

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549**

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported): June 29, 2023 (June 28, 2023)

ADDUS HOMECARE CORPORATION

(Exact name of registrant as specified in its charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-34504
(Commission
File Number)

20-5340172
(I.R.S. Employer
Identification No.)

6303 Cowboys Way, Suite 600
Frisco, Texas
(Address of principal executive offices)

75034
(Zip Code)

(469) 535-8200
(Registrant's telephone number, including area code)

N/A
(Former name or former address, if changed since last report)

Check the appropriate box if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.001 par value per share	ADUS	The Nasdaq Stock Market, LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company.

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01 Entry into a Material Definitive Agreement.

On June 28, 2023, Addus HealthCare, Inc., an Illinois corporation (“Addus HealthCare”) and a wholly-owned subsidiary of Addus HomeCare Corporation (the “Company”), entered into a Membership Interest Purchase Agreement (the “Purchase Agreement”) with (i) HHH Newco Holdings, LLC, a Michigan limited liability company (“Seller”), (ii) American Health Companies, LLC, a Tennessee limited liability company (“Seller Parent”), (iii) American HomeCare, LLC, a Tennessee limited liability company (“AHC”), (iv) Homecare, LLC, a Tennessee limited liability company (“Homecare”), (v) Tennessee Valley Home Care, LLC (d/b/a Tennessee Quality Care – Home Health), a Tennessee limited liability company (“TQC – Home Health”), and (vi) Tri-County Home Health and Hospice, LLC (d/b/a Tennessee Quality Care - Hospice), a Tennessee limited liability company (“TCQ – Hospice”, and together with AHC, Homecare, and TCQ – Home Health the “Acquired Companies”).

Pursuant to the Purchase Agreement, Addus HealthCare has agreed to directly acquire all of the issued and outstanding membership interests of AHC (the “Transaction”) for a cash purchase price of \$106.0 million, subject to customary adjustments for working capital and other items. Based in Franklin, Tennessee, the Acquired Companies currently serve patients across the state of Tennessee.

The Transaction is expected to close in the third quarter of 2023, subject to, among other customary closing conditions, the accuracy of the representations and warranties in the Purchase Agreement, compliance with the covenants in the Purchase Agreement, and completion of all required regulatory approvals. Addus Healthcare and the Seller are also provided certain customary termination rights.

The Seller has made customary representations and warranties with respect to the businesses of the Acquired Companies, as well as customary covenants regarding the operation of the business of the Acquired Companies during the period between the execution of the Purchase Agreement and the closing of the Transaction. In lieu of indemnification by Seller for breaches of representations and warranties, Addus Healthcare has bound a policy for representations and warranties insurance. Consummation of the transaction contemplated by the Purchase Agreement is not subject to any financing condition, and there is no termination or reverse termination fee in connection with the Purchase Agreement.

Item 7.01 Regulation FD Disclosure.

On June 29, 2023, the Company issued the Press Release announcing the entry into the Purchase Agreement. A copy of the press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits:

Exhibit No.	Description
99.1	Press Release, dated June 29, 2023.
104	Cover Page Interactive Data File (embedded within Inline XBRL document).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ADDUS HOMECARE CORPORATION

Date: June 29, 2023

By: /s/ Brian Poff
Brian Poff
Chief Financial Officer



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**ADDUS HOMECARE EXPANDS TENNESSEE HOME CARE PRESENCE
WITH AGREEMENT TO ACQUIRE TENNESSEE QUALITY CARE OPERATIONS**

***Company Adds Significant Clinical Market Presence in Tennessee
with Annualized Revenues of Approximately \$40 Million***

Frisco, Texas (June 29, 2023) – Addus HomeCare Corporation (Nasdaq: ADUS), a provider of home care services, today announced a definitive agreement to acquire the entities comprising Tennessee Quality Care, a provider of home health, hospice, and private duty nursing services. Tennessee Quality Care serves an average daily census of approximately 1,800 patients through 17 locations covering a service area of over 50 counties in Tennessee. Addus expects to close the transaction in the third quarter of 2023, following completion of customary closing conditions. Addus will fund the acquisition through a combination of cash on hand and the Company’s revolving credit facility.

Commenting on the announcement, Dirk Allison, Chairman and Chief Executive Officer of Addus stated, “We are pleased to expand our market presence in Tennessee with the addition of the Tennessee Quality Care operations. This acquisition fits squarely into our growth strategy to leverage our strong personal care presence and add clinical services in key markets. The acquired operations are approximately 70 percent home health, including private duty nursing, and 30 percent hospice care, expanding our market coverage to all three levels of care in the state. Tennessee is a Certificate of Need state for both home health and hospice care, making entry into the market more difficult, particularly at scale. We are excited to add approximately \$40 million in annualized revenues in the state with this acquisition and look forward to further growth and opportunities from our ability to provide all three levels of care.

“We believe this acquisition will be an ideal addition for Addus with an established market presence and reputation for quality, compassionate care. We have a shared commitment to provide safe and cost-effective home care services, and we look forward to the opportunity to offer patient-centric personal care, home health and hospice services to more patients and families in Tennessee,” added Allison.

Michael Bailey, Chief Executive Officer of American Health Partners, the owner of Tennessee Quality Care, added, “As part of the American Health Partners family, Tennessee Quality Care has played an important role in our continuum of care with the primary goal being to provide the highest quality care and services to our patients. We are pleased with the opportunity to have Tennessee Quality Care join Addus and continue to expand its important work providing quality home health services and premium end-of-life care in the home setting. This combination will benefit everyone associated with Tennessee Quality Care, especially the patients, families, and employees. Addus has an excellent reputation in our market area, and we look forward to Tennessee Quality Care joining the Addus family while also continuing the relationship with American Health Partners.

Allison added, “Acquisitions are an important part of our growth strategy, and we will continue to identify and pursue strategic acquisitions that fit our mission. Addus has a solid record of driving value from our acquired operations with a proven operating model. We are fortunate to have a strong capital structure that supports our acquisition strategy, and we look forward to the additional opportunities ahead for Addus.”

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Raymond James served as financial advisor to Addus in this transaction.

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 approximately 47,500 consumers through 203 locations across 22 states. For more information, please visit www.addus.com.

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 28, 2023, which is available at 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.

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