



Investor Presentation

June 2026

Disclaimer

Statements in this presentation concerning the future prospects of The Pennant Group, Inc. (“Pennant” or the “Company”) are forward looking statements 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. They are not guarantees of future results and are subject to risks, uncertainties and assumptions 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 (the “SEC”), including our Annual Report on Form 10-K for the fiscal year ended December 31, 2025 and our other reports and filings for a more complete discussion of the risks and other factors that could affect Pennant’s business, prospects and any forward-looking statements. This information is provided as of today’s date only, and except as required by federal securities law, Pennant 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.

This presentation includes references to certain performance and valuation measures, which are non-GAAP financial measures, including Consolidated EBITDA, Consolidated Adjusted EBITDA, Segment Adjusted EBITDA from Operations, and Consolidated Adjusted EBITDAR (collectively, “Non-GAAP Financial Measures”). Non-GAAP Financial Measures are used in addition to, and in conjunction with, results presented in accordance with GAAP and should not be relied upon to the exclusion of GAAP financial measures. Non-GAAP Financial Measures reflect an additional way of viewing aspects of our operations and company that, when viewed with our GAAP results and the accompanying reconciliations to corresponding GAAP financial measures, we believe can provide a more comprehensive understanding of factors and trends affecting our business. We calculate Consolidated EBITDA as net income, before interest expense, provision for income taxes and depreciation and amortization. We calculate Consolidated Adjusted EBITDA by adjusting Consolidated EBITDA to exclude the effects of non-core business items, which for the reported periods includes, to the extent applicable: costs at start-up operations; share-based compensation expense; acquisition related costs and credit allowances; costs associated with transitioning operations; and unusual, non-recurring, or redundant charges. We calculate Segment Adjusted EBITDA from Operations by adjusting Segment Adjusted EBITDAR from Operations to include rent-cost of services. We calculate Consolidated Adjusted EBITDAR by excluding rent-cost of services and rent related to start up operations from Consolidated Adjusted EBITDA. These Non-GAAP Financial Measures should not be relied upon to the exclusion of GAAP financial measures. A reconciliation of each Non-GAAP Financial Measure to the most directly comparable GAAP financial measures is included as an appendix to this presentation.

We may reference operations in any or all of our home health, hospice or senior living independent operating subsidiaries. Each such business is operated as a separate, 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 Pennant Group, Inc. has direct operating assets, employees or revenue, or that any of the operations or the Service Center or the captive insurance subsidiary are operated by the same entity.

Star Ratings refer to the star rating criteria established by the Centers for Medicare and Medicaid Services (“CMS”).

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Executive Summary

- Leading operator in a **large, growing market** with **strong secular tailwinds** enabling patients to age in place
- **Innovative, decentralized operating model** that empowers local leaders and **drives proven outcomes**
- Demonstrated **track record of success**
 - **31.9%** Revenue CAGR from 2023 – 2025
 - **33.4%** Consolidated Adj. EBITDA CAGR from 2023 – 2025⁽¹⁾
- Current leadership in place **since inception**

Our Story

Established Track Record

- Founded in 2010
- Spun-off from Ensign (Nasdaq: ENSG) in 2019
- Strong history of **fostering a new level of patient care and professional competence**
- Achieved **exemplary standards for quality** home health & hospice and senior living services

Innovative, Decentralized Operating Model

- **Empower local leaders** to drive exceptional **clinical, financial, community** and **cultural** outcomes
- Community-focused solutions that deliver **industry-leading growth**
- Decentralized structure allows **effective integration of new operations**
- **Dedicated strategic support** from Pennant Services

Solution of Choice in Our Communities

- Focus on delivering **innovative, high-quality** solutions to **community partners**
- **Employer of choice**
- **Provider of choice**
- **Partner of choice**

We deliver high quality care through tailored services emphasizing the right care, in the right place, at the right time

Our Mission and Values

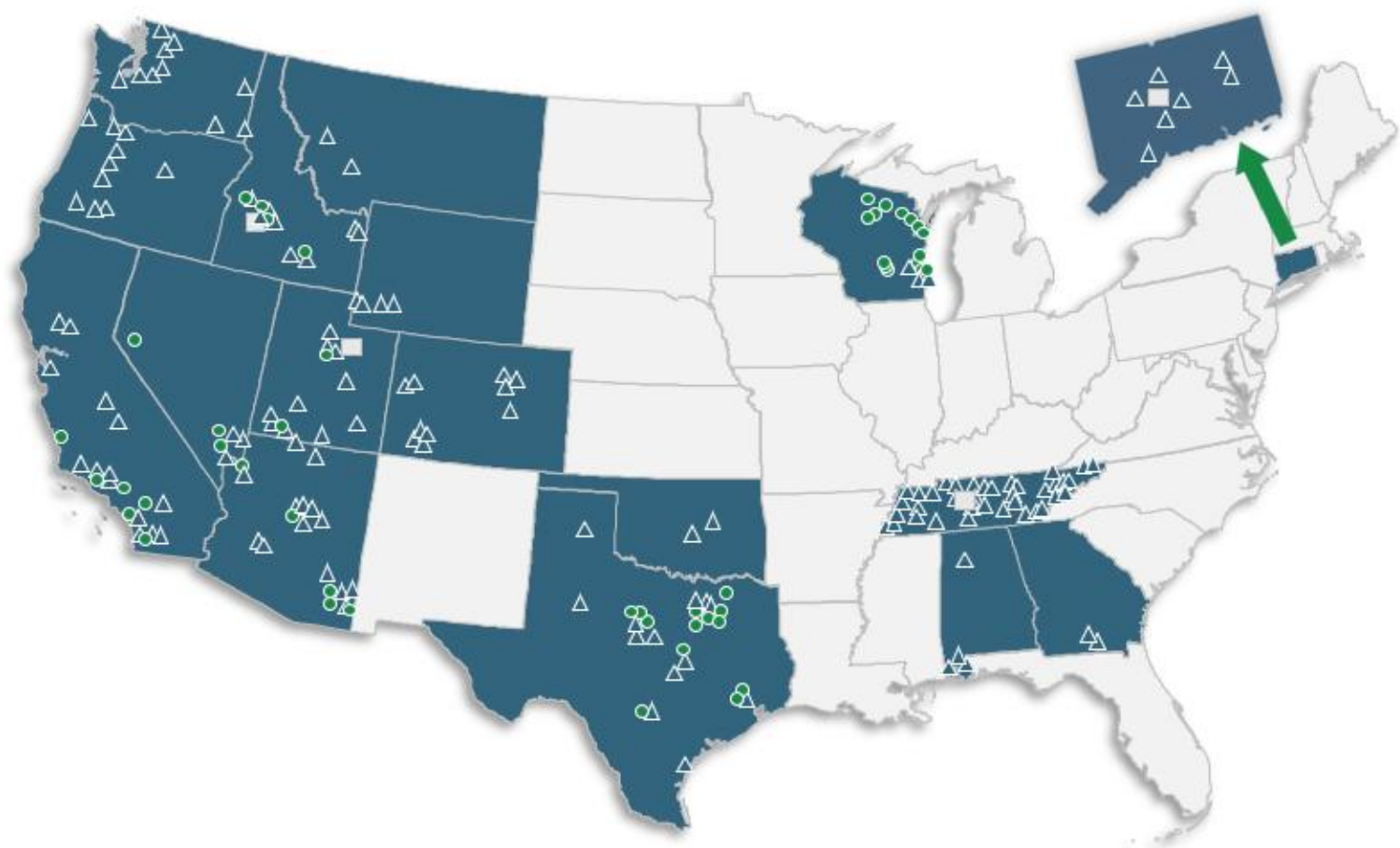
Pennant is a premier leadership company, creating life-changing opportunities and setting the standard for excellence in healthcare through our core values and unique operating model.

CAPLICO

CUSTOMER SECOND
ACCOUNTABILITY
PASSION FOR LEARNING
LOVE ONE ANOTHER
INTELLIGENT RISK TAKING
CELEBRATION
OWNERSHIP

Life-Changing Service

Pennant at a Glance



- Home Health, Hospice and Home Care Agencies ⁽⁵⁾
- Senior Living Communities
- Pennant Service Center⁽⁵⁾

(1) Metrics as of June 30, 2026.
(2) Non-GAAP financial measure. See Appendix for reconciliation to the most directly comparable GAAP measure.
(3) For the six months ended June 30, 2026.
(4) Occupancy rate = total occupied senior units / total available senior living units.
(5) Pennant does not have consolidated Agencies in Connecticut. Pennant signed a management services agreement with Hartford HealthCare at Home (HHCAH) to provide operational support on May 18, 2024 and made additional investments June 1, 2026.

\$583.3mm

2026 Revenue⁽³⁾

\$72.4mm

2026 Consolidated Adj.
EBITDAR⁽²⁾⁽³⁾



175

Home Health, Hospice and
Home Care Agencies⁽¹⁾



69

Senior Living Communities⁽¹⁾



~60k

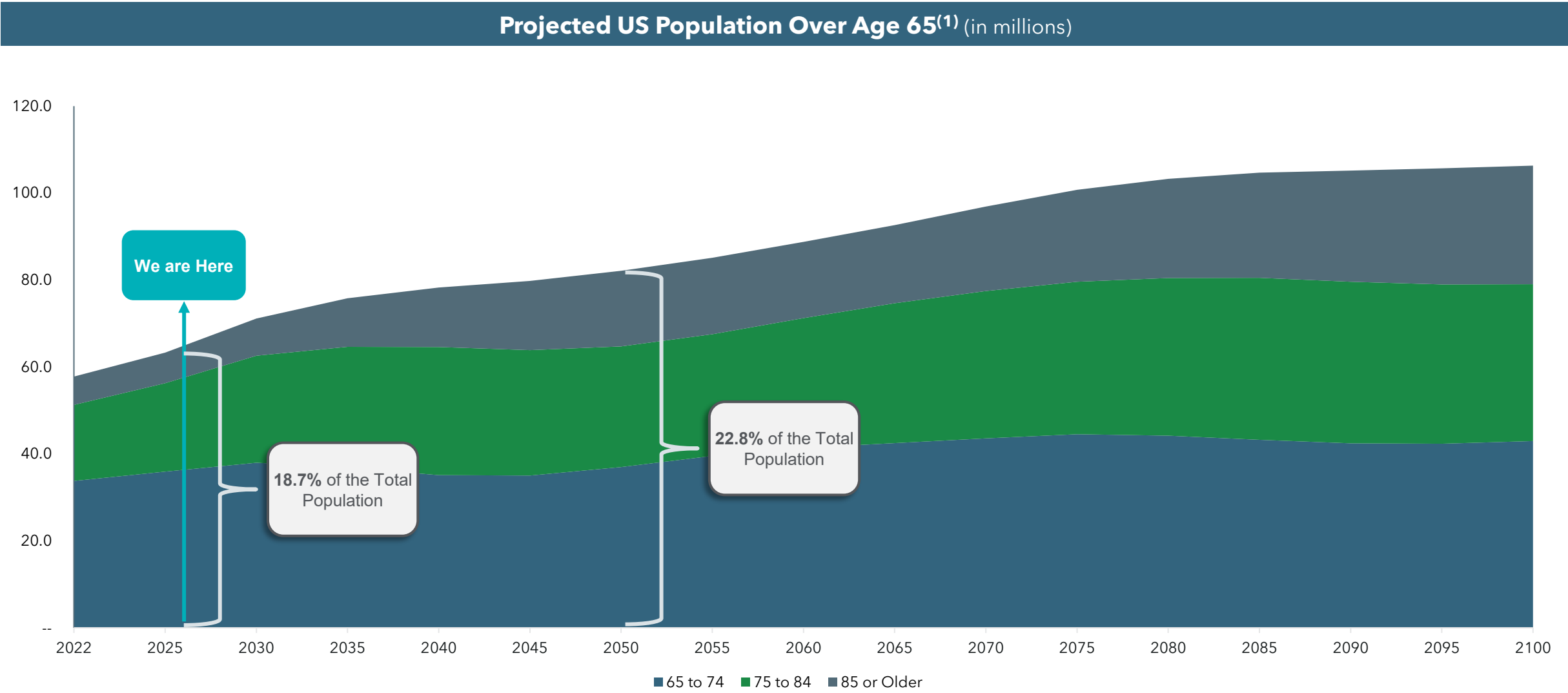
HH Admissions⁽³⁾



78.7%

Average Senior Living
Occupancy⁽³⁾⁽⁴⁾

Underpinned by an Aging US Population....



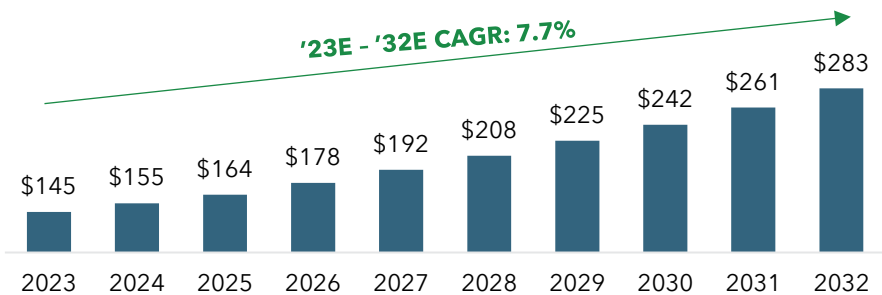
(1) US Census Bureau. Projected Population by Five-Year Age Group and Sex, 2023. Census.gov.

...Our Industries Have Attractive Fundamentals



Home Health

Home Health Care Expenditures (\$ in billions)⁽¹⁾

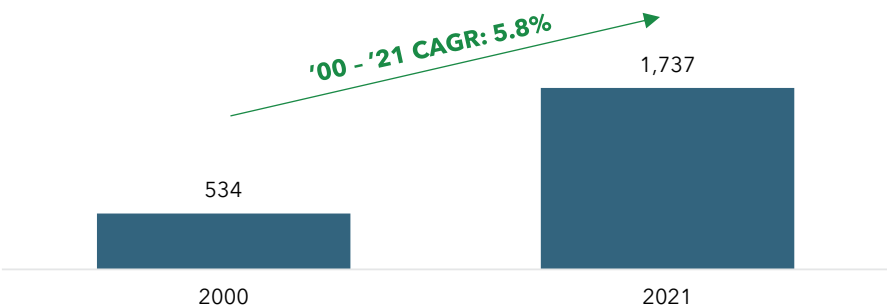


- Home Health expenditures **expected to increase ~95% by 2032⁽¹⁾**
- Home Health remains the **lowest-cost post-acute care setting; ~97% lower** than other facility-based settings (Average Medicare Cost per Day of **\$61 for Home Health** vs. **\$1,850 for Inpatient Rehab Facilities**)⁽²⁾



Hospice

Number of Medicare Hospice Users (in thousands)

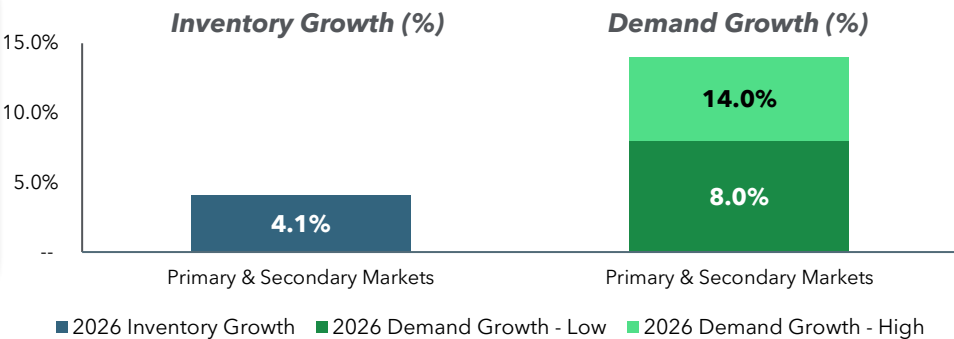


- Number of **hospice care users has increased 225%** through 2021
- **>40%** of Hospice Care is used by population 85 years or older, **which is expected to triple by 2050⁽³⁾**



Senior Living

Senior Living Units Inventory and Demand Outlook⁽⁴⁾

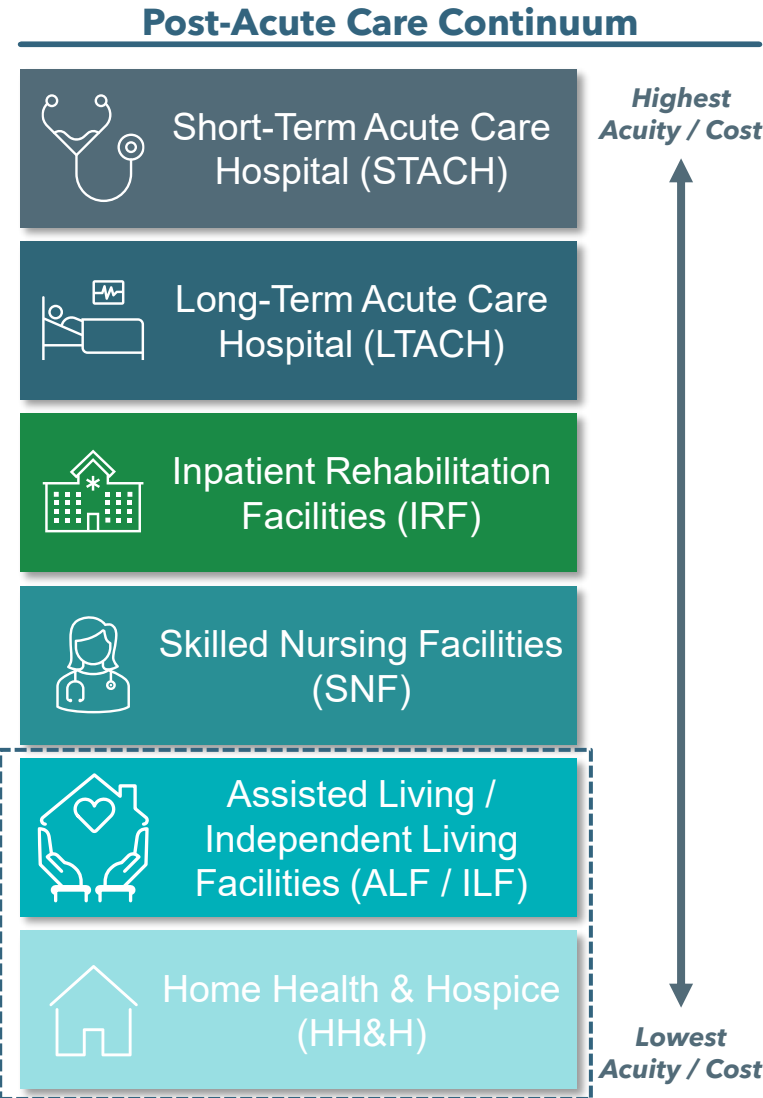
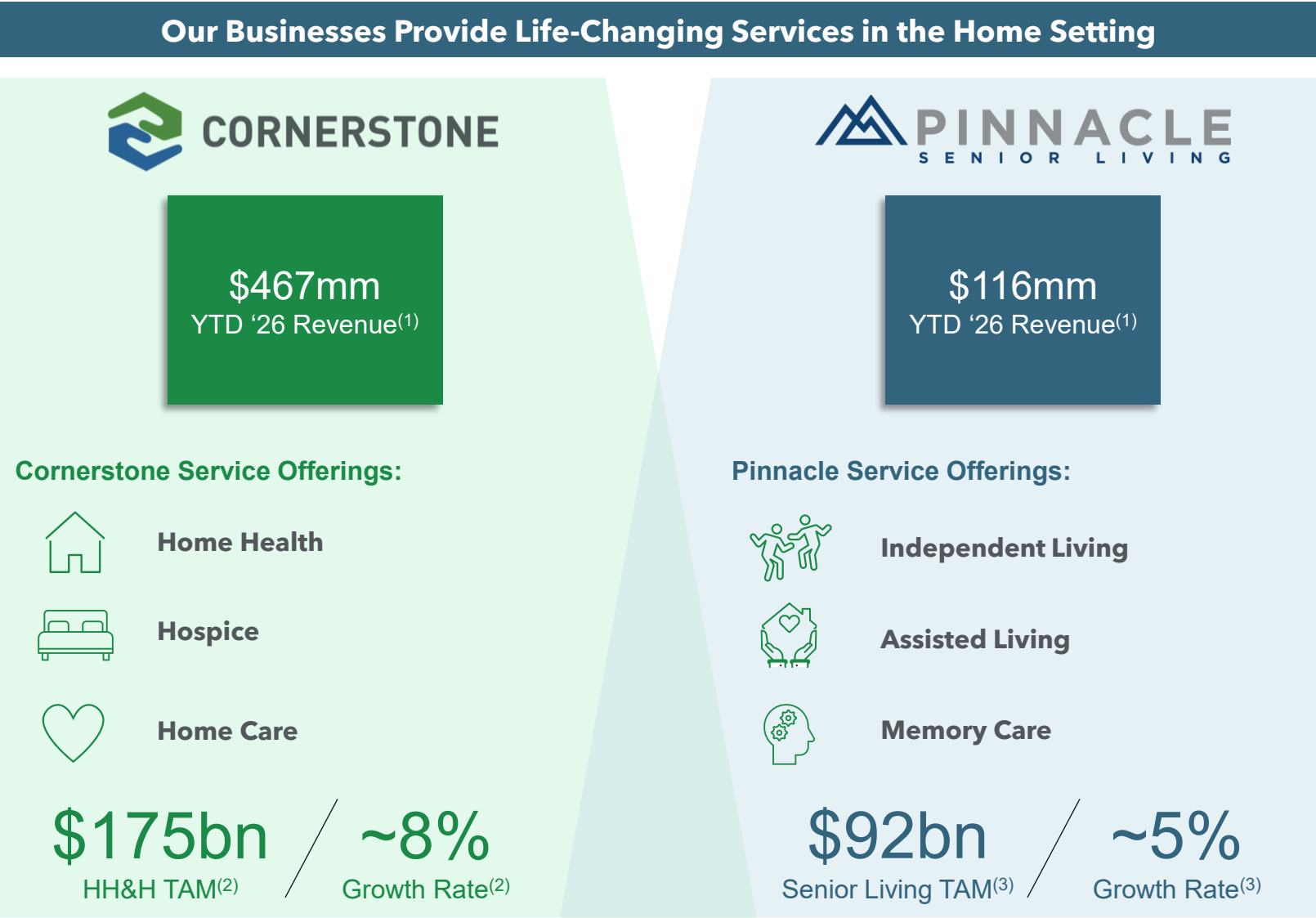


- **Growth in demand ~2-3x higher than inventory growth** from 2023 to 2026
- Estimated demand for units **expected to remain strong** through the next decade

Source: Industry research, Kaufman Hall, CMS, MedPAC, AARP and ASHA.
(1) CMS National Health Expenditures, 2024; CMS.gov.
(2) CMS Program Statistics Medicare 2021 reports; Data.CMS.gov.
(3) Additional details on aging population on prior page.

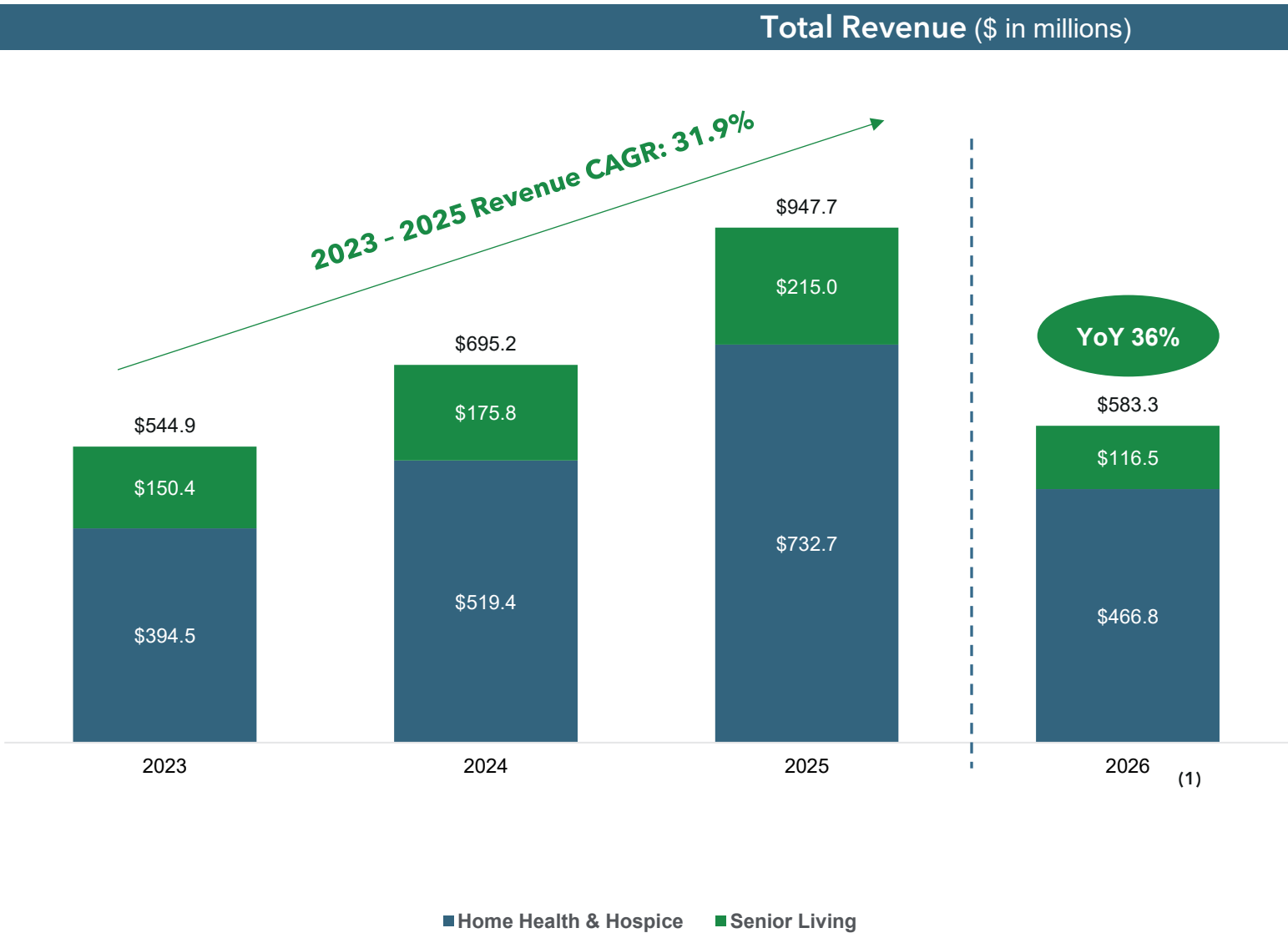
(4) National Investment Center (NIC) Senior Housing Analyst Review & Outlook, 2023. Primary & Secondary Markets refer to the 99 large core-based statistical areas in the US. Inventory represents total occupied and unoccupied assisted living and independent living units.

Our Services are Critical to the Healthcare System



(1) For the six months ended June 30, 2026.
(2) Source: Grandview Research. Home Health market is estimated at approximately \$142.9bn and is expected to grow at a CAGR of 7.5% from 2022 to 2030 and the Hospice industry is estimated at approximately \$34.5 billion and is projected to grow at an estimated CAGR of 8.2% from 2022 to 2030.
(3) Source: Grandview Research. Senior living market is estimated at approximately \$91.8 billion and is expected to expand at an estimated CAGR of 5.5% between 2022 to 2030

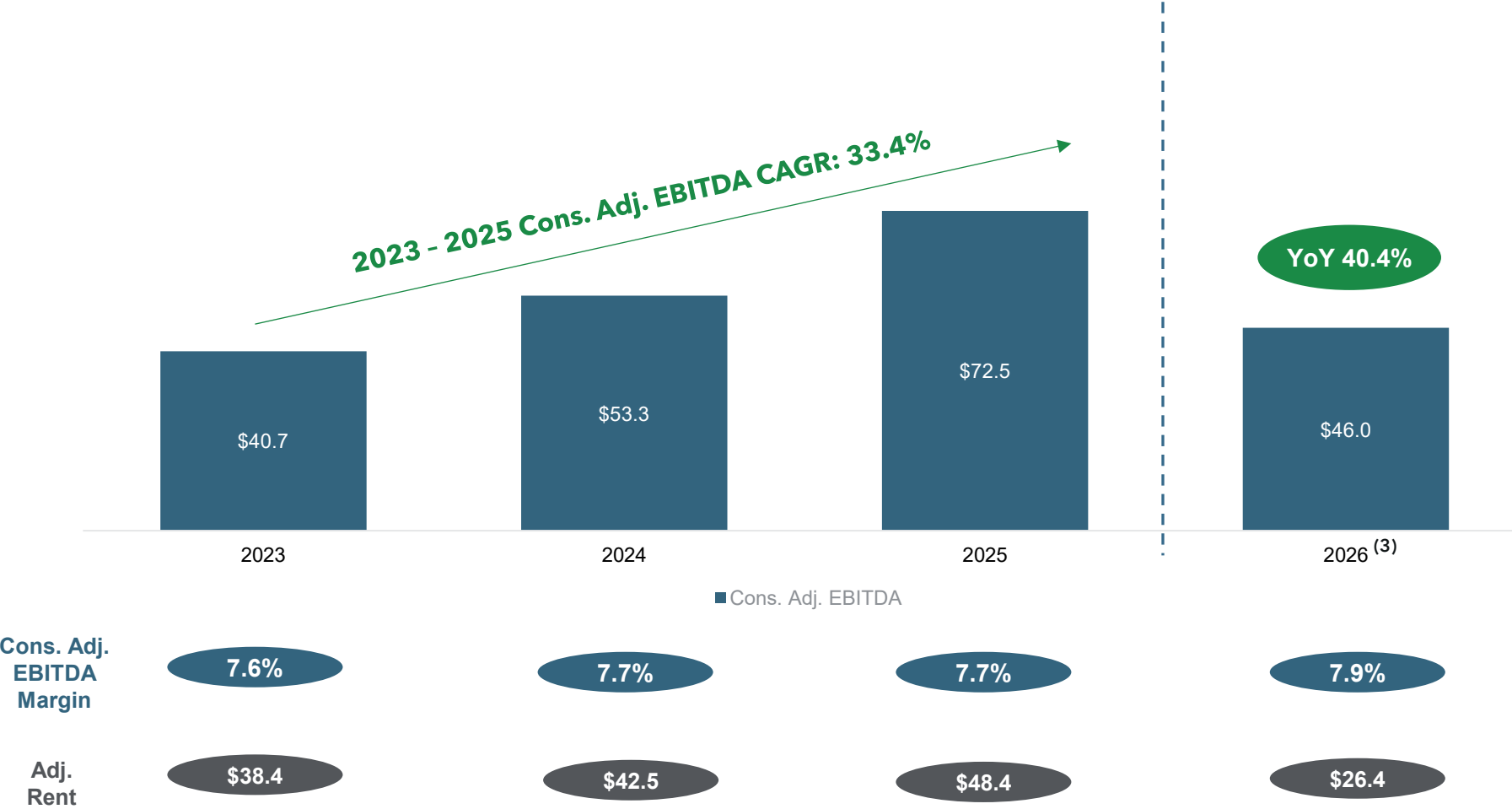
Strong Track Record of Growth



- 31.9% CAGR from 2023 to 2025, demonstrating consistent and robust growth across all segments
- Home Health & Hospice led the way as key drivers of revenue, reflecting strong market demand and operational excellence
- YTD 2026 revenue reached \$583.3 million, with \$466.8 million from Home Health & Hospice and \$116.5 million from Senior Living, showcasing balanced revenue streams

Strong Track Record of Growth (Cont'd)

Consolidated Adjusted EBITDA and Rent⁽¹⁾⁽²⁾ (\$ in millions)



33.4% Consolidated Adjusted EBITDA CAGR from 2023 to 2025, underscoring the company's strong financial momentum

Consolidated Adjusted EBITDA margin increased from 7.6% in 2023 to 7.9% through 2026, reflecting consistent profitability and operational efficiency

Q2 2026 Consolidated Adjusted EBITDAR of \$72.4 million an increase of 28.6% year over year⁽³⁾

(1) Rent is adjusted for the rent related to start-up and transitioning operations added back to adj. EBITDA.
(2) Non-GAAP financial measure. See Appendix for reconciliation to the most directly comparable GAAP measure.
(3) For the six months ended June 30, 2026.



Investment Highlights



Pennant's Key Investment Highlights



1	Model	Decentralized Operating Model Driven by Local Leaders
2	Quality	Partner of Choice due to High Quality Care
3	Growth	Significant Future Growth Opportunities
4	Platform	Leading Support Services and Technology Offering
5	Financial	Strong Financial Performance and Balance Sheet Management
6	Team	Experienced Management Team with Deep Healthcare Expertise

1 Our Innovative Operating Model Delivers Superior Outcomes...

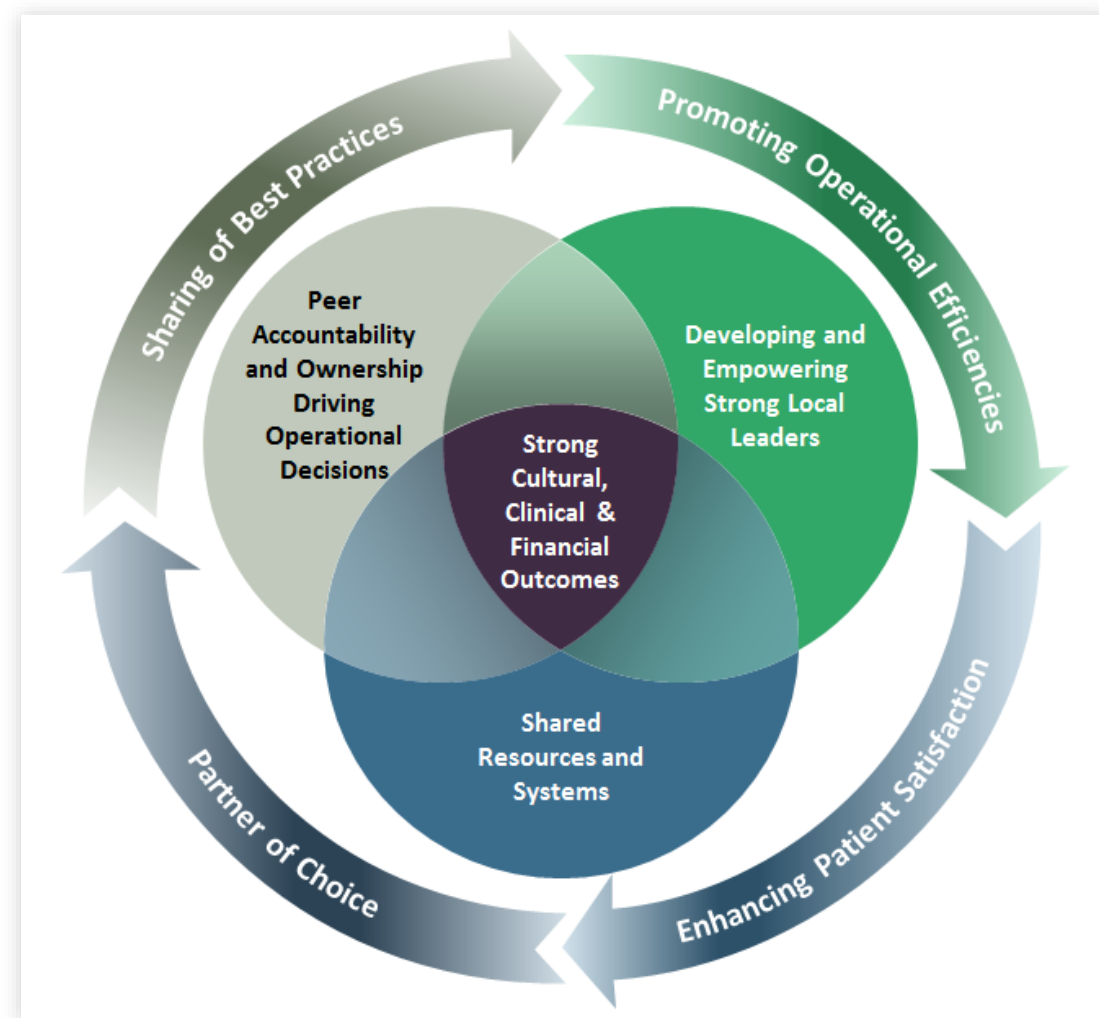
"Cluster" Model Drives...



Our innovative operating model creates local operating companies with extensive back-office support

"Healthcare happens locally"

Pennant's Model Creates a Flywheel Effect



1 ...Driven by Our Local Leaders

Why Our Local Leaders are Critical to Our Success

We Attract:

- ✓ Highly-motivated, entrepreneurial leaders who own their results
- ✓ Mission-driven leaders with diverse experience and backgrounds

We Retain:

- ✓ Leaders stay with Pennant for the unique professional development that comes with building a local business
- ✓ Leaders have a compelling financial opportunity tied to their operations' performance

We Inspire:

- ✓ We have 91 EDs and 54 CEOs leading agencies and communities⁽¹⁾
- ✓ In 2026, 48 CITs have completed the CIT program, 38 of those advancing to ED seats, and 14 EDs earned the CEO award⁽¹⁾

Leaders in Our Model

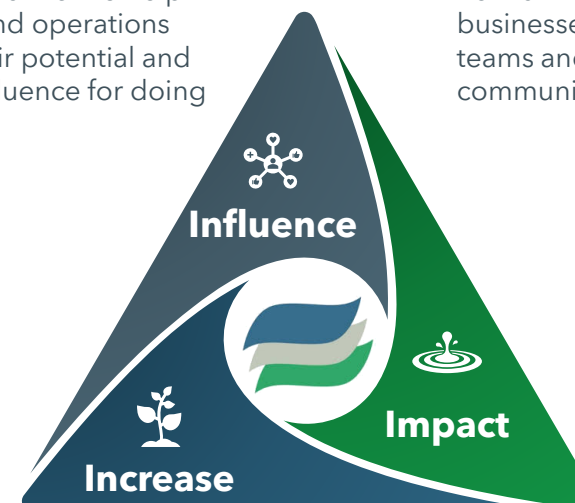
- Each agency and community is under the leadership of a local Executive Director or CEO, who leads a team of clinicians and operators
- Each local team sits within a "cluster," or region of 3-5 teams, where leaders communicate, provide support and share-best practices
- Leaders within clusters share real-time data and hold others accountable for performance and clinical outcomes

The CEO Opportunity

Our CEO in training program is designed to help aspiring leaders gain the **skills and experience** they need to **succeed at the highest levels**

CEOs are driven to help people and operations reach their potential and are an influence for doing good

Pennant CEOs build businesses that benefit their teams and their local communities



Our CEO opportunity provides the tools and resources to grow personally and professionally, with strong earning potential through our competitive profit sharing and equity program

2 High Quality Care and Strong Clinical Outcomes....

Demonstrated Clinical Outperformance...

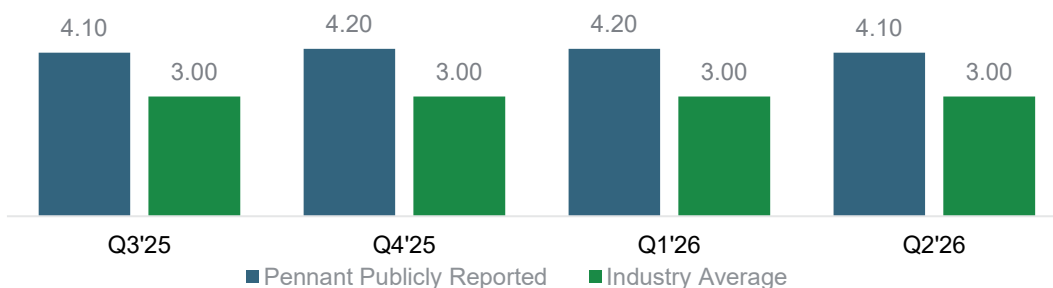
High Star Rating & Quality of Care⁽¹⁾

- ✓ Average **4.1** Star Rating vs. National Average of **3.0**
- ✓ Hospice Process Measure Composite Score of **98.1%** vs. national average of **91.7%**

Lower Hospitalizations

- ✓ Only **10.0%**⁽²⁾ of Home Health patients with potentially preventable visits were admitted to hospital vs national median of **10.8%**
- ✓ **7.4% lower** than national median

Higher than Industry Avg. Star Ratings Over Time⁽¹⁾



...Leads to Strong Community Partnerships



Community relationships based on communication, transparency and trust



Strong referral networks and reputation as provider of choice in our communities



Care continuum relationships drive care collaboration and effective transitions between care settings

Our goal is to improve care outcomes and the quality of life of our patients and residents in their home

2 Makes Us the Partner of Choice in Our Communities

Hospitals

- Long term referral relationships driven by preferred provider arrangements
- Innovative care models and pathways help us work closely with hospital partners to reduce readmissions



Clinic and Community Physicians

- Referrals driven by Pennant's strong reputation for quality in the local communities
- Generated from hundreds of providers across our markets



Skilled Nursing Facilities

- Developed strong care continuum networks with leading skilled nursing providers
- Established multiple clinical value-based enterprises (VBE) through our Ensign Pennant Care Continuum (EPCC)



Senior Living and Other

- Pennant's businesses have a synergistic referral relationship
- Home health and hospice operations provide accessible and convenient care to senior living residents



Strong clinical outcomes, driven by our local leaders, uniquely position us to be the partner of choice in our communities

3 Significant Growth Opportunities

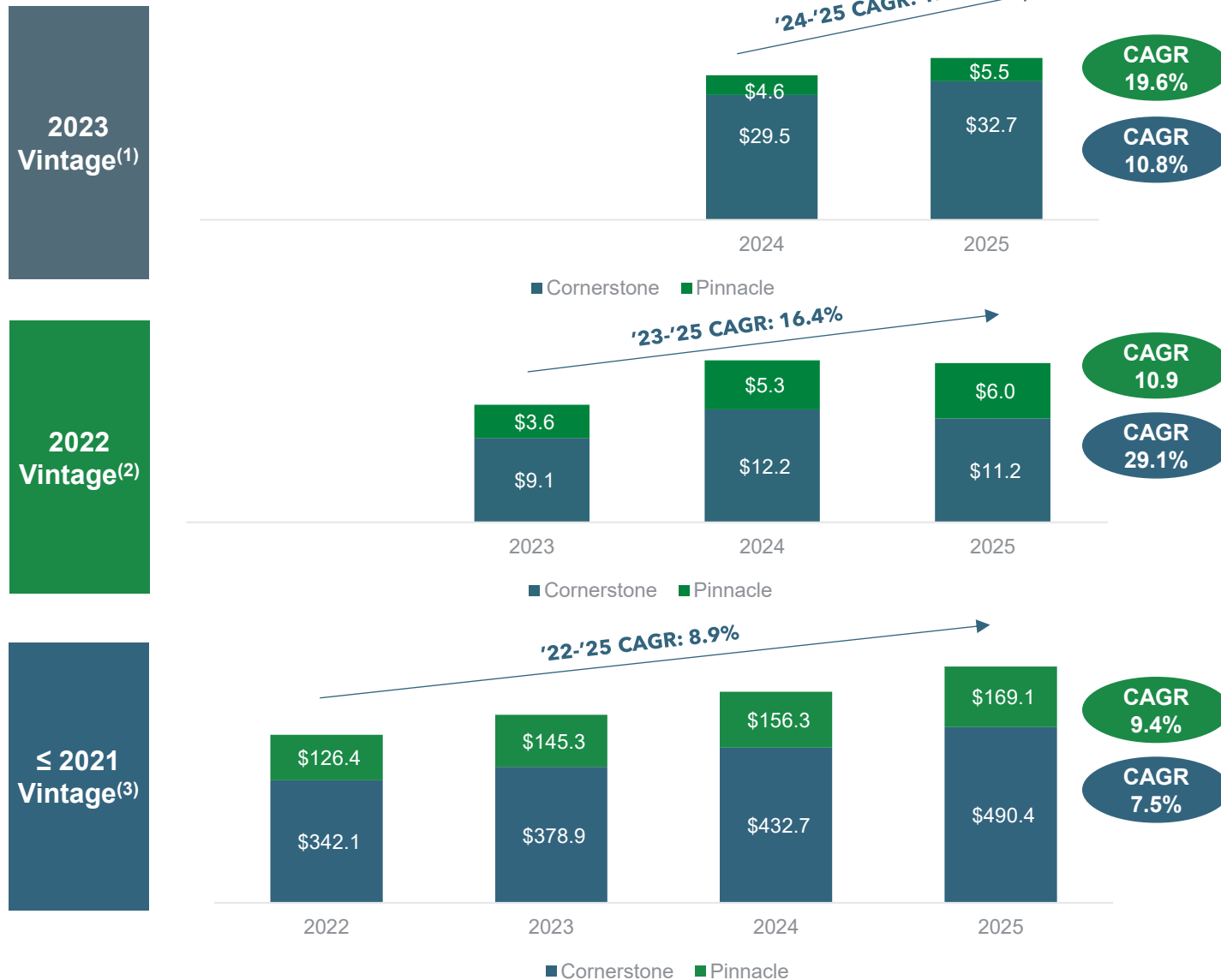


We believe Pennant is well-positioned to perform and grow in large, fragmented markets

3 Proven Performance Through Organic Growth

Cornerstone & Pinnacle Revenue for Various Acquisition Vintages

(\$ in millions)



Organic Growth in Existing Operations

Strong revenue growth by both Cornerstone and Pinnacle across various acquisition vintage years demonstrates our ability to consistently grow organically over time

- **12%** '24 - '25 growth for the 2023 acquisition vintage, with **~\$4.1mm incremental revenue** growth from '24 - '25
- **16.4%** '23 - '25 CAGR for the 2022 acquisition vintage, with **~\$2.3mm incremental revenue growth** on average per year
- **8.9%** '22 - '25 CAGR for the 2021 and earlier acquisition vintage, with **~\$63.7mm incremental revenue growth** on average per year

(1) Includes acquisitions between January 1, 2023 and December 31, 2023.
(2) Includes acquisitions between January 1, 2022 and December 31, 2022.
(3) Includes existing operations and acquisitions prior to December 31, 2021.

3 Well-Positioned to Grow Through Our Disciplined Acquisition Strategy

Significant Growth Opportunity Remains in Highly-Fragmented Markets...

% Market Share of Top Operators in Select Pennant End Markets



Home Health

13%⁽¹⁾
Top Operator Market Share

87%

Small Independent Operator Market Share



Hospice

14%⁽²⁾
Top Operator Market Share

86%

Small Independent Operator Market Share



Senior Living

28%⁽³⁾
Top Operator Market Share

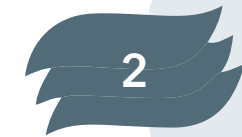
72%

Small Independent Operator Market Share

Our Proven M&A Playbook



Focus on selectively acquiring strategic and underperforming operations within our target markets



Local leaders empowered to identify and pursue acquisition opportunities



Expertise in transitioning newly-acquired operations to our innovative operating model and culture



Transformational integration of new acquisitions to shared systems and platforms

3 Track Record of M&A Success

Reputation as a Partner and Acquiror of Choice
Allows Us to Screen a Proprietary Pipeline of Opportunities

Our **disciplined approach to M&A** delivers compelling opportunities by evaluating different factors or criteria such as:

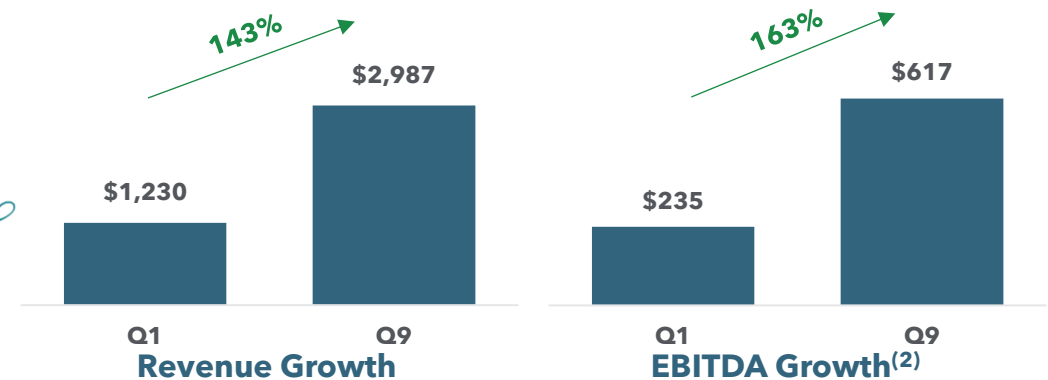
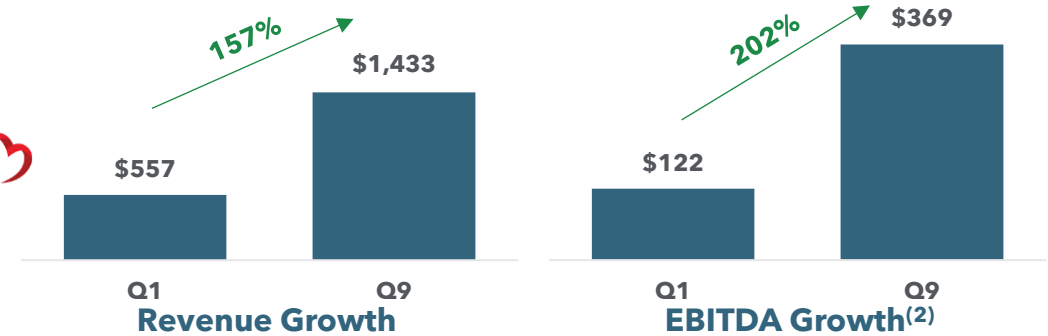
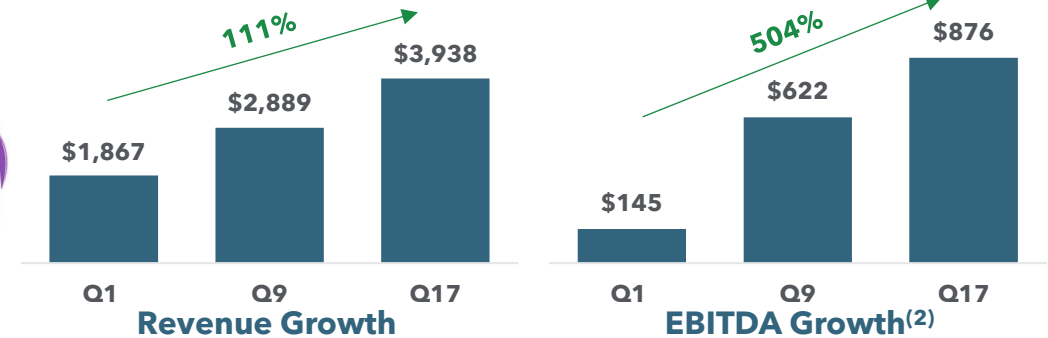
- ✓ Value Creation Opportunity
- ✓ Size and Scale
- ✓ Clinical Quality and Processes
- ✓ Capital Resources and Strategic Fit

We ask ourselves three questions when evaluating a new M&A opportunity: **Who, What, Why?**

Our approach to M&A is proven with **92 acquisitions completed** since 2020⁽¹⁾

Demonstrated Improvements in Acquired HH&H Agency Performance

(\$ in thousands)

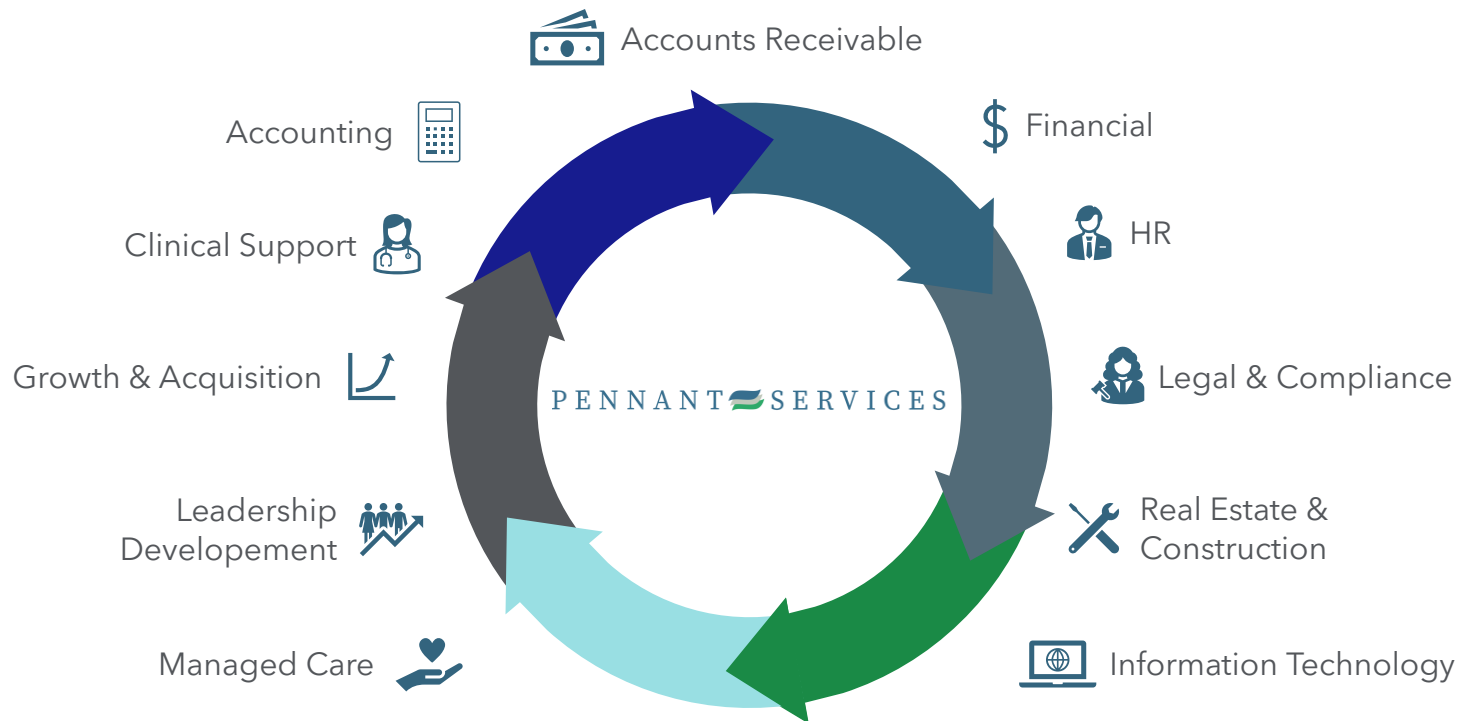


(1) Includes 7 acquisitions in 2020, 7 acquisitions in 2021, 3 acquisitions in 2022, 9 acquisitions in 2023, 11 acquisitions in 2024, 49 acquisitions in 2025, and 6 acquisitions in 2026.

(2) EBITDA is a non-GAAP financial measure. See Appendix for reconciliation to the most directly comparable GAAP measure.

4 Dedicated Support Services for Our Agency and Community Partners

How We Support Affiliate Locations



- Our goal is to be the provider of choice by delivering best-in-class professional support, technology and systems that accelerate operational results, such as:
- Time and cost **savings**, improved **care coordination**, and **billable opportunities** for hospital systems, providers, skilled nursing facilities, and other care settings

Tech-Driven Value Adds

EMR Ecosystem

Innovative use of technology tools that enhance the efficiency and effectiveness of care delivery



Acceleration Through Automation

Robotic process automation + business logic to improve back-office and clinical systems



Hospital Integration

Technology solutions to ensure smooth integration with systems



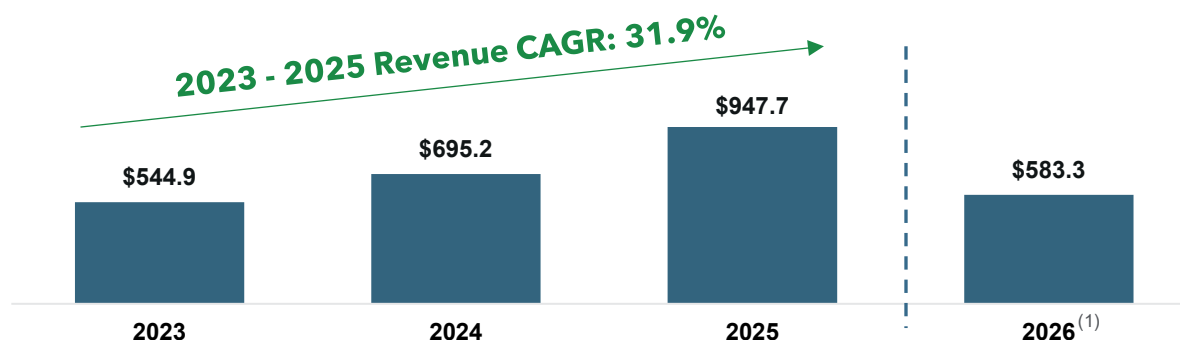
Robust Digital Storefronts

Driving customer engagement through best-in-class digital marketing

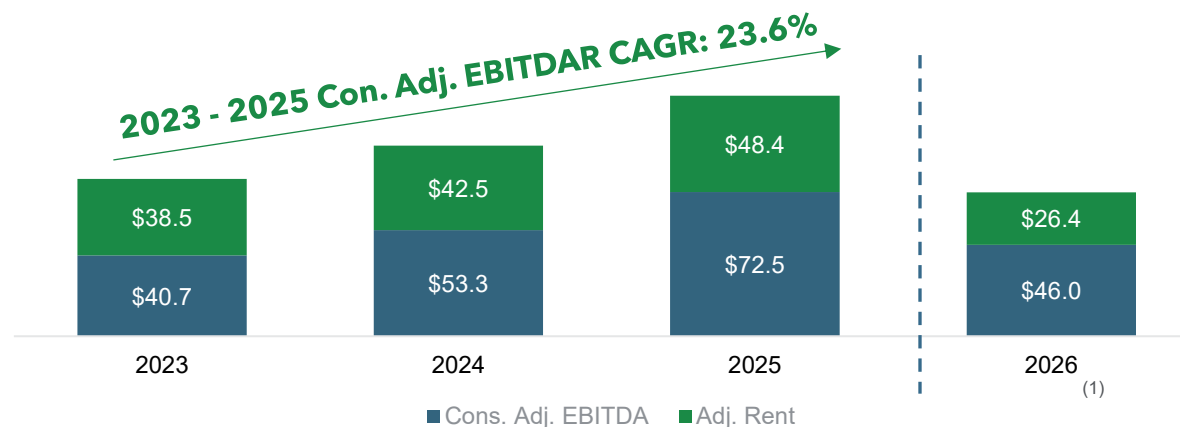


5 Strong Financial Performance...

Strong Revenue Growth



Cons. Adj. EBITDA and Adj. Rent⁽²⁾⁽³⁾

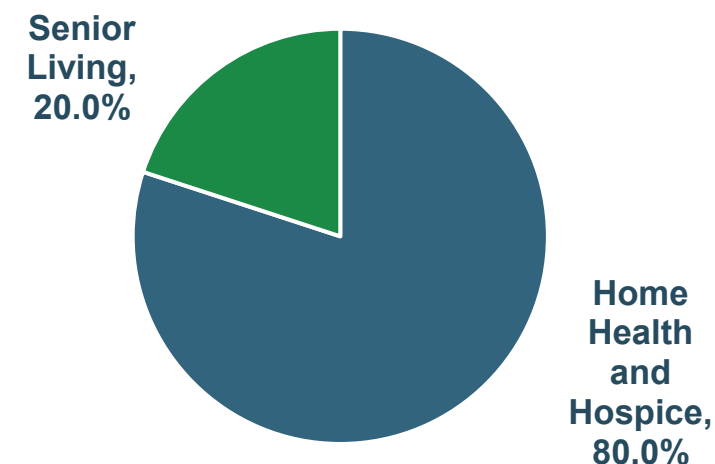


Consolidated Adj. EBITDA Margin

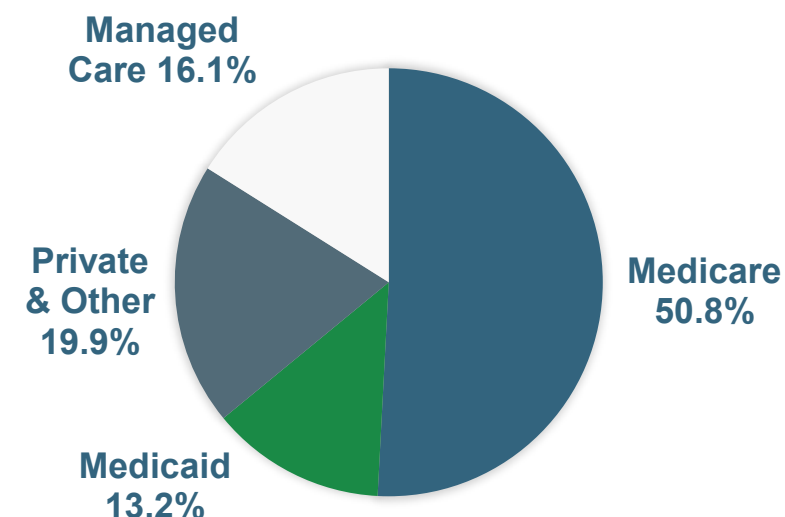


Diversified Portfolio Creates Greater Stability

Service Mix



Payor Mix



(1) For the six months ended June 30, 2026.

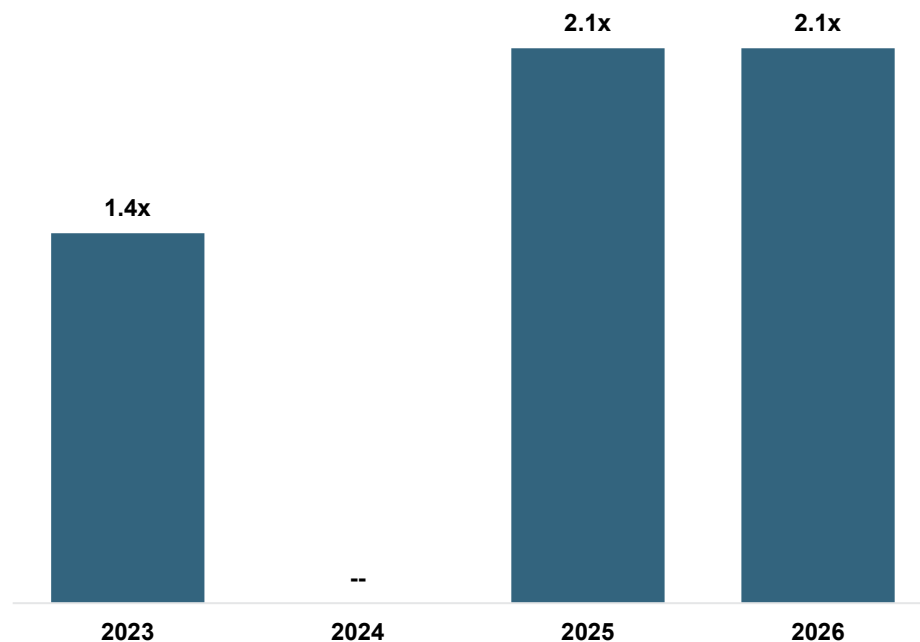
(2) Rent is adjusted for the rent related to start-up and transitioning operations added back to Adj EBITDA.

(3) Consolidated Adjusted EBITDA is a non-GAAP financial measure. See Appendix for reconciliation to the most directly comparable GAAP measure.

...and Balance Sheet Management

Focus on Maintaining a Strong Balance Sheet

Net Debt / LTM Consolidated Adj. EBITDA⁽¹⁾



- (1) Calculations based on public filings. Non-GAAP financial measure. See Appendix for reconciliation to the most directly comparable GAAP measure.
- (2) On July 31, 2024, Pennant entered into an amendment to the Credit Agreement which increased the Total Credit Facility to \$250 million and extended the Maturity Date to 2029. On November 3, 2025, Pennant entered an amendment for an incremental term loan credit facility of \$100 million, bringing the total debt facility to \$350 million.
- (3) Amount drawn includes \$97.5 million drawn on the term loans, \$101.0 million drawn on the line of credit and \$3.4 million of issued letters of credit as of June 30, 2026.

Debt Terms - Revolving Credit Facility

Total Debt Facility	\$350.0mm ⁽²⁾
Amount Drawn	\$201.9mm ⁽³⁾
Weighted Average Borrowing Rate at June 30, 2026	5.88%
Maturity Date	2029 ⁽²⁾
Leverage	2.1x Net Debt / 2026 LTM Consolidated Adjusted EBITDA ⁽⁴⁾
Lease-Adjusted Leverage	4.3x Lease-Adjusted Net Debt / Consolidated Adjusted EBITDAR ⁽⁵⁾

~\$160.8mm of acquisition firepower as of June 30, 2026 ⁽⁶⁾

- (4) As of June 30, 2026.
- (5) Calculated as 8x LTM rent expense plus net debt, divided by LTM adjusted EBITDAR, as of June 30, 2026.
- (6) As of June 30, 2026. Acquisition firepower is calculated by company's available cash of \$15.3 million plus total revolver availability. Revolver availability is calculated as total debt facility less amount drawn.

6 Experienced Management Team with Deep Healthcare Expertise

Best-in-class Management Team with ~61 Years of Combined Experience at Pennant/Ensign and the Industry



Brent Guerisoli, Chief Executive Officer

- Joined Pennant/Ensign in 2012
- Previously:
 - President of Pennant and Cornerstone Healthcare
 - President of 1177 Healthcare (affiliate of Cornerstone)
 - CEO and Executive Director of Zion's Way Home Health and Hospice (affiliate of Cornerstone)



Kirk Cheney, Chief Legal Officer

- Joined Pennant/Ensign in 2019
- 15 years of legal experience
- General counsel of Pennant since the spin-off
- Previously:
 - Served as general counsel for Click Sales, Inc., and practiced at leading law firms Vinson & Elkins, LLP and Holland & Hart, LLP



John Gochnour, President and Chief Operating Officer

- Joined Pennant/Ensign in 2013
- President of Cornerstone Healthcare
- Previously:
 - President of Pennant Services and Cornerstone Service Center
 - Led the acquisition development and transition process for Cornerstone and Ensign's other new business ventures



Jason Steik, Chief Clinical Officer

- Joined Pennant in 2020
- 14 years of healthcare leadership experience
- 6 years of acute care experience with more than five years of post-acute leadership in Home Health and Hospice
- Previously:
 - Served as Chief Nursing Officer for St. Joseph Regional Medical Center



Lynette Walbom, Chief Financial Officer

- Joined Pennant in 2023
- 21 years accounting leadership experience
- Previously:
 - VP of Financial Reporting and Tax at Raising Cane's Restaurants, a company with \$3.1 billion in sales
 - CFO for a high-net-worth family office



Andrew Rider, President, Pinnacle Senior Living

- Joined Pennant/Ensign in 2015
- Previously:
 - Served as President of Paragon Senior Living markets
 - Served as President of Personal Care Services for Cornerstone
 - Served as CEO and Executive Director of A Gentle Touch Home Care and previously owned and operated PCS operations

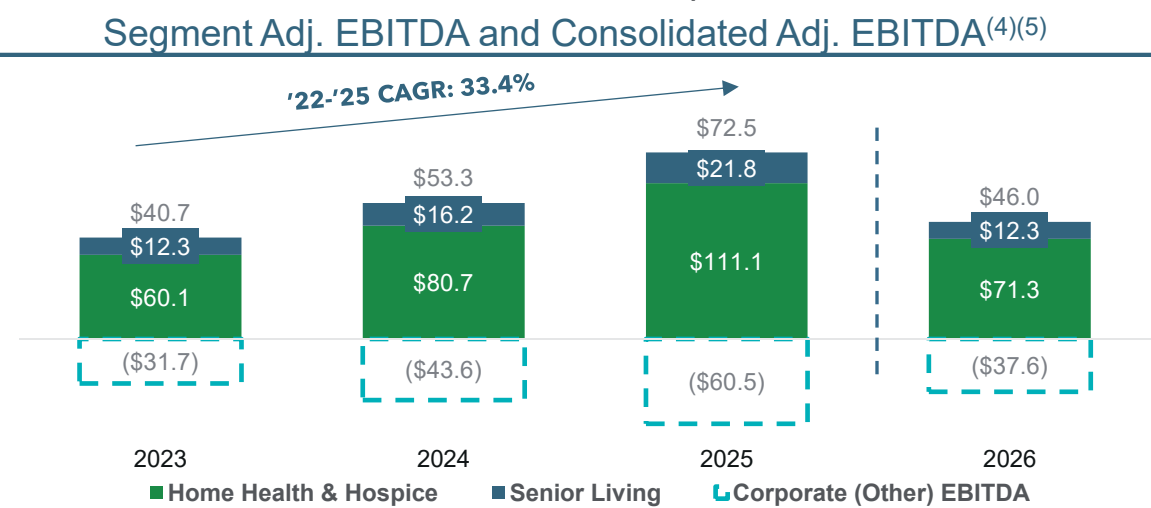
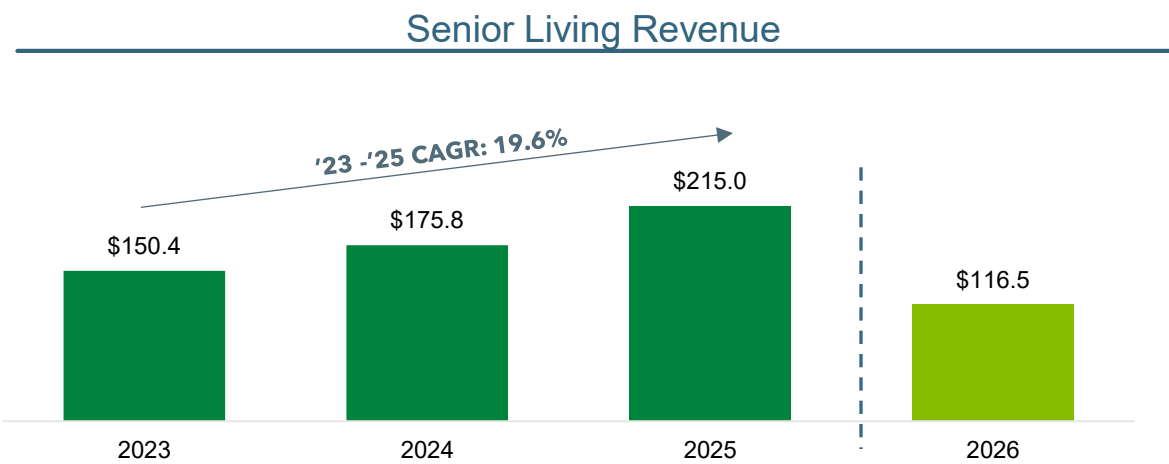
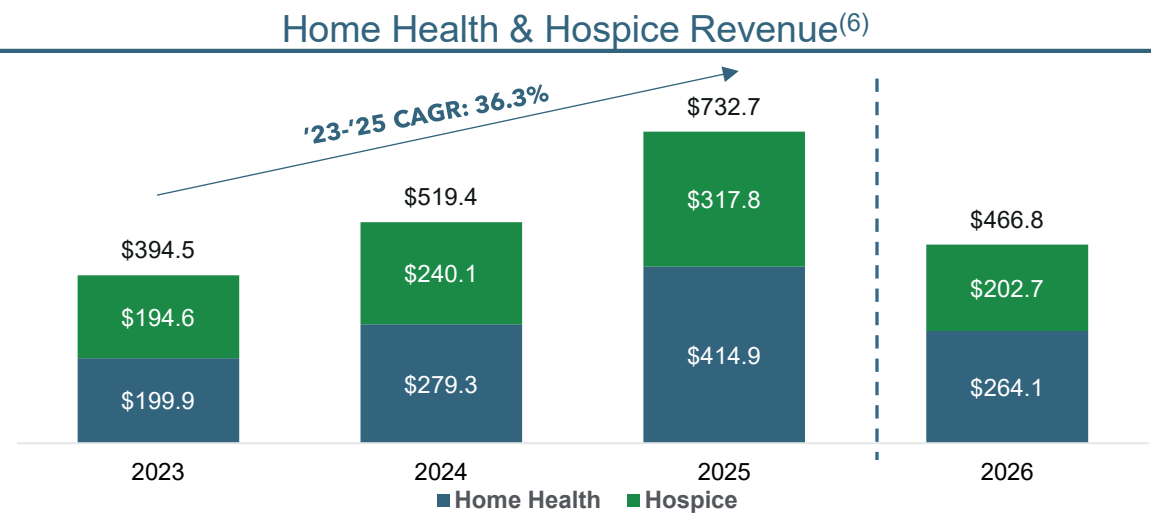


Appendix



Financial Overview - Segment Growth

Segment Revenue (\$ in millions)



Performance Summary

- ✓ Total home health and hospice revenue increased by **43.3%** from YTD 2025 to YTD 2026
- ✓ Same agency health and hospice revenue increased by **10.9%** from YTD 2025 to YTD 2026
 - Driven by same agency home health admissions growth of **7.7%**, and
 - Same agency hospice average daily census growth of **10.5%**
- ✓ Total senior living revenue increased by **12.6%**⁽¹⁾ from YTD 2025 to YTD 2026
- ✓ Same store senior living revenue increased by **7.3%**⁽²⁾ from YTD 2025 to YTD 2026
 - Driven by average monthly revenue per occupied unit growth of **5.5%**⁽³⁾

(1) Calculated as Q2'26 total senior living revenue \$116,489,000, divided by Q2'25 total senior living revenue \$103,453,000.

(2) Calculated as Q2'26 same store senior living revenue \$104,418,000, divided by Q2'25 same store senior living revenue \$97,335,000.

(3) Calculated as Q2'26 same store senior living average monthly revenue per occupied unit \$5,395, divided by

Q2'25 same store senior living average monthly revenue per occupied unit \$5,112.

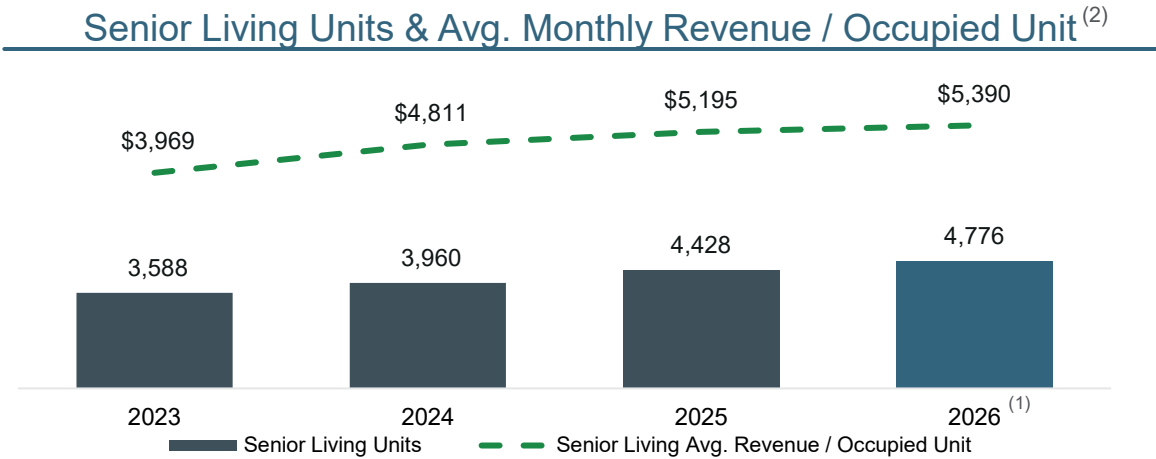
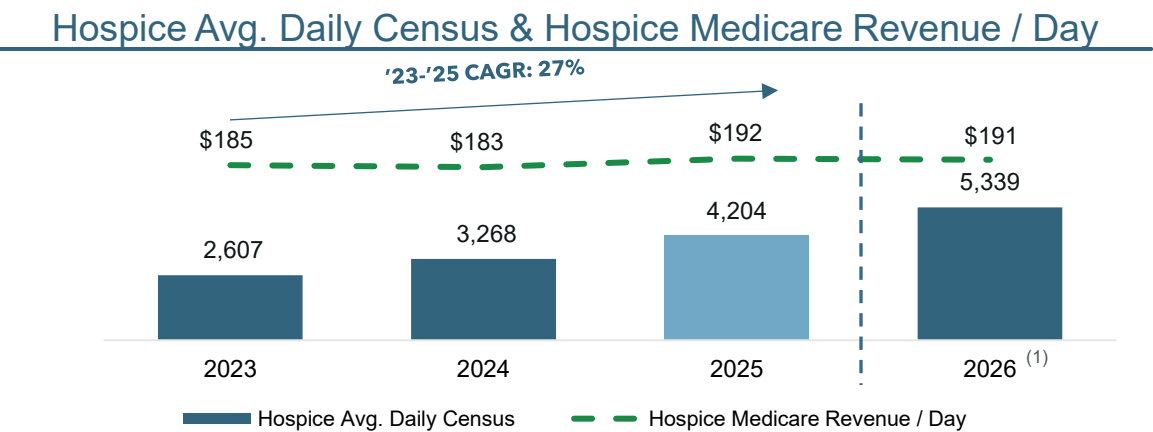
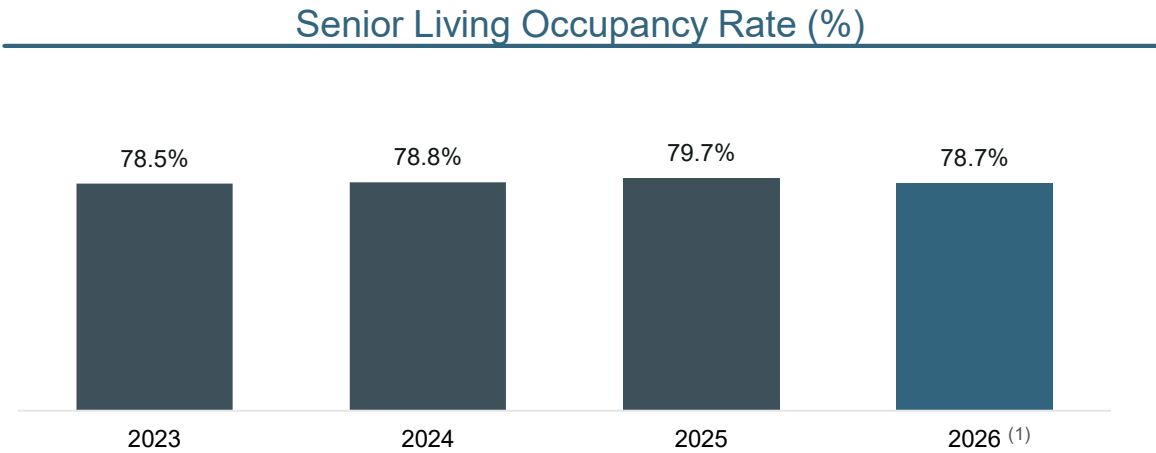
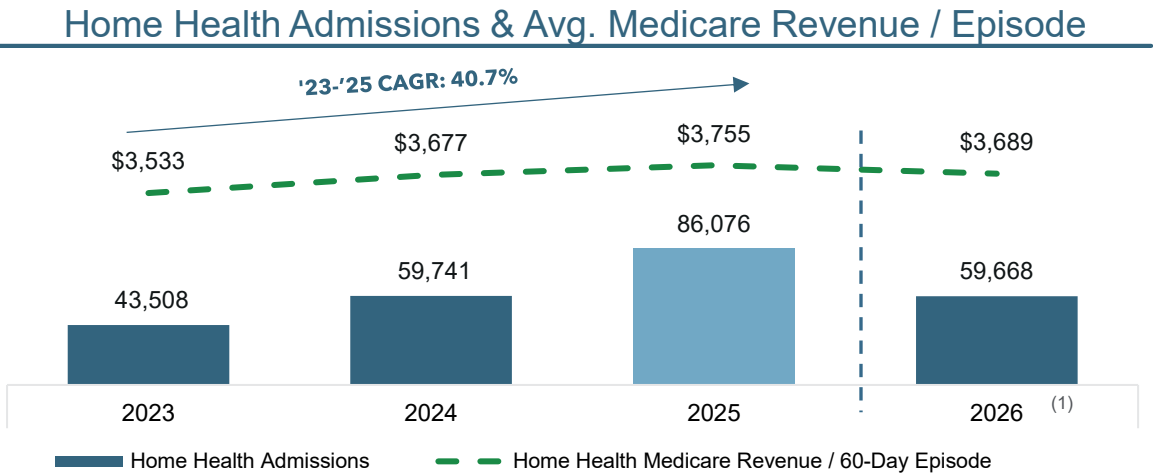
(4) Non-GAAP financial measure. See Appendix for reconciliation to the most directly comparable GAAP measure.

(5) All other includes general and administrative expenses not allocated to reportable segments.

(6) Home Health Revenue presented includes revenue from Home Care & Other services.

Financial Overview - Segment Metrics

Segment Metrics (units in actual, \$ in actual / unit)



28 (1) For the six months ended June 30, 2026
(2) Prior to Q1 2024, the company reported revenue per occupied unit as senior living room and board revenue for senior living services during any measurement period divided by actual occupied senior living units for such measurement period divided by the number of months for such measurement period. Beginning in Q1 2024 the company now reports revenue per occupied unit as the revenue for senior living services during any measurement period divided by actual occupied senior living units for such measurement period divided by the number of months for such measurement period

Financial Overview - Balance Sheet

Strong Balance Sheet Positions Pennant Well to Continue Acquisition Strategy

Pennant - Balance Sheet Information

	December 31,			June 30,
	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Cash	\$6,059	\$24,246	\$17,024	\$15,273
Current Assets	80,077	122,856	167,406	183,591
Total Assets	\$539,691	\$679,521	\$968,179	\$1,037,291
Current Liabilities	\$71,549	\$101,700	\$147,264	\$152,406
Long Term Debt ⁽¹⁾	65,000	-	170,000	198,500
Total Liabilities	\$394,176	\$367,556	\$593,927	\$632,849
Total Equity	\$145,515	\$311,965	\$374,252	\$404,442

29

(1) Excludes unamortized debt issuance costs of \$1.6 million as of December 31, 2022, \$1.1 million as of December 31, 2023, \$3.9 million as of December 31, 2024, \$4.2 million as of December 31, 2025, and \$3.6 million as of June 30, 2026.

Financial Overview - Expenses

Expenses Overview (\$ in millions, % of total revenue)

Pennant - Composition of Expenses

(\$ in millions)	2023	Year Ended December 31, 2024	2025	Six Months Ended June 30, 2026
Total Revenue	\$544.9	\$695.2	\$947.7	\$583.3
% Growth	15.1%	27.6%	36.3%	35.9%*
Operating Expenses				
Cost of Services	\$438.1	\$558.5	\$768.5	\$475.3
% of Revenue	80.4%	80.3%	81.1%	81.5%
Rent—Cost of Services	\$39.8	\$43.0	\$48.7	\$26.5
% of Revenue	7.3%	6.2%	5.1%	4.5%
General & Administrative Ex	\$36.7	\$50.2	\$71.1	\$41.3
% of Revenue	6.7%	7.2%	7.5%	7.1%
Depreciation & Amortization	\$5.1	\$6.1	\$8.5	\$5.7
% of Revenue	0.9%	0.9%	0.9%	1.0%
Loss (Gain) on Asset Dispositions and Impairment, net	--	(\$0.7)	(\$1.0)	--
% of Revenue	0.0%	(0.1%)	(0.1%)	--
Total Expenses	\$519.7	\$657.1	\$895.8	\$548.8
% of Revenue	95.4%	94.5%	94.5%	94.1%

2026 Composition of Expenses (% of total opex)

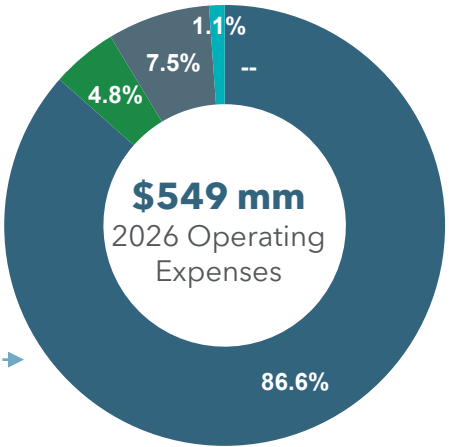
■ Cost of Services

■ Rent—Cost of Services

■ General & Administrative Expense

■ Depreciation & Amortization

■ Loss (Gain) on Asset Dispositions and Impairment, net



Cost of Services and **General & Administrative Expense** are the **largest expense categories**, representing **94.1% of operating expenses** in YTD 2026

Lease Overview

We Have Favorable, Long-Term Leases and are Viewed as the Tenant of Choice by Our Landlords

Triple Net (NNN) Lease Agreements

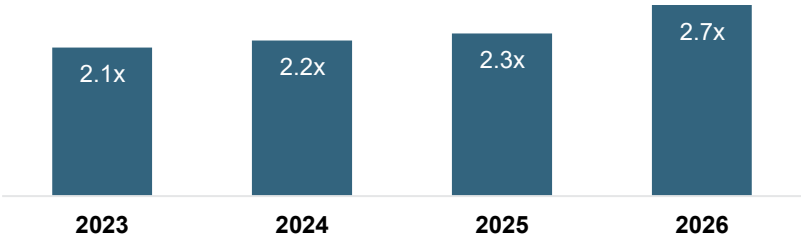
- ✓ Ability to negotiate favorable lease terms as we take on property, insurance and repair expenses
- ✓ Lease extensions negotiated with multiple renewal periods
- ✓ Low annual rent escalators tied to YoY CPI increases

10.7 Years Weighted Average Remaining Lease Tenor

- ✓ 15-25 years initial lease tenor for our senior living communities
- ✓ 1-7 years initial lease tenor for our home health and hospice agencies
- ✓ 35 of our 69 senior living communities are under lease arrangements with Ensign, the majority of which are under a master lease with initial terms of 14-20 years

Lease Coverage⁽²⁾

2023-2026 LTM Lease Coverage⁽²⁾



- ✓ We have demonstrated strong and improving rent coverage for our communities and agencies

Our relationships with landlord partners and our reputation as a high-quality operator has allowed us to negotiate long-term leases with favorable terms and components

(1) As of June 30, 2026.
(2) Amounts are for full years, apart from 2026, which is for the LTM period ended June 30, 2026. Average lease coverage = consolidated adj. EBITDAR / adj. rent–cost of services.

Reconciliation of Non-GAAP Financial Measures

Reconciliation of Net Income to Adjusted EBITDA and EBITDAR

(\$ in thousands)	Six Months Ended June 30,	
	2026	2025
Consolidated net income	\$21,191	\$16,503
Less: Net income attributable to noncontrolling interest	3,590	1,643
Add: Provision for income taxes	7,730	5,452
Net interest expense	6,416	2,409
Depreciation and amortization	5,728	4,116
Consolidated EBITDA	\$37,475	\$26,837
<i>Adjustments to Consolidated EBITDA</i>		
Add: Start-up operations ⁽¹⁾	353	(80)
Share-based compensation expense ⁽²⁾	5,646	4,379
Acquisition related costs ⁽³⁾	704	2,438
Activities associated with transitioning operations ⁽⁴⁾	--	(1,016)
Transition services costs ⁽⁵⁾	1,664	--
Unusual, non-recurring or redundant charges ⁽⁶⁾	--	67
Rent related to items (1) and (4) above	135	123
Consolidated Adjusted EBITDA	\$45,977	\$32,748
Rent—cost of services	26,526	23,640
Rent related to items (1) and (4) above	(135)	(123)
Adjusted rent—cost of services	\$26,391	\$23,517
Consolidated Adjusted EBITDAR⁽⁷⁾	\$72,368	\$56,265

(1) Represents results related to start-up operations. This amount excludes rent and depreciation and amortization expense related to such operations.

(2) Share-based compensation expense and related payroll taxes incurred. Share-based compensation expense and related payroll taxes are included in cost of services and general and administrative expense.

(3) Non-capitalizable costs associated with acquisitions, credit allowances, and write offs for amounts in dispute with the prior owners of certain acquired operations.

(4) During 2025, an affiliate of the Company held its memory care units in transition and is converting the facility into an assisted living community.

(5) Costs identified as redundant or non-recurring incurred by the Company as a result of the transition services agreement between the Company and UnitedHealth Group Incorporated entered into as part of the acquisition agreement consummated on October 1, 2025. All amounts are included in Cost of services. Fees incurred under the transition services agreement were \$5,306 for the six months ended June 30, 2026.

(6) Represents unusual or non-recurring charges for legal services, implementation costs, integration costs, and consulting fees in general and administrative and cost of services expenses.

(7) This measure is a valuation measure and is displayed thusly, it is not a performance measure as it excludes rent expense, which is a normal and recurring operating expense and, as such, does not reflect our cash requirements for leasing commitments. Our presentation of Consolidated Adjusted EBITDAR should not be construed as a financial performance measure.

Reconciliation of Non-GAAP Financial Measures (cont'd)

Reconciliation of Net Income to Adjusted EBITDA and EBITDAR

(\$ in thousands)	Year Ended December 31,		
	2025	2024	2023
Consolidated net income	\$33,764	\$24,339	\$13,910
Less: Net income (loss) attributable to noncontrolling interest	4,186	1,780	531
Add: Provision for income taxes	11,866	7,028	5,674
Net interest expense	6,678	6,956	5,924
Depreciation and amortization	8,538	6,119	5,130
Consolidated EBITDA	\$56,660	\$42,662	\$30,107
<i>Adjustments to Consolidated EBITDA</i>			
Add: Start-up operations ⁽¹⁾	182	137	102
Share-based compensation expense ⁽²⁾	9,036	8,242	5,565
Acquisition related costs and credit allowances ⁽³⁾	6,587	1,278	476
Activities associated with transitioning operations ⁽⁴⁾	(880)	(570)	612
Transition services costs ⁽⁵⁾	503	--	--
Unusual, non-recurring or redundant charges ⁽⁶⁾	113	1,004	2,575
Rent related to items (1) and (5) above	265	533	1,279
Consolidated Adjusted EBITDA	\$72,466	\$53,286	\$40,716
Rent—cost of services	48,700	43,029	39,759
Rent related to items (1) and (5) above	(265)	(533)	(1,279)
Adjusted rent—cost of services	\$48,435	\$42,496	\$38,480
Consolidated Adjusted EBITDAR⁽⁷⁾	\$120,901		

(1) Represents results related to start-up operations. This amount excludes rent and depreciation and amortization expense related to such operations.

(2) Share-based compensation expense and related payroll taxes incurred. Share-based compensation expense and related payroll taxes are included in cost of services and general and administrative expense.

(3) Non-capitalizable costs associated with acquisitions, credit allowances, and write offs for amounts in dispute with the prior owners of certain acquired operations.

(4) During the year ended December 31, 2023, an affiliate of the Company placed its memory care units into transition and is converting the facility into an assisted living community. We received insurance proceeds related to the property in 2024 and 2025 which were recorded in gain on disposition of property and equipment, net on the consolidated statements of income. The amounts reported exclude rent and depreciation and amortization expense related to such operations.

(5) Costs identified as redundant or non-recurring incurred by the Company as a result of the transition services agreement between the Company and UnitedHealth entered into as part of the acquisition agreement. All amounts are included in Cost of services. Fees incurred under the transition services agreement were \$3,001 for the year ended December 31, 2025.

(6) Represents unusual or non-recurring charges for legal services, implementation costs, integration costs, and consulting fees in general and administrative and cost of services expenses.

(7) This measure is a valuation measure and is displayed thusly, it is not a performance measure as it excludes rent expense, which is a normal and recurring operating expense and, as such, does not reflect our cash requirements for leasing commitments. Our presentation of Consolidated Adjusted EBITDAR should not be construed as a financial performance measure.