

DZS and Irby Enable Craighead Electric to Make Leap to Fiber-enabled Smart Grid and Gigabit Broadband in Rural Arkansas

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More than 10,000 locations already connected over last two years to new, world-class fiber network
PLANO, Texas, July 29, 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 the success of a transformative rural broadband network deployed by **Craighead Electric Cooperative Corporation** (CECC) and its wholly-owned subsidiary, **empower**, across rural northeast Arkansas. Implemented by DZS elite partner and electrical distributor Irby, Craighead Electric has built a world-class fiber optic network infrastructure based on the **DZS Velocity** and **DZS Helix Edge Access** portfolio that has allowed the cooperative to modernize its electrical grid with a communications network that delivers gigabit broadband services to the region.

In 2017, CECC recognized that only 44% of its members had access to FCC-defined broadband with little hope for improvement. This realization, along with the need to connect critical electrical infrastructure to a smart grid capable communications network, was the catalyst for CECC to embark on a bold fiber expansion initiative. As a byproduct of CECC's communications upgrade project, **empower** now delivers gigabit Internet speeds and voice services that leap beyond FCC minimum requirements and offer hyper-broadband connections to nearly 30,000 Arkansans. To date, empower has leveraged CAFII funds to help fund some of the buildout. Going forward, as part of a consortium championed by Irby, empower has been awarded RDOF funds to continue to build out its gigabit network.

"Orchestrated by Irby, we collaborated with DZS to develop a number of custom solutions, such as managed Wi-Fi, wireless mesh networks and remote-control management of access devices," said Jeremiah Sloan, Chief Operating Officer of empower, who led the communications upgrade projects that deployed fiber throughout Craighead

Electric's service area and infrastructure, enabling access to smart grid technologies and broadband-related services throughout the cooperative's membership. "DZS played a big part in our broadband success by providing solutions that scale and fit our needs. We are especially grateful for being able to access DZS solutions throughout the pandemic when the supply chain for so many of our vendors was significantly interrupted. We were able to do record numbers of installations every month throughout that period, and DZS delivered day-in and day-out by keeping us stocked with equipment to transform broadband access in our communities."

CECC has installed nearly 3,500 miles of fiber optic cable, connecting over 10,000 locations with empower services to date since launching in early 2019.

"It is a testament to Irby Utilities and our solutions providers like DZS that we outpaced our original timeline estimates on construction and connecting premises," said Mr. Sloan. "We originally planned on completing 5,000 connected locations at this point in our project, but to date we have doubled that with 10,000 connected locations and finished construction almost 24 months ahead of schedule."

A video summary featuring Mr. Sloan that explores the challenges faced by Craighead Electric and their journey to success can be seen [here](#).

As part of the expansion, Craighead Electric has deployed a number of DZS solutions including:

- **DZS Velocity** Broadband Access solutions: MXK-F OLTs are the backbone for Craighead Electric's gigabit services deployment, providing a ultra-high capacity, fiber-optimized aggregation platform that can be deployed in some of the harshest and most demanding environments faced by the industry.
- **DZS Helix** Edge Access solutions: The DZS indoor residential 2400A Series GPON ONTs acting as the fiber termination points at Craighead Electric, while Wi-Fi-enabled DZS Mesh-2100 solutions deliver 802.11ac wave2 Dual Band MESH services that support an aggregated data rate of up to 2100Mbps.

"Craighead Electric's vision for transforming rural broadband sets the gold standard for cooperatives across America," said Jay Hilbert, Executive Vice President of AEMEA Sales at DZS. "Irby put that vision into action and implemented flawlessly, which enabled DZS to support Craighead Electric in competing, with Irby's support, at the Gigabit level for RDOF and CAFII auction funding and advocating for fiber and symmetrical uncapped, unthrottled gigabit solutions to every household throughout the U.S. We look forward to supporting empower's bold ongoing broadband expansion strategy that is changing the economic, entrepreneurial and educational opportunities for not only in their service area, but for underserved rural markets around the U.S."

Craighead Electric members continue to share multiple experiences about the profound impact empower has had across their communities. This affordable, reliable hyper-broadband-speed service has enabled many in the

community to work from home and receive their education remotely over the past year. This gigabit network has also allowed for visitors and new residents coming to the community from nearby metropolitan areas like Memphis to experience broadband services in this rural area that are often superior to services they experienced in the big cities. The new empower services are also empowering small businesses, such as a helicopter blade repair company, to compete much more effectively. Before the empower service was available, it would take as many as four days to upload its design plans, which made deadline management difficult. With empower's gigabit speeds, those efficiency handicaps have been virtually eliminated.

For more information on DZS solutions, visit <https://dzsi.com/>.

About Craighead Electric

Craighead Electric Cooperative is a member-owned not-for-profit electric company incorporated in 1937. The cooperative operates offices in Jonesboro, Walnut Ridge, and Paragould. The locally owned and managed organization has 100 employees. It is a distribution cooperative, meaning that it does not generate its own power, but rather purchase electricity wholesale and distributes it to members within its service territory. Craighead Electric is proud to service over 30,000 members in eight counties in Northeast Arkansas. Its profits are put back into the cooperative to help run the business efficiently or are returned to the member-owners through Capital Credits. A cooperative exists to provide high-quality service at the lowest possible price.

Irby, a Sonepar Company - About Sonepar USA

Sonepar USA is an independent, family-owned company with global market leadership in the B-to-B distribution of electrical, industrial and safety products, services and solutions. We are a proud member of the Sonepar Group, the world's largest privately held electrical distributor. Sonepar entered the US in 1998 and has continued to grow due to strategic acquisitions and organic growth. Today, Sonepar USA is represented by 13 locally managed operating companies with over 700 locations nationwide. For more information, visit soneparusa.com.

About DZS

DZS Inc. (NSDQ: DZSI) is a global leader of optical and packet-based mobile transport, broadband connectivity, 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.

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 current reports on Form 8-K. 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. The Company undertakes no obligation to update or revise any forward-looking statements for any reason.

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