



Vast Broadband Announces New Growth Phase with Acquisition of NTS Communications

Oak Hill Capital and Pamlico Capital Will Lead Recapitalization to Support Continued Growth Plans

January 9, 2019 – Vast Broadband (“Vast”), a leading provider of high-speed broadband, video, and voice services to over 55,000 residential and business customers in South Dakota and Minnesota markets, today announced it has entered into a definitive agreement to acquire NTS Communications (“NTS”). NTS is a regional broadband fiber company offering high-speed data, video, and voice services to over 20,000 residential and business customers in Texas and Louisiana. Under the terms of the agreement, Vast will acquire the company from its current private equity owner, Tower Three Partners. After the closing of the NTS transaction, Oak Hill Capital Partners (“Oak Hill”) and Pamlico Capital (“Pamlico”) will lead a recapitalization of Vast to support the company’s accelerated growth plans.

NTS operates a high-quality fiber network spanning over 2,700 owned route miles passing more than 60,000 homes and businesses in Texas markets of Lubbock, Amarillo, Abilene, Midland and Wichita Falls, and select markets in Louisiana. The senior management team at Vast, led by CEO Jim Gleason, CFO Keith Davidson, and COO Larry Eby will join forces with local management at NTS following the transaction. The Vast team has significant experience growing and optimizing broadband network companies, having built NewWave Communications, a rural broadband company that grew to serve 160,000 subscribers, and most recently operating Vast Broadband since 2014.

“We are thrilled to acquire the attractive NTS fiber assets and support NTS’s talented local management team to better serve these customers and communities,” said Jim Gleason, CEO of Vast. “We are excited to launch our next stage of growth supported by long-term financial commitments from Oak Hill and Pamlico, and we look forward to investing in our network and service offerings across the combined footprint while continuing our focus on providing the highest quality service to our customers.”

“We are delighted to form this new partnership with Vast’s exceptional management team and Pamlico, and we look forward to supporting the next chapter of growth for the company. Vast and NTS have built impressive broadband communications networks and cultivated strong customer relationships throughout their local markets,” said Adam Hahn, a Principal at Oak Hill. Oak Hill Partners, Scott Baker and Benjy Diesbach, will join Mr. Hahn on the Board following the transaction.

Pamlico Principal Andrew Tindel said, “We have enjoyed a successful, long-term partnership with Jim Gleason and team dating back to our investment in NewWave Communications. We have a great deal of confidence in the Vast team, and see tremendous opportunity for growth in the NTS markets.” Pamlico Partners, Art Roselle and Watts Hamrick, will join Mr. Tindel on the Board following the transaction.

“We are eager to build on our momentum in delivering robust, fiber-based communications at NTS with the added financial and operating resources from Vast,” said Bill Morrow, CEO at NTS. “This transaction will benefit our customers, our employees and the local communities in which we operate.”

The transaction is expected to close following satisfaction of customary closing conditions, including regulatory approvals. Financial terms of the transaction were not disclosed. Vast and NTS will work together to provide a smooth transition for customers and employees.

Bank Street Group LLC served as exclusive financial advisor to NTS Communications in connection with this transaction. SunTrust Robinson Humphrey, Inc. and TD Securities (USA) have committed to provide debt financing to support the transaction.

About Vast Broadband

Vast Broadband is a leading broadband / cable company providing high-speed internet, television and digital telephone services for residential and business customers in South Dakota and southwestern Minnesota. For more information, please visit www.vastbroadband.com.

About NTS

NTS Communications is a leading provider of fiber-based communications solutions for both residential and business customers across Texas and Louisiana. NTS delivers one of the fastest Internet connections available over a true fiber to the premise network. For more information, please visit www.ntscom.com.

About Oak Hill Capital Partners

Oak Hill is a private equity firm managing funds with more than \$12 billion of initial capital commitments and co-investments since inception. Over the past 30 years, Oak Hill and its predecessors have invested in over 85 significant private equity transactions across broad segments of the U.S. and global economies. Oak Hill applies an industry-focused, theme-based approach to investing in the following sectors: Consumer, Retail & Distribution; Industrials; Media & Communications; and Services. For more information, please visit www.oakhillcapital.com.

About Pamlico Capital

Pamlico Capital is a private equity firm founded in 1988 that primarily invests in growing middle-market companies in North America. Pamlico Capital seeks control-oriented growth equity and buyout investments of up to \$125 million alongside founders and proven management teams in its target industries: business & technology services, communications, and healthcare. Since inception, the firm, based in Charlotte, NC, has invested over \$3 billion. For more information, please visit www.pamlicocapital.com.

Forward-Looking Statements

Statements included herein may constitute “forward-looking statements”, which relate to future events, the future performance, or financial condition of Vast following the recapitalization of Vast by Oak Hill and Pamlico. These statements are not guarantees of future performance, condition, or results and involve a number of risks and uncertainties. Actual results and condition may differ materially from those in the forward-looking statements as a result of a number of factors.