FROST & SULLIVAN

2024 COMPETITIVE STRATEGY LEADER

IN THE EUROPEAN UCAAS INDUSTRY

Gamma

FROST & SULLIVAN

2024 BEST PRACTICES AWARD

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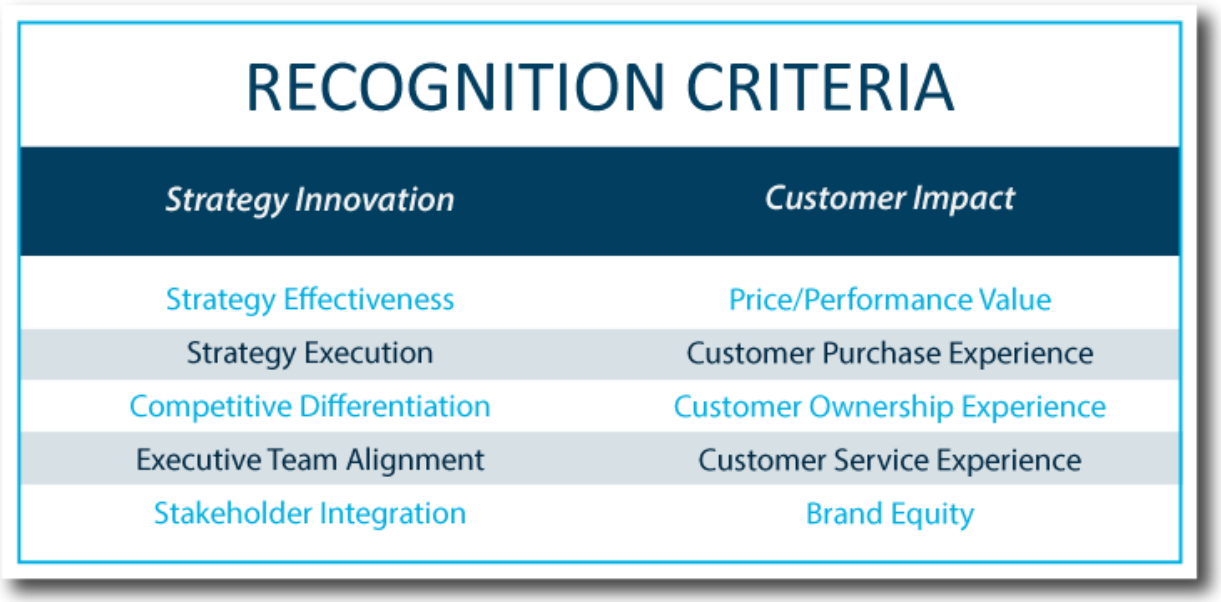
Best Practices Criteria for World-class Performance

Frost & Sullivan applies a rigorous analytical process to evaluate multiple nominees for each recognition category before determining the final recognition recipient. The process involves a detailed evaluation of best practices criteria across two dimensions for each nominated company. Gamma Communications excels in many of the criteria in the European UCaaS space.



Strategy Effectiveness

Gamma Communications' success in the European hosted Internet Protocol (IP) telephony and unified communications as a service (UCaaS) market is driven by a multi-faceted growth strategy, including:

> *"Efficacious execution of Gamma Communications' strategy is quite evident in its notable growth over the past three years, during which many of its other competitors have struggled to sustain stable growth."*
>
> ***- Robert Arnold, Industry Director, Connected Work Research***

- organically increasing sales and continued internal technology development,
- mergers and acquisitions (M&A) for UK-domestic and international European footprint and portfolio expansion,
- strengthened and expanded partnerships with leading technology developers, and
- effectively leveraging direct and indirect sales channels.

Efficacious execution of Gamma Communication's strategy is quite evident in its notable growth over the past three years, during which many of its other competitors have struggled to sustain stable growth or have remained flat. Gamma Communications (Gamma) reported cloud PBX seat growth of 9% in the UK and 170% in Europe in 2024: 25% in the UK and 5% in Europe in 2023; and 11% in the UK and 28% in Europe in 2022.

As a result of executing on its strategy, Gamma surpassed the milestone of 1 million hosted IP PBX and cloud PBX seats in the UK as of June 30, 2024. Additionally, the company has significantly expanded its

installed European UCaaS seats in the Netherlands, Spain, and Germany, increasing them by approximately four times since 2022.

Gamma has also delivered significant growth from 2021 through 2024 in the adjacent and strategically important SIP trunking market across a diverse mix of traditional hardware PBXs, non-Gamma cloud PBXs, and Gamma cloud PBXs in the UK and Europe. Gamma's supporting services for Microsoft Teams is experiencing exponential growth, including an increase of 187% in voice-enabled Microsoft Teams users on Operator Connect or Teams Direct Routing connections in 2022 compared to 2021. As of December 31, 2024, Gamma had 481,000 voice-enabled Microsoft Teams users and is one of the largest Operator Connect providers globally.

Strategy Execution

Gamma's growth is well-earned. In the UK, the company established its hosted IP telephony and UCaaS business leveraging BroadSoft infrastructure on which Gamma's proven and trusted Horizon communications services portfolio is based. Gamma has internally developed Horizon Collaborate and Contact applications to deliver a full suite of calling, video meetings, and customer experience capabilities to end-user organizations. By offering reliable business call control services and a wealth of additional options at competitive prices, Gamma amassed a customer base on hosted PBX of 1,040,000 seats in the UK by the end of 2024, which places the company among the leading providers in the intensely competitive UK UCaaS market.

Gamma has strengthened its partnership with Cisco, which acquired BroadSoft in 2018, and integrated Webex to bring market-leading cloud-based collaboration solutions to Horizon users in the UK and the Netherlands. By leveraging Cisco's innovative AI technologies and Gamma's cloud communications expertise, Gamma can deliver cutting-edge technologies to thousands of businesses.

Acquisitions have also expanded Gamma's portfolio and ability to innovate for the SME segment.

- Using capabilities acquired with Mission Labs in 2021, Gamma has developed PhoneLine+, a voice application aimed at micro businesses that cost-effectively addresses cloud-based voice-only customer requirements.
- In early 2024, Gamma acquired EnableX Group and its established business, enhancing Gamma's SME business offerings with robust UCaaS solutions based on the Ericsson-LG iPECS platform.
- The 2023 and 2024 acquisitions of Coolwave, Satisnet, and BrightCloud Group further enhance Gamma's portfolio with international connectivity, managed security, contact center and other services that can be used to grow, upsell, and cross-sell - and thus increase Gamma's UCaaS base and ARPU and enhance customer value.
- The latest acquisitions, Placetel in September 2024 and STARFACE Group in February 2025, significantly increases Gamma's presence in Germany as well as adding new UCaaS capabilities such as Webex for Placetel which can be purchased through digital buying journeys and STARFACE cloud that is specifically designed for the Mittlestand region.

M&As have substantially strengthened Gamma's presence in the UK, Spain, the Netherlands, and Germany. An important element of these activities is the broadening and deepening of Gamma's channel

partner network through the addition of hundreds of resellers with expertise in their regional and local markets. A strong channel is pivotal to effectively reach and address SMBs with the efficiency that many UCaaS providers struggle to achieve. Consistently reliable support and delivery of new products to sell are key to Gamma's sustained success through channel partners. This is demonstrated by the strength of the channel-centric Gamma Business division, which focuses on customers with 250 or fewer employees and generates greater than 60% of Gamma Group's revenues.

Competitive Differentiation

Gamma now has a comprehensive UCaaS solutions portfolio in the UK to serve businesses of all sizes and plans to replicate this throughout Europe. Frost & Sullivan notes that this will be a clear differentiator for Gamma in comparison to many national and multi-national European competitors with more limited footprints and portfolios.

Far from a one-size-fits-all approach that often requires customers to compromise, Gamma offers a broad portfolio to effectively address a range of customer sizes, industries, and requirements. The company delivers cloud telephony and UCaaS solutions, as well as supporting and adjacent tools and services that are intuitively organized under the Gamma Elements portfolio.

- **Gamma Enable** comprises foundational technologies that every customer must have, including connectivity and broadband, SIP trunking, and Gamma Mobile (which is enabled through partnership with Three in the UK).
- **Gamma Connect** organizes the company's voice, video, and chat solutions, including PhoneLine+, CircleLoop, Horizon Cloud Phone System, Microsoft Teams Phone solutions, and Webex for Gamma.
- **Gamma Experience** comprises a range of contact center solutions, such as Amazon Connect, Gamma Contact, secure payments with PCI compliance, Cirrus Contact Centre, and Gamma Contact for Service Providers.
- **Gamma Secure** encompasses security solutions including cyber maturity assessment and gap analysis, managed SOC, vulnerability management, managed detection and response, and secure service edge.
- **Gamma Solutions** structures the provider's enterprise managed solutions, managed networks, clearing as a service, and PCI compliance offers to support employee and customer experience, connectivity and IoT, and communications intelligence.
- **Gamma ToolBox** equips partners to support end customers with APIs and integrations; partner portal for provisioning, management, documentation and news; partner program assets such as dedicated account management, sales and support; and Gamma Academy onboarding and training tools.

Frost & Sullivan's own research confirms that it is the breadth and depth of Gamma cloud telephony solutions that are purely differentiated in the UK and much of Europe compared to the vast majority of competitors.

Gamma addresses the needs of smaller companies with PhoneLine+, which is specifically designed to replace traditional landline services with VoIP voice calls delivered over broadband at competitive prices that appeal to micro-businesses and is exceedingly important as PSTN shutdown approaches. CircleLoop

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is positioned as a full-feature, cloud-based self-service phone system designed to bring teams together using desktop and mobile software user interfaces/apps.

Horizon Cloud Phone System is a complete and customizable cloud-based solution that can be integrated into customers' broader technology environment with the functionality, flexibility, scalability, and reliability that SMEs and enterprises require. In addition, Gamma offers SME customers contemporary full-feature UCaaS solutions based on the Ericsson-LG iPECS platform.

Direct Routing, Horizon for Teams, and Operator Connect expand the deployment, cost and functionality options customers have for their investments in Microsoft Teams solutions. Powered by Cisco, Webex for Gamma delivers AI-driven intelligent communications in a Webex Calling-based solutions packaged and supported by Gamma and its channel partners.

Through its broad portfolio and its technology partners Cisco, Microsoft, and Ericsson-LG, Gamma and its channel partners can ensure that solutions are appropriately matched to the requirements customers have today and can rely on to deliver value into the future.

Customer Purchase and Ownership Experience

Many hosted IP telephony providers in the UK do not include calling minutes or equipment in their services bundles, which makes it quite challenging for businesses to assemble a complete solution from multiple vendors. Gamma greatly simplifies partner sales and the customer purchase experience by packaging features, minutes, and telephone terminals into a comprehensive service bundle delivered at a single flat monthly fee. Uniquely positioned as a voice and data network provider, Gamma frequently and consistently bundles broadband access as well as networking services, SD-WAN, with its hosted IP telephony offering. This not only simplifies the purchase process but also streamlines ongoing billing and vendor management.

Gamma offers customers choice in hosted IP telephony bundles based on features and calling minutes, which allows businesses to deliver the right capabilities and best feature/minute plans to their diverse user base. Gamma also provides several communications endpoints options, including VoIP devices from HP Poly, Cisco, and Yealink to match various customer budgets, environments, and feature requirements.

Gamma's advanced partner portal automates selling, provisioning, number porting, billing and solution management, making it convenient and cost-effective for resellers to effectively engage with customers throughout the solution lifecycle. Thus, partners white-labelling Gamma's hosted IP telephony offerings can focus on customer acquisition and retention - rather than operational responsibilities.

Gamma's diversified portfolio allows partners and end customers to leverage other Gamma services along with the hosted IP telephony solution. For example, businesses with hybrid environments — i.e., those retaining premises-based solutions in certain sites while migrating other sites to the cloud — can leverage

Gamma SIP trunking services to realize cost savings through converged voice and data access and lower long-distance voice charges.

Gamma places a strong emphasis on service performance through which it has earned partner and customer trust. Gamma Horizon is supported by a geo-redundant data center infrastructure with servers residing in four different sites. In the past years, the company reported service availability of more than 99.99 percent, which compares favorably to industry-average service availability.

Gamma also strives to aid its partners and end customers through holistic project management, ongoing service quality monitoring, and service automation. A primary goal is to be exceptionally easy to do business with.

Customer references validate continuous added value delivered by Gamma. Due to growth and evolving business needs, Moore Kingston Smith LLP, a London-based accounting and advisement firm, faced considerable challenges with their telephony and collaboration systems. The firm sought a telephony and collaboration partner that could scale and innovate in tandem with their evolving requirements and embarked on a strategic partnership with Gamma. The cornerstone of the collaboration was the implementation of Microsoft Calling Plans through Operator Connect, which ushered in a new era of flexibility, efficiency and integration for the firm. The project's success is multifaceted, encompassing cost savings, enhanced efficiency and a unified telephony landscape under Gamma. The continuing journey shared by Gamma and Moore Kingston Smith is one of transformation, partnership and innovation. The partnership continues to evolve and deepen in clear demonstration of how companies can achieve greater things by working together.

Overall, Gamma's advanced cloud communications platform and real-time communications expertise combined with partner equipment, IT services, and other complementary skill sets facilitate superior customer purchase and ownership experiences that are driving rapid customer acquisition and market share growth for Gamma and its partners. The provider's strong focus on service quality and reliability, continued innovation, and broad services portfolio including SIP trunking, networking services, mobile, and more, ensure that customers can rely on Gamma as their technological needs evolve.

Brand Equity

Customers and technology and sales partners all seek to align with providers that are fiscally solvent, organizationally well-structured, and proven to execute on their strategies. Gamma has generated consistent revenue and EBITDA growth. Since 2014 Gamma Communications PLC has been listed on the UK's Alternative Investment Market (AIM), and as such the company's performance is visible to the public. 2025 will see Gamma transition to the Main Market of the London Stock Exchange and inclusion in the FTSE 250 index.

Since its creation in 2002, Gamma has rapidly become one of the dominant players in the UK communications market and is increasing its strength in mainland Europe countries through smart, timely M&As followed by continued growth of acquired entities.

With over 1 million hosted IP telephony seats in the UK, Gamma is well entrenched and highly regarded in the SMB, enterprise, and public sector segments with business units dedicated to each segment.

Gamma has bolstered its position throughout the years organically and through M&A. Over 150,000 seats have been organically added to the installed Horizon customer base since 2021, while the acquisitions of Mission Labs and EnableX combined added over 200,000 cloud telephony and UCaaS seats to Gamma's UK installed base.

In Germany, Gamma Communications GmbH (formerly HFO Telecom) is among leading SIP trunk and emerging cloud PBX providers with a proven record of product and service quality. With German headquarters in Bavaria, Gamma conducts business nationally through over 1,000 reseller partners. Through its Epsilon brand, Gamma is also a large business-to-business (B2B) mobile distributor in Germany that offers mobile connections from all three major German mobile network operators. The September 2024 acquisition of Placetel, a market leading provider of UCaaS services to SMB and enterprises in Germany, enables businesses to buy Cisco Webex services both digitally and through a network of partners. In February 2025 Gamma acquired STARFACE, and their proprietary UCaaS solution developed for the German SME market. The latest acquisitions have elevated Gamma to being one of the leading UCaaS providers in Germany.

Gamma Communications España (formally VozTelecom) is a cloud communications service provider in Spain, primarily focused on the SME segment. Headquartered in Barcelona, it ranks among the leading Spanish SIP trunk and cloud PBX providers, offering fixed and mobile communications bundled with internet access.

Gamma Communications Nederland (formerly Dean One and gnTel) is a telecom carrier and internet provider delivering hosted IP telephony, mobile, and broadband services through more than 900 channel partners to SMEs in Belgium, Netherlands, and Luxembourg (Benelux). The Dutch business unit Nimsys operates as an ICT specialist for workspaces and multi-tenant buildings. The Schiphol Connect business provides telecom and internet services at Schiphol Airport in the Netherlands.

As Gamma aspires to further expand its UCaaS presence in Europe, the company can rely on its established brands, partner networks, and satisfied customers in local, national, and regional markets as assets with which it can earn the confidence of new partner and customer relationships.

Conclusion

The maturing European UCaaS market is poised for the next growth phase. To be successful, competitors must have well-formed multi-faceted strategies and the ability to execute in this next era of the market. With its strong overall performance and evolving portfolio designed to address the demands of European business markets across micro businesses, SMB and enterprises, Gamma Communications earns the 2024 Frost & Sullivan Competitive Strategy Leadership Recognition in the European UCaaS industry.

What You Need to Know about the Competitive Strategy Leadership Recognition

Frost & Sullivan's Competitive Strategy Leadership Recognition is its top honor and recognizes the market participant that exemplifies visionary innovation, market-leading performance, and unmatched customer care.

Best Practices Recognition Analysis

For the Competitive Strategy Leadership Recognition, Frost & Sullivan analysts independently evaluated the criteria listed below.

Strategy Innovation

Strategy Effectiveness: Effective strategy balances short-term performance needs with long-term aspirations and overall company vision

Strategy Execution: Company strategy utilizes best practices to support consistent and efficient processes

Competitive Differentiation: Solutions or products articulate and display unique competitive advantages

Executive Team Alignment: Executive team focuses on staying ahead of key competitors via a unified execution of its organization's mission, vision, and strategy

Stakeholder Integration: Company strategy reflects the needs or circumstances of all industry stakeholders, including competitors, customers, investors, and employees

Customer Impact

Price/Performance Value: Products or services offer the best ROI and superior value compared to similar market offerings

Customer Purchase Experience: Purchase experience with minimal friction and high transparency assures customers that they are buying the optimal solution to address both their needs and constraints

Customer Ownership Excellence: Products and solutions evolve continuously in sync with the customers' own growth journeys, engendering pride of ownership and enhanced customer experience

Customer Service Experience: Customer service is readily accessible and stress-free, and delivered with high quality, high availability, and fast response time

Brand Equity: Customers perceive the brand positively and exhibit high brand loyalty, which is regularly measured and confirmed through a high Net Promoter Score®

Best Practices Recognition Analytics Methodology

Inspire the World to Support True Leaders

This long-term process spans 12 months, beginning with the prioritization of the sector. It involves a rigorous approach that includes comprehensive scanning and analytics to identify key best practice trends. A dedicated team of analysts, advisors, coaches, and experts collaborates closely, ensuring thorough review and input. The goal is to maximize the company's long-term value by leveraging unique perspectives to support each Best Practice Recognition and identify meaningful transformation and impact.

		VALUE IMPACT	
STEP		WHAT	WHY
1	**Opportunity Universe**	Identify Sectors with the Greatest Impact on the Global Economy	Value to Economic Development
2	**Transformational Model**	Analyze Strategic Imperatives That Drive Transformation	Understand and Create a Winning Strategy
3	**Ecosystem**	Map Critical Value Chains	Comprehensive Community that Shapes the Sector
4	**Growth Generator**	Data Foundation That Provides Decision Support System	Spark Opportunities and Accelerate Decision-making
5	**Growth Opportunities**	Identify Opportunities Generated by Companies	Drive the Transformation of the Industry
6	**Frost Radar**	Benchmark Companies on Future Growth Potential	Identify Most Powerful Companies to Action
7	**Best Practices**	Identify Companies Achieving Best Practices in All Critical Perspectives	Inspire the World
8	**Companies to Action**	Tell Your Story to the World (BICEP*)	Ecosystem Community Supporting Future Success

*Board of Directors, Investors, Customers, Employees, Partners

About Frost & Sullivan

Frost & Sullivan is the Growth Pipeline Company™. We power our clients to a future shaped by growth. Our Growth Pipeline as a Service™ provides the CEO and the CEO's growth team with a continuous and rigorous platform of growth opportunities, ensuring long-term success. To achieve positive outcomes, our team leverages over 60 years of experience, coaching organizations of all types and sizes across 6 continents with our proven best practices. To power your Growth Pipeline future, visit Frost & Sullivan at http://www.frost.com.

The Growth Pipeline Generator™

Frost & Sullivan's proprietary model to systematically create ongoing growth opportunities and strategies for our clients is fueled by the Innovation Generator™.

Learn more.

Key Impacts:

- **Growth Pipeline:** *Continuous Flow of Growth Opportunities*
- **Growth Strategies:** *Proven Best Practices*
- **Innovation Culture:** *Optimized Customer Experience*
- **ROI & Margin:** *Implementation Excellence*
- **Transformational Growth:** *Industry Leadership*



The Innovation Generator™

Our 6 analytical perspectives are crucial in capturing the broadest range of innovative growth opportunities, most of which occur at the points of these perspectives.

Analytical Perspectives:

- Megatrend (MT)
- Business Model (BM)
- Technology (TE)
- Industries (IN)
- Customer (CU)
- Geographies (GE)

