



KBL HEALTHCARE ACQUISITION CORP. REGISTRATION STATEMENT DECLARED EFFECTIVE

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NEW YORK--(BUSINESS WIRE)--July 11, 1994--KBL Healthcare Acquisition Corp. (OTC Bulletin Board:KBLH) announced today that its Registration Statement, initially filed on April 27, 1994, with the Securities and Exchange Commission has become effective. The Registration Statement, filed on Form S-4, was submitted in connection with the Company's previously announced definitive agreement to merge with Concord Service Corporation and affiliated corporate and partnership entities ("Concord").

Concord is a developer, owner and operator of long-term healthcare facilities. Concord provides subacute care, skilled and intermediate nursing, rehabilitation, assisted-living, and pharmacy services through eight facilities with approximately 1,000 beds of which approximately 700 beds are owned and the remainder are managed. In addition, Concord has management contracts with two facilities currently under construction. The company's facilities are clustered in rural/suburban communities in Pennsylvania.

As described in the Registration Statement, and previously reported, KBL Healthcare Acquisition Corp. ("KBLHAC") will issue to Concord's shareholders an aggregate of 3,500,000 shares of KBLHAC common stock and will pay approximately \$1.4 million in cash to redeem a minority shareholder. It is anticipated that substantially all remaining cash after transaction costs will be used to pay down Concord's debt. Smith Barney served as financial advisor to KBLHAC in this transaction.

The proposed acquisition is subject to approval by KBLHAC stockholders at a Special Meeting to be held on August 12, 1994. Upon completion of the transaction, the name of the combined company will become Concord Health Group, Inc.

KBLHAC, a Specified Purpose Acquisition Company, raised \$15.2 million (net of underwriter fees) in an April 1993 initial public offering of 2,875,000 units, each unit (KBLHU) consisting of one common share (KBLH) and two warrants (KBLHW).

This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be sale of these securities in any State in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities law of any such State.

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