Addus HomeCare Announces Pricing Of Public Offering Of Common Stock

September 4, 2019

FRISCO, Texas, Sept. 4, 2019 /PRNewswire/ -- Addus HomeCare Corporation (Nasdaq: ADUS) ("Addus" or the "Company"), a provider of comprehensive home care services, today announced the pricing of an underwritten public offering of 2,000,000 shares of common stock ("Common Stock") at the public offering price of $79.50 per share. Addus has granted the underwriters a 30-day option to purchase up to 300,000 additional shares of Common Stock at the public offering price. The gross proceeds to the Company from the offering, before deducting underwriting discounts and estimated offering expenses, are expected to be $159.0 million, excluding any proceeds from the exercise of the underwriters' option to purchase additional shares from the Company. Addus intends to use some of the net proceeds it receives from the offering to fund the approximately $130.0 million purchase price for its acquisition of Hospice Partners of America, LLC, and may use any remaining net proceeds of the offering for general corporate purposes, including future acquisitions or investments, and the repayment of indebtedness outstanding under the Company's amended and restated credit facility. There were no selling stockholders in the offering.

Jefferies LLC, RBC Capital Markets, LLC and Raymond James & Associates, Inc. are acting as joint book-running managers for the offering. Robert W. Baird & Co. Incorporated, Oppenheimer & Co. Inc., Stephens Inc., William Blair & Company, L.L.C., BMO Capital Markets Corp., and Sidoti & Company, LLC are acting as co-managers. The offering is expected to close on or about September 9, 2019, subject to customary closing conditions.

An automatic shelf registration statement (including a prospectus) relating to the offering of Common Stock was filed with the U.S. Securities and Exchange Commission (the "SEC") on September 3, 2019, and became effective upon filing. A preliminary prospectus supplement relating to, and describing the terms of, the offering was filed with the SEC on September 3, 2019. The final prospectus supplement relating to the offering will be filed with the SEC and will be available on the SEC's website at www.sec.gov. When available, copies of the final prospectus supplement and the accompanying prospectus may also be obtained by request from Jefferies LLC, Attn: Equity Syndicate Prospectus Department, 520 Madison Avenue, 2nd Floor, New York, NY 10022, or by calling (877) 547-6340, or emailing Prospectus_Department@Jefferies.com, RBC Capital Markets, LLC, Attn: Prospectus Department, 200 Vesey Street, 8th Floor, New York, NY 10281 or by calling (877) 822-4089, or emailing equityprospectus@rbccm.com, or Raymond James & Associates, Inc., 880 Carillon Parkway, St. Petersburg, FL 33716, or by calling (800) 248-8863, or by emailing prospectus@raymondjames.com.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy these securities, nor shall there be any sale of these securities, in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of such state or jurisdiction.

About Addus

Addus is a provider of comprehensive home care services that include, primarily, personal care services that assist with activities of daily living, as well as hospice and home health services. Addus' consumers are primarily persons who, without these services, are at risk of hospitalization or institutionalization, such as the elderly, chronically ill and disabled. Addus' payor clients include federal, state, and local governmental agencies, managed care organizations, commercial insurers and private individuals. Addus currently provides home care services to approximately 41,000 consumers through 165 locations across 24 states.

Certain matters discussed in this press release constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements may be identified by words such as "will," "continue," "expect," "believe" and similar expressions. These forward-looking statements are based on our current expectations and beliefs concerning future developments and their potential effect on us. Forward-looking statements involve a number of risks and uncertainties that may cause actual results to differ materially from those expressed or implied by such forward-looking statements, including, but not limited to, the following changes in operational and reimbursement processes and payment structures at the state or federal levels; changes in Medicaid, Medicare, other government program and managed care organizations policies and payment rates; changes in, or our failure to comply with existing, federal and state laws or regulations or our failure to comply with new government laws or regulations on a timely basis; competition in the healthcare industry; the geographical concentration of our operations; changes in the case mix of consumers and payment methodologies; operational changes resulting from the assumption by managed care organizations of responsibility for managing and paying for our services to consumers; the nature and success of future financial and/or delivery system reforms; changes in estimates and judgments associated with critical accounting policies; our ability to maintain or establish new referral sources; our ability to renew significant agreements or groups of agreements; our ability to attract and retain qualified personnel; federal, city and state minimum wage pressure, including any failure of Illinois or any other governmental entity to enact a minimum wage offset and/or the timing of any such enactment; changes in payments and covered services due to the overall economic conditions and deficit spending by federal and state governments; cost containment initiatives undertaken by state and other third-party payors; our ability to access financing through the capital and credit markets; our ability to meet debt service requirements and comply with covenants in debt agreements; business disruptions due to natural disasters or acts of terrorism; our ability to integrate and manage our information systems; our expectations regarding the size and growth of the market for our services; the acceptance of privatized social services; our expectations regarding changes in reimbursement rates; eligibility standards and limits on services imposed by state governmental agencies; the potential for litigation; discretionary determinations by government officials; our ability to successfully implement our business model to grow our business; our ability to continue identifying, pursuing, consummating and integrating acquisition opportunities, and expand into new geographic markets; the impact of acquisitions and dispositions on our business; the effectiveness, quality and cost of our services; our ability to successfully execute our growth strategy; changes in tax rates; the impact of inclement weather or natural disasters; and various other matters, and other risks set forth in the section titled "Risk Factors" in our periodic reports filed with the SEC, including, but not limited to, the our Annual Report on Form 10-K for the fiscal year ended December 31, 2018, and our other filings with the SEC, including the preliminary prospectus supplement and the final prospectus supplement (when available). We caution readers not to place undue reliance on any

such forward-looking statements which speak only as of the date made. Except as required by law, we undertake no obligation to update or revise any forward-looking statements that it makes in its press releases, whether as a result of new information, future events or otherwise.

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SOURCE Addus HomeCare Corporation

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