

NetCom BW Relies on DZS for Fiber Optic Expansion

6/24/2021

Subsidiary of Germany's third largest energy provider EnBW is expanding high-speed Internet to previously underserved rural areas in Baden-Württemberg and neighboring Bavaria

PLANO, Texas, June 24, 2021 (GLOBE NEWSWIRE) -- **DZS** (NASDAQ: DZSI), a global leader in optical and packet-based mobile transport, broadband connectivity, and software defined networking solutions, today announced that long-time customer **NetCom BW** (NetCom) is leveraging the advanced **DZS Velocity** Fiber-to-the-Home and Fiber-to-the-Curb solutions to support the expansion and modernization of its fiber optic network. NetCom BW brings ultra-fast hyper-broadband services to rural areas in the southern German states of Baden-Württemberg and neighboring Bavaria.

A subsidiary of **EnBW**, NetCom is primarily active in subsidized municipal fiber optic communications services expansion. The company's services include Internet and telephony products for residential customers as well as broadband connections for commercial and large-scale customers. With the new federal German subsidy for so-called "grey areas" of broadband coverage, the government is not only subsidizing "white areas" with available broadband services below 30 megabits per second (Mbps), but also areas with broadband data rate availability of less than 100 Mbps.

"Connecting rural areas to high-speed Internet is one of the most important digitization tasks of our time," says Bernhard Palm, Managing Director of NetCom BW. "The federal government's new subsidy program for 'grey' areas will provide another sustained boost to broadband expansion in these regions over the next few years. With its reliable and flexible access platforms, DZS can optimally support us in the modernization and expansion of our fiber optic network. Another reason for choosing DZS as a technology supplier in our multi-vendor strategy was the fact that we have already worked together successfully in the past. We look forward to further cooperation to provide broadband services to existing and new customers."

NetCom uses the DZS Velocity MileGate fiber-to-the-home/fiber-to-the-curb access systems in its network. The project includes the modernization of existing MileGate systems, the replacement of old DSLAM systems and the development of new locations and areas. The configuration of these systems for NetCom BW and their commissioning will be handled by **EQOS Energie** – a regional Elite partner of DZS.

Today, fast and reliable Internet services are seen as just as necessary for municipalities as water and energy. If these services are not available, the competitiveness and attractiveness of a region will suffer. This has proven true for companies as well as private individuals, and is vividly demonstrated by the strong increase in home office use during the pandemic. Telecommuting in turn has led to heightened demand and rising requirements for high network quality and availability of network services. For NetCom, the DZS Velocity portfolio has successfully met this challenge head-on with its flexible and reliable multi-service broadband connectivity solutions.

"For many people, the state of the Internet is a decisive criterion when choosing where to live," says Erwin Trautmann, VP of EMEA Sales at DZS. "NetCom's actions and investments in southern Germany are proving to be truly transformational for the region. We are very pleased to be able to support NetCom with our access technology, innovation and constructive cooperation in connecting underserved areas to high-speed Internet. We look forward to working closely with EQOS Energie and NetCom as they continue to grow this network and provide digital empowerment to the businesses and residents of the region."

More information about DZS and its fiber access solutions can be found at www.dzsi.com.

About NetCom BW

NetCom BW GmbH, based in Ellwangen, was founded in 2014 and is a group company of EnBW Energie Baden-Württemberg AG. The company now works for almost half of all municipalities in Baden-Württemberg as well as for municipalities in neighbouring Bavaria as part of the fiber-optic-based broadband expansion. With its innovative services in the business areas of data communications, site networking, telephony and services, NetCom BW is a recognized player in the domestic telecommunications and IT market. NetCom BW's customers include private households, industrial and commercial enterprises, and municipal institutions. With the company's own data and voice network via fiber optics of around 16,600 kilometers, NetCom BW has one of the largest and most modern fiber optic networks in Baden-Württemberg.

About DZS

DZS Inc. (NSDQ: DZSI) is a global leader in optical and packet-based mobile transport, broadband access and software defined networking solutions. With more than 20 million products in-service and customers and alliance partners spanning more than 100 countries, DZS is helping many of the world's most advanced and innovative service providers and enterprises leverage the power of 5G, 10gig fixed broadband, and software-defined networks

to deliver cutting-edge services and lead in their markets.

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This press release contains forward-looking statements regarding future events and our future results that are subject to the safe harbors created under the Private Securities Litigation Reform Act of 1995. These statements reflect the beliefs and assumptions of the Company's management as of the date hereof. Words such as "anticipate," "believe," "continue," "could," "estimate," "expect," "forecast," "goal," "intend," "may," "plan," "project," "seek," "should," "target," "will," "would," variations of such words, and similar expressions are intended to identify forward-looking statements. Readers are cautioned that these forward-looking statements are only predictions and are subject to risks, uncertainties and assumptions that are difficult to predict. The Company's actual results could differ materially and adversely from those expressed in or contemplated by the forward-looking statements. Factors that could cause actual results to differ include, but are not limited to, those risk factors contained in the Company's SEC filings available at www.sec.gov, including without limitation, the Company's annual report on Form 10-K, quarterly reports on Form 10-Q and subsequent filings. In addition, additional or unforeseen affects from the COVID-19 pandemic and the global economic climate may give rise to or amplify many of these risks. Readers are cautioned not to place undue reliance on any forward-looking statements, which speak only as of the date on which they are made. DZS undertakes no obligation to update or revise any forward-looking statements for any reason.

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Source: DZS