

Q1 Quarterly Statement 2021



| Profit and loss account (IFRS) | | 1st quarter 2020 | 1st quarter 2021 |
|---|------------------|------------------|------------------|
| Revenue | in million euros | 19.7 | 20.4 |
| ecotel Business Solutions | in million euros | 11.5 | 11.9 |
| ecotel Wholesale | in million euros | 2.7 | 1.7 |
| easybell | in million euros | 5.0 | 6.2 |
| nacamar | in million euros | 0.5 | 0.6 |
| Gross profit | in million euros | 8.6 | 10.7 |
| ecotel Business Solutions | in million euros | 5.8 | 6.7 |
| ecotel Wholesale | in million euros | 0.1 | 0.2 |
| easybell | in million euros | 2.3 | 3.4 |
| nacamar | in million euros | 0.3 | 0.4 |
| EBITDA ¹ | in million euros | 2.5 | 3.9 |
| ecotel Business Solutions | in million euros | 1.1 | 1.8 |
| ecotel Wholesale | in million euros | 0.1 | 0.1 |
| easybell | in million euros | 1.2 | 1.9 |
| nacamar | in million euros | 0.1 | 0.2 |
| Operating result (EBIT) | in million euros | 0.6 | 2.0 |
| Consolidated profit ² | in million euros | 0.1 | 0.9 |
| Earnings per share ³ | in euros | 0.02 | 0.25 |

| Cash flow (IFRS) | | 1st quarter 2020 | 1st quarter 2021 |
|--|-------------------------|------------------|------------------|
| Cash and cash equivalents as of 1/1 | in million euros | 8.3 | 7.8 |
| Cash flow from ongoing business activities | in million euros | 0.4 | 2.8 |
| Cash flow from investment activities | in million euros | -1.6 | -1.6 |
| Cash flow from financing activities | in million euros | -0.7 | -1.0 |
| Financial resources as of 3/31 | in million euros | 6.4 | 8.0 |
| Free cash flow ⁴ | in million euros | -1.2 | 1.2 |

| Balance sheet (IFRS) | | 1st quarter 2020 | 1st quarter 2021 |
|--|------------------|------------------|------------------|
| Balance sheet total | in million euros | 53.4 | 52.8 |
| Equity | in million euros | 22.5 | 24.8 |
| in % of the balance sheet total | | 42.2 % | 47.0 % |
| Net financial assets ⁵ | in million euros | -0.5 | 3.1 |

| Other key figures | | 1st quarter 2020 | 1st quarter 2021 |
|--|------------------|------------------|------------------|
| Number of shares as of 3/31 (outstanding shares) | number | 3,510,000 | 3,510,000 |
| Employees as of 3/31 ⁶ | number | 260 | 273 |
| Personnel expenses | in million euros | 3.9 | 4.3 |

¹ Earnings before interest, taxes, depreciation and amortization

² Corresponds to the consolidated profit after deduction of minority interests

³ Both undiluted and diluted

⁴ Free cash flow = cash flow from ongoing business activities + cash flow from investment activities

⁵ Loans payable minus funds

⁶ Without minority companies (mvneco)

Differences in the totals can occur due to commercial rounding.

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Dear Shareholders,

We are pleased to report that financial year 2021 has been extremely successful so far. The »ecotel Business Solutions« and »easybell« segments achieved sustainable revenue growth in combination with an increase in gross profit. As there was no significant change in the cost basis, the Group can report **EBITDA of € 3.9 million** (prev. year: € 2.5 million) for the first quarter 2021. Since depreciations remained at the previous year's level, EBIT increased by € 1.4 million to € 2.0 million. As a result, the Group achieved a **surplus of € 0.9 million** (prev. year: € 0.1 million) with **EPS of € 0.25** (prev. year: € 0.02) in the first quarter.

The »ecotel Business Solutions« segment was able to continue the positive development of fourth quarter 2020. In the first three months of 2021, revenue increased to € 11.9 million (prev. year: € 11.5 million). After completion of the transformation process of the past years the growth potentials for the core segment »ecotel Business Solutions« are becoming more apparent.

In addition to revenue growth, the development of the gross profit margin is especially noteworthy. The latter increased significantly to 55.8 % (prev. year: 50.7 %). Gross profit for the segment therefore increased to € 6.7 million (prev. year: € 5.8 million). Operating expenses, in particular personnel and other operating expenses, remained virtually stable in the quarterly comparison, so that the increase in the gross profit simultaneously led to a significant increase in EBITDA to € 1.8 million (prev. year: € 1.1 million). This corresponds to an increase of about 60 % compared to the first quarter of the previous year.

The development of the quarterly figures in the »ecotel Business Solutions« segment shows that the transformation to a network operator was successful. With a clear focus on expansion of the local exchange network (LEN) platform and the network infrastructure, and after migrating virtually all of the customers to the new products and solutions, the focus is now on consistent expansion of the portfolio to further enhance the value chain. It was possible, for example, to offer new integrated solutions for networked home office scenarios, to introduce bundled ecotel All-IP voice and Microsoft Teams products, and to implement a multi-cloud connect service for initial customers that enables connection of ecotel data access to the major cloud providers such as Azure, AWS or Google.

The »easybell« segment likewise continued the positive development of recent quarters, with growth in revenue, gross profit and EBITDA. By focusing on modern and easy-to-integrate cloud PBX systems for business customers, as well as All-IP telephony with or without a base line, revenue increased significantly to € 6.2 million (prev. year: € 5.0 million). The high scalability of our business model, in combination with a primarily in-house production platform as well as streamlined, automated processes, have achieved an increase in gross profit to € 3.4 million (prev. year: € 2.3 million). In the first quarter 2021 this segment achieved EBITDA of € 1.9 million (prev. year: € 1.2 million) and therefore likewise reported growth of about 60 %.

The positive business development of the first quarter has led the Management Board to **refine the forecast** published for 2021. For 2021, the »ecotel Business Solutions« segment continues to forecast revenue between € 47 and 50 million, with increases in gross profit margins and, consequently, gross profits. The »easybell« segment continues to forecast revenue between € 24 and 26 million, and the »nacamar« segment € 2.0 to 2.5 million. The Management Board forecasts consolidated EBITDA **at the upper end of the corridor between € 12 and 14 million** for financial year 2021.

Düsseldorf, in May 2021



Peter Zils
Chief Executive Officer



Markus Hendrich
Management Board



Achim Theis
Management Board

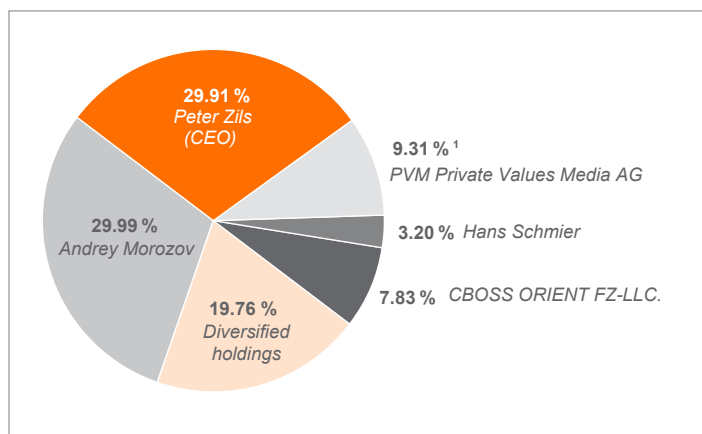
Overview of the ecotel share

The ecotel share started the year 2021 at € 10.20. In the first quarter 2021 the development of the ecotel share – especially after publication of the figures for financial year 2020 and the forecast for 2021 – has been significantly stronger than the DAX30 and TecDAX. As of March 31, 2021 the share closed the first quarter at € 13.60. That represents an increase of 33 %. With an unchanged total of 3.51 million outstanding shares, this results in market capitalization of € 47.7 million (March 31, 2010: € 20.7 million). The average trading volume in the first three months totaled 3,557 shares (Q1 2020: 3,037 shares).

Shareholder structure

As of March 31, 2021 the share capital of ecotel communication ag remained unchanged at 3,510,000 shares. The following significant change occurred in the shareholder structure: Martrade Shipping + Transport GmbH fell below the threshold of 3 %. Peter Zils (CEO of ecotel) and Andrey Morozov each hold just under 30 % of the shares. Approximately another 25 % are distributed to the shareholders, as reported to us accordingly (WpHG notifications > 3 %). The diversified holdings therefore totaled approximately 19.8 %.

Shareholdings (3/31/2021) in percent



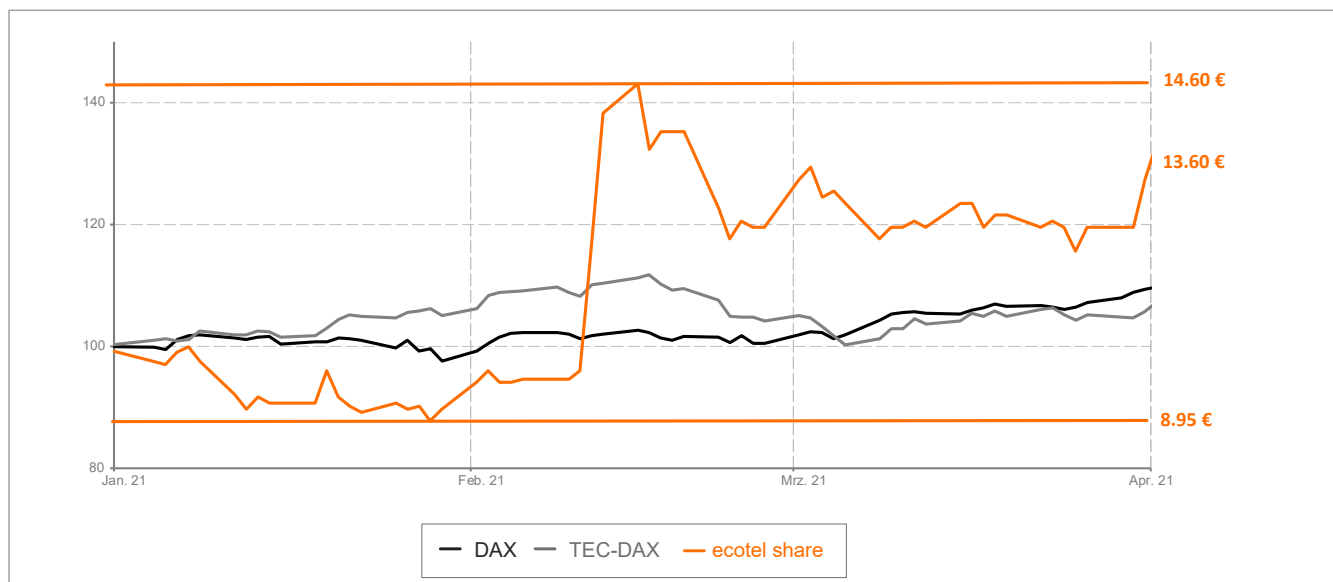
¹ According to the last notice of 4/7//2011 prior to call-in of treasury shares in 2014 (basis: 3,900,000 shares)

Key figures Ø 2021

| | |
|---|---|
| WKN | 585434 |
| ISIN | DE0005854343 |
| Symbol | E4C |
| Market segment since 8/8/2007 | Prime Standard |
| Index affiliation | CDAX, Prime All Share Technology All Share |
| Class | Non par value shares |
| Date of first listing | 3/29/2006 |
| Number of shares as of 3/31/2021 | 3,510,000 |
| Average daily trading volume 2021 | 3,557 |
| High share price 2021 (€) | 14.60 |
| Low share price 2021 (€) | 8.95 |
| Market capitalization as of 3/31/2021 (in million €)* | 47.7 |
| Designated sponsor | Lang & Schwarz Broker GmbH |

* Based on the closing price of € 13.60 per share for 3,510,000 outstanding shares as of March 31, 2021

Price trend of the ecotel share in 2021 in percent



Significant developments in the Group in first quarter 2021:

Effects of the Covid-19 pandemic

The Covid-19 pandemic and the resulting mandatory and voluntary measures for avoiding contact have been serious issues also for ecotel in financial year 2021. For more than a year now, the top priority in our daily activities is the safety of our employees, in addition to maintaining all services for our customers. Furthermore, ecotel plays an important role in maintaining the operations of our customers. We provide extensive services for hospitals, nursing homes and doctors, pharmaceutical wholesalers and drugstore chains, banks and insurance companies, as well as numerous other businesses. Many of our employees are working from home to safeguard business operations. Our sales department and sales partners have likewise come to terms with the restrictions and now hold all meetings as virtual meetings. However, acquisition of new customers, especially in the context of projects in the ecotel Business Solutions segment, has become more complex and is also affected by delayed decisions and restricted availability of contacts. The Covid-19 pandemic has had no significant influence on business developments so far.

Significant developments in first quarter 2021:

Revenue in the **ecotel Business Solutions segment** increased by € 0.4 million to € 11.9 million. Gross profit simultaneously increased in this segment by € 0.8 million to € 6.7 million. This corresponds to a gross profit margin of 55.8 % (prev. year 50.7 %).

The **easybell segment** likewise experienced revenue growth in the first quarter of € 1.2 million to € 6.2 million, and an increase in gross profit by € 1.1 million to € 3.4 million.

The **nacamar** and **Wholesale** segments contributed to consolidated revenue with € 0.6 million and € 1.7 million (Q1 2020: € 0.5 million and € 2.7 million), respectively.

Consolidated **gross profit** increased by € 2.1 million to € 10.7 million in the first quarter 2021.

EBITDA increased in the first quarter 2021 by 57 % from € 2.5 million to € 3.9 million. As was already foreseeable in the last quarter of 2020, the ecotel Business Solutions and easybell segments are now benefiting from the scale effects of these innovative product platforms. The Group's NGN product range now enables visible profitable growth.

As a result of virtually unchanged depreciations, EBITDA growth also leads to a significant increase in **EBIT** from € 1.4 million to € 2.0 million in the first quarter 2021. Especially due to the stronger contribution of the ecotel Business Solutions segment to the earnings, the **consolidated surplus** increased significantly by € 0.8 million to € 0.9 million. This corresponds to earnings per share of € 0.25 (prev. year: € 0.02) in the first quarter 2021.

In the first quarter 2021 the Group achieved a **free cash flow** of € 1.2 million (prev. year: € -1.2 million). While the outflow of funds from investments remained unchanged, cash flow from business activities increased in the first quarter by € 2.4 million to € 2.8 million.

Net financial assets were boosted in the first quarter to € 3.1 million. (12/31/2020: € 2.3 million). Scheduled repayments of loans and leasing liabilities totaling € 0.9 million were carried out in the first quarter.

The **balance sheet total** amounted to € 52.9 million (12/31/2020: € 53.9 million). With **equity capital** of € 24.8 million (12/31/2020: € 23.4 million) the **equity ratio** is 47.0 % (12/31/2020: 43.4 %).

Consolidated Balance Sheet as of March 31, 2021 (unaudited)

| EUR | 12/31/2020 | 3/31/2021 |
|--|-------------------|-------------------|
| Assets | | |
| A. Non-current assets | | |
| I. Intangible assets | 13,717,986 | 14,649,301 |
| II. Fixed assets | 10,513,000 | 9,872,768 |
| III. Rights of use from leasing agreements | 7,448,229 | 7,199,478 |
| IV. Capitalized contract costs | 3,132,841 | 3,210,903 |
| V. Financial assets measured at equity | 1,129,059 | 1,091,781 |
| VI. Contract assets | 100,291 | 106,137 |
| VII. Deferred income tax claims | 1,362,886 | 1,342,570 |
| Total non-current assets | 37,404,292 | 37,472,938 |
| B. Current assets | | |
| I. Trade receivables | 7,221,831 | 5,844,558 |
| II. Contract assets | 48,140 | 50,464 |
| III. Other financial assets | 649,554 | 278,769 |
| IV. Other non-financial assets | 411,309 | 653,336 |
| V. Actual income tax claims | 433,332 | 495,707 |
| VI. Cash and cash equivalents | 7,758,849 | 8,029,864 |
| Total current assets | 16,523,015 | 15,352,698 |
| Total assets | 53,927,307 | 52,825,636 |

Differences in the totals can occur due to commercial rounding.

Consolidated Balance Sheet as of March 31, 2021 (unaudited)

| EUR | 12/31/2020 | 3/31/2021 |
|---|-------------------|-------------------|
| Liabilities | | |
| A. Equity capital | | |
| I. Subscribed capital | 3,510,000 | 3,510,000 |
| II. Capital reserves | 1,833,234 | 1,912,459 |
| III. Other provisions | 14,439,493 | 15,324,220 |
| Shares of the owners of the parent company | 19,832,727 | 20,746,679 |
| IV. Shares of other shareholders | 3,550,736 | 4,091,784 |
| Total equity capital | 23,383,463 | 24,838,463 |
| B. Non-current liabilities | | |
| I. Deferred income tax | 905,847 | 937,714 |
| II. Non-current loans | 3,083,333 | 2,479,166 |
| III. Lease payables | 6,510,994 | 6,371,813 |
| IV. Contract liabilities | 1,259,529 | 1,304,882 |
| V. Other financial liabilities | 1,171,774 | 993,452 |
| Total non-current liabilities | 12,931,477 | 12,087,027 |
| C. Current liabilities | | |
| I. Actual income tax | 806,341 | 1,145,695 |
| II. Current loans | 2,416,667 | 2,416,667 |
| III. Lease payables | 1,216,204 | 1,168,282 |
| IV. Accounts payable | 9,102,578 | 7,146,832 |
| V. Contract liabilities | 1,269,296 | 1,130,933 |
| VI. Provisions | 10,000 | 10,000 |
| VII. Other financial liabilities | 2,219,857 | 1,591,245 |
| VIII. Other non-financial liabilities | 571,424 | 1,290,492 |
| Total current liabilities | 17,612,367 | 15,900,146 |
| Total liabilities | 53,927,307 | 52,825,636 |

Differences in the totals can occur due to commercial rounding.

Consolidated profit statement

for first quarter 2021 and for the first three months of 2020 (unaudited)

| EUR | 1/1–3/31/2020 | 1/1–3/31/2021 |
|--|----------------------|----------------------|
| 1. Sales revenue | 19,734,887 | 20,434,896 |
| 2. Other operating income | 103,129 | 133,954 |
| 3. Other company-manufactured items capitalized | 46,023 | 169,602 |
| 4. Total revenue | 19,884,039 | 20,738,452 |
| 5. Cost of materials | | |
| Expenses for services purchased | -11,118,571 | -9,769,883 |
| 6. Personnel expenses | | |
| 6.1 Wages and salaries | -3,323,631 | -3,693,050 |
| 6.2 Social contributions and expenses for pensions and benefits | -564,167 | -609,272 |
| 7. Depreciations | | |
| 7.1 Depreciations on intangible assets and property, plant and equipment | -1,481,795 | -1,543,856 |
| 7.2 Depreciations on rights of use from leasing agreements | -333,634 | -332,305 |
| 8. Other operating expenses | -2,416,228 | -2,777,049 |
| 9. Operating result (EBIT) | 646,013 | 2,013,036 |
| 10. Interest income | - | 42 |
| 11. Interest expense | | |
| 11.1 Interest expenses for loans payable and other financial liabilities | -65,415 | -44,385 |
| 11.2 Interest expense for leasing liabilities | -60,059 | -54,073 |
| 12. Other financial expenses | -156 | -1 |
| 13. Earnings from financial assets measured at equity | -2,061 | 62,722 |
| 14. Financial result | -127,691 | -35,695 |
| 15. Earnings from normal business activities before income tax | 518,322 | 1,977,341 |
| 16. Taxes on income and earnings | -152,597 | -551,566 |
| 17. Surplus (= total consolidated profit) | 365,725 | 1,425,775 |
| 18. Allocation of the surplus to the | | |
| 18.1 Owners of the parent company (consolidated surplus) | 53,024 | 884,727 |
| 18.2 Shares of other shareholders | 312,701 | 541,048 |
| EUR | 1/1–3/31/2020 | 1/1–3/31/2021 |
| Undiluted earnings per share | 0.02 | 0.25 |
| Diluted earnings per share* | 0.02 | 0.25 |

* As of 3/31/2021, as in the previous year, there was no dilution of the earnings per share. In the first three months of 2021 no share options were exercised (4-year qualifying period).
Due to lack of data, »other comprehensive income« is not reported.
Differences in the totals can occur due to commercial rounding.

Contact

Annette Drescher
Phone: 0211-55 007-740
Fax: 0211-55 007 5 740
E-mail: investorrelations@ecotel.de

Legal disclosure

Published by
ecotel communication ag
Prinzenallee 11
D - 40549 Düsseldorf

Disclaimer

Exclusion of liability:

This report (especially the »Outlook« section) contains forward-looking statements, which reflect the current views of ecotel's Management with respect to future events. They are generally characterized by the words »expect«, »assume«, »presume«, »intend«, »estimate«, »strive«, »set as a goal«, »plan«, »become«, »aspire to«, »outlook« and similar expressions and generally contain information that refers to the expectations or goals for sales revenue, EBITDA or other performance-related standards. Forward-looking statements are based on current plans, estimates and expectations. They should therefore be viewed with caution. Such statements involve risks and uncertain factors, most of which are difficult to assess and which generally are beyond the control of ecotel.

Other possible factors that can significantly affect the cost and revenue development are changes in interest rates, regulatory requirements, stronger than expected competition, changes in technologies, legal disputes and supervisory developments. If these or other risks and factors of uncertainty occur, or if the assumptions on which the statements are based turn out to be incorrect, ecotel's actual results can diverge substantially from those expressed or implied in these statements.

ecotel can make no guarantee that the expectations or goals will be achieved. Notwithstanding existing capital market obligations, ecotel refuses to accept any responsibility whatsoever for updating the forward-looking statements by taking into account new information or future events or other issues.

In addition to the key figures presented in accordance with IFRS, ecotel also presents pro forma key figures, such as gross profit, EBITDA, EBITDA margin, free cash flow and gross and net financial obligations, which are not covered by the accounting regulations. These key figures are intended as a supplement, but not as a substitute for the information presented in accordance with IFRS. Pro forma key figures are subject neither to IFRS nor other generally applicable accounting regulations. Other companies may, under some circumstances, use different definitions for these terms.