

The Ensign Group Agrees to Add Its First Operations in Alaska and Oregon And Announces Expansion in Washington and California

2024-12-18

SAN JUAN CAPISTRANO, Calif., Dec. 18, 2024 (GLOBE NEWSWIRE) -- The Ensign Group, Inc. (Nasdaq: ENSG), the parent company of the Ensign™ group of companies, which invest in and provide skilled nursing and senior living services, physical, occupational and speech therapies, other rehabilitative and healthcare services, and real estate, announced today that it has agreed to acquire eight facilities in the states of Alaska, Washington, Oregon, and California, subject to the completion of certain regulatory approvals and other closing conditions. This acquisition includes the real estate and operations and are being acquired from Providence Home and Community Care. The real estate assets for all eight facilities will be purchased by Standard Bearer Healthcare REIT, Inc., Ensign's captive real estate subsidiary. Six of the eight operations will be operated by Ensign affiliated operating companies and two facilities will be operated by a third-party tenant that will enter into a new, long-term triple net master lease with Standard Bearer as landlord. It is anticipated that the transaction will be effective in the next few months.

Barry Port, Ensign's Chief Executive Officer commented, "We are honored and excited for the opportunity to partner with Providence Health to transition these buildings into the Ensign family. We have profound respect for Providence and believe our values and culture are a great fit. We look forward to working together with the amazing teams of caregivers that have dedicated so much of themselves to these operations and hope that we can bring some additional tools and resources to enhance services for all their patients and families."

Commenting on the news, Dianna Reely, chief of residential services for Providence Home and Community Care, said, "After an exhaustive search and a thoughtful, ethical discernment, Providence is confident in the selection of The Ensign Group and its affiliates as a proven, values-aligned leader in post-acute care and senior living. We believe that Ensign brings the expertise, resources and scale needed to transform and sustain these care centers and help to ensure our local communities have continued access to these vital facilities into the future."

Chad Keetch, Ensign's Chief Investment Officer added, "With this new addition, we not only are adding eight very

high-quality real estate assets, but we are also expanding into Alaska and Oregon for the first time. We have proven Ensign leaders that will be planting the flag in both these new markets, and they will be looking to expand and establish new clusters in the future.”

Upon closing this transaction, Ensign’s growing portfolio will consist of 330 healthcare operations, 32 of which also include senior living operations, across 16 states. Ensign subsidiaries, including Standard Bearer, will own 134 real estate assets, of which 95 are operated by Ensign-affiliated operating companies and 35 are operated by third party tenants. Mr. Port reaffirmed that the organization is actively seeking several other transactions to acquire real estate and to lease both well-performing and struggling skilled nursing, senior living and other healthcare related businesses throughout the United States.

About Providence

Providence is a national, not-for-profit Catholic health system comprising a diverse family of organizations and driven by a belief that health is a human right. With 51 hospitals, more than 1,100 physician clinics, senior services, supportive housing, and many other health and educational services, the health system and its partners employ more than 129,000 caregivers serving communities across seven states – Alaska, California, Montana, New Mexico, Oregon, Texas, and Washington, with system offices in Renton, Wash., and Irvine, Calif. Learn about our vision of health for a better world at **Providence.org**.

About Ensign(TM)

The Ensign Group, Inc.'s independent subsidiaries provide a broad spectrum of skilled nursing and senior living services, physical, occupational and speech therapies and other rehabilitative and healthcare services at 324 healthcare facilities in Arizona, California, Colorado, Idaho, Iowa, Kansas, Nebraska, Nevada, South Carolina, Tennessee, Texas, Utah, Washington and Wisconsin. As part of its investment strategy, the Company will also acquire, lease and own healthcare real estate to service the post-acute care continuum through acquisition and investment opportunities in healthcare properties. Ensign’s new business venture operating subsidiaries also offer several other post-acute-related services, including mobile x-ray, emergency and non-emergency transportation services, long-term care pharmacy and other consulting services also across several states. More information about Ensign is available at **<http://www.ensigngroup.net>**.

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995:

This press release contains forward-looking statements that are based on management’s current expectations, assumptions and beliefs about its business, financial performance, operating results, the industry in which it operates and other future events. Forward-looking statements can often be identified by words such as

"anticipates," "expects," "intends," "plans," "predicts," "believes," "seeks," "estimates," "may," "will," "should," "would," "could," "potential," "continue," "ongoing," similar expressions, and variations or negatives of these words. These forward-looking statements include, but are not limited to, statements regarding growth prospects, future operating and financial performance, and acquisition activities. They are not guarantees of future results and are subject to risks, uncertainties and assumptions that could cause actual results to materially and adversely differ from those expressed in any forward-looking statement.

These risks and uncertainties relate to the Company's business, its industry and its common stock and include: reduced prices and reimbursement rates for its services; its ability to acquire, develop, manage or improve operations, its ability to manage its increasing borrowing costs as it incurs additional indebtedness to fund the acquisition and development of operations; its ability to access capital on a cost-effective basis to continue to successfully implement its growth strategy; its operating margins and profitability could suffer if it is unable to grow and manage effectively its increasing number of operations; competition from other companies in the acquisition, development and operation of facilities; its ability to defend claims and lawsuits, including professional liability claims alleging that our services resulted in personal injury, and other regulatory-related claims; and the application of existing or proposed government regulations, or the adoption of new laws and regulations, that could limit its business operations, require it to incur significant expenditures or limit its ability to relocate its operations if necessary. Additionally, our business and operations continue to be impacted by the unprecedented nature of the changes in the regulations and environment, as such, we are unable to predict the full extent and duration of the financial impact of these changes on our business, financial condition and results of operations. Therefore, our actual results could differ materially and adversely from those expressed in any forward-looking statements as a result of various factors. Readers should not place undue reliance on any forward-looking statements and are encouraged to review the Company's periodic filings with the Securities and Exchange Commission, including its Form 10-Q and 10-K, for a more complete discussion of the risks and other factors that could affect Ensign's business, prospects and any forward-looking statements. Except as required by the federal securities laws, Ensign does not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, changing circumstances or any other reason after the date of this press release.

Contact Information

The Ensign Group, Inc., (949) 487-9500, ir@ensigngroup.net

SOURCE: The Ensign Group, Inc.

Source: The Ensign Group, Inc.