

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 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):
November 30, 2022

NEXTGEN HEALTHCARE, INC.

(Exact name of Registrant as Specified in Its Charter)

DELAWARE
(State or Other Jurisdiction
of Incorporation)

001-12537
(Commission
File Number)

95-2888568
(IRS Employer
Identification No.)

Not Applicable(1)
(Address of Principal Executive Offices)

Not Applicable(1)
(Zip Code)

Registrant's Telephone Number, Including Area Code: Not Applicable(1)

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below 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 Instructions 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 (Par Value \$0.01)	NXGN	NASDAQ Global Select Market

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.

(1) NextGen Healthcare, Inc. is a remote-first company and no longer maintains its principal executive office. For purposes of compliance with applicable requirements of the Securities Act of 1933, as amended, and Securities Exchange Act of 1934, as amended, stockholder communications required to be sent to our principal executive offices should be directed to the email address set forth in our proxy materials and/or identified on our investor relations website.

Item 1.01. Entry Into or Amendment of a Material Definitive Agreement.

On November 30, 2022, NextGen Healthcare, Inc., a Delaware corporation (the “Company”), entered into a securities purchase agreement (the “SPA”) by and among TSI Healthcare, LLC (“TSI”), TSIH Holdings, Inc., a North Carolina corporation and the sole equity holder of TSI (the “Securityholder”), David Dickson, Jr. and Glenn Dickson, pursuant to which, and in accordance with the terms and conditions set forth therein, the Securityholder agreed to sell, assign, convey, transfer and deliver to the Company all outstanding equity interests of TSI (the “Units”) and the Company agreed to purchase all of the Units from the Securityholder, free and clear of all liens (the “Acquisition”). The consummation of the Acquisition and the transactions contemplated thereby (the “Closing”) occurred at 11:59 p.m. Eastern Time on November 30, 2022.

The total consideration for the Acquisition is an amount in cash, subject to customary adjustments in accordance with Section 1.5 and Article VIII of the SPA, consisting of (i) an approximately \$50.5 million cash payment; (ii) \$18 million committed for the purpose of terminating certain agreements between the customers of TSI and Navitas Credit Corp., CIT Bank, N.A. and any other similar entities and (iii) certain potential earnout payments up to an aggregate of \$22 million based on achieving certain financial targets through March 31, 2025.

The SPA contains customary representations, warranties, covenants, indemnification provisions and obligations of the parties.

The foregoing description of the SPA does not purport to be complete and is qualified in its entirety by reference to, and should be read in conjunction with, the full text of the SPA, a copy of which the Company intends to file with its Quarterly Report on Form 10-Q for the quarter ended December 31, 2022.

Item 7.01 Regulation FD Disclosure.

On November 30, 2022, the Company issued a press release announcing the Acquisition. A copy of the press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated by reference herein.

The information included under Item 7.01 (including Exhibit 99.1) is furnished pursuant to Item 7.01 and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (“Exchange Act”), or otherwise be subject to the liabilities of that section, nor shall it be deemed to be incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, whether made before or after the date hereof and regardless of any general incorporation language in such filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit Number	Description
99.1	Press Release of Nextgen Healthcare, Inc., dated November 30, 2022 (furnished pursuant to Item 7.01).
104	Cover page interactive data file (embedded within the 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.

Date: December 5, 2022

NEXTGEN HEALTHCARE, INC.

By: /s/ Jeffrey D. Linton

Jeffrey D. Linton

Executive Vice President, General Counsel & Secretary

NextGen Healthcare Announces Agreement to Acquire TSI Healthcare

REMOTE-FIRST COMPANY/CHAPEL HILL, NC —Nov. 30, 2022 – NextGen Healthcare, Inc. (Nasdaq: NXGN), a leading provider of innovative cloud-based healthcare technology solutions, today announced it has signed a definitive agreement to acquire TSI Healthcare, a privately held value-added reseller located in Chapel Hill, NC. The acquisition shall be deemed effective 11:59 p.m. on November 30, 2022. The consideration is comprised of an upfront amount of \$68 million, which will be paid in cash with contingent consideration of up to \$22 million in cash in the form of an earnout, subject to achieving certain financial targets through March 31, 2025. The acquisition is expected to contribute approximately \$10 to 12 million of revenue in the remaining four months of fiscal 2023 and will be accretive to adjusted EBITDA and cash flow within a year. The company plans to update guidance when it reports its fiscal 2023 third quarter results.

“TSI was one of our premier clinical content and technical services partners specializing in comprehensive solutions for specialty physician practices,” said David Sides, president and chief executive officer of NextGen Healthcare. “This acquisition enables NextGen Healthcare to expand its presence in key specialties including rheumatology, pulmonology and cardiology.”

“TSI Healthcare has been part of the NextGen Healthcare family over 16 years, developing specialty specific solutions exclusively on NextGen Healthcare’s platform,” said David Dickson, Jr., president and chief executive officer of TSI Healthcare. “We’re excited to extend our services expertise with NextGen Healthcare’s product and services leadership to further solidify NextGen Healthcare as among the most trusted names in ambulatory healthcare.”

About NextGen Healthcare, Inc.

NextGen Healthcare, Inc. (Nasdaq: NXGN) is a leading provider of innovative healthcare technology solutions. We are reimagining ambulatory healthcare with award-winning solutions that enable high-performing practices to create healthier communities. We partner with medical, behavioral and dental providers in their journey toward whole person health and value-based care. Our highly integrated, intelligent and interoperable solutions go beyond EHR and Practice Management to increase clinical quality and productivity, enrich the patient experience and drive superior financial performance. We are on a quest to achieve better healthcare outcomes for all. Learn more at nextgen.com, and follow us on Facebook, Twitter, LinkedIn, YouTube and Instagram.

About TSI Healthcare

TSI Healthcare® is a national leader in the sales and support of customized NextGen® Practice Management and Electronic Health Record software. TSI Healthcare continues to deliver innovative, specialty-specific solutions to maximize revenue, reduce costs, and advance patient care through unmatched customer service that focuses on the human element. TSI's support teams include NextGen Certified Professionals, clinicians, and former practice administrators, based in the U.S. In addition to core products, TSI Healthcare also offers Revenue Cycle Management, Patient Portal, Population Health Management, Cloud Hosting and more. For additional information, visit www.tsihealthcare.com.

SAFE HARBOR PROVISIONS FOR FORWARD-LOOKING STATEMENTS

This communication contains statements which, to the extent they are not statements of historical or present fact, constitute "forward-looking statements" under the securities laws, including but not limited to those related to the anticipated accretive nature of the acquisition to NextGen Healthcare, as well as statements related to NextGen Healthcare's fiscal 2023 financial outlook and guidance. From time to time, oral or written forward-looking statements may also be included in other information released to the public. These forward-looking statements are intended to provide the Company's management's current expectations or plans for our future operating and financial performance, based on assumptions currently believed to be valid. Forward-looking statements can be identified by the use of words such as "believe," "expect," "expectations," "plans," "strategy," "prospects," "estimate," "project," "target," "anticipate," "will," "will continue," "potential," "should," "see," "guidance," "outlook," "confident," "on track" and other words of similar meaning. Forward-looking statements may include, among other things, statements relating to future sales, earnings, cash flow, results of operations, uses of cash, share repurchases, tax rates, R&D spend, other measures of financial performance, potential future plans, strategies or transactions, and other statements that are not historical facts. All forward-looking statements involve risks, uncertainties and other factors that may cause actual results to differ materially from those expressed or implied in the forward-looking statements. For those statements, we claim the protection of the safe harbor for forward-looking statements contained in the U.S. Private Securities Litigation Reform Act of 1995. Such risks, uncertainties and other factors include, without limitation: (1) successful integration of TSI Healthcare's personnel, systems and business; (2) the scope, nature, impact or timing of the acquisition, including among other things the integration of or with other businesses and realization of synergies and opportunities for growth and innovation and incurrence of related costs and expenses; (3) the effect of economic conditions in the industries and markets in which NextGen Healthcare operates and any changes therein; (4) company and customer-directed cost reduction efforts and restructuring costs and savings and other consequences thereof; (5) new business and investment opportunities; (6) the ability to realize the intended benefits of organizational changes; (7) the outcome of legal proceedings, investigations and other contingencies; (8) negative effects of the announcement of the acquisition on the market price of NextGen Healthcare's common stock and/or on its financial performance; (9) the possibility that the anticipated benefits from the acquisition cannot be realized in full or at all or may take longer to realize than expected, including risks associated with third party contracts containing consent and/or other provisions that may be triggered by the proposed transaction; and (10) risks associated with transaction-related litigation; and (11) any other risks which may be relevant to this transaction but are not explicitly enumerated herein. For additional information on identifying factors that may cause actual results to vary materially from those stated in forward-looking statements, see the reports of NextGen Healthcare on Forms 10-K, 10-Q and 8-K filed with or furnished with the Securities and Exchange Commission from time to time. Any forward-looking statement speaks only as of the date on which it is made, and NextGen Healthcare assumes no obligation to update or revise such statement, whether as a result of new information, future events or otherwise, except as required by applicable law.

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