

ETC Group acquires Comtec Group

The transaction allows ETC Group to further expand its geographic footprint and customer base, particularly in the fast-growing UK market

17 July 2020, Huntingdon, UK, & Eaubonne, France – Euro Techno Com Group (ETC Group), a one-stop shop value-added distributor of telecommunications equipment and supplies, announced today the acquisition of Comtec Group, one of the UK's largest value-added distributors of telecom and datacoms products. The financial terms of the transaction are not disclosed.

Founded in 1993, ETC Group is headquartered in Eaubonne (Ile-de-France) and has operations across six countries in Europe and North America. The company is a global leader in product design, procurement, supply chain management, and the distribution of passive and active telecom equipment and materials with best-in-class technical and logistics solutions for communications service providers' network deployment and maintenance. ETC Group's 2,000+ customers include major American and European cable operators and telecommunications service providers, as well as large and small independent installers and sub-contractors.

Founded in 1978, Comtec Group is one of the UK's largest value-added distributors of telecom and IP equipment to both the carrier and enterprise markets, and a specialist in supply chain management for telecommunications operators and systems vendors. Comtec serves most major telecom operators and installers in the UK and the Middle East, including BT, Virgin Media, Sky and Ooredoo. The company has experienced continuous growth since inception and has expanded through targeted acquisitions and sustained international growth. Today, Comtec has seven offices across the UK, Oman, Qatar, the UAE and Hong Kong.

For ETC Group, the transaction allows it to further expand its geographic footprint and customer base. In particular, ETC Group now benefits from a strong foothold in the fast-growing UK market, where all major telecom operators and alternative networks have started a long-term deployment phase of fibre across the country to support the ever-increasing demand for high-speed connectivity. Ambitious targets and the complexity of fibre network deployments are increasingly making ETC's value-added offering critical to operators who seek to maximise operational efficiencies and lower their deployment costs. The acquisition also allows ETC Group to serve the growing IP infrastructure market for enterprise customers and further expand its offerings and expertise in datacentre supply and maintenance.

For Comtec, the transaction provides additional offerings for its customers, particularly in the areas of product design, technical services, supply chain management services and logistics outsourcing for telecommunications service providers.

Cédric Varasteh, Founder of ETC Group, said: "The acquisition of Comtec is a milestone in ETC's growth. It allows us to significantly enhance our geographic reach and further expand our range of products and technologies, particularly in the UK market where demand for value-added services of telecom equipment is growing. We look forward to working with John and his team and are excited about the future."

John Archer, CEO of Comtec Group, said: "We are delighted to join ETC Group and to combine our offering, expertise and scale to further support our customers in accelerating their fibre and IP infrastructure deployments. The acceleration of fibre roll-out will create several business opportunities for which the enlarged group is uniquely positioned." John and his fellow Comtec Group Managing Directors, John Buck and Dan Conway, remain with the business.

Vladimir Lasocki, Managing Director and co-Head of the Carlyle Europe Technology Partners ("CETP") advisory team and Cyril Bourdarot, a Director on the CETP advisory team, concluded: "In October 2019, CETP IV invested in ETC Group to support the next phase of the company's growth, including a focus on expansion into new geographies and technologies. The acquisition of Comtec is in line with this strategy, providing ETC with a leading position in the rapidly expanding UK market which is at the beginning of an unprecedented deployment phase."

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About Euro Techno Com Group

Euro Techno Com Group (ETC Group) is a one-stop-shop valued-added distributor of equipment and supplies for the telecommunications market. Founded in 1993 by Cedric Varasteh, ETC Group supplies and distributes a comprehensive range of passive and active equipment and tools for network deployment and maintenance and offers a comprehensive range of services including product design and equipment selection, sourcing, outsourced procurement, and logistics solutions for cable and telecom operators and network installers and their subcontractors. Today, ETC Group employs over 700 people across facilities in 6 countries across Europe and North America, working hard every day enabling technology and innovation for a better future.

About Comtec Group

Established in 1978, Comtec is one of the UK's largest value-added distributors of IP and telecom equipment to both the carrier and enterprise markets. With offices in the UK, Far East and Middle East, Comtec's success lies in its unique approach, from selecting the right product for the right job through to managing entire supply chains. The Group has positioned itself to be an active partner to telecom and corporate customers. Today, Comtec employs over 150 people across facilities in the UK, Qatar, Oman, Hong Kong and UAE.

About The Carlyle Group

The Carlyle Group (NASDAQ: CG) is a global investment firm with deep industry expertise that deploys private capital across four business segments: Corporate Private Equity, Real Assets, Global Credit and Investment Solutions. With \$217 billion of assets under management as of March 31, 2020, Carlyle's purpose is to invest wisely and create value on behalf of its investors, portfolio companies and the communities in which we live and invest. The Carlyle Group employs more than 1,775 people in 32 offices across six continents. Further information is available at www.carlyle.com. Follow The Carlyle Group on Twitter @OneCarlyle.

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