



Race Communications Announces New Partnership with Oak Hill Capital

Oak Hill Investment Will Accelerate Race Fiber Deployment in California and Surrounding States

November 4, 2020 - South San Francisco and Menlo Park, California – Race Communications (“Race”), a fiber-to-the-premises operator serving homes, small businesses and large enterprises across the state of California, announced today that it has entered into a definitive agreement to form a new partnership with Oak Hill Capital (“Oak Hill”) which will allow Race to accelerate the expansion of its fiber network throughout the region. The transaction remains subject to customary regulatory approvals and is expected to close by early 2021.

Race is a founder-led and family-owned fiber operator that was formed in 1994 with a mission to provide high-speed internet access to unserved and underserved communities throughout California. In partnership with the government of the State of California, local communities and local vendors, Race has successfully built and currently operates fiber networks serving cities and towns surrounding each of the major Sacramento, Bay Area, Sierras, Central Valley, Los Angeles and San Diego regions, and has plans to bring state-of-the-art, high-speed fiber-to-the-home networks to many additional California communities. Race’s senior management team, led by co-founder and Chief Executive Officer Raul Alcaraz, will continue to drive the growth and development of the company going forward.

Mr. Alcaraz, Race CEO and a native Californian and lifetime California resident, stated, “The Race Family is excited to partner with Oak Hill, who shares our mission of providing reliable, high-speed internet and advanced communications at an affordable price. Together, we will work to close the digital divide by deploying fiber optic networks in unserved and underserved markets. Race believes high-speed fiber-based internet is essential for the success of all of our customers.”

Oak Hill is an experienced investor in the fiber-to-the-premises space. The firm’s current investments include Metronet, a leading fiber-to-the-home operator based in the midwestern U.S.; Vexus Fiber, a rapidly expanding provider in Texas; and recently announced, separate agreements to invest in Otelco and in Ontario and Trumansburg Telephone Companies, two eastern U.S. broadband companies. Oak Hill has also invested in internet connectivity in California in the past, through its ownership of Wave Broadband from 2012-2017.

Scott Baker, a partner of Oak Hill Capital and another native, lifelong Californian, said, “We at Oak Hill believe that reliable, high-speed access to the internet represents a fundamental underpinning of economic growth and equal opportunity for all Americans. We are extremely excited to be partnering with a founder- and family-owned local business, and with an outstanding management team led by CEO Raul Alcaraz. We are eager to extend Race’s high-speed fiber network and outstanding customer service to many more underserved communities across California and the western U.S.”

Bank Street Group LLC served as exclusive financial advisor and TroyGould PC served as legal counsel to Race in connection with this transaction. Paul, Weiss, Rifkind, Wharton & Garrison LLP served as legal counsel to Oak Hill.

ABOUT RACE COMMUNICATIONS

Race Communications is one of California's leading telecommunications and technology companies, offering a full range of communications services and competing in over 25 markets with investments totaling \$150M in recent years. Working in partnership with several public and private entities, Race focuses its efforts on building top-tier networks that service 25,000 homes, small businesses and Fortune 500 companies alike. Our comprehensive network has brought significant improvements to local entities, education, community services, and public safety across the state. For more information about Race Communications, visit: <https://race.com>.

ABOUT OAK HILL CAPITAL

Oak Hill Capital is a private equity firm managing funds with approximately \$15 billion of initial capital commitments and co-investments since inception. Over the past 34 years, Oak Hill Capital and its predecessors have invested in over 90 private equity transactions across broad segments of the U.S. and global economies. Oak Hill Capital applies an industry-focused, theme-based approach to investing in the following sectors: Media & Communications; Services; Industrials; and Consumer, Retail & Distribution. Oak Hill works actively in partnership with management to implement strategic and operational initiatives to create franchise value. For more information, please visit: www.oakhill.com.