



Care
REIT_{PLC}

Proposed Acquisition of Care REIT plc by CareTrust REIT, Inc.

March 2025





Transaction Overview

Recommended cash acquisition of the entire issued and to be issued share capital of Care REIT plc by CareTrust REIT, Inc. (the “Acquisition”)

- The Acquisition values each share at 108.0 pence (the “Acquisition Price”)
- The Acquisition values the entire issued and to be issued share capital of Care REIT plc at approximately £448 million and represents a premium of approximately:
 - 32.8 per cent. to the closing price per Care REIT plc Share of 81.3 pence on 10 March 2025 (being the last business day prior to announcement);
 - 36.0 per cent. to the volume weighted average price per Care REIT plc Share of 79.4 pence for the one-month period ended 10 March 2025 (being the last business day prior to announcement);
 - 34.1 per cent. to the volume weighted average price per Care REIT plc Share of 80.6 pence for the three-month period ended 10 March 2025 (being the last business day prior to announcement); and
 - 28.1 per cent. to the volume weighted average price per Care REIT plc Share of 84.3 pence for the twelve-month period ended 10 March 2025 (being the last business day prior to announcement)
- If any dividend and/or other distribution and/or other return of capital is authorised, declared, made or paid or becomes payable in respect of Care REIT plc shares on or after the date of the 2.7 and before the effective date, CareTrust REIT, Inc. reserves the right to reduce the Acquisition Price by the aggregate amount of such dividend and/or other distribution and/or other return of capital



About CareTrust REIT, Inc.

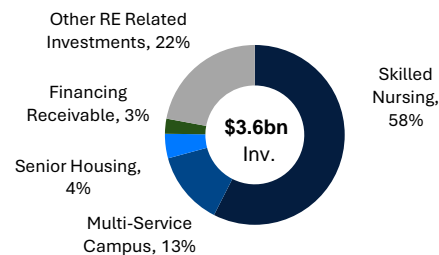
Company Overview

- CareTrust REIT, Inc. is a self-administered real estate investment trust engaged in the ownership, acquisition, development and leasing of seniors housing and healthcare-related properties.
- CareTrust REIT, Inc. is NYSE listed and has an equity market capitalisation of approximately US\$4.9 billion (£3.8 billion).
- CareTrust REIT, Inc.'s portfolio spans 34 states in the US, with over 400 net-leased properties, approximately 43,000 operating beds / units, and 34 operators.
- All owned properties are leased to tenants under long-term, triple net / FRI leases that include either fixed or CPI-based annual rent escalators.
- Strong tenant base with top 5 tenants contributing 65.2% of total rent (The Ensign Group largest at 27.6% of total rent)

Key Operational Metrics

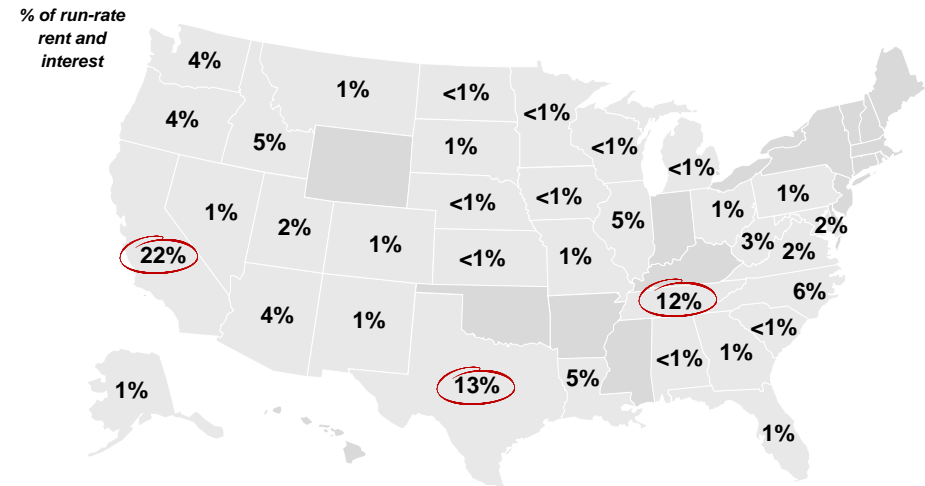
\$3.6bn Investments ⁽²⁾	\$359m Rent/Interest
34 Operators	98.8% Rent/Interest Collection Q4'24
406 Properties	42,670 Operating beds/units
0.5x Net debt to annualised run-rate adj. EBITDA	2.2x EBITDAR coverage ⁽³⁾

Investments By Type⁽¹⁾



Portfolio Overview

Well diversified portfolio across Geographies, Type and Tenants



Top 10 Tenants By Rent for Net-Leased Assets

Rank	Tenant	Percentage
1	The Ensign Group	27.6%
2	PACS Group	13.9%
3	Priority	11.7%
4	Links Healthcare	6.6%
5	Bayshire	5.3%
6	Cascadia	4.8%
7	Covenant Care	4.5%
8	Pennant Group	3.1%
9	Eduro Healthcare	2.9%
10	Champion Care	2.5%

Top 10 tenants make up c.83% of total rent

Top States By Total Rent/Interest	# Of Properties	# Beds / Units	% Of Total Rent / Interest
California	65	7,980	21.6%
Texas	43	5,414	12.6%
Tennessee	28	2,980	12.1%
North Carolina	14	1,610	6.2%
Illinois	57	4,873	5.1%
Top 5 States	207	22,857	57.6%

Source: Company Information, Bloomberg as of 10-Mar-25
Note: Operational and portfolio data as of 31-Dec-24 unless stated otherwise
(1) Split by % of investment value

(2) Includes Net-Leased assets, Financing Receivables and other Real Estate related investments
(3) For the twelve months ending 30-Sep-24



Transaction Rationale

In addition to the Acquisition Price, the Care REIT plc Board notes the following when arriving at its unanimous recommendation

Overview

- Care REIT plc has suffered, in common with the entire UK real estate and investment trust market, from a number of recent market issues
- Following careful consideration of the below factors, the Care REIT plc Board unanimously recommends the Acquisition to Care REIT plc shareholders

Challenging Macro Economic Conditions

- Despite the significant financial and operational progress that Care REIT plc has achieved since its IPO, Care REIT plc has suffered, in common with the entire UK real estate and investment trust market, from a number of recent market issues including:
 - A widespread dislocation of share prices from underlying financial fundamentals such as NAV;
 - Investors' cost of capital increasing with a higher interest rate background, and;
 - Reduced access to equity capital markets, especially for smaller market capitalisation stocks

Access to Equity Capital Markets

- The Board believes that the market is not giving Care REIT plc the credit for its operational and financial performance since IPO with a consistent share price discount to EPRA NTA for the last two years which shows little sign of changing
- This has hindered Care REIT plc's ability to grow and exploit the opportunities presented by both economies of scale and a highly fragmented care home market
- The Care REIT plc Board considers that CareTrust REIT, Inc. has the scale and superior access to capital to fuel Care REIT plc's growth

Recommendation in Context

- The Board believes that Care REIT plc's share price discount does not reflect the current value of its individual property assets nor the longer-term prospects of the portfolio
- It believes that many of the factors contributing to the discount are macro-economic and non-Care REIT plc specific and as such Care REIT plc is unlikely to be able to overcome them in at least the short to medium term
- The Care REIT plc Board believes CareTrust REIT, Inc.'s proposal allows shareholders the opportunity to exit fully in cash at a price comfortably in excess of what could be achieved via trading shares in a relatively illiquid open market



Transaction Structure And Timetable

Structure and Timetable

- The Acquisition will be effected by means of a Scheme of Arrangement
- The Scheme Document will be published as soon as practicable and, in any event, within 28 days of the 2.7 announcement (unless Care REIT plc and CareTrust REIT, Inc. otherwise agree, and the Takeover Panel consents, to a later date)
- It is expected that, subject to the satisfaction or waiver of all such conditions, the Scheme will become Effective during the second quarter of 2025

Conditions

- In order to become Effective:
 - The Scheme must be approved by a majority in number of the Scheme Shareholders voting at the Court Meeting, either in person or by proxy, representing at least 75 per cent. in value of the Scheme Shares voted
 - A special resolution implementing the Scheme must be passed by Care REIT plc Shareholders representing at least 75 per cent. of votes cast at the General Meeting

Other Details

- For the purposes of Rule 29.1(d) of the Takeover Code, an updated valuation of Care REIT plc's property portfolio will be included in the Scheme Document (or, if applicable, the offer document)
- If any dividend and/or other distribution and/or other return of capital is authorised, declared, made or paid or becomes payable in respect of Care REIT plc shares on or after the date of the 2.7 and before the Effective Date, CareTrust REIT, Inc. reserves the right to reduce the Acquisition Price by the aggregate amount of such dividend and/or other distribution and/or other return of capital
- Upon the Scheme becoming Effective, it will be binding on all Care REIT plc Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the General Meeting



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This presentation contains inside information

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