

October 29, 2024



# PACS Group Announces Pending Acquisition of Operations at 12 Skilled Nursing Facilities in Tennessee

FARMINGTON, Utah--(BUSINESS WIRE)-- PACS Group, Inc. (NYSE: PACS) ("PACS" or the "Company") announced today that independent operating subsidiaries of the Company have agreed to acquire the operations of 12 skilled nursing facilities in Tennessee, and collectively comprise 1,310 skilled nursing beds.

The facilities will be leased from an affiliate of CareTrust REIT (NYSE: CTRE), pursuant to the terms of a long-term, triple net lease. The lease includes options for us to purchase the real estate on six of the facilities, between years four and seven of the lease.

"Tennessee has been an attractive market for PACS for some time, and we're grateful for this opportunity to bring our model of post-acute care to the Volunteer State. We'll be thrilled to welcome the great staff and residents of these facilities to the PACS family," said Jason Murray, PACS Chairman and CEO.

Josh Jergensen, PACS President and COO, added: "We're excited to work with these great facilities, as well as for PACS to enter another new state. When the transaction closes we'll plan to continue to leverage our decentralized leadership model, as well as our prior experience with these types of larger portfolio acquisitions, to integrate the new facilities into the PACS family expeditiously. We're looking forward to serving them and their communities."

The acquisition is subject to customary closing conditions, and there can be no assurance that the transaction will close in the anticipated timeframe, or at all. The Company anticipates that the transaction will close in the fourth quarter of 2024.

## Forward Looking Statements

Statements in this press release may contain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 that are subject to substantial risks and uncertainties. Forward-looking statements contained in this press release may be identified by the use of words such as "may," "will," "should," "expect," "plan," "anticipate," "would," "could," "intend," "target," "project," "contemplate," "believe," "estimate," "predict," "potential" or "continue" or the negative of these terms or other similar expressions. Forward-looking statements include, among others, the anticipated closing of the acquisition, and are based on PACS' current expectations, forecasts, and assumptions, are subject to inherent uncertainties, risks and assumptions that are difficult to predict, and actual outcomes and results could differ materially due to a number of factors, including: if we fail to complete the acquisition; if we fail to successfully integrate the business and operations of the facilities in the expected timeframe or at all; and if we continue to incur substantial

expenses related to the acquisition and the related integration of the facilities, if consummated. Other risks and uncertainties include those described more fully in the section titled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operation" and elsewhere in our Quarterly Report on Form 10-Q for the three months ended June 30, 2024, and in PACS' other reports filed with the U.S. Securities and Exchange Commission. Forward-looking statements contained in this announcement are based on information available to PACS as of the date hereof and are made only as of the date of this release. PACS undertakes no obligation to update such information except as required under applicable law. These forward-looking statements should not be relied upon as representing PACS' views as of any date subsequent to the date of this press release. In light of the foregoing, investors are urged not to rely on any forward-looking statement in reaching any conclusion or making any investment decision about any securities of PACS.

### **About PACS™**

PACS Group, Inc. is a holding company investing in post-acute healthcare facilities, professionals, and ancillary services. Founded in 2013, PACS Group is one of the largest post-acute platforms in the United States. Its independent subsidiaries operate 276 post-acute care and senior living facilities across 15 states, serving over 31,000 patients daily. References herein to the consolidated "Company," as well as the use of the terms "we," "us," "our," "its" and similar verbiage, refer to PACS Group, Inc. and its consolidated subsidiaries, taken as a whole. PACS Group, Inc. and its subsidiaries that are not licensed healthcare providers do not provide healthcare services to patients, residents or any other person, and do not direct or control the provision of services provided or the operations of those provider subsidiaries. All healthcare services are provided solely by its applicable subsidiaries that are licensed healthcare providers, under the direction and control of licensed healthcare professionals in accordance with applicable law. More information about PACS is available at <https://IR.pacs.com>.

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