



## Addus HomeCare Announces Definitive Agreement to Divest Operations in New York

May 21, 2024 at 8:00 AM EDT

FRISCO, Texas--(BUSINESS WIRE)--May 21, 2024-- Addus HomeCare Corporation (Nasdaq: ADUS), a provider of home care services, today announced a definitive agreement to sell the Company's New York operations to HCS-Girling. Based in Brooklyn, New York, HCS-Girling is a leading provider of home health and home care services. The operations being sold consist of all of the Company's personal care operations in the state of New York, including fiscal intermediary services under the New York Consumer Directed Personal Assistance Program ("CDPAP"). The timing for the closing of the transaction is subject to customary regulatory approvals. The purchase price for the transaction will be up to \$23.0 million, depending, in part, on future operating requirements for HCS-Girling in New York. The Company will use the proceeds from the transaction to reduce the outstanding balance on its revolving credit facility.

Commenting on the announcement, Dirk Allison, Chairman and Chief Executive Officer, stated, "We are pleased to reach this agreement with HCS-Girling to divest our New York personal care operations and exit the state. This has been a challenging market for Addus and no longer fits our growth strategy. We do not have the opportunity to offer all three levels of home care services there, and the well documented program challenges and start-and-stop changes in the state's approach have consumed a disproportionate amount of management resources for limited financial contribution. We expect exiting New York will be immaterial to our consolidated earnings and will lead to a modest expansion in our margin profile. We believe we can have a greater impact for both our clients and our shareholders by focusing on and growing other more strategic markets. HCS-Girling has a solid reputation for personalized, professional care for customers in their own homes, and we are confident that our customers in the New York market area will continue to receive excellent care."

Agnes Shemia, Co-Founder and Co-Chief Executive Officer of HCS-Girling, added, "We look forward to the opportunity to expand our personal care service coverage in the New York market. Addus and HCS-Girling have a shared commitment to provide safe, quality care to more customers in the preferred home setting, and we will build upon the excellent reputation that Addus has already established in our market. We welcome the dedicated Addus employees and caregivers to the HCS-Girling team as we bring together our shared expertise and experience and extend our market reach."

### Forward-Looking Statements

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 "preliminary," "continue," "expect," 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 discretionary determinations by government officials, the consummation and integration of acquisitions, transition to managed care providers, our ability to successfully execute our growth strategy, unexpected increases in SG&A and other expenses, expected benefits and unexpected costs of acquisitions and dispositions, management plans related to dispositions, the possibility that expected benefits may not materialize as expected, the failure of the business to perform as expected, changes in reimbursement, changes in government regulations, changes in Addus HomeCare's relationships with referral sources, increased competition for Addus HomeCare's services, changes in the interpretation of government regulations, the uncertainty regarding the outcome of discussions with managed care organizations, changes in tax rates, the impact of adverse weather, higher than anticipated costs, lower than anticipated cost savings, estimation inaccuracies in future revenues, margins, earnings and growth, whether any anticipated receipt of payments will materialize, any security breaches, cyber-attacks, loss of data or cybersecurity threats or incidents, and other risks set forth in the Risk Factors section in Addus HomeCare's Annual Report on Form 10-K filed with the Securities and Exchange Commission on February 27, 2024, which is available at [www.sec.gov](http://www.sec.gov). The financial information described herein and the periods to which they relate are preliminary estimates that are subject to change and finalization. There is no assurance that the final amounts and adjustments will not differ materially from the amounts described above, or that additional adjustments will not be identified, the impact of which may be material. Addus HomeCare undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. In addition, these forward-looking statements necessarily depend upon assumptions, estimates and dates that may be incorrect or imprecise and involve known and unknown risks, uncertainties, and other factors. Accordingly, any forward-looking statements included in this press release do not purport to be predictions of future events or circumstances and may not be realized.

### About Addus HomeCare

Addus HomeCare is a provider of home care services that primarily include personal care services that assist with activities of daily living, as well as hospice and home health services. Addus HomeCare's consumers are primarily persons who, without these services, are at risk of hospitalization or institutionalization, such as the elderly, chronically ill and disabled. Addus HomeCare's payor clients include federal, state and local governmental agencies, managed care organizations, commercial insurers and private individuals. Addus HomeCare currently provides home care services to over 49,000 consumers through 214 locations across 22 states. For more information, please visit [www.addus.com](http://www.addus.com).

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Source: Addus HomeCare Corporation