

# ZEAL Network SE

Others - Germany

Buy (old: Buy)

29.04.2025

EUR 62.00 (old: EUR 61.00)

## Q1 preview: building on past success; chg. est & PT up

**Normalized lottery environment.** Following the exceptionally strong Q4'24, Q1'25 came down to normalized levels. Spending for the Eurojackpot declined by 1% yoy (-25% qoq) to € 1.14bn, whereas the 6aus49 lottery spending declined by 5% yoy (-1% qoq) to € 871m.

**Sales expansion to be driven by higher user base and price increases.** We expect Q1 sales to come in at € 50.5m (+40% yoy), driven by (1) higher lottery billings (eNuW: € 267m; +9% yoy) thanks to a mix of a **higher lottery user base** (eNuW: 1.525m MAUs; +14% yoy) but also due to a lower ABPU (eNuW: € 58.50, -5% yoy), (2) a **higher billings margin** (sales in % of billings) of 17% (eNuW; +3.6pp yoy) as a result of the **price increase** imposed in June '24, (3) the new lottery product "Traumhausverlosung" with Q1 sales of € 4m (eNuW), and (4) sales from the Games business of € 3.4m in Q1 (eNuW; +56% yoy).

**Operating leverage to deliver stellar profitability.** Q1 EBITDA looks set to rise **disproportionately by 73% yoy to € 16.3m** (32.5% margin) thanks to an ever increasing fix cost coverage. Especially marketing expense (eNuW: € 14.5m) should be substantially lower than in Q4'24 (€ 20m) thanks to the absence of peak jackpots. Nevertheless, this should have led to a user intake of 125k (eNuW; vs. 452k in Q4'24 with 7x peak jackpots), thanks to the strategic shift towards brand awareness marketing.

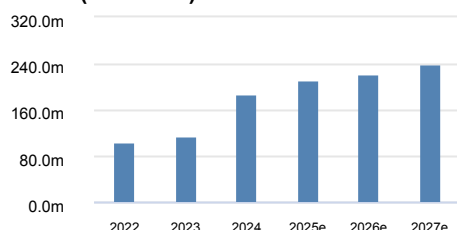
**Upbeat cash generation allows for high shareholder returns.** During FY'24, ZEAL increased its **cash position by € 57m** to € 115m, of which **€ 75m came in from operating cashflows** and € 71m from debt intake, which stood against a € 24m dividend, a € 25m share buyback and a € 41m squeeze-out payment for Lotto24. Mind you, the asset-light business model incurs no CAPEX. Consequently, **excess cash can be returned to shareholders**, which is why management proposed a **€ 2.40 DPS** (€ 52m; 5.1% current yield) for FY'24 to be paid next month.

All in all, ZEAL looks set to report another strong quarter, showing that past initiatives lead to significant sales and earnings growth. With our updated estimates for MAUs and billings margin in the lottery brokerage business, we are now **positioned significantly above the guidance**. Against this backdrop, a **guidance hike as early as Q1 results** seems likely, in our view. Therefore, we confirm (1) ZEAL's position in the **NuWays' AlphaList** and (2) our **BUY recommendation** with an increased **PT of € 62.00** (old: € 61.00), based on DCF.

Y/E 31.12 (EUR m)	2022	2023	2024	2025e	2026e	2027e
Sales	105.2	116.0	188.2	213.7	222.3	240.1
Sales growth	26.2%	10.3%	62.2%	13.6%	4.0%	8.0%
EBITDA	31.7	32.8	61.9	70.5	73.6	80.6
Net debt (if net cash=0)	-28.5	-30.0	-15.8	-13.0	-37.5	-61.8
FCF	27.1	25.1	74.5	49.2	52.8	54.6
Net Debt/EBITDA	-0.9	-0.9	-0.3	-0.2	-0.5	-0.8
EPS pro forma	0.74	0.59	2.70	1.84	1.94	2.17
EBITDA margin	30.1%	28.3%	32.9%	33.0%	33.1%	33.6%
ROCE	6.0%	7.2%	18.4%	21.8%	23.7%	27.1%
EV/sales	6.5	8.2	5.1	4.6	4.3	3.8
EV/EBITDA	21.7	29.0	15.7	13.8	12.9	11.5
PER	61.5	76.7	16.8	24.6	23.3	20.9
Adjusted FCF yield	3.8%	4.0%	9.7%	5.7%	5.9%	6.6%

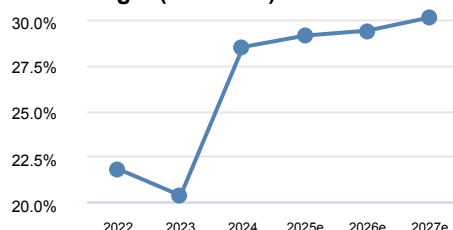
Source: Company data, NuWays, Close price as of 24.04.2025

### Sales (2022-27e)



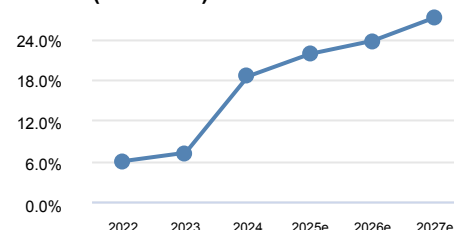
Source: NuWays Research

### EBIT margin (2022-27e)



Source: NuWays Research

### ROCE (2022-27e)

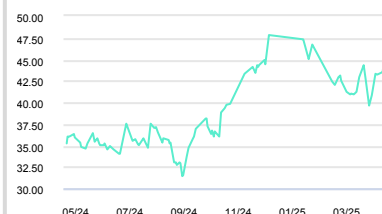


Source: NuWays Research

### Company description

ZEAL brokers lottery products via the internet under two well-known web-domains: Lotto24.de and Tipp24.de and receives brokerage commissions from the lottery operators. In addition, the company also operates instant win games & charity based lotteries.

### Share Performance



High/low 52 weeks (€)	47.80 / 31.40
3m rel. performance	-12.3%
6m rel. performance	4.8%
12m rel. performance	23.0%

### Market data

Share price (in €)	45.30
Market cap (in € m)	982.2
Number of shares (in m pcs)	21.7
Enterprise value (in € m)	972.7
Ø trading volume (6 months)	3,796

### Identifier

Bloomberg	TIMA GR
Reuters	TIMAn
WKN	ZEAL24
ISIN	DE000ZEAL241

### Key shareholders

Günther Group	37.4%
Working Capital	21.4%
Marc Peters	4.7%
Jens Schumann	3.8%
Free Float	32.7%

### Estimates changes

	2025e	2026e	2027e
Sales	7%	2%	2%
EBIT	22%	16%	15%
EPS	24%	17%	16%

### Comment on changes

- Estimates raised to reflect a better MAU estimate and a higher than initially expected billings margin in the lottery business.

### Guidance

- FY'25 sales : € 195-205m
- FY'25 EBITDA: € 55-60m
- FY'25 marketing budget: € 60-70m

## Financials

Profit and loss (EUR m)	2022	2023	2024	2025e	2026e	2027e
<b>Net sales</b>	<b>105.2</b>	<b>116.0</b>	<b>188.2</b>	<b>213.7</b>	<b>222.3</b>	<b>240.1</b>
Sales growth	26.2%	10.3%	62.2%	13.6%	4.0%	8.0%
Increase/decrease in finished goods and work-in-process	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total sales</b>	<b>105.2</b>	<b>116.1</b>	<b>188.2</b>	<b>213.7</b>	<b>222.3</b>	<b>240.1</b>
Other operating income	2.3	1.3	3.1	2.1	2.2	2.4
Material expenses	0.0	-0.0	0.0	0.0	0.0	0.0
Personnel expenses	18.9	22.6	31.5	34.4	36.5	38.3
Other operating expenses	57.0	62.0	98.0	111.0	114.5	123.6
<b>Total operating expenses</b>	<b>73.5</b>	<b>83.2</b>	<b>126.3</b>	<b>143.3</b>	<b>148.7</b>	<b>159.5</b>
<b>EBITDA</b>	<b>31.7</b>	<b>32.8</b>	<b>61.9</b>	<b>70.5</b>	<b>73.6</b>	<b>80.6</b>
Depreciation	0.7	0.0	0.0	0.0	0.0	0.0
<b>EBITA</b>	<b>31.0</b>	<b>32.8</b>	<b>61.9</b>	<b>70.5</b>	<b>73.6</b>	<b>80.6</b>
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	8.1	9.3	8.2	8.2	8.2	8.2
Impairment charges	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBIT (inc revaluation net)</b>	<b>22.9</b>	<b>23.6</b>	<b>53.7</b>	<b>62.3</b>	<b>65.4</b>	<b>72.4</b>
Interest income	1.4	0.5	0.5	0.5	0.4	0.3
Interest expenses	0.7	1.8	3.2	4.0	3.8	3.6
Investment income	-0.2	-0.0	-0.6	0.0	0.0	0.0
Financial result	-0.1	-1.3	-3.4	-3.5	-3.4	-3.3
<b>Recurring pretax income from continuing operations</b>	<b>22.8</b>	<b>22.2</b>	<b>50.3</b>	<b>58.8</b>	<b>62.0</b>	<b>69.1</b>
Extraordinary income/loss	0.0	-0.0	0.0	0.0	0.0	0.0
<b>Earnings before taxes</b>	<b>22.8</b>	<b>22.3</b>	<b>50.3</b>	<b>58.8</b>	<b>62.0</b>	<b>69.1</b>
Income tax expense	6.2	8.6	-9.2	18.8	19.8	22.1
<b>Net income from continuing operations</b>	<b>16.6</b>	<b>13.7</b>	<b>59.4</b>	<b>40.0</b>	<b>42.2</b>	<b>47.0</b>
Income from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net income</b>	<b>16.6</b>	<b>13.7</b>	<b>59.4</b>	<b>40.0</b>	<b>42.2</b>	<b>47.0</b>
Minority interest	0.6	0.9	1.0	0.0	0.0	0.0
<b>Net profit (reported)</b>	<b>16.0</b>	<b>12.8</b>	<b>58.4</b>	<b>40.0</b>	<b>42.2</b>	<b>47.0</b>
Average number of shares	21.7	21.7	21.7	21.7	21.7	21.7
<b>EPS reported</b>	<b>0.74</b>	<b>0.59</b>	<b>2.70</b>	<b>1.84</b>	<b>1.94</b>	<b>2.17</b>

Profit and loss (common size)	2022	2023	2024	2025e	2026e	2027e
<b>Net sales</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
Sales growth	26.2%	10.3%	62.2%	13.6%	4.0%	8.0%
Increase/decrease in finished goods and work-in-process	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Total sales</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
Other operating income	2.2%	1.1%	1.6%	1.0%	1.0%	1.0%
Material expenses	0.0%	-0.0%	0.0%	0.0%	0.0%	0.0%
Personnel expenses	18.0%	19.4%	16.7%	16.1%	16.4%	16.0%
Other operating expenses	54.1%	53.4%	52.1%	51.9%	51.5%	51.5%
<b>Total operating expenses</b>	<b>69.9%</b>	<b>71.7%</b>	<b>67.1%</b>	<b>67.0%</b>	<b>66.9%</b>	<b>66.4%</b>
<b>EBITDA</b>	<b>30.1%</b>	<b>28.3%</b>	<b>32.9%</b>	<b>33.0%</b>	<b>33.1%</b>	<b>33.6%</b>
Depreciation	0.6%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>EBITA</b>	<b>29.5%</b>	<b>28.3%</b>	<b>32.9%</b>	<b>33.0%</b>	<b>33.1%</b>	<b>33.6%</b>
Amortisation of goodwill	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Amortisation of intangible assets	7.7%	8.0%	4.4%	3.8%	3.7%	3.4%
Impairment charges	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>EBIT (inc revaluation net)</b>	<b>21.8%</b>	<b>20.3%</b>	<b>28.5%</b>	<b>29.1%</b>	<b>29.4%</b>	<b>30.1%</b>
Interest income	1.4%	0.4%	0.2%	0.2%	0.2%	0.1%
Interest expenses	0.7%	1.5%	1.7%	1.9%	1.7%	1.5%
Investment income	-0.2%	-0.0%	-0.3%	0.0%	0.0%	0.0%
Financial result	neg.	neg.	neg.	neg.	neg.	neg.
<b>Recurring pretax income from continuing operations</b>	<b>21.7%</b>	<b>19.2%</b>	<b>26.7%</b>	<b>27.5%</b>	<b>27.9%</b>	<b>28.8%</b>
Extraordinary income/loss	0.0%	-0.0%	0.0%	0.0%	0.0%	0.0%
<b>Earnings before taxes</b>	<b>21.7%</b>	<b>19.2%</b>	<b>26.7%</b>	<b>27.5%</b>	<b>27.9%</b>	<b>28.8%</b>
Tax rate	27.4%	38.6%	-18.2%	32.0%	32.0%	32.0%
<b>Net income from continuing operations</b>	<b>15.7%</b>	<b>11.8%</b>	<b>31.6%</b>	<b>18.7%</b>	<b>19.0%</b>	<b>19.6%</b>
Income from discontinued operations (net of tax)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Net income</b>	<b>15.7%</b>	<b>11.8%</b>	<b>31.6%</b>	<b>18.7%</b>	<b>19.0%</b>	<b>19.6%</b>
Minority interest	0.6%	0.8%	0.6%	0.0%	0.0%	0.0%
<b>Net profit (reported)</b>	<b>15.2%</b>	<b>11.0%</b>	<b>31.0%</b>	<b>18.7%</b>	<b>19.0%</b>	<b>19.6%</b>

Source: Company data, NuWays

Balance sheet (EUR m)	2022	2023	2024	2025e	2026e	2027e
Intangible assets	289.6	281.7	273.7	265.5	257.3	249.1
Property, plant and equipment	1.2	1.2	1.3	1.7	2.0	2.4
Financial assets	22.5	18.2	17.7	17.7	17.7	17.7
<b>FIXED ASSETS</b>	<b>313.2</b>	<b>301.0</b>	<b>292.7</b>	<b>284.9</b>	<b>277.0</b>	<b>269.2</b>
Inventories	0.0	0.0	3.2	3.2	0.0	0.0
Accounts receivable	1.4	2.6	4.8	4.9	5.1	5.1
Other assets and short-term financial assets	75.4	30.5	40.2	40.2	40.2	40.2
Liquid assets	61.2	57.7	114.9	108.1	128.7	148.9
Deferred taxes	6.9	1.0	0.0	0.0	0.0	0.0
Deferred charges and prepaid expenses	1.5	1.7	1.7	1.7	1.7	1.7
<b>CURRENT ASSETS</b>	<b>146.5</b>	<b>93.9</b>	<b>164.8</b>	<b>158.1</b>	<b>175.7</b>	<b>195.9</b>
<b>TOTAL ASSETS</b>	<b>459.7</b>	<b>394.9</b>	<b>457.5</b>	<b>443.0</b>	<b>452.7</b>	<b>465.2</b>

<b>SHAREHOLDERS EQUITY</b>	<b>328.0</b>	<b>259.2</b>	<b>238.5</b>	<b>226.3</b>	<b>240.1</b>	<b>256.5</b>
MINORITY INTEREST	6.1	5.6	0.0	0.0	0.0	0.0
Long-term liabilities to banks	22.9	15.8	86.2	82.2	78.2	74.2
Bonds (long-term)	0.0	0.0	0.0	0.0	0.0	0.0
other interest-bearing liabilities	5.1	4.8	2.4	2.4	2.4	2.4
Provisions for pensions and similar obligations	0.1	0.7	3.5	3.5	3.5	3.5
Other provisions and accrued liabilities	4.0	4.2	7.3	7.3	7.3	7.3
<b>NON-CURRENT LIABILITIES</b>	<b>32.1</b>	<b>25.5</b>	<b>99.3</b>	<b>95.3</b>	<b>91.3</b>	<b>87.3</b>
Short-term liabilities to banks	4.7	7.2	10.5	10.5	10.5	10.5
Accounts payable	3.8	3.6	12.2	13.8	13.8	13.8
Advance payments received on orders	0.0	0.0	0.0	0.0	0.0	0.0
Accrued taxes	5.8	1.4	7.5	7.5	7.5	7.5
Other liabilities (incl. from lease and rental contracts)	33.0	48.0	62.0	62.0	62.0	62.0
Deferred taxes	46.3	44.2	27.5	27.5	27.5	27.5
Deferred income	0.0	0.3	0.0	0.0	0.0	0.0
<b>CURRENT LIABILITIES</b>	<b>93.5</b>	<b>104.7</b>	<b>119.7</b>	<b>121.3</b>	<b>121.3</b>	<b>121.3</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS EQUITY</b>	<b>459.7</b>	<b>394.9</b>	<b>457.5</b>	<b>443.0</b>	<b>452.7</b>	<b>465.2</b>

Balance sheet (common size)	2022	2023	2024	2025e	2026e	2027e
Intangible assets	63.0%	71.3%	59.8%	59.9%	56.8%	53.6%
Property, plant and equipment	0.3%	0.3%	0.3%	0.4%	0.4%	0.5%
Financial assets	4.9%	4.6%	3.9%	4.0%	3.9%	3.8%
<b>FIXED ASSETS</b>	<b>68.1%</b>	<b>76.2%</b>	<b>64.0%</b>	<b>64.3%</b>	<b>61.2%</b>	<b>57.9%</b>
Inventories	0.0%	0.0%	0.7%	0.7%	0.0%	0.0%
Accounts receivable	0.3%	0.7%	1.0%	1.1%	1.1%	1.1%
Other assets and short-term financial assets	16.4%	7.7%	8.8%	9.1%	8.9%	8.6%
Liquid assets	13.3%	14.6%	25.1%	24.4%	28.4%	32.0%
Deferred taxes	1.5%	0.3%	0.0%	0.0%	0.0%	0.0%
Deferred charges and prepaid expenses	0.3%	0.4%	0.4%	0.4%	0.4%	0.4%
<b>CURRENT ASSETS</b>	<b>31.9%</b>	<b>23.8%</b>	<b>36.0%</b>	<b>35.7%</b>	<b>38.8%</b>	<b>42.1%</b>
<b>TOTAL ASSETS</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

<b>SHAREHOLDERS EQUITY</b>	<b>71.3%</b>	<b>65.6%</b>	<b>52.1%</b>	<b>51.1%</b>	<b>53.0%</b>	<b>55.1%</b>
MINORITY INTEREST	1.3%	1.4%	0.0%	0.0%	0.0%	0.0%
Long-term liabilities to banks	5.0%	4.0%	18.8%	18.6%	17.3%	16.0%
Bonds (long-term)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
other interest-bearing liabilities	1.1%	1.2%	0.5%	0.5%	0.5%	0.5%
Provisions for pensions and similar obligations	0.0%	0.2%	0.8%	0.8%	0.8%	0.8%
Other provisions and accrued liabilities	0.9%	1.1%	1.6%	1.6%	1.6%	1.6%
<b>NON-CURRENT LIABILITIES</b>	<b>7.0%</b>	<b>6.4%</b>	<b>21.7%</b>	<b>21.5%</b>	<b>20.2%</b>	<b>18.8%</b>
Short-term liabilities to banks	1.0%	1.8%	2.3%	2.4%	2.3%	2.3%
Accounts payable	0.8%	0.9%	2.7%	3.1%	3.0%	3.0%
Advance payments received on orders	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Accrued taxes	1.3%	0.3%	1.6%	1.7%	1.7%	1.6%
Other liabilities (incl. from lease and rental contracts)	7.2%	12.2%	13.6%	14.0%	13.7%	13.3%
Deferred taxes	10.1%	11.2%	6.0%	6.2%	6.1%	5.9%
Deferred income	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%
<b>CURRENT LIABILITIES</b>	<b>20.3%</b>	<b>26.5%</b>	<b>26.2%</b>	<b>27.4%</b>	<b>26.8%</b>	<b>26.1%</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS EQUITY</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

Source: Company data, NuWays

Cash flow statement (EUR m)	2022	2023	2024	2025e	2026e	2027e
Net profit/loss	16.6	13.7	59.4	40.0	42.2	47.0
Depreciation of fixed assets (incl. leases)	0.7	0.0	0.0	0.0	0.0	0.0
Amortisation of goodwill & intangible assets	8.1	9.3	8.2	8.2	8.2	8.2
Other costs affecting income / expenses	-0.3	0.0	-17.2	0.0	0.0	0.0
Cash flow from operating activities	27.3	25.5	74.6	49.2	52.8	54.6
Increase/decrease in inventory	4.3	0.0	-3.2	0.0	3.2	0.0
Increase/decrease in accounts receivable	0.4	-1.2	-2.1	-0.1	-0.2	0.0
Increase/decrease in accounts payable	0.1	-0.2	8.5	1.6	0.0	0.0
Increase/decrease in other working capital positions	-1.2	4.0	21.4	0.0	0.0	0.0
Increase/decrease in working capital	3.5	2.6	24.7	1.6	3.0	0.0
<b>Cash flow from operating activities</b>	<b>28.5</b>	<b>25.6</b>	<b>75.1</b>	<b>49.7</b>	<b>53.3</b>	<b>55.2</b>
CAPEX	1.4	0.4	0.6	0.6	0.6	0.6
Payments for acquisitions	0.6	0.0	1.2	0.0	0.0	0.0
Financial investments	5.4	0.4	0.0	0.0	0.0	0.0
Income from asset disposals	1.2	57.2	1.9	0.0	0.0	0.0
<b>Cash flow from investing activities</b>	<b>-6.2</b>	<b>56.4</b>	<b>0.2</b>	<b>-0.6</b>	<b>-0.6</b>	<b>-0.6</b>
Cash flow before financing	-24.7	2.5	51.4	-2.8	24.6	24.2
Increase/decrease in debt position	16.9	-5.0	71.4	-4.0	-4.0	-4.0
Purchase of own shares	20.0	0.0	25.0	0.0	0.0	0.0
Capital measures	0.1	0.0	0.0	0.0	0.0	0.0
Dividends paid	47.0	79.4	23.8	52.0	28.2	30.4
Others	-1.2	-1.0	-40.7	0.0	0.0	0.0
Effects of exchange rate changes on cash	-0.0	0.0	0.0	0.0	0.0	0.0
<b>Cash flow from financing activities</b>	<b>-51.1</b>	<b>-85.4</b>	<b>-18.1</b>	<b>-56.0</b>	<b>-32.2</b>	<b>-34.4</b>
Increase/decrease in liquid assets	-28.9	-3.5	57.2	-6.8	20.6	20.2
<b>Liquid assets at end of period</b>	<b>61.2</b>	<b>57.7</b>	<b>114.9</b>	<b>108.1</b>	<b>128.7</b>	<b>148.9</b>

Key ratios (EUR m)	2022	2023	2024	2025e	2026e	2027e
<b>P&amp;L growth analysis</b>						
Sales growth	26.2%	10.3%	62.2%	13.6%	4.0%	8.0%
EBITDA growth	14.1%	3.8%	88.3%	13.9%	4.4%	9.5%
EBIT growth	20.4%	2.9%	127.4%	16.1%	5.0%	10.7%
EPS growth	52.8%	-19.8%	356.4%	-31.6%	5.5%	11.4%
<b>Efficiency</b>						
Sales per employee	649.4	694.9	1,094.2	1,221.3	1,248.9	1,326.5
EBITDA per employee	195.4	196.7	359.6	402.7	413.4	445.1
No. employees (average)	162	167	172	175	178	181
<b>Balance sheet analysis</b>						
Avg. working capital / sales	-2.0%	-1.0%	-1.7%	-1.5%	-2.9%	-3.0%
Inventory turnover (sales/inventory)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Accounts receivable turnover	5.0	8.3	8.3	8.3	8.3	7.7
Accounts payable turnover	13.2	11.4	23.6	23.6	22.7	21.0
<b>Cash flow analysis</b>						
Free cash flow	27.1	25.1	74.5	49.2	52.8	54.6
Free cash flow/sales	25.7%	21.7%	39.6%	23.0%	23.7%	22.7%
FCF / net profit	163.4%	184.0%	125.4%	123.0%	125.1%	116.2%
Capex / sales	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
<b>Solvency</b>						
Net debt	-28.5	-30.0	-15.8	-13.0	-37.5	-61.8
Net Debt/EBITDA	-0.9	-0.9	-0.3	-0.2	-0.5	-0.8
Dividend payout ratio	488.6%	186.2%	89.0%	70.5%	72.0%	69.3%
Interest paid / avg. debt	2.3%	4.5%	4.9%	6.5%	4.0%	4.0%
<b>Returns</b>						
ROCE	6.0%	7.2%	18.4%	21.8%	23.7%	27.1%
ROE	4.9%	4.9%	24.5%	17.7%	17.6%	18.3%
Adjusted FCF yield	3.8%	4.0%	9.7%	5.7%	5.9%	6.6%
Dividend yield	6.6%	11.2%	3.1%	5.3%	2.9%	3.1%
DPS	3.6	1.1	2.4	1.3	1.4	1.5
EPS reported	0.74	0.59	2.70	1.84	1.94	2.17
Average number of shares	21.7	21.7	21.7	21.7	21.7	21.7
<b>Valuation ratios</b>						
P/BV	3.0	3.8	4.1	4.3	4.1	3.8
EV/sales	6.5	8.2	5.1	4.6	4.3	3.8
EV/EBITDA	21.7	29.0	15.7	13.8	12.9	11.5
EV/EBIT	30.0	40.3	18.1	15.6	14.5	12.8

Source: Company data, NuWays

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Company	Disclosures
ZEAL Network SE	2

### Historical target price and rating changes for ZEAL Network SE

Company	Date	Analyst	Rating	Target Price	Close
ZEAL Network SE	27.03.2025	Wendisch, Henry	Buy	EUR 61.00	EUR 41.20
	09.12.2024	Wendisch, Henry	Buy	EUR 60.00	EUR 44.30
	25.10.2024	Wendisch, Henry	Buy	EUR 57.00	EUR 36.00
	09.07.2024	Wendisch, Henry	Buy	EUR 54.00	EUR 34.00
	10.05.2024	Wendisch, Henry	Buy	EUR 53.00	EUR 36.00

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The adj. FCF method is based on the assumption that investors purchase assets only at a price (enterprise value) at which the operating cash flow return after taxes on this investment exceeds their opportunity costs in the form of a hurdle rate of 7.5%. The operating cash flow is calculated as EBITDA less maintenance capex and taxes.

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ment towards the actual capital structure is done by discounting the calculated free cash flows with the weighted average cost of capital (WACC), which takes into account both the cost of equity capital and the cost of debt. After discounting, the calculated total enterprise value is reduced by the interest-bearing debt capital in order to arrive at the equity value.

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Date of publication creation: 29/04/2025 07:55 AM

Date of publication dissemination: 29/04/2025 07:55 AM



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