

**ASX ANNOUNCEMENT**

ASX Release 15 March 2022

**Comms Group Signs Significant Global Supply Agreement with Vodafone Global Enterprise**

**Comms Group Limited (ASX:CCG) (“Comms Group” or the “Company”)** is pleased to announce that it has signed a significant global agreement to provide key unified communications and related telecommunications services to leading international telco provider **Vodafone Global Enterprise** (Vodafone) – the global enterprise division of Vodafone Business and the Vodafone Group PLC.

**Highlights:**

- Comms Group has entered into a global supply agreement (“agreement”) with Vodafone to supply key wholesale telecommunications services to its customers across Comms Group’s global network.
- Services to be provided include Microsoft Teams calling (direct routing) services, SIP trunking services, value added services (including but not limited to call recording, call reporting, contact centre, teams to text messaging/SMS integration) and hardware-based voice solutions. The Company will also be providing professional support services to Vodafone.
- Revenue to be generated will be dependent on the number of users onboarded. Management expects the agreement will materially add to current +\$50m annualised revenues as well as to annualised EBITDA in years 2 and 3. This is based on a conservative level of uptake for the service.
- Initially, the agreement will require an investment in mobilisation costs, staff deployment and contract establishment related costs which is likely to have a negative impact on overall EBITDA in the first year of the agreement.
- Comms Group reconfirms its FY22 guidance for revenue of \$40m to \$43m and underlying EBITDA of \$5m to \$5.5m before the costs associated with the investment required to execute this agreement.
- The agreement is for an initial term of 3 years and then renewable annually. Vodafone may cancel the agreement for convenience on 6 months’ notice and Comms Group may cancel the agreement for convenience on 18 months’ notice.

Comms Group will immediately mobilise staff and resources and commence infrastructure and systems enhancements to support Vodafone. This includes:

- Additional sales and operations resources to support the Vodafone contract internationally including the Northern Hemisphere.
- Upgrades and enhancements, where required, to network and internal operational support systems.

Initial capex to support these initiatives is estimated at circa \$0.5m over a 12-month period.

Peter McGrath, Comms Group’s CEO and Managing Director stated “We are extremely delighted to partner with Vodafone Global Enterprise to support Vodafone’s moves into offering the very best teams calling unified communications experience globally with extensive coverage to service the world’s largest enterprises. We have a close and growing relationship with Vodafone and are pleased to be able to work alongside them providing the latest generation unified communications services across the globe.”

The agreement has been entered into between Comms Group, via its wholly owned international subsidiary Comms Group (International) Pte Ltd and Vodafone Procurement Company SARL, a wholly owned subsidiary of Vodafone Group PLC.

**Authorised for release by the Board of Comms Group Limited.**

**ENDS**

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## **ABOUT COMMS GROUP**

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Comms Group provides a full range of IT and Communications services from the Cloud including IT managed services, cloud hosting, cloud communications and UcaaS services.

The company is delivering on its three key strategic growth pillars of International (16 points of presence globally covering 100+ countries); Domestic - through the **Next Telecom** and **onPlatinum** brands; and Wholesale and Partner services.

***Domestic SME/Corporate Services (branded Next Telecom and onPlatinum)*** – domestically: the group delivers a vast array of comms services for businesses including, data services (Fibre, NBN), IP voice, inbound/toll-free, wrapped into an award-winning state-of-the-art service layer as well as an extensive range of ICT services including managed IT services, cloud and security services.

***International Services (branded Comms Group)***: the group uses its cloud based global business phone platform and its global Microsoft Teams Direct Routing telephony calling platform covering 100+ countries, for corporate customers in multiple regions, delivered on one invoice.

***Wholesale and Partner Services (branded Comms Group)*** – both domestic & international: offering all our retail technologies and key wholesale services and leveraging our international network to key wholesale and partner customers.