



NEWS RELEASE

SANGOMA REPORTS RESULTS FOR THIRD QUARTER OF FISCAL 2015 Sales Up Approximately 40% to All Time Record

MARKHAM, ONTARIO, May 20, 2015 – 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 for the third quarter of fiscal 2015, ended March 31, 2015.

Sales for the third quarter of fiscal 2015 were a record \$4.79 million, up 40% from the second quarter of fiscal 2015 ended December 31, 2014 and 38% from the third quarter of fiscal 2014.

“These results start to demonstrate the attractiveness of our recent acquisitions of FreePBX/Schmooze and RockBochs”, said Bill Wignall, President and CEO at Sangoma. “We can now see the benefit to Sangoma’s top line, gross margin, and profitability, as a result of higher software and service components to our business. Customers have reacted well to the joint offerings, so it is gratifying to see Sangoma now able to produce results that validate the strategic fit between the companies. As noted last quarter, revenues in the traditional Sangoma business were below our expectations this past quarter, with sales of some product categories having softened. There was a tremendous amount of work on the part of many people at the combined company, that went into putting the acquisitions together and beginning the integration. With some of that heavy lifting behind us, we now need to refocus on growing all parts of our business. But for the first quarter post acquisitions, this is an encouraging start.”

	Q3 FY2015	Q3 FY2014	Change	Q2 FY2015	Change
Sales	\$4.79 m	\$3.48 m	38%	\$3.42 m	40%
Gross profit	\$3.41 m	\$2.34 m	46%	\$2.16 m	58%
Operating Expense	\$3.10 m	\$2.12 m	46%	\$2.06 m	50%
Operating Income ¹	\$0.31 m	\$0.22 m		\$0.10 m	
Net income	\$0.25 m	\$0.16 m		(\$0.16) m	
Net earnings per share (fully diluted)	\$0.008	\$0.005		(\$0.006)	
EBITDA ¹	\$0.52 m	\$0.33 m		\$0.16 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 \$3.41 million for the quarter or 71% of revenue, which is higher than recent quarters owing to the impact of the new acquisitions.

Operating expense for the third quarter was \$3.10 million, 46% higher than the \$2.12m in the same quarter of fiscal 2014, also the result of the higher expense run rate that now exists due to the recent acquisitions.

Operating Income was \$0.31 million for the quarter versus \$0.22 million in the same quarter last year with the new acquisitions being accretive as expected.

Net Income for the quarter ended March 31, 2015 was \$0.25 million (\$0.008 per share fully diluted) compared to net income of \$0.16 million (\$0.005 per share fully diluted) for the quarter ended March 31, 2014.

As a result of the consideration paid for the acquisitions, Sangoma had working capital of \$6.69 million on March 31, 2015, as compared to \$11.35 million on June 30, 2014, providing ample liquidity. The company generated \$0.52m of cash from operations during the third quarter.

President and CEO, Bill Wignall, and CFO, David Moore will host a conference call on Monday May 25, 2015 at 11.30am EST to discuss these quarterly results. The dial-in number for the call is 1-800-319-4610. Investors are requested to dial in 5 to 10 minutes before the scheduled start time and ask to join the Sangoma call.

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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