



H.I.G. Capital to Acquire RBmedia from KKR

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All employees to benefit from sale and will receive payouts from their ownership stakes

NEW YORK & LANDOVER, Md.--(BUSINESS WIRE)-- Leading global investment firms KKR and H.I.G. Capital (“H.I.G.”) today announced that an affiliate of H.I.G. will acquire RBmedia and support its next phase of growth and development. RBmedia is the leading audiobook publisher in the world with a powerful digital distribution network that reaches millions of listeners around the globe.

This press release features multimedia. View the full release here: <https://www.businesswire.com/news/home/20230725893966/en/>



RBmedia employees react to the news of the cash payouts they will receive upon close of the transaction (Photo: Business Wire)

“This acquisition marks a milestone achievement for RBmedia and represents the next chapter in our ongoing business growth and

expansion,” said Tom MacIsaac, Chief Executive Officer for RBmedia. “Over the last five years, we have been privileged to work with the KKR team to create a leading company and to become a trusted partner for authors, publishers, distributors and voice actors, and we look forward to working with H.I.G. to build on that foundation.”

Since KKR’s investment in August 2018, RBmedia has doubled the size of its catalog – from over 31,000 to over 66,000 audiobooks – and expanded its distribution channels. During this period, RBmedia also experienced five years of double-digit revenue growth, invested in diverse content and expanded into international markets.

“Over the last five years, the RBmedia team has consistently delivered high-quality, award-winning content for customers and value for its authors and creators. It’s been a remarkable growth journey with a dedicated team and a sense of partnership and ownership that has led to great results for all of RBmedia’s stakeholders, including all employee owners who will participate in the positive financial outcome,” said Ted Oberwager, a Partner who leads the gaming, entertainment, media and sports verticals within KKR’s Americas Private Equity business, and Richard Sarnoff, Chairman of Media at KKR. “We have every confidence that H.I.G. will help take RBmedia to even greater heights.”

“The audiobook market is set for significant growth and investment in the coming years,” said Aaron Tolson, Managing Director at H.I.G. “We are thrilled to partner with RBmedia’s world-class management team and to help them build on their success to date as they continue to shape the digital media landscape.”

Upon closing of the transaction, all RBmedia employees will receive a cash payout based on their tenure with the company. Long-term employees will earn up to two times their annual salary.

Since 2011, KKR has supported its portfolio companies in awarding equity worth billions of dollars to over 60,000 non-management employees across more than 30 companies, and has committed to deploying this model in all control investments across its entire Americas Private Equity platform. KKR is also a founding member of [Ownership Works](#), a nonprofit organization that partners with companies and investors to provide all employees with the opportunity to build wealth at work.

The transaction, which is subject to customary regulatory approvals, is expected to close by Q4 2023.

RBmedia was advised by Goldman Sachs & Co. LLC and LionTree Advisors. Simpson Thacher & Bartlett LLP served as legal counsel to RBmedia. Morgan Stanley & Co. LLC and RBC Capital Markets acted as financial advisors, and Latham & Watkins LLP provided legal advice, to H.I.G. Capital.

About RBmedia

RBmedia is the leading audiobook publisher in the world. With more than 66,000 titles, our audiobooks continually top key literary awards and bestseller lists. The company’s powerful digital retail and library distribution network reaches millions of listeners around the globe—at home, in the car, and everywhere their mobile devices go. Our titles are available on leading audio platforms, including Audible, Spotify, Apple, Google Play, [Audiobooks.com](#), Storytel, OverDrive, Hoopla, and many more. Find out more at [rbmediaglobal.com](#).

About KKR

KKR is a leading global investment firm that offers alternative asset management as well as capital markets and insurance solutions. KKR aims to generate attractive investment returns by following a patient and disciplined investment approach, employing world-class people and supporting growth in its portfolio companies and communities. KKR sponsors investment funds that invest in private equity, credit and real assets and has strategic partners that manage hedge funds. KKR’s insurance subsidiaries offer retirement, life and reinsurance products under the management of Global Atlantic Financial Group. References to KKR’s

investments may include the activities of its sponsored funds and insurance subsidiaries. For additional information about KKR & Co. Inc. (NYSE: KKR), please visit KKR's website at www.kkr.com and on Twitter @KKR_Co.

About H.I.G. Capital

H.I.G. Capital is a leading global alternative investment firm with \$58 billion of capital under management.* Based in Miami, and with offices in New York, Boston, Chicago, Dallas, Los Angeles, San Francisco, and Atlanta in the U.S., as well as international affiliate offices in London, Hamburg, Madrid, Milan, Paris, Bogotá, Rio de Janeiro and São Paulo, H.I.G. specializes in providing both debt and equity capital to small and mid-sized companies, utilizing a flexible and operationally focused/ value-added approach:

1. H.I.G.'s equity funds invest in management buyouts, recapitalizations and corporate carve-outs of both profitable as well as underperforming manufacturing and service businesses.
2. H.I.G.'s debt funds invest in senior, unitranche and junior debt financing to companies across the size spectrum, both on a primary (direct origination) basis, as well as in the secondary markets. H.I.G. also manages a publicly traded BDC, WhiteHorse Finance.
3. H.I.G.'s real estate funds invest in value-added properties, which can benefit from improved asset management practices.
4. H.I.G. Infrastructure focuses on making value-add and core plus investments in the infrastructure sector.

Since its founding in 1993, H.I.G. has invested in and managed more than 400 companies worldwide. The firm's current portfolio includes more than 100 companies with combined sales in excess of \$52 billion. For more information, please refer to the H.I.G. website at www.higcapital.com.

*Based on total capital raised by H.I.G. Capital and its affiliates.

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