ecotel cloud & fiber

2024

Annual Report

Promising quality is not enough. At ecotel, we guarantee it.

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Company profile

As a quality provider of IT and telecommunications solutions exclusively for business customers, ecotel is firmly established on the German market as an innovative partner. With a focus on **»Cloud & Fibre«**, we support mid-market and major customers as they work to implement the digital transformation – through modern data networks, innovative cloud solutions and broadband connectivity.

Our products and solutions are **»made in Germany«** and are operated on the basis of ecotel's own geo-redundant data centres. These include highly available telephony solutions (SIP, Cloud-PBX), high-performance data connections (DSL, ethernet, mobile, micro-wave transmission and satellite) and **secure company networking** using SD-WAN or MPLS technology. Thanks to our unique multi-carrier approach (network interconnections with local and national fibre-optic carriers, including Deutsche Telekom), we have access to over 1 million kilometres of fibre-optic lines in Germany, more than any German carrier.

For more than a quarter of a century, together with our partners, we have put customer satisfaction at the heart of what we do every day and are dedicated to addressing their concerns, both large and small. We do this on the basis of **extensive expertise** and personal enthusiasm, and are motivated by our goal of achieving the best results time and time again.

Our strength is our ability to develop **customised solutions** for complex requirements, even if there is a sudden change in the external environment. Scalable products and modular components round off our broad portfolio.

Because promising **quality** is not enough. At ecotel, we guarantee it.

Service-oriented

Scalable

Reliable

Innovative

Key achievements in the 2024 financial year

EUR
115.5
MILLION IN SALES

EUR
9.5 MILLION
IN OPERATING EBITDA

EUR
0.6 MILLION
FREE CASH FLOW

EUR
0.57
EARNINGS PER SHARE

Foreword by the Management Board

DEAR SHAREHOLDERS,

2024 was a year full of challenges for the German economy. High energy costs, increasing bureaucracy, tax burdens and the effects of the ongoing recession have presented many companies with difficult decisions. Investments were held back and innovation projects postponed.

We saw these challenges as an opportunity and stayed focused on the future – with the aim of being a reliable partner for our customers on the path to a digital future. This approach, in conjunction with our clear strategic focus on the growth markets of **»Cloud & Fibre«**, has once again proved its worth. We continued to expand our business, and achieved pleasing results in both business segments.

In the Business Customers segment, the growth course was successfully continued. The positioning of ecotel as a digitalisation partner for our customers, coupled with rigorous implementation of our strategy, contributed to this.

Our customers appreciate both our proximity and also the range of needs-based solutions that are tailored to their current digitalisation plans.

The Wholesale segment also made a significant contribution to growth in the 2024 financial year. We have now established ourselves as a successful partner for other carriers, including international ones, not only for voice termination, but increasingly also for data lines. What drives us? The success of our customers. Together, we master the increasing complexity and support companies on their digitalisation journey.

Whether in the car workshop, where high-performance fibre-optic connections enable more software updates per day and make operating processes noticeably more efficient.

Whether in the seasonal business, which easily absorbs fluctuations thanks to digital ordering processes and »pay-as-you-grow« licence models.

Or in everyday office life, where hybrid communication solutions such as cloud telephony and MS Teams integrations increase flexibility and productivity – tailored to every employee situation, from field service and call centre to administration.

Our flexible solutions are as individual as the companies we support. They are adaptable to specific needs, deliver tangible cost benefits and open up new scope for action – especially in uncertain times.

This consistent customer focus, combined with the high quality and flexibility of our employees, products and processes, have helped to carry us through a challenging market environment.

To share this success with you, our valued shareholders, and to thank you for your trust and loyalty, we and the Supervisory Board have decided to propose the distribution of a dividend of > 50% of adjusted earnings per share (EPS) to the Annual General Meeting again this year. We have created the basis for sustainable growth, which will continue in the coming years – and we look forward to continuing on this path together with you. Further details on the business figures and the forecast for the 2025 financial year can be found on the following pages.

We would like to expressly thank you for your trust in ecotel and hope you enjoy reading the following annual report.

Düsseldorf, 13 March 2025

Markus Hendrich Chairman of the Management Board (CEO)	Christian van den Boom Member of the Management Board (CFO)	André Borusiak Member of the Management Board (CCO)

On 1 September, I took over responsibility as Chief Financial Officer – a enjoyable and fulfilling role. Together with our team, I look forward with confidence to the task of actively shaping the financial future of our company.

We are on a solid financial footing. Thanks to a forward-looking financial strategy, efficient processes and sustainable growth, we have further consolidated our economic stability. This strength gives us security, along with the freedom to move forward with courage.

Even in challenging market phases, we are financially well equipped to seize opportunities with determination and secure our long-term success. This stable foundation enables us to invest in the future: in innovation, digitalisation and sustainable developments – in everything that will take us forward as a company.

I would particularly like to thank our employees for their daily commitment and our stakeholders for their trust. Together, we will shape our future – with strength, innovation and a clear, forward-looking approach.

CHRISTIAN VAN DEN BOOM
Management Board (CFO)

As Chief Commercial Officer, I have been responsible for ecotel's sales and brand orientation since 1 July. Together with our dedicated team, we have succeeded in acquiring prestigious new customers while impressing our existing customers with innovative solutions and retaining them in the long term. My sincere thanks go to our customers and partners for their trust and successful cooperation.

Our daily motivation is to further advance digitalisation in the German SME sector. With our multi-carrier strategy and unique portfolio, we are in an excellent position to achieve this. The values that characterise us are crucial: communication on an equal footing, reliability and the provision of services »made in Germany« – attributes that our customers appreciate and that noticeably set us apart from our competitors.

In the future, we will continue to work hard to strengthen our sales channels, provide creative marketing impetus and rigorously boost our growth trajectory. Together with our customers and partners, we are looking ahead with optimism – and shaping the digital future.

ANDRÉ BORUSIAK
Management Board (CCO)

Management Board

from left to right:

André Borusiak, Markus Hendrich, Christian van den Boom

Key figures at a glance

INCOME STATEMENT (IFRS)

		2022	2023	2024
Sales	**EUR million**	**92.1**	**106.3**	**115.5**
ecotel Business Customers	EUR million	45.6	46.2	48.0
ecotel Wholesale	EUR million	46.5	60.1	67.6
Gross profit	**EUR million**	**32.6**	**32.6**	**33.2**
ecotel Business Customers	EUR million	31.4	30.7	31.1
ecotel Wholesale	EUR million	1.2	2.0	2.1
Operating EBITDA[2]	**EUR million**	**8.8**	**9.0**	**9.5**
ecotel Business Customers	EUR million	8.4	8.1	8.0
ecotel Wholesale	EUR million	0.5	0.9	1.5
Operating result (EBIT)	**EUR million**	**17.9**	**7.7**	**7.4**
Consolidated net profit[3]	**EUR million**	**67.5**	**7.4**	**2.0**
of which from discontinued operations	EUR million	55.6	1.7	0.0
Number of shares as at 31 December (outstanding shares)	Number	3,510,000	3,510,000	3,517,820
Earnings per share[4]	**EUR**	**19.24**	**2.12**	**0.57**
Earnings per share4 (adjusted for non-recurring effects)	EUR	1.39	0.94	0.99

OTHER KEY FIGURES

		2022	2023	2024
Cash and cash equivalents at beginning of period	EUR million	12.6	66.9	3.7
Cash flow from operating activities	EUR million	28.5	6.1	7.5
Cash flow from investing activities	EUR million	44	–2.1	–6.9
Cash flow from financing activities	EUR million	–18.2	–67.2	–1.9
Cash and cash equivalents as at 31 December	EUR million	66.9	3.7	2.3
Free cash flow[5]	**EUR million**	**72.5**	**4.0**	**0.6**
Total assets	EUR million	108.4	47.3	54.2
Equity	EUR million	82.2	23.7	24.2
in % of total assets	in %	75.9	50.1	46.1
Net financial assets[6]	**EUR million**	**66.9**	**3.7**	**1.3**

Previous year's figures restrated, see note 7 in the notes to the consolidated financial statements and the management report.
Differences in totals may occur due to rounding.

1 Earnings before depreciation, amortisation and impairment losses.
2 For reconciliation, see Group Management Report (result of operations, financial position and net asset position).
3 Corresponds to consolidated net income after deducting minority interests.
4 Basic.
5 Free cash flow = cash flow from operating activities + cash flow from investing activities.
6 Loan payables less cash and cash equivalents.

The 2024 financial year

In the 2024 financial year, **we increased consolidated sales to EUR 115.5 million (+8%), gross profit to EUR 33.2 million (+2%)** and **operating EBITDA to EUR 9.5 million (+5%).**

This enabled us to achieve a **consolidated net profit** of EUR 2.0 million (previous year: EUR 7.4 million). EPS came to EUR 0.57 per share (previous year: EUR 2.12 per share).

At last year's Annual General Meeting, shareholders approved the distribution of a dividend totalling EUR 1.6 million. In addition, the 2024 financial year saw significant investments in major projects placed with us, which led to a reduction in **net financial assets** to EUR 1.3 million (previous year: EUR 3.7 million).

The increase in liabilities as a result of these investments caused the **equity ratio** to fall to around 45% (previous year: around 50%). External financial debt totalling EUR 1 million was taken out last year to finance the strategic projects.

Together with the Supervisory Board, we have decided to propose a dividend of EUR 0.29 per share (approx. >50% of EPS) for distribution to our valued shareholders for the 2024 financial year, ensuring that we keep our promise to you.

Let's take a look at the individual segments:

ecotel Business Customers

The strategic focus on **»Cloud & Fibre«** is having a noticeable impact. Sales in the ecotel Business Customers segment grew to EUR 48.0 million (previous year: EUR 46.2 million) in the 2024 financial year, largely driven by the successful start of the planned project roll-out. In the second half of the year in particular, the planned investments in the growth markets **»Cloud & Fibre«** produced the first significant increases in sales, which resulted in a positive year-on-year development in these areas.

Operating EBITDA for the segment came to EUR 8.0 million (previous year: EUR 8.1 million). The slight decline is the result of targeted investments in the growth strategy, which had a temporary effect on profitability.

Expenses of EUR 0.8 million in connection with the SOP and one-off expenses of EUR 1.3 million for reorganisation measures were adjusted from EBITDA (operating EBITDA). Reported EBITDA therefore came to EUR 6.0 million (previous year: EUR 11.3 million).

ecotel Wholesale

The ecotel Wholesale segment saw its **sales rise** sharply by EUR 7.4 million to EUR 67.6 million in the 2024 financial year. In addition to cross-network trading in telephony minutes (wholesale), the marketing of data lines for national and international carriers in particular was successfully expanded, resulting in an additional sales effect of EUR 0.8 million.

This positive sales trend drove up gross profit by EUR 0.1 million to EUR 2.1 million. **Operating EBITDA** amounted to EUR 1.5 million in the 2024 financial year. This figure was positively influenced by the expiry of a recognised liability.

Forecast

We envisage an increase in operating EBITDA to between EUR 10 million and EUR 11.5 million, while consolidated net income is expected to grow to around EUR 3 million.

For 2026, we expect further increases in sales in the ecotel Business Customers segment. This is because the investments made in sales and sales support measures are having a positive effect on incoming orders. In addition, the major projects mentioned are expected to be fully reflected in sales by then.

With a stable cost base, we expect to be able to significantly increase operating EBITDA in 2026 and are sticking to our medium-term forecast from the previous year.

The ecotel share

The ecotel communication ag share (ecotel share) has been listed on the Frankfurt Stock Exchange since 2006 and in the Prime Standard since 2007. The share capital as at 31 December 2024 amounts to 3,517,820 shares following the exercise of the stock option programme (SOP). The company does not hold any treasury shares.

Share price performance in 2024

After a strong 2023, the stock markets continued to show their best side in 2024. All relevant indices worldwide increased significantly in value. Both the DAX and Dow Jones reached a new record high in 2024. The levelling-off of inflation and the lessening of interest rate hikes by the central banks had a very positive impact on share prices. The most important German stock market barometer, the DAX 40, gained 18.9% over the course of the year. while the TECDAX made somewhat weaker advances, adding around 2.4% in the same period.

The ecotel share started 2024 at EUR 17.50. The first quarter saw a sideways trend, followed by slight decreases, with the share stabilising between EUR 13 and EUR 14 at the end of the year. The share closed the year at EUR 13.40.

To put the share's performance into context, the price almost doubled from EUR 7.40 in 2020 to EUR 13.40 in 2024, although the easybell segment was sold in the meantime and high dividends were also paid out in connection with the sale of internet resources.

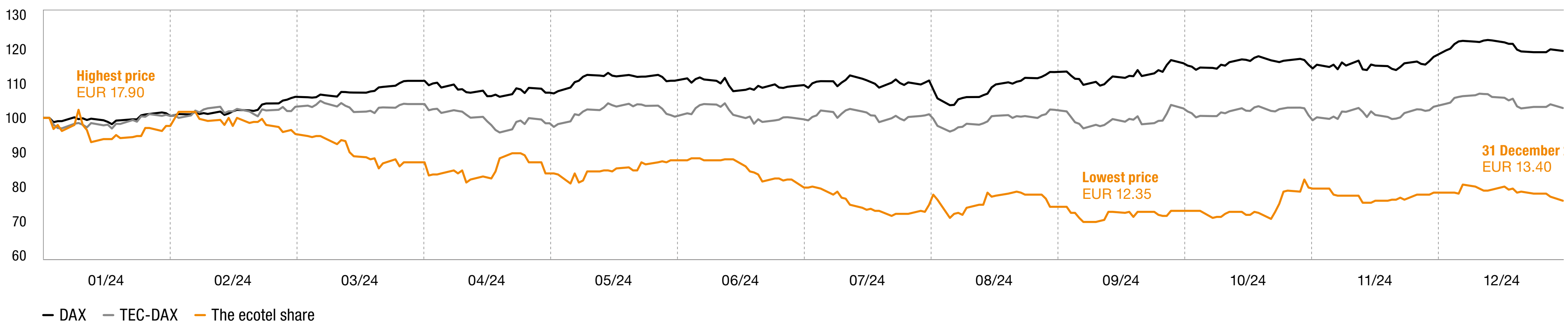
As at 31 December 2024, market capitalisation amounted to EUR 47.1 million (previous year: EUR 60.5 million). The average daily trading volume of the ecotel share in 2024 was 1,478 (previous year: 5,686) shares per day.

Investor relations

As in previous years, there was an intensive dialogue with investors, analysts and journalists in 2024. This particularly focusd on the company's development, its strategic alignment and its very good business performance.

In addition to regular reporting, the Annual General Meeting and reports in selected specialist media, the company repeatedly sought contact with interested parties and spoke to analysts by participating in various investor and analyst events in 2024.

Price performance of the ecotel share in 2024 in percent



Key figures Average 2024

WKN	585434
ISIN	DE0005854343
Symbol	E4C
Market segment since 8 August 2007	Prime Standard
Index membership	CDAX, Prime All Share Technology All Share
Category	No-par-value shares
Date of first listing	29,03,2006
Number of shares as at 31 December 2024	3,517,820
Average daily volume in 2024	1,478
Highest price in 2024 (EUR)	17,90
Lowest price in 2024 (EUR)	12,35
Market capitalisation as at 31 December 2024 (EUR million) [1]	47,1
Designated sponsor	ICF BANK AG

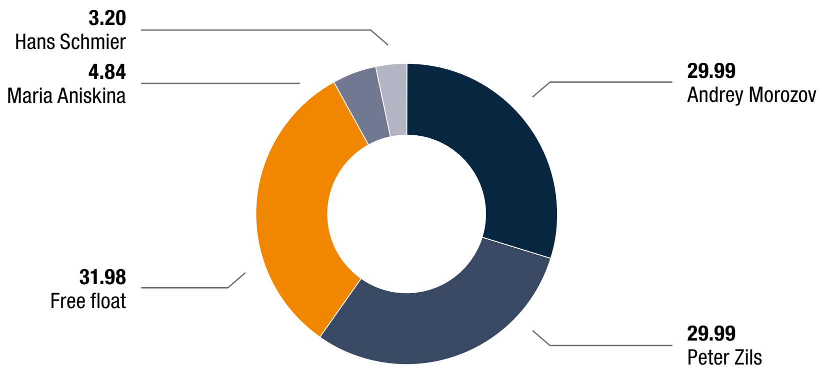
1 Based on the closing price of EUR 13.40 per share on 31 December 2024 with 3,517,820 shares outstanding.

Current information on the company, such as quarterly reports, press releases and the financial calendar, can be viewed by all investors and interested parties in the Investor Relations section of the company's website immediately after publication.

Shareholder structure

The shareholder structure at the end of the year was as follows: Peter Zils and Andrey Morozov each hold just under 30% of the shares. Approximately 11% is distributed across shareholders known to us on the basis of the relevant notifications (WpHG notifications). Free float is around 32% of the share capital.

Share ownership as at 31 December 2024 in percent



Management Board

Markus Hendrich (born in 1980) is Chief Executive Officer of ecotel communication ag and has been a member of the company's Management Board since July 2020. In this role, he is responsible for wholesale, strategy, technology, operations, portfolio and processes as well as central administrative departments. The business psychology graduate has been active in the telecommunications industry for almost 25 years and previously held various management positions at QSC AG and Plusnet GmbH, an EnBW company, for over 10 years, most recently as Managing Director for Technology, Product Management and Marketing. Together with the company founder Peter Zils, Markus Hendrich represents ecotel and the interests of business customers on the executive committee of the main competition association, the VATM.

Markus Hendrich

Chairman of the Management Board (CEO)

André Borusiak (born in 1977) has been a member of the Management Board of ecotel communication ag since 1 July 2024. André Borusiak has more than 25 years of experience in the telecommunications industry and, after completing his MBA, held various management positions at both Siemens and Vodafone, where he was most recently responsible for sales to global accounts. He has a wealth of experience not only in sales, but also in marketing, communication and partner management. In his role as Chief Commercial Officer (CCO), Mr Borusiak is responsible for all sales channels and digital marketing.

André Borusiak

Management Board (CCO)

Christian van den Boom (born in 1982) has been a member of the Management Board (CFO) of ecotel communication ag since 1 September 2024. With 20 years of professional experience in the financial sector, including 12 years in the telecommunications industry, Christian van den Boom has in-depth expertise and extensive experience in various areas of financial management. Christian van den Boom holds a degree in economics, and in his previous position as CFO of the Deutsche Glasfaser Group, he was responsible for the strategic financial management of the company, which includes the areas of controlling and corporate planning, accounting, treasury and capital market communication, business intelligence and purchasing. As Chief Financial Officer (CFO), Mr van den Boom is responsible for finance.

Christian van den Boom

Management Board (CFO)

Authorised signatories

Oliver Jansen

CBO

Holger Hommes

Senior Expert for Finance and Compliance Management

Sabrina Bublitz

CPO

Alexander Wiese

CTO

Supervisory Board

Uwe Nickl (born in 1969) has been a member of the Supervisory Board of ecotel communication ag since July 2021 and has been its Chairman since September 2022. Uwe Nickl is an independent business consultant. After studying business administration, he worked at management level in various companies in the telecommunications industry. His last position, from 2016 to 2021, was as CEO of the Deutsche Glasfaser Group, where he oversaw its development into the strongest FTTH supplier in Germany.

UWE NICKL
Chairman of the Supervisory Board

Mirko Mach (born in 1976) has been a member of the Supervisory Board of ecotel communication ag since July 2007. In 1995, Mirko Mach founded MPC Service GmbH together with Ferdinand Ruppert, advancing the telecommunications consultancy company during his mechanical engineering studies. As a managing partner, Mr Mach is currently responsible for commercial management, sales management and online marketing.

MIRKO MACH
Member of the Supervisory Board

Dr Thorsten Reinhard (born in 1970) has been a member of the Supervisory Board of ecotel communication ag since January 2006. Dr Reinhard has been a lawyer at Noerr Partnerschaftsgesellschaft mbB (formerly Nörr Stiefenhofer Lutz and Noerr LLP) since 2005, initially in Berlin and then since 2009 in Frankfurt am Main. He has been a partner there since 2007.

DR THORSTEN REINHARD
Member of the Supervisory Board

Peter Zils (Deputy Chairman of the Supervisory Board) (born in 1963) is the founder of ecotel communication ag in Düsseldorf, and served as its CEO for many years. He has been Deputy Chairman of the Supervisory Board since April 2023. Peter Zils graduated from Bochum University of Applied Sciences in communications engineering. He founded ecotel communication GmbH in 1998 and served as its CEO until September 2021. The handover to the next generation began when Markus Hendrichs joined the company, with Peter Zils remaining involved in operations as Deputy CEO until April 2023. Since February 2015, he has been on the Executive Committee of the VATM, where he campaigns for better competitive conditions in the telecommunications industry, with a focus on the business customer market.

PETER ZILS
Deputy Chairman of the Supervisory Board

Alfried Bührdel (born in 1962) has been a member of the Supervisory Board of ecotel communication ag since July 2021. He is self-employed as a supervisory and advisory board member and business angel. After studying business administration, Alfried Bührdel worked in management positions at various companies for many years. His last two positions were as CFO for the Tengelmann Group and from 1998 to 2014 as CFO and Deputy Chairman of the Ströer AG Management Board, where he was involved in developing the company to a leading European media provider.

ALFRIED BÜHRDEL
Member of the Supervisory Board

Jens Müller (born in 1971) has been a member of the Supervisory Board of ecotel communications AG since June 2024. He is self-employed as an investor, consultant and advisory board member. After completing a banking apprenticeship and then studying economics, Jens Müller worked for many years at various companies in the telecommunications industry, specialising in finance. As a former Managing Director and CFO of Deutsche Glasfaser (2017 – 2023), Primacom (2014 – 2015) and Unitymedia (2001 – 2013), he has in-depth expertise.

JENS MÜLLER
Member of the Supervisory Board

Report of the Supervisory Board

The Supervisory Board of ecotel communication ag (»ecotel« or »the company«) regularly monitored the Management Board's work and supported it with advice in the 2024 financial year. This was based on detailed written and verbal reports by the Management Board. In addition, the Chairman of the Supervisory Board regularly exchanged information and ideas with the Chairman of the Management Board.

The Supervisory Board and the Management Board of ecotel met a total of eight times in the year under review, on 29 January, 19 February, 12 March, 6 May, 28 June, 22 July, 10 September and 3 December 2024. The meetings in March, June, September and December were held in person, while the remaining meetings were held as video conferences, conference calls or hybrid meetings. In addition, six resolutions were adopted by way of circulation.

At the meetings, the Management Board of ecotel regularly informed the Supervisory Board about fundamental issues relating to corporate planning, the company's profitability, the course of business and the company's position, and discussed these issues together with the Supervisory Board. The Supervisory Board was also involved in important decisions and, in particular, examined and approved measures by the Management Board that required its approval in accordance with the rules of procedure for the Management Board.

1. Focus of Supervisory Board discussions

At all its meetings in 2024, the Supervisory Board was informed in detail about the course of business and the company's position. Focus areas included the development of the Business Customers segment, major supplier agreements and customer projects. In addition, the Supervisory Board assisted the Management Board on strategic issues arising from changes in the telecommunications market, for example with regard to the company's strategic direction with a focus on the marketing of »Cloud & Fibre solutions«.

The Supervisory Board also examined the efficiency of its work.

The Supervisory Board discussed the Management Board's regular risk reports with the Management Board and made its own suggestions with regard to risk management. It satisfied itself that the Management Board gives the necessary attention to risk monitoring, comprehensibly prioritises the risks it identifies and takes appropriate measures to reduce them.

In addition to the regular reports, the following important issues were the subject of the Supervisory Board meetings:

29 January 2024: Resolution on the Management Board contract of Mr van den Boom

31 January 2024: Resolution on the conclusion of a contract with a key customer

19 February 2024: Resolution on the 2024 budget

12 March 2024: Resolutions in connection with the annual and consolidated financial statements of ecotel communication ag for the 2023 financial year; resolution on the attainment of the Management Board targets for 2023; resolution on the Management Board contract of André Borusiak

21 April 2024: Resolution on the conclusion of a consultancy agreement with Achim Theis

6 May 2024: Resolution on the Annual General Meeting 2024

10 May 2024: Resolution on the proposal to the Annual General Meeting for the appointment of Jens Müller as a new member of the Supervisory Board

28 June 2024: Discussions on the stock option plan; discussion of current developments on the topic of »Input tax deductions from purchase invoices of a major suppliers«, resolution on criminal law advice for the company. Resolutions on the departure of Achim Theis from the Management Board; appointment of André Borusiak and Christian van den Boom as members of the Management Board

22 July 2024: Resolution on the commissioning of an expert opinion by the Supervisory Board on the topic of »Input tax deductions from incoming invoices of a material supplier«

10 September 2024: Analysis of sales; resolution to conclude a software licensing agreement

18 October 2024: New version of the rules of procedure for the Management Board

3 December 2024: Discussion of the 2025 budget; decision on the marketing of internet resources

2. Handling of conflicts of interest in the Supervisory Board

All members of the Supervisory Board are committed to the principle of basing their decisions solely on the business interests of ecotel. Any conflicts of interest or concerns regarding conflicts of interest that arose in Supervisory Board discussions or resolutions were handled in the Supervisory Board. In each case, the Supervisory Board member in question did not take part in the discussion and abstained from voting on the resolution. By questioning the Management Board, the other Supervisory Board members also ascertained with sufficient certainty that its actions were not influenced by the (potential) conflict of interest of the Supervisory Board member in question. In the year under review, the above principles took effect in relation to the Supervisory Board resolution on the approval of contracts between ecotel and companies in which members of the Supervisory Board are involved. This related to Mirko Mach and Dr Thorsten Reinhard. In the case of Mirko Mach, this relates to services provided as sales partners by MPC Service GmbH and MPC Mobilservice GmbH. With Dr Thorsten Reinhard, this concerned legal consultancy services provided by Noerr Partnergesellschaft mbB.

3. Annual and consolidated financial statements

The Management Board prepared the annual financial statements and management report of ecotel in accordance with the German Commercial Code and prepared the consolidated financial statements and Group management report in accordance with IFRS principles. The auditor, Ebner Stolz GmbH & Co. KG Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Stuttgart, elected by the ecotel Annual General Meeting on 28 June 2024, audited the annual financial statements, the consolidated financial statements, the management report and the Group management report. The auditor issued an unqualified audit opinion for both the annual financial statements and the consolidated financial statements.

As part of its audit, the auditor was required to carry out a review in accordance with section 317 (4) of the German Commercial Code as to whether the Management Board has set up an effective monitoring system that is capable of detecting developments that pose a risk to the company’s continued existence at an early stage. The auditor confirmed that this was the case.

The auditor submitted the statement of independence required by the German Corporate Governance Code to the Supervisory Board and disclosed the auditing and consulting fees incurred in the respective financial year to the Supervisory Board.

The financial statement documents and the auditor’s reports were available to all members of the Supervisory Board for review. Representatives of Ebner Stolz GmbH & Co KG Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft took part in the Supervisory Board’s deliberations on these documents and reported on the main findings of their audit.

The Supervisory Board and the Audit Committee formed from among its members thoroughly examined the annual financial statements, consolidated financial statements, management report, Group management report and the proposal for the appropriation of net profit submitted by the Management Board and discussed these with the auditor. In addition, the key audit matters were coordinated with the statutory auditor as preparation for the audit of the annual financial statements. The Supervisory Board acknowledged and approved the auditor’s report on the findings of its audit.

Based on the final results of its review, the Supervisory Board did not raise any objections to the annual financial statements or the consolidated financial statements prepared by the Management Board for the 2024 financial year, but instead approved the annual financial statements and the consolidated financial statements by way of a resolution adopted on 11 March 2025. The annual financial statements of ecotel for the 2024 financial year were therefore approved.

4. Corporate governance

With the exception of the Supervisory Board meeting on 19 February 2024, from which Dr Thorsten Reinhard excused himself and did not attend, all members attended all Supervisory Board meetings.

The Supervisory Board generally invites the members of the Management Board to attend its meetings as guests. However, the members of the Management Board do not take part in discussions on personnel matters in particular and leave the meeting while these are held. In view of this, the Supervisory Board met on 29 January 2024 without the Management Board.

In the 2024 financial year, the Management Board and Supervisory Board issued a joint declaration of compliance with the German Corporate Governance Code in accordance with section 161 of the German Stock Corporation Act (AktG) on 3 December 2024. The declaration was made permanently available to the public on the company's website.

5. Changes to the Supervisory Board in the year under review

Brigitte Holzer resigned from the Supervisory Board with effect from 28 June 2024. The Annual General Meeting elected Jens Müller to replace her on the Supervisory Board on the same day at the proposal of the Supervisory Board.

6. Changes to the Management Board in the year under review

Achim Theis left the Management Board with effect from 30 June 2024.

André Borusiak has been a member of the Management Board since 1 July 2024. He was appointed for a period of three years and is responsible for Business Customer Sales, Key Account Management, Marketing and Digital Commerce.

In addition, Christian van den Boom joined the Management Board with effect from 1 September 2024. Mr van den Boom was appointed for a term of three years. He is responsible for Finance & Investor Relations, Legal & Compliance, and Security Management.

In the new composition of the Management Board, Markus Hendrich is responsible for Wholesale, Portfolio Management, Technology, Operations, Strategy & Regulation, and Central Administrative Functions as CEO.

7. Committees

The Supervisory Board has formed a three-person Audit Committee that deals particularly with accounting, risk management and compliance issues. In the year under review, the Audit Committee held eleven meeetings at which it particularly discussed the intrayear financial reports, the internal control system, the annual and consolidated financial statements for 2023, the preparation of the annual and consolidated financial statements for 2024 and consultations with the auditors. The Audit Committee held two in-person meetings and another nine as video conferences. Until 28 June 2024, the Audit Committee comprised Alfried Bührdel (Chairman), Brigitte Holzer and Mirko Mach. Since 28 June 2024, the Audit Committee has comprised Alfried Bührdel (Chairman), Mirko Mach and Jens Müller.

The Supervisory Board has also formed a three-person Nomination Committee that prepares nominations for the Annual General Meeting and also takes on the tasks of a Personnel Committee. This committee held four meetings in the 2024 financial year in the form of telephone or video conferences. All members of the Nomination Committee attended all meetings. The Nomination Committee consists of Dr Thorsten Reinhard (Chairman), Peter Zils and Uwe Nickl.

The Supervisory Board would like to thank the members of the Management Board of ecotel and all employees of ecotel Group companies for their great commitment on behalf of the company and for their hard work in 2024. Special thanks go to Achim Theis for his many years of dedication to the company's Management Board and to Brigitte Holzer for her many years of dedication to the company's Supervisory Board.

Düsseldorf, 11 March 2024

For the Supervisory Board

Uwe Nickl
Chairman of the Supervisory Board

Sustainability at ecotel

DEAR READERS,

We are pleased to present our latest sustainability statement for the second year running. In our second year, sustainability is not just a buzzword for us, but has become a firm pillar of our actions.

Last year, we laid the foundations for our strategy and commitment regarding environmental, social and governance aspects. Now, with this second publication, we not only want to highlight our successes and progress to date, but also show that we are constantly evolving.

This year is important in order to show transparently what progress we have already made, which measures are having an impact and where we still have some catching up to do.

It illustrates our long-term endeavour to assume responsibility together with our employees, customers and partners. We see it as our duty to continuously scrutinise our processes and adapt them to our goals. Because we are convinced that a more sustainable future is possible through joint endeavours.

I hope you find this an inspiring read, and thank you for your interest.

Yours sustainably,

Markus Hendrich
Chairman of the Management Board (CEO)

SUSTAINABILITY STATEMENT

In this second voluntary sustainability statement within our annual report, we aim to provide another overview of our progress and of measures that we have taken in our efforts to become more sustainable. For this reason, we will not be presenting ecotel again this time. We will present the main focus areas that we identified in our materiality analysis and show you how we are continuing to pursue our goals of reducing our environmental impact, promoting social justice and developing solutions that will ensure a sustainable future for the company.

With the external ESG landscape continuing to change at a very rapid pace, it is important for us to focus on the most relevant and pressing issues. We strive to respond to challenges at an early stage and to continuously improve and adapt our processes and programmes.

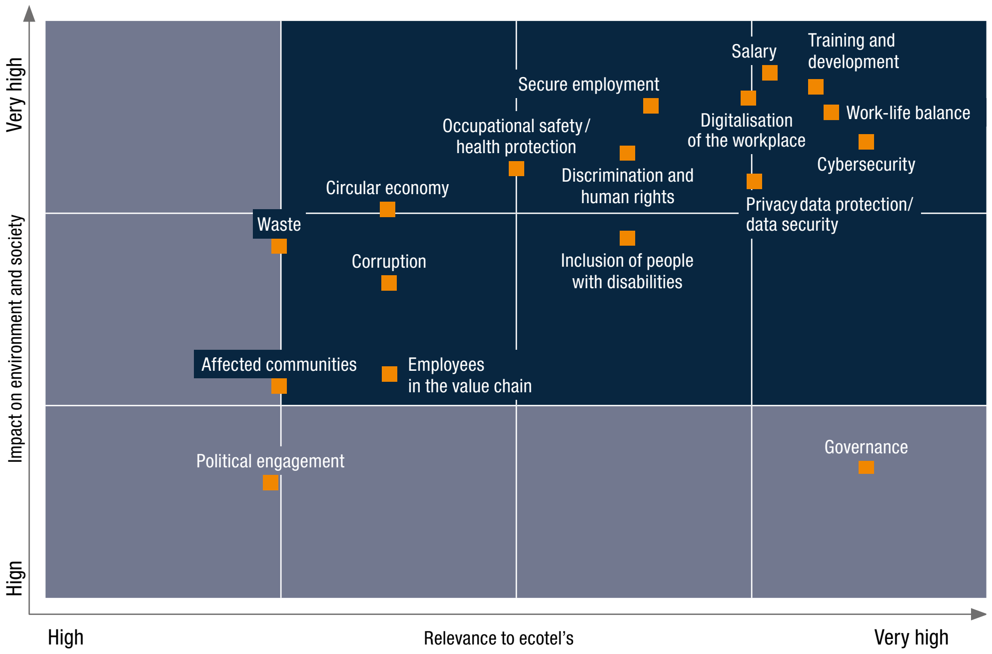
This year, we are expanding our statement to include ecotel's updated ESG focus areas and measures, which will be updated annually in future. From the 2025 financial year onwards, we will also ensure comparability of our targets, measures and key figures as part of our CSRD report.

For the materiality analysis, we invited our stakeholders to complete an online questionnaire. The aim of this questionnaire was to ascertain the interests and views of our stakeholders in the context of ESG issues. The results have a direct impact on our ESG strategy and future reporting.

The questionnaires were evaluated based on the following criteria: ecotel's impact on the company's environment and relevance to ecotel's business risks. We present the key subject areas identified on this basis in the materiality matrix below. Our main focus areas are summarised on the following pages.

We are pleased to present this report as a further transparent insight into our ongoing sustainability strategy.

Materiality matrix



The materiality analysis of our stakeholders identified the following focus areas:

1. We have combined the following topics under the focus area of employees:
   - // Salary
   - // Secure employment
   - // Training and development
   - // Work-life balance
   - // Discrimination and human rights
   - // Occupational safety/health protection
2. Focus area: Digitalisation of the workplace
3. Focus area: Data protection and data security
4. Focus area: Cybersecurity
5. Focus area: Governance

These five focus areas are the main issues that we will deal with as a telecommunications company and we for which we will develop strategies and solutions in order to advance these issues.

As our Management Board contributes to our ESG strategy and sets an example here, we try to find sustainable solutions not only in the focal areas but also across the company.

We now present our measures and targets for each focus area.

Focus area of employees

Within our **focus area of »employees«**, four core issues were rated as high in the materiality analysis. In the next few years, we will set specific targets for all of these issues and draw up appropriate measures to achieve them. However, we have already taken numerous measures and more are currently being implemented.

To keep our staff turnover low, we have introduced onboarding measures for new employees and organised regular feedback discussions for all employees to promote a continuous dialogue. In 2024, we set up a fitness room in our head office, which also offers regular online classes to support the well-being of our employees.

Another important step was the major expansion of our training programme in 2024, which is now better tailored to the specific needs of individual departments and employees.

These initial measures have put us on the right track in the **focus area of »employees«**. We achieved initial goals and measures, which we will continue to pursue and improve.

Focus area of digitalisation

Our focus area of digitalisation plays a central role on two levels: firstly, it is about further digitalising our products, and secondly, we also want to make our own systems and processes increasingly digital. Our Group strategy is focused on **»Cloud & Fibre«**, as this is where we see the greatest growth potential on the German market. Accordingly, we have focused our current product range on these two promising markets.

In 2024, our achievements included completing product development for FTTH (fibre to the home) in order to make a contribution to digitalisation in Germany in this area. However, we see digitalisation not only as the enhancement of our products, but also as the continuous modernisation and integration of our internal processes and systems. In this way, we always want to ensure that we remain at the cutting edge of technology and organise our processes efficiently and sustainably.

Focus area of data security and data protection
Focus area of cybersecurity

Cybersecurity is a top priority for us, as protecting our systems and data against digital threats is essential. In 2022, we had an external penetration test (PEN test) carried out to specifically identify potential vulnerabilities in our infrastructure. This test will be repeated regularly from now on to ensure that we are always up to date.

The importance of **cybersecurity** is further emphasised by the continuous development of our data protection and data security certifications. We do everything we can to fulfil the highest standards and protect the confidentiality, integrity and availability of our systems and data.

Another key step in this area was the recruitment in 2023 of specialists who focus specifically on **cybersecurity**. These experts enable us to identify and ward off new threats much more quickly and significantly optimise our security measures on an ongoing basis.

We have also introduced mandatory training and regular tests for our employees in order to continuously raise their awareness of **cybersecurity**. In this way, we ensure that employees are familiar with the latest developments and best practices to actively counter potential cyber threats.

Focus area of governance

Governance is of central importance to us as a company in order to ensure transparent, responsible and sustainable corporate management. It helps us to establish clear structures and processes that fulfil legal and ethical requirements, minimise risks and strengthen the trust of employees, customers and investors. Strong governance forms the basis for long-term success and ensures our competitiveness in an increasingly regulated market. As part of our focus area of governance, we initially placed a strong emphasis on **compliance**. To this end, we appointed a **compliance officer** and set up a **whistleblower hotline** that enables our employees to report breaches in a confidential manner. To increase awareness and knowledge, we offered the first **anti-corruption training courses** in 2024 in order to actively involve our employees in the work to prevent corruption.

The next step in our ESG agenda is to gradually integrate requirements into relevant company processes and structures. This will include revising **reporting templates**, integrating ESG criteria into **project orders** and taking ESG matters into consideration in **investment** applications. Our objective is to promptly develop an ESG strategy that contributes to the fulfilment of our **ESG requirements** as well as supporting long-term responsibility and sustainable corporate success.

02

Group management report

1.1 Basic information on the Group

1. ECOTEL AT A GLANCE

The ecotel Group (hereinafter referred to as »ecotel«) has been operating throughout Germany since 1998 and specialises in marketing information and telecommunications solutions in various segments. Its parent company is ecotel communication ag (hereinafter referred to as »ecotel ag«), headquartered in Düsseldorf.

ecotel markets its products and services in the following segments:
»ecotel Business Customers« and **»ecotel Wholesale«,**

The segments are described in more detail below:

»ecotel Business Customers« segment

The German telecommunications market is essentially driven by the two trends of **cloud telephony** and **broadband expansio**[1]. With its own cloud.phone product group and the multi-carrier ethernet, ecotel believes it is ideally positioned for these two growth areas and therefore focuses on »Cloud & Fibre« in this segment. The product range covers not only flexible and high-quality telephony solutions (SIP protocol, cloud telephony) and broadband connections (fibre-optic, x-DSL, etc.), but also managing the connection of company locations (SD WAN-, IP- and MPLS-VPNs) and realising direct connectivity to the leading cloud providers (multi-cloud-connect). The products and services are operated on the basis of geo-redundant data centres in Germany which are connected in a fail-safe fashion via their own backbone.

Within the context of the multi-carrier concept, almost all relevant German infrastructure providers are connected to this backbone. In this way, the best customer-specific provision can be realised for each location.

Depending on the target group, sales activities in the B2B segment are carried out via telesales, partner sales or online channels. By contrast, our major customers are served directly. With this network, ecotel has broad access to mid-market customers. In addition, ecotel believes it has established itself as a successful partner in its collaboration with a large number of purchasing cooperatives and associations.

Furthermore, mvneco GmbH and UPLINK Digital GmbH are part of the ecotel Business Customers segment indirectly via ecotel Beteiligungs GmbH. mvneco acts as a technical service provider, system developer and advisor for telecommunications solutions and related managed services. UPLINK Digital GmbH operates in the market for online audio services, particularly in the hosting of streaming, podcast and service offerings.

»ecotel Wholesale« segment

The ecotel Wholesale segment comprises cross-network trading in telephone minutes (Wholesale) and marketing data lines for national and international carriers. For this purpose, ecotel maintains business relationships and network interconnections with a large number of international carriers. ecotel now processes the majority of its business customers‘ national and international telephone calls via the wholesale platform and also uses this platform for its own local exchange carrier operations.

Infrastructure

ecotel does not operate its own access network, but instead procures telecoms supply services from various upstream suppliers and can therefore choose the operator offering the best value for money in each case. Typical upstream suppliers include Deutsche Telekom, 1&1 Versatel, Vodafone, Verizon, EWE, Plusnet, Mnet and Colt. The number of upstream suppliers is still rising, as demand among our business customers for broadband fibre-optic cables is constantly growing and a wide range of infrastructure providers and cable network operators are increasingly opening up their state-of-the-art networks for this target group.

1 Sources include 25th telecommunications market analysis 2023; VATM/Dialog Consult

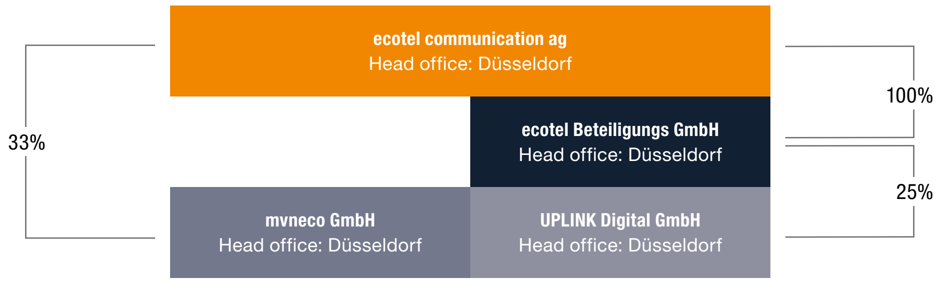
Due to the customer-related purchasing of supply lines, a large part of ecotel's cost base is variable. Based on state-of-the-art NGN technology, ecotel's local exchange carrier (LEC) operations enable it to offer voice transmission services independently, administer phone number blocks and port phone numbers into its own network. Procurement of telecoms supply services is therefore increasingly limited just to access to the customer.

ecotel operates its own ISO 27001-certified data centre on the campus of Europe‘s biggest internet hub in Frankfurt am Main, as well as additional data centre space in Düsseldorf. The two points of presence (PoP) are connected via the company's own central voice and data backbone and linked with many regional and global carriers by means of network interconnections.

2. STRUCTURE OF THE ECOTEL COMMUNICATION AG GROUP

As well as ecotel communication ag (ecotel ag), as at 31 December 2024 the Group also comprises ecotel Beteiligungs GmbH, mvneco GmbH, which is accounted for using the equity method, and UPLINK Digital GmbH, which is recognised at cost.

Structure of the Group



3. MANAGEMENT OF THE GROUP

The statutory executive and representative body of ecotel ag is the Management Board. In accordance with Article 5 of ecotel ag's Articles of Association, the Management Board must consist of at least two people. Other than this, the number of Management Board members is determined by the Supervisory Board. The Supervisory Board may appoint a Chairman and a Deputy Chairman of the Management Board. Deputy members of the Management Board may also be appointed. The Supervisory Board appoints Management Board members for a term of no more than five years. A renewed appointment or an extension of their term of office is permitted for a maximum of five years in each case. The Supervisory Board may revoke the appointment of a Management Board member or the designation as Chairman of the Management Board if there is a good reason for doing so. In accordance with ecotel ag's Articles of Association, the Supervisory Board issues rules of procedure for the Management Board. Pursuant to Article 6 (1) of the Articles of Association, ecotel ag is legally represented by two Management Board members or by one Management Board members together with an authorised signatory.

The Management Board of ecotel ag includes **Markus Hendrich (Chairman of the Management Board),** responsible for Wholesale, Portfolio Management, Technology, Operations, Strategy & Regulation and central administrative functions, **André Borusiak (CCO)** (since 1 July 2024), responsible for Business Customer Sales, Key Account Management, Marketing & Digital Commerce, and **Christian van den Boom (CFO)** (since 1 September 2024), responsible for Finance & Investor Relations, Legal, Compliance and Security Management. Achim Theis was removed from the Management Board with effect from 30 June 2024.

Alongside the Management Board, **Alexander Wiese, Sabrina Bublitz, Oliver Jansen** have been appointed as authorised signatories of ecotel with effect from 31 December 2024

The **Management Board** of ecotel aims to manage the Group sustainably, thus prioritising the medium and long-term impacts when making decisions. The interests of all stakeholder groups are taken into account in business decisions. This firstly includes the interests of the **shareholders** and **capital backers** and secondly those of the **employees, customers and sales partners** of ecotel itself.

Shareholders expect transparent reporting, reliable forecasts and predictable, attractive shareholder remuneration. **Capital backers** expect a sound balance sheet structure, compliance with the agreed covenants and on-schedule debt servicing (interest and principal). For **employees, customers and sales partners,** the focus is on securing jobs, attractiveness as an employer, developing innovative and attractive products, and enhancing services and processes in order to improve customer and partner satisfaction.

ecotel has set itself the goal of becoming the leading quality provider in the area of telecommunications for business customers in Germany and therefore continues to expect capital expenditure and resource expansion in the two focus areas of **»Cloud«** and **»Fibre«**, as these measures are intended to tap into the growth potential that is described in more detail below. Ultimately, ecotel wants to focus development on user-friendly, flexible and scalable platforms to meet the customer requirements of German SMEs and position customised products and solutions.

Derived from this sustained corporate governance, ecotel has put a sustainable finance strategy into place. This does not include the key performance indicators but should reflect the interests of the stakeholder groups described above.

Sustainable financial strategy

// The available funds are used to serve all stakeholder groups.
// This must be done without posing a risk to financial stability.

ecotel	Employees/customers/ sales partners	Capital backers	Shareholders
// Sustainable and profitable growth in the B2B segment	// Attractive and competitive products	// Stable balance sheet ratios	// Transparent capital market reporting
// Increase in gross profit	// Development of modern, forward-looking IT systems	// Net financial debt: **<2.5x EBITDA**	// Realistic forecasts
// Growth-dependent investments in 2025/2026: at least **EUR 8 million**	// Attractive remuneration for sales partners and employees	// EBITDA/sales > 5%	// Increase in EBITDA
// Permanent liquidity reserve including credit facility at least **EUR 5 million**	// Securing jobs	// Equity ratio > 40%	// FCF[1] target: **positive**
	// Sustainable HR policy and training measures		// Dividend policy: At least **50% of EPS**[2]

1 Cash flow from operating activities and cash flow from investing activities before investments in customer equipment for future projects with major customers.
2 Subject to the relevant committee resolutions.

ecotel manages the segments in line with the Group's overall strategic alignment. There is an overall budget plan that incorporates the annual budgets of the business divisions and of the other Group companies. At the level of the ecotel Group's Governing Board, the focus is placed on the key performance indicators of sales and gross profit (sales less cost of materials directly attributable to customer services), operating EBITDA (for a definition, see section 1.3 Forecast and report on opportunities and risks) and,in the overall view, consolidated net profit. For this purpose, direct variable costs are allocated to sales in line with the partial cost method and gross margins are calculated at product type/category level in planning. Indirect cross-product costs (overheads) and staff costs are mostly planned and monitored in cost centres. The Supervisory Board monitors compliance with these key management indicators and receives quarterly reports from the Management Board.

For detailed management of the ecotel Business Customers segment, specific key ratios rating to the business areas (e.g. number of voice channels, number of seats, minutes volume, number of connections, prices per unit (ARPUs), gross profit margin) are also monitored and mapped in a reporting system. These key figures may vary from time to time, depending on their current relevance to the management of business in this segment. These non-financial performance indicators help the management run the segment and support its long-term strategic alignment.

However, the main purpose of non-financial performance indicators is not to manage the Group, but rather to provide further information about the Group‘s situation and allow decisions to be made on this basis. Accordingly, ecotel does not have any non-financial performance indicators that are of material significance to the Group’s business activities.

Liquidity, investments and working capital are monitored centrally at ecotel ag for the fully consolidated companies.

4. RESEARCH AND DEVELOPMENT

ecotel itself does not conduct any fundamental research, but instead focuses on the integration and compatibility of existing types of lines, tariff combinations and device configurations. The focus here is always on the greatest possible cost/benefit effect for customers (»best-of-breed« approach). For this reason, development expenses in recent years have mainly been limited to technical developments to establish the company‘s own local exchange carrier operations, development work for a sales partner portal as well as system developments and improvements for processing orders for the new product range. In 2024, capitalised development expenses amounted to EUR 0.5 million (previous year: EUR 0.4 million). After the successful conclusion of the company‘s own local exchange carrier platform, the key development focus is now shifting towards product and solution development, with two key focus areas: digitalisation of business processes and automation of the product landscape for the purposes of enhancing efficiency, with the majority of investment focused on IT systems, and building up and expanding a modular product and solution portfolio that can be to service the individual requirements of medium-sized business customers quickly, flexibly and on a customised basis.

1.2 Economic report

1. MARKET AND COMPETITIVE ENVIRONMENT

Price-adjusted gross domestic product (GDP) in 2024 was 0.2% lower than in the previous year according to initial calculations by the Federal Statistical Office (Destatis). Adjusted for calendar effects, economic output in Germany also contracted by 0.2%. Economic and structural burdens curbed economic growth in 2024. These include increasing competition for the German export industry in key sales markets, high energy costs, persistently high interest rates and an uncertain economic outlook. In this environment, the German economy contracted again in 2024.[1]

In the past, ecotel's performance was generally not directly linked to the German economy as a whole. On the one hand, existing customers have generally tended to extend existing and functioning infrastructures for telecommunications services in economically difficult phases, which has tended to reduce customer churn in such times. On the other hand, potential new customers were more reluctant to change their telecoms service provider during such phases. The past few years, especially during the COVID-19 pandemic, have also shown that even in the event of impending economic difficulties or even insolvencies, telecommunications services continue to be provided, including by insolvency administrators.

The following statements can be made about the German telecommunications market, in particular the landline market and the telephony market:

Total sales generated by telecommunications providers in the German landline market – consisting of voice and internet services, data services, interconnection, leased lines, content, devices and distribution of TV content sold by network operators and their sales partners – is expected to increase slightly year-on-year in 2024. According to the latest estimates from September 2024, the total market will amount to EUR 33.0 billion (2023: EUR 32.9 billion). Deutsche Telekom's dominant position has continued to strengthen. Its share of the total market is now 52.1% (2023: 51.7%).[2]

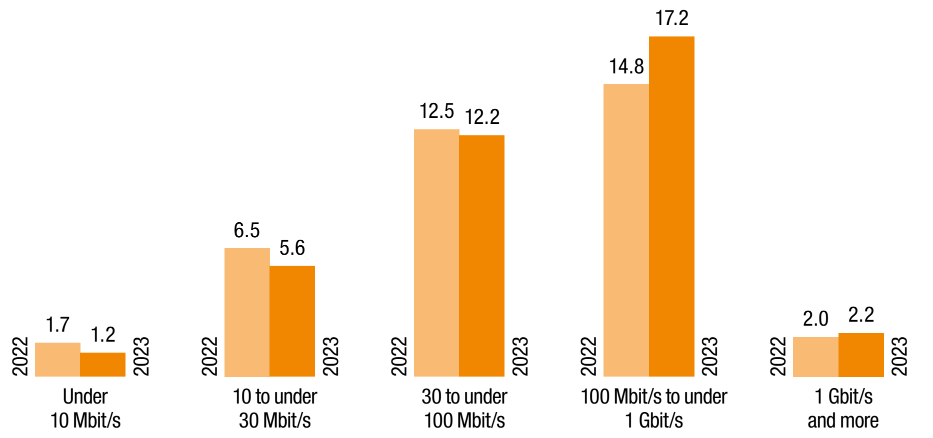
Fundamental market studies relating to the year 2024 are not currently available or will not be published until later.

1 Source: Destatis, press release no. 19 dated 15 January 2025
2 Source: VATM competition study dated 11 September 2024

The German landline market continues to develop positively. The number of active broadband connections in Germany is also continuing to grow. While the number of copper-based connections (mainly DSL connections) fell to 24.5 million, the number of active fibre-optic connections grew to 4.3 million as at the end of 2023.[1]

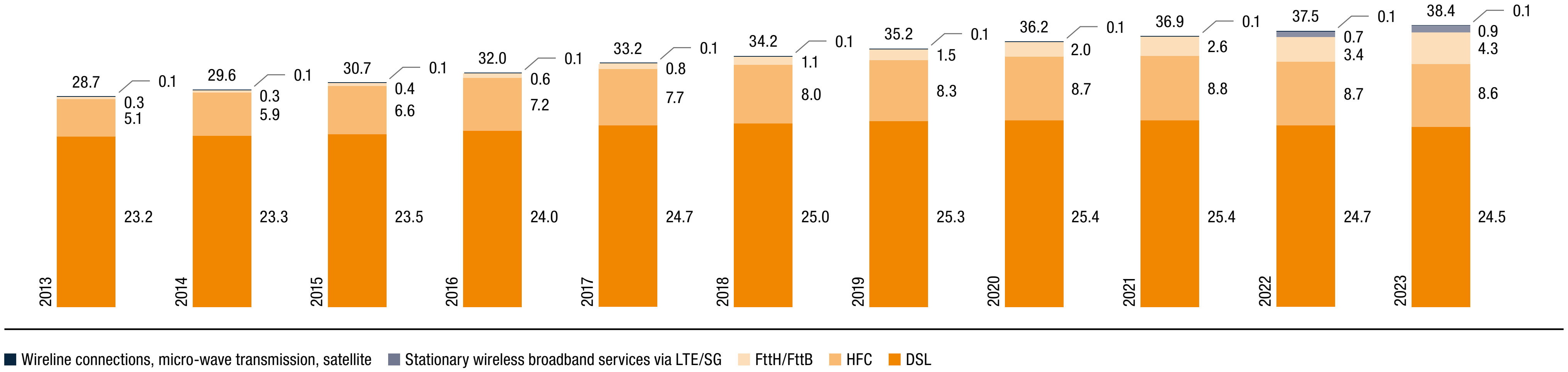
In addition to the fact that this key market segment for ecotel continues to grow, the number of active maximum bandwidths marketed is clearly shifting towards connections with over 100 Mbit/s, which are based on fibre-optic connections. Despite this growth, active fibre-optic connections only accounted for 11.2% of all broadband connections in Germany at the end of 2023.[2]

Distribution of marketed maximum download bandwidths for active broadband landline connections in millions



Source: 2023 annual report of the German Federal Network Agency (page 14)

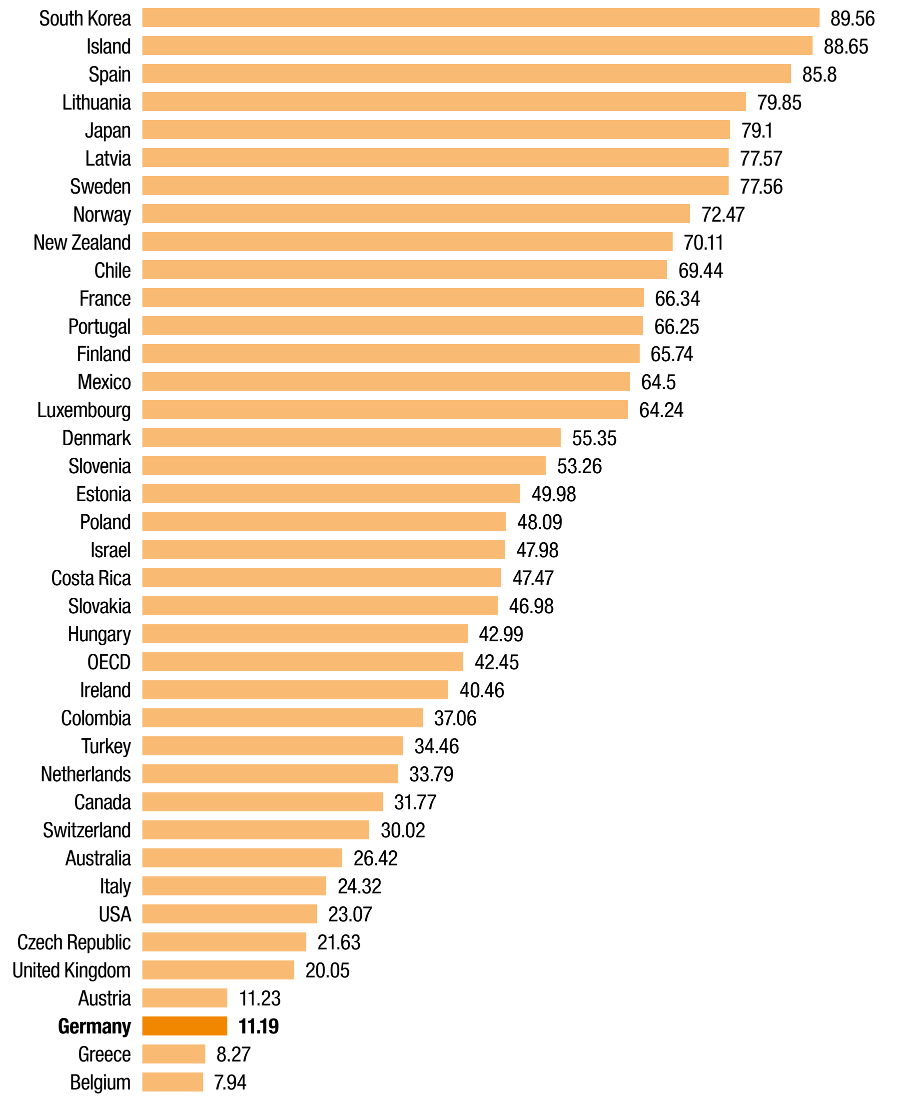
Active broadband landline connections in millions



Source: 2023 annual report of the German Federal Network Agency (page 14)

1 Source: VATM competition study dated 11 September 2024. 2 Source: Destatis, press release no. 19. dated 15 January 2025.

Share of fibre-optic connections in all broadband landline connections in OECD countries in December 2023 in percent



Source: OECD, Statista: 2025

ecotel's chosen strategy of cooperating with as many fibre-optic providers as possible (multi-carrier strategy) is based on this development. An infrastructure provider has great ambitions to fill its own network with customers and services. Since ecotel does not operate its own network as an infrastructure investment, ecotel can provide the best connection for the customer in terms of availability and price at any location in Germany among the infrastructure providers available there. In the B2B segment, ecotel also offers the SD-WAN solution, which makes it possible to achieve higher bandwidths on conventional lines.

As a telecommunications company, ecotel is subject to supervision by the Federal Network Agency for Electricity, Gas, Telecommunications, Post and Railway (BNetzA).

In the field of telecommunications and post, the Federal Network Agency is responsible for:

// ensuring fair and functional competition, including in rural areas,
// ensuring nationwide basic provision of telecommunication and postal services (universal services) at competitive prices,
// supporting telecommunication services at public institutions,
// ensuring efficient, undisrupted use of frequencies, including taking account of radio matters, and
// protecting the interests of public security.

In addition to regulation, the Federal Network Agency has a wide range of other tasks on the telecommunications and postal markets. It:

// issues licences for postal services,
// helps reach solutions for issues relating to standardisation,
// administers frequencies and phone numbers,
// resolves radio interferences,
// combats misuse of phone numbers,
// monitors the market and
// advises citizens on new regulations and their effects.

Based on its knowledge and observation of the market, ecotel aims to identify key trends at an early stage and derive risks and potential from them. In 2024, ecotel dealt with the following topical issues or was actively involved in the working groups and executive committee of the VATM (German Association of Telecommunications and Value-Added Service Providers):

- // improving the political and regulatory conditions for the expansion of broadband and the business customer market in Germany,
- // ensuring similar basic provision of telecommunication services (universal services), including broadband connections at affordable prices, in urban and rural areas,
- // reconciling the European telecommunications policy (EU single market) with the specific requirements of the German telecommunications market,
- // net neutrality (i.e. equal and unchanged transmission of data packages by carriers, regardless of where they come from and what applications generated them),
- // modernising the existing data protection regulations and consumer protection,
- // supporting initiatives in the regulatory and political field and influencing these with the aim of being able to purchase sufficient upstream products on a long-term basis and highlighting national specificities with regard to EU decisions so that these are taken into account,
- // trading platform for providers and buyers of broadband connections,
- // mobile communications.

2. RESULT OF OPERATIONS, FINANCIAL POSITION AND NET ASSET POSITION

Group result of operations

The following effects from **operating EBITDA** were corrected in the **2024 financial year:**

The vesting period (4 years) for the stock options granted in 2020 from the 2020 stock option plan ended in the 2024 financial year. Measurement up to the vesting period on 31 July 2024 resulted in non-cash measurement effects of EUR 0.1 million. In addition, each stock option issued in the financial year was remunerated with a one-off special bonus of EUR 6 per stock option issued. All stock option holders who are still actively employed, with the exception of current and former Management Board members, received this one-off special bonus. This one-off special bonus resulted in personnel expenses totalling EUR 0.7 million. A total of EUR 0.8 million was therefore deducted from operating EBITDA.

To position itself even better in a market that is constantly evolving and to be able to exploit opportunities more quickly and extensively, ecotel has been reviewing its **process landscape and leadership structure** since last year. As part of this, it is analysis process and information flows and modelling them more efficiently. The specialist and leadership structure is also being adapted to the new requirements of this new process landscape. A total of EUR 1.3 million was incurred for this reorganisation in the financial year, including EUR 1.0 million in personnel expenses, and was adjusted from operating EBITDA.

The table below reconciles profit from ordinary activities before depreciation, amortisation and impairment losses (EBITDA) for the individual segments and the Group to **operating EBITDA** (for a definition, see section 1.3 Forecast and report on opportunities and risks) for the 2024 financial year:

EUR million	ecotel Business Customers	ecotel Wholesale	Group
Consolidated EBITDA in accordance with segment reporting	**6.0**	**1.4**	**7.4**
plus expenses in connection with the exercise of stock options	**0.8**	**0.0**	**0.8**
plus reorganisation expenses	**1.3**	**0.0**	**1.3**
Operating EBITDA	**8.1**	**1.4**	**9.5**

Differences in totals may occur due to rounding.

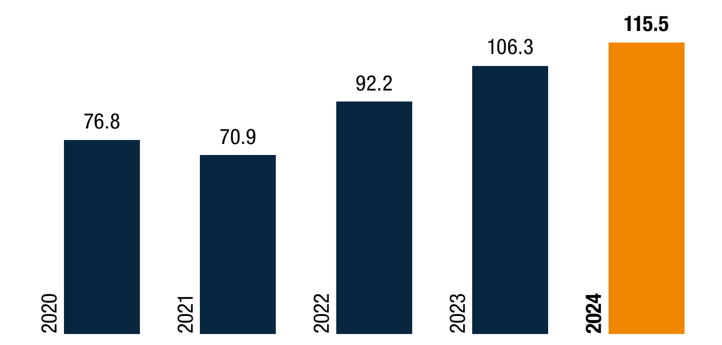
In the 2023 financial year, operating EBITDA was calculated as follows:

EUR million	ecotel Business Customers	ecotel Wholesale	Group
Consolidated EBITDA from continuing operations in accordance with segment reporting	**11.5**	**0.9**	**12.4**
less unplanned income from the transfer of right-of-use assets to online resources	–3.9	–	–3.9
plus non-cash measurement effects	**0.1**	**–**	**0.1**
plus reorganisation expenses	**0.4**	**–**	**0.4**
Adjusted EBITDA	**8.1**	**0.9**	**9.0**

Differences in totals may occur due to rounding.

The Group generated **sales** of EUR 115.5 million in 2024 (previous year: EUR 106.3 million), a rise of 9%. Both operating segments contributed to this increase. In the ecotel Business Customers segment, sales.increased by EUR 1.8 million or 4% to EUR 48.0 million. In the ecotel Wholesale segment, there was an increase of EUR 7.4 million or 12% to EUR 67.6 million.

Sales from continuing operations in EUR million

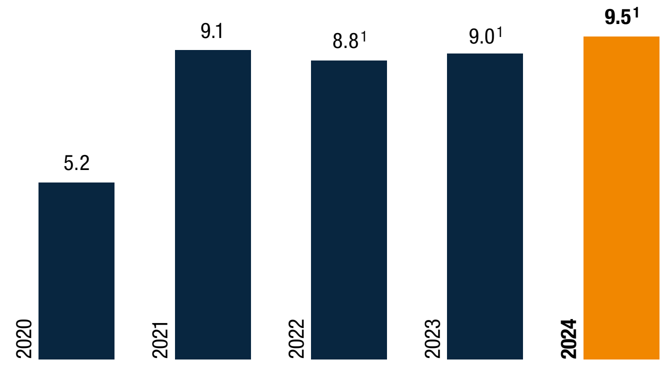


Gross profit increased by 2% in the 2024 financial year to EUR 33.2 million (previous year: EUR 32.6 million). Here too, both segments contributed to the positive development.

Due to the investments made in growth in the previous year, particularly in the expansion of the sales structure and the new strategic alignment, **staff costs** adjusted for the above-mentioned non-recurring effects increased by EUR 0.6 million to EUR 15.2 million. **Income and expenses** adjusted for the above-mentioned non-recurring effects fell by a total of EUR 0.6 million to EUR 8.5 million, primarily due to the recognition through profit or loss of time-barred claims from a settlement of EUR 0.7 million concluded in the ecotel Wholesale segment in 2021.

Operating EBITDA for the Group increased to a total of EUR 9.5 million (previous year: EUR 9.0 million), which is in the middle of the forecast range of EUR 9 to 10 million.

Operating EBITDA from continuing operations in EUR million

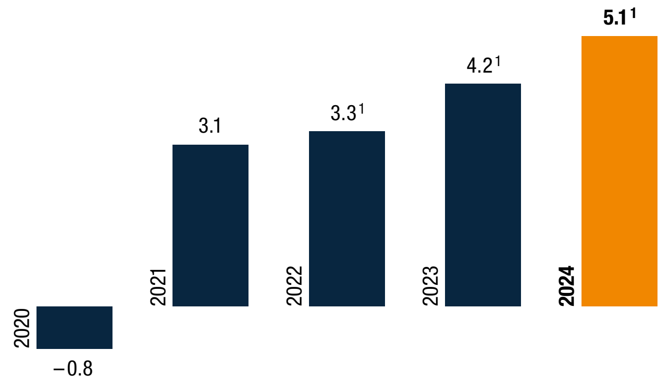


1 Adjusted for special effects

As expected, unadjusted EBITDA fell significantly year-on-year to EUR 7.4 million (previous year: EUR 12.4 million). This decline was due to lower income from the transfer of usage rights to internet resources and significantly higher personnel expenses, primarily driven by the non-recurring factors described above.

Taking into account the year-on-year reduction of EUR 0.3 million in depreciation and amortisation to EUR 4.5 million, the Group generated **EBIT** of EUR 2.9 million (previous year: EUR 7.7 million). EBIT adjusted for the non-recurring effects described above increased from EUR 4.2 million to EUR 5.1 million.

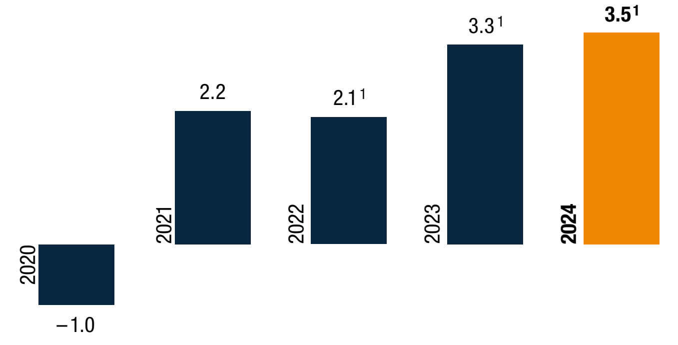
EBIT (adjusted for special effects) from continuing operations in EUR million



1 Adjusted for special effects

Taking into account the financial result (EUR 0.0 million; previous year: EUR 0.5 million) and income taxes (EUR 0.9 million; previous year: EUR 2.5 million), the **consolidated net profit** totalled EUR 2.0 million (previous year: EUR 7.4 million). Adjusted for the non-recurring effects described above and related tax effects, the adjusted consolidated net profit amounts to EUR 3.5 million (previous year: EUR 3.3 million).

Consolidated net profit (adjusted for special effects) from continuing operations in EUR million

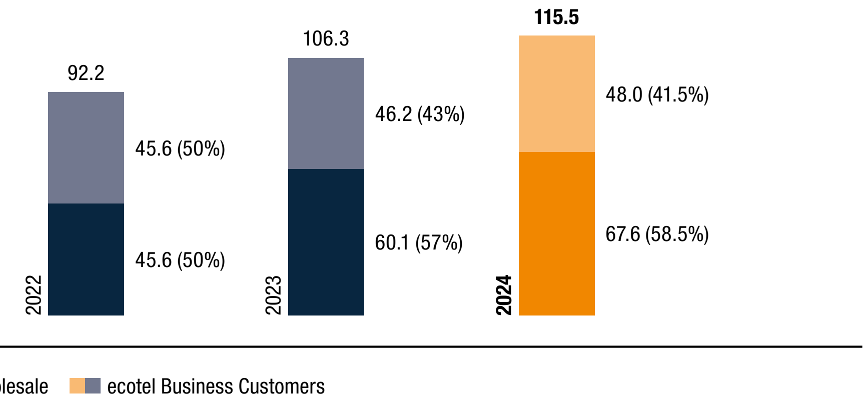


1 Adjusted for special effects

Results of operations of the operating segments

The graphic below shows the development of sales for the last three financial years and the breakdown by segment.

Sales development and breakdown by segment in EUR million



ecotel Business Customers

Sales in the ecotel Business Customers segment increased by 4% to EUR 48.0 million in the 2024 financial year (previous year: EUR 46.2 million). The major orders won in late 2023/early 2024 were reflected in sales, particularly towards the end of the year. These major orders are still in the implementation phase and are expected to be completed next year.

Gross profit in this segment increased by EUR 0.3 million to EUR 31.1 million. Although the major orders described above only led to noticeable sales and gross profit effects towards the end of the financial year and therefore later than originally planned, both sales and gross profit were within the forecast range.

In the previous year, significant investments were made in the development of sales and sales support resources. **Staff costs** therefore rose by EUR 0.6 million to EUR 15.2 million in the Business Customers segment, even after adjustment for the non-recurring effects described above. With the non-recurring effects described above, staff costs rose by EUR 1.5 million to EUR 17.0 million.

Taking into account the only slight year-on-year increase in **other income and expenses** in the Business Customers segment, **operating EBITDA** fell to EUR 8.0 million (previous year: EUR 8.1 million). Nevertheless, the segment was within the forecast range of EUR 8 million to EUR 9 million.

ecotel Wholesale

Sales in the ecotel Wholesale segment increased significantly in the 2024 financial year by EUR 7.5 million to EUR 67.6 million. This increase is the result of both the rise in business with cross-network trading in telephone minutes (Wholesale) (+ EUR 6.0 million) and growth from the marketing of data lines for national and international carriers (EUR 0.3 million). The remainder of the increase comes from the easybell business.

These increases in sales led to a rise in **gross profit** of EUR 0.2 million to EUR 2.1 million. Operating expenses remained almost unchanged year on year. Taking into account the above-mentioned income from the recognition through profit or loss of time-barred liabilities of EUR 0.7 million, **operating EBITDA** increased by EUR 0.6 million to EUR 1.5 million. The segment therefore exceeded the forecast of around EUR 1 million.

Comparison of forecasts with the actual business development

EUR million	2024	Forecast from March 2024 [2]	Comparison with forecast from March 2024
Sales	**115.5**	**108 – 112**	**exceeded**
ecotel Business Customers	48.0	48 – 52	achieved
ecotel Wholesale	67.6	50 – 60	exceeded
Gross profit	**33.2** [3]	**33 – 35**	**achieved** [3]
ecotel Business Customers	31.1 [3]	31 – 33	achieved [3]
ecotel Wholesale	2.1	2 – 3	achieved
Operating EBITDA [1]	**9.5**	**9 – 10**	**achieved**
ecotel Business Customers	8.0 [3]	8 – 9	achieved [3]
ecotel Wholesale	1.5 [3]	~ 1	exceeded [3]
Consolidated net profit	**2.0**	**> 2**	**achieved**

1 Earnings before depreciation, amortisation and impairment losses adjusted for non-recurring effects.
2 Forecast from the 2023 management report.
3 Intersegment reporting was adjusted and the definition of gross profit was refined in the 2024 financial year. Without the reclassification, gross profit and operating EBITDA in the Business Customers segment would have fallen short by EUR 0.5 million and EUR 0.4 million respectively.

In the 2024 financial year, ecotel met or exceeded all forecasts. The forecast ranges were met or exceeded, particularly in terms of sales and operating EBITDA. However, due to delays in the implementation of major projects, which only led to increases in sales and earnings in the fourth quarter, some of these figures were at the lower end of the range.

Financial position

Overall, the Group's financial position in the 2024 financial year was largely defined by the preparations for and partial implementation of the major projects. On the one hand, a customer has already made large advance payments for future services, while on the other hand, investments in technical equipment, licences and maintenance contracts had to be made in order to implement the projects. In addition, the first notable invoices in connection with these projects were only issued in the final months of the 2024 financial year, and most of them were not yet due as at the reporting date.

Free cash flow – the balance of cash inflow from operating activities and cash inflow/outflow from investing activities – therefore totalled just EUR 0.6 million in the 2024 financial year (previous year: EUR 4.0 million). The main reason for this decrease is the significantly higher cash outflow from investing activities of EUR 6.9 million described above (previous year: EUR 2.1 million). Cash flow from operating activities totalled EUR 7.5 million, an increase on the previous year (EUR 6.1 million). This improvement was attributable to management of working capital (EUR 1.5 million; previous year: EUR –3.6 million) and a sharp decrease in income tax payments compared to the previous year (EUR 1.6 million; previous year: EUR 4.2 million).

Cash outflow from financing activities decreased significantly compared to the previous year. While the high dividend payment of EUR 66.1 million was the main factor in the overall balance of EUR –67.2 million in the previous year, **cash outflow from financing activities** remained at EUR –1.9 million in the 2024 financial year. Dividend payments totalling EUR 1.6 million, scheduled repayments of lease liabilities of EUR 0.9 million are offset by the raising of a short-term financial loan of EUR 1.0 million. As at the reporting date, there were also open credit lines of EUR 9 million (previous year: EUR 10 million); all associated covenants have been complied with. Financial assets as at 31 December 2024 include an overpayment of EUR 0.5 million, which was repaid in January. Cash and cash equivalents decreased from EUR 3.7 million to EUR 2.3 million.

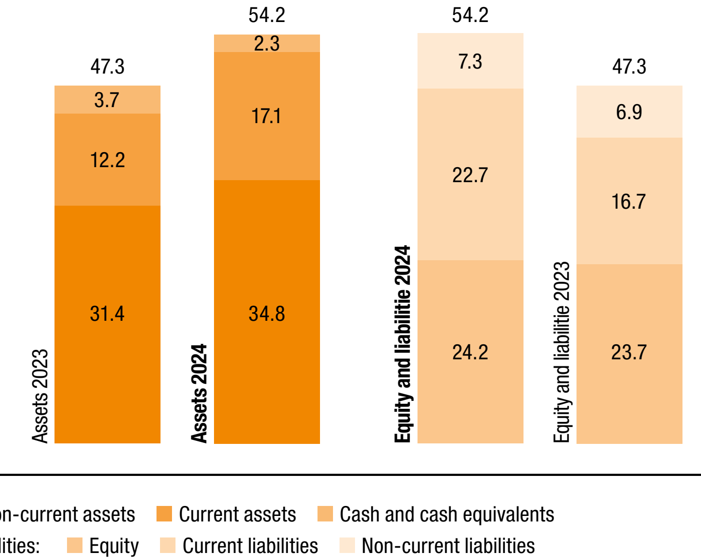
Net asset situation

The Group's **total assets** increased significantly by EUR 6.9 million to EUR 54.2 million as at 31 December 2024. On the **assets side**, non-current assets rose by EUR 3.4 million to EUR 34.8 million and current assets by EUR 3.5 million to EUR 19.4 million.

The increase in **non-current assets** is mainly the result of further investment in the new and enhanced business support systems and other software (EUR 2.3 million), investment in customer equipment (EUR 0.6 million), investment in the data centres (EUR 0.8 million) and advance payments for the new major projects currently being implemented (EUR 1.4 million). By contrast, scheduled depreciation and amortisation of property, plant and equipment and intangible assets of EUR 4.5 million (previous year: EUR 4.8 million) reduced non-current assets. Investments increased by EUR 0.2 million to EUR 1.5 million.

Current assets increased compared to the end of the previous reporting period due to higher trade receivables (+ EUR 4.0 million). This increase was due to the reporting date, primarily as a result of the first-time invoices for the major projects, which were not yet due on the reporting date. In addition, other assets increased by EUR 0.8 million. The major projects are also a major factor in this increase. Prepaid expenses for services were recognised here. Cash and cash equivalents decreased by EUR 1.4 million to EUR 2.3 million compared with the previous year's reporting date.

Assets and equity/liabilities in EUR million



On the **equity** and **liabilities side**, equity increased by EUR 0.5 million to EUR 24.2 million. Consolidated net income of EUR 2.0 million (previous year: EUR 7.4 million) is offset by the dividend payment of EUR 1.6 million in 2024 (previous year: EUR 66.1 million). The equity ratio was around 45% as at 31 December 2024 (previous year: around 50%).

Non-current liabilities rose by EUR 0.3 million to EUR 7.3 million, mainly due to the EUR 0.9 million increase in non-current contract liabilities resulting from payments already made in advance by a major customer; this was offset by the repayment of lease liabilities totalling EUR 0.9 million.

Current liabilities increased by EUR 6.1 million to EUR 22.7 million. The main reasons for this increase are a EUR 4.0 million increase in trade payables and a EUR 0.4 million increase in liabilities to associates. In addition, short-term loans totalling EUR 1.0 million were taken out.

Articles of Association/capital structure

In accordance with section 179 of the German Stock Corporation Act (AktG), any amendment to the Articles of Association generally requires a resolution by the Annual General Meeting. Amendments that only affect the wording are an exception to this rule; the Supervisory Board is authorised to make such amendments.

Unless stipulated otherwise in the Articles of Association in the individual case or prevented by mandatory statutory provisions, resolutions of the Annual General Meeting are adopted with a simple majority of the votes cast and, if the law stipulates a capital majority as well as a majority of votes, with a simple majority of the share capital represented when the resolution is adopted.

The **share capital** of ecotel ag amounts to EUR 3,517,820 (previous year: EUR 3,510,000) and is divided into 3,517,820 (previous year: 3,510,000) bearer shares. The shares are issued as no-par value shares with a pro rata amount of the share capital of EUR 1.00.

The share capital is fully paid up in the amount of EUR 3,517,820 (previous year: EUR 3,510,000.00). Each no-par-value share grants the bearer one vote at the Annual General Meeting. There are no restrictions on voting rights. There are no different voting rights in relation to the shares This year, 7,820 options from the SOP have been exercised.

The Management Board of ecotel ag is not aware of any restrictions relating to voting rights or share transfers of the kind that could arise from agreements between shareholders, for example.

Authorised capital

By way of a resolution adopted by the Annual General Meeting on 8 July 2021, the Management Board of ecotel ag is now authorised to increase the share capital of ecotel ag, with the approval of the Supervisory Board, one or more times by a total of up to EUR 1,775,000.00 (previously: EUR 1,755,000.00) in exchange for cash and/or non-cash contributions by 7 July 2026 by issuing new, no-par value bearer shares (Authorised Capital). The Management Board did not make use of this authorisation in the financial year.

Contingent capital

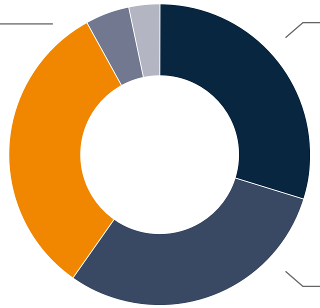
By way of a resolution adopted by the Annual General Meeting on 3 July 2020, a contingent increase in the share capital of up to EUR 1,404,000 by issuing up to 1,404,000 no-par value bearer shares was resolved (new version of **Contingent Capital 2017**). In addition, by way of a resolution adopted by the Annual General Meeting on 3 July 2020, a decision was made to issue stock options (stock option plan 2020) and to create new contingent capital 2020 **(Contingent Capital 2020)**. The Management Board made use of this authorisation in the financial year. The exercise period for the stock option programme 2020 began on 1 August 2024. The Management Board has therefore authorised a contingent capital increase of 351,000 no-par value bearer shares on the regulated market. The contingent capital 2020 was reduced to EUR 343,180 in 2024 due to the exercise of 7,820 stock options.

Authorisation to acquire treasury shares

By way of a resolution dated 21 April 2023, the Annual General Meeting authorised the Management Board to acquire treasury shares with a notional interest in the share capital of up to 10%. This authorisation can be exercised in full or in part, on one or several occasions, by the company or by third parties acting on its behalf. The authorisation is valid until 20 April 2028.

The chart below shows the names of shareholders that held an interest of more than 3% in the share capital of ecotel ag at the end of 2024. It is based on the share ownership information provided to ecotel. There are no different voting rights in relation to the shares.

Share ownership as at 31 December 2024 in percent



There are no holders of shares with special rights that confer powers of control. There is no voting rights control for the event that employees hold interests in the share capital and do not exercise their rights of control directly.

3. OVERALL STATEMENT ON THE GROUP'S ECONOMIC SITUATION

The Group's economic situation did not change significantly in the 2024 financial year. The Group is still only marginally dependent on external financial liabilities (bank loans) and can therefore finance planned and necessary investments in the growth areas itself. The results of operations of the operating segments increased significantly, and both operating segments saw an increase in gross profits.

Key statement of financial position figures, such as net financial assets (EUR 1.4 million; previous year: EUR 3.7 million), which were affected significantly in 2024 primarily by higher expenditure on investments and the dividend paid in the past financial year, have therefore naturally decreased. Accordingly, the equity ratio (44.6%; previous year: 50.1%) also decreased due to the higher total assets. However, the key figures as at 31 December 2024 are very solid. The result of operations is still mainly characterised by recurring sales. In summary, we can say that our business performance for the 2024 financial year can be regarded as satisfactory overall. For information on the planned growth strategy, the focus on cloud and fibre products and the overall opportunity and risk situation, please refer to the statements in the forecast and report on opportunities and risks.

1.3 Forecast and report on opportunities and risks

1. CONTROL AND RISK MANAGEMENT SYSTEM

In order to identify and assess business risks and risks to the continued existence of the Group at an early stage and to handle these risks properly, ecotel uses a suitable risk management system. Group-wide responsibility for the early detection and countering of risks lies with the Management Board. It is supported by the authorised signatories and the managing directors of the subsidiary with regard to the continuous identification and assessment of risks within the Group. Using quarterly risk reports, the Management Board and the Supervisory Board track the identified risks throughout the year with regard to their planned development. The focus here is on the identification of areas requiring action and the status of the measures initiated for systematic management of the risks identified. All significant risks that could jeopardise the Group's results and its continued existence are listed in the form of a risk matrix. All potential risks are assessed based on the probability of occurrence and the potential losses. The probability of occurrence is classified as low, medium, high or very high. The potential amount of loss (net present value) is likewise categorised in four loss classes as shown in the table below.

Loss class and possible amount of loss in EUR

Loss class	Possible amount of loss
Very high	> EUR 1,000,000
High	EUR 300,000 – EUR 1,000,000
Medium	EUR 100,000 – EUR 300,000
Low	< EUR 100,000

The probabilities and loss classes allocated to the identified risk positions are categorised in risk classes in line with the table below. The risk class also shows the gross risk for each risk position (1 to 4). The Management Board derives measures to be initiated to counter each risk position and assesses the net risk (1 to 4) on this basis, taking into account measures that have already been implemented. Gross and net risk may therefore differ from one another due to the countermeasures.

In order to ensure the effectiveness and efficiency of its business operations, the correctness and reliability of its internal and external accounting and compliance with the relevant legal regulations for the company, ecotel still maintains an **internal control system (ICS)** that is subjected to an internal review at regular intervals, including in the 2024 financial year. The internal control system and the risk management system are dynamic systems. They are constantly adjusted to take account of changes in the business model, the nature and scope of transactions and responsibilities. As a result, the reviews and audits carried out and the auditor's audit activities reveal potential for improvement with regard to both the appropriateness (lack of suitable controls) and the effectiveness (inadequate implementation) of controls. Moreover, compliance incidents may also result in potential for improvement. The potential improvements identified in the year under review did not reveal any indications that the two management systems are not appropriate or effective.

Risk matrix

Possible amount of loss	Low	Medium	High	Very high
Very high	Risk class 3	Risk class 2	Risk class 1	Risk class 1
High	Risk class 3	Risk class 2	Risk class 2	Risk class 1
Medium	Risk class 4	Risk class 3	Risk class 2	Risk class 2
Low	Risk class 4	Risk class 4	Risk class 3	Risk class 3

Probality of occurance

In addition, the ecotel ag control systems meet the »Minimum Requirements for Risk Management« (MaRisk) and the »Banking Regulation Requirements for IT« (BAIT), through Internal Audit in the context of full outsourcing, something demonstrated every year on the basis of the audit options in line with IDW PS 951 Type 2. These measures were necessary because ecotel provides both insurance companies and banks with various ICT solutions.

Financial reporting risk relates to the risk of the consolidated and interim financial statements containing misstatements that could have a significant influence on their users' decisions. The accounting-related internal control system aims to identify possible sources of error and limit the resulting risks. In order to ensure proper and reliable accounting, the internal control system is designed such that the dual control principle is applied for all significant transactions and there is a separation of duties in the accounting process. Regularly recurring processes are largely supported by IT (interfaces between operational and accounting systems for invoices, incoming and outgoing payments and credit processes). Account assignment guidelines are used to help ensure proper accounting. External service providers are brought in when necessary to assess more complex accounting matters. The same applies to the preparation of tax returns. These preparation and advisory services are monitored and processed by means of internal plausibility checks and coordination.

In addition, key financial ratios are monitored by means of regular target/actual comparison including variance analysis.

2. RISKS OF FUTURE DEVELOPMENT

In the course of its ordinary business operations, ecotel faces operational risks, financial risks, strategic risks and market risks. The key risks with their gross and net impact (after measures implemented) are described below. There has been no material change to the risk situation compared to the previous year.

Operational risks

Operational risks are generally of a short-term nature. At ecotel, they primarily focus on potential failures, errors and capacity bottlenecks in the infrastructure (e.g. backbone, data centre, transmission technology, server farms) and on the correct and timely handling of business-critical processes in the areas of billing, provisioning for sales partners, receivables management and customer, supplier and partner support.

Ensuring maximum availability of the infrastructure by means of appropriate system redundancies in relation to both transmission technology and cables is one of the most important measures to prevent risks and is systematically implemented by ecotel.

With regard to the **data centre infrastructure**, potential risks relate to failure of the air conditioning and emergency power supply or loss of connections. The emergency power supply and air conditioning are designed on a redundant basis. The data centres in Düsseldorf and Frankfurt am Main are geo-redundant and are connected with each other on an edge- and hub-disjoint basis. In addition, supply lines from the main carrier suppliers are connected to the two data centres redundantly. The internet connection is also set up geo-redundantly with various different carriers to both PoPs. (Gross risk 1/net risk 3; loss class: medium).

The company's own local **exchange carrier operations/voice platforms** and the connected technical software and system components form the basis for achieving value added in the ecotel Business Customers segment. Particularly in view of the very complex IT system landscape for the ecotel Business Customers segment, downtime of parts or a complete breakdown would result not only in a considerable loss of reputation, but also means that the group would face material claims for damages. The system landscape developed for local exchange carrier operations is characterised by a high level of redundancy both within a data centre and between the Frankfurt am Main and Düsseldorf locations. In addition, the entire system was designed in such a way that it also provides comprehensive fail-safety within the individual components. In 2024, 99% of customers were switched to the configurations that can be influenced by ecotel. The remaining customers, less than 1%, will also be migrated to the new systems at the beginning of 2025. This will complete the changeover and there will no longer be any risk. (Gross risk 1/net risk 3; in particular ecotel Business Customers segment; loss class: high).

In providing the contractual services to its customers, ecotel depends on the performance of upstream suppliers. A potential outage of connections which ecotel uses to provide services would result not only in losing reputation, but also in material claims for damages. For this reason, ecotel selects its upstream suppliers carefully and monitors them. Particularly in relation to fail-safe performance, service level agreements are concluded with the material suppliers and escalation processes carried out, thus keeping downtime and disruption periods as low as possible. On the basis of the extensive multi-carrier concept, multi-channel distribution can be realised at the customer across several suppliers if required, thus further reducing downtime risk. (Gross risk 3/net risk 4; in particular ecotel Business Customers segment; loss class: medium).

The ecotel Business Customers segment is implementing a brand-new **system architecture** that makes it far easier for partners, customers and employees to enter orders and uses automated processes to ensure that the services ordered are provided. This new system is gradually being successively expanded and will replace the current systems over the next few years. This kind of internal customer migration process poses various risks. Firstly, customer migration can cause business and technical errors and problems, resulting in a poorer customer relationship or even in incorrect invoices that then need to be corrected. In 2024, the existing systems were set up in such a way that their operational readiness is ensured until the complete migration to the new system. Any technical problems or necessary adjustments that arise are dealt with promptly by qualified personnel, ensuring continued operation until the systems are finally shut down. The first key products were completely migrated to the new system in 2024. The overall migration is expected to continue into 2025. (Gross risk 1/net risk 2; ecotel Business Customers segment; loss class: high).

Operation of a telecommunications network and telecommunications naturally entails risks relating to **cybercrime**. These include attacks on systems and networks as well as fraudulent activities in the field of telephony. This risk is reduced through annual certification in accordance with ISO 27001, PS 951 Type B and regular audits by the Federal Network Agency, as well as a comprehensive technical security concept, information and data protection security concepts and an outsourced Internal Audit department. Regular training and updates further reduce potential risks. Due to the constantly changing environment, new risks are constantly emerging. (Gross risk 1/net risk 3; loss class: high).

Geopolitical developments, ever-present crises and the threat of trade wars could make potential new customers more cautious. Although the telecommunications market as a whole has shown that it reacts very robustly to a wide variety of crisis situations and the customer base does not collapse, ecotel cannot rule out having to deal with risks in connection with energy costs, energy shortages, purchase prices, supply chain problems and insolvencies relating to crises. These issues are closely monitored and suitable countermeasures taken. (Gross risk 1/net risk 2; predominantly ecotel Business Customers segment; loss class: high).

Financial risks

Financial risks at ecotel include credit risks, liquidity risks, foreign currency risks and interest rate risks.

ecotel has agreed customary creditor protection clauses relating to certain key ratios (known as financial covenants) with the **financing banks.** These ratios are calculated based on the consolidated financial statements prepared by ecotel in accordance with IFRS. Failure to comply with the covenants could possibly result in termination of the working capital facilities and therefore a significant deterioration in ecotel's liquidity position if no agreement can be reached on an adjustment of the financial covenants. For all financial covenants agreed (equity ratio, EBITDA/sales and net debt/EBITDA), ecotel is currently within the stipulated ranges. The company also expects to be able to comply comfortably with all covenant thresholds in 2025. (Gross risk 2/net risk 4; loss class: very high).

The provisions of International Financial Reporting Standards (IFRS) allow for »impairment only« recognition of some **balance sheet items,** as scheduled depreciation for wear and tear may not be assumed. ecotel therefore carries out annual reviews of these items. Current developments do not indicate any need for impairment. However, the economic situation could deteriorate in the future, which means that this cannot be ruled out in the long term and could have a negative impact on results (gross risk 2/net risk 3; ecotel Business Customers segment; loss class: high).

General **regulatory requirements,** especially for listed companies, are continuing to increase rapidly. The German Corporate Governance Code, sustainability reporting, the risk management system, the internal control system and the establishment of a compliance management system tie up resources and harbour the risk of making mistakes that could result in civil and/or criminal penalties. ecotel has deployed both external and internal resources in recent years to address these issues, and will continue to do so in the next few years to ensure that all requirements here are met. New requirements are also arising, for example as a result of sustainability reporting or other conditions that lead to new regular reports and/or areas requiring action. The Group monitors new legislation constantly and strives to fulfil all requirements. (Gross risk 1/net risk 3; loss class: very high).

Legal risks

ecotel is exposed to a variety of legal risks, including risks in relation to warranties, breach of contract, competition and patent law, and continuing liability risks from discontinued operations. The effects of pending or future legal proceedings often cannot be predicted with certainty. The Group continuously identifies and analyses possible risks for the emergence of legal disputes and assesses the potential legal and financial effects both quantitatively and qualitatively. The responsible Legal department is continuously expanded by hiring an additional lawyer.

On this basis, appropriate measures are taken in good time to avoid potential losses for the Group. As at the end of the 2024 financial year, the Group is not exposed to any significant legal disputes.

Tax risks

Risks for the Group occur if tax laws and other regulations are not fully observed. They may also arise as a result of matters requiring interpretation if the fiscal authorities believe that the appropriate tax consequences have not been drawn. Tax audits can therefore lead to tax arrears, interest and penalties. With the involvement of external tax advisors, the Group continuously monitors tax risks that could arise, for example, from tax legislation, changes in authorities' interpretations or tax jurisdiction. The most recent tax audit of the entire Group covered the years 2015 to 2017. The tax audit for the years up to 2021 has been completed but not yet decided upon; no findings are available as yet.

In 2020, ecotel was informed by the responsible Düsseldorf tax office (control notification) that the input tax deduction from incoming invoices of an individual material supplier in the Wholesale segment is to be retroactively denied. The reason given was a special sales tax audit at this supplier. The total volume of the sales tax input deduction in question amounts to EUR 3.7 million. The supplier has submitted documentation and descriptions, outstanding advance sales tax returns for 2020 and the annual return to the tax office responsible for the supplier in Berlin. There has not yet been any further informal or formal information on the control notification from the Dusseldorf tax office which is responsible for ecotel. However, in the 2021 financial year, ecotel (members of executive bodies and employees dealing with the matter) was questioned as a witness on the matter by the prosecuting tax authorities. Furthermore, preliminary proceedings were initiated against executive bodies and employees involved in the matter during the financial year. An external expert report commissioned by the Supervisory Board is available; the report does not indicate any change in risk.

For this reason, ecotel and the mandated experts and lawyers still anticipate that it will be some time before there is definitive clarification of the matter. In view of the existing documentation and information and on the basis of external expert opinion, ecotel estimates that the risk of an outflow of resources with sales tax as a result of the denial of the input tax deduction is considerably under 50%.

Of the EUR 1.9 million open accounts payable to the supplier/the factor which had been retained by ecotel, EUR 0.9 million was paid in 2021 on the basis of a settlement reached. Due to the unclear contractual and legal situation at that time, ecotel recognised a provision of EUR 0.8 million (gross) for the remaining liabilities after the input tax correction since 2021. These liabilities are now legally time-barred and were therefore derecognised through profit or loss in the 2024 financial year.

Risks relating to the market environment

Rapid pace technological change is constantly giving rise to new products and business models. It cannot be ruled out that this development may impair the competitiveness of ecotel's products, which could reduce demand for these products. In particular, the Federal Network Agency's current activities to regulate Deutsche Telekom's existing and newly launched upstream products may have a significant impact on ecotel's competitiveness. These products are key upstream products for the provision of new and existing services to customers. For this reason, ecotel continuously monitors the market environment and is an active participant in relevant associations so that it can influence decisions where necessary and therefore react quickly and effectively to technological changes. (Gross risk 2/net risk 3; in particular ecotel Business Customers segment; loss class: high).

Overall risk is calculable

In summary, ecotel is convinced that the material risks identified neither individually nor collectively pose a tangible risk to ecotel's continued existence, and that ecotel's flexible business model and monitoring system will enable it to detect risks quickly, react to them and initiate countermeasures in 2025, too.

Overall, the Management Board gives all risks with a gross risk of 1 a net risk of 2 or lower through risk-minimising interventions.

3. OPPORTUNITIES OF FUTURE DEVELOPMENT

In addition to risks, there are a wide range of opportunities that can affect ecotel's business performance on a long-term basis. The opportunity situation has improved compared to the previous year on account of the chosen strategic orientation and external factors. The opportunities from the perspective of the Group's Management Board are described below:

Focus on most important growth markets on the German telecommunications market

According to the management, the German business customer market is very cautious in comparison to the rest of Europe and is lagging behind in terms of digitalisation, both in cloud telephony and in broadband expansion. However, the Management Board believes, based on various market studies, that this pent-up demand will be reflected in higher growth rates in the coming years, particularly in the focus areas of »Cloud & Fibre«. ecotel will be able to benefit disproportionately from market growth as a result of investments it has made in recent years, some of them anti-cyclical, in modern IT and production systems, and in particular the investments made in previous years in the targeted positioning of the company in precisely these growth areas.

With its own cloud.phone product group and the multi-carrier-based ethernet, ecotel is ideally positioned for the two growth areas of »Cloud & Fibre« and is therefore focusing on them.

Cloud telephony (cloud.phone) and UCC solutions

Two further key trends in telecommunications are voice over IP (VoIP) and the relocation of telephone systems to the network (cloud telephony). The ecotel product range has exactly these characteristics. With its local exchange carrier operations as well as its in-house solutions, ecotel has further opportunities to increase sales and profit by converting the existing customer base.

Fibre: sustainable sales activities for data

Data sales including hosting already account for more than 50% of sales with business customers. The past financial years have shown that this ratio could see even stronger growth than assumed in the current planning, partly due to the increasing progress being made in expanding fibre-optic technology in Germany, the company's development of an open-access platform and its successful positioning on the growing market for software-based networking (SD-WAN).

The Group is already one of the first providers on the market to deploy customer premises equipment (CPE) in customer networks. In contrast to conventional proprietary devices, which can only perform one specific function, universal CPE can do more than simply replace one service for the customer. Universal CPE not only offers a data line, but can also provide modern SD-WAN software, a local firewall and other network-related functions at the same time. This means that ecotel can place further services with customers without investing in additional hardware, including as part of a new sales model (»try & buy«), and can thus open up further sources of sales. Universal CPE also offers greater investment protection, as its generic nature means that it is not bound to specific access technologies and therefore does not need to be replaced if the type of connection changes, e.g. as a result of the roll-out of fibre-optic.

Acquisition of further major customers and renewal of contracts and expansion with existing major customers

The first major projects successfully implemented have enabled ecotel to establish itself in a position to offer similar projects to other major customers with decentralised structures. These particularly include customised remote router management services, connectivity solutions within an MPLS VPN, and central firewall services in ecotel's data centre. ecotel has also successfully positioned itself on the SD-WAN market with several reference projects.

It is also possible to enter into talks with existing customers to extend contracts before the contractually agreed minimum terms expire. The experience and expertise gained gives ecotel the opportunity to further intensify and extend existing relationships with major customers. Potential new customers benefit from the extensive experience that ecotel has gathered in recent years, for example in the context of rollouts in the retail environment. This gives ecotel the opportunity to win further lucrative contracts with major customers.

Strategic cooperations to exploit market opportunities resulting from stronger interconnection of telecommunications and IT

The current sales and growth rates in the overall market in the cloud services sector, mainly the transfer of local computing power to secure data centres, are extremely substantial. This positive market development corresponds perfectly with ecotel's product range and strategy in the area of infrastructure and data services. These include the xDSL and fibre-optic lines available throughout Germany as well as the MPLS VPN solutions and housing/colocation services in ecotel's data centre. Unlike many multinational cloud providers with a heterogeneous structure, ecotel, as a German provider with data centres in Frankfurt am Main and Düsseldorf, is able to guarantee full and traceable compliance with German data protection laws. This creates ideal conditions for the implementation of hybrid cloud scenarios and represents a significant locational and competitive advantage, especially in the context of current discussions and new legislation on data security.

Profitable growth at mvneco GmbH (included using the equity method)

mvneco is increasingly evolving into a specialised IT system vendor for telecommunications providers and the associated business models. This ongoing development opens up potential whose full scope is not yet fully foreseeable, but which offers promising opportunities for the future.

4. FORECAST

Note on forecasts

This Group management report contains forward-looking statements that reflect the current views of ecotel's management with regard to future events. Such statements are generally characterised by the words »expect«, »anticipate«, »assume«, »intend«, »estimate«, »aim for«, »target«, »plan«, »will«, »endeavour«, »outlook« and comparable expressions, and they generally contain information relating to the expectations or targets for sales, operating EBITDA and consolidated net profit or other performance indicators. Forward-looking statements are based on currently applicable plans, assessments and expectations. They should therefore be treated with caution. Such statements are subject to risks and uncertainties that tend to be difficult to estimate and are generally beyond ecotel's control. Other possible factors that could significantly impact the cost and sales development include changes in interest rates, regulatory requirements and supervisory law developments. If these or other risks and uncertainties materialise, or if the assumptions on which the statements are based prove to be incorrect, then ecotel's actual results could differ significantly from those expressed or implied in these statements. ecotel cannot provide any guarantee that the expectations or targets will be achieved and – notwithstanding existing obligations under capital market law – does not accept any responsibility for updating forward-looking statements to take account of new information, future events or other things.

Notes to the forecast

Current forecasts for the development of gross domestic product for 2025 anticipate slight growth of 0.3%.[1]

In the past, ecotel and the German telecommunications market as a whole were generally far less affected by adverse macroeconomic developments and crises than other companies and sectors. The general economic conditions of the market situation and the assessment of the risk and opportunity situation as presented in this Group management report, as known at the time of preparing the report, were incorporated into the forecast for 2025.

2025 forecast and medium-term planning

In February 2025, the Management Board and the Supervisory Board jointly resolved that the following key figures are essential to the management of the Group. In view of the opportunities and risks contained in this annual report, the currently expected general economic conditions and the information in this section, the Management Board is issuing the following forecast for 2025:

2025 forecast in EUR million

	2024	Forecast for 2025
Sales	**115.5**	**117–125**
ecotel Business Customers	48.0	49–53
ecotel Wholesale	67.6	68–72
Operating EBITDA	**9.5**	**10–11.5**
Consolidated net profit	**2.0**	**~3**

To improve comparability, the following key figures from the 2024 financial year – gross profit and operating EBITDA broken down for both segments – are also reported for the 2025 financial year for information purposes.

1 Source: Monthly report of the Federal Ministry of Finance, January 2025, page 3

Definition of operating EBITDA

ecotel defines EBITDA as EBIT before depreciation, amortisation and impairment losses. ecotel uses operating EBITDA, as defined below, as its central key performance indicator. Given the difficulties in predicting non-recurring effects and in order to manage business operations and ensure the long-term comparability and transparency of business operations, the Management Board considers this key performance indicator more suitable than EBITDA.

ecotel has defined the following adjustment effects that will correct reported EBITDA into **operating EBITDA:**

- // Income and expenses from changes in the investment portfolio and the directly related transaction costs (including deconsolidation gains/losses, effects of purchase price allocation, expenses for due diligence, legal services, notarisation);
- // Extraordinary (not forecast) income from the transfer of right-of-use assets to online resources (including purchase price, currency translation effects, transaction costs);
- // Expenses for reorganisation and restructuring measures;
- // Expenses for non-cash measurement effects (e.g. stock option plans) and expenses incurred by the Group in connection with the exercising of stock option plans;
- // Other income and expenses that were unpredictable in terms of type and/or amount, that reduce the comparability of operating activities and cannot be directly influenced by management (e.g. unpredictable temporary fluctuations in energy prices or unforeseen retroactive adjustments in the price of upstream products by regulatory authorities).

The actual occurrence of the forecast developments is subject to there being no adverse changes in the identified risks – such as higher probabilities of occurrence or higher losses – and no new risks that could arise within the forecast period. Identified opportunities must also still exist and be achievable. Please refer to the information in the Note on forecasts.

Medium-term planning

The Management Board expects significant sales growth in the ecotel Business Customers segment in 2026 and 2027, as investment in sales and measures to support sales is continuing to have a positive effect on incoming orders, and the ongoing major projects will by then be expected to be fully reflected in sales. As a result, the Management Board believes that sales growth of around 10% per year in the ecotel Business Customers segment is achievable. Operating EBITDA is expected to increase to as much as EUR 15 million in 2026, due to the effects outlined above.

1.4 Takeover-related disclosures

With the exemption of the following regulations, there are no agreements for compensation in the event of a takeover for Management Board members or for any other executive body members in the Group. There are no further agreements between ecotel and individuals that take effect in the event of a change of control resulting from a takeover bid.

In the event of a change of control, i.e. the acquisition of a majority in the company by a person (acting alone or in concert), with the exception of such parties which directly or indirectly are full subsidiaries of the company or hold more than 5% of the share capital of the company when this stock option plan was set up, and certain economically comparable transactions or a revocation of the approval of the company's shares to be traded in the regulated market, the ecotel ag stock option programme which has been in place since 2020 stipulates that the outstanding stock options lapse against a cash payment.

1.5 Declaration on corporate governance and corporate governance report

The Management Board and Supervisory Board of ecotel communication ag have issued the declaration on corporate governance required in accordance with section 289f and section 315d of the German Commercial Code (HGB) and the corporate governance report including the declaration stipulated in section 161 of the German Stock Corporation Act (AktG) and made them permanently available to the public online at www.ir.ecotel.de.

Düsseldorf, 7 March 2025

ecotel communication ag
The Management Board

Markus Hendrich Chairman of the Management Board (CEO)	Christian van den Boom Member of the Management Board (CFO)	André Borusiak Member of the Management Board (CCO)

Statement by the legal representatives

To the best of our knowledge and in accordance with the applicable accounting principles, the consolidated financial statements give a true and fair view of the Group’s net assets, financial position and result of operations and the Group management report includes a fair review of the business development including the business results and the position of the Group and describes the main risks and opportunities of the Group’s expected development.

Düsseldorf, 7 March 2025

ecotel communication ag
The Management Board

Markus Hendrich Chairman of the Management Board (CEO)	Christian van den Boom Member of the Management Board (CFO)	André Borusiak Member of the Management Board (CCO)

Consolidated financial statements

03

2.1 Consolidated statement of financial position

AS AT 31 DECEMBER 2024

EUR	Notes	31 Dec. 2023	31 Dec. 2024
Assets			
A. Non-current assets			
I. Intangible assets	1	15,260,320	17,305,275
II. Property, plant and equipment	2	4,211,687	5,398,765
III. Right of use from leases	3	5,751,892	5,081,396
IV. Capitalised contract costs	4	3,262,887	3,353,335
V. Investments accounted for using the equity method	5	1,280,511	1,508,039
VI. Trade receivables	7	96,051	173,714
VII. Other financial assets	6	886,874	876,620
VIII. Other non-financial assets	7	648,481	1,099,411
Total non-current assets		**31,398,703**	**34,796,554**
B. Current assets			
I. Trade receivables	7	10,921,806	14,837,457
II. Contract assets	7	25,680	–
III. Other financial assets	7	361,692	444,190
IV. Other non-financial assets	7	692,967	1,419,459
V. Current income tax assets	8	224,296	387,737
VI. Cash and cash equivalents	9	3,702,441	2,344,184
Total current assets		**15,928,882**	**19,433,026**
Total assets		**47,327,585**	**54,229,580**

EUR	Notes	31 Dec. 2023	31 Dec. 2024
Equity and liabilities			
A. Equity	10		
I. Subscribed capital		3,510,000	3,517,820
II. Capital reserves		2,240,036	2,355,033
III. Other reserves		17,978,678	18,338,410
Total equity		**23,728,714**	**24,211,262**
B. Non-current liabilities			
I. Deferred income taxes	11	1,082,388	1,199,043
II. Lease liabilities	13	5,499,459	4,789,124
III. Contract liabilities	14	366,321	1,292,096
Total non-current liabilities		**6,948,167**	**7,280,262**
C. Current liabilities			
I. Current income taxes	11	2,284,559	1,719,059
II. Short-term loans	12	–	1,000,427
III. Lease liabilities	13	925,840	1,034,974
IV. Trade payables	12	11,048,488	15,482,485
V. Contract liabilities	14	576,551	619,953
VI. Other financial liabilities	12	1,074,755	1,668,842
VII. Other non-financial liabilities	12	740,511	1,212,315
Total current liabilities		**16,650,704**	**22,738,055**
Total equity and liabilities		**47,327,585**	**54,229,580**

Differences in totals may occur due to rounding.
Previous year's figures adjusted see note 7.

2.2 Consolidated statement of comprehensive income

FOR THE 2024 FINANCIAL YEAR

EUR	Notes	1.1. – 31 Dec. 2023[1]	1.1. – 31 Dec. 2024[1]
1. Sales	17	106,289,401	115,541,783
2. Other operating income	18	6,549,489	3,680,025
3. Other own work capitalised		443,132	501,436
4. Total operating performance		**113,282,022**	**119,723,244**
5. Cost of materials	19	– 74,204,698	– 82,903,485
6. Staff costs	20	– 15,471,427	– 16,966,681
6.1 Wages and salaries		– 13,293,479	– 14,678,748
6.2 Social security and expenses for pensions and other benefits		– 2,177,948	– 2,287,932
7. Depreciation and amortisation	21	– 4,780,790	– 4,465,622
thereof amortisation of rights of use from leases		– 986,621	– 997,987
8. Other operating expenses	22	– 11,159,878	– 12,455,443
9. Operating result (EBIT)		**7,665,229**	**2,932,013**
10. Interest income		503,764	26,957
11. Interest expenses		– 300,670	– 356,049
thereof interest expenses from lease liabilities		– 279,365	– 283,413
12. Net income from investments		312,822	317,152
13. Net finance costs	23	**515,916**	**– 11,940**
14. Profit from ordinary activities before income taxes		**8,181,145**	**2,920,073**
15. Income taxes	24	– 2,501,414	– 910,641
16. Earnings after taxes from continuing operations		**5,679,731**	**2,009,432**
17. Earnings after taxes from discontinued operations	25	1,747,862	–
18. Net profit (= consolidated comprehensive income)		**7,427,593**	**2,009,432**

EUR	Notes	1.1. – 31 Dec. 2023	1.1. – 31 Dec. 2024
Basic earnings per share	27	2.12	0.57
Diluted earnings per share[1]	27	1.93	0.52

1 As at 31 December 2024, there was dilution of earnings per share, see note 32.

Differences in totals may occur due to rounding.

2.3 Consolidated statement of cash flows

FOR THE 2024 FINANCIAL YEAR

See note 28

EUR	2023[1]	2024
Profit from ordinary activities before income taxes	8,311,493	2,920,073
Net interest income	−211,306	329,092
Amortisation of non-current assets	4,780,790	4,465,622
Net income from investments accounted for using the equity method	−312,822	−227,527
Expenses for equity-settled share-based remuneration	118,971	122,817
Gain (–)/loss (+) from disposals of fixed assets	−63,499	−17,406
Changes in working capital assets	−3,003,185	−5,307,747
Change in other working capital liabilities	643,291	6,825,628
Income taxes paid (–)/received (+)	−4,161,922	−1,639,583
Net cash from operating activities	**6,101,812**	**7,470,968**
Payments for investments in intangible assets and property, plant and equipment	−3,918,579	−6,917,808
Cash receipts from disposals from the scope of consolidation[2]	927,265	–
Cash receipts from repayments of equity by investments measured using the equity method	299,700	–
Interest payments received	551,453	15,759
Net cash generated by/net cash used in investing activities	**−2,140,162**	**−6,902,048**
Dividends paid	−66,058,200	−1,649,700
Cash receipts from taking out financial loans	–	5,000,427
Payments for financial loans	–	−4,000,000
Repayments of lease liabilities	−841,564	−928,691
Interest payments for other financial liabilities	−19,919	−65,800
Interest payments for leases	−271,154	−283,412
Net cash used in financing activities	**−67,190,838**	**−1,927,177**
Cash-effective change in cash and cash equivalents	**−63,229,188**	**−1,358,258**
Cash and cash equivalents at beginning of period	66,931,629	3,702,441
Cash and cash equivalents at end of period[3]	**3,702,441**	**2,344,184**

1 Cash inflows/outflows in the previous year include cash flows from continuing and discontinued operations.
2 For further details, see the notes on discontinued operations no. 25.
3 Cash and cash equivalents of EUR 2,344,184 include an overpayment by a customer in the amount of EUR 495,901 from December 2024. This overpayment was refunded to the customer in full in January.

Differences in totals may occur due to rounding.

2.4 Consolidated statement of changes in equity

See note 10

EUR	Subscribed capital	Capital reserves	Other earnings reserves (Earnings reserves)	Consolidated net income (Earnings reserves)	Interests attributable to owners of the parent	Minority interests	**Total**
As at 1 January 2023	3,510,000	2,121,065	9,074,020	67,535,264	82,240,350	0	82,240,350
Distributions	0	0	–66,058,200	0	–66,058,200	0	–66,058,200
Reclassification of prior-year result	0	0	67,535,264	–67,535,264	0	0	0
Changes in equity not recognised in income	**0**	**0**	**1,477,064**	**–67,535,264**	**–66,058,200**	**0**	**–66,058,200**
Increase in share-based remuneration	0	118,971	0	0	118,971	0	118,971
Consolidated net income for 2023	0	0	0	7,427,593	7,427,593	0	7,427,593
Changes in equity recognised in income	**0**	**118,971**	**0**	**7,427,593**	**7,546,564**	**0**	**7,546,564**
As at 31 December 2023	**3,510,000**	**2,240,036**	**10,551,085**	**7,427,593**	**23,728,714**	**0**	**23,728,714**

EUR	Subscribed capital	Capital reserves	Other earnings reserves (Earnings reserves)	Consolidated net income (Earnings reserves)	Interests attributable to owners of the parent	Minority interests	**Total**
As at 1 January 2024	3,510,000	2,240,036	10,551,085	7,427,593	23,728,714	0	23,728,714
Distributions	0	0	–1,649,700	0	–1,649,700	0	–1,649,700
Reclassification of prior-year result	0	0	7,427,593	–7,427,593	0	**0**	0
Changes in equity not recognised in income	**0**	**0**	**5,777,893**	**–7,427,593**	**–1,649,700**	**0**	**–1,649,700**
Increase in share-based remuneration	7,820	114,997	0	0	122,817	0	122,817
Consolidated net income for 2024	0	0	0	2,009,432	2,009,432	**0**	2,009,432
Changes in equity recognised in income	**7,820**	**114,997**	**0**	**2,009,432**	**2,132,249**	**0**	**2,132,249**
As at 31 December 2024	**3,517,820**	**2,355,033**	**16,328,978**	**2,009,432**	**24,211,262**	**0**	**24,211,262**

Differences in totals may occur due to rounding.

2.5 Notes to the consolidated financial statements of ecotel communication ag

GENERAL INFORMATION

The ecotel Group (referred to hereinafter as »ecotel«) is a telecommunications company that has been operating throughout Germany since 1998 and specialises in customers‘ information and telecommunications requirements (ICT). Its parent company is ecotel communication ag (referred to hereinafter as »ecotel ag«). ecotel reports on the following segments:

The **»ecotel Business Customers«** segment is the core area of ecotel ag. It includes all business relating to the marketing of integrated product portfolios of voice and data services (ICT solutions) and the earnings contributions of the minority investments mvneco GmbH and UPLINK Digital GmbH. The **»ecotel Wholesale«** segment comprises cross-network trading in telephone minutes (Wholesale Voice) and marketing data lines (Wholesale Data) for national and international carriers. The **»nacamar«** segment was deconsolidated in the previous year (1 April 2023); it comprised the business activities of the subsidiary nacamar and offered streaming services for media companies on the basis of its own content delivery network (CDN).

ecotel communication ag is headquartered in Düsseldorf, Germany. The address is: ecotel communication ag, Prinzenallee 11, 40549 Düsseldorf. The company was entered in the commercial register at the District Court of Düsseldorf (HRB 39453) on 1 September 2000.

In addition to Frankfurt am Main, ecotel communication ag’s shares are also traded on other German stock exchanges.

The audited consolidated financial statements including the Group management report are published in the company register. The consolidated financial statements will be released for publication on 13 March 2025 with their handover from the Management Board to the Supervisory Board of ecotel communication ag.

ACCOUNTING PRINCIPLES

The consolidated financial statements of ecotel were prepared in accordance with the International Financial Reporting Standards (IFRS) as applicable in the European Union (EU) and the additional provisions of German commercial law to be observed in accordance with section 315e (1) of the German Commercial Code (HGB).

The financial year corresponds to the calendar year. The consolidated financial statements are prepared in euros. The consolidated statement of financial position, the consolidated statement of comprehensive income, the consolidated statement of cash flows and the consolidated statement of changes in equity each include comparative figures for the previous year.

In order to improve clarity of presentation, various items of the consolidated statement of financial position and the consolidated statement of comprehensive income are combined. These items are broken down and explained accordingly in the notes.

The consolidated statement of comprehensive income is structured in line with the nature of expense method, under which expenses are aggregated within profit or loss according to their nature and are not reallocated among functions within the entity.

Because there were no corresponding circumstances at ecotel in the previous year or in the 2024 financial year, no presentation of other comprehensive income is shown after the income statement.

The financial statements of the subsidiaries are included in the consolidated financial statements in line with the uniform recognition and measurement methods applicable to the Group.

All standards that are applicable on the reporting date and endorsed by the EU are applied. In addition, the interpretations of the IFRS Interpretations Committee (IFRS IC) are also observed.

New standards or amendments to pronouncements of the IASB applicable for the first time in the consolidated financial statements as at 31 December 2024

By the date the consolidated financial statements as at 31 December 2024 were prepared, the following new and amended standards and interpretations had been adopted and endorsed by the EU in European law. Only the new or amended pronouncements of the IASB that could theoretically have an impact based on ecotel's current business operations are shown.

New standards or amendments to pronouncements of the IASB applicable for the first time in the 2024 financial year.

Standard/interpretation	First-time mandatory application according to IASB	First-time mandatory application in the EU
Amendments to IFRS 16 Leases: Lease Liabilities in Sale and Leasebacks	1 January 2024	1 January 2024
Amendments to IAS 1 »Presentation of Financial Statements«: // Classification of Liabilities as Current or Non-current // Classification of Liabilities as Current or Non-current – Deferral of Effective Date // Non-Current Liabilities With Covenants	1 January 2024	1 January 2024
Amendments to IAS 7 »Statement of Cash Flows« and IFRS 7 »Financial Instruments – Disclosures«: Supplier Finance Arrangements	1 January 2024	1 January 2024
Amendments to IAS 21 »Currency Translation«: Lack of Exchangeability	1 January 2025	1 January 2025

The initial application of these standards had no material effect on ecotel's net assets, financial position and results of operations.

New standards or amended pronouncements of the IASB not yet applicable in the consolidated financial statements as at 31 December 2024

By the date the consolidated financial statements as at 31 December 2024 were prepared, the following new and amended standards and interpretations, some of which have not yet been endorsed by the EU in European law, were adopted. Only the new standards or amended pronouncements of the IASB that could theoretically have an impact based on ecotel's current business operations are shown. However, these do not take effect until later and will not be applied early.

Standard/interpretation	First-time mandatory application according to IASB	First-time mandatory application in the EU
Amendments to IFRS 9 »Financial Instruments« and IFRS 7 »Financial Instruments – Disclosures«: // Amendments to the Classification and Measurement of Financial Instruments	1 January 2026	pending
Amendments to IFRS 9 »Financial Instruments« and IFRS 7 »Financial Instruments – Disclosures«: // Contracts Referencing Nature-dependent Electricity	1 January 2026	pending
Annual Improvements to IFRS Accounting Standards – Volume 11	1 January 2026	pending
IFRS 18 »Presentation and Disclosure in Financial Statements«	1 January 2027	pending
IFRS 19 »Subsidiaries without Public Accountability: Disclosures«	1 January 2027	pending

The initial application of these standards will have no material impact on the net assets, financial position and results of operations of ecotel.

Principles of consolidation

In accordance with IFRS, all business combinations are to be accounted for using the purchase method. The purchase price of an acquired subsidiary is allocated to the acquired assets, liabilities and contingent liabilities. The relevant factor here is the value ratios at the date when control over the subsidiary was obtained. Control means that the Group has power of disposition over the subsidiary in that it has substantial rights to govern the subsidiary's main business activities. The recognisable assets and the liabilities and contingent liabilities assumed are measured in full – irrespective of the equity interest – at their fair values. Any remaining positive difference is recognised as goodwill. Any remaining negative difference is recognised in profit or loss. The income and expenses of a subsidiary are included in the consolidated financial statements from the acquisition date on. The income and expenses of a subsidiary continue to be included in the consolidated financial statements until the date when the parent ceases to control the subsidiary. On deconsolidation, the residual carrying amounts of goodwill are taken into account when calculating the gain or loss on disposal. Income and expenses between the consolidated companies are offset against each other, as are receivables and liabilities/provisions. Intercompany results are eliminated unless they are of only minor importance. Impairment and reversals of impairment losses recognised on shares in consolidated subsidiaries in the separate financial statements are generally reversed. Shares in associated entities are accounted for using the equity method. This means that shares in an associated entity are recognised in the statement of financial position at cost adjusted for post-acquisition changes in the Group's share in the net assets of the respective entity. The goodwill relating to the associate is included in the carrying amount of the investment and is not amortised. The consolidated statement of comprehensive income includes the Group's share in the associated company's profit. The associated companies' financial statements are prepared as at the same reporting date as the parent company's financial statements. If necessary, adjustments are made in line with the Group's uniform accounting policies. If there are indications of possible impairment, the total net investment (value at equity including financial assets from these companies for which there is no adequate collateral) is tested for impairment in accordance with IAS 28 in conjunction with IAS 36.

Scope of consolidation

In addition to ecotel communication ag, the consolidated financial statements include all (previous year: all) subsidiaries in which ecotel communication ag directly or indirectly holds the majority of the voting rights and has substantial rights to govern the subsidiary's main business activities. Initial consolidation/deconsolidation generally takes place at the time the investment is acquired/sold.

There were no changes to the scope of consolidation in the 2024 financial year.

In the 2024 financial year, ecotel communication ag directly and indirectly held the following equity investments included in the scope of consolidation (list of shareholdings, based on the financial statements as at 31 December 2024 of ecotel Beteiligungs GmbH and mvneco):

Information on the basis of IFRS	Share of capital in % [2]	Equity in EUR thousand [2]	Earnings in EUR thousand [2,3]	Sales in EUR thousand [2]	Employees [1] (average) [2]
ecotel Beteiligungs GmbH, Düsseldorf (fully consolidated)	100,00	837	87	–	–
	(100,00)	(837)	(–5)	(–)	(–)
UPLINK Digital GmbH, Düsseldorf (not consolidated [4]	24,9995				
mvneco GmbH, Düsseldorf (associated company)	33,33	4,523	683	7,427	23
	(33,33)	(3,841)	(938)	(7,644)	(26)

1 Not including Management Board members/managing directors or trainees.
2 Previous year's figures in brackets; corresponds to share in the voting rights.
3 The result does not take account of any profit transfer/loss assumption.
4 Indirect holding via ecotel Beteiligungs GmbH; no financial statement information available as at 31 December 2024.
For further details of accounting see note no. 6.

The reporting date for the preparation of the consolidated financial statements is 31 December, which is also the reporting date for the annual financial statements of the parent company and of all consolidated subsidiaries.

Accounting policies

The main accounting policies for the consolidated financial statements are described below.

Apart from the effects of standards and interpretations required to be applied for the first time, the following **accounting policies** have not changed in comparison to the previous year:

Assets are capitalised when all material risks and rewards associated with their use accrue to the Group. They are measured at amortised acquisition or production cost. Acquisition cost includes all consideration paid to acquire an asset and make it ready for use. Production cost includes all costs directly attributable to the production process and appropriate portions of the production-related overheads.

Acquired intangible assets are recognised at their acquisition cost and amortised on a straight-line basis over their estimated useful life unless another amortisation method better corresponds to their usage pattern in exceptional cases.

Internally generated intangible assets from which the Group is likely to derive a future benefit and that can be measured reliably are measured at production cost. Capitalisation is also subject to their completion being technically ensured, which in turn is subject to there being an intention to complete the intangible asset. Internally generated intangible assets at ecotel ag generally relate to internally generated software and applications that are used by the company itself rather than being sold (including development relating to local exchange carrier operations, the sales partner portal and automation of systems and their improvement). Their measurement is regularly based on the following useful lives:

Concessions and industrial property rights	Development costs	Software	Customer base
3–5 years	5–15 years	3–7 years	6–18 years

If there are indications of impairment and the recoverable amount is lower than amortised cost, the intangible assets are written down. The recoverable amount from an asset corresponds to the higher of the net sales proceeds and the present value of the future cash flows attributable to the asset (value in use).

ecotel ag does not conduct any **fundamental research. Development costs** are capitalised and amortised on a straight-line basis when a newly developed product or process can be clearly defined, is technically feasible and is intended either for internal use or for marketing. Capitalisation is also subject to the condition that a clear allocation of expenses is possible, it is sufficiently likely that the costs can be covered by future cash funds and it is possible to use or sell the intangible asset. ecotel itself does not conduct any fundamental research, but instead focuses on the integration and compatibility of existing types of lines, tariff combinations and device configurations. The focus here is always on the greatest possible cost/benefit effect for customers (»best-of-breed« approach). For this reason, development expenses in recent years have mainly been limited to technical developments to establish the company's own local exchange carrier operations and development work for a sales partner portal, as well as system developments and improvements for processing orders for the new product range.

Goodwill from consolidation is tested for impairment at the level of the relevant cash-generating unit when there are signs of impairment, or at least once a year. In accordance with IAS 36, the carrying amount must be compared with the recoverable amount. The recoverable amount is defined as the higher of the fair value less costs to sell and the value in use.

Property, plant and equipment is measured at cost less use-based depreciation and less any impairment losses. Property, plant and equipment is generally depreciated on a straight-line basis over its estimated useful life useful life, unless another depreciation method better corresponds to its usage pattern in exceptional cases. Property, plant and equipment (other equipment, operating and office equipment) is regularly depreciated over 3–7 years. If there are indications of impairment and the recoverable amount is lower than amortised cost, property, plant and equipment is written down. If the reasons for impairment losses recognised in previous years no longer apply, the corresponding impairment losses are reversed.

Rights of use from leases are the rights granted to use a leased asset during the agreed term of the contract. The right of use is transferred from the lessor to the lessee at the inception of the lease. Rights of use are measured at cost and comprise the present value of the future lease payments plus initial direct costs and any asset retirement obligations. The right of use is amortised on a straight-line basis over the term of the underlying lease. ecotel has rights of use for properties rented on a long-term basis to operate the data centre and for administration, network infrastructure rented on a long-term basis (backbone) and the vehicle fleet, which is rented on a long-term basis. Properties are usually rented for between 5 and 10 years, while the network infrastructure and the vehicle fleet are generally rented for 3 years. For leases incurring annual expenses of less than EUR 15 thousand (office and IT equipment such as photocopiers and fax machines) and for short-term leases (less than twelve months), the practical expedient is applied and the expense is recognised directly.

Capitalised contract costs consist of the additional costs incurred when obtaining a contract (costs to obtain contracts) and the costs that result from fulfilling a contract with the customer (costs to fulfil contracts), provided these do not come under the scope of application of another standard. Costs to obtain contracts (essentially external acquisition commission for sales partners) are recognised as an asset if future settlement of the costs can be assumed and if the costs were incurred solely in connection with the conclusion of a contract and can be allocated directly to the customer contract. Expenses that relate solely to short-term performance obligations are recognised directly in profit or loss. Costs to fulfil contracts are recognised as an asset if all of the following conditions are met: The costs are directly attributable to an existing or anticipated contract or will be incurred upon an upcoming contract renewal; the costs incurred contribute to the fulfilment of the performance obligation and create or improve the company's resources; and the costs are expected to be offset in the future. Capitalised contract costs are amortised on a straight-line basis. When determining the average customer retention period (5 years) for costs to obtain contracts, it is assumed that some of the customers will extend the original contract period. For costs to fulfil contracts, the average contract term (3–6 years) is used, which depends on the type of performance obligation and its allocation to an operating segment. Amortisation of costs to obtain contracts is reported in other operating expenses, while amortisation of costs to fulfil contracts is reported in the cost of materials, meaning that both form part of operating earnings. In the event of significant changes in the underlying assumptions, the useful lives or other parameters are adjusted. An impairment loss is recognised in profit or loss as soon as the carrying amount of the capitalised contract costs exceeds the remaining amount of the consideration to which the capitalised costs relate, less the costs to fulfil the contract. Capitalised contract costs are reported under non-current assets.

Other non-current financial assets include investments that are not included in the scope of consolidation because ecotel does not have control or significant influence over them. Equity instruments are recognised at fair value in profit or loss. Investments are measured at cost, provided that there is no information that is relevant to measurement and no indication of permanent impairment.

Trade receivables and **other financial assets** are accounted for at fair value on initial recognition, taking account of any transaction costs incurred, and are amortised accordingly. These receivables represent an unconditional right to receive consideration. All trade receivables are of a short-term nature. Receivables denominated in a foreign currency are measured using the selling rate on the reporting date. The valuation allowances relate only to the major »amortised cost« category and are entirely attributable to current assets. The business model currently provides for the receivables to be held, meaning that a different classification does not result in any significant effects. Valuation allowances for trade receivables are always measured in the amount of the lifetime expected credit losses. In accordance with IFRS 9, the simplified model is used in relation to impairment, as the Group only has trade receivables without significant financing components. The Group takes advantage of the permitted practical expedient. The expected credit loss risk for trade receivables is measured using an impairment matrix.

Contract assets are recognised when there is a conditional right to receive consideration from the customer. This right results from the transfer of the service to the customer before the customer then pays the contractually agreed consideration or payment is due. The contract asset is tested for impairment using the simplified model under IFRS 9. The current remaining term is less than one year.

Prepaid insurance premiums and prepayments to suppliers for future services relating to a defined date or period are accrued as **other non-financial assets.**

Provisions include all identifiable obligations on the reporting date that are based on past transactions or events and whose amount or settlement date is uncertain. Provisions are recognised at their probable settlement amount. There were no provisions in the 2024 financial year or in the previous year

Liabilities (loans, trade payables, other financial liabilities, non-financial liabilities) are generally recognised in the amount of the consideration received when they arise, including any transaction costs incurred in the case of financial liabilities that are not measured at fair value through profit or loss. They are subsequently measured at amortised cost. Other financial liabilities from hire purchase agreements are measured at the present value of the expected payments as at the provision date. They are subsequently measured at amortised cost. The carrying amount accrues interest at the underlying interest rate in the contract and is reduced by the payments made. Liabilities denominated in a foreign currency are measured using the buying rate on the reporting date.

Deferred taxes are recognised on different valuations of assets and liabilities in the consolidated statement of financial position and in the individual companies' statements of financial position for tax purposes if these different valuations will in future result in higher or lower taxable income than there would be according to the consolidated statement of financial position. Deferred taxes are calculated based on the tax rates that are applicable or expected in the individual countries as at the effective date. There are currently no foreign Group companies.

Lease liabilities represent the payment obligations not yet paid to the lessor for the rights of use granted for a leased asset. Lease liabilities are measured at the present value of the expected lease payments as at the provision date. The lease payments are uniform payments over the entire term. Expected residual value payments, the exercise price of a purchase option and penalties for early termination of the lease must also be taken into account. There are no variable lease payments based on an index or interest rate. Lease payments are discounted using the incremental borrowing rate. Lease liabilities are measured at amortised cost using the effective interest method. The interest portion of the lease liability is recognised through profit or loss in the financial result over the term of the lease. Extension or termination options are included in the measurement of the lease liabilities if it is reasonably certain that these options will be exercised. Extension options exist only for the rented properties.

For the vehicle fleet, the portfolio approach is applied. In the case of subleases, the head lease and the sublease are accounted for separately when ecotel acts as an intermediate lessor. The sublease is classified based on its right of use from the head lease and based on the underlying asset. The lease liabilities are divided into current and non-current liabilities depending on their settlement date.

Contract liabilities are the payments already received from the customer for the future transfer of services or the customer's unconditional right to certain consideration. Contract liabilities thus represent the obligation to provide a service to the customer. They are recognised as soon as one of the following criteria is met: the customer pays or the payment is due. Depending on the type of performance obligation and its allocation to an operating segment, the performance obligation is fulfilled and therefore recognised as sales within the average contract term (3–6 years). Contract liabilities are divided into current and non-current liabilities depending on the settlement date.

Equity-settled **share-based payment plans** are measured at fair value at time of grant. When determining the fair value of remuneration agreements at the grant date, no account is taken of performance conditions relating to service and the market. However, the probability that the conditions will be fulfilled is assessed in the context of the best estimate in respect to the number of equity instruments which become vested at the end of the vesting period. Performance conditions are recognised at fair value as at the grant date. All other vesting conditions related to a remuneration agreement, without connected service period conditions, are considered as a non-vesting condition. Non-vesting conditions are recognised at fair value in a remuneration agreement and are expensed immediately.

The stock options granted to the Management Board and selected employees are measured on the basis of the Monte-Carlo simulation. The total value of the stock options granted is recognised in staff costs over the lock-up period of the stock option plan (4 years) and offset against capital reserves.

Sales consist of sales from contracts with customers and lease income from operating leases. Sales from contracts with customers are recognised in line with the provisions of IFRS 15. These sales are determined and recognised using the five-step model described in IFRS 15. Sales are recognised when the contractual performance obligation has been fulfilled through the transfer of the good or service and the customer has gained control over it. Control over the benefit can be transferred either over a period or at a specific point in time. The performance obligation is considered to be fulfilled when the service has been performed or is being used by the customer. Sales are measured at the transaction price. The transaction price is compared against the individual selling price and represents the consideration from the customer for the performance obligation fulfilled by the Group. There are no financing components or variable consideration; all consideration is payable in the short term. For contracts that contain more than one individual performance obligation (multi-component contracts), the transaction price to be determined is allocated to the separate performance obligations within the contract when the contract is concluded, based on the individual selling prices of these performance obligations. There are no obligations for returns, refunds or similar obligations and no bill-and-hold arrangements.

The recognition of sales based on the business models of the individual operating segments is described in detail below:

In the **»ecotel Business Customers« segment,** sales are recognised mainly as follows:

The customer contracts in this segment mainly relate to the following performance obligations, which have a defined minimum contract term. In addition to the provision of a customer-specific **data line** (including necessary hardware components), with or without additional services such as voice transmission (all-IP) or security features (e.g. VPN service), **voice lines** acquired from a third-party provider that do not include any multi-component contracts are also offered as a multi-component contract. This chiefly relates to the monthly provision of voice lines, minutes and flat rates for minutes.

In general, the allocation of the transaction price as required under IFRS 15 is performed in relation to the individual selling prices of the performance obligations. Income that does not belong to any performance obligation and income for which the performance obligation is not mainly fulfilled at the beginning will in future be recognised as revenue over the term of the contract. The transaction price is made up of the sum of all provision charges and the monthly charges multiplied by the average contract term. The customer continuously receives benefits from the multi-component contracts, so sales are recognised over the term of the contract. Because the services are performed at an even rate over the average contract term, the transaction price allocated to these two performance obligations is to be recognised as sales at an even monthly rate. Any portions calculated and billed to the customer in advance as contractually agreed (e.g. monthly charges calculated in advance) that have not yet been performed or provided are recognised with corresponding deferred sales on an accrual basis under sales. Sales from contracts for services according to time expenditure and material costs are recognised at the contractually stipulated hourly rate when the hours are worked and direct costs are incurred.

Depending on the contractual arrangement, sales from the **provision of hardware and data centre services** are recognised either when these services are provided or in the form of monthly charges. The monthly charges are recognised over a period of time. The revenue that generally arises when the one-off installation of the preconfigured hardware (e.g. router) is performed is recognised over a period of time. The hardware provided to the customer is still owned by ecotel and is capitalised at ecotel as a network component (end point at the customer). The router forms the basis for using the monthly service in the form of the provision of voice and data lines.

Proceeds from the **sale of hardware to customers** (e.g. routers) are recognised on the date when control over the hardware is transferred. In the case of multi-component contracts with the sale of hardware and with additional services (e.g. managed router services), the charges for the services are recognised over the agreed contract term. The hardware is no longer the property of ecotel after control has been transferred.

In the **»ecotel Wholesale« segment,** sales for trading in voice minutes (Wholesale Voice) are recognised when the contractual performance obligations have been completed, and this is always at a specific point in time. These primarily relate to trading in voice minutes for various national and international telecommunications providers. The services are recorded in a statistics portal. They are regularly compared with the suppliers/customers and billed on a monthly basis. Market conditions in trading in voice minutes make this a low-margin business. ecotel is responsible for its own pricing and for fulfilling its contracts (including preparing and monitoring technical platforms, generation and commercial management) with its customers. ecotel bears the default risk in full. Accordingly, the »ecotel Wholesale« segment meets the criteria of a principal for the Voice area. Sales from marketing high-margin data lines (Wholesale Data) are recognised as in the »ecotel Business Customers« segment.

Other operating income and **other operating expenses** are recognised in profit or loss when the service is utilised or when they are incurred.

Interest income and expenses are recognised on an accrual basis. Net finance costs also include capital procurement costs that are not offset against equity. Net income from companies accounted for using the equity method is reported separately within net finance costs.

Judgement and estimation uncertainties

When preparing the consolidated financial statements, judgements and assumptions were made and estimates were used that had an impact on the amount and presentation of the recognised assets, liabilities, income, expenses and contingent liabilities. **Judgements** primarily relate to the parameters on which impairment tests for cash-generating units are based.

In addition, judgements, estimates and assumptions were made with regard to determining, recognising and measuring revenue from contracts with customers in accordance with **IFRS 15.** These chiefly relate to the period of the transfer of services to the customer in the case of capitalised contract costs and to considerations regarding the distinction between principal and agent. For further details of judgements in connection with IFRS 15, please refer to the information on accounting policies.

For the application of **IFRS 16,** the incremental borrowing rate was determined on the basis of the risk classification. Depending on the lease object, this varies between 2% and 6%. The incremental borrowing rate is based on ecotel's credit rating, including external financing sources. In addition, assumptions were made in the case of contracts with extension options.

For the share-based payment plans in line with **IFRS 2** the Monte Carlo simulation was used to determine the fair value of the stock options. Within the simulation, assumptions and estimates on various conditions such as market prices, performance conditions, interest rates, fluctuation and expected volatilities are made.

Further **estimation uncertainties** exist in connection with valuation allowances for receivables and other assets, current and deferred taxes and provisions.

The assumptions on which the respective **estimates** are based and the corresponding carrying amounts are explained in the information on accounting policies and in the individual items of the consolidated statement of financial position and the consolidated statement of comprehensive income. In individual cases, the actual values may deviate from the assumptions and estimates made. Such deviations are taken into account in profit or loss when better knowledge becomes available.

Notes to the consolidated statement of financial position

(1) INTANGIBLE ASSETS

Intangible assets developed as follows in the 2024 financial year:

in EUR thousand	Goodwill	Concessions, industrial property rights and similar rights and assets	Internally generated intangible assets	Customer base	Advance payments/ developments	Total
Cost as at 1 January 2024	**14,285**	**10,779**	**5,125**	**8,341**	**99**	**38,629**
Additions	–	1,386	0	–	1,872	3,258
Reclassifications	–	1,371	601	–	–1,971	0
Disposals	–	128	–	–	–	128
Changes in the scope of consolidation	–	–	–	–	–	–
As at 31 December 2024	**14,285**	**13,408**	**5,725**	**8,341**	**0**	**41,759**
Amortisation as at 1 January 2024	**5,553**	**5,931**	**3,669**	**8,215**	**0**	**23,369**
Amortisation	–	931	156	126	–	1,213
Disposals	–	128	–	–	–	128
Changes in the scope of consolidation	–	–	–	–	–	–
As at 31 December 2024	**5,553**	**6,734**	**3,824**	**8,341**	**0**	**24,454**
Carrying amounts as at 31 December 2024	**8,732**	**6,674**	**1,900**	**0**	**0**	**17,305**

In the previous year, intangible assets developed as follows:

in EUR thousand	Goodwill	Concessions, industrial property rights and similar rights and assets	Internally generated intangible assets	Customer base	Advance payments/ developments	Total
Cost as at 1 January 2023	**14,285**	**8,875**	**6,328**	**9,574**	**0**	**39,062**
Additions	–	258	105	–	2,099	2,462
Reclassifications	–	1,760	240	–	–2,000	0
Disposals	–	96	134	–	–	230
Changes in the scope of consolidation	–	–19	–1,413	–1,233	–	–2,665
As at 31 December 2023	**14,285**	**10,779**	**5,125**	**8,341**	**99**	**38,629**
Amortisation as at 1 January 2023	**5,553**	**5,267**	**4,569**	**9,276**	**0**	**24,665**
Amortisation	–	776	402	137	–	1,314
Disposals	–	96	–	–	–	96
Changes in the scope of consolidation	–	–15	–1,302	–1,198	–	–2,515
As at 31 December 2023	**5,553**	**5,931**	**3,669**	**8,215**	**0**	**23,369**
Carrying amounts as at 31 December 2023	**8,732**	**4,848**	**1,455**	**126**	**99**	**15,260**

In the previous year, disposals listed under the cost of internally generated intangible assets included EUR 134 thousand for a research grant. The amortisation rate was reduced accordingly from the date of this disposal. No further research grant was awarded in the 2024 financial year. There were no expenses for research and development in the 2024 financial year.

The reported goodwill breaks down as follows:

Cash-generating unit (CGU)

in EUR thousand	Carrying amount as at 31 December 2023	Carrying amount as at 31 December 2024
Business Customers	8,732	8,732
Total	**8,732**	**8,732**

In accordance with IAS 36, impairment tests were performed in accordance with the discounted cash flow method in the past financial year to test for impairment of the reported goodwill. This was done based on the data from the respective corporate planning (forecast period: 5 years) and calculating the value in use.

As in the previous year, there were no impairment requirements in the 2024 financial year.

The following assumptions were applied when performing the impairment test for the Business Customers CGU:

// Capitalisation rate (WACC) after taxes: 4.5% (previous year: 4.4%), before taxes: 6.7% (previous year: 6.4%)
// Growth rate (perpetuity): 0.5% (previous year: 0.5%)

When preparing the impairment test for the Business Customers CGU, the following key assumptions were made based on management's experience, supported by external information on anticipated market developments, and were incorporated accordingly in the 5-year cash flow forecast:

// Development of the CGU's gross profit margin between 62% and 66% (previous year: 62% and 66%),
// Annual sales growth of the CGU between 6% and 10% (previous year: 6% and 10%),
// The future annual investment volume covers the annual depreciation and amortisation.

A 20 percentage-point increase in the WACC would not result in impairment.

(2) PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment developed as follows in the 2024 financial year:

in EUR thousand	Land, land rights and buildings, including buildings on third-party land	Other equipment, operating and office equipment[1]	Advance payments and assets under construction	Total
Cost as at 1 January 2024	**6,740**	**26,752**	**228**	**33,720**
Additions	83	1,559	1,800	3,442
Reclassifications	–10	404	–394	0
Disposals	66	1,229	–	1,295
Changes in the scope of consolidation	–	–	–	–
As at 31 December 2024	**6,747**	**27,486**	**1,634**	**35,868**
Amortisation as at 1 January 2024	**5,725**	**23,563**	**220**	**29,509**
Amortisation	235	2,020	–	2,254
Disposals	66	1,228	–	1,294
Changes in the scope of consolidation	–	–	–	–
As at 31 December 2024	**5,894**	**24,355**	**220**	**30,469**
Carrying amounts as at 31 December 2024	**853**	**3,131**	**1,414**	**5,399**

1 This item includes customer equipment (e.g. customer routers/gateways).

In the previous year, the development of the Group's property, plant and equipment was as follows:

in EUR thousand	Land, land rights and buildings, including buildings on third-party land	Other equipment, operating and office equipment[1, 2]	Advance payments and assets under construction	Total
Cost as at 1 January 2023	**6,735**	**27,355**	**284**	**34,374**
Additions	144	1,329	55	1,528
Reclassifications	–	47	–47	0
Disposals	103	881	63	1,048
Changes in the scope of consolidation	–36	–1,098	–	–1,134
As at 31 December 2023	**6,740**	**26,752**	**228**	**33,720**
Amortisation as at 1 January 2023	**5,636**	**23,279**	**220**	**29,135**
Amortisation	228	2,252	–	2,480
Disposals	103	881	–	985
Changes in the scope of consolidation	–35	–1,087	–	–1,122
As at 31 December 2023	**5,725**	**23,563**	**220**	**29,509**
Carrying amounts as at 31 December 2023	**1,015**	**3,189**	**8**	**4,212**

1 Disposals included customer routers that had not yet been activated with acquisition costs of EUR 585 thousand, which, contrary to the original assumption, had been sold to a customer by the end of 2023.
2 This item includes customer equipment (e.g. customer routers/gateways).

(3) RIGHTS OF USE FROM LEASES

The development of rights of use from leases is shown below:

in TEUR	Rights of use buildings	Rights of use vehicles	Rights of use infrastructure	Total
Cost as at 1 January 2024	**9,177**	**1,164**	**206**	**10,547**
Additions	40	287	–	327
Reclassifications	–	–	–	–
Disposals	–	–	–	–
Changes in the scope of consolidation	–	–	–	–
As at 31 December 2024	**9,217**	**1,451**	**206**	**10,874**
Amortisation as at 1 January 2024	**3,729**	**874**	**192**	**4,795**
Amortisation	791	193	14	998
Impairment	–	–	–	–
Disposals	–	–	–	–
Changes in the scope of consolidation	–	–	–	–
As at 31 December 2024	**4,520**	**1,067**	**206**	**5,793**
Carrying amounts as at 31 December 2024	**4,697**	**384**	**0**	**5,081**

The buildings are properties rented on a long-term basis to operate the data centre and for administration. The vehicles relate to ecotel's vehicle fleet, which is rented on a long-term basis, while the infrastructure concerns network infrastructure rented on a long-term basis (backbone).

The rental agreement for the administration building was extended by two years in 2023. Based on this contract extension, the assumed term of the lease was also increased in the previous year. Due to the extension of the term of the lease, the right-of-use was revalued with an effective interest rate of 6%.

Expenses for short-term leases amounted to EUR 454 thousand in the 2024 financial year (previous year: EUR 478 thousand). Expenses for leases for low-value assets amounted to EUR 26 thousand in the financial year (previous year: EUR 30thousand).

In the previous year, the rights of use from leases developed as follows:

in TEUR	Rights of use buildings	Rights of use vehicles	Rights of use infrastructure	Total
Cost as at 1 January 2023	**8,240**	**978**	**206**	**9,425**
Additions	1,156	214	–	1,370
Reclassifications	–	–	–	–
Disposals	80	–	–	80
Changes in the scope of consolidation	–139	–28	–	–167
As at 31 December 2023	**9,177**	**1,164**	**206**	**10,547**
Amortisation as at 1 January 2023	**3,076**	**750**	**150**	**3,976**
Amortisation	792	152	42	987
Impairment	–	–	–	–
Disposals	–	–	–	–
Changes in the scope of consolidation	–139	–28	–	–167
As at 31 December 2023	**3,729**	**874**	**192**	**4,795**
Carrying amounts as at 31 December 2023	**5,448**	**290**	**14**	**5,752**

(4) CAPITALISED CONTRACT COSTS

Capitalised contract costs consist of costs to obtain contracts and costs to fulfil contracts. Costs to obtain contracts mainly consist of commissions for the conclusion of contracts with new customers. Costs to fulfil contracts chiefly consist of payments to upstream suppliers of the Group for connecting lines in order to provide network access to customers.

As at 31 December 2024, capitalised contract costs amounted to EUR 3,353 thousand (31 December 2023: EUR 3,263 thousand) and comprised costs to obtain contracts of EUR 1,460 thousand (31 December 2023: EUR 1,327 thousand) and costs to fulfil contracts of EUR 1,893 thousand (31 December 2023: EUR 1,936 thousand). Depreciation and amortisation amounted to EUR 1,820 thousand in the 2024 financial year (previous year: EUR 1,674thousand) and was recognised and reported under other operating expenses and the cost of materials. EUR 518 thousand (previous year: EUR 379 thousand) of this was attributable to costs to obtain contracts and EUR 1,302 thousand (previous year: EUR 1,295 thousand) to costs to fulfil contracts. There were no impairment losses in the reporting period.

(5) INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Investments accounted for using the equity method break down as follows:

in EUR thousand	Carrying amount (previous year)	Interest held (previous year)
mvneco GmbH	1,508 (1,280)	33.3% (33.3%)

mvneco GmbH

mvneco GmbH is a strategic investment of ecotel. It acts as a technical service provider and advisor for mobile communication solutions and related managed services.

The table below presents the key data for mvneco GmbH (associated company):

in EUR thousand	31 December 2023	31 December 2024
Current assets	4,294	4,886
Non-current assets	323	281
Current liabilities	776	644
Net assets (equity)	3,841	4,523
Pro-rata net assets	1,280	1,508
Carrying amount at equity	1,280	1,508

	2023	2024
Sales	7,644	7,427
Earnings	938	683

(6) OTHER NON-CURRENT FINANCIAL ASSETS

Other non-current financial assets include the non-current share of a lease receivable from a sublease in the amount of EUR 60 thousand (previous year: EUR 70 thousand), the holding in UPLINK Digital GmbH of EUR 817 thousand (previous year: EUR 817 thousand) and non-current prepaid expenses of EUR 173 thousand (previous year: EUR 96 thousand).

In the previous year (5 April 2023), all of ecotel ag‘s shares in nacamar GmbH were contributed to the newly founded UPLINK Digital GmbH. After completion of the entire transaction, ecotel ag has an interest of 24.9995% in UPLINK Digital GmbH. The carrying amount of the investment of EUR 817 thousand is measured at fair value. The company ecotel Beteiligungs GmbH was founded on 30 October 2023 and the holding in UPLINK Digital GmbH was incorporated into it at fair value.

As ecotel ag holds an interest of approx. 25% in UPLINK Digital GmbH, it is basically assumed that it has a significant influence. This was discussed with all parties – including the Supervisory Board of ecotel ag – when the contract was concluded, and it was also pointed out that it would be necessary to prepare the accounts in accordance with IFRS. With the exception of ecotel ag, all other shareholders of UPLINK Digital GmbH have refused to apply IFRS accounting standards. Likewise, a purchase price allocation was not drawn up when the purchase price was negotiated. This means that no information is available to ecotel ag that would enable initial consolidation or subsequent consolidation at equity. UPLINK Digital GmbH prepares its accounts in accordance with the provisions of the German Commercial Code (HGB) and is also managed solely on this basis. Moreover, the financial statements of UPLINK Digital GmbH are prepared considerably later than those of ecotel ag, which means that up-to-date figures are not available at the time of preparing the consolidated financial statements. In accordance with the provisions of the company agreement, ecotel, as a minority shareholder, is not able to demand that UPLINK Digital GmbH apply IFRS reporting standards. It would not be appropriate to continue the IFRS valuation approaches applied at nacamar GmbH prior to deconsolidation, as the business of UPLINK Digital GmbH has been formed from the merger of three operating companies and ultimately can no longer be compared with the valuations at nacamar GmbH. The assumption that ecotel has a significant influence over UPLINK Digital GmbH has thus been proved incorrect.

For this reason, the shares in UPLINK Digital GmbH are recognised in the consolidated financial statements as other non-current financial assets. The acquisition costs are recognised as the fair value at the time of acquisition. As further information relevant to valuation is not available at the time of preparing the consolidated financial statements, subsequent valuation will take into account the information available at that time. In the 2024 financial year, there was no information available that would lead to a different subsequent valuation, so valuation remains at cost.

(7) TRADE RECEIVABLES, CONTRACT ASSETS AND OTHER FINANCIAL AND NON-FINANCIAL ASSETS

Non-current trade receivables, other non-current financial assets and other non-current non-financial assets were recognised as such in the statement of financial position for the first time in the previous year. The previous year's figures were adjusted in accordance with IAS 8.41: there is no impact on equity or total assets.

There was no impairment in 2024. The effect on earnings from the increase in value allowances on trade receivables is included in other operating expenses, while the effect from the reversal of valuation allowances is reported under other operating income. The receivables do not bear interest and therefore are not subject to interest rate risk. Due to the short-term payment dates, the carrying amounts correspond to the fair values.

As at 31 December 2024, there are receivables and liabilities with settlement balances agreements with customers and suppliers.

The business activities in the »ecotel Wholesale« segment include trading in telephone minutes (Wholesale Voice) with national and international carriers. Netting is contractually agreed as a »reduced« payment in line with usual industry practice. This netting takes place purely for payment purposes, as the conditions (IAS 32.42) for net reporting in the statement of financial position are not met.

in EUR thousand	Gross (reported)	Netting	Net (cash flow)
Trade receivables	8,870	8,570	300
Trade payables	8,816	8,570	246

In the previous year, receivables and liabilities with settlement balances agreements with customers and suppliers were netted as follows:

in EUR thousand	Gross (reported)	Netting	Net (cash flow)
Trade receivables	4,287	4,283	4
Trade payables	4,295	4,283	12

(8) CURRENT AND DEFERRED INCOME TAX ASSETS

in EUR thousand	31 December 2023	31 December 2024
Deferred income tax assets	0	0
Current income tax assets	224	388
Total	**224**	**388**
Deferred income tax assets with a remaining term of more than one year	0	0

As in the previous year, the current income tax assets relate to income tax reimbursements from trade tax, corporation tax and capital gains tax.

(9) CASH AND CASH EQUIVALENTS

in EUR thousand	31 December 2023	31 December 2024
Bank balances	3,702	2,344
Cash on hand and cheques	0	0
Total	**3,702**	**2,344**

(10) EQUITY

The development of the Group's equity is presented in the statement of changes in equity.

The share capital and capital reserve of the Group correspond to the share capital and capital reserve of the parent company. The total value of the stock options granted over the lock-up period of the stock option plan (4 years) is recognised in capital reserves from staff costs.

Other reserves include cumulative retained earnings.

Share ownership

The table below shows the names of shareholders that held an interest of more than 3% in the share capital of ecotel communication ag at the end of 2024

in %	2024
Peter Zils	29.99
Andrey Morozov	29.99
Maria Aniskina	4.84
Hans Schmier	3.20
Subtotal	**68.02**
Free float	31.98

The notifications taken into account were those that resulted in disclosures in accordance with section 160 (1) no. 8 of the German Stock Corporation Act (AktG) in conjunction with section 20 (1) or (4) AktG or in conjunction with section 21 (1) or (1a) of the German Securities Trading Act (WpHG). The underlying notifications are described in detail in the annual financial statements of ecotel ag.

Authorised capital

By way of a resolution adopted by the Annual General Meeting on 8 July 2021, the Management Board of ecotel ag is now authorised to increase the share capital of ecotel ag, with the approval of the Supervisory Board, one or more times by a total of up to EUR 1,775,000.00 (previously: EUR 1,755,000.00) in exchange for cash and/or non-cash contributions by 7 July 2026 by issuing new, no-par value bearer shares **(Authorised Capital)**. The Management Board did not make use of this authorisation in the financial year.

Contingent capital

By way of a resolution adopted by the Annual General Meeting on 3 July 2020, a contingent increase in the share capital of up to EUR 1,404,000 by issuing up to 1,404,000 no-par value bearer shares was resolved **(new version of Contingent Capital 2017)**. In addition, by way of a resolution adopted by the Annual General Meeting on 3 July 2020, a decision was made to issue stock options (Stock Option Plan 2020) and to create new contingent capital 2020 **(Contingent Capital 2020)**. Contingent Capital 2020 was reduced to EUR 343,180 in 2024 due to the expiry of the vesting period of the SOP; 7,820 stock options were exercised in the 2024 financial year.

Capital management

The ecotel Group manages its capital with the primary objective of supporting its business activities and ensuring the long-term continuation of the company as a going concern. Capital management covers both the total reported equity and interest-bearing debt. Summarised quantitative disclosures on the capital managed can be found in the statement of financial position and in the corresponding disclosures in the notes. One important objective is to comply with the financial covenants agreed with the banks. These financial covenants relate to compliance with certain specifications for the equity ratio, the ratio of net financial liabilities to EBITDA and the ratio of EBITDA to sales. Nevertheless, the financial covenants in connection with existing credit lines are still reviewed as part of intra-year reporting. This also involves analysing future developments with regard to their impact on the financial covenants so that measures can be taken in good time where necessary.

For all current covenants (equity ratio >40%, net debt <2.5 times EBITDA and EBITDA/sales in >5%) as defined by the banks, ecotel was well within the specified limits in the 2024 financial year and as at the reporting date.

(11) LIABILITIES FROM CURRENT AND DEFERRED INCOME TAXES

in EUR thousand	Opening balance as at 1 January 2024	Utilisation	Additions	Changes in the scope of consolidation	Closing balance as at 31 December 2024
Current income taxes	2,285	2,285	1,719	–	1,719
Deferred income taxes	1,082	488	605	–	1,199
Total	**3,367**	**2,773**	**2,324**	**–**	**2,918**
Deferred income taxes with a term of more than one year	716	–	–	–	411

in EUR thousand	Opening balance as at 1 January 2023	Utilisation	Additions	Changes in the scope of consolidation	Closing balance as at 31 December 2023
Current income taxes	6,112	6,241	2,454	–40	2,285
Deferred income taxes	1,023	653	759	–47	1,082
Total	**7,135**	**6,894**	**3,213**	**–87**	**3,367**
Deferred income taxes with a term of more than one year	351	–	–	–	716

(12) OTHER FINANCIAL DEBTS, TRADE PAYABLES, PROVISIONS AND OTHER FINANCIAL AND NON-FINANCIAL LIABILITIES

in EUR thousand	Remaining term up to 1 year	Total 31 Dec. 2023	Remaining term up to 1 year	Total 31 Dec. 2024
Loans	–	–	**1,000**	**1,000**
Trade payables	**11,048**	**11,048**	**15,482**	**15,482**
thereof liabilities to associated companies	17	17	465	465
Provisions	–	–	–	–
Other financial and non-financial liabilities	**1,815**	**1,815**	**2,881**	**2,881**
thereof liabilities from hire purchase agreements	236	236	–	–
thereof liabilities from social security	25	25	17	17
thereof liabilities from wages and salaries	1	1	213	213
thereof other personnel-related liabilities	235	235	385	385
thereof liabilities for audit/Supervisory Board	355	355	399	399

As in the previous year, there were no derivative financial liabilities as at 31 December 2024.

(13) LEASE LIABILITIES

There are extension options for property leases whose utilisation is not sufficiently certain as at the reporting date. If these extension options are in fact exercised in the future, the potential future lease payments would lead to an estimated lease liability of EUR 4,297 thousand (31 December 2023: EUR 3,889 thousand). As at the reporting date, non-current lease liabilities totalled EUR 4,789 thousand (31 December 2023: EUR 5,499 thousand), of which EUR 3,725 thousand (previous year: EUR 3,445 thousand) is due within the next 5 years and EUR 1,064 thousand (previous year: EUR 2,054 thousand) in more than 5 years.

The existing rental agreement for the administrative building was extended by two years in April 2023. Based on this contract extension, the assumed term of the lease was also increased. Due to the extension of the term of the lease, the lease liability was revalued with an effective interest rate of 6%. Taking into account the new interest rate and the change in lease instalments, the contract extension led to an increase in the lease liability and the right of use of EUR 1,005 thousand.

(14) CONTRACT LIABILITIES

Contract liabilities represent the obligation to provide a service to a customer. As at 31 December 2024, contract liabilities were reported in the amount of EUR 1,912 thousand (31 December 2023: EUR 943 thousand). Depending on the type of performance obligation and its allocation to an operating segment, the performance obligation is fulfilled and therefore recognised as sales within the average contract term (3–6 years). Contract liabilities are divided into current and non-current liabilities depending on the settlement date.

(15) REPORTING ON FINANCIAL INSTRUMENTS

In the course of its ordinary business operations, the Group faces currency, interest rate and credit rating risks that could have an impact on its net assets, financial position and result of operations.

Foreign currency risk: Foreign currency risks arise from receivables, liabilities, cash and cash equivalents and planned transactions that are not in the Group's functional currency. As the currency risk after the expiry of the concluded hedges in previous years was low, no derivative financial instruments were used for currency hedging in the previous year or in the past financial year.

Interest rate risk: The ecotel Group had only current loan liabilities in the form of money market loans at the end of the financial year. Accordingly, the interest rate risk is not material.

Credit risk: A credit risk for the Group arises if transaction partners do not or cannot meet their payment obligations. The maximum default risk is presented in the accounts with the carrying amount of the respective financial asset. Due to the different business models and customer structures of the segments, different default risks are also defined. In the »ecotel Business Customers« segment and the »ecotel Wholesale« segment (Wholesale Data), trade receivables are divided into different measurement clusters (major customers, customers with special payment agreements, etc.). Within the clusters, impairment is recognised pro rata depending on the length of time by which the receivables are past due. As in the previous year, the range is between 1% and 66%. For trade receivables whose default risk is not already determined on the basis of the clusters, an expected default risk of 1% is assumed.

In the »ecotel Wholesale« segment (Wholesale Voice), for customers involved in minute trading, there are mainly settlement balance agreements with the customers. As a result of this netting in line with usual industry practice, default risks are actively reduced. Trade receivables are therefore impaired pro rata at a rate of 1%. Other receivables are impaired based on an age structure from one to more than 90 days. If they are past due by more than 90 days, they are written off completely. The development of the receivables portfolio is continuously monitored so that potential default risks can be identified at an early stage and appropriate measures can be initiated.

Accordingly, the valuation allowances for the receivables reported under the following items of the statement of financial position developed as follows in the Group:

Valuation allowances for 2024

in EUR thousand	Trade receivables	Contract assets
As at 1 January 2024	152	–
Valuation allowances for the financial year	15	–
Disposals	25	–
Changes in the scope of consolidation	–	–
As at 31 December 2024	**142**	**–**

Valuation allowances for 2023

in EUR thousand	Trade receivables	Contract assets
As at 1 January 2023	179	0
Valuation allowances for the financial year	6	0
Disposals	33	0
Changes in the scope of consolidation	–1	0
As at 31 December 2023	**152**	**0**

The table below shows the calculated default risk as at 31 December 2024:

in EUR thousand	Maximum default risk	Expected credit loss
Trade receivables	15,011	142
thereof ecotel Business Customers	3,870	86
thereof ecotel Wholesale	11,142	56
Other financial assets	444	–
Contract assets	–	–

In accordance with IFRS 9, the simplified model is used for determining impairment on trade receivables and contract assets. Valuation allowances for trade receivables are measured in the amount of the lifetime expected credit losses. The expected credit loss risk for trade receivables is measured using an impairment matrix. Receivables that are not due and not impaired are expected to be recoverable in their full amount.

As at 31 December 2023, the situation was as follows:

in EUR thousand	Maximum default risk	Expected credit loss
Trade receivables	11,018	152
thereof ecotel Business Customers	2,432	152
thereof ecotel Wholesale	8,585	0
Other financial assets	432	–
Contract assets	26	–

Financial instruments measured at fair value can be classified according to the following measurement hierarchy, which reflects the extent to which the fair value is observable:

Level 1: Fair value measurements based on quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Fair value measurements based on inputs for the asset or liability that are observable either directly (as prices) or indirectly (derived from prices) and do not constitute quoted prices as defined in level 1.

Level 3: Fair value measurements based on inputs for the asset or liability that are not based on observable market data (unobservable inputs).

With the exception of the investment in UPLINK Digital GmbH, the carrying amounts reported in the following tables for financial assets and liabilities that are not recognised at fair value represent a good approximation of their fair value. The fair values shown in the following tables were measured using inputs for the asset or liability that are not based on observable market data (level 3).

The financial assets and liabilities can be broken down into measurement categories with the following carrying amounts:

Financial assets in 2024

	31 December 2024	
in EUR thousand	At amortised cost	At fair value through profit or loss
Cash and cash equivalents	2,344	–
Trade receivables	15,011	–
Contract assets	–	–
Other non-current financial assets	60	817
Other current financial assets	444	–
Total	**17,859**	**817**

In the 2024 financial year, there was no reclassification between different classes.

Financial liabilities in 2024

	31 December 2024	
in EUR thousand	At amortised cost	At fair value through profit or loss
Trade payables	15,482	–
Lease liabilities	5,825	–
Contract liabilities	1,912	–
Other financial liabilities	1,668	–
Total	**24,887**	**–**

As at 31 December 2023, the breakdown was as follows:

Financial assets in 2023

	31 December 2023	
in EUR thousand	At amortised cost	At fair value through profit or loss
Cash and cash equivalents	3,702	–
Trade receivables	11,018	–
Contract assets	26	–
Other non-current financial assets	70	817
Other current financial assets	362	–
Total	**15,178**	**817**

Financial liabilities in 2023

	31 December 2023	
in EUR thousand	At amortised cost	At fair value through profit or loss
Trade payables	11,048	–
Lease liabilities	6,425	–
Contract liabilities	943	–
Other financial liabilities	1,075	–
Total	**19,491**	**–**

Liquidity risk: The ecotel Group companies are generally refinanced centrally by ecotel communication ag. There is a risk here that the liquidity reserves may not be sufficient to meet the financial obligations on schedule. Cash and cash equivalents of EUR 2,344 thousand (previous year: EUR 3,702 thousand) are available to cover the liquidity requirements. In addition to the reported cash and cash equivalents, credit lines of EUR 10,000 thousand (previous year: EUR 7,000thousand) are available to ecotel as at 31 December 2024, up to EUR 1,000 thousand (previous year: EUR 1,000 thousand) of which may be used for guarantee liabilities. As at the reporting date, there were current loan liabilities of EUR 1,000 thousand (previous year: EUR 0 thousand). Failure to comply with the financial covenants could possibly result in termination of the credit facility if no agreement can be reached on an adjustment of the financial covenants.

In accordance with IFRS 7, interest rate risks are generally presented using sensitivity analyses if the Group is exposed to such risks as at the reporting date. Primary floating-rate financial instruments whose interest payments are not designated as hedged items in cash flow hedges against interest rate risks, together with interest rate derivatives (interest rate swaps) that are not part of a hedging relationship in accordance with IFRS 9, amounted to EUR 0 thousand as at the reporting date (previous year: EUR 0 thousand). On 31 December 2024, as at the previous year's reporting date, there were no primary financial instruments with fixed interest rates (financial liabilities) that were accounted for at fair value, as all financial instruments were accounted for at amortised cost. ecotel therefore was not exposed to any interest rate risks as defined in IFRS 2024 on 31 December 7. For this reason, no sensitivity analysis was performed for the risk from interest rate changes.

In accordance with IFRS 7, exchange rate risks are also presented using sensitivity analyses if the Group is exposed to risk variables as at the reporting date from the use of non-functional currencies in which Group companies enter into financial instruments. This likewise was not the case either in the previous year or as at 31 December 2024, so no sensitivity analysis was performed for the risk from exchange rate changes.

(16) CONTINGENT ASSETS AND LIABILITIES AND OTHER FINANCIAL OBLIGATIONS

The carrying amount of the financial assets furnished as collateral totalled EUR 5 thousand as at 31 December 2024 (previous year: EUR 5 thousand). This chiefly relates to security deposits.

On 15 December 2020, ecotel was informed by the responsible tax office (control notification) that the input tax deduction from incoming invoices of an individual material supplier is to be retroactively denied. The reason given was the result of a special sales tax audit at this supplier. The total volume of the sales tax input deduction in question is EUR 3.7 million. In view of the existing documentation and information available to ecotel and the assessment of external experts, ecotel continues to estimate that the risk of an actual denial of the input tax deduction is considerably lower than 50%. There was no change to this situation at the time of preparing the financial statements.

Notes to the consolidated statement of comprehensive income

Notes from no. 17 to no. 24 refer exclusively to continuing operations. The presentation of the comparative period was restated accordingly.

(17) SALES

in EUR thousand	2023	2024
Breakdown of sales by segment		
ecotel Business Customers	46,172	47,967
ecotel Wholesale	60,117	67,575
Total	**106,289**	**115,542**
Germany	59,159	61,498
International	47,131	54,043
Total	**106,289**	**115,542**

Sales for the 2024 financial year consisted of sales of EUR 62,980 thousand (previous year: EUR 57,157 thousand) that were recognised at a specific point in time and sales of EUR 52,562 thousand (previous year: EUR 49,132 thousand) that were realised over a period of time. In the 2024 financial year, sales of EUR 660 thousand (previous year: EUR 535 thousand) that had previously been included in the contract liability balance were recognised over a period of time. Sales for the ecotel Business Customers segment include proceeds from the sale of routers in the amount of EUR 149 thousand (previous year: EUR 838 thousand) that were recognised at a specific point in time.

(18) OTHER OPERATING INCOME

Other operating income amounted to EUR 3,680 thousand in the 2024 financial year (previous year: EUR 6,549 thousand). Other operating income includes proceeds from the transfer of rights of use to internet resources to intenet resources in the amount of EUR 2,071 thousand (previous year: EUR 6,263thousand). In addition, this item includes income from receipts of impaired trade receivables in the amount of EUR 1 thousand (previous year: EUR 1 thousand) and reversals of impairment losses on trade receivables in the amount of EUR 25 thousand (previous year: EUR 33 thousand).

(19) COST OF MATERIALS

The cost of materials relates entirely to third-party services utilised and mainly includes expenses for trading in voice minutes in the »ecotel Wholesale« segment of EUR 54,685 thousand (previous year: EUR 48,733 thousand), for purchased data products of EUR 24,843 thousand (previous year: EUR 22,126 thousand), own termination fees for voice services of EUR 217 thousand (previous year: EUR 503 thousand), for purchased routers in the amount of EUR 149 thousand (previous year: EUR 701 thousand) and electricity costs for data centres of EUR 777 thousand (previous year: EUR 874 thousand).

(20) STAFF COSTS

in EUR thousand	2023	2024
Wages and salaries	13,293	14,679
Social security contributions	2,178	2,288
thereof expenses for pensions and other benefits	1,000	1,054
Total	**15,471**	**16,967**

For all employees of Group companies in Germany, there is a defined-contribution pension plan within the framework of German pension insurance, to which the employer must make contributions at a currently applicable rate of 9.3% (employer portion). There are no other pension plans.

Average number of employees at the consolidated companies in the financial year:

	2023	2024
Salaried employees	215	220
thereof full-time	202	205
thereof part-time	4	5
thereof trainees	9	10

(21) DEPRECIATION, AMORTISATION AND IMPAIRMENT LOSSES

A breakdown of depreciation and amortisation of intangible assets, property, plant and equipment and financial assets can be found in the notes on the respective item.

As in the previous year, the impairment tests performed did not result in any impairment losses on the goodwill of the cash-generating units or other assets in the 2024 financial year.

(22) OTHER OPERATING EXPENSES

Other operating expenses totalled EUR 12,455 thousand in the 2024 financial year (previous year: EUR 11,160 thousand), with expenses for partner and dealer commission amounting for EUR 4,460 thousand (previous year: EUR 3,953 thousand). Technical expenses for operating costs, logistics and field services and similar expenses amounted to EUR 3,330 thousand (previous year: EUR 2,499 thousand), while the change in impairment on receivables and bad debt losses amounted to EUR 238 thousand (previous year: EUR 155 thousand).

(23) NET FINANCE COSTS

in EUR thousand	2023	2024
Interest income		
Other interest and similar income	1	27
Interest income from non-current investments	502	–
Interest expenses		
Interest expenses from loan liabilities	–20	–63
Interest expenses from leases	–279	–290
Other interest and similar expenses	–1	–2
Net interest income	**203**	**–329**
Other financial expense and income		
Income from reversal of impairment on non-current financial assets	–	–
Income from investments	313	317
Other financial expense and income	0	–
Net finance costs	**516**	**–12**

(24) INCOME TAXES

in EUR thousand	2023	2024
Current income taxes	–2,395	–794
Deferred income taxes	–107	–117
Total	**–2,501**	**– 911**

A reconciliation of the anticipated tax expense to the tax expense actually reported is presented below. To calculate the anticipated tax expense, earnings before income taxes are multiplied by a flat income tax rate of 31% (previous year: 31%) specified by the Group. This is made up of a tax rate of 15% (previous year: 15%) for corporation tax plus 5.5% (previous year: 5.5%) for the solidarity surcharge and 15% (previous year: 15%) for trade tax. The expected tax expense is compared with the actual tax expense.

The reconciliation of anticipated and actual income tax expense for the financial year and the previous year is as follows:

in EUR thousand	2023	2024
Earnings before taxes	8,181	2,920
Group tax rate (in %)	**31,0**	**31,0**
Forecast tax expense	–2,536	–905
Differences arising from tax rates deviating from the Group tax rate	–19	–10
Tax effect from changes in permanent differences	0	0
Tax effect due to tax-free income/expenses for profit distributions	37	27
Tax increases due to non-deductible expenses	–80	–55
Taxes from previous years	18	0
Earnings from investments carried at equity	98	71
Other tax effects	–19	–40
Tax expense according to income statement (expense –/income +)	–2,501	–911
Effective tax rate in %	**30,6**	**31,1**

Deferred taxes are calculated using the asset and liability method, under which tax relief and tax burdens that are likely to arise in the future are recognised for temporary differences between the carrying amounts recognised in the consolidated financial statements and the tax bases of assets and liabilities. If the temporary differences relate to items that directly increase or reduce equity, the associated deferred taxes are also directly offset against equity.

The deferred taxes are attributable to the following items:

in EUR thousand	2023 assets	2023 liabilities	2024 assets	2024 liabilities
Property, plant and equipment/intangible assets	–	535	–	605
Rights of use from leases, lease liabilities	186	–	210	–
Capitalised contract costs, contract assets, contract liabilities (IFRS 15)	–	733	–	805
Deferred taxes on loss carryforwards	–	–	–	–
Netting, assets/liabilities	–186	–186	–210	–210
Total	**0**	**1,082**	**0**	**1,199**

Deferred tax assets in a tax jurisdiction are offset against deferred tax liabilities in the same jurisdiction to the extent that the maturities match.

(25) DISCONTINUED OPERATIONS

In the previous year, ecotel incorporated all shares in nacamar GmbH into the newly founded company UPLINK Digital GmbH through a merger by absorption in exchange for the granting of shares. After completion of the transaction, ecotel ag had an interest of approximately 25% in UPLINK Digital GmbH. In addition to the shares granted, ecotel ag received a cash payment of EUR 1,264 thousand.

The accounting requirements pursuant to IFRS 5 »Non-current Assets Held for Sale and Discontinued Operations« were met with the Supervisory Board resolution dated 23 January 2023. ecotel ag relinquished control over nacamar GmbH at the beginning of April. nacamar GmbH was thus deconsolidated on 1 April 2023.

In the previous year, nacamar GmbH's earnings after taxes from 1 January 2023 to 31 March 2023 were recognised in the consolidated statement of comprehensive income and in segment reporting as earnings after taxes from discontinued operations.

The statement of cash flows shows the repayment of the liability from cash pooling owed to nacamar GmbH in the amount of EUR 0.2 million, transaction costs of EUR 0.1 million and the purchase price payment received of EUR 1.3 million as cash receipts from disposals from the scope of consolidation in connection with investing activities.

Net income from discontinued operations in the previous year breaks down as follows:

EUR million	2023[1]
Sales	0,3
Gross profit	**0,2**
Staff costs	–0,1
Other operating income and expenses	0,0
EBITDA	**0,1**
EBIT	**0,1**
Earnings before taxes	**0,1**
Income taxes	0,0
Earnings after taxes from discontinued operations	**0,1**
Deconsolidation gains after taxes	**1,7**
Net income from discontinued operations	**1,8**
thereof attributable to owners of the parent	1,8
thereof attributable to minority interests	–
Earnings per share (in EUR), calculated on discontinued operations	0,51

1 The figures shown cover the period from 1 January 2023 to 31 March 2023.

Flows of cash and cash equivalents from discontinued operations break down as follows:

EUR million	2023[1]
Net cash generated by/net cash used in operating activities	–0,2
Net cash used in investing activities	0,0
Net cash used in financing activities	0,0
Cash-effective change in cash and cash equivalents	**–0,2**

1 Cash flows cover the period from 1 January 2023 to 31 March 2023.

The following table shows the gain or loss on disposal from the deconsolidation of nacamar GmbH:

EUR million	
Purchase price received	1,3
Fair value of the interest in UPLINK Digital GmbH in the Group	**0,8**
Disposal of net assets and transaction costs	–0,4
Deconsolidation gains before taxes	**1,7**
Tax expense	–
Deconsolidation gains after taxes	**1,7**

The following assets and liabilities were deconsolidated as at 31 March 2023:

EUR million	
Non-current assets	0,2
Current assets	0,3
Total assets	**0,5**
Non-current liabilities	0,0
Current liabilities	0,1
Total liabilities	**0,1**

(26) ALLOCATION OF NET PROFIT TO MINORITY INTERESTS

There was no allocation of net income to minority interests in the 2024 financial year or the previous year.

(27) EARNINGS PER SHARE

The number of **ecotel communication ag shares** outstanding as at 31 December 2024 was 3,517,820 (previous year: 3,510,000). The shares are issued as no-par value shares with a pro-rata amount of the share capital of EUR 1.00.

In accordance with IAS 33, basic earnings per share are calculated as the ratio of the consolidated net income for the year attributable to the shareholders of ecotel communication ag and the weighted average number of bearer shares in circulation outstanding during the financial year.

Dilution of the earnings per share may occur if the average number of shares is increased by including the issue of potential shares from options and convertible financial instruments.

Since July 2020, there has been a stock option plan for members of the Management Board and selected employees. In the context of the stock option plan, up to 351,000 options can be issued.

The stock option plan stipulated a lock-up period of four years from the respective grant date. The lock-up period ended on 31 July 2024. Meeting the targets in the stock option plan resulted in a dilution of earnings per share as at 31 December 2024, meaning that basic and diluted earnings are not identical.

	2023	2024
Attributable consolidated net income for the year (in EUR)	7,427,593	2,009,432
Number of shares as at 31 December (in units)	3,510,000	3,517,820
Basic earnings per share (in EUR)	2,12	0,57
Number of shares plus number of stock options as at 31 December (in units)	3,853,943	3,853,943
Diluted earnings per share (in EUR)	1,93	0,52

Notes to the consolidated statement of cash flows

(28) CONSOLIDATED STATEMENT OF CASH FLOWS

The consolidated statement of cash flows is prepared in accordance with IAS 7 and is broken down into cash flows from operating, investing and financing activities.

The cash and cash equivalents in the consolidated statement of cash flows correspond to the »Cash and cash equivalents« item reported in the consolidated statement of financial position.

Effective cash flows are allocated to ecotel's non-current and current loans and its lease liabilities.

Apart from the increase of EUR 327 thousand in lease liabilities (previous year: EUR 1,370 thousand), there were no non-cash transactions in 2024.

	Non-current loans	Current loans	Lease liabilities	Total
1 January 2024	0	0	6,425	6,425
Borrowings	–	5,000	327	5,327
Repayment	–	–4,000	–929	–4,929
Reclassification	–	–	–	–
Changes in the scope of consolidation	–	–	–	–
31 December 2024	0	1,000	5,824	6,824

The following effective cash flows arose in the previous year:

	Non-current loans	Current loans	Lease liabilities	Total
1 January 2023	0	0	5,897	5,897
Borrowings	–	–	1,370	1,370
Repayment	–	–	–842	–842
Reclassification	–	–	0	0
Changes in the scope of consolidation	–	–	0	0
31 December 2023	0	0	6,425	6,425

Alongside the cash flows described above, EUR 440 thousand (previous year: EUR 448 thousand) was paid for short-term leases and leases for low-value assets in the 2024 financial year.

Other disclosures

(29) APPROPRIATION OF PROFITS

In accordance with section 58 (2) of the German Stock Corporation Act (AktG), the relevant basis for ecotel's appropriate net profit is the annual financial statements of ecotel communication ag, which are prepared in line with the provisions of German commercial law.

The annual financial statements of ecotel communication ag show an unappropriated surplus of EUR 1,586 thousand (previous year: EUR 4,711 thousand). In the 2024 financial year, ecotel communication ag distributed a dividend of EUR 1,650 thousand for the 2023 financial year (previous year: EUR 66,058 thousand). This corresponds to a dividend per share of EUR 0.47 (previous year: EUR 18.82).

(30) RELATED PARTY DISCLOSURES

The volume of services performed or utilised by related parties is as follows:

	Volume of services performed by ecotel		Volume of services utilised by ecotel	
in EUR thousand	2023	2024	2023	2024
mvneco GmbH				
– from deliveries and services	61	61	1,954	1,588

As at 31 December 2024, there were receivables from mvneco GmbH of EUR 6 thousand (previous year: EUR 6 thousand) and trade payables to mvneco GmbH of EUR 465 thousand (previous year: EUR 17 thousand).

	Volume of services performed by ecotel		Volume of services utilised by ecotel	
in EUR thousand	2023	2024	2023	2024
UPLINK Digital GmbH				
– from deliveries and services	172	127	21	0

As at 31 December 2024, there were receivables from UPLINK Digital GmbH of EUR 24 thousand (previous year: EUR 28 thousand) and trade payables to UPLINK Digital GmbH of EUR 0 thousand (previous year: EUR 0 thousand).

The ecotel Group had service relationships with the following related persons (or their companies) in 2024:

	Volume of services performed by ecotel		Volume of services utilised by ecotel	
in EUR thousand	2023	2024	2023	2024
MPC Service GmbH				
– from deliveries and services	6	6	483	699

Agreement with MPC Service GmbH

A commercial agency agreement is in place between MPC Service GmbH and ecotel. Under this agreement, MPC Service GmbH receives an acquisition commission and a product-related commission for the monthly incoming orders based on the monthly sales of all customers acquired through MPC Service GmbH. The Supervisory Board member Mirko Mach is a Managing Director and partner of MPC Service GmbH. As at the reporting date, there were receivables from MPC Service GmbH of EUR 1 thousand (previous year: EUR 1thousand) and liabilities of EUR 98 thousand (previous year: EUR 46 thousand).

	Volume of services performed by ecotel		Volume of services utilised by ecotel	
in EUR thousand	2023	2024	2023	2024
Noerr PartG mbB				
– from deliveries and services	–	–	145	27

Agreement with Noerr Partnerschaftsgesellschaft mbB Rechtsanwälte Steuerberater Wirtschaftsprüfer

Noerr PartGmbB and ecotel have concluded a service contract. Under this contract, Noerr PartGmbB provides legal advice for ecotel ag. The Supervisory Board member Dr Thorsten Reinhard is a partner at the company. As at the reporting date, there were liabilities to Noerr PartGmbB of EUR 0 thousand (previous year: EUR 0 thousand).

(31) SEGMENT REPORTING

In the 2024 financial year, ecotel changed the cost allocation between the ecotel Business Customers and ecotel Wholesale segments. In 2024, a portion of personnel costs and other operating expenses was allocated on the basis of the gross profit key. The adjustment was carried out retrospectively in the consolidated financial statements in accordance with IFRS 8.29. The effects are shown in the tables.

The internal organisational and management structure and the internal reporting to the Management Board and the Supervisory Board form the basis for defining ecotel's segments.

Segmentation is based on the internal reporting by business areas. Continuing operations can be differentiated as follows:

- // In the »ecotel Business Customers« segment (the core operating segment), ecotel offers business customers throughout Germany an integrated product portfolio of voice and data services (ICT solutions) from a single source. In this segment, ecotel also provides products as a supplier for other ITC companies (e.g. resellers). The investments and subsidiaries of ecotel ag are also allocated to this segment.
- // In the ecotel Wholesale segment, ecotel offers cross-network trading in telephone minutes and marketing data lines for national and international carriers.

The following business division was discontinued:

- // In the »nacamar« segment, the company offers its own content delivery network (CDN) streaming services for media companies.

Segment earnings, a figure used by the Management Board for corporate management and monitoring, refers to annual earnings before interest, taxes, depreciation and amortisation (EBITDA). The segments presented here are prepared in line with the Group's accounting policies. There are consequently no valuation adjustments.

In the 2024 financial year, the »ecotel Wholesale« segment generated more than 10% of consolidated sales (EUR 26.5 million and EUR 25.7 million) with two international carriers. The highest international sales were generated with a customer based in Italy. In the previous year, more than 10% of consolidated sales were generated with two international carriers (EUR 21.5 million and EUR 22.4 million), and the highest international sales were generated with a customer based in Romania.

	ecotel Business Customers		ecotel Wholesale		Cross-segment consolidation		Continuing operations [1]		Discontinued operations	
in EUR thousand	2023 [2]	2024	2023 [2]	2024	2023	2024	2023	2024	2023	2024
External sales	46,172	47,967	60,117	67,575	–	–	106,289	115,542	298	–
Intersegment sales			45	–	−45	–	0	–	0	–
Gross profit [2]	30,697	31,118	1,952	2,057	–	–	32,649	33,176	248	–
EBITDA	11,552	5,946	894	1,451	–	–	12,446	7,398	130	–
Operating EBITDA	**8,096**	**8,036**	**894**	**1,470**	–	–	**8,991**	**9,506**	**130**	–
Depreciation and amortisation	−4,781	−4,466	–	–	–	–	−4,781	−4,466	0	–
Unscheduled impairment	–	–	–	–	–	–	–	–	–	–
EBIT	6,771	1,481	894	1,451	–	–	7,665	2,932	130	–
Net finance costs							516	−12	0	–
Profit from ordinary activities							8,181	2,920	130	–
Income tax expense							−2,501	−911	−41	–
Deconsolidation gains after taxes							–	–	1,684	–
Earnings							5,680	2,009	1,773	–

1 Includes income from the transfer of right-of-use assets to online resources.
2 Prior-year figures restated.

Segment reporting before reclassification

	ecotel Business Customers		ecotel Wholesale		Cross-segment consolidation		Continuing operations [1]		Discontinued operations	
in EUR thousand	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024
External sales	46,172	47,967	60,117	67,575	–	–	106,289	115,542	298	–
Intersegment sales			45	–	– 45	–	0	–	0	–
Gross profit	30,195	30,581	1,890	2,057	–	–	32,085	32,638	248	–
EBITDA	11,271	5,460	1,175	1,938	–	–	12,446	7,398	130	–
Operating EBITDA	**7,816**	**7,550**	**1,175**	**1,956**	**–**	**–**	**8,991**	**9,506**	**130**	**–**
Depreciation and amortisation	−4,781	−4,466	–	–	–	–	−4,781	−4,466	0	–
Unscheduled impairment	–	–	–	–	–	–	–	–	–	–
EBIT	6,490	994	1,175	1,938	–	–	7,665	2,932	130	–
Net finance costs							516	−12	0	–
Profit from ordinary activities							8,181	2,920	130	–
Income tax expense							−2,501	−911	−41	–
Deconsolidation gains after taxes							–	–	1,684	–
Earnings							5,680	2,009	1,773	–

1 Includes income from the transfer of right-of-use assets to online resources.

Intersegment transactions were performed at market prices. The Group's sales were mostly generated in Germany. Sales were broken down into German and international sales based on the customer location. For further information, please refer to the disclosures on sales. All assets and investments are attributable to Germany.

(32) SHARE-BASED PAYMENTS

Since July 2020, there has been a stock option plan in which members of the Management Board and selected employees can participate. In the context of the stock option plan, up to 351,000 options can be issued.

Each stock option entitles the participant to acquire a share of the company at an option price at the level of the weighted average stock price of the company in XETRA trading on the Frankfurt Stock Exchange (or a comparable successor system) in a three-month period prior to the grant date. The claim to the rights to shares can be satisfied either from the created contingent capital or from the company's Treasury shares or by making a cash payment at the corresponding level. The Stock Option Plan 2020 stipulated a vesting period of four years from the respective grant date until the options could be exercised for the first time. The vesting period ended on 31 July 2024.

After the end of the four-year vesting period, the participants are entitled to exercise the options if the targets stipulated in the stock option plan have been achieved. In the period from the grant date to the exercise date of the relevant option, the company's share price must have performed better in percentage terms than the benchmark index, the Tec-DAX. In addition, in the period from the grant date to the exercise date of the relevant option, the company's share price must have increased by at least 20%. Both performance targets must be met. Whether the aforementioned price-related targets have been achieved is determined by the actual performance of the company's weighted average three-month share price and that of the Tec-DAX. The targets have been achieved.

The stock option plan stipulates that the stock options can be exercised within three-week exercise periods, each of which starts after publication of the half-year financial report and the report/notification for the first and third quarter of each financial year. The stock option plan does not stipulate any vesting periods for shares that participants acquire by exercising stock options. If the options granted are not exercised within two years after the end of the vesting period, they are forfeited without replacement.

Options granted to a participant in a financial year which can be exercised may be exercised only to the extent that the company's weighted average share price in XETRA trading on the Frankfurt Stock Exchange does not exceed a factor of seven of the exercise price within a three-month period before the exercise date.

In the case of a change of control, i.e. the acquisition of a majority in the company by a person (acting alone or in concert) with the exception of such parties which directly or indirectly are full subsidiaries of the company or hold more than 5% of the share capital of the company when this stock option plan was set up, and certain economically comparable transactions or a revocation of the approval of the company's shares to be traded in the regulated market, the grant agreements stipulate that the outstanding stock options lapse against a cash payment.

The number and exercise prices of the stock options for different groups of options are shown below:

	Number (shares)	Exercise price in EUR
Options outstanding at the beginning of the reporting period	343,943	6,8691
Options granted during the reporting period	0	
Options forfeited during the reporting period	0	
Options exercised during the reporting period	7,820	6,8691
Options expired during the reporting period	0	
Options outstanding at the end of the reporting period	336,123	6,8691
Options exercised at the end of the period	7,820	

As in the previous year, for options outstanding at the end of the reporting period, the exercise price is EUR 6.87. The remaining contractual period is 1 year and 7 months.

The stock options issued were measured on the basis of the Monte Carlo simulation. The performance targets – firstly that in the period from the grant date to the exercise date of the relevant option, the company's share price must have performed better in percentage terms than the benchmark index, the Tec-DAX, and secondly that the company's share price must have increased by at least 20% in the period from the grant date to the exercise date for the relevant option – were taken into account in the assessment. In addition, account is taken of the fact that options granted to a participant in a financial year may be exercised only to the extent that the company's weighted average share price in XETRA trading on the Frankfurt Stock Exchange does not exceed a factor of seven of the exercise price within a three-month period before the exercise date.

At the time of grant, the value of the share option is EUR 1.41. The following parameters were used for the valuation:

	Disclosure
Share price (in EUR)	7.15
Exercise price (in EUR)	6.87
Option term (in years)	6.0
Term to expected exercise (in years)	4.4
Expected share price volatility (in %)	28.3
Current level of the TecDAX (in EUR)	3,005.0
Expected volatility of the Tec-DAX (in %)	17.0
Correlation between the share yield and the TecDAX	0.39
Risk-free return (in %)	−0.73
Expected dividend yield (in %)	2.0

The expected share price volatility and the Tec-DAX is based on the analysis of historical volatilities calculated over a period corresponding to the remaining duration of the stock options.

Expected volatilities are based on the assumption that future trends can be extrapolated from historical volatilities. Actual volatilities may deviate from the assumptions made.

For the stock option plan, which provides for equity-settled remuneration, taking account of expected employee fluctuation, EUR 115 thousand (previous year: EUR 119 thousand) was expensed in the reporting period with a corresponding increase in capital reserves of EUR 115 thousand (previous year: EUR 119 thousand).

(33) REMUNERATION OF KEY MANAGEMENT PERSONNEL (DISCLOSURES IN ACCORDANCE WITH SECTION 314 HGB AND IAS 24)

Total remuneration for members of the Management Board amounted to EUR 1,317 thousand in the 2024 financial year (previous year: EUR 1,671 thousand). In addition to fixed remuneration of EUR 645 thousand (previous year: EUR 651 thousand) and fringe benefits of EUR 39 thousand (previous year: EUR 46 thousand), this includes securely earned variable remuneration of EUR 637 thousand (previous year: EUR 971 thousand) for the 2024 financial year. Variable remuneration includes non-recurring special payments of EUR 395 thousand (previous year: EUR 946 thousand) and a signing-on bonus of EUR 75 thousand (previous year: EUR 0 thousand) for joining the company. After deducting the remuneration components already paid, corresponding provisions were set up. This remuneration consists of short-term benefits. EUR 28 thousand (previous year: EUR 57 thousand) is recognised in expenses for current and former members of the Management Board. Total remuneration to members of the Supervisory Board for the 2024 financial year amounted to EUR 222 thousand (previous year: EUR 220 thousand).

Since 2020, there have been only personal targets for variable remuneration. In order to align financial incentives for the Management Board and the management more closely to the interests of shareholders with a long-term orientation, a stock option programme was initiated in July 2020. The then members of the Management Board took part in the existing stock option programme. In 2020, the Management Board members were granted a total of 222,943 stock options. For these stock options, there was a vesting period of four years from the respective grant date until the first exercisability. This vesting period ended in mid-2024. No Management Board members (current or former) exercised stock options in the 2024 financial year.

After the end of the vesting period in 2024, the members of the Management Board will again be remunerated with personal and long-term variable target agreements, parts of which may only be paid out in subsequent years due to sustainability factors.

ecotel has also included the four members of the Governing Board among its key management personnel in accordance with IAS 24 in addition to the Management Board and Supervisory Board members. The total remuneration for all key management personnel therefore amounts to EUR 2,477 thousand (previous year: EUR 2,783 thousand) and is all short-term. Pension contributions in the reporting period totalled EUR 37 thousand (previous year: EUR 61 thousand). For further information on the remuneration of the Management Board and the Supervisory Board, please refer to the statements in the remuneration report.

(34) DECLARATION ON CORPORATE GOVERNANCE IN ACCORDANCE WITH SECTION 289F AND SECTION 315D OF THE GERMAN COMMERCIAL CODE (HGB) INCLUDING THE DECLARATION IN ACCORDANCE WITH SECTION 161 OF THE GERMAN STOCK CORPORATION ACT (AKTG)

The Management Board and the Supervisory Board of ecotel communication ag have issued the declaration on corporate governance required in accordance with section 289f and section 315d of the German Commercial Code (HGB) and section 161 of the German Stock Corporation Act (AktG) and the corporate governance report including the declaration stipiulated in section 161 AktG and have made them permanently available to the public online at www.ecotel.de under Investor Relations/Corporate Governance.

(35) AUDITOR'S FEES

In the 2024 financial year, the expensed fee for the auditor of the annual and consolidated financial statements of ecotel ag for auditing services amounted to EUR 233 thousand and comprises the fees for the statutory audit of the annual and consolidated financial statements of the company and its consolidated subsidiaries, EUR 1 thousand of which related to prior periods. EUR 0 thousand was recognised for other assurance services. As in the previous year, there were no expenses for tax consulting services or other services.

Düsseldorf, 7 March 2025
The Management Board

Markus Hendrich Chairman of the Management Board (CEO)	Christian van den Boom Member of the Management Board (CFO)	André Borusiak Member of the Management Board (CCO)

2.6 Independent Auditor’s Report

To ecotel communication ag, Düsseldorf

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS AND OF THE GROUP MANAGEMENT REPORT

Audit Opinions

We have audited the Consolidated financial statements of **ecotel communication ag, Düsseldorf,** and its subsidiaries (the Group), which comprise the Consolidated statement of financial position as at 31 December 2024 as well as the Consolidated statement of comprehensive income, the Consolidated statement of changes in equity and the Consolidated statement of cash flows for the financial year from 1 January to 31 December 2024, and the Notes to the consolidated financial statements, including essential information on the accounting policies. In addition, we have audited the Group management report of ecotel communication ag, Düsseldorf, for the financial year from 1 January to 31 December 2024. In accordance with the German legal requirements, we have neither audited the Group Statement of Corporate Governance pursuant to section 315d of the German Commercial Code (HGB [Handelsgesetzbuch]) nor the Corporate governance report (including the statement pursuant to section 161 of the German Stock Corporation Act (AktG [Aktiengesetz]) listed in section 1.5 of the Group Management Report.

In our opinion, based on the knowledge obtained in the audit,

- // the accompanying Consolidated financial statements comply, in all material respects, with the IFRS Accounting Standards, issued by the International Accounting Standards Board (IASB) (hereinafter referred to as »IFRS Accounting Standards«), as adopted by the EU, and the additional requirements of German commercial law pursuant to section 315e para. 1 of the German Commercial Code (HGB [Handelsgesetzbuch]) and, in compliance with these requirements, give a true and fair view of the assets, the liabilities and the financial position of the Group as at 31 December 2024, and of its financial performance for the financial year from 1 January to 31 December 2024, and
- // the accompanying Group Management Report as a whole provides an appropriate view of the Group’s position. In all material respects, this Group Management Report is consistent with the Consolidated Financial Statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the Group Management Report does not cover the content of the unaudited parts of the Group Management Report listed above.

Pursuant to section 322 para. 3 sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the Consolidated Financial Statements and of the Group Management Report.

Basis for the Audit Opinions

We conducted our audit of the Consolidated Financial Statements and of the Group Management Report in accordance with section 317 HGB and the EU Audit Regulation (No. 537/2014, hereinafter referred to as »EU Audit Regulation«) in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the German Institute of Public Auditor (IDW [Institut der Wirtschaftsprüfer]). Our responsibilities under those requirements and principles are further described in the »Auditor’s Responsibilities for the Audit of the Annual Financial Statements and of the Management Report« section of our Auditor’s Report. We are independent of the Group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other professional responsibilities as applicable in Germany in accordance with these requirements. In addition, in accordance with Article 10 para. 2 lit. (f) of the EU Audit Regulation, we declare that we have not provided any non-audit services prohibited under Article 5 para. 1 of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our Audit Opinions on the Consolidated Financial Statements and on the Group Management Report.

Key Audit Matters in the Audit of the Consolidated Financial Statements

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Consolidated Financial Statements for the financial year from 1 January to 31 December 2024. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole and in forming our audit opinion thereon. We do not provide a separate audit opinion on these matters.

In our view, the matter of most significance in our audit was

// recognition and proper allocation of revenues to the correct periods

a) The Risks for the Consolidated Financial Statements

The Consolidated Financial Statements disclose revenues amounting to EUR 115.5 million (previous year: EUR 106.3 million), EUR 48.0 million (previous year: EUR 46.2 million) of these relate to the ecotel Business Customers segment. Revenue is generally recognized as of the date on which the service has been rendered or the asset has been delivered. To allocate revenue to the correct periods, revenue from monthly base fees for voice connections and data services from services already invoiced but not yet rendered is deferred to the relevant periods. The Company has implemented processes for this purpose so that the relevant revenue groups are recognized by the system in the correct period.

The Company‘s disclosures relating to the specifics of performance-based recognition of revenues and allocation to the correct period in the Consolidated Financial Statements are included in the section »Accounting Principles« of the Notes to the Consolidated Financial Statements.

Due to the materiality of the deferred revenues on a monthly basis, there is an aggravated risk regarding the recognition and improper allocation of revenues as of the balance sheet date. For this reason, we consider this matter to be a key audit matter for the financial year.

b) Audit Approach and Conclusions

During our audit we initially assessed the appropriateness and the effectiveness of the processes and controls over financial reporting for revenue recognition and allocation to correct periods implemented by the Company. Building on this, we conducted substantive procedures regarding recognition during the year and allocation to correct periods as of the balance sheet date. In doing so, we not only conducted an analytical assessment of the monthly deferrals over the course of the year but also assessed based on samples whether the revenues were recognized in the correct period based on the date of performance.

We were able to satisfy ourselves that the implemented accounting systems and processes as well as the relevant internal controls are appropriate, and that revenue recognition and revenue deferral as of the balance sheet date were sufficiently documented and substantiated by the Legal Representatives of the Company to ensure proper recognition of revenues within the reporting period covered.

Other Information

The Legal Representatives or the Supervisory Board are responsible for the other information. The other information, as of the date of the Auditor’s report, comprises the

// Unaudited content of those parts of the Group Management Report listed in the section »Audit Opinions« above,
// The report of the Supervisory Board
// The remaining parts of the published Annual Report except for the audited Consolidated Financial Statements and the audited information in the Group Management Report including our audit opinion, and
// The confirmation pursuant to section 297 para. 2 sentence 4 HGB regarding the Consolidated Financial Statements and the confirmation pursuant to section 315 para. 1 sentence 5 HGB regarding the Group Management Report.

The letter to shareholders as part of the annual report is expected to be made available to us following the date of this Auditor's Report.

The Supervisory Board is responsible for the report of the Supervisory Board. The Legal Representatives and the Supervisory Board are responsible pursuant to Section 161 of the German Stock Corporation Act (AktG [Aktiengesetz]) for the declaration pursuant to the German Corporate Governance Code, which is part of the Group's corporate governance declaration contained in section 1.5 of the Group Management Report. Besides, the Legal Representatives are responsible for the other information.

Our Audit Opinions on the Consolidated Financial Statements and the Group Management Report do not cover the other information and, consequently, we neither issue an opinion nor do we express any form of assurance conclusion on this.

In connection with our audit of the Consolidated Financial Statements and the Group Management Report, our responsibility is to read the other information and, in doing so, consider whether the other information

// is materially inconsistent with the Consolidated Financial Statements, the audited parts of the Group Management Report or our knowledge obtained in the audit or
// otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained before the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Legal Representatives and the Supervisory Board for the Consolidated Financial Statements and the Group Management Report

The Legal Representatives are responsible for the preparation of the Consolidated Financial Statements that comply, in all material respects, with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to section 315e para. 1 HGB and that the Consolidated Financial Statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position, and financial performance of the Group. In addition, the Legal Representatives are responsible for such internal controls as they have determined necessary to enable the preparation of Consolidated Financial Statements that are free from material misstatement, due to fraudulent acts (i.e. manipulation of accounting and damage to assets) or errors.

In preparing the Consolidated Financial Statements, the Legal Representatives are responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the Legal Representatives are responsible for the preparation of the Group Management Report which, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the Consolidated Financial Statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the Legal Representatives are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a Group Management Report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the Group Management Report.

The Supervisory Board is responsible for overseeing the Group's financial reporting process for the preparation of the Consolidated Financial Statements and of the Group Management Report.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, due to fraudulent acts or errors, and whether the Group Management Report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the Consolidated Financial Statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an Auditor's Report that includes our Audit Opinions on the Consolidated Financial Statements and on the Group Management Report.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraudulent acts or errors and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken based on these Consolidated Financial Statements and this Group Management Report.

We exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements and of the Group Management Report, due to fraudulent acts or errors, design and perform audit procedures in response to these risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our Audit Opinions. The risk of not detecting a material misstatement resulting from fraudulent acts is higher than the risk that a material misstatement resulting from errors will not be detected, as fraudulent acts may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of the internal controls relevant to the audit of the Consolidated Financial Statements and of arrangements and measures (systems) relevant to the audit of the Group Management Report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of the Group's internal controls or these arrangements and measures.
- Evaluate the appropriateness of accounting policies used by the Legal Representatives and the reasonableness of estimates made by the Legal Representatives and related disclosures.
- Conclude on the appropriateness of the Legal Representatives' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the Auditor's Report to the related disclosures in the Consolidated Financial Statements and in the Group Management Report or, if such disclosures are inadequate, to modify our respective Audit Opinions. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.
- Evaluate the presentation, structure and content of the Consolidated Financial Statements as a whole, including the disclosures, and whether the Consolidated Financial Statements present the underlying transactions and events in a manner that the Consolidated Financial Statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to section 315e para. 1 HGB.
- Plan and conduct the Group Audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group to express Audit Opinions on the Consolidated Financial Statements and on the Group Management Report. We are responsible for the direction, supervision and review of the Audit activities conducted for the purposes of the Group Audit. We remain solely responsible for our Audit Opinions.
- Assess the consistency of the Group Management Report with the Consolidated Financial Statements, its conformity with German law, and the view of the Group's position it provides.
- Perform audit procedures on the prospective information presented by the executive directors in the group management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and, where applicable, the actions taken or safeguards implemented to eliminate independence threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our Auditor's Report unless law or regulation precludes public disclosure about the matter.

OTHER LEGAL AND REGULATORY REQUIREMENTS

Report on the Assurance in Accordance with § 317 para. 3a HGB on the Electronic Reproduction of the Consolidated Financial Statements and the Group Management Report Prepared for Publication Purposes

Reasonable Assurance Opinion

We have performed assurance work in accordance with § 317 para. 3a HGB to obtain reasonable assurance about whether the reproduction of the Consolidated Financial Statements and the Group Management Report (hereinafter the »ESEF documents«) contained in the attached electronic file »391200GSXYBP2TJE6J38-2024-12-31-de.zip« and prepared for publication purposes complies in all material respects with the requirements of § 328 para. 1 HGB for the electronic reporting format (»ESEF format«). In accordance with German legal requirements, this assurance only extends to the conversion of the information contained in the Consolidated Financial Statements and the Group Management Report into the ESEF format and therefore relates neither to the information contained within this reproduction nor to any other information contained in the above-mentioned electronic file.

In our opinion, the reproduction of the Consolidated Financial Statements and the Group Management Report contained in the above-mentioned attached electronic file and prepared for publication purposes complies in all material respects with the requirements of § 328 para. 1 HGB for the electronic reporting format. We do not express any opinion on the information contained in this reproduction nor on any other information contained in the above-mentioned file beyond this reasonable assurance opinion and our audit opinion on the accompanying Consolidated Financial Statements and the accompanying Group Management Report for the financial year from 1 January to 31 December 2024 contained in the »Auditor's Report on the Consolidated Financial Statements and on the Group Management Report« above.

Basis for the Reasonable Assurance Opinion

We conducted our assurance work on the reproduction of the Consolidated Financial Statements and the Group Management Report contained in the above-mentioned attached electronic file in accordance with § 317 para 3a HGB and the Exposure Draft of IDW Assurance Standard: Assurance in Accordance with § 317 para. 3a HGB on the Electronic Reproduction of Financial Statements and Management Reports Prepared for Publication Purposes (IDW AsS 410) (06.2022) and the International Standard on Assurance Engagements 3000 (Revised). Accordingly, our responsibilities are further described below in the »Auditor's Responsibilities for the Assurance Work on the ESEF Documents« section. Our audit firm has applied the quality management requirements of the IDW Quality Management Standard: Requirements for Quality Management in the Auditing Practice (IDW QMS 1) (09.2022)).

Responsibilities of the Legal Representatives and the Supervisory Board for the ESEF Documents

The Company's Legal Representatives are responsible for the preparation of the ESEF documents with the electronic reproductions of the Consolidated Financial Statements and the Group Management Report in accordance with section 328 para. 1 sentence 4 no. 1 HGB and for the marking up of the Consolidated Financial Statements in accordance with section 328 para. 1 sentence 4 no. 2 HGB.

In addition, the Company's Legal Representatives are responsible for such internal controls as they have determined necessary to enable the preparation of ESEF documents that are free from breaches of the requirements of section 328 para. 1 HGB relating to electronic reporting format, whether due to fraud or error.

The Supervisory Board is responsible for overseeing the process for preparation of the ESEF documents as part of the accounting process.

Auditor's Responsibilities for the Assurance Work on the ESEF Documents

Our objectives are to obtain reasonable assurance about whether the ESEF documents are free from breaches, whether due to fraud or error, of the requirements of section 328 para. 1 HGB. We exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material breaches, whether due to fraud or error, of the requirements of section 328 para. 1 HGB, we plan and perform procedures in response to these risks, and obtain audit evidence that is sufficient and appropriate to form the basis of our Audit Opinion.
- Obtain an understanding of internal controls relevant to the audit of the ESEF documents in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these controls.
- Assess the technical validity of the ESEF documents, i.e. whether the file containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019/815 in the version applicable as of the date of the end of the report period concerning the technical specification for this file.
- Assess whether the ESEF documents enable an XHTML reproduction with the same content as the audited Consolidated Financial Statements and the audited Group Management Report.
- Assess whether the marking up of the ESEF documents using Inline XBRL technology (iXBRL) in accordance with the requirements of Articles 4 and 6 of the Delegated Regulation (EU 2019/815, in the version in force at the date of the financial statements, enables an adequate and completely machine-readable XBRL copy of the XHTML reproduction.

Further Information pursuant to Article 10 of the EU Audit Regulation

We were elected as Group Auditor by the Annual General Meeting on 28 June 2024. We were engaged by the Supervisory Board on 9 September 2024. We have been the Auditor of the Consolidated Financial Statements of ecotel communication ag, Düsseldorf, continuously since the financial year 2018.

We declare that the Audit Opinions expressed in this Auditor's Report are consistent with the additional report to the Audit Committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

Other matter – Use of the Auditor's Report

Our Auditor's Report must always be read together with the audited Consolidated Financial Statements and the audited Group Management Report as well as the assured ESEF documents. The Consolidated Financial Statements and the Group Management Report converted to the ESEF format – including the versions to be published in the Companies Register – are merely electronic renderings of the audited Consolidated Financial Statements and the audited Group Management Report and do not take their place. In particular, the ESEF report and our assurance opinion contained therein are to be used solely together with the assured ESEF documents provided in electronic form.

GERMAN PUBLIC AUDITOR RESPONSIBLE FOR THE ENGAGEMENT

The German Public Auditor [Wirtschaftsprüfer] responsible for the engagement is Mr. Tobias Schmelter.

Bonn, 7 March 2025

RSM Ebner Stolz GmbH & Co, KG
Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft

Martin Theis	Tobias Schmelter
Public Auditor	Public Auditor

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Further information

Glossary

Financial calendar and imprint

13 March 2025	Publication of annual financial report
8 May 2025	Publication of quarterly report (Q1)
27 June 2025	Annual General Meeting
7 August 2025	Publication of half-year financial report
6 November 2025	Publication of quarterly report (Q3)

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