

**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): August 1, 2023 (August 1, 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 2.01 Completion of Acquisition or Disposition of Assets.

On August 1, 2023, Addus HealthCare, Inc., an Illinois corporation (“Addus HealthCare”) and a wholly-owned subsidiary of Addus HomeCare Corporation (the “Company”), completed its acquisition of American Home Care, LLC, a Tennessee limited liability company (“AHC”), and its subsidiaries, Homecare, LLC, a Tennessee limited liability company (“Homecare”); Tennessee Valley Home Care, LLC (d/b/a Tennessee Quality Care – Home Health), a Tennessee limited liability company (“TQC – Home Health”); and Tri-County Home Health and Hospice, LLC (d/b/a Tennessee Quality Care - Hospice), a Tennessee limited liability company (“TQC – Hospice”, and together with AHC, Homecare, and TQC – Home Health the “Acquired Companies”).

Pursuant to the terms of the previously announced Membership Interests Purchase Agreement (the “Purchase Agreement”), dated as of June 28, 2023, among (i) Addus HealthCare, (ii) HHH Newco Holdings, LLC, a Michigan limited liability company (“Seller”), (ii) American Health Companies, LLC, a Tennessee limited liability company (“Seller Parent”), and (iii) the Acquired Companies, Addus HealthCare acquired all of the issued and outstanding membership interests of AHC from Seller for a cash purchase price of \$106.0 million, subject to customary adjustments for working capital and other items, which was paid in full in cash at the closing. The purchase was funded through a combination of cash on hand and borrowings under the Company’s credit facility.

Based in Franklin, Tennessee, the Acquired Companies currently serve patients across the state of Tennessee.

The Purchase Agreement contains customary representations, warranties and covenants made by Addus HealthCare and AHC. Addus HealthCare purchased a buy-side representations and warranties insurance policy. The representations and warranties insurance policy is subject to certain policy limits, exclusions, deductibles and other terms and conditions.

The foregoing description of the Purchase Agreement does not purport to be complete and is qualified in its entirety by reference to the Purchase Agreement, a copy of which is attached hereto as Exhibit 10.1 and incorporated herein by reference.

Item 7.01 Regulation FD Disclosure.

On August 1, 2023, the Company issued the Press Release announcing the completion of the acquisition of the Acquired Companies. 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.

(a) Financial Statements of Business Acquired.

Not applicable.

(b) Pro Forma Financial Information.

Not applicable.

(d) Exhibits:

| Exhibit No. | Description |
|-------------|---|
| 10.1 | <u>Membership Interests Purchase Agreement, dated June 28, 2023, by and among Addus HealthCare, Inc., HHH Newco Holdings, LLC, American Health Companies, LLC, American Home Care, LLC, Homecare, LLC, Tennessee Valley Home Care, LLC, and Tri-County Home Health and Hospice, LLC (filed on August 1, 2023 as Exhibit 10.2 to the Company’s Quarterly Report on Form 10-Q (File No. 001-34504) and incorporated by reference herein).</u> |
| 99.1 | <u>Press Release, dated August 1, 2023.</u> |
| 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: August 1, 2023

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



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**ADDUS HOMECARE COMPLETES ACQUISITION OF
TENNESSEE QUALITY CARE OPERATIONS**

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

Frisco, Texas (August 1, 2023) – Addus HomeCare Corporation (Nasdaq: ADUS), a provider of home care services, today announced it has completed the acquisition of the entities comprising Tennessee Quality Care, a provider of home health, hospice, and private duty nursing services. Based in Franklin, Tennessee, 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 funded 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 excited to add the clinical services of Tennessee Quality Care to our operations as we expand our market coverage to all three levels of home care in Tennessee. Tennessee Quality Care has an excellent reputation and strong market presence, which will enhance our ability to reach more patients and families in this important market. We welcome the operations team and clinical staff of over 500 dedicated employees to Addus, and we look forward to an efficient integration of Tennessee Quality Care’s operations. Together, we can leverage our combined experience and expertise with a shared commitment to provide safe and cost-effective care in the preferred home setting.

“We are pleased to complete this acquisition, which aligns with our overall strategy to add clinical services where we already have a strong personal care presence. We will continue to identify select acquisition targets that complement our strong organic growth opportunities. We are fortunate to have a strong balance sheet and the financial flexibility to support our growth initiatives in 2023 and beyond,” added Allison.

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 221 locations across 22 states. For more information, please visit www.addus.com.

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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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