

The Quiet ASX Telco Expanding Across 65 Countries



Comms Group CEO and MD Peter McGrath

Few ASX-listed telco businesses have built their reputations as quietly or as methodically as Comms Group Limited (ASX: CCG). While peers have chased scale through acquisitions or revenue growth lacking profit, Comms Group has taken a different path defined by organic expansion, selective bolt-on deals, consolidation and cost savings from integration, delivering industry-leading margins and a track record of fully franked dividends for shareholders.

The financial results are beginning to reflect that discipline. Following the consolidation of TasmaNet at the end of FY25, the company delivered \$4.5 million in Underlying EBITDA for the first half FY26, an 87% increase on the prior period, and remains on course to hit its targeted annualised revenue run-rate of over \$75 million and Underlying EBITDA between \$9 million to \$10 million in FY26. Together, the acquisition and strong organic momentum mark a meaningful turning point in the company's scale.

"We have great products, great people, and the right strategy to scale this business, with the recent results a testament to our team," Comms Group CEO Peter McGrath said. "The company has hit an inflection point, as revenue scales we anticipate increased operating margins to deliver profit growth for our shareholders."

Domestic Platform Positioned for Demand

Domestically, the company's Communications & Collaboration and Secure Managed IT Solutions divisions serve Australia's corporate mid-market, delivering cloud communications, unified platforms and secure modern IT workplace solutions.

Industry demand is accelerating, particularly in cyber security, where rising frequency and sophistication of attacks has shifted managed security from discretionary spend to a boardroom priority. Mid-market businesses, historically underserved by major telcos and enterprise vendors, are increasingly turning to specialists like Comms Group to deliver integrated, 24/7 on-demand services.

Global Network a Key Differentiator

Beyond Australia, the Global and Wholesale Unified Communications business adds a compelling organic growth engine. The division serves multinational corporations across more than 65 countries, with deep capability across 13 Asia Pacific markets including Australia, China, Japan, Singapore and South Korea. This allows clients to use a single provider instead of stitching together multiple regional vendors.

For a company of its size, this geographic reach and owned global network is a genuine differentiator, enabling Comms Group to service multinational clients as they expand regionally with a trusted provider. For example, a regional enterprise expanding into Asia can deploy communications across multiple countries through a single provider. Notably, it remains the only Australian-headquartered company offering global services for multinational corporations, government and enterprise clients.

The model is proving effective. Global & Wholesale's Underlying EBITDA contribution grew 142% in the first half FY26, driven by on-the-ground expansion into key markets and additional distribution channels. With this foundation in place, the division is positioned to accelerate growth through deeper client relationships and higher transaction values.

Recurring Revenue and Shareholder Returns

For investors, Comms Group presents a combination increasingly rare in the ASX small-cap space: strong earnings growth alongside consistent capital returns via fully franked dividends.

With a recurring revenue base exceeding 90%, expanding margins and demonstrated ability to grow both domestically and internationally, the company is not simply building scale. It is building a durable, cash-generative platform capable of compounding shareholder value over time.