



NEWS RELEASE

SANGOMA REPORTS RESULTS FOR THIRD QUARTER OF FISCAL 2014 AND ANNOUNCES CHANGES TO THE BOARD OF DIRECTORS Quarterly revenue grows by 9% Year-Over-Year

MARKHAM, ONTARIO, May 23, 2014 – Sangoma Technologies Corporation (TSX VENTURE:STC), a leading provider of hardware and software components that enable or enhance IP Communications Systems for both voice and data, today announced highlights of its unaudited consolidated interim financial statements under IFRS for the third quarter of fiscal 2014, ended March 31, 2014.

Sales for the third quarter of fiscal 2014 were approximately \$3.5 million, up 9% from the same quarter last year in fiscal 2013.

“I am pleased to again report solid revenue growth over last year”, said Bill Wignall, President and CEO of Sangoma. “While sales of new products remain our primary focus, during the last quarter or so, we’ve put extra attention into sales of our legacy products as well. The market for those products is likely to decline over time, so our only alternative is to fight for share, which we’ve done by entering new geographies or forming new partnerships to strengthen share in certain countries. That helped in our third quarter, although perhaps not by quite as much as we would have liked, due to the ‘lumpiness’ in orders as described previously. At the same time, we continue to be prudent with operating expenses, and as a result, have produced healthy Operating Income once again this quarter, delivering a significant swing from one year ago.”

	Q3 FY2014	Q3 FY2013	Change	Q2 FY2013	Change
Sales	\$3.48 m	\$3.18 m	9%	\$3.63 m	(4%)
Gross profit	\$2.34 m	\$1.99 m	18%	\$2.44 m	(4%)
Operating Expense	\$2.12 m	\$2.15 m	(1%)	\$2.13 m	(0%)
Operating Income ¹	\$0.22 m	-\$0.16 m		\$0.31 m	
Net income	\$0.16 m	-\$0.14 m		\$0.22 m	
Net earnings per share (fully diluted)	\$0.005	(\$0.005)		\$0.008	
EBITDA ¹	\$0.33 m	-\$0.04 m		\$0.43 m	

¹ Operating Income and EBITDA are metrics used by the Company to monitor its performance and the definitions may be found in the accompanying MD&A posted today at www.sedar.com.

Gross profit was \$2.34 million for the quarter or 67% of revenue, just slightly above the levels the Company typically expects.

Operating expense for the third quarter was \$2.12 million, down \$0.03 million (1%) from the \$2.15 million last year.

Operating income was \$0.22 million for the quarter ended March 31, 2014, compared to an operating loss of \$0.16 million in the same quarter a year ago. Net Income for the quarter was \$0.16 million (\$0.005 per share fully diluted), compared to a net loss of \$0.14 million (-\$0.005 per share fully diluted) for the quarter ended March 31, 2013.

Sangoma continues to maintain a solid balance sheet with over \$4 million in cash and working capital of \$10.99 million, as compared to \$10.62 million on June 30, 2013.

President and CEO, Bill Wignall, and CFO, David Moore will host a conference call on Tuesday May 27, 2014 at 12.00 noon Eastern Standard Time to discuss the quarterly results. The dial-in number for the call is 1-800-319-4610 (International 1-604-638-5340). Investors are requested to dial in 5 to 10 minutes before the scheduled start time and ask to join the Sangoma call.

At the Board Meeting on May 23, 2014 Sangoma commenced an evolution of its Board of Directors with the acceptance of the resignations of Messrs. Jonathan Matthews and Jay Lefton, whom the Board wishes to thank for their contributions to Sangoma. At the same meeting Mr. Al Guarino was appointed as a Director of Sangoma and Chair of the Audit Committee. Mr. Guarino is a CPA, a former partner of Arthur Andersen LLP, sat on the Board of Futurecom Systems Group, a leader in the design and manufacture of RF coverage extension systems for public safety, is currently CEO of Physiomed Physician Services and sits on the Board of Cornerstone 52 Foundation, a not for profit organization that raises money for various children's charities.

About Sangoma Technologies Corporation

Sangoma is a leading provider of hardware and software components that enable or enhance IP Communications Systems for both telecom and datacom applications. Sangoma's data boards, voice boards, gateways and connectivity software are used in leading PBX, IVR, contact center and data-communication applications worldwide. The product line includes both hardware and software components that offer a comprehensive toolset for deploying cost-effective, powerful, and flexible communication solutions.

Founded in 1984, Sangoma Technologies Corporation is publicly traded on the TSX Venture Exchange (TSX VENTURE: STC). Additional information on Sangoma can be found at: www.sangoma.com.

Cautionary Statement Regarding Forward Looking Statements

This press release contains forward-looking statements, including statements regarding the future success of our business, development strategies and future opportunities.

Forward-looking statements include, but are not limited to, statements concerning estimates of expected expenditures, statements relating to expected future production and cash flows, and other statements which are not historical facts. When used in this document, the words such as "could", "plan", "estimate", "expect", "intend", "may", "potential", "should" and similar expressions indicate forward-looking statements.

Although Sangoma believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements. Forward-looking statements are based on the opinions and estimates of management at the date that the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in forward-looking statements. Sangoma undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change except as required by law.

Readers are cautioned not to place undue reliance on forward-looking statements, as there can be no assurance that the plans, intentions or expectations upon which they are based will occur. By their nature, forward-looking statements involve numerous assumptions, known and unknown risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and other events contemplated by the forward-looking statements will not occur. Although Sangoma believes that the expectations represented by such forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct as these expectations are inherently subject to business, economic and competitive uncertainties and contingencies. Some of the risks and other factors which could cause results to differ materially from those expressed in the forward-looking statements contained in the management's discussion and analysis include, but are not limited to changes in exchange rate between the Canadian Dollar and other currencies, changes in technology, changes in the business climate, changes in the regulatory environment, the decline in the importance of the PSTN and new competitive pressures. The forward-looking statements contained in this press release are expressly qualified by this cautionary statement.

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Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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