NEWS RELEASE

CareTrust REIT Closes Acquisition of Care REIT plc, Enters UK Market

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SAN CLEMENTE, Calif.--(BUSINESS WIRE)-- CareTrust REIT, Inc. (NYSE:CTRE) ("CareTrust" or the "Company") announced today that it has closed the acquisition of Care REIT plc, a United Kingdom-based healthcare real estate investment trust listed on the London Stock Exchange. The transaction, first announced on March 11, 2025, marks CareTrust's entrance into the UK market and represents a strategic step in the Company's mission to expand and diversify its portfolio of healthcare real estate assets.

With the completion of this transaction, CareTrust adds to its portfolio 132 care homes comprising approximately 7,500 beds and two healthcare facilities leased to the UK's National Health Service, located throughout England, Scotland, and Northern Ireland. All properties are subject to long-term, triple-net leases across 14 operators, with a weighted average remaining lease term of approximately 20.2 years and annual inflation-based rent escalators, most with a 2% floor and 4% cap.

"We are thrilled to close on the acquisition of Care REIT, marking our first M&A deal, our first international investment, and the single largest transaction in our history," said Dave Sedgwick, President and Chief Executive Officer of CareTrust. "Last year's exponential growth set the table for double digit growth in 2025. This strategic acquisition is transformative for our company, significantly diversifying our portfolio by operator, geography, payor source, and asset class. The acquisition strengthens our growth profile, while adding approximately $68.6 million of annualized rental revenue and a strong EBITDARM coverage ratio of 2.2x."

Mr. Sedgwick continued, "While we are excited about the Day 1 impact of this acquisition on our near-term outlook, we also see this transaction as an engine for growth, not just a one-off investment. With the UK's favorable demographics, strong need-based care demand, and fragmented provider landscape, we believe there is ample opportunity to scale. At the same time, we structured our UK entrance so as not to detract from investing in our core U.S. markets and operator relationships, which we remain deeply committed to expand simultaneously with the UK. The Care REIT acquisition brings with it an experienced UK-based team who is hungry to expand our footprint in that market with existing and new operators."

"Our relationships with our new tenants are off to a strong and collaborative start, many of whom we got to know in the process of carefully evaluating our UK market entrance," added James Callister, CareTrust's Chief Investment Officer. "We're already finding alignment in our mutual desire to expand thoughtfully and sustainably while taking advantage of current market conditions. Many of these operators are eager to grow their own portfolios and have already engaged with us in exploring additional investment opportunities in the care home space. We believe that by leveraging our competitive advantages—deep underwriting and operating experience, pristine balance sheet, access to and cost of capital, and certainty of closing—we can help our UK operators further their missions to successfully deliver strong outcomes for their patients, residents, and communities, and for our stakeholders alike."

Mr. Callister also reiterated that the Company's replenished US investment pipeline sits at approximately $500 million of near-term, actionable opportunities—not including larger portfolios the Company is reviewing—and that it is actively seeking additional growth opportunities in the US and abroad.

2025 Guidance and Liquidity

In conjunction with the closing of the Care REIT acquisition, Bill Wagner, CareTrust's Chief Financial Officer, updated management's 2025 guidance to include the impact of the transaction, projecting net income of approximately $1.42 to $1.45 per common share, normalized FFO of approximately $1.75 to $1.78 per common share, and normalized FAD of approximately $1.75 to $1.78 per common share. He noted that the 2025 guidance is based on diluted weighted-average common shares outstanding of 190.6 million and assumes the following:

- All investments and dispositions made to date;
- No new debt incurrences or new equity issuances; and
- Estimated 2.5% rent escalators under the Company's inflation-based triple net leases.

"We are excited by the near- and long-term growth potential the Care REIT transaction unlocks, and we believe it positions us to deliver compounding value to stakeholders over time," said Bill Wagner, Chief Financial Officer. "After a period of integration, which we anticipate lasting through 2025, we expect to achieve annual run rate synergies of approximately $5 million. Incorporating the realization of these savings, we anticipate the fully-synergized acquisition to be approximately 9.4% accretive to normalized FFO per share and 5.7% accretive to normalized FAD per share, both relative to the guidance in place when the acquisition was announced on March 11, 2025."

Based on the British Pound Sterling to U.S. Dollar exchange rate on May 9, 2025, the terms of the Care REIT acquisition represent a total purchase price of approximately $840.5 million, of which $595.4 million represents cash consideration to acquire Care REIT common shares, together with the assumption of $245.1 million net debt and exclusive of transaction fees. Mr. Wagner noted that the Company intends to pay off the assumed debt and recapitalize the portfolio through a combination of cash on hand, a draw from its revolving credit facility, and a new $500 million unsecured term loan expected to be finalized in the second quarter, subject to ordinary closing conditions. Prior to completion of this refinancing, net debt-to-normalized EBITDA is expected to be below 2.0x.

Piper Sandler Ltd and JP Morgan Securities LLC acted as financial advisors and Jones Day acted as legal advisor to CareTrust.

About CareTrust™

CareTrust REIT, Inc. is a self-administered, publicly-traded real estate investment trust engaged in the ownership, acquisition, development and leasing of skilled nursing, seniors housing and other healthcare-related properties. With a portfolio of long-term net-leased properties spanning the United States and United Kingdom, and a growing portfolio of quality operators leasing them, CareTrust is pursuing both external and organic growth opportunities across the US and internationally. More information about CareTrust REIT is available at **www.caretrustreit.com**.

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

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include all statements that are not historical statements of fact and statements regarding the Company’s intent, belief or expectations, including, but not limited to, statements regarding the following: future financial and financing plans; strategies related to the Company's business and its portfolio, including acquisition opportunities and disposition plans; expectations regarding the integration of Care REIT plc; growth prospects; operating and financial performance; and the performance of the Company’s tenants and operators and their respective facilities.

Words such as “anticipate,” “believe,” “could,” “expect,” “estimate,” “intend,” “may,” “plan,” “seek,” “should,” “will,” “would,” and similar expressions, or the negative of these terms, are intended to identify such forward-looking statements, though not all forward-looking statements contain these identifying words. The Company’s forward-looking statements are based on management’s current expectations and beliefs, and are subject to a number of risks and uncertainties that could lead to actual results differing materially from those projected, forecasted or expected. Although the Company believes that the assumptions underlying these forward-looking statements are reasonable, they are not guarantees and the Company can give no assurance that its expectations will be attained.

Factors which could have a material adverse effect on the Company's operations and future prospects or which could cause actual results to differ materially from expectations include, but are not limited to: (i) our ability to integrate Care REIT's operations into our business and achieve the benefits expected to result from the acquisition; (ii) the ability and willingness of our tenants and borrowers to meet and/or perform their obligations under the agreements we have entered into with them, including without limitation, their respective obligations to indemnify, defend and hold us harmless from and against various claims, litigation and liabilities; (iii) the risk that we may have to incur additional impairment charges related to our assets held for sale if we are unable to sell such assets at the prices we expect; (iv) the impact of healthcare reform legislation, including minimum staffing level requirements, on the operating results and financial conditions of our tenants and borrowers; (v) the ability of our tenants and borrowers to comply with applicable laws, rules and regulations in the operation of the properties we lease to them or finance; (vi) the ability and willingness of our tenants to renew their leases with us upon their expiration, and the ability to reposition our properties on the same or better terms in the event of nonrenewal or in the event we replace an existing tenant, as well as any obligations, including indemnification obligations, we may incur in connection with the replacement of an existing tenant; (vii) the availability of and the ability to identify (a) tenants who meet our credit and operating standards, and (b) suitable acquisition opportunities and the ability to acquire and lease the respective properties to such tenants on favorable terms; (viii) the ability to generate sufficient cash flows to service our outstanding indebtedness; (ix) access to debt and equity capital markets; (x) fluctuating interest and foreign currency exchange rates; (xi) the impact of public health crises, including significant COVID-19 outbreaks as well as other pandemics or epidemics; (xii) the ability to retain our key management personnel; (xiii) the ability to maintain our status as a real estate investment trust ("REIT"); (xiv) changes in the U.S. tax law and other state, federal or local laws, whether or not specific to REITs; (xv) other risks inherent in the real estate business, including potential liability relating to environmental matters and illiquidity of real estate investments; and (xvi) any additional factors included in our Annual Report on Form 10-K for the year ended December 31, 2024, and our Quarterly Report on Form 10-Q for the quarter ended March 31, 2025, including in the sections entitled "Risk Factors" in Item 1A of such reports, as such risk factors may be amended, supplemented or superseded from time to time by other reports we file with the SEC.

The Company expressly disclaims any obligation to update or revise any information in this press release, including forward-looking statements, whether to reflect any change in the Company's expectations, any change in events, conditions or circumstances, or otherwise.

As used in this press release, unless the context requires otherwise, references to "CTRE," "CareTrust," "CareTrust REIT" or the "Company" refer to CareTrust REIT, Inc. and its consolidated subsidiaries. GAAP refers to generally accepted accounting principles in the United States of America.

CARETRUST REIT, INC.
RECONCILIATIONS OF NET INCOME TO NON-GAAP FINANCIAL MEASURES
(shares in thousands)
(Unaudited)

2025 Guidance Increased

	Full Year 2025 Guidance[1]	
	Low	High
Net income attributable to CareTrust REIT, Inc.	$ 1.42	$ 1.45
Real estate related depreciation and amortization	0.37	0.37
Noncontrolling interests' share of real estate related depreciation and amortization	(0.04)	(0.04)
(Gain) loss on sale of real estate	(0.02)	(0.02)
Funds from Operations (FFO) attributable to CareTrust REIT, Inc.	1.73	1.76
Property operating expenses	—	—
Amortization of extraordinary stock grants	0.02	0.02
Non-routine transaction costs	—	—
Unrealized (gain) loss on other real estate related investments, net	—	—
Normalized FFO attributable to CareTrust REIT, Inc.	$ 1.75	$ 1.78
Net income attributable to CareTrust REIT, Inc.	$ 1.42	$ 1.45
Real estate related depreciation and amortization	0.37	0.37
Noncontrolling interests' share of real estate related depreciation and amortization	(0.04)	(0.04)
Amortization of deferred financing fees	0.02	0.02
Amortization of stock-based compensation	0.04	0.04
Amortization of extraordinary stock grants	0.02	0.02
Straight-line rental income	(0.04)	(0.04)
Amortization of below market leases	(0.02)	(0.02)
Noncontrolling interests' share of amortization of below market leases	0.01	0.01
Noncash revenues related to financing receivable	(0.01)	(0.01)
Amortization of lease incentives	—	—
Noncontrolling interests' share of amortization of lease incentives	—	—
(Gain) loss on sale of real estate	(0.02)	(0.02)
Funds Available for Distribution (FAD) attributable to CareTrust REIT, Inc.	1.75	1.78
Property operating expenses	—	—
Non-routine transaction costs	—	—
Unrealized (gain) loss on other real estate related investments, net	—	—
Normalized FAD attributable to CareTrust REIT, Inc.	$ 1.75	$ 1.78
Weighted average shares outstanding:		
Diluted	190,594	190,594

[1] This guidance assumes and includes (i) all investments, dispositions and loan repayments made to date, (ii) no new or approved investments, dispositions, new loans or loan repayments, (iii) no new debt incurrences or new equity issuances, and (iv) estimated 2.5% CPI-based rent escalators under CareTrust's long-term net leases.

Non-GAAP Financial Measures

Funds from Operations ("FFO"), as defined by the National Association of Real Estate Investment Trusts ("Nareit"), and Funds Available for Distribution ("FAD") are important non-GAAP supplemental measures of operating performance for a REIT. Because the historical cost accounting convention used for real estate assets requires straight-line depreciation except on land, such accounting presentation implies that the value of real estate assets diminishes predictably over time. Since real estate values have historically risen or fallen with market and other conditions, presentations of operating results for a REIT that uses historical cost accounting for depreciation could be less informative. Thus, Nareit created FFO as a supplemental measure of operating performance for REITs that excludes historical cost depreciation and amortization, among other items, from net income, as defined by GAAP.

FFO is defined by Nareit as net income computed in accordance with GAAP, excluding gains or losses from dispositions of real estate investments, real estate related depreciation and amortization and real estate impairment charges, adjustments for the share of consolidated joint ventures, and adjustments for unconsolidated partnerships and joint ventures. Noncontrolling interests' pro rata share information is prepared by applying noncontrolling interests' actual ownership percentage for the period and is intended to reflect noncontrolling interests' proportionate economic interest in the financial position and operating results of properties in our portfolio. The Company computes FFO attributable to CareTrust REIT, Inc. in accordance with Nareit's definition.

FAD attributable to CareTrust REIT, Inc. is defined as FFO attributable to CareTrust REIT, Inc. excluding noncash income and expenses, such as amortization of stock-based compensation, amortization of deferred financing fees, amortization of above and below market intangibles, amortization of lease incentives, the effects of straight-line rent, adjustments for the share of consolidated joint ventures and non-cash interest income. The Company considers FAD attributable to CareTrust REIT, Inc. to be a useful supplemental measure to evaluate the Company's operating results excluding these income and expense items to help investors, analysts and other interested parties compare the operating performance of the Company between periods or as compared to other companies on a more consistent basis.

In addition, the Company reports Normalized FFO attributable to CareTrust REIT, Inc. and Normalized FAD attributable to CareTrust REIT, Inc., which adjust FFO and FAD for certain revenue and expense items that the Company does not believe are indicative of its ongoing operating results, such as write-off of deferred financing costs, provision for loan losses, non-routine transaction costs, provision for doubtful accounts and lease restructuring, loss on extinguishment of debt, extraordinary incentive plan payment, unrealized loss on other real estate related investments, recovery of previously reversed rent, lease termination revenue and property operating expenses. By excluding these items, investors, analysts and our management can compare Normalized FFO and Normalized FAD between periods more consistently.

While FFO, Normalized FFO, FAD and Normalized FAD are relevant and widely-used measures of operating performance among REITs, they do not represent cash flows from operations or net income as defined by GAAP and should not be considered an alternative to those measures in evaluating the Company's liquidity or operating performance. FFO, Normalized FFO, FAD and Normalized FAD do not purport to be indicative of cash available to fund future cash requirements.

Further, the Company's computation of FFO, Normalized FFO, FAD and Normalized FAD may not be comparable to FFO, Normalized FFO, FAD and Normalized FAD reported by other REITs that do not define FFO in accordance with the current Nareit definition or that interpret the current Nareit definition or define FAD differently than the Company does.

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