31

LTAC - 1

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.

Hillside Village of De Soto
Kansas



Facilities are purpose-built or customized to accommodate specialty needs

South Davis Community Hospital
Utah



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

Longhouse Northshire Care Center
Iowa



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

Business Leaders Drive Results

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



Local Leaders are Empowered by our Cluster Model

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

Economic Benefits

- Sharing of resources across cluster partners.
- Clusters combine together within a “market” to assess and drive growth

What is a Cluster?

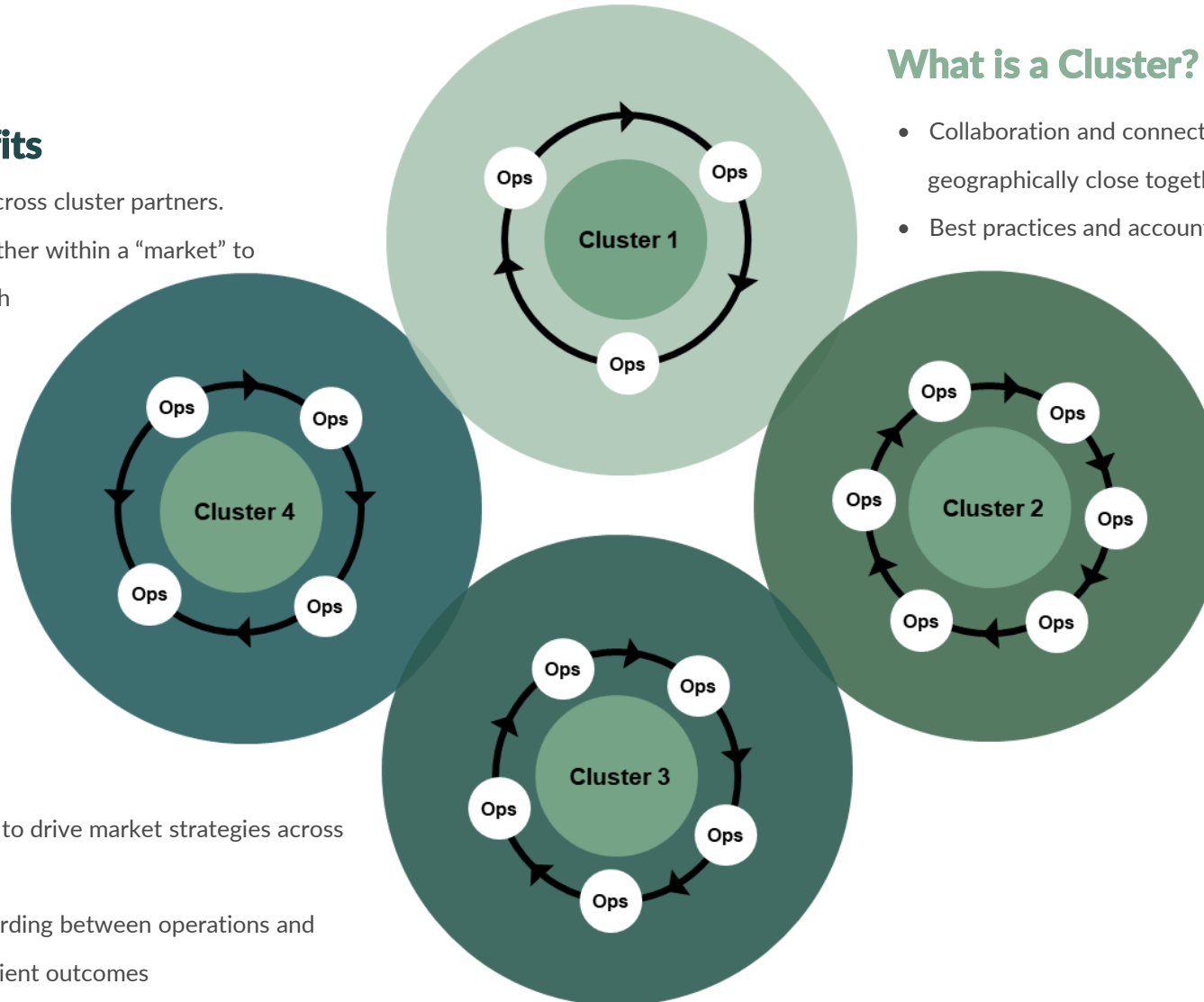
- Collaboration and connectivity between operations (“ops”) that are geographically close together.
- Best practices and accountability are shared.

Incentive Driven

- Each operation has full visibility into and accountability for results.
- Compensation is linked.

Payor Benefits

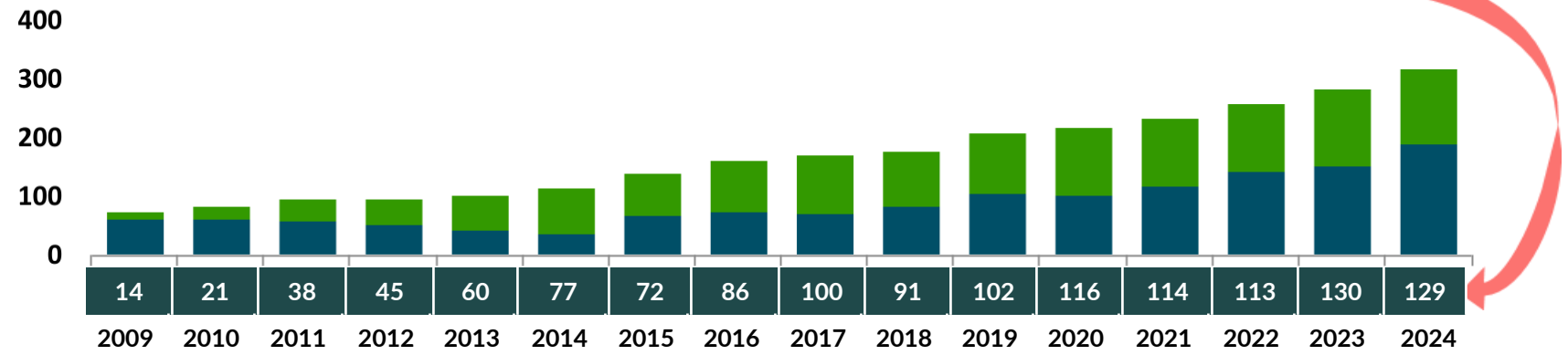
- Clusters combine together to drive market strategies across the continuum of care.
- Transparency and score-carding between operations and clusters drives superior patient outcomes



Organizational Focus on Clinical Quality Leads to Superior Financial Results

Clinical Quality Translates to Organic Growth⁽³⁾
SNF Count by CMS Star Rating

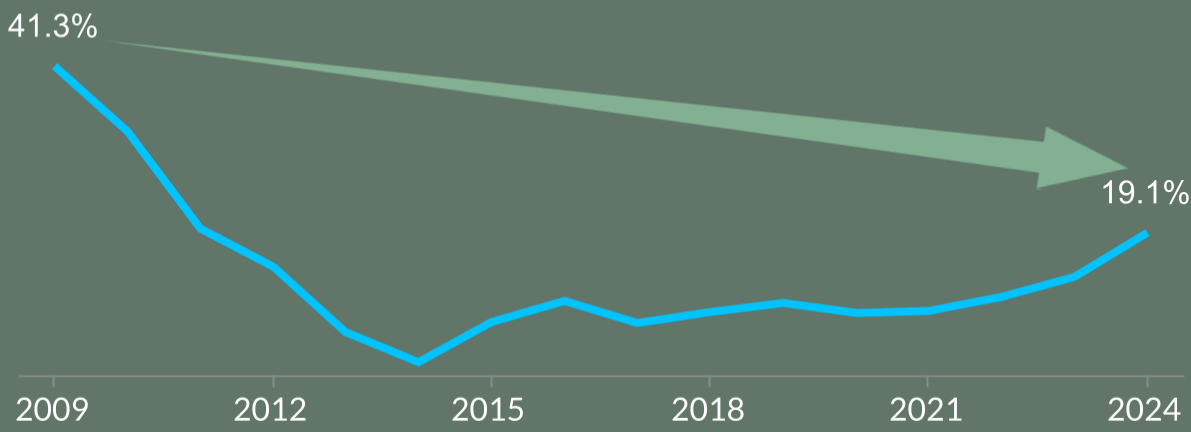
1-3 Star 4-5 Star



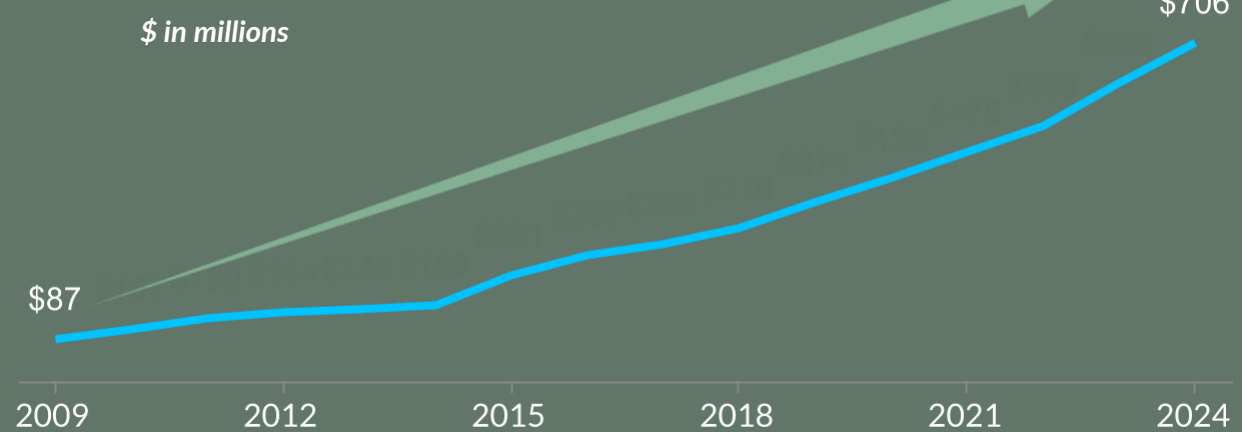
Ensign vs.
Comparative States

Our Cycle 1 health inspections
are 14% better.⁽³⁾

Ensign 1-Star Facility % Trend



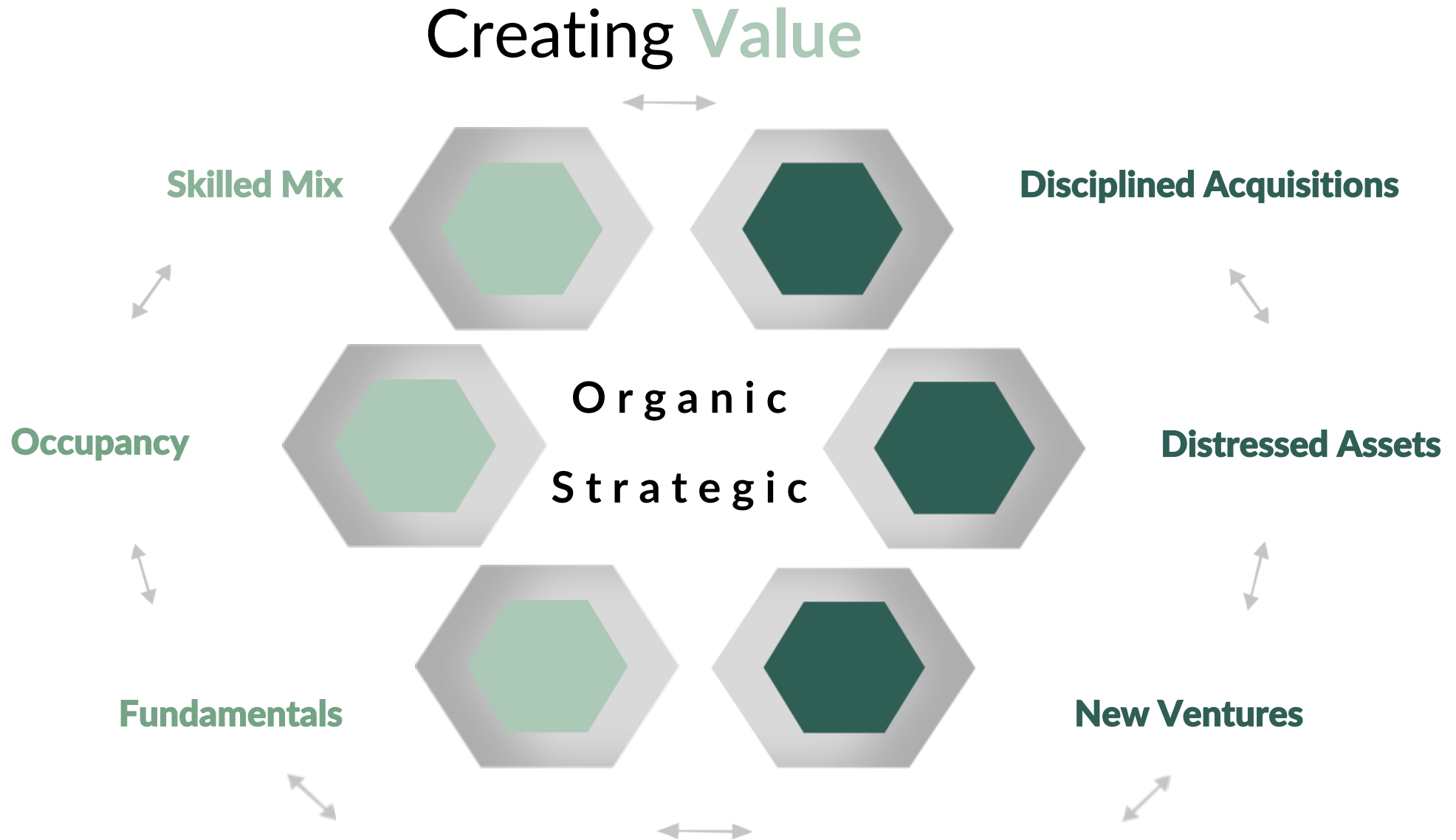
Ensign Adjusted EBITDAR⁽²⁾ Trend



Refer to pages 55 – 56 for end notes. Source: Data as of Q4'24.

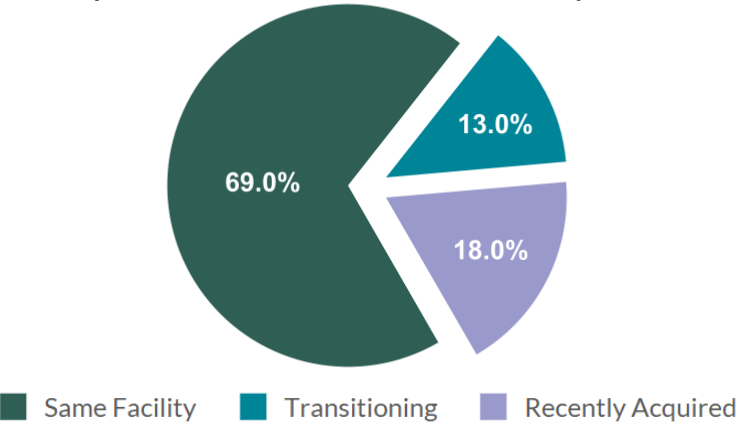
Multifaceted Growth Opportunities

Driven by Organic as well as Strategic Opportunities

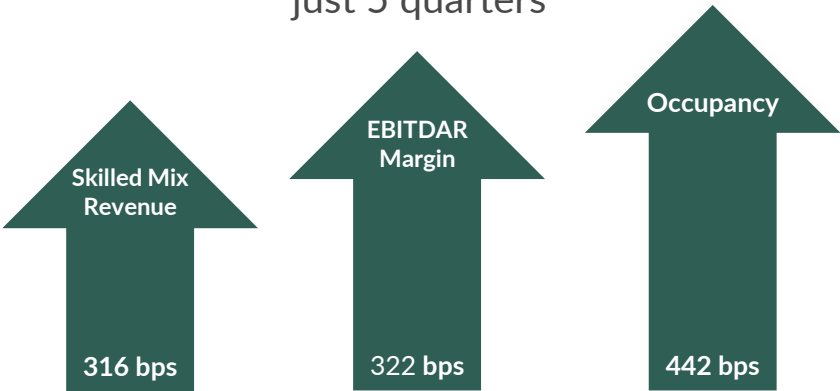


A Disciplined Approach to Acquisitions & Track Record of Improving Operations to Drive Continued Growth

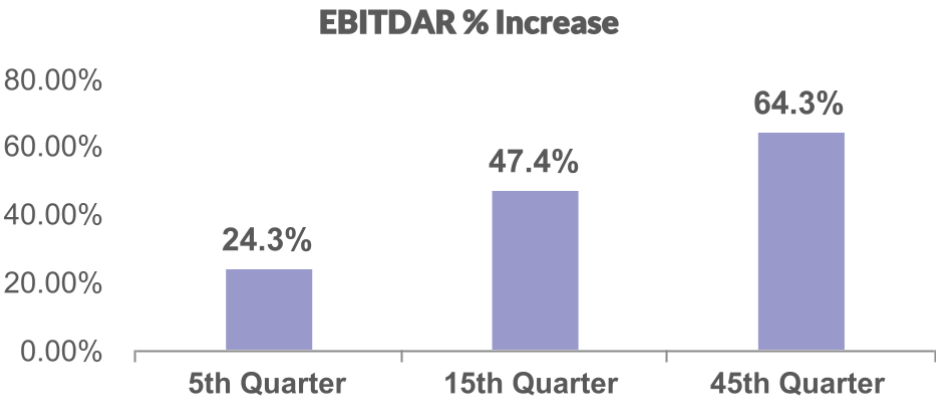
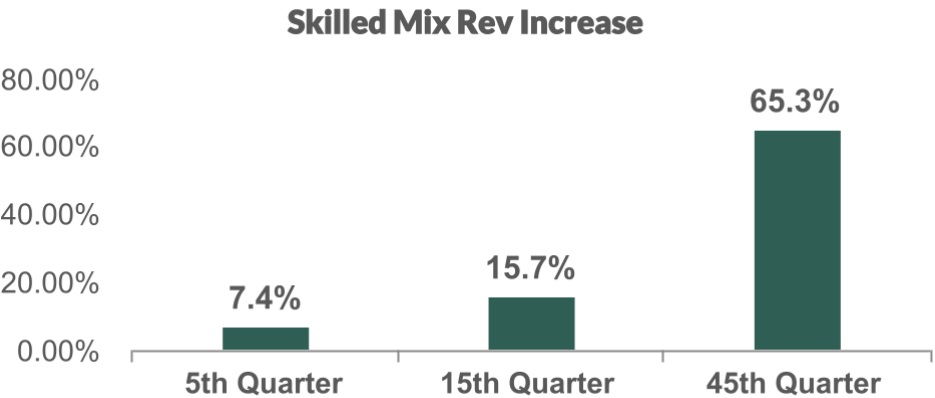
31.0% of Ensign’s skilled nursing operations have been operated less than three full years



Proven track record of achieving significant improvement in just 5 quarters⁽⁴⁾

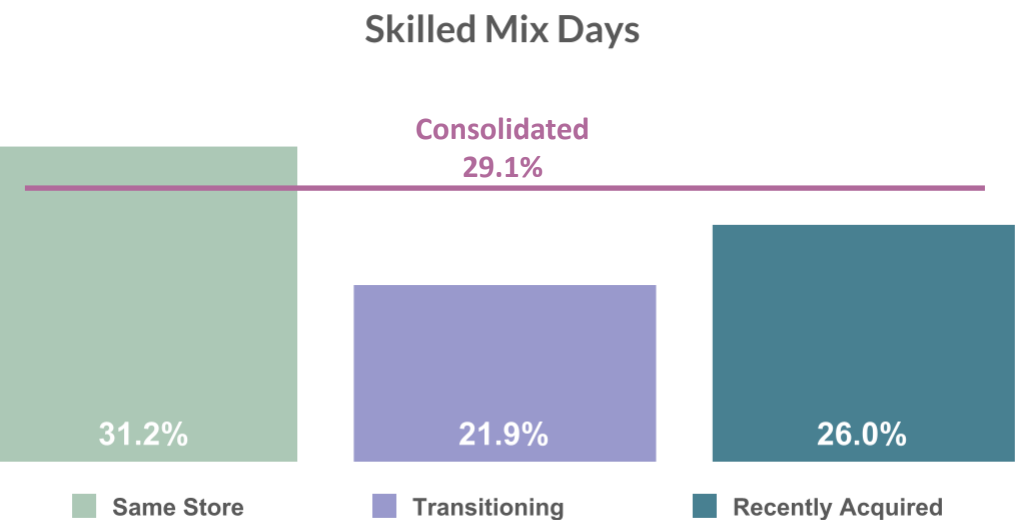
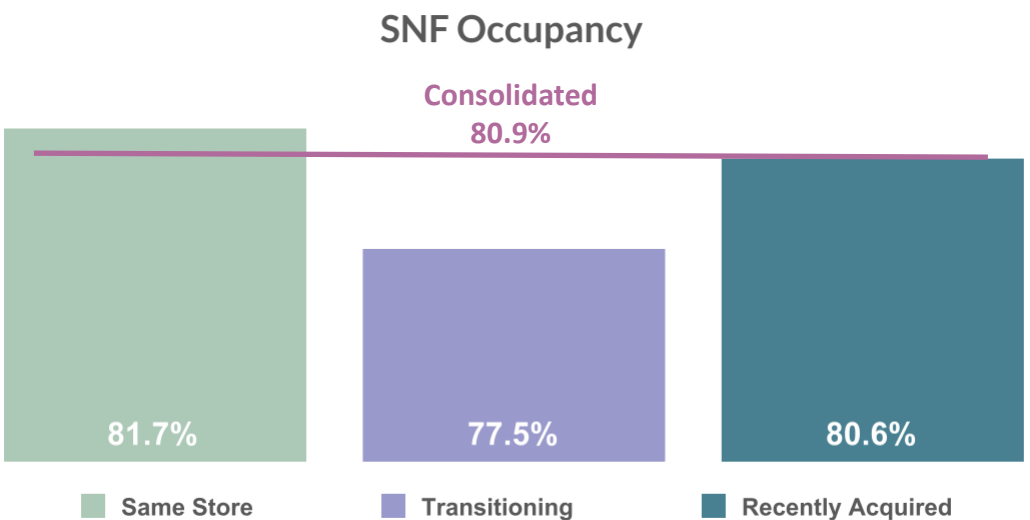
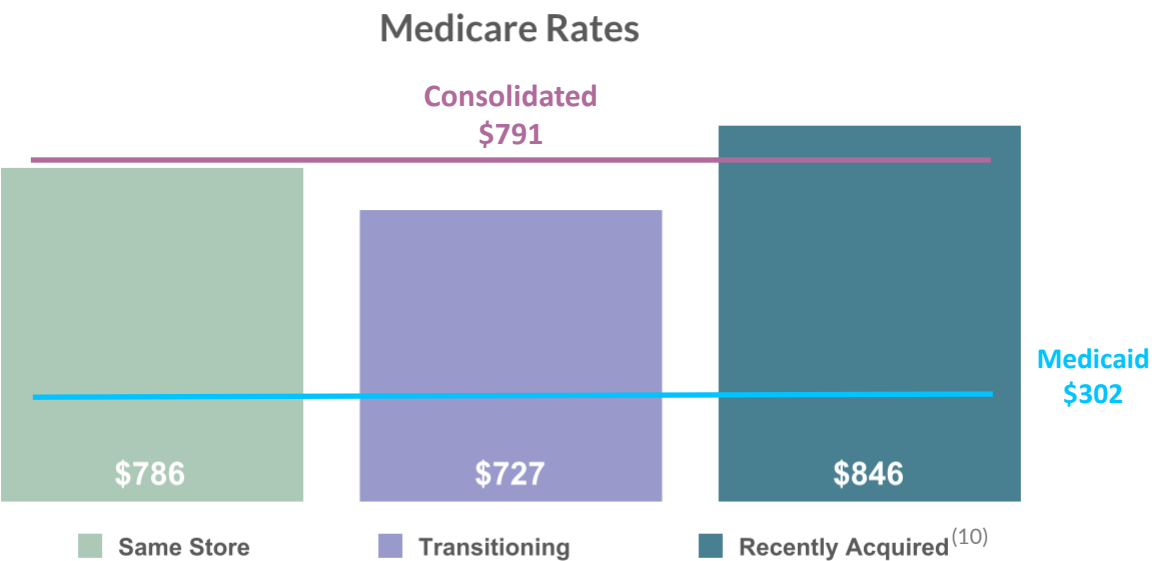
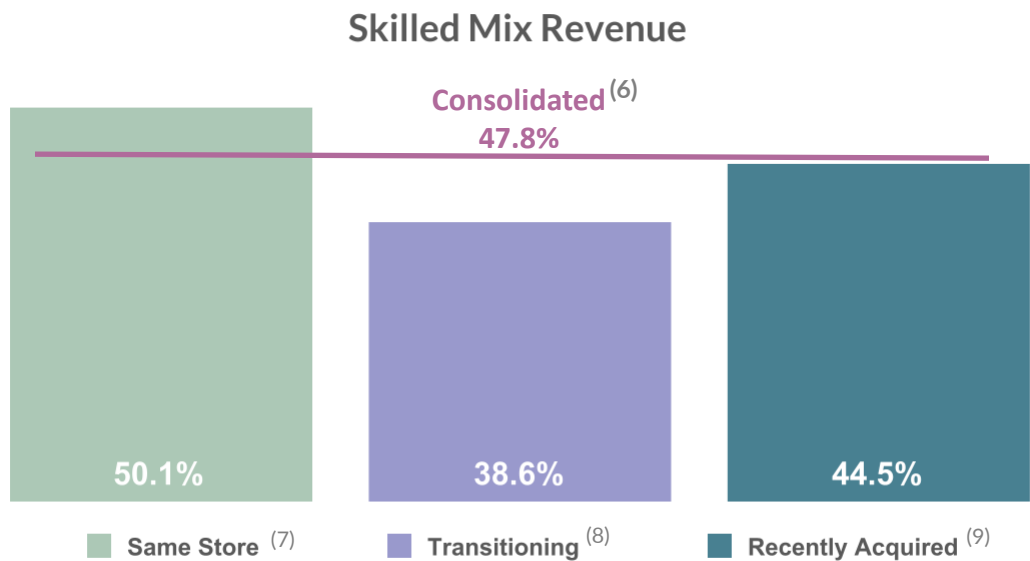


Significant improvement beyond 5th quarter to 45th quarter⁽⁵⁾

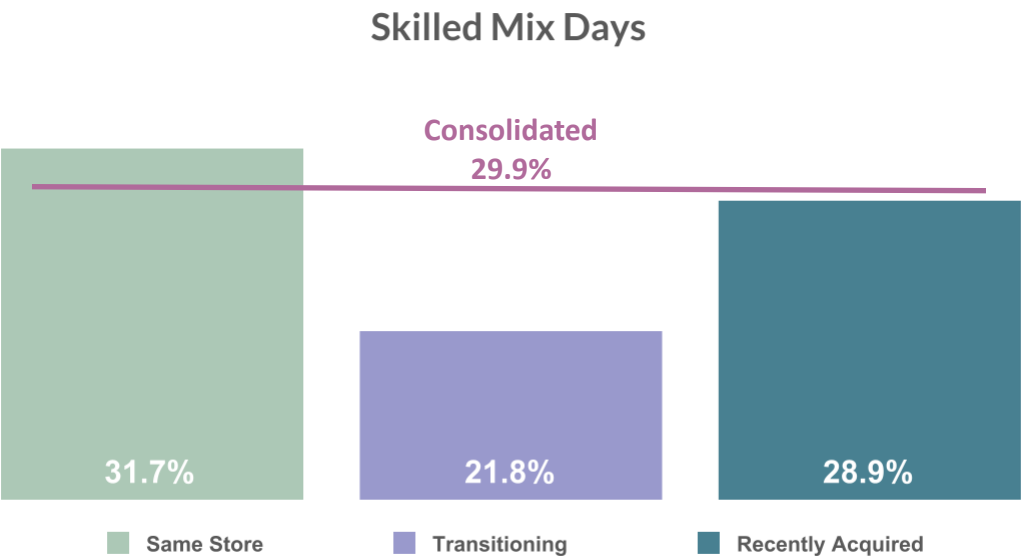
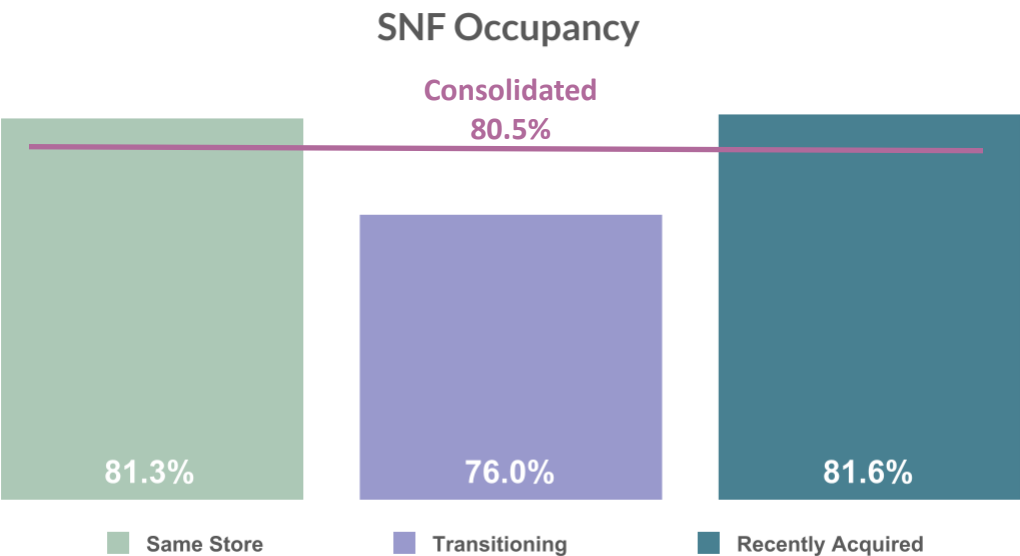
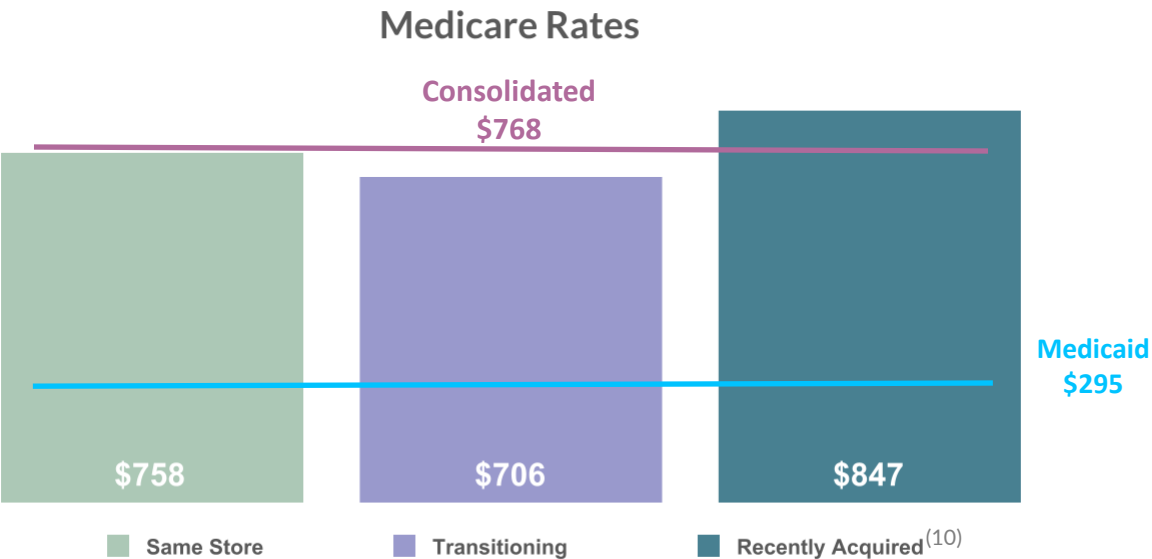
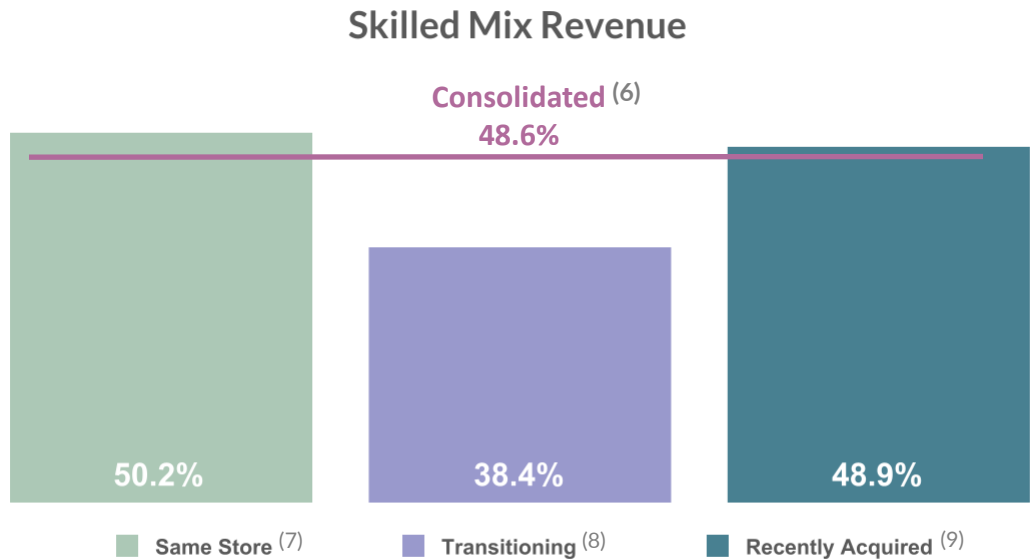


Refer to pages 55 - 56 for end notes. Source: Data as of 12/31/2024.

Demonstrated Track Record of Significant Operational Improvements of Acquired Assets QTD Q4 2024



Demonstrated Track Record of Significant Operational Improvements of Acquired Assets YTD 2024



Refer to pages 55 - 56 for end notes. Source: Data as of Q4'24.

Track Record of Successfully Incubating New Ventures



Spin Offs



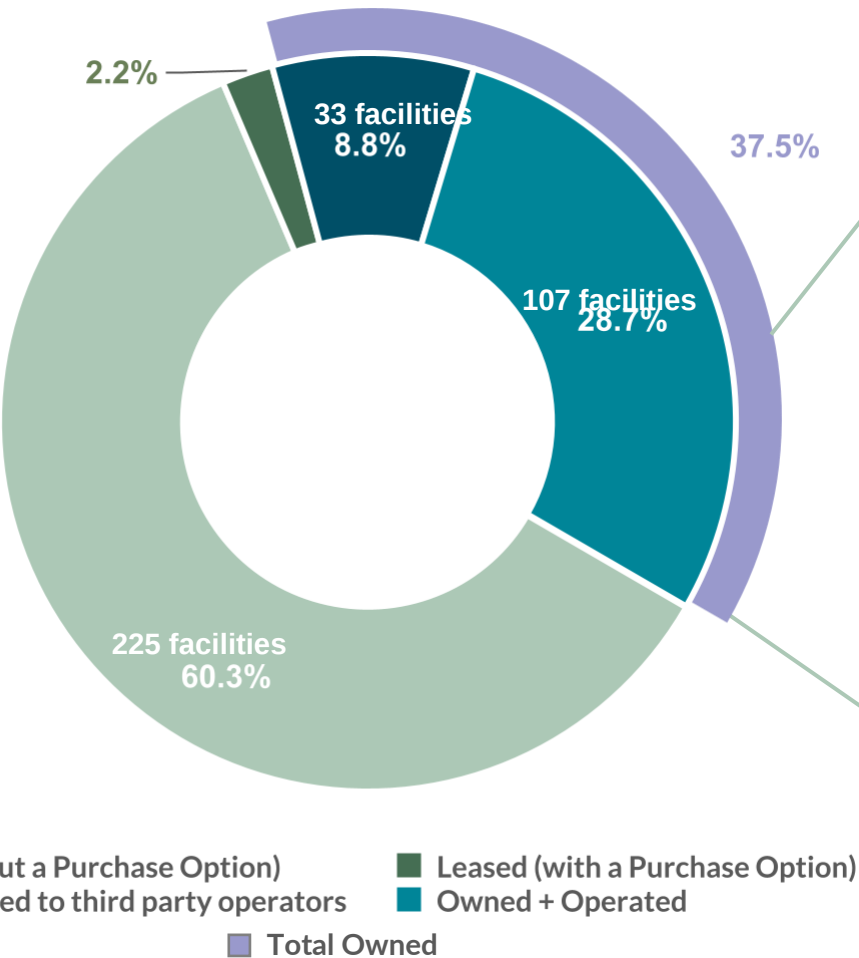
Divestitures



Current

Significant Real Estate Portfolio As of March 1, 2025

Real Estate Distribution on Ensign operated facilities of 340 and 33 Owned Real Estate Leased to Third Party Operators ⁽¹¹⁾



Ensign Triple Net Master Leases with Third Party Operators

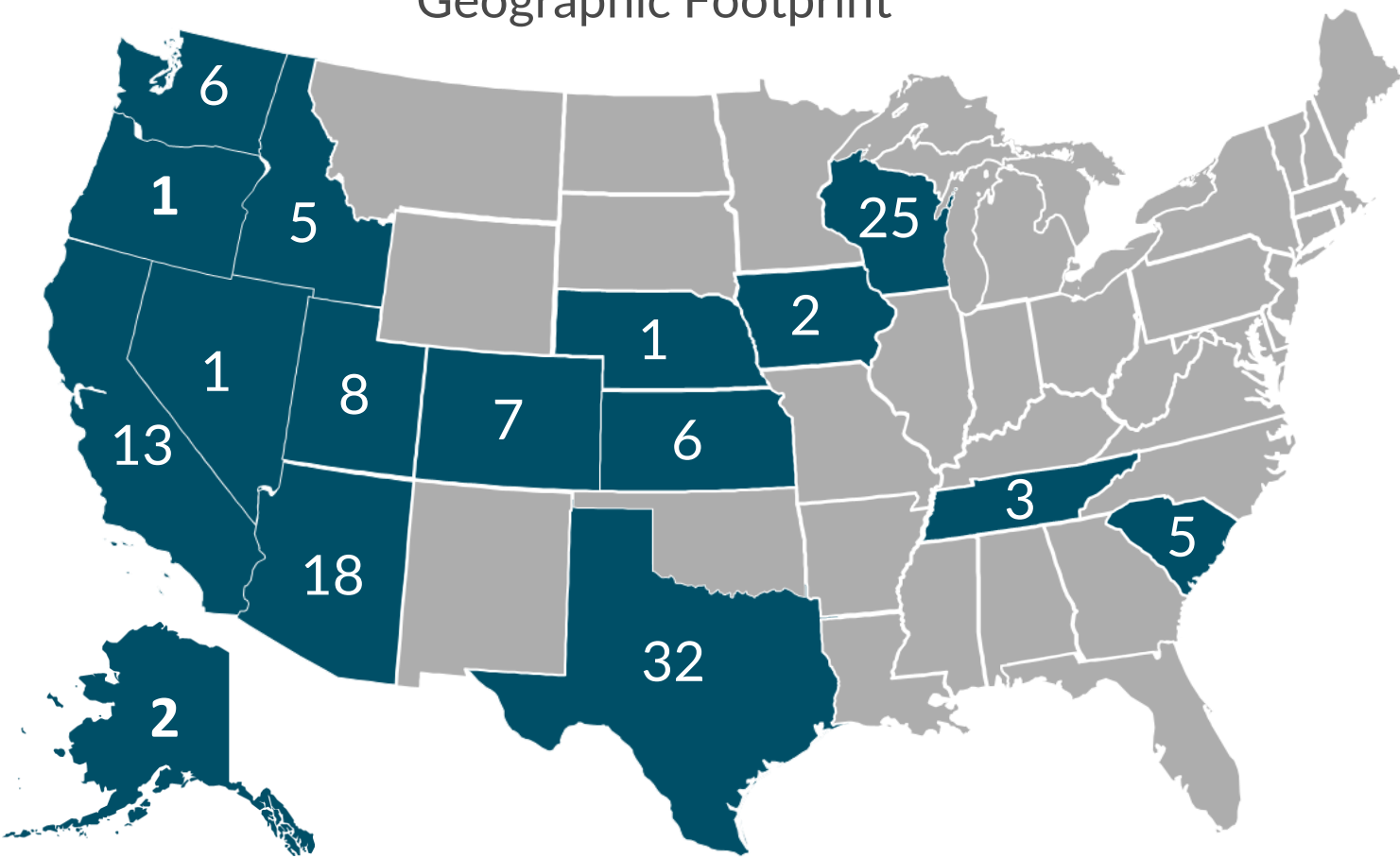
Lease Structure	Multiple “triple-net” master leases
Terms & Termination	- Lease agreements with initial terms from 10 to 20 years, with three 5- year extension options - Consent required for third party operators to sublease, assign, encumber or otherwise transfer or dispose any property
Rent Terms	Fixed 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

Standard Bearer REIT Structure Summary & Key Benefits



Standard Bearer at a Glance

Geographic Footprint

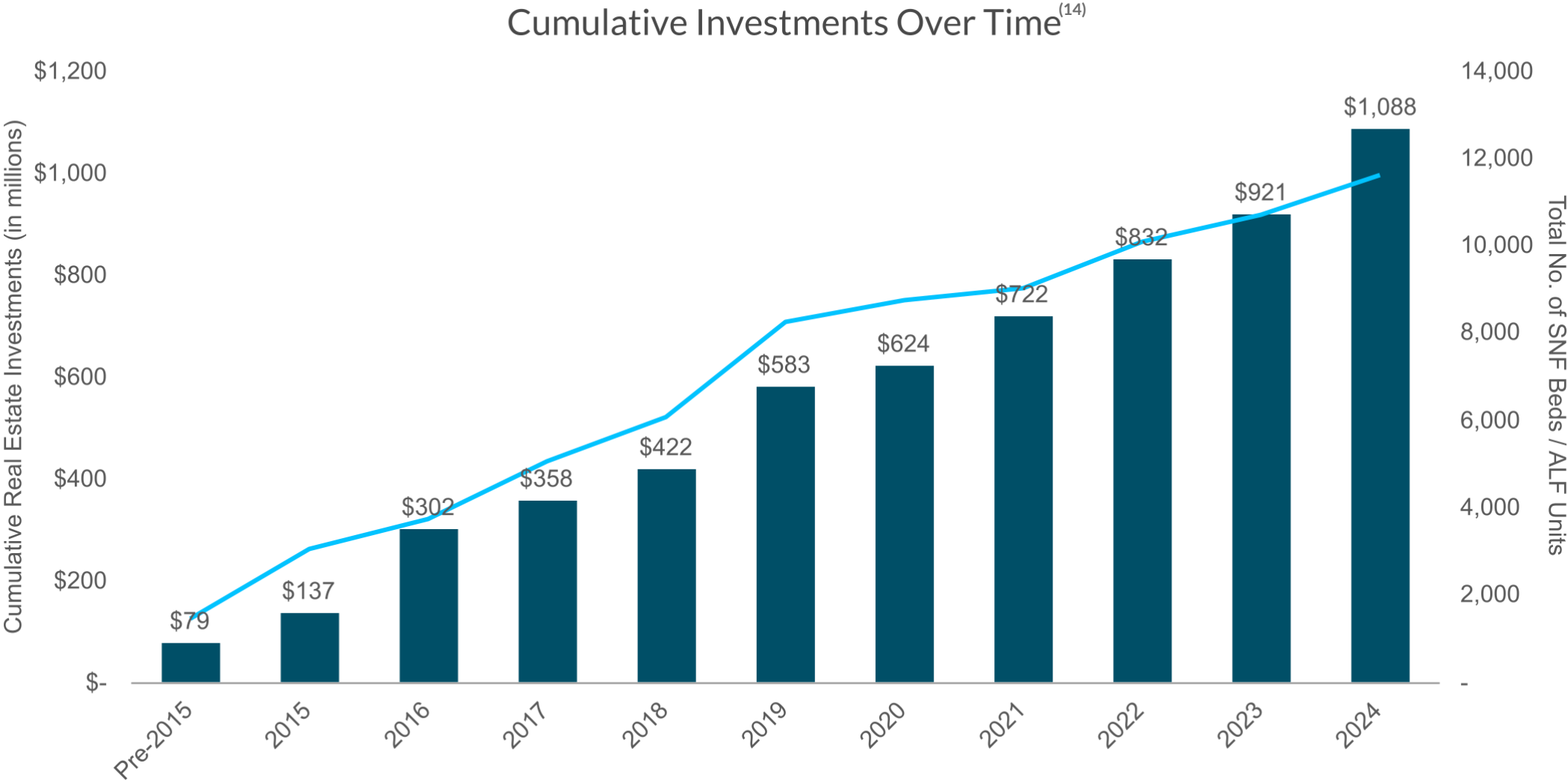


Note: Figures represent the number of owned properties per state

Key Statistics

135 Properties	\$1.3B⁽¹²⁾ Real Estate Fair Value
16 States	13,675 Operating Beds / Units
14.4 Years Weighted Avg. Lease Tenor	84.5%⁽¹³⁾ Ensign Operated

Standard Bearer Continuation & Expansion of Real Estate Success



Refer to pages 55–56 for end notes. Source: Data as of Q4 2024.

Standard Bearer Strong Long Term Leases

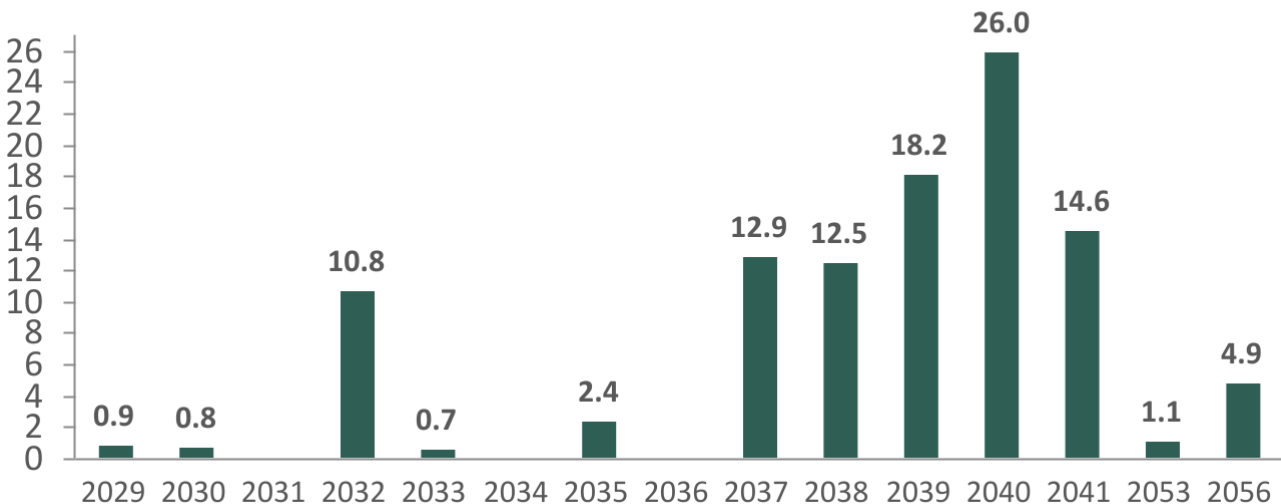
14.4 years⁽¹⁵⁾

Weighted Average
Lease Tenor

98%

of leases expire
after 2031

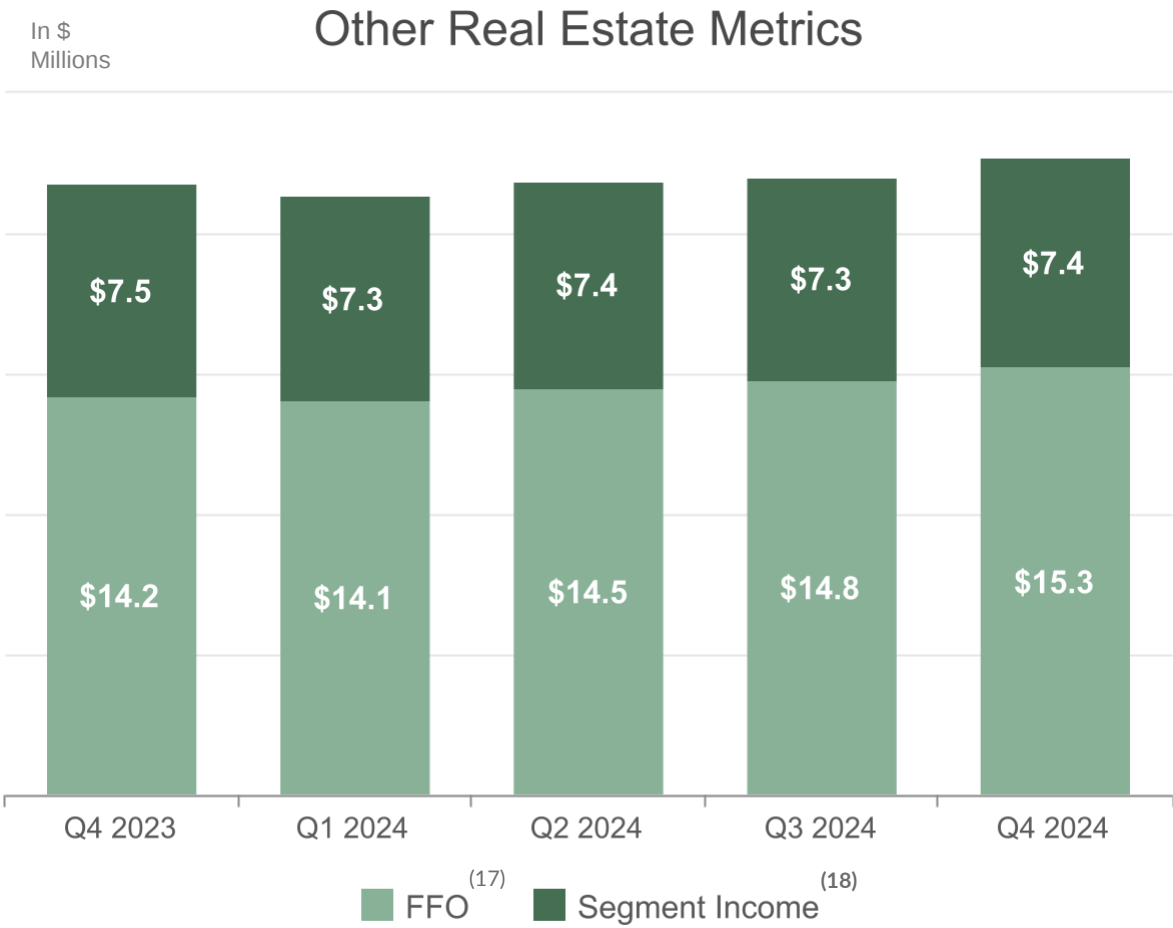
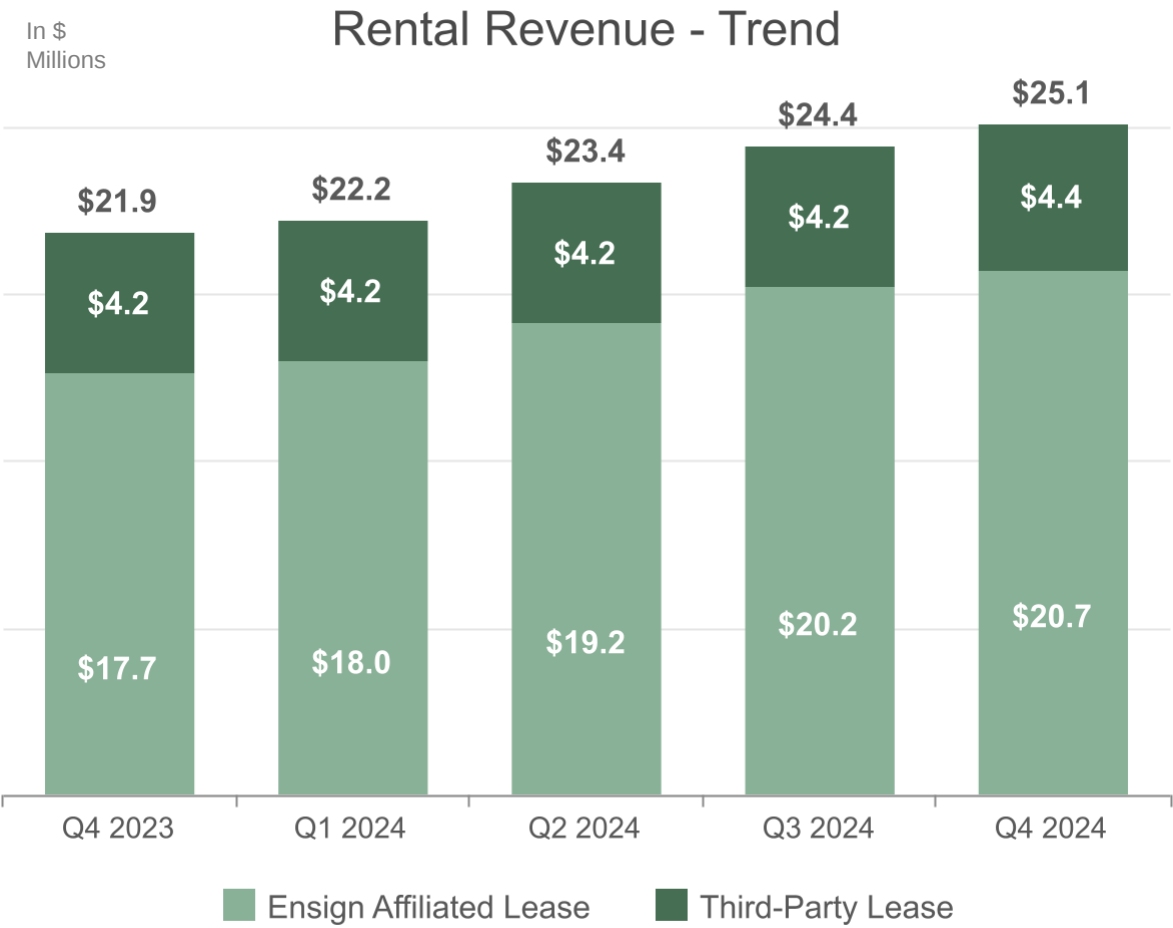
Annualized Rent Revenue Expirations by Year



Tenant Rent Coverage Summary

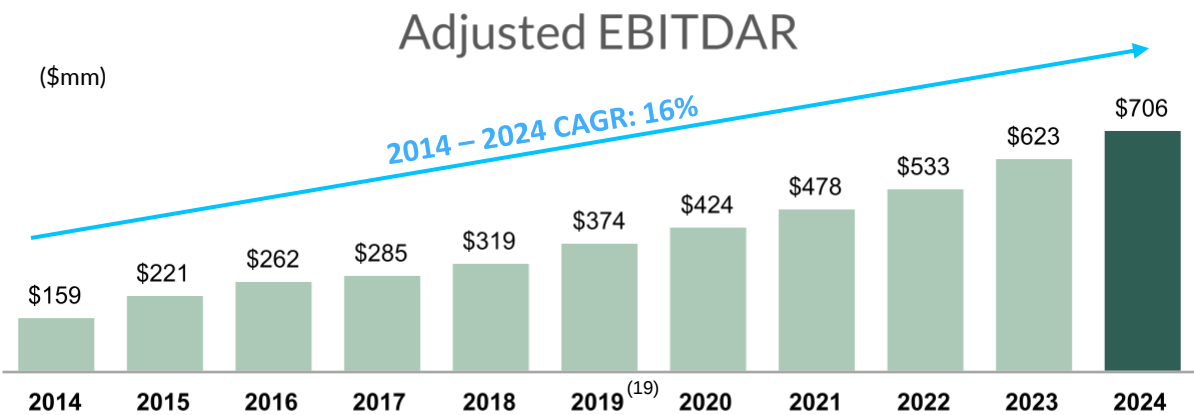
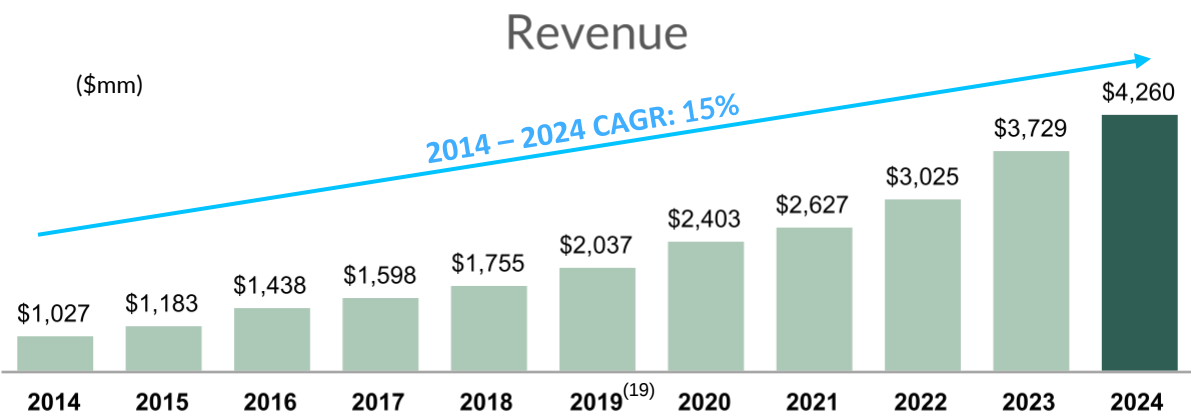
	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024
Ensign Affiliated ⁽¹⁶⁾	2.31	2.68	2.51	2.48	2.69
Third-Party	1.58	1.63	1.59	1.75	1.79
Total	2.19	2.50	2.36	2.36	2.53

Standard Bearer Metrics Quarter Over Quarter

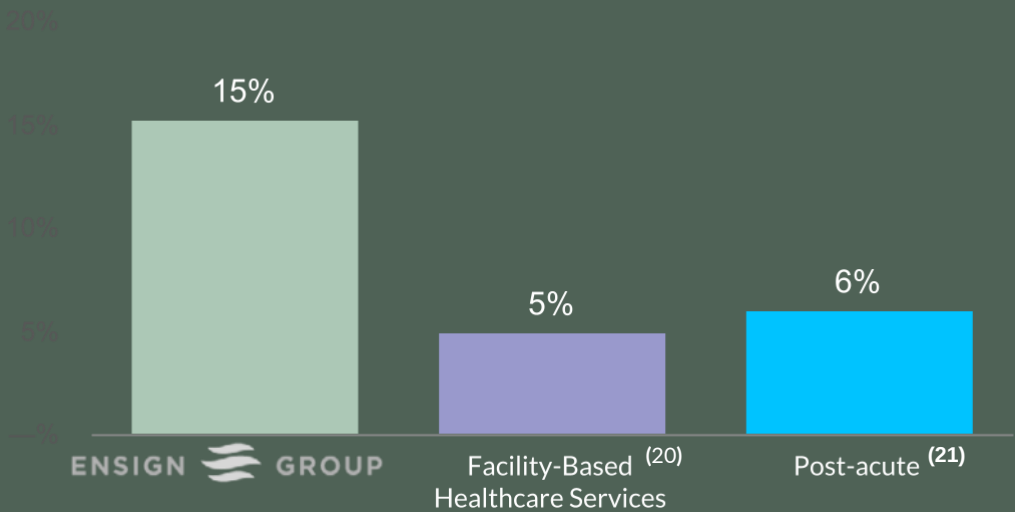


Ensign Represents The Growth Story

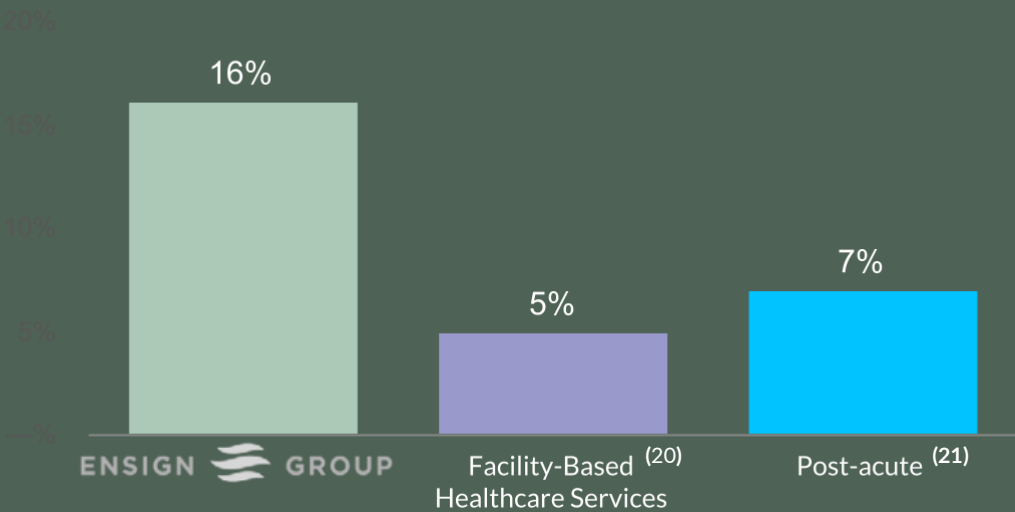
In the Facility-Based Healthcare Services & Post-Acute Sector



2014 - 2024 Revenue CAGR



2014 - 2024 Adjusted EBITDAR CAGR



Refer to pages 55 - 56 for end notes.

Liquidity Financials Measure

Summary of Cash Flows (In millions)	Year Ended December 31,	
	2024	2023
Net cash provided by (used in):		
Operating activities	\$347.2	\$376.7
Investing activities	(390.1)	(182.7)
Financing activities	(2.2)	(0.6)
Net (decrease) increase in cash and cash equivalents	(45.0)	193.4
Cash and cash equivalents beginning of period	509.6	316.3
Cash and cash equivalents end of period	\$464.6	\$509.6
Other Liquidity Metrics:		
Availability under Credit Facility	\$572.1	\$593.7
Net Debt to Adjusted EBITDAR	1.90x	1.96x

Quarter Over Quarter Highlights

(in millions)



Q4 2024	Q4 2023
\$1,132.3	\$980.4
\$774.0	\$726.6
\$87.6	\$73.7

Year Over Year Highlights

(in millions)

REVENUE

14.2%



SAME FACILITY SKILLED
NURSING FACILITY
REVENUE

6.9%



CONSOLIDATED
ADJUSTED NET
INCOME

17.2%



2024	2023
\$4,260.5	\$3,729.4
\$3,018.6	\$2,823.3
\$320.5	\$273.5

Guidance 2025

Annual Revenue
\$4.83B to \$4.91B

Diluted Adjusted EPS
\$6.16 to \$6.34



Diluted Adjusted EPS Midpoint is:

- ↑ 14% over 2024
- ↑ 31% over 2023
- ↑ 51% over 2022

Strong Shareholder Returns Since IPO

Total Shareholder Return					
Company	Since IPO	1 Yr	3 Yr	5 Yr	10 Yr
ENSIGN  GROUP	3,422%	6%	54%	195%	1,260%



Source: Data as of 03/01/2025.

Ensign Management Team



Christopher
Christensen

Executive Chairman
25 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
20 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
14 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
18 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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Fundamentals Remain Favorable for Strong Organic Growth

Key Drivers of Organic Growth

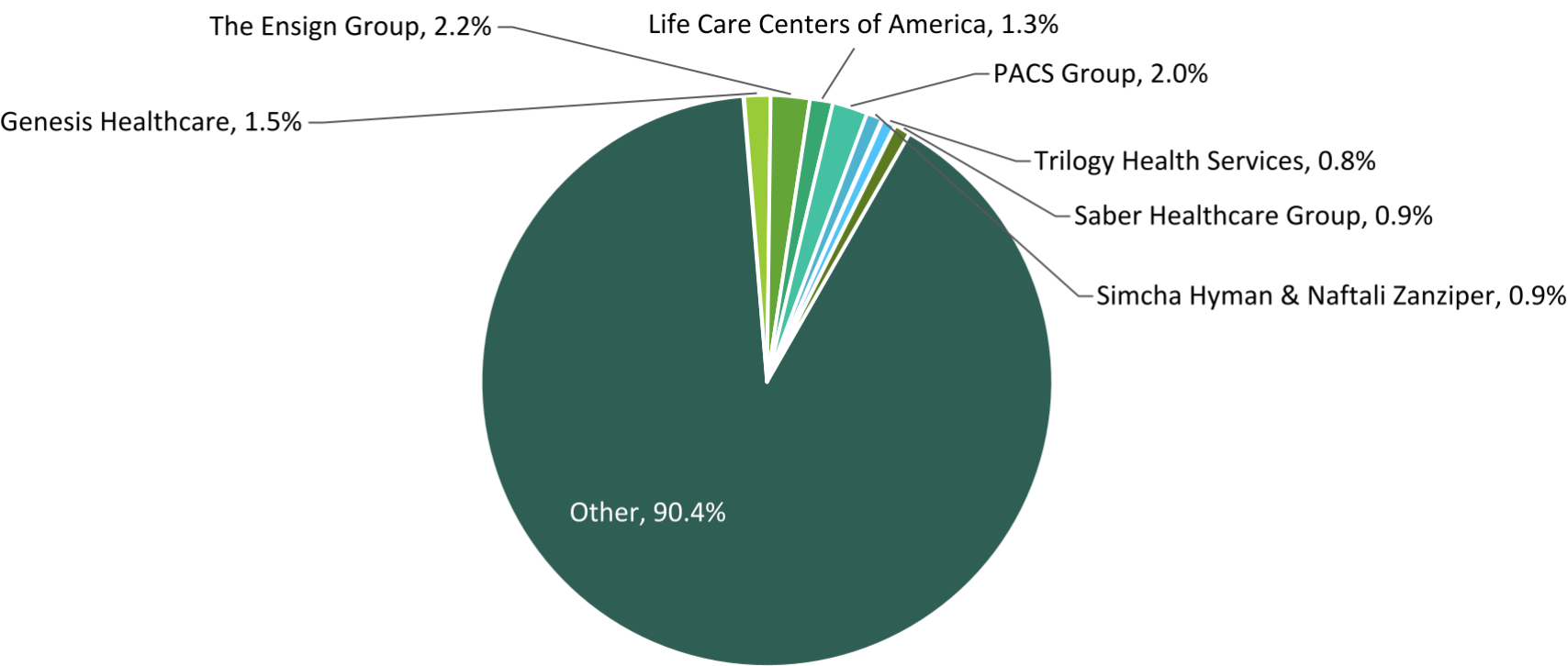
Shift to Value-based Care

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% - 5.0%

Market fragmentation creates significant consolidation opportunity



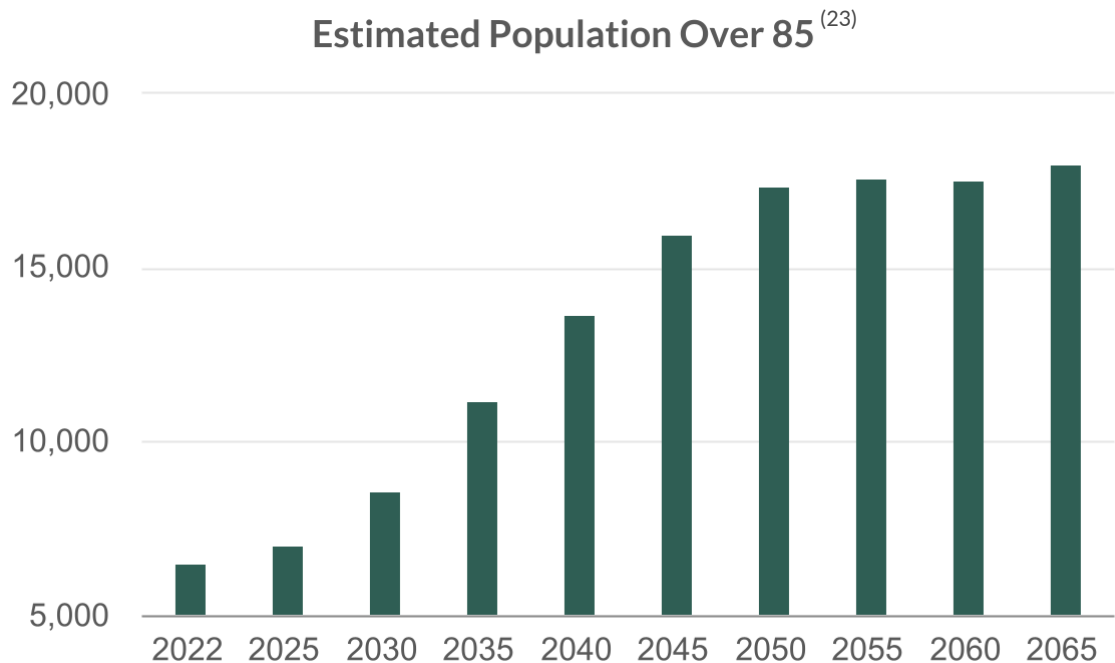
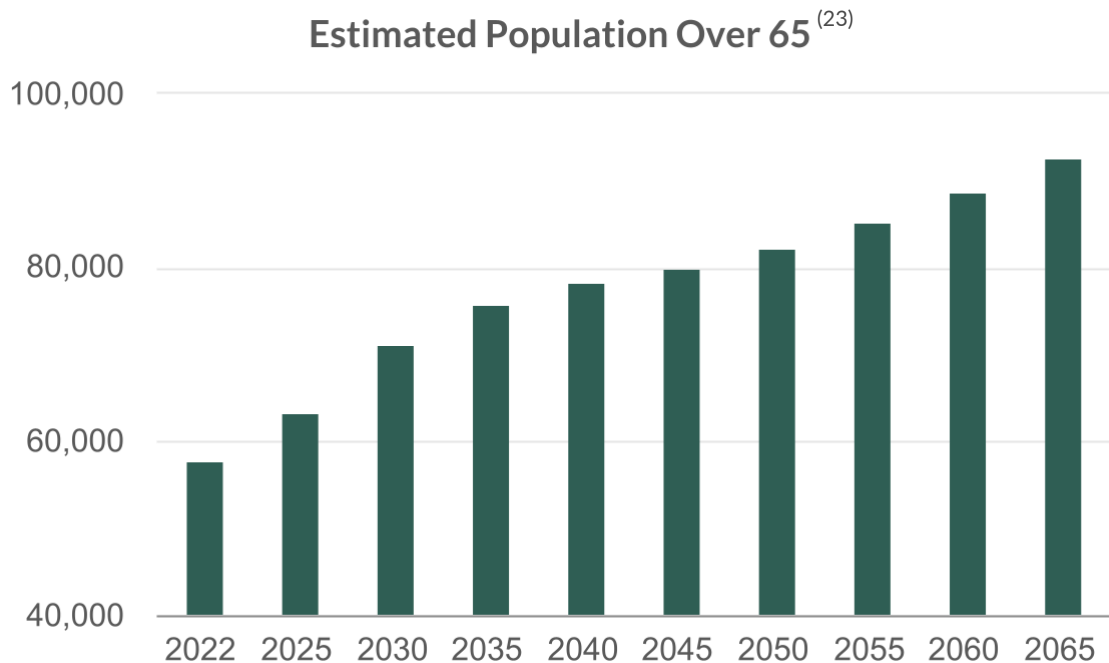
Favorable Backdrop for Growth in the Skilled Services Industry

Fundamentals Remain Favorable for Strong Organic Growth

Key Drivers of Organic Growth

Aging Population

Population over 65 projected to nearly double by 2060⁽²²⁾



Favorable Backdrop for Growth in the Skilled Services Industry

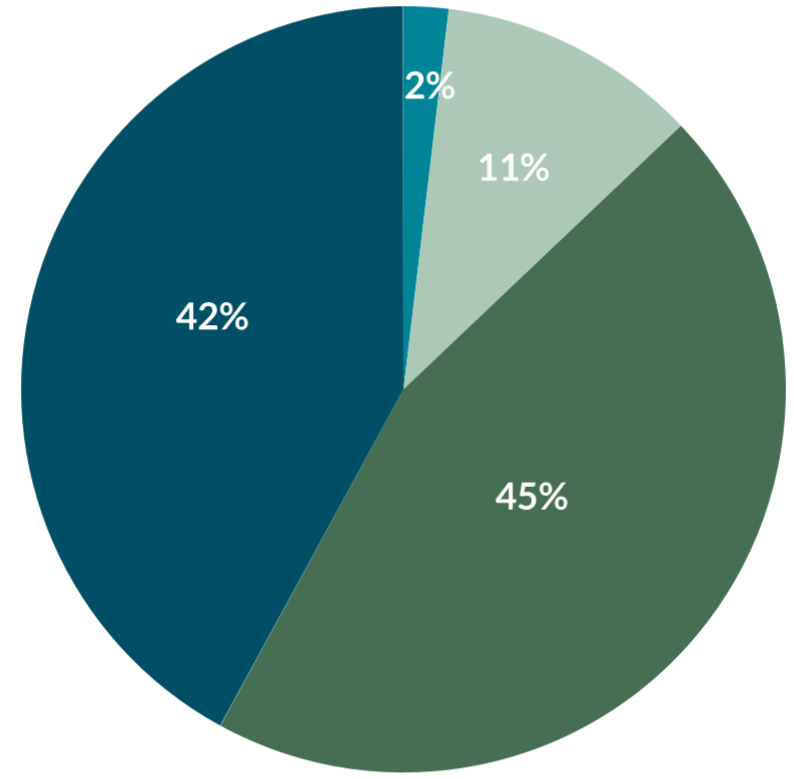
Refer to pages 55 - 56 for end notes.

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

Medicare Spending Projection⁽²⁴⁾



Post-Acute Destinations - % of Medicare Dollars⁽²⁵⁾



Skilled Services Segment

\$ in millions	Three Months Ended December 31,		Year Ended December 31,	
	2024	2023	2024	2023
Statements of Income Data:				
Segment income ⁽²⁶⁾	\$140,980	\$116,756	\$518,463	\$464,925
Depreciation and amortization	12,207	10,349	45,195	38,766
EBITDA	\$153,187	\$127,105	\$563,658	\$503,691
Adjustments to EBITDA:				
Stock-based compensation expense ⁽²⁸⁾	6,302	5,164	22,992	19,904
Litigation ⁽²⁷⁾	—	4,600	2,100	4,600
Gain on business interruption recoveries	—	—	—	(1,009)
Adjusted EBITDA	\$159,489	\$136,869	\$588,750	\$527,186

Standard Bearer Segment

\$ in millions	Three Months Ended December 31,		Year Ended December 31,	
	2024	2023	2024	2023
Rental revenue generated from third-party tenants	\$4,388	\$4,198	\$16,976	\$15,774
Rental revenue generated from Ensign's independent subsidiaries	20,714	17,677	78,110	66,712
Total rental revenue	\$25,102	\$21,875	\$95,086	\$82,486
Segment income ⁽¹⁸⁾	7,443	7,548	29,335	29,065
Depreciation and amortization	7,818	6,677	29,297	25,205
FFO ⁽¹⁷⁾	\$15,261	\$14,225	\$58,632	\$54,270

Reconciliation of GAAP to Non-GAAP Income

\$ in millions	Three Months Ended December 31,		Year Ended December 31,	
	2024	2023	2024	2023
Net income attributable to The Ensign Group, Inc.	\$79,687	\$21,691	\$297,973	\$209,399
Non-GAAP adjustments				
Stock-based compensation expense ⁽²⁸⁾	9,820	8,076	36,226	30,767
Litigation ⁽²⁷⁾	—	58,816	(1,425)	60,781
Cost of services - loss (gain) on long-lived assets and gain on business interruption recoveries	—	(123)	2,335	(1,132)
Cost of services - acquisition related costs ⁽²⁹⁾	501	92	1,019	814
General and administrative – costs incurred related to system implementations	431	88	2,953	963
Depreciation and amortization – patient base ⁽³⁰⁾	125	173	574	355
Interest expense - write off deferred financing fees ⁽³¹⁾	200	—	200	—
Provision for income taxes on Non-GAAP adjustments ⁽³²⁾	(3,201)	(15,142)	(19,358)	(28,416)
Non-GAAP net income	\$87,563	\$73,671	\$320,497	\$273,531
Average number of diluted shares outstanding	58,580	57,555	58,240	57,323
Diluted Earnings Per Share	\$1.36	\$0.38	\$5.12	\$3.65
Adjusted Diluted Earnings Per Share	\$1.49	\$1.28	\$5.50	\$4.77

Reconciliation of GAAP to Non-GAAP Financial Measures

\$ in millions	Three Months Ended December 31,		Year Ended December 31,	
	2024	2023	2024	2023
Income before provision for income taxes	\$105,758	\$31,282	\$386,094	\$272,762
Non-GAAP adjustments				
Stock-based compensation ⁽²⁸⁾	9,820	8,076	36,226	30,767
Litigation ⁽²⁷⁾	—	58,816	(1,425)	60,781
Loss (gain) on long-lived assets and gain on business interruption recoveries	—	(123)	2,335	(1,132)
Acquisition related costs ⁽²⁹⁾	501	92	1,019	814
Costs incurred related to system implementations	431	88	2,953	963
Depreciation and amortization – patient base ⁽³⁰⁾	125	173	574	355
Interest expense - write off of deferred financing fees ⁽³¹⁾	200	—	200	—
Adjusted EBT	<u>\$116,835</u>	<u>\$98,404</u>	<u>\$427,976</u>	<u>\$365,310</u>

Reconciliation of GAAP to Non-GAAP Financial Measures

\$ in millions	Three Months Ended December 31,		Year Ended December 31,	
	2024	2023	2024	2023
Net income	\$79,750	\$21,823	\$298,458	\$209,850
Less: net income attributable to noncontrolling interests	63	132	485	451
Interest income	7,598	6,431	28,749	19,216
Add: Provision for income taxes	26,008	9,459	87,636	62,912
Depreciation and amortization	22,519	19,233	84,138	72,387
Interest expense	2,258	2,004	8,286	8,087
EBITDA ⁽³⁶⁾	\$122,874	\$45,956	\$449,284	\$333,569
Adjustments to EBITDA:				
Stock-based compensation expense ⁽²⁸⁾	9,820	8,076	36,226	30,767
Litigation ⁽²⁷⁾	—	58,816	(1,425)	60,781
Loss (gain) on long-lived assets and gain on business interruptions recoveries	—	(123)	2,335	(1,132)
Acquisition related costs ⁽²⁹⁾	501	92	1,019	814
Costs incurred related to system implementations	431	88	2,953	963
Adjusted EBITDA	\$133,626	\$112,905	\$490,392	\$425,762
Rent—cost of services	56,076	50,604	216,016	197,358
Adjusted EBITDAR	\$189,702		\$706,408	

Reconciliation From Segment Income to Income Before Provisions For Income Taxes QTD Q4 2024

\$ in millions	Skilled Services	Standard Bearer	All Other	Eliminations	Consolidated
Total Revenue	\$1,082,825	\$25,102	\$51,826	\$(27,501)	\$1,132,252
Cost of services	858,995	617	41,647	(3,990)	897,269
Internal rent expense ⁽³⁴⁾	18,572	—	2,966	(21,538)	—
External rent expense	52,071	250	3,755	—	56,076
Depreciation and amortization	12,207	7,818	2,494	—	22,519
General and administrative expenses ⁽³⁴⁾	—	1,599	55,985	(1,973)	55,611
Other expense (income), net ⁽³³⁾	—	7,375	(12,356)	—	(4,981)
Total expenses	\$941,845	\$17,659	\$94,491	\$(27,501)	\$1,026,494
Income before provision for income tax	\$140,980	\$7,443	\$(42,665)		\$105,758

Reconciliation From Segment Income to Income Before Provisions For Income Taxes YTD 2024

\$ in millions	Skilled Services	Standard Bearer	All Other	Eliminations	Consolidated
Total Revenue	\$4,076,825	\$95,086	\$192,881	\$(104,307)	\$4,260,485
Cost of services	3,242,737	2,265	144,794	(15,247)	3,374,549
Internal rent expense ⁽³⁵⁾	70,278	—	11,219	(81,497)	—
External rent expense	200,152	983	14,881	—	216,016
Depreciation and amortization	45,195	29,297	9,646	—	84,138
General and administrative expenses ⁽³⁵⁾	—	6,044	226,662	(7,563)	225,143
Other expense (income), net ⁽³³⁾	—	27,162	(54,952)	—	(27,790)
Total expenses	\$3,558,362	\$65,751	\$352,250	\$(104,307)	\$3,872,056
Segment income	\$518,463	\$29,335	\$(159,369)	\$—	\$388,429
Loss on long-lived assets					(2,335)
Income before provision for income tax					\$386,094

Reconciliation From Segment Income to GAAP EBITDA and Non-GAAP EBITDA QTD Q4 2024

\$ in millions	Skilled Services	Standard Bearer	All Other	Eliminations	Consolidated
Segment income (loss)	\$140,980	\$7,443	\$(42,665)	—	\$105,758
Interest expense (income)	—	7,375	(12,715)	—	(5,340)
Depreciation and amortization	12,207	7,818	2,494	—	22,519
Less: net income attributable to non-controlling interests	—	—	63	—	63
Segment GAAP EBITDA	\$153,187	\$22,636	\$(52,949)	—	\$122,874
Non-GAAP Adjustments					
Stock based compensation ⁽²⁸⁾	6,302	16	3,502	—	9,820
Acquisition related costs ⁽²⁹⁾	—	—	501	—	501
Cost incurred related to system implementation	—	—	431	—	431
Segment Non-GAAP EBITDA	\$159,489	\$22,652	\$(48,515)	—	\$133,626

Reconciliation From Segment Income to GAAP EBITDA and Non-GAAP EBITDA YTD 2024

\$ in millions	Skilled Services	Standard Bearer	All Other	Eliminations	Consolidated
Segment income (loss)	\$518,463	\$29,335	\$(159,369)	—	\$388,429
Interest expense (income)	—	27,162	(47,625)	—	(20,463)
Depreciation and amortization	45,195	29,297	9,646	—	84,138
Less: net income attributable to non-controlling interests			485		485
Segment GAAP EBITDA	\$563,658	\$85,794	\$(197,833)	—	\$451,619
Loss on long-lived assets					(2,335)
Consolidated GAAP EBITDA					\$449,284
Non-GAAP Adjustments					
Stock based compensation ⁽²⁸⁾	22,992	16	13,218	—	36,226
Litigation ⁽²⁷⁾	2,100	—	(3,525)	—	(1,425)
Loss on long-lived assets	—	—	2,335	—	2,335
Acquisition related costs ⁽²⁹⁾	—	—	1,019	—	1,019
Costs incurred related to system implementations	—	—	2,953	—	2,953
Segment Non-GAAP EBITDA	\$588,750	\$85,810	\$(181,833)	—	\$492,727
Loss on long-lived assets					(2,335)
Consolidated Non-GAAP EBITDA					\$490,392

Reconciliation of Deferred Compensation Plan (DCP)

Impact 5 Quarter Trend

\$ in millions	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023
Non-GAAP Revenue	1,132,252	1,081,776	1,036,285	1,010,172	980,378
Non-GAAP cost of services	890,214	853,260	815,911	791,899	771,238
Less: DCP gain (loss) related to cost of services	(426)	1,647	314	1,244	1,813
Non-GAAP cost of services without DCP	890,640	851,613	815,597	790,655	769,425
Non-GAAP cost of services as a percentage of revenue	78.7 %	78.9 %	78.7 %	78.4 %	78.7 %
Non-GAAP cost of services as a percentage of revenue without DCP	78.7 %	78.7 %	78.7 %	78.3 %	78.5 %
Non-GAAP general and administrative expense with DCP	51,914	53,470	50,770	53,481	49,528
Less: DCP gain (loss) related to general and administrative expense	(426)	1,647	314	1,244	1,813
Non-GAAP general and administrative expense without DCP	52,340	51,823	50,456	52,237	47,715
Non-GAAP general and administrative expense as a percentage of revenue	4.6 %	4.9 %	4.9 %	5.3 %	5.1 %
Non-GAAP general and administrative expense as a percentage of revenue without DCP	4.6 %	4.7 %	4.9 %	5.2 %	4.9 %

Reconciliation of Deferred Compensation Plan (DCP)

\$ in millions	Year Ended December 31,	
	2024	2023
Non-GAAP Revenue	4,260,485	3,729,355
Non-GAAP cost of services	3,351,284	2,917,463
Less: DCP gain (loss) related to cost of services	2,779	2,443
Non-GAAP cost of services without DCP	3,348,505	2,915,020
Non-GAAP cost of services as a percentage of revenue	78.7 %	78.2 %
Non-GAAP cost of services as a percentage of revenue without DCP	78.6 %	78.1 %
Non-GAAP general and administrative expense with DCP	209,635	194,587
Less: DCP gain (loss) related to general and administrative expense	2,779	2,443
Non-GAAP general and administrative expense without DCP	206,856	192,144
Non-GAAP general and administrative expense as a percentage of revenue	5.0 %	5.3 %
Non-GAAP general and administrative expense as a percentage of revenue without DCP	4.9 %	5.2 %

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
Atchison Senior Village Rehabilitation and Nursing Center	KS	SNF	45	Ensign
Autumn Embers Senior Living	WI	Senior Living	16	Pennant
Avamere Rehabilitation at Ridgemont and The Villas at Ridgemont	WA	Campus	142	Avamere
Bainbridge Island Health and Rehabilitation Center	WA	SNF	58	Ensign
Beacon Harbor Healthcare & Rehabilitation	TX	SNF	190	Ensign
Belmont Terrace	WA	SNF	95	Ensign
Bennett Hills Rehabilitation and Care Center	ID	SNF	60	Ensign
Blue Jay Senior Living	WI	Senior Living	60	Pennant
Brenwood Park Assisted Living	WI	Senior Living	46	Pennant
Broadway Villa Post Acute	CA	SNF	143	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	192	Ensign
Citrus Heights Respiratory and Rehabilitation	AZ	SNF	204	Ensign
Compass Post Acute Rehabilitation	SC	SNF	95	Ensign
Cottonwood Manor Assisted Living	WI	Senior Living	31	Pennant
Cranberry Court Assisted Living	WI	Senior Living	40	Pennant

Property Locations

Property Name	State	Property Type	# of Operating Beds / Units	Tenant
Creekside Transitional Care and Rehabilitation	ID	SNF	139	Ensign
Crestwood Health & Rehabilitation Center	TX	Campus	154	Ensign
Decatur County Healthcare	TN	SNF	115	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	198	Ensign
Greater Southside Health and Rehabilitation	IA	SNF	76	Ensign
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	122	Ensign
Hillside Village of De Soto Rehabilitation and Nursing Center	KS	Campus	87	Ensign
Holly Heights Care and Rehabilitation	CO	SNF	133	Ensign
Horizon House	AK	Senior Living	90	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

Property Locations

Property Name	State	Property Type	# of Operating Beds / Units	Tenant
Legend Healthcare and Rehabilitation - Paris	TX	SNF	120	Ensign
Lila Doyle Post Acute	SC	SNF	120	Ensign
Lo-Har Senior Living	CA	Senior Living	29	Pennant
Lotus Gardens Senior Living	WI	Senior Living	44	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
Medallion Villas	CO	Senior Living	100	Ensign
Mesa Springs Healthcare Center	TX	Campus	138	Joint (Ensign/Pennant)
Mesquite Post Acute Care	TX	SNF	120	Ensign
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	71	Pennant
Mt. Angel Health and Rehabilitation	OR	Campus	148	Ensign
Mt. Ogden Health and Rehabilitation Center	UT	SNF	108	Ensign

Property Locations

Property Name	State	Property Type	# of Operating Beds / Units	Tenant
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	113	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 Manor Healthcare & Rehabilitation Center	TX	SNF	126	Ensign
Pleasant Point Senior Living	WI	Senior Living	74	Pennant
Polaris Extended Care and Polaris Transitional Care	AK	SNF	146	Ensign
Premier Care Center of Palm Springs	CA	SNF	99	Ensign
Pueblo Springs Rehabilitation Center	AZ	SNF	115	Ensign
Puget Sound Transitional Care	WA	SNF	125	Ensign
Rehabilitation and Nursing Center of the Rockies	CO	SNF	98	Ensign
Rio Vista Post Acute and Rehabilitation	AZ	SNF	150	Ensign
River Park Post Acute and Elmwood Senior Living	AZ	Campus	230	Ensign
Riverbend Post Acute Rehabilitation	KS	Campus	141	Ensign
Riverview Village Senior Living	WI	Senior Living	44	Pennant

Property Locations

Property Name	State	Property Type	# of Operating Beds / Units	Tenant
Riverwalk Post Acute and Rehabilitation	CO	SNF	60	Ensign
Rock Canyon Respiratory & Rehabilitation Center	CO	SNF	91	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
Rowlett Health & Rehabilitation Center	TX	SNF	150	Ensign
Savannah Nursing and Rehabilitation	TN	SNF	117	Ensign
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
South Davis Specialty Care	UT	SNF	95	Ensign
South Hill Rehabilitation and Care Center	WA	SNF	113	Ensign
Spencer Post Acute Rehabilitation Center	IA	SNF	82	Ensign
Springdale Village Post Acute	AZ	SNF	122	Ensign
St. George Rehabilitation	UT	SNF	99	Ensign
St. Joseph Rehabilitation and Care Center and Skyview Villa Assisted Living	NE	Campus	99	Ensign
Stoughton Meadows Senior Living	WI	Senior Living	39	Pennant
Surprise Health and Rehabilitation Center	AZ	SNF	110	Ensign
Tempe Post Acute and Desert Marigold Senior Living of Tempe	AZ	Campus	190	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

Property Locations

Property Name	State	Property Type	# of Operating Beds / Units	Tenant
The Healthcare Resort of Leawood	KS	Campus	94	Ensign
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	88	Ensign
Village Healthcare and Rehabilitation	TX	SNF	112	Ensign
Wellsprings of Gilbert	AZ	SNF	32	Ensign
Western Peaks Specialty Hospital	UT	SNF	43	Ensign
Westover Hills Rehabilitation and Healthcare	TX	SNF	124	Ensign
Westwood Nursing and Rehabilitation	TN	SNF	68	Ensign
Willow Brooke Point Senior Living	WI	Senior Living	82	Pennant
Windsor Rehabilitation and Healthcare	TX	SNF	108	Ensign
Wood Aven Health and Rehabilitation	WI	SNF	82	Ensign

End Notes



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End Notes

- 1 — Occupancy and Skilled Mix metrics represent same store metrics for Q4'24. Reflects midpoints of 2025 guidance ranges of \$4.83B to \$4.91B for annual revenue and \$6.16 to \$6.34 for diluted adjusted EPS. [Slide 5]
- 2 — Adjusted EBITDAR consists of net income before (a) interest income, (b) provision for income taxes, (c) depreciation and amortization, (d) interest expense, (e) rent-cost of services, (f) stock-based compensation expense, (g) acquisition related costs, (h) costs incurred related to system implementations, (i) litigation arising outside of the ordinary course of business and (j) loss (gain) on long-lived assets and gain on business interruption recoveries. 2019 Adjusted EBITDAR includes 9 months of Pennant financial results. [Slide 14]
- 3 — Over the last few years, CMS has made significant changes to the star rating requirements that makes obtaining a 4 or 5-Star rating more difficult, which impacted our overall star rating. Our mean score on the Five-Star Quality Rating System is 60.7% compared to the comparative states average of 57.4%. Based on the latest quality inspections published in January 2025, our average cycle 1 health inspections for all facilities is 75 compared to the comparative states average of 87. A higher cycle 1 inspection score means that more deficiencies are identified. [Slide 14]
- 4 — Acquisition track record based on an average for all SNF acquisitions from January 1, 2001 to September 30, 2023 measuring 5 quarters of operating performance. [Slide 16]
- 5 — The average EBITDAR margins and average skilled mix revenue percentages for the 5th quarter, 15th quarter and 45th quarter are 16.5%, 17.6% and 18.6%, respectively; and 45.9%, 46.9%, and 51.7%, respectively, for acquisitions made through September 30, 2023, March 31, 2021 and September 30, 2013. [Slide 16]
- 6 — At the end of Q4'24, there were 316 skilled nursing facilities in operation. [Slides 16, 17, and 18]
- 7 — Same Store represents all skilled nursing operations purchased prior to January 1, 2021 totaling 218 facilities. [Slides 17 and 18]
- 8 — Transitioning represents all skilled nursing operations purchased from January 1, 2021 to December 31, 2022 totaling 41 facilities. [Slides 17 and 18]
- 9 — Recently Acquired represents all skilled nursing operations purchased on or subsequent to January 1, 2023 totaling 57 facilities. [Slides 17 and 18]
- 10 — Recently Acquired includes the operations in states which, on average, have a higher reimbursement rate than our average operation. [Slides 17 and 18]
- 11 — Of the 33 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]
- 12 — Reflects the most recent third-party valuation. [Slide 22]
- 13 — Based on percentage of annualized rent for assets as of March 1, 2025. [Slide 22]
- 14 — Cumulative investments over time include initial investment and capital expenditures. [Slide 23]
- 15 — Typically, leases have two or three extension options of five years each. [Slide 24]
- 16 — Ensign affiliated tenant coverage ratio includes newly acquired operations that have lower lease coverage ratio. [Slide 24]
- 17 — Funds from Operations (FFO) for our Standard Bearer segment consists of segment income, excluding depreciation and amortization related to real estate, gains or losses from the sale of real estate, insurance recoveries related to real estate and impairment of long-lived assets. 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 from sales of real estate, insurance recoveries related to real estate and impairment of long-lived assets, while including depreciation and amortization related to real estate earnings. [Slides 25 and 38]

End Notes

- 18 – Segment income reflects profit or loss from operations before provision for income taxes, gain or loss from sale of real estate, insurance recoveries from real estate, and impairment of long-lived assets. Included in Standard Bearer segment income for the three months ended December 31, 2024, September 30, 2024, June 30, 2024, March 31, 2024, and December 31, 2023, are management fees of \$1.5M, \$1.5M, \$1.4M, \$1.3M, and \$1.3M, respectively, and interest expense of \$5.5M, \$5.5M, \$5.0M, \$4.3M, and \$3.8M, respectively, associated with the intercompany agreements between Standard Bearer and the Company and its independent subsidiaries including the Service Center. [Slides 25 and 38]
- 19 – Revenue and adjusted EBITDAR does not reflect the impact of the Pennant spin-off on 10/1/2019. As a result, 2019 includes 9 months of Pennant financial data. [Slide 26]
- 20 – Represents average of peer growth from 2014-2023 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, PACS, THC, and UHS; Behavioral: ACHC; SGRY; Dialysis: FMS and DVA; Home Health and Hospice: AMED, ADUS and CHE; Institutional: BKD and EHC; Rehab: SEM and USPH. [Slide 26]
- 21 – Represents 2014 – 2023 average of AMED, ADUS, CHE, BKD, EHC and SEM. [Slide 26]
- 22 – Source: US Census, CDC (NCHS), CMS and Population Reference Bureau. From 58MM in 2022 to 93MM in 2065. [Slide 35]
- 23 – Source from CMS. [Slide 35]
- 24 – Source: 2024 Medicare Trustees Report. [Slide 36]
- 25 – Source: Medpac and US HHS Department as of March 2024. [Slide 36]
- 26 – 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]
- 27 – Litigation relates to specific proceedings and adjustments arising outside of the ordinary course of business. [Slides 37, 39, 40, 41 and 45]
- 28 – Represents stock-based compensation expense incurred. [Slides 37, 39, 40, 41, 44, and 45]
- 29 – Represents costs incurred to acquire operations that are not capitalizable. [Slides 39, 40, 41, 44, and 45]
- 30 – Represents amortization expenses related to patient base intangible assets at newly acquired skilled nursing and senior living facilities. [Slides 39 and 40]
- 31 – Represents the write off of deferred financing fees associated with mortgage loans. [Slide 39 and 40]
- 32 – Represents an adjustment to the provision for income tax to our historical year to date effective tax rate of 25.0%. [Slide 39]
- 33 – Included in interest expense in Standard Bearer is interest expense incurred from intercompany debt arrangements between Standard Bearer and The Ensign Group, Inc. [Slides 42 and 43]
- 34 – Included in general and administrative expenses is internal rent expense for the Service Center for the three months ended December 31, 2024 of \$0.5 million and management fee of \$1.5 million. This amount is eliminated in the eliminations column. [Slide 42]
- 35 – Included in general and administrative expenses is internal rent expense for the Service Center for the year ended December 31, 2024 of \$1.9 million and management fee of \$5.7 million. This amount is eliminated in the eliminations column. [Slide 43]
- 36 – EBITDA in the prior periods have been recast to conform to the current period presentation. [Slide 41]

THANK YOU

ENSIGN  GROUP