The Pennant Group Announces Pricing of Public Offering of Common Stock

October 2, 2024

EAGLE, Idaho, Oct. 02, 2024 (GLOBE NEWSWIRE) -- The Pennant Group, Inc. (NASDAQ: PNTG) (the "Company") today announced the pricing of an underwritten public offering of 3,500,000 shares of its common stock at a public offering price of $31.00 per share. The gross proceeds from the offering, before deducting underwriting discounts and commissions and offering expenses, are expected to be $108.5 million. In addition, the Company has granted the underwriters a 30-day option to purchase up to an additional 525,000 shares of common stock. The Company expects to use the net proceeds from the offering to repay outstanding indebtedness under the Company's revolving credit facility and any remaining for general corporate purposes. The offering is expected to close on or about October 4, 2024, subject to customary closing conditions.

Citigroup and Truist Securities are acting as the lead book-running managers for the offering. Wells Fargo Securities and RBC Capital Markets are acting as joint book-running managers. Oppenheimer & Co. and Stephens Inc. are acting as co-managers. The offering of the common stock is being made pursuant to the Company's effective shelf registration statement filed with the Securities and Exchange Commission (the "SEC"). A preliminary prospectus supplement and accompanying prospectus relating to and describing the terms of the offering was filed with the SEC on September 30, 2024. The final prospectus supplement and accompanying prospectus relating to the offering will be filed with the SEC. When available, a copy of the prospectus supplement and accompanying prospectus relating to the offering may be obtained from: Citigroup, c/o Broadridge Financial Solutions, 1155 Long Island Avenue, Edgewood, New York 11717, or by telephone at (800) 831-9146; and Truist Securities, Inc., Attention: Prospectus Department, 3333 Peachtree Road NE, 9th Floor, Atlanta, GA 30326, by telephone at (800) 685-4786, or by email at TruistSecurities.prospectus@Truist.com.

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

About The Pennant Group, Inc.

The Pennant Group, Inc. is a holding company of independent operating subsidiaries that provide healthcare services through 117 home health and hospice agencies and 54 senior living communities located throughout Arizona, California, Colorado, Idaho, Montana, Nevada, Oklahoma, Oregon, Texas, Utah, Washington, Wisconsin and Wyoming. Each of these businesses is operated by a separate, independent operating subsidiary that has its own management, employees and assets.

Forward-Looking Statements

This press release contains forward-looking statements that are based on management's current expectations, assumptions and beliefs about its business, financial performance, operating results, the industry in which it operates and other future events, made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, as amended. Forward-looking statements can often be identified by words such as "anticipates," "expects," "intends," "plans," "predicts," "believes," "seeks," "estimates," "may," "will," "should," "would," "could," "potential," "continue," "ongoing," similar expressions, and variations or negatives of these words. These forward-looking statements include, but are not limited to, statements regarding future events, including the completion and timing of the offering, the gross proceeds expected to be received from the offering and the anticipated use of the net proceeds from the offering. They are not guarantees of future results and are subject to risks, uncertainties and assumptions that could cause actual results to materially and adversely differ from those expressed in any forward-looking statement. These risks and uncertainties relate to fluctuations in the Company's stock price, changes in market conditions and satisfaction of customary closing conditions related to the public offering, as well as the other factors discussed in the "Risk Factors" section in the prospectus supplement and registration statement referenced above and in the Company's most recently filed Annual Report on Form 10-K and Quarterly Report on Form 10-Q, as well as other risks detailed in the Company's filings with the SEC. All information in this press release is as of the date of the release and should not be relied upon as representing its views as of any subsequent date. Except as required by the federal securities laws, the Company does not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, changing circumstances or any other reason after the date of this press release.

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