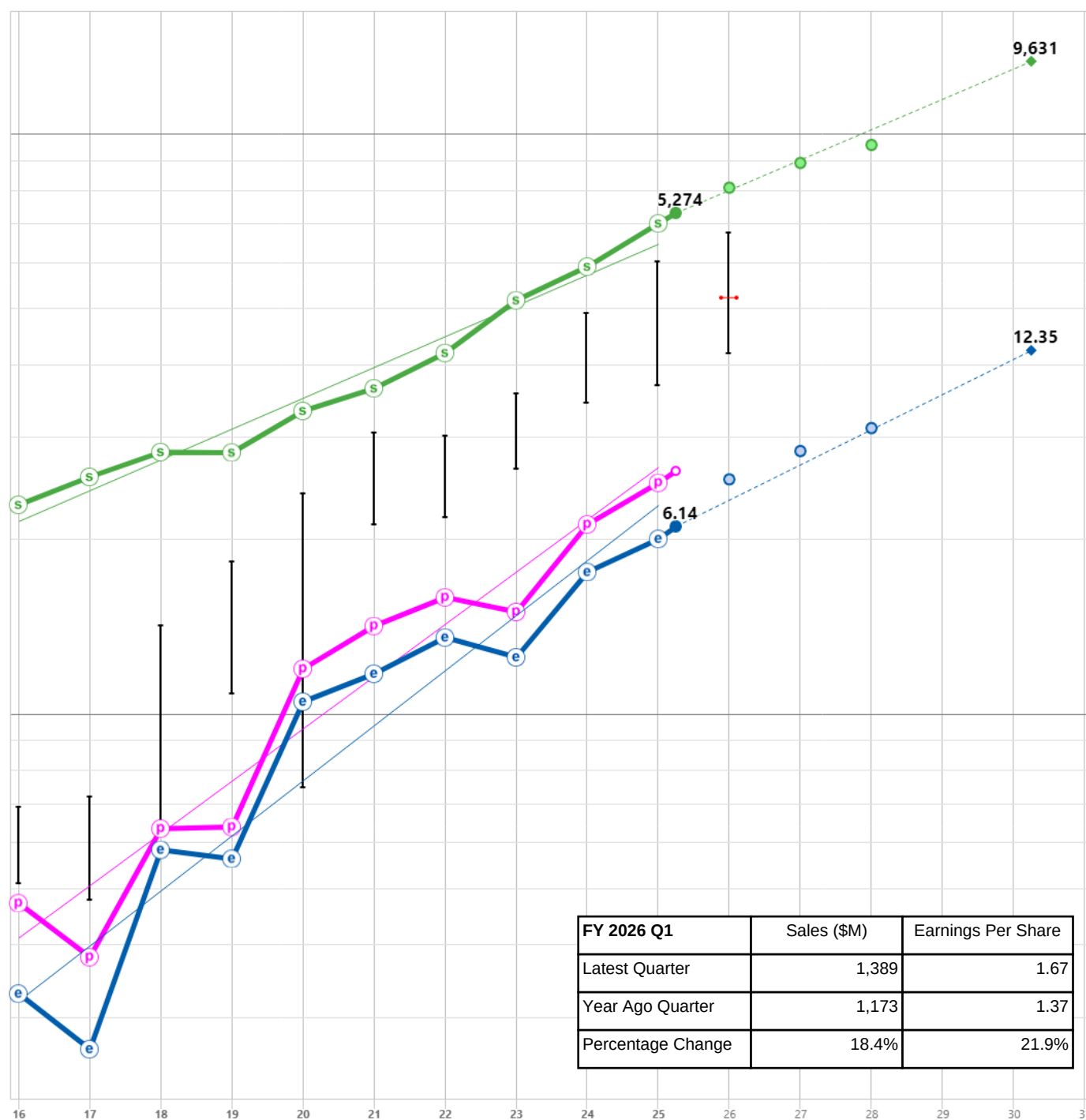


Stock Selection Guide

Company	Ensign Group	Date	07/10/26
Prepared by	DETLOFF	Data taken from	BI Stock Data
Where traded	NAS	Industry	Medical Care Facilities
Capitalization --- Outstanding Amounts	Reference		
Preferred (\$M)	0.0	% Insiders	% Institution
Common (M Shares)	59.6	3.1	71.1
Debt (\$M)	2,244.6	% to Tot Cap	48.7
		% Pot Dil	3.1

Symbol: ENSG

1 VISUAL ANALYSIS of Sales, Earnings, and Price



(1) Historical Sales Growth	13.0%	(3) Historical Earnings Per Share Growth	24.4%
(2) Estimated Future Sales Growth	12.8%	(4) Estimated Future Earnings Per Share Growth	15.0%

2 EVALUATING Management

Ensign Group

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Last 5 Year Avg.
% Pre-tax Profit on Sales	5.2%	3.7%	5.7%	5.7%	9.1%	9.8%	9.6%	7.3%	9.1%	9.0%	9.0%
% Earned on Equity	11.2%	8.2%	15.9%	12.8%	21.9%	19.3%	18.6%	14.2%	16.8%	16.0%	17.0%
% Debt To Capital	38.3%	38.9%	29.2%	67.3%	57.7%	55.3%	55.8%	55.6%	51.8%	49.7%	53.6%

3 PRICE-EARNINGS HISTORY as an indicator of the future

This shows how stock prices have fluctuated with earnings and dividends. It is building block for translating earnings into future stock prices.

CURRENT PRICE 168.59 (07/10/26)

52-WEEK HIGH 218.00

52-WEEK LOW 134.80

	A	B	C	D	E	F	G	H
Year	Price		Earnings	Price Earnings Ratio		Dividend	% Payout	% High Yield
	High	Low	Per Share	High A / C	Low B / C	Per Share	F / C * 100	F / B * 100
2021	98.7	68.3	3.42	28.8	20.0	0.21	6.2	0.3
2022	97.4	70.3	3.95	24.7	17.8	0.22	5.6	0.3
2023	115.1	85.5	3.65	31.5	23.4	0.23	6.4	0.3
2024	158.5	110.7	5.12	30.9	21.6	0.24	4.7	0.2
2025	194.0	118.7	5.84	33.2	20.3	0.25	4.3	0.2
AVERAGE		90.7		29.8	20.6		5.5	
CURRENT/TTM			6.14	35.5	22.0	0.26	4.2	
AVERAGE PRICE EARNINGS RATIO: 25.2					CURRENT PRICE EARNINGS RATIO: 27.5			

4 EVALUATING RISK and REWARD over the next 5 years

Assuming one recession and one business boom every 5 years, calculations are made of how high and how low the stock might sell. The upside-downside ratio is the key to evaluating risk and reward.

A HIGH PRICE - NEXT 5 YEARS

Avg. High P/E 29.8 X Estimate High Earnings/Share 12.35 = Forecasted High Price \$ 368.0

B LOW PRICE - NEXT 5 YEARS

(a) Avg. Low P/E 20.6 X Estimate Low Earnings/Share 6.14 = Forecasted Low Price \$ 126.5

(b) Avg. Low Price of Last 5 Years 90.7

(c) Recent Market Low Price 110.7

(d) Price Dividend Will Support $\frac{\text{Indicated Dividend}}{\text{High Yield}} = \frac{0.26}{0.32\%} = 82.0$

Selected Forecasted Low Price \$ 123.0

C ZONING using 25%-50%-25%

Forecasted High Price 368.0 Minus Forecasted Low Price 123.0 = 245.0 Range. 25% of Range 61.3

Buy Zone 123.0 to 184.3

Hold Zone 184.3 to 306.8

Sell Zone 306.8 to 368.0

Present Market Price of 168.59 is in the **BUY** Zone

D UPSIDE DOWNSIDE RATIO (POTENTIAL GAIN VS. RISK OR LOSS)

$\frac{\text{High Price} - \text{Current Price}}{\text{Current Price} - \text{Low Price}} = \frac{368.0 - 168.59}{168.59 - 123.0} = \frac{199.41}{45.59} = 4.4$ To 1

E PRICE TARGET (Note: This shows the potential market price appreciation over the next five years in simple interest terms.)

$\frac{\text{High Price} - \text{Current Price}}{\text{Current Price}} = \frac{368.0 - 168.59}{168.59} = 2.1830 \times 100 = 218.30 - 100 = 118.3$ % Appreciation

5 5-YEAR POTENTIAL

This combines price appreciation with dividend yield to get an estimate of total return. It provides a standard for comparing income and growth stocks.

A $\frac{\text{Indicated Annual Dividend}}{\text{Current Price}} = \frac{0.26}{168.59} = 0.0015 = 0.2\%$ Current Yield

B AVERAGE YIELD - USING FORECAST HIGH P/E

$\frac{\text{Avg. \% Payout}}{\text{Forecast High PE}} = \frac{5.5\%}{29.80} = 0.2\%$

AVERAGE YIELD - USING FORECAST AVERAGE P/E

$\frac{\text{Avg. \% Payout}}{\text{Forecast Average PE}} = \frac{5.5\%}{25.20} = 0.2\%$

C COMPOUND ANNUAL RETURN - USING FORECAST HIGH P/E

Annualized Appreciation 16.9 %
Average Yield 0.2 %
Annualized Rate of Return 17.1 %

COMPOUND ANNUAL RETURN - USING FORECAST AVG P/E

Annualized Appreciation 13.0 %
Average Yield 0.2 %
Annualized Rate of Return 13.3 %

Notes: ENSG 7/1/26

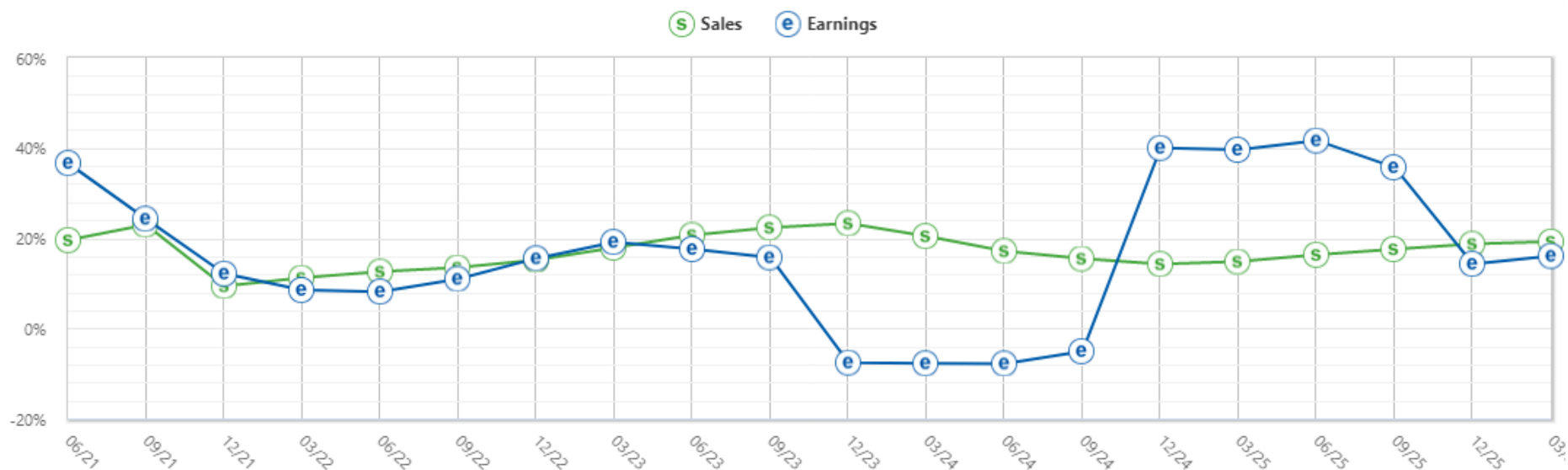
Date	Subject	Description	Type
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Study Audit: ENSG 7/1/26

Review Advised	Category	Explanation
✓	Historical Earnings Growth	Is this company's earnings growth sufficiently consistent? R-Squared (5 yr): 0.84
✓	%Debt to Capital	More than one-third of this company's capitalization consists of debt. You may want to consider the nature of the industry and this company's prior track record to determine whether this is acceptable. Last FY Debt to Capital: 49.7%

Quarterly Growth Trend Data

Graph: Trailing 4 Quarters, Last 5 Years of Data



Quarterly Data									Last 12 Months Data								
Period	EPS		Pre-Tax Profit			Sales		Income Tax Rate	EPS	Pre-Tax Profit		Sales	Income Tax		%Change		
	\$	%Change	\$ Mil	%Sales	%Change	\$ Mil	%Change		\$	\$ Mil	%Sales		\$ Mil	%Rate	EPS	Pre-Tax Profit	Sales
03/26	1.67	21.9	128.6	9.3	20.6	1,389.2	18.4	22.4	6.14	477.6	9.1	5,274.0	113.5	23.8	16.1	18.5	19.2
12/25	1.61	18.4	130.1	9.6	23.0	1,360.6	20.2	26.6	5.84	455.6	9.0	5,057.8	110.8	24.3	14.3	18.0	18.7
09/25	1.42	6.0	106.6	8.2	8.0	1,296.4	19.8	21.3	5.59	431.3	8.9	4,829.5	102.8	23.8	35.7	38.4	17.5
06/25	1.44	18.0	112.4	9.2	22.0	1,227.8	18.5	24.8	5.51	423.4	9.2	4,614.8	99.9	23.6	41.6	43.5	16.3
03/25	1.37	15.1	106.6	9.1	19.0	1,173.0	16.1	24.6	5.29	403.1	9.1	4,423.4	93.0	23.1	39.6	41.9	14.8
12/24	1.36	267.6	105.8	9.3	238.1	1,132.3	15.5	24.6	5.11	386.1	9.1	4,260.5	87.5	22.7	40.0	41.5	14.2
09/24	1.34	20.7	98.7	9.1	20.3	1,081.8	15.0	20.4	4.12	311.6	7.6	4,108.6	75.0	24.1	-5.1	-2.3	15.5

Quarterly Growth Trend Data

Graph: Trailing 4 Quarters, Last 5 Years of Data

Quarterly Data									Last 12 Months Data								
Period	EPS		Pre-Tax Profit			Sales		Income Tax Rate	EPS	Pre-Tax Profit		Sales	Income Tax		%Change		
	\$	%Change	\$ Mil	%Sales	%Change	\$ Mil	%Change		\$	\$ Mil	%Sales		\$ Mil	%Rate	EPS	Pre-Tax Profit	Sales
06/24	1.22	8.9	92.1	8.9	13.6	1,036.3	12.5	22.7	3.89	295.0	7.4	3,967.6	72.3	24.5	-7.8	-4.6	17.1
03/24	1.19	13.3	89.6	8.9	14.3	1,010.2	13.9	23.0	3.79	284.0	7.4	3,852.7	68.3	24.1	-7.8	-5.7	20.4
12/23	0.37	-65.1	31.3	3.2	-59.6	980.4	21.1	30.2	3.65	272.8	7.3	3,729.4	65.9	24.2	-7.6	-5.6	23.3
09/23	1.11	12.1	82.0	8.7	13.2	940.8	22.2	22.0	4.34	318.9	9.0	3,558.5	70.4	22.1	15.7	14.9	22.3
06/23	1.12	10.9	81.1	8.8	11.1	921.3	25.8	20.9	4.22	309.3	9.1	3,387.7	68.6	22.2	17.5	14.5	20.7
03/23	1.05	18.0	78.4	8.8	18.4	886.8	24.3	23.5	4.11	301.2	9.4	3,198.9	66.7	22.1	19.1	15.2	17.9
12/22	1.06	23.3	77.5	9.6	17.3	809.5	16.8	21.9	3.95	289.1	9.6	3,025.5	64.6	22.3	15.5	12.0	15.1
09/22	0.99	19.3	72.5	9.4	11.7	770.0	15.2	22.4	3.75	277.7	9.5	2,909.1	64.8	23.3	10.9	12.2	13.5
06/22	1.01	16.1	73.0	10.0	13.4	732.5	14.7	20.8	3.59	270.1	9.6	2,807.6	65.1	24.1	8.1	14.1	12.6
03/22	0.89	3.5	66.2	9.3	5.5	713.4	13.7	24.4	3.45	261.4	9.6	2,713.7	63.4	24.3	8.5	15.4	11.2
12/21	0.86	4.9	66.0	9.5	19.2	693.1	10.2	25.8	3.42	258.0	9.8	2,627.5	60.2	23.3	12.1	18.6	9.4
09/21	0.83	7.8	64.9	9.7	19.7	668.5	11.6	25.5	3.38	247.4	9.6	2,563.3	52.0	21.0	24.3	42.6	23.0
06/21	0.87	19.2	64.3	10.1	18.7	638.5	9.2	21.4	3.32	236.7	9.5	2,494.1	46.6	19.7	36.6	52.7	19.6
03/21	0.86	17.8	62.8	10.0	16.6	627.3	6.4	20.6	3.18	226.6	9.3	2,440.2	46.6	20.6	43.9	67.5	17.5
12/20	0.82	67.3	55.4	8.8	394.4	629.0	102.2	16.6	3.05	217.6	9.1	2,402.6	46.3	21.3	54.8	87.3	18.0
09/20	0.77	60.4	54.2	9.0	51.4	599.3	-0.2	20.1	2.72	173.4	8.3	2,084.7	42.7	24.6	38.8	27.3	-7.9
06/20	0.73	43.1	54.2	9.3	57.3	584.7	1.6	25.0	2.43	155.0	7.4	2,086.0	39.0	25.1	30.6	22.8	-4.2
03/20	0.73	49.0	53.8	9.1	55.1	589.6	7.4	23.5	2.21	135.3	6.5	2,076.9	31.0	22.9	25.6	12.5	-1.0
12/19	0.49	2.1	11.2	3.6	-64.2	311.2	-42.1	29.9	1.97	116.2	5.7	2,036.5	25.8	22.2	15.9	0.7	-0.2
09/19	0.48	26.3	35.8	6.0	38.9	600.5	16.7	22.2	1.96	136.3	6.0	2,263.1	25.2	18.5	37.1	27.1	13.7
06/19	0.51	24.4	34.5	6.0	21.1	575.7	16.0	16.1	1.86	126.3	5.8	2,177.0	23.0	18.2	40.9	21.5	11.8
03/19	0.49	14.0	34.7	6.3	16.4	549.2	11.6	20.5	1.76	120.3	5.7	2,097.7	23.5	19.6	54.4	27.0	10.4
12/18	0.48	128.6	31.3	5.8	35.1	537.8	10.3	15.2	1.70	115.4	5.7	2,040.7	23.0	19.9	123.7	66.5	10.3
09/18	0.38	40.7	25.8	5.0	14.8	514.4	9.1	21.0	1.43	107.2	5.4	1,990.6	31.1	29.0	58.9	34.1	10.9
06/18	0.41	78.3	28.5	5.7	47.8	496.4	10.7	21.6	1.32	103.9	5.3	1,947.8	34.1	32.9	57.1	37.3	11.2
03/18	0.43	760.0	29.8	6.1	578.1	492.1	11.4	21.9	1.14	94.7	5.0	1,899.7	34.5	36.4	37.3	26.2	10.9
12/17	0.21	-40.0	23.2	4.8	-31.5	487.7	12.6	51.6	0.76	69.3	3.7	1,849.3	27.1	39.1	-20.8	-19.3	11.8
09/17	0.27	28.6	22.4	4.8	23.7	471.6	10.2	36.4	0.90	80.0	4.5	1,794.7	28.6	35.7			
06/17	0.23	4.5	19.3	4.3	3.4	448.3	9.2	35.7	0.84	75.7	4.3	1,751.1	27.4	36.2			
03/17	0.05	-72.2	4.4	1.0	-71.0	441.7	15.3	32.8	0.83	75.0	4.4	1,713.4	27.8	37.0			
12/16	0.35		33.9	7.8		433.0		38.0									

Quarterly Growth Trend Data

Graph: Trailing 4 Quarters, Last 5 Years of Data

Quarterly Data									Last 12 Months Data								
Period	EPS		Pre-Tax Profit			Sales		Income Tax Rate	EPS	Pre-Tax Profit		Sales	Income Tax		%Change		
	\$	%Change	\$ Mil	%Sales	%Change	\$ Mil	%Change		\$	\$ Mil	%Sales		\$ Mil	%Rate	EPS	Pre-Tax Profit	Sales
09/16	0.21		18.1	4.2		428.1		38.4									
06/16	0.22		18.6	4.5		410.5		39.0									
03/16	0.18		15.2	4.0		383.2		38.8									