

ZEAL Network SE

Others - Germany



Buy (old: Buy)

27.03.2025

EUR 61.00 (old: EUR 60.00)

Q4 beating all odds and strong shareholder returns; chg. PT

Topic: Following an unprecedented jackpot situation in Q4, ZEAL captured extreme growth in all aspects, with Sales, EBITDA, FCF, user base and intake reaching new heights. Moreover, the company issued a solid FY'25 guidance, confirming the growth beyond the recent records.

Unprecedented billings hike. Nationwide lottery spending of the two main lottery products rose by 28% yoy to € 2.4bn (EJ: +64% yoy, peaking 7x; 6aus49: -8% yoy) in Q4. Consequently, ZEAL generated lottery billings of € 337m (eNuW: € 327m), up 60% yoy. This hike is further supported by the new product "Traumhausverlosung". Games also showed a solid development with € 40m in Q4 billings, up 62% yoy (eNuW: € 32m).

Q4 results above expectations. Sales grew by 124% yoy to € 67m (eNuW: € 60m), mainly driven by the increased lottery billings margin (+5.5pp yoy) and the simultaneous hike in billings. EBITDA expanded disproportionately by 178% yoy to € 27m (eNuW: € 22m) despite a strong marketing push (+ 275% yoy), showing the increasing fix cost coverage. - see p. 2 for details

Marketing engine running hot. Q4'24 marked the quarter with the highest marketing efficiency in ZEAL's history with a user intake of 450k (+472% yoy; FY'24: 1.26m) at a highly efficient CPL of only € 32 (-13% yoy). While this is largely attributable to the strong jackpot environment, it nevertheless shows that ZEAL can outperform the state lottery's online presence in terms of customer acquisition during these crucial times. Consequently, the **average MAUs stood at 1.44m during FY'24** (+25% yoy) which implies **average MAUs 1.7m of in Q4** (+52% yoy), which bodes well for future growth.

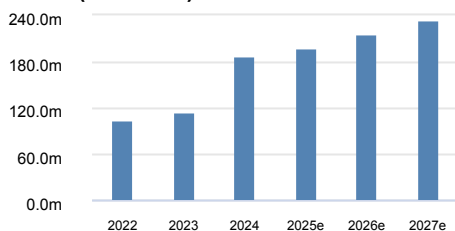
Solid guidance out. The new FY'25 guidance of € 195-205m in sales (eNuW old: € 194m) and € 55-60m EBITDA (eNuW old: € 52m) came in ahead of our old estimates, as we have modeled with too conservative user KPIs (MAUs and ARPUs). The **guidance implies a top line growth of 6% yoy and EBITDA decline by 7%** at mid-point, as ZEAL increases its marketing budget by +14% yoy at mid-point to € 60-70m in FY'25. As always, ZEAL's guidance is based on an average jackpot environment, which could be overachieved in times of strong jackpots, which are however unpredictable.

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Y/E 31.12 (EUR m)	2022	2023	2024	2025e	2026e	2027e
Sales	105.2	116.0	188.2	198.9	217.0	235.1
Sales growth	26.2%	10.3%	62.2%	5.7%	9.1%	8.3%
EBITDA	31.7	32.8	61.9	59.1	64.4	71.0
Net debt (if net cash=0)	-28.5	-30.0	-15.8	-4.6	-22.8	-40.5
FCF	27.1	25.1	74.5	40.8	46.3	48.1
Net Debt/EBITDA	-0.9	-0.9	-0.3	-0.1	-0.4	-0.6
EPS pro forma	0.74	0.59	2.70	1.49	1.66	1.87
EBITDA margin	30.1%	28.3%	32.9%	29.7%	29.7%	30.2%
ROCE	6.0%	7.2%	18.4%	17.8%	20.3%	23.5%
EV/sales	6.5	7.8	4.9	4.7	4.2	3.8
EV/EBITDA	21.7	27.4	14.8	15.7	14.1	12.6
PER	58.2	72.6	15.9	28.8	25.9	23.0
Adjusted FCF yield	3.8%	4.0%	9.7%	5.0%	5.4%	6.1%

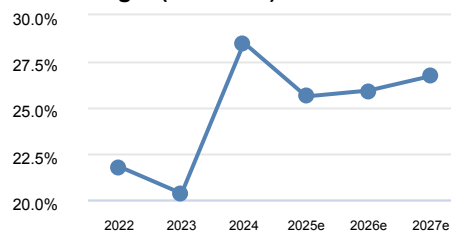
Source: Company data, NuWays, Close price as of 24.03.2025

Sales (2022-27e)



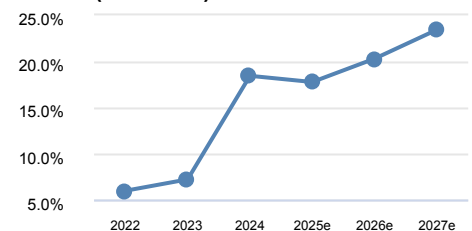
Source: NuWays Research

EBIT margin (2022-27e)



Source: NuWays Research

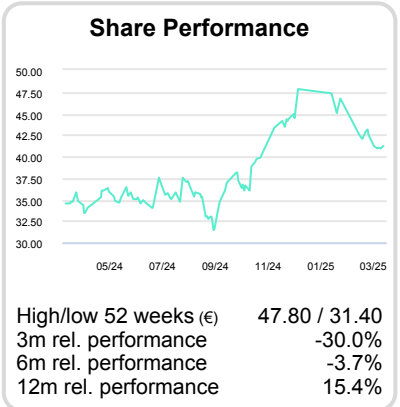
ROCE (2022-27e)



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.



Market data

Share price (in €)	41.20
Market cap (in € m)	930.1
Number of shares (in m pcs)	21.7
Enterprise value (in € m)	929.0
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	2%	2%	2%
EBIT	17%	12%	11%
EPS	13%	8%	8%

- ### Comment on changes
- Estimates raised to reflect slightly upgraded user KPI assumptions (MAUs and ARPUs)
 - FY'27e introduced.

Guidance

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

ZEAL Network SE

Preview / Review - 27.03.2025

Upbeat cash generation. ZEAL reported a strong FCF growth of 197% yoy to € 75m in FY'24 (121% EBITDA cash conversion, 40% of sales), partially supported by a positive, jackpot-dependent working capital swing (eNuW: € 25m), but also thanks to the capital light business model with almost no CAPEX. As this figure is already after marketing expenses and more than covers the upcoming dividend payment (€ 52m), there **is still room for future shareholder return measures**, in our view. The net cash position stood at € 16m at Y/E'24, despite a net increase in debt of € 71m to cover the Lotto24 squeeze out and optimize capital structure.

Increasing shareholder return. Following a share buyback in Nov'24 for € 25m, the company canceled 733k shares in Q1'25 and aims to cancel the remaining 588k shares in Q2'25e. ZEAL further announced a DPS of € 2.40 for FY'24 (5.6% current yield), totaling a € 52m payout, consisting of a base dividend of € 1.30 and a special dividend of € 1.10, the latter to let shareholders partake in the extraordinarily successful FY'24. In sum, this returns a total of **€ 77m to shareholders**, which implies a yield of 8%.

Against this backdrop, we highly reiterate our **BUY recommendation**, add **ZEAL back to our NuWays AlphaList** and **increase our PT to € 61.00** (old: € 60.00), based on DCF.

Zeal Network SE	Q4 2024	Q4 2024 eNuW	Q4 2023	yoy	FY 2024	FY 2024 eNuW	FY 2023	yoy
Billings from Lottery	337.0	327.2	210.1	60%	1,080.1	1,066.0	843.3	28%
Billings from Games	40.2	31.6	24.9	62%	133.1	124.5	41.6	220%
Total Billings	377.3	358.8	235.0	61%	1,213.2	1,190.4	884.9	37%
Sales from Lottery	60.7	56.6	26.2	131%	168.3	164.2	105.7	59%
Sales from Games	3.1	2.3	1.8	69%	9.9	9.2	3.0	226%
Other sales	3.5	1.1	2.0	75%	10.0	7.7	7.4	36%
Total Sales	67.2	60.0	30.0	124%	188.2	181.0	116.1	62%
Billings margin (Lottery)	18.0%	17.3%	12.5%	+ 5.5 pp	15.6%	15.4%	12.5%	+ 3.1 pp
Billings margin (Games)	7.6%	7.4%	7.3%	+ 0.3 pp	7.4%	7.4%	7.3%	+ 0.1 pp
Combined billings margin	16.9%	16.4%	12.0%	+ 4.9 pp	14.7%	14.6%	12.3%	+ 2.4 pp
EBITDA	26.9	22.4	9.7	178%	61.9	57.3	32.8	89%
<i>EBITDA margin</i>	40.0%	37.4%	32.2%	+ 7.8 pp	32.9%	31.7%	28.3%	+ 4.6 pp
Lottery - Monthly Active Users (MAU)	1.71m	1.60m	1.12m	52%	1.44m	1.41m	1.15m	25%
Games - Monthly Active Users (MAU)	0.03m	0.02m	0.02m	50%	0.02m	0.02m	0.02m	29%
Combined Monthly Active Users	1.73m	1.62m	1.14m	52%	1.46m	1.43m	1.16m	25%
Lottery - Average Revenue per User (ARPU)	€ 11.87	€ 11.78	€ 7.78	53%	€ 9.77	€ 9.70	€ 7.68	27%
Games - Average Revenue per User (ARPU)	€ 36.38	€ 39.07	€ 32.89	11%	€ 37.50	€ 38.17	€ 25.82	45%
Combined ARPU	€ 12.60	€ 12.05	€ 8.33	51%	€ 10.41	€ 10.22	€ 7.93	31%

Source: Company data, NuWays

Financials

Profit and loss (EUR m)	2022	2023	2024	2025e	2026e	2027e
Net sales	105.2	116.0	188.2	198.9	217.0	235.1
<i>Sales growth</i>	26.2%	10.3%	62.2%	5.7%	9.1%	8.3%
Increase/decrease in finished goods and work-in-process	0.0	0.0	0.0	0.0	0.0	0.0
Total sales	105.2	116.1	188.2	198.9	217.0	235.1
Other operating income	2.3	1.3	3.1	2.0	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	107.4	118.3	128.2
Total operating expenses	73.5	83.2	126.3	139.8	152.6	164.1
EBITDA	31.7	32.8	61.9	59.1	64.4	71.0
Depreciation	0.7	0.0	0.0	0.0	0.0	0.0
EBITA	31.0	32.8	61.9	59.1	64.4	71.0
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
EBIT (inc revaluation net)	22.9	23.6	53.7	50.9	56.2	62.8
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
Recurring pretax income from continuing operations	22.8	22.2	50.3	47.4	52.8	59.5
Extraordinary income/loss	0.0	-0.0	0.0	0.0	0.0	0.0
Earnings before taxes	22.8	22.3	50.3	47.4	52.8	59.5
Income tax expense	6.2	8.6	-9.2	15.2	16.9	19.0
Net income from continuing operations	16.6	13.7	59.4	32.2	35.9	40.4
Income from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0
Net income	16.6	13.7	59.4	32.2	35.9	40.4
Minority interest	0.6	0.9	1.0	0.0	0.0	0.0
Net profit (reported)	16.0	12.8	58.4	32.2	35.9	40.4
Average number of shares	21.7	21.7	21.7	21.7	21.7	21.7
EPS reported	0.74	0.59	2.70	1.49	1.66	1.87

Profit and loss (common size)	2022	2023	2024	2025e	2026e	2027e
Net sales	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
<i>Sales growth</i>	26.2%	10.3%	62.2%	5.7%	9.1%	8.3%
Increase/decrease in finished goods and work-in-process	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total sales	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
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%	17.3%	16.8%	16.3%
Other operating expenses	54.1%	53.4%	52.1%	54.0%	54.5%	54.5%
Total operating expenses	69.9%	71.7%	67.1%	70.3%	70.3%	69.8%
EBITDA	30.1%	28.3%	32.9%	29.7%	29.7%	30.2%
Depreciation	0.6%	0.0%	0.0%	0.0%	0.0%	0.0%
EBITA	29.5%	28.3%	32.9%	29.7%	29.7%	30.2%
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%	4.1%	3.8%	3.5%
Impairment charges	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
EBIT (inc revaluation net)	21.8%	20.3%	28.5%	25.6%	25.9%	26.7%
Interest income	1.4%	0.4%	0.2%	0.3%	0.2%	0.1%
Interest expenses	0.7%	1.5%	1.7%	2.0%	1.8%	1.5%
Investment income	-0.2%	-0.0%	-0.3%	0.0%	0.0%	0.0%
Financial result	neg.	neg.	neg.	neg.	neg.	neg.
Recurring pretax income from continuing operations	21.7%	19.2%	26.7%	23.8%	24.4%	25.3%
Extraordinary income/loss	0.0%	-0.0%	0.0%	0.0%	0.0%	0.0%
Earnings before taxes	21.7%	19.2%	26.7%	23.8%	24.4%	25.3%
Tax rate	27.4%	38.6%	-18.2%	32.0%	32.0%	32.0%
Net income from continuing operations	15.7%	11.8%	31.6%	16.2%	16.6%	17.2%
Income from discontinued operations (net of tax)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Net income	15.7%	11.8%	31.6%	16.2%	16.6%	17.2%
Minority interest	0.6%	0.8%	0.6%	0.0%	0.0%	0.0%
Net profit (reported)	15.2%	11.0%	31.0%	16.2%	16.6%	17.2%

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
FIXED ASSETS	313.2	301.0	292.7	284.9	277.0	269.2
Inventories	0.0	0.0	3.2	3.2	0.0	0.0
Accounts receivable	1.4	2.6	4.8	4.5	4.9	4.9
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	99.8	113.9	127.6
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
CURRENT ASSETS	146.5	93.9	164.8	149.4	160.8	174.5
TOTAL ASSETS	459.7	394.9	457.5	434.3	437.8	443.7

SHAREHOLDERS EQUITY	328.0	259.2	238.5	218.6	226.1	236.0
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
NON-CURRENT LIABILITIES	32.1	25.5	99.3	95.3	91.3	87.3
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	12.8	12.8	12.8
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
CURRENT LIABILITIES	93.5	104.7	119.7	120.4	120.4	120.4
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	459.7	394.9	457.5	434.3	437.8	443.7

Balance sheet (common size)	2022	2023	2024	2025e	2026e	2027e
Intangible assets	63.0%	71.3%	59.8%	61.1%	58.8%	56.1%
Property, plant and equipment	0.3%	0.3%	0.3%	0.4%	0.5%	0.5%
Financial assets	4.9%	4.6%	3.9%	4.1%	4.0%	4.0%
FIXED ASSETS	68.1%	76.2%	64.0%	65.6%	63.3%	60.7%
Inventories	0.0%	0.0%	0.7%	0.7%	0.0%	0.0%
Accounts receivable	0.3%	0.7%	1.0%	1.0%	1.1%	1.1%
Other assets and short-term financial assets	16.4%	7.7%	8.8%	9.3%	9.2%	9.1%
Liquid assets	13.3%	14.6%	25.1%	23.0%	26.0%	28.8%
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%
CURRENT ASSETS	31.9%	23.8%	36.0%	34.4%	36.7%	39.3%
TOTAL ASSETS	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

SHAREHOLDERS EQUITY	71.3%	65.6%	52.1%	50.3%	51.6%	53.2%
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%	18.9%	17.9%	16.7%
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%	1.7%	1.7%	1.6%
NON-CURRENT LIABILITIES	7.0%	6.4%	21.7%	22.0%	20.9%	19.7%
Short-term liabilities to banks	1.0%	1.8%	2.3%	2.4%	2.4%	2.4%
Accounts payable	0.8%	0.9%	2.7%	3.0%	2.9%	2.9%
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%	1.7%
Other liabilities (incl. from lease and rental contracts)	7.2%	12.2%	13.6%	14.3%	14.2%	14.0%
Deferred taxes	10.1%	11.2%	6.0%	6.3%	6.3%	6.2%
Deferred income	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%
CURRENT LIABILITIES	20.3%	26.5%	26.2%	27.7%	27.5%	27.1%
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Company data, NuWays

Cash flow statement (EUR m)	2022	2023	2024	2025e	2026e	2027e
Net profit/loss	16.6	13.7	59.4	32.2	35.9	40.4
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	40.8	46.3	48.1
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	0.2	-0.4	0.0
Increase/decrease in accounts payable	0.1	-0.2	8.5	0.7	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	0.9	2.8	0.0
Cash flow from operating activities	28.5	25.6	75.1	41.4	46.9	48.6
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
Cash flow from investing activities	-6.2	56.4	0.2	-0.6	-0.6	-0.6
Cash flow before financing	-24.7	2.5	51.4	-11.2	18.1	17.7
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
Cash flow from financing activities	-51.1	-85.4	-18.1	-56.0	-32.2	-34.4
Increase/decrease in liquid assets	-28.9	-3.5	57.2	-15.2	14.1	13.7
Liquid assets at end of period	61.2	57.7	114.9	99.8	113.9	127.6

Key ratios (EUR m)	2022	2023	2024	2025e	2026e	2027e
P&L growth analysis						
Sales growth	26.2%	10.3%	62.2%	5.7%	9.1%	8.3%
EBITDA growth	14.1%	3.8%	88.3%	-4.4%	9.0%	10.2%
EBIT growth	20.4%	2.9%	127.4%	-5.1%	10.5%	11.6%
EPS growth	52.8%	-19.8%	356.4%	-44.8%	11.4%	12.6%
Efficiency						
Sales per employee	649.4	694.9	1,094.2	1,136.6	1,219.1	1,298.9
EBITDA per employee	195.4	196.7	359.6	337.8	362.0	392.2
No. employees (average)	162	167	172	175	178	181
Balance sheet analysis						
Avg. working capital / sales	-2.0%	-1.0%	-1.7%	-1.5%	-2.8%	-2.8%
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	21.6	19.9
Cash flow analysis						
Free cash flow	27.1	25.1	74.5	40.8	46.3	48.1
Free cash flow/sales	25.7%	21.7%	39.6%	20.5%	21.3%	20.4%
FCF / net profit	163.4%	184.0%	125.4%	126.6%	128.9%	118.9%
Capex / sales	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Solvency						
Net debt	-28.5	-30.0	-15.8	-4.6	-22.8	-40.5
Net Debt/EBITDA	-0.9	-0.9	-0.3	-0.1	-0.4	-0.6
Dividend payout ratio	488.6%	186.2%	89.0%	87.4%	84.5%	80.4%
Interest paid / avg. debt	2.3%	4.5%	4.9%	6.5%	4.0%	4.0%
Returns						
ROCE	6.0%	7.2%	18.4%	17.8%	20.3%	23.5%
ROE	4.9%	4.9%	24.5%	14.8%	15.9%	17.1%
Adjusted FCF yield	3.8%	4.0%	9.7%	5.0%	5.4%	6.1%
Dividend yield	6.6%	11.2%	3.1%	5.6%	3.0%	3.3%
DPS	3.6	1.1	2.4	1.3	1.4	1.5
EPS reported	0.74	0.59	2.70	1.49	1.66	1.87
Average number of shares	21.7	21.7	21.7	21.7	21.7	21.7
Valuation ratios						
P/BV	2.8	3.6	3.9	4.3	4.1	3.9
EV/sales	6.5	7.8	4.9	4.7	4.2	3.8
EV/EBITDA	21.7	27.4	14.8	15.7	14.1	12.6
EV/EBIT	30.0	38.1	17.1	18.2	16.2	14.2

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	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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