

Buy EUR 44.00 (EUR 42.00) Price EUR 32.30 Upside 36.2 %	Value Indicators: EUR DCF: 44.42 SoTP: 43.41	Warburg ESG Risk Score: 2.5 ESG Score (MSCI based): 3.0 Balance Sheet Score: 4.0 Market Liquidity Score: 0.5	Description: ecotel is a German IT and telecommunication solutions provider
	Market Snapshot: EUR m Market cap: 113.4 No. of shares (m): 3.5 EV: 103.0 Freefloat MC: 27.3 Ø Trad. Vol. (30d): 33.72 th	Shareholders: Freefloat 24.08 % Peter Zils 29.91 % Andrey Morozov 29.99 % CBOSS Orient FZ-LLC 7.83 % PVM Private Values Media AG 4.99 %	Key Figures (WRe): 2022e Beta: 1.2 Price / Book: 3.4 x Equity Ratio: 56 %

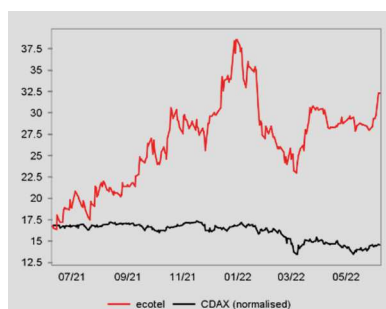
Asset sale brightens dividend outlook; PT up

Ecotel has signed a contract for the transfer of internet usage rights, that are no longer required for its current and future business model. The transaction, which was announced on Saturday (04.06.2022), is scheduled to be completed within the next six weeks and is subject to customary closing conditions. We have consequently adjusted our model assumptions:

- **New FY22 guidance:** ecotel is expecting one-time earnings of EUR 14.7m after subtracting transaction costs and currency effects. The company has consequently upgraded its FY22 outlook (new EBITDA range forecast at between EUR 34.7m and 36.7m vs. previously EUR 20-22m) but the underlying operational assumptions remain unchanged. We have raised our FY22 estimate accordingly (WRe: EUR 35.8m) to account for the capital gain associated with ecotel's asset sale.
- **Use of proceeds:** By incorporating the proceeds from ecotel's asset sale, we are expecting the company's FY22 FCF after leases to reach EUR 18.9m / 16.7% FCF yield (WRe). In line with ecotel's dividend policy (at least 50% of EPS), we have also raised our DPS forecast for FY22 (WRe: DPS of EUR 2.33 / 7.2% dividend yield). The remaining approx. EUR 5m in cash received from the asset sale will, in our view, most likely be used to fuel ecotel's organic growth with additional investment in its own salesforce and partner commissions.

Conclusion: By accounting for ecotel's beneficial asset sale, we have raised our PT to EUR 44. Buy is thus confirmed. ecotel's share remains attractive, in our view, for both growth-oriented and income-oriented investors as the company is set to show appealing earnings and FCF growth on the back of a net cash balance sheet.

Changes in Estimates:				Comment on Changes:			
FY End: 31.12. in EUR m	2022e (old)	+ / -	2023e (old)	+ / -	2024e (old)	+ / -	
Sales	102.4	0.0 %	110.3	0.0 %	118.4	0.0 %	▪ Sales estimates unchanged
EBIT	13.9	105.5 %	16.9	0.0 %	20.0	0.0 %	▪ Earnings forecasted raised in line with the communicated asset sale
EPS	1.82	156.0 %	2.26	0.0 %	2.58	0.0 %	▪ Cash inflow improves net debt, DPS, and FCF
DPS	0.91	156.0 %	1.13	0.0 %	1.29	0.0 %	
Net Debt	-0.4	n.m.	-8.2	n.m.	-16.9	n.m.	

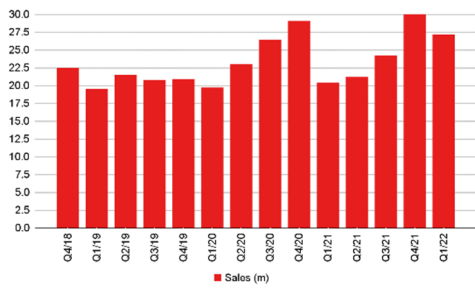


Rel. Performance vs CDAX:	
1 month:	5.2 %
6 months:	21.2 %
Year to date:	-2.8 %
Trailing 12 months:	106.8 %

Company events:	
08.07.22	AGM
16.08.22	Q2
08.11.22	Q3

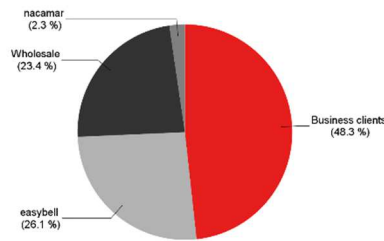
FY End: 31.12. in EUR m	CAGR (21-24e)	2018	2019	2020	2021	2022e	2023e	2024e
Sales	7.3 %	98.9	82.7	98.3	95.9	102.4	110.3	118.4
Change Sales yoy		-18.0 %	-16.3 %	18.8 %	-2.5 %	6.8 %	7.7 %	7.3 %
Gross profit margin		32.8 %	41.1 %	38.7 %	48.8 %	48.9 %	49.9 %	50.5 %
EBITDA	15.2 %	7.4	8.7	11.6	18.1	35.8	24.4	27.7
Margin		7.5 %	10.5 %	11.8 %	18.9 %	35.0 %	22.1 %	23.4 %
EBIT	23.5 %	2.2	1.5	4.0	10.6	28.6	16.9	20.0
Margin		2.2 %	1.8 %	4.1 %	11.1 %	28.0 %	15.4 %	16.9 %
Net income	25.5 %	0.5	-0.2	1.0	4.8	16.4	7.9	9.5
EPS	23.8 %	0.13	-0.05	0.28	1.36	4.66	2.26	2.58
EPS adj.	23.8 %	0.13	-0.05	0.28	1.36	1.82	2.26	2.58
DPS	-16.9 %	0.13	0.00	0.14	2.25	2.33	1.13	1.29
Dividend Yield		1.5 %	n.a.	1.9 %	11.6 %	7.2 %	3.5 %	4.0 %
FCFPS		0.25	0.63	0.83	1.79	5.39	3.12	3.53
FCF / Market cap		2.8 %	8.4 %	11.5 %	9.2 %	16.7 %	9.7 %	10.9 %
EV / Sales		0.3 x	0.5 x	0.3 x	0.7 x	1.0 x	0.9 x	0.8 x
EV / EBITDA		4.4 x	4.4 x	3.0 x	3.8 x	2.9 x	4.1 x	3.5 x
EV / EBIT		15.1 x	25.6 x	8.5 x	6.5 x	3.6 x	5.9 x	4.8 x
P / E		68.9 x	n.a.	25.7 x	14.3 x	6.9 x	14.3 x	12.5 x
P / E adj.		68.9 x	n.a.	25.7 x	14.3 x	17.7 x	14.3 x	12.5 x
FCF Potential Yield		17.8 %	19.5 %	27.6 %	20.1 %	25.0 %	18.0 %	21.2 %
Net Debt		1.2	11.3	8.9	0.6	-10.4	-13.2	-22.0
ROCE adj.		6.3 %	3.7 %	8.5 %	23.7 %	62.9 %	37.2 %	44.0 %
Guidance:		2022: Sales EUR 94.5-106.5m; EBITDA EUR 34.7-36.7m						

Sales development
in EUR m



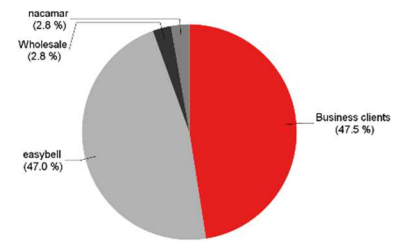
Source: Warburg Research

Sales by segments
2021; in %



Source: Warburg Research

EBITDA by segments
2021; in %



Source: Warburg Research

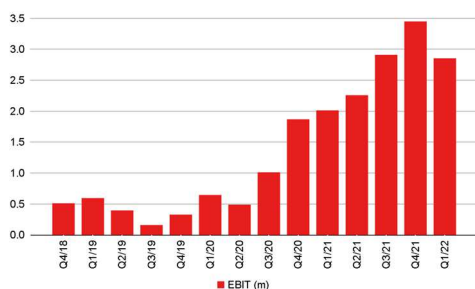
Company Background

- Founded in 1998, ecotel is a German provider of integrated telecommunication and data service solutions.
- The company is based in Düsseldorf and, including its subsidiaries, employs around 300 people.
- Currently, ecotel serves more than 50,000 customers nationwide, provides 50,000 data connections and more than 360,000 voice channels.
- The company operates the following segments: ecotel Business Clients, easybell, ecotel Wholesale, nacamar

Competitive Quality

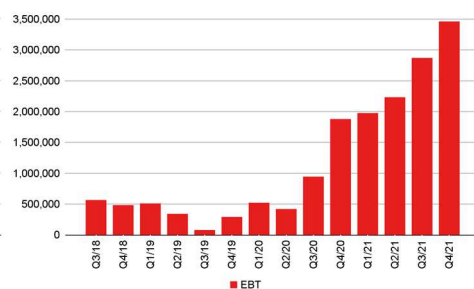
- In contrast to large telecommunications companies, ecotel primarily focuses on about 50,000 medium-sized companies in the B2B market.
- Multi-carrier concept: ecotel combines a strong service proposition with the largest fibre footprint in Germany (>1m km in line length)
- Geo-redundant voice platform: ecotel operates two data centres and thus secures high operational reliability
- Highly automated customer onboarding: ecotel can connect voice channels within 7.5 minutes (high scalability).
- Product innovations: The constant adoption of new technology and services (i.e. RingCentral, SD-WAN, MS Teams) in order to anticipate and generate customer demand

EBIT development
in EUR m



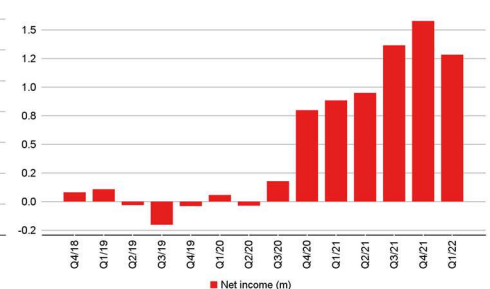
Source: Warburg Research

EBT development
in EUR m



Source: Warburg Research

Net income development
in EUR m



Source: Warburg Research

DCF model

Figures in EUR m	Detailed forecast period			Transitional period										Term. Value
	2022e	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	
Sales	102.4	110.3	118.4	125.5	131.8	137.0	141.2	144.0	146.1	148.3	149.8	151.3	152.8	
Sales change	6.8 %	7.7 %	7.3 %	6.0 %	5.0 %	4.0 %	3.0 %	2.0 %	1.5 %	1.5 %	1.0 %	1.0 %	1.0 %	1.0 %
EBIT	28.6	16.9	20.0	21.6	22.8	23.8	24.7	24.9	24.8	24.8	24.4	24.2	22.9	
EBIT-margin	28.0 %	15.4 %	16.9 %	17.2 %	17.3 %	17.4 %	17.5 %	17.3 %	17.0 %	16.7 %	16.3 %	16.0 %	15.0 %	
Tax rate (EBT)	32.0 %	32.0 %	32.0 %	32.0 %	32.0 %	32.0 %	32.0 %	32.0 %	32.0 %	32.0 %	32.0 %	32.0 %	32.0 %	
NOPAT	19.5	11.5	13.6	14.7	15.5	16.2	16.8	16.9	16.9	16.8	16.6	16.5	15.6	
Depreciation	7.2	7.4	7.7	8.1	8.5	8.9	9.2	9.3	9.5	9.6	9.7	9.8	6.9	
in % of Sales	7.0 %	6.7 %	6.5 %	6.5 %	6.5 %	6.5 %	6.5 %	6.5 %	6.5 %	6.5 %	6.5 %	6.5 %	4.5 %	
Changes in provisions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Change in Liquidity from														
- Working Capital	0.6	0.3	0.4	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Capex	5.5	6.1	6.4	6.5	6.6	6.9	7.1	7.2	7.3	7.4	7.5	7.6	7.0	
Capex in % of Sales	5.4 %	5.5 %	5.4 %	5.2 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	4.6 %	
- Other	1.4	1.4	1.4	1.5	1.5	1.5	1.6	1.6	1.6	1.7	1.7	1.8	0.0	
Free Cash Flow (WACC Model)	19.1	11.2	13.1	14.8	15.9	16.7	17.3	17.5	17.5	17.3	17.1	16.9	15.4	16
PV of FCF	18.4	10.0	10.9	11.4	11.4	11.2	10.7	10.0	9.3	8.6	7.9	7.2	6.1	98
share of PVs	17.02 %			40.65 %										42.32 %

Model parameter

Derivation of WACC:		Derivation of Beta:	
Debt ratio	25.00 %	Financial Strength	1.00
Cost of debt (after tax)	4.2 %	Liquidity (share)	2.00
Market return	7.50 %	Cyclicality	1.00
Risk free rate	2.00 %	Transparency	1.00
		Others	1.20
WACC	7.67 %	Beta	1.24

Valuation (m)

Present values 2034e	133		
Terminal Value	98		
Financial liabilities	13		
Pension liabilities	1		
Hybrid capital	0		
Minority interest	59		
Market val. of investments	0		
Liquidity	13	No. of shares (m)	3.9
Equity Value	172	Value per share (EUR)	44.42

Sensitivity Value per Share (EUR)

Beta	WACC	Terminal Growth							Beta	WACC	Delta EBIT-margin						
		0.25 %	0.50 %	0.75 %	1.00 %	1.25 %	1.50 %	1.75 %			-1.5 pp	-1.0 pp	-0.5 pp	+0.0 pp	+0.5 pp	+1.0 pp	+1.5 pp
1.48	8.7 %	35.23	35.78	36.36	36.98	37.64	38.35	39.11	1.48	8.7 %	32.36	33.90	35.44	36.98	38.52	40.06	41.60
1.36	8.2 %	38.34	38.99	39.69	40.44	41.25	42.11	43.04	1.36	8.2 %	35.50	37.15	38.79	40.44	42.09	43.74	45.39
1.30	7.9 %	40.04	40.76	41.53	42.36	43.25	44.21	45.25	1.30	7.9 %	37.23	38.94	40.65	42.36	44.07	45.78	47.49
1.24	7.7 %	41.86	42.66	43.51	44.42	45.41	46.48	47.63	1.24	7.7 %	39.10	40.87	42.65	44.42	46.20	47.97	49.74
1.18	7.4 %	43.81	44.68	45.63	46.64	47.74	48.93	50.23	1.18	7.4 %	41.11	42.95	44.80	46.64	48.49	50.33	52.17
1.12	7.2 %	45.89	46.86	47.91	49.04	50.27	51.60	53.06	1.12	7.2 %	43.28	45.20	47.12	49.04	50.96	52.88	54.80
1.00	6.7 %	50.55	51.75	53.05	54.46	56.01	57.70	59.57	1.00	6.7 %	48.19	50.28	52.37	54.46	56.56	58.65	60.74

- TV growth is set at 1% to reflect the steady state
- TV EBIT margin is set at 15%
- Minorities are calculated using our DCF FV for ecotel's easybell asset

Sum of the parts
SotP ecotel communication ag
1. Fair value Business Clients (in EUR m)

Fair equity value (DCF based)	94,6
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2. Fair value easybell (in EUR m)

Fair equity value (DCF based)	115,3
share of minorities	49%
fair equity value dedicated to minority shareholders	56,5
Fair equity value dedicated to ecotel shareholders	58,8

3. Fair value Wholesale (in EUR m)

2022e EBITDA	0,6
EV / EBITDA multiple (WRe)	8x
Fair enterprise value (multiple based)	4,4

4. Fair value nacamar (in EUR m)

2022e EBITDA = FCF (WRe)	0,4
WACC (WRe)	7,7%
Fair equity value (perpetuity with 1% growth based)	5,3

5. Fair value mvneco (in EUR m)

2022e net income	0,8
P / E multiple (WRe)	16x
Fair equity value (multiple based)	13,6
ecotel's stake	33%
Fair equity value dedicated to ecotel shareholders	4,5

6. Fair value calculation ecotel (in EUR m)

		Contribution to EV
Fair value Business Clients	94,6	60%
Fair value easybell	58,8	37%
Fair value Wholesale	4,4	3%
Fair value nacamar	5,3	3%
Fair value mvneco	4,5	3%
Net Debt (2022e)	-10,4	-7%
Fair enterprise value ecotel	157,2	100%

Fair equity value ecotel	167,6
Fair value per share in EUR	43,4

- FVs for B2B and easybell are derived using a separate DCF calculation
- Wholesale is valued at 8x EV/EBITDA similar to peer telco wholesale providers
- nacamar is valued at 15x FY1 earnings

Valuation							
	2018	2019	2020	2021	2022e	2023e	2024e
Price / Book	1.6 x	1.4 x	1.3 x	2.8 x	3.4 x	3.2 x	2.8 x
Book value per share ex intangibles	1.04	0.77	0.82	1.73	4.34	4.62	6.25
EV / Sales	0.3 x	0.5 x	0.3 x	0.7 x	1.0 x	0.9 x	0.8 x
EV / EBITDA	4.4 x	4.4 x	3.0 x	3.8 x	2.9 x	4.1 x	3.5 x
EV / EBIT	15.1 x	25.6 x	8.5 x	6.5 x	3.6 x	5.9 x	4.8 x
EV / EBIT adj.*	15.1 x	25.6 x	8.5 x	6.5 x	7.4 x	5.9 x	4.8 x
P / FCF	36.1 x	12.0 x	8.7 x	10.8 x	6.0 x	10.3 x	9.1 x
P / E	68.9 x	n.a.	25.7 x	14.3 x	6.9 x	14.3 x	12.5 x
P / E adj.*	68.9 x	n.a.	25.7 x	14.3 x	17.7 x	14.3 x	12.5 x
Dividend Yield	1.5 %	n.a.	1.9 %	11.6 %	7.2 %	3.5 %	4.0 %
FCF Potential Yield (on market EV)	17.8 %	19.5 %	27.6 %	20.1 %	25.0 %	18.0 %	21.2 %

*Adjustments made for: -

Company Specific Items							
	2018	2019	2020	2021	2022e	2023e	2024e
ROCE adj.	6.3 %	3.7 %	8.5 %	23.7 %	62.9 %	37.2 %	44.0 %

Consolidated profit & loss

In EUR m	2018	2019	2020	2021	2022e	2023e	2024e
Sales	98.9	82.7	98.3	95.9	102.4	110.3	118.4
Change Sales yoy	-18.0 %	-16.3 %	18.8 %	-2.5 %	6.8 %	7.7 %	7.3 %
Increase / decrease in inventory	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Own work capitalised	0.5	0.4	0.3	1.0	0.0	0.0	0.0
Total Sales	99.4	83.2	98.6	96.9	102.4	110.3	118.4
Material expenses	66.9	49.2	60.6	50.1	52.3	55.3	58.6
Gross profit	32.5	34.0	38.0	46.7	50.1	55.0	59.8
<i>Gross profit margin</i>	<i>32.8 %</i>	<i>41.1 %</i>	<i>38.7 %</i>	<i>48.8 %</i>	<i>48.9 %</i>	<i>49.9 %</i>	<i>50.5 %</i>
Personnel expenses	14.4	15.6	16.3	17.9	18.6	19.2	19.7
Other operating income	0.3	0.7	0.5	0.7	15.4	0.7	0.7
Other operating expenses	11.0	10.4	10.7	11.5	11.1	12.1	13.0
Unfrequent items	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	7.4	8.7	11.6	18.1	35.8	24.4	27.7
<i>Margin</i>	<i>7.5 %</i>	<i>10.5 %</i>	<i>11.8 %</i>	<i>18.9 %</i>	<i>35.0 %</i>	<i>22.1 %</i>	<i>23.4 %</i>
Depreciation of fixed assets	4.1	5.8	6.1	5.9	5.8	6.0	6.2
EBITA	3.3	2.9	5.4	12.2	30.0	18.4	21.5
Amortisation of intangible assets	1.2	1.4	1.4	1.6	1.4	1.4	1.4
Goodwill amortisation	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	2.2	1.5	4.0	10.6	28.6	16.9	20.0
<i>Margin</i>	<i>2.2 %</i>	<i>1.8 %</i>	<i>4.1 %</i>	<i>11.1 %</i>	<i>28.0 %</i>	<i>15.4 %</i>	<i>16.9 %</i>
EBIT adj.	2.2	1.5	4.0	10.6	13.9	16.9	20.0
Interest income	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest expenses	0.2	0.5	0.5	0.3	0.3	0.3	0.3
Other financial income (loss)	0.1	0.2	0.2	0.3	0.0	0.0	0.0
EBT	2.0	1.2	3.8	10.5	28.4	16.7	19.8
<i>Margin</i>	<i>2.1 %</i>	<i>1.5 %</i>	<i>3.8 %</i>	<i>11.0 %</i>	<i>27.7 %</i>	<i>15.1 %</i>	<i>16.7 %</i>
Total taxes	0.6	0.3	1.1	3.3	9.1	5.3	6.3
Net income from continuing operations	1.4	0.9	2.6	7.3	19.3	11.3	13.4
Income from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income before minorities	1.4	0.9	2.6	7.3	19.3	11.3	13.4
Minority interest	0.9	1.1	1.6	2.5	2.9	3.4	4.0
Net income	0.5	-0.2	1.0	4.8	16.4	7.9	9.5
<i>Margin</i>	<i>0.5 %</i>	<i>-0.2 %</i>	<i>1.0 %</i>	<i>5.0 %</i>	<i>16.0 %</i>	<i>7.2 %</i>	<i>8.0 %</i>
Number of shares, average	3.5	3.5	3.5	3.5	3.5	3.5	3.7
EPS	0.13	-0.05	0.28	1.36	4.66	2.26	2.58
EPS adj.	0.13	-0.05	0.28	1.36	1.82	2.26	2.58

*Adjustments made for:

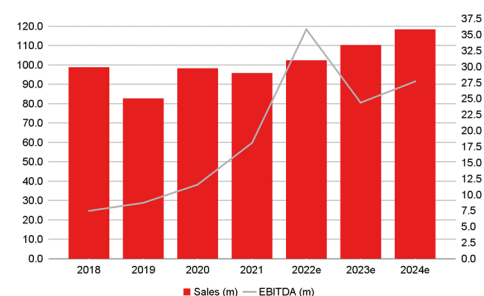
Guidance: 2022: Sales EUR 94.5-106.5m; EBITDA EUR 34.7-36.7m

Financial Ratios

	2018	2019	2020	2021	2022e	2023e	2024e
Total Operating Costs / Sales	93.0 %	90.0 %	88.6 %	82.2 %	65.0 %	77.9 %	76.6 %
Operating Leverage	-0.2 x	1.9 x	9.1 x	-66.6 x	24.8 x	-5.3 x	2.5 x
EBITDA / Interest expenses	32.5 x	18.0 x	24.2 x	51.8 x	126.8 x	86.2 x	98.1 x
Tax rate (EBT)	31.7 %	27.5 %	30.2 %	31.1 %	32.0 %	32.0 %	32.0 %
Dividend Payout Ratio	32.9 %	0.0 %	18.7 %	108.7 %	42.4 %	35.0 %	35.1 %
Sales per Employee	400,231	317,049	394,779	367,309	377,336	398,445	419,244

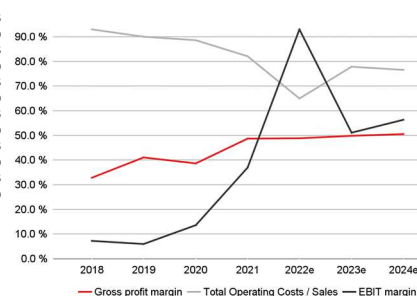
Sales, EBITDA

in EUR m

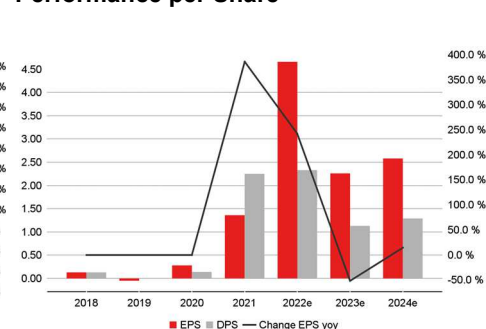


Operating Performance

in %



Performance per Share



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

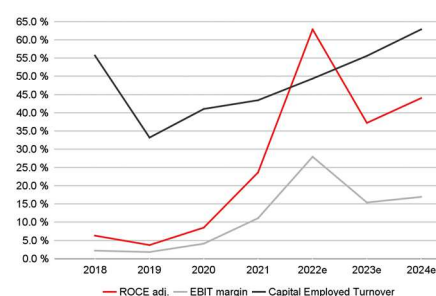
Consolidated balance sheet

In EUR m	2018	2019	2020	2021	2022e	2023e	2024e
Assets							
Goodwill and other intangible assets	15.8	16.1	17.0	18.2	18.3	18.9	19.6
thereof other intangible assets	4.1	4.4	4.8	5.9	6.0	6.6	7.4
thereof Goodwill	8.9	8.9	8.9	8.9	8.9	8.9	8.9
Property, plant and equipment	9.0	11.1	10.5	8.5	6.7	4.8	2.7
Financial assets	0.9	1.0	1.1	1.1	1.1	1.1	1.1
Other long-term assets	0.7	9.6	8.8	7.2	7.2	7.2	7.2
Fixed assets	26.3	37.8	37.4	35.0	33.3	32.0	30.7
Inventories	0.0	0.0	0.0	0.0	0.1	0.2	0.2
Accounts receivable	7.9	7.4	7.2	10.6	11.3	12.1	13.0
Liquid assets	6.1	8.3	7.8	12.6	21.3	24.0	32.8
Other short-term assets	3.3	3.3	1.5	2.8	2.8	2.8	2.8
Current assets	17.3	19.0	16.5	26.1	35.5	39.2	48.9
Total Assets	43.7	56.8	53.9	61.1	68.8	71.2	79.6
Liabilities and shareholders' equity							
Subscribed capital	3.5	3.5	3.5	3.5	3.5	3.5	3.5
Capital reserve	1.8	1.8	1.9	2.0	2.0	2.0	2.0
Retained earnings	14.1	13.4	14.4	18.7	27.2	27.0	32.3
Other equity components	0.0	0.0	0.0	0.0	0.8	2.6	4.7
Shareholders' equity	19.4	18.8	19.8	24.2	33.5	35.1	42.5
Minority interest	3.3	3.4	3.6	4.8	4.8	4.8	4.8
Total equity	22.7	22.2	23.4	29.1	38.3	39.9	47.3
Provisions	0.0	1.5	1.2	0.7	0.7	0.7	0.7
thereof provisions for pensions and similar obligations	0.0	1.5	1.2	0.7	0.7	0.7	0.7
Financial liabilities (total)	7.2	18.1	15.4	12.6	10.2	10.2	10.2
Short-term financial liabilities	1.6	1.8	2.4	2.4	0.0	0.0	0.0
Accounts payable	9.2	10.5	9.1	11.0	11.2	11.8	12.3
Other liabilities	4.5	4.6	4.8	7.7	8.4	8.6	9.1
Liabilities	21.0	34.6	30.5	32.0	30.5	31.3	32.3
Total liabilities and shareholders' equity	43.7	56.8	53.9	61.1	68.8	71.2	79.6

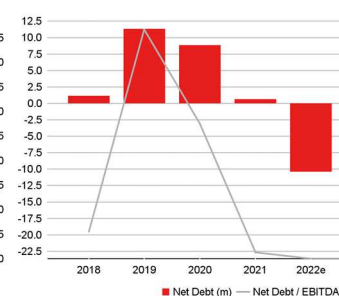
Financial Ratios

	2018	2019	2020	2021	2022e	2023e	2024e
Efficiency of Capital Employment							
Operating Assets Turnover	12.9 x	10.3 x	11.4 x	11.9 x	14.9 x	21.0 x	32.6 x
Capital Employed Turnover	4.1 x	2.5 x	3.0 x	3.2 x	3.7 x	4.1 x	4.7 x
ROA	1.7 %	-0.4 %	2.7 %	13.7 %	49.1 %	24.8 %	30.8 %
Return on Capital							
ROCE adj.	6.3 %	3.7 %	8.5 %	23.7 %	62.9 %	37.2 %	44.0 %
ROE	2.3 %	-0.9 %	5.2 %	21.7 %	56.7 %	23.1 %	24.4 %
Adj. ROE	2.3 %	-0.9 %	5.2 %	21.7 %	22.1 %	23.1 %	24.4 %
Balance sheet quality							
Net Debt	1.2	11.3	8.9	0.6	-10.4	-13.2	-22.0
Net Financial Debt	1.1	9.8	7.7	0.0	-11.1	-13.9	-22.6
Net Gearing	5.1 %	51.1 %	37.9 %	2.2 %	-27.1 %	-33.0 %	-46.4 %
Net Fin. Debt / EBITDA	15.2 %	112.8 %	66.5 %	n.a.	n.a.	n.a.	n.a.
Book Value / Share	5.5	5.4	5.7	6.9	9.5	10.0	11.6
Book value per share ex intangibles	1.0	0.8	0.8	1.7	4.3	4.6	6.3

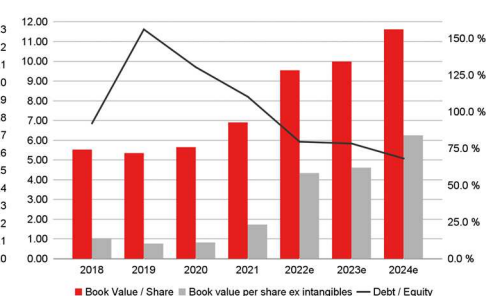
ROCE Development



Net debt in EUR m



Book Value per Share in EUR



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

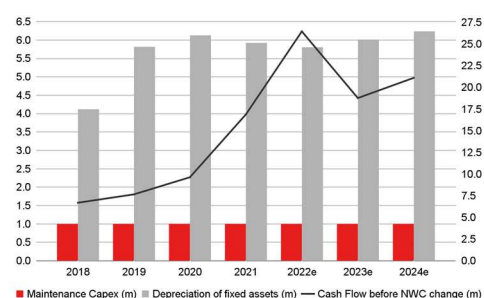
Consolidated cash flow statement

In EUR m	2018	2019	2020	2021	2022e	2023e	2024e
Net income	1.4	0.9	2.6	7.3	19.3	11.3	13.4
Depreciation of fixed assets	4.1	5.8	6.1	5.9	5.8	6.0	6.2
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	1.2	1.4	1.4	1.6	1.4	1.4	1.4
Increase/decrease in long-term provisions	0.0	0.0	0.0	-0.5	0.0	0.0	0.0
Other non-cash income and expenses	0.0	-0.4	-0.6	2.6	0.0	0.0	0.0
Cash Flow before NWC change	6.7	7.7	9.6	16.9	26.5	18.8	21.1
Increase / decrease in inventory	0.0	0.0	0.0	0.0	-0.1	-0.1	0.0
Increase / decrease in accounts receivable	0.0	0.0	0.0	-3.4	-0.7	-0.8	-0.9
Increase / decrease in accounts payable	0.0	0.0	0.0	1.9	0.2	0.6	0.5
Increase / decrease in other working capital positions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Increase / decrease in working capital (total)	0.0	2.3	0.6	-1.4	-0.6	-0.3	-0.4
Net cash provided by operating activities [1]	6.7	10.0	10.3	15.4	25.8	18.5	20.7
Investments in intangible assets	0.0	0.0	0.0	0.0	-1.5	-2.0	-2.2
Investments in property, plant and equipment	-5.8	-6.4	-6.0	-5.2	-4.0	-4.1	-4.2
Payments for acquisitions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial investments	0.0	0.1	0.1	0.3	0.0	0.0	0.0
Income from asset disposals	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net cash provided by investing activities [2]	-5.8	-6.3	-5.9	-4.9	-5.5	-6.1	-6.4
Change in financial liabilities	0.3	1.4	-2.0	-2.6	-2.4	0.0	0.0
Dividends paid	-0.5	-0.5	0.0	-0.5	-7.9	-8.2	-4.1
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	-1.0	-2.4	-2.9	-2.6	-1.4	-1.4	-1.4
Net cash provided by financing activities [3]	-1.2	-1.5	-4.9	-5.6	-11.7	-9.6	-5.5
Change in liquid funds [1]+[2]+[3]	-0.3	2.2	-0.5	4.9	8.6	2.8	8.8
Effects of exchange-rate changes on cash	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cash and cash equivalent at end of period	6.1	8.3	7.8	12.6	21.3	24.0	32.8

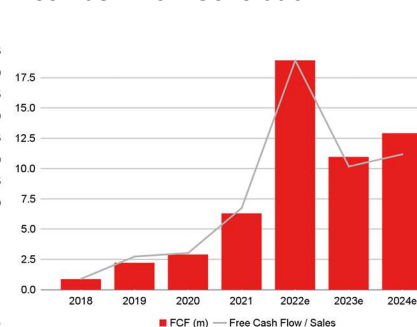
Financial Ratios

	2018	2019	2020	2021	2022e	2023e	2024e
Cash Flow							
FCF	0.9	2.2	2.9	6.3	18.9	11.0	12.9
Free Cash Flow / Sales	0.9 %	2.7 %	3.0 %	6.6 %	18.5 %	9.9 %	10.9 %
Free Cash Flow Potential	5.8	7.4	9.4	13.8	25.8	18.0	20.4
Free Cash Flow / Net Profit	193.5 %	-1330.3 %	290.7 %	131.8 %	115.6 %	138.2 %	136.7 %
Interest Received / Avg. Cash	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Interest Paid / Avg. Debt	3.3 %	3.8 %	2.9 %	2.5 %	2.5 %	2.8 %	2.8 %
Management of Funds							
Investment ratio	5.9 %	7.8 %	6.1 %	5.4 %	5.4 %	5.5 %	5.4 %
Maint. Capex / Sales	1.0 %	1.2 %	1.0 %	1.0 %	1.0 %	0.9 %	0.8 %
Capex / Dep	109.6 %	89.1 %	78.9 %	69.3 %	76.5 %	82.1 %	83.4 %
Avg. Working Capital / Sales	-1.2 %	-2.6 %	-2.5 %	-1.2 %	-0.1 %	0.3 %	0.6 %
Trade Debtors / Trade Creditors	85.7 %	70.9 %	79.3 %	96.0 %	100.9 %	102.5 %	105.7 %
Inventory Turnover	n.a.	n.a.	n.a.	n.a.	523.5 x	276.6 x	293.1 x
Receivables collection period (days)	29	33	27	40	40	40	40
Payables payment period (days)	50	78	55	80	78	78	77
Cash conversion cycle (Days)	n.a.	n.a.	n.a.	n.a.	-37	-37	-35

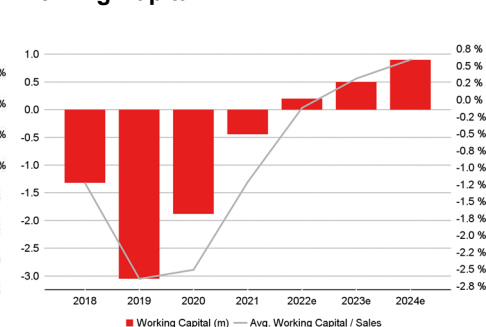
CAPEX and Cash Flow in EUR m



Free Cash Flow Generation



Working Capital



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

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Company	Disclosure	Link to the historical price targets and rating changes (last 12 months)
ecotel	5	http://www.mmwarburg.com/disclaimer/disclaimer_en/DE0005854343.htm

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-B-	Buy:	The price of the analysed financial instrument is expected to rise over the next 12 months.
-H-	Hold:	The price of the analysed financial instrument is expected to remain mostly flat over the next 12 months.
-S-	Sell:	The price of the analysed financial instrument is expected to fall over the next 12 months.
“-“	Rating suspended:	The available information currently does not permit an evaluation of the company.

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Rating	Number of stocks	% of Universe
Buy	171	80
Hold	37	17
Sell	3	1
Rating suspended	2	1
Total	213	100

WARBURG RESEARCH GMBH – ANALYSED RESEARCH UNIVERSE BY RATING ...

... taking into account only those companies which were provided with major investment services in the last twelve months.

Rating	Number of stocks	% of Universe
Buy	51	86
Hold	6	10
Sell	0	0
Rating suspended	2	3
Total	59	100

PRICE AND RATING HISTORY ECOTEL AS OF 08.06.2022



Markings in the chart show rating changes by Warburg Research GmbH in the last 12 months. Every marking details the date and closing price on the day of the rating change.

EQUITIES

Matthias Rode +49 40 3282-2678
Head of Equities mrode@mmwarburg.com

RESEARCH

Michael Heider +49 40 309537-280
Head of Research mheider@warburg-research.com

Henner Rüschemeyer +49 40 309537-270
Head of Research hrueschmeier@warburg-research.com

Stefan Augustin +49 40 309537-168
Cap. Goods, Engineering saugustin@warburg-research.com

Jan Bauer +49 40 309537-155
Renewables jbauer@warburg-research.com

Jonas Blum +49 40 309537-240
Telco, Media, Construction jblum@warburg-research.com

Christian Cohrs +49 40 309537-175
Industrials & Transportation ccohrs@warburg-research.com

Dr. Christian Ehmann +49 40 309537-167
BioTech, Life Science cehmann@warburg-research.com

Felix Ellmann +49 40 309537-120
Software, IT fellmann@warburg-research.com

Jörg Philipp Frey +49 40 309537-258
Retail, Consumer Goods jfrey@warburg-research.com

Marius Fuhrberg +49 40 309537-185
Financial Services mfuhrberg@warburg-research.com

Mustafa Hidir +49 40 309537-230
Automobiles, Car Suppliers mhidir@warburg-research.com

Thor Höfs +49 40 309537-255
Software, IT thoefs@warburg-research.com

Philipp Kaiser +49 40 309537-260
Real Estate pkaiser@warburg-research.com

Thilo Kleibauer +49 40 309537-257
Retail, Consumer Goods tkleibauer@warburg-research.com

Eggert Kuls +49 40 309537-256
Engineering ekuls@warburg-research.com

Andreas Pläsier +49 40 309537-246
Banks, Financial Services aplaesier@warburg-research.com

Malte Schaumann +49 40 309537-170
Technology mschaumann@warburg-research.com

Oliver Schwarz +49 40 309537-250
Chemicals, Agriculture oschwarz@warburg-research.com

Simon Stippig +49 40 309537-265
Real Estate sstippig@warburg-research.com

Cansu Tatar +49 40 309537-248
Cap. Goods, Engineering ctatar@warburg-research.com

Marc-René Tonn +49 40 309537-259
Automobiles, Car Suppliers mtonn@warburg-research.com

Robert-Jan van der Horst +49 40 309537-290
Technology rvanderhorst@warburg-research.com

Andreas Wolf +49 40 309537-140
Software, IT awolf@warburg-research.com

INSTITUTIONAL EQUITY SALES

Marc Niemann +49 40 3282-2660
Head of Equity Sales, Germany mniemann@mmwarburg.com

Klaus Schilling +49 69 5050-7400
Head of Equity Sales, Germany kschilling@mmwarburg.com

Tim Beckmann +49 40 3282-2665
United Kingdom tbeckmann@mmwarburg.com

Lea Bogdanova +49 69 5050-7411
United Kingdom, Ireland lbogdanova@mmwarburg.com

Jens Buchmüller +49 69 5050-7415
Scandinavia, Austria jbuchmueller@mmwarburg.com

Alexander Eschweiler +49 40 3282-2669
Germany, Luxembourg aeschweiler@mmwarburg.com

Matthias Fritsch +49 40 3282-2696
United Kingdom mfritsch@mmwarburg.com

Maximilian Martin +49 69 5050-7413
Austria, Poland mmartin@mmwarburg.com

Christopher Seedorf +49 40 3282-2695
Switzerland cseedorf@mmwarburg.com

Sophie Hauer +49 69 5050-7417
Roadshow/Marketing shauer@mmwarburg.com

Juliane Niemann +49 40 3282-2694
Roadshow/Marketing jniemann@mmwarburg.com

SALES TRADING

Oliver Merckel +49 40 3282-2634
Head of Sales Trading omerckel@mmwarburg.com

Elyaz Dust +49 40 3282-2702
Sales Trading edust@mmwarburg.com

Michael Ilgenstein +49 40 3282-2700
Sales Trading milgenstein@mmwarburg.com

Marcel Magiera +49 40 3282-2662
Sales Trading mmagiera@mmwarburg.com

Bastian Quast +49 40 3282-2701
Sales Trading bquast@mmwarburg.com

Jörg Treptow +49 40 3282-2658
Sales Trading jtreptow@mmwarburg.com

MACRO RESEARCH

Carsten Klude +49 40 3282-2572
Macro Research cklude@mmwarburg.com

Dr. Christian Jasperneite +49 40 3282-2439
Investment Strategy cjasperneite@mmwarburg.com

Our research can be found under:

Warburg Research research.mmwarburg.com/en/index.html
Bloomberg RESP MMWA GO
FactSet www.factset.com

Refinitiv www.refinitiv.com
Capital IQ www.capitaliq.com

For access please contact:

Andrea Schaper +49 40 3282-2632
Sales Assistance aschaper@mmwarburg.com

Kerstin Muthig +49 40 3282-2703
Sales Assistance kmuthig@mmwarburg.com