

# CEOTRONICS AG

January 29, 2025



## Basic Report Update

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Valuation Result

**BUY**

(previous: Buy)

Fair Value

**€ 8.37**

(previous: € 7.94)

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## Significant forecast increase - record H1 is likely to be followed by an even stronger H2

CEOTRONICS can look back on a **very good first half of 2024/25** - sales (€ 21.15 million; +95.3%), EBIT margin (7.1%; H1 2023/24: -6.4%), order backlog (€ 70.5 million; +363%) and incoming orders (€ 20.76 million; +12.2%) were significantly increased. More significant for investors than the strong half-year figures, however, is the **raised outlook**, as this implies H2 sales that will exceed the record figure achieved in H1 **by a further 36%**. Despite this momentum, CEOTRONICS continues to trade at a discount to its direct peers **Invisio** and **Bittium** - we consider this as an opportunity for investors. Based on the **raised estimates**, CEOTRONICS shares remain a **clear Buy**.

The equal weighting of our updated DCF and peer group analysis results in a fair value of € 8.37.

- Comfortable starting position.** The order backlog of € 70.5 million has a projected reach of over a year. This is relevant in light of the upcoming **new elections** in Germany, as experience shows that it can sometimes take months for a coalition to be formed and for public contracts to be awarded again under the new government. The drivers 'internal and external safety' remain intact and are likely to remain a high priority for several years to come, partly due to external factors (including global crisis spots and NATO budget targets). The **lighthouse character of the multi-year large-scale Bundeswehr\* order [SmG (Headset with ear protection function)]** is a door opener, also internationally. The recruitment of new Area Sales Managers underlines the ambition to further diversify the sales mix regionally.

\* German Armed Forces

- New brand identity.** After 14 months of preparation, CEOTRONICS has gone live with the new brand identity announced at the AGM. In addition to the **logo**, the **website** has also been completely redesigned and reorganised with the target group in mind.

**Outlook:** CEOTRONICS is **raising its guidance** and is now planning sales of € 50 million (+69%; previously: around € 46 million) with net income of around € 4 million (+220%; previously: € 3.5 million) for 2024/25 and expects the positive business development to continue in the following years.

### Key operating figures (in € mln)

Year	Total income	EBITDA	EBIT	EBT	Net profit	EPS (€)	DPS (€)	EBIT margin	Net margin
2022/23a	30.1	5.4	3.9	3.6	2.5	0.38	0.15	12.9%	8.4%
2023/24a	29.6	4.2	2.5	1.9	1.3	0.17	0.15	8.5%	4.2%
2024/25e	50.0	8.2	6.2	5.6	4.0	0.50	0.18	12.4%	8.0%
2025/26e	55.0	9.4	7.1	6.6	4.7	0.58	0.20	13.0%	8.5%
2026/27e	60.5	10.5	8.2	7.6	5.4	0.68	0.21	13.6%	8.9%
2027/28e	63.5	10.8	9.0	8.4	6.0	0.75	0.22	14.2%	9.4%

Source: CEOTRONICS AG (a), BankM Research (e)

Sector	Communication
WKN	5407407
ISIN	DE0005407407
Bloomberg/Reuters	CEK GY/CEK:DE
Accounting standard	HGB
Financial year	May 31
Financial reporting FY 2024/25	September 2025
Market segment	Open Market
Transparency standard	Basic Board

	24/25e	25/26e	26/27e	27/28e
EV/Sales	1.3	1.2	1.1	1.0
EV/EBITDA	7.8	6.8	6.1	5.9
EV/EBIT	10.3	9.0	7.8	7.1
P/E	11.2	9.6	8.3	7.5
Price/Book	1.6	1.5	1.3	1.2
Price/FCF	n.m.	22.3	18.4	9.7
RoE	16.9	16.0	16.6	16.3
Dividend yield (%)	2.9	3.3	3.4	3.6
Number of shares (mln)	7.98			
MarketCap / EV (€ mln)	44.64 / 64.15			
Ø daily trading vol. (3M, in € ths.)	76.81			
12M High / Low (€; close)	7.45 / 4.32			
Price January 28, 2025	6.15			
Performance	1M	6M	12M	
absolute (%)	6.0	20.6	42.0	
relative (%)	18.3	73.6	542.9	
Benchmark index	Daxsubsec. All Electr. Comp. & Hardware Perf.			



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### Estimates raised, several incoming orders in H1 24/25 ...

We have adjusted our estimates in view of the increased forecast; CEOTRONICS' business model is **highly predictable**, as call-off times and batch sizes are determined in advance. The major order from the German Armed Forces is significant, but CEOTRONICS has also won numerous other orders. **At the end of September, two orders** with a volume of **€ 1 million** ('customer with police tasks') and **€ 6.6 million** (including digital full-duplex radio devices, intelligent operating units) were reported; in November, orders worth **€ 1.7 million** (two police customers from Germany and a NATO customer from the EU) and an order worth **€ 3.2 million** (products from the CT-Comlink product family for an EU-NATO customer) were recorded. Despite the jump in sales in 2024/25, we continue to see significant growth at CEOTRONICS in the medium term - with further margin expansion. We assume that this growth will come - more strongly than in the past - from other NATO countries.

### ... Balance sheet 'digests' the leap in growth - key figures improve

CEOTRONICS has increased its inventories in the run-up to the Bundeswehr order, but also to ensure its ability to deliver. At the end of the 2023/24 financial year, the **inventory-to-sales ratio was 0.73 - we expect this figure to fall to 0.42 in 2024/25**. Looking at the **half-year balance sheet**, it is noticeable that inventories (+2.8%) developed at a significantly lower rate than the increase in sales and that the increase in trade receivables (+76.2%) was also lower than the increase in sales. As a result, the working capital-related key figures improved and **pre-financing pressure decreased**.

### Scaling takes effect, number of employees grows at a much slower rate, recruitment focuses on sales staff

The **increase in sales in H1 (>95%)** was largely managed with the existing workforce, as sales per employee (+92.2%) also rose by the same amount, with the number of employees (full-time equivalent) only increasing from 127 to 129 over the course of the year. This shows the good scalability in production - only one in three employees (FY 2023/24) is directly involved in production (operations). Margins benefit greatly from **scaling in production** - thus, **EBIT margin improved by 13.5** and net margin by 10.6 percentage points, respectively. Against this backdrop (and the SmG lighthouse project), it is logical that CEOTRONICS has now strengthened its (international) sales organisation - in January alone, three new **Area Sales Managers** were hired (including for Benelux, Austria and South-East Europe). It is to be expected that international business, which accounted for 18.8% of sales in H1, will gain in importance in the medium term.

### Macroeconomically challenging environment ...

Germany is in a recession, overregulation/bureaucracy, a shortage of skilled labour and comparatively high energy prices pose major challenges for the business models of many companies. Added to this are the war in Ukraine and other global centres of conflict, which can also affect supply chains.

### ... but safety market benefits from specific, non-cyclical factors

Companies that do a large part of their business with the public sector generally feel the economic problems to a lesser extent, and companies that serve internal and external safety are experiencing a certain boom due to past failures (**underinvestment**) and current **wars and crises** (including Ukraine/Russia; China/Taiwan). With regard to the 2% target missed by many NATO partners to date (2% of GDP should flow into defence), a rethink also seems to be taking place. A rethink also seems to be taking place, with higher target quotas (sometimes even 5%) being mentioned. This **special economic situation caused by the crises** will continue for many years to come, in addition to the **failures of the past**. For example, many state police forces and the federal police are underfunded and have budget freezes - this cannot continue in the medium

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term in view of the current challenges (organised crime, clan crime, political/religious extremism), and a rethink is needed.

Due to the high importance of customers from the internal safety sector (police, rescue services, fire brigades) and external safety (army, border protection), CEOTRONICS is also considered a **protector-supporter stock**. This describes the main driver of the business model well but ignores the fact that CEOTRONICS customers are also found in the (energy) economy and industry (furniture industry, power plants, shipyards, breweries, crane industry, wind turbine manufacturers/operators, manufacturers of agricultural vehicles, etc.) - in other words, where extreme external conditions make the company's products mandatory. At the same time, this business tends to be cyclical.

CEOTRONICS has distributed around € 8.5 million to shareholders since the IPO. The payout ratios averaged around 53% of the net profit for the respective reference years. Dividends have been distributed without interruption since 2021, and this is to be continued.

Sweden's **Invisio Communications AB** and Finland's **Bittium Oyi**, which are also active in the field of **communication solutions for military use**, continue to trade at significantly higher valuation multiples. While CEOTRONICS is trading at an EV/Sales of 1.3 and a P/E ratio of 11.2 for the **current financial year**, the 2025 multiples for **Invisio** are 8.0 and 47.7 and for **Bittium** 2.5 and 18.7, respectively. **By comparison, CEOTRONICS is clearly undervalued** - and offers investors an attractive opportunity to participate in the topic of internal and external safety at favourable conditions.

**Customer focus on safety, but diversified application portfolio**

**Shareholder-friendly dividend policy**

**Discount to peers not justified - opportunity for investors**

## Valuation

### DCF analysis

	2023/24a	Phase 1				Phase 2				Terminal Value
		2024/25e	2025/26e	2026/27e	2027/28e	2028/29e	2029/30e	2030/31e	2031/32e	
in € '000	<b>Basis</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	
Growth	-1.5%	68.7%	10.0%	10.0%	5.0%	5.0%	4.0%	4.0%	3.0%	1.0%
Revenues	29,632	50,000	55,000	60,500	63,525	66,701	69,369	72,144	74,308	75,051
EBIT	2,514	6,217	7,149	8,208	8,989	9,152	9,220	9,278	9,237	9,006
- 24/25ff: adopted tax on EBIT	680	1,809	2,080	2,388	2,616	2,663	2,683	2,700	2,688	2,621
+ Depreciation and amortization	1,709	2,027	2,241	2,329	1,811	2,014	1,982	2,093	2,117	2,000
+ Change in long-term provisions	-630	0	0	0	0	0	0	0	0	0
- Change in net working capital	14,583	3,874	3,235	3,558	1,957	2,055	1,726	1,795	1,400	471
- Other non-cash items	-118	0	0	0	0	0	0	0	0	0
- Capex	1,486	2,627	2,241	2,329	1,811	2,014	1,982	2,093	2,117	2,000
<b>= Free Cash Flow</b>	<b>-13,274</b>	<b>-66</b>	<b>1,834</b>	<b>2,261</b>	<b>4,416</b>	<b>4,434</b>	<b>4,811</b>	<b>4,783</b>	<b>5,149</b>	<b>5,915</b>
Terminal Value										98,940
Discount factor	n.a.	0.92	0.85	0.79	0.73	0.67	0.62	0.57	0.53	0.53
<b>NPV of Free Cash Flows</b>	n.a.	<b>-61</b>	<b>1,562</b>	<b>1,778</b>	<b>3,206</b>	<b>2,972</b>	<b>2,975</b>	<b>2,733</b>	<b>2,718</b>	
<b>NPV of Terminal Value</b>										<b>52,241</b>
<b>Valuation</b>		<b>Proportion of Enterprise Value</b>								
Result of Future Cash Flows	17,883	<b>26%</b>								
+ Result of Terminal Value	52,241	<b>74%</b>								
<b>= Value of the Entity</b>	<b>70,124</b>									
+ Cash (May 31, 2024)	692									
- Financial debt (May 31, 2024)	18,366									
+ Capital incr. (June 3, 2024)	4,687									
<b>= Value of the Equity</b>	<b>57,137</b>									
Current No. of Shares (in '000)	7,980									
<b>Price per Share</b>	<b>7.16</b>									

Source: BankM Research

### Model assumptions

	Quelle	2024/25e	2025/26e	2026/27e	2027/28e	2028/29e	2029/30e	2030/31e	2031/32e	TV
Riskfree Return*	Bloomberg	2.29%	2.27%	2.26%	2.32%	2.37%	2.32%	2.39%	2.46%	2.79%
Expected Market Return	Bloomberg / KPMG	9.03%	9.03%	9.03%	9.03%	9.03%	9.03%	9.03%	9.03%	9.03%
Market Risk Premium		6.74%	6.75%	6.76%	6.71%	6.66%	6.70%	6.64%	6.57%	6.24%
Peer Group Beta, relevered	Bloomberg	1.29	1.29	1.29	1.29	1.29	1.29	1.29	1.29	1.00
<b>Cost of Equity</b>		<b>10.97%</b>	<b>10.97%</b>	<b>10.97%</b>	<b>10.96%</b>	<b>10.95%</b>	<b>10.96%</b>	<b>10.94%</b>	<b>10.92%</b>	<b>9.03%</b>
Target Weight		70%	70%	70%	70%	70%	70%	70%	70%	70%
<b>Cost of Debt</b>		<b>2.99%</b>	<b>2.99%</b>							
Target Weight		30%	30%	30%	30%	30%	30%	30%	30%	30%
Tax Shield		29%	29%	29%	29%	29%	29%	29%	29%	29%
<b>WACC</b>		<b>8.35%</b>	<b>8.35%</b>	<b>8.35%</b>	<b>8.34%</b>	<b>8.33%</b>	<b>8.34%</b>	<b>8.32%</b>	<b>8.31%</b>	<b>6.98%</b>

Source: Bloomberg, KPMG, BankM Research; \*Spot rate German Government Bonds with a maturity of 1-8 years; Terminal Value: 20 years

### Sensitivity analysis

		Discount rate in Terminal value						
		5.50%	6.00%	6.50%	6.98%	7.50%	8.00%	8.50%
Growth in Terminal Value	-1.00%	6.51	6.08	5.72	5.41	5.12	4.87	4.65
	0.00%	7.65	7.07	6.57	6.16	5.78	5.45	5.17
	<b>1.00%</b>	9.31	8.44	7.73	<b>7.16</b>	6.63	6.20	5.83
	2.00%	11.91	10.50	9.40	8.56	7.81	7.21	6.70
	3.00%	16.60	13.94	12.03	10.66	9.50	8.61	7.88
		EBIT margin in Terminal Value						
		11.40%	11.60%	11.80%	12.00%	12.20%	12.40%	12.60%
Growth in Terminal Value	-1.00%	5.15	5.24	5.33	5.41	5.50	5.59	5.67
	0.00%	5.86	5.96	6.06	6.16	6.26	6.36	6.46
	<b>1.00%</b>	6.81	6.92	7.04	<b>7.16</b>	7.28	7.40	7.51
	2.00%	8.13	8.27	8.42	8.56	8.70	8.84	8.99
	3.00%	10.12	10.30	10.48	10.66	10.84	11.02	11.20

Source: BankM Research

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## Peer Group analysis

Peer Group	Mkt Cap	EV	EV/Sales			EV/EBITDA			EV/EBIT			P/E		
	prev. Day*	prev. Day*	2025	2026	2027	2025	2026	2027	2025	2026	2027	2025	2026	2027
<b>Multiples</b>														
Rosenbauer International AG	233.2	64.5	0.0	0.0	0.0	0.6	0.6	-	0.9	0.8	-	2.0	1.5	-
Filtronic PLC	246.0	241.0	4.2	4.9	-	14.7	20.8	-	17.2	26.6	-	19.3	29.9	-
Frequentis AG	370.5	365.3	0.7	0.7	0.6	6.8	6.3	5.6	11.5	10.4	8.7	15.5	14.1	11.9
FORTEC Elektronik AG	63.4	46.1	0.5	0.4	0.4	6.1	4.7	3.7	7.9	5.7	4.3	11.2	7.9	6.1
Mobotix AG	7.1	20.2	0.4	0.3	0.3	3.6	2.9	-	16.8	8.4	5.6	-	22.4	-
Init Innovation in Traffic Sys	375.5	424.0	1.4	1.2	1.0	8.8	7.4	-	12.3	10.1	7.6	18.2	14.8	-
IVU Traffic Technologies AG	275.5	283.0	2.0	1.8	-	11.3	10.1	-	14.1	12.3	-	18.9	16.6	-
INVISIO AB	1,315.5	1,297.1	8.0	6.9	5.6	30.1	24.5	17.6	33.5	26.7	21.3	47.7	36.5	-
Hensoldt AG	4,298.9	5,354.9	2.0	1.8	1.7	11.6	9.9	8.8	16.0	13.2	11.4	27.0	21.7	17.7
Bittium Oyj	229.2	247.4	2.5	2.2	2.1	10.2	8.4	7.3	19.3	14.5	12.3	18.7	16.4	14.4
<b>Median**</b>	<b>260.8</b>	<b>265.2</b>	<b>1.7</b>	<b>1.5</b>	<b>0.8</b>	<b>9.5</b>	<b>7.9</b>	<b>7.3</b>	<b>17.6</b>	<b>11.3</b>	<b>8.7</b>	<b>29.2</b>	<b>16.5</b>	<b>13.1</b>
Transition			2025/26	2026/27		2025/26	2026/27		2025/26	2026/27		2025/26	2026/27	
Median adjusted for deviating fiscal year			1.6	1.2		8.8	7.6		15.0	10.2		23.9	15.1	
Mean (for inform. purposes)	741.5	834.3	2.2	2.0	1.5	10.4	9.6	8.6	15.0	12.9	10.2	19.9	18.2	12.5
			Revenue			EBITDA			EBIT			Net profit		
<b>CEOTRONICS AG</b>			<b>55.00</b>	<b>60.50</b>		<b>9.39</b>	<b>10.54</b>		<b>7.15</b>	<b>8.21</b>		<b>4.65</b>	<b>5.40</b>	

\*Closing prices prev. Day, if not available: current prices

\*\*All values, including negative ones, are considered for median calculation, with negative values being assigned the highest rank

Enterprise value	89.13	92.13	82.74	80.43	107.30	83.88	111.36	81.64	0.00
- Net debt (Nov 30, 2024)	19.50	19.50	19.50	19.50	19.50	19.50			
Value of the Equity	69.63	72.63	63.24	60.93	87.80	64.38	111.36	81.64	0.00

Year	2025/26e	2026/27e
Implicit Price (€)	10.40	8.76
Mean (€)	9.58	

in € mln	2025/26e	2026/27e
based on EV/Sales	69.63	72.63
based on EV/EBITDA	63.24	60.93
based on EV/EBIT	87.80	64.38
based on P/E	111.36	81.64
Mean	83.01	69.89
Number of shares (mln)	7.98	7.98
Price/share (€)	10.40	8.76

Source: Bloomberg, BankM Research

## Valuation Summary

Our **DCF analysis** results in a value per share of € 7.16 and the **peer group analysis** on the basis of 2025/26 and 2026/27 results in an average value per share of € 9.58. With equal weighting of both approaches, the **Fair Value per share is € 8.37**. Our Fair Value is thus 36% above the current share price and - according to our rating system - leads to our investment opinion 'Buy'.

**Fair Value of the share: € 8.37**

## Tables

### Profit & Loss Account

Fiscal Year 31.05 (HGB) in € ths	2022/23a	2023/24a	2024/25e	2025/26e	2026/27e	2027/28e	5y - CAGR 22/23 - 27/28	H1 23/24a	H1 24/25a
<b>Total Sales</b>	<b>30,081</b>	<b>29,632</b>	<b>50,000</b>	<b>55,000</b>	<b>60,500</b>	<b>63,525</b>	16.1	<b>10,833</b>	<b>21,153</b>
<i>Growth rate in %</i>	3.3	-1.5	68.7	10.0	10.0	5.0		-29.6	95.3
Cost of sales	15,594	15,778	28,000	30,800	33,880	35,574	17.9	5,944	12,798
<i>in % of total sales</i>	51.8	53.2	56.0	56.0	56.0	56.0		54.9	60.5
<b>Gross Profit</b>	<b>14,487</b>	<b>13,854</b>	<b>22,000</b>	<b>24,200</b>	<b>26,620</b>	<b>27,951</b>	14.0	<b>4,889</b>	<b>8,355</b>
Selling and marketing expenses	5,371	5,473	8,100	8,745	9,438	9,719	12.6	2,635	3,165
<i>in % of total sales</i>	17.9	18.5	16.2	15.9	15.6	15.3		24.3	15.0
General and administration expenses	2,185	2,382	2,892	3,016	3,136	3,103	7.3	1,179	1,446
<i>in % of total sales</i>	7.3	8.0	5.8	5.5	5.2	4.9		10.9	6.8
<i>in % of total sales</i>	3,821	3,642	4,986	5,485	6,033	6,335	10.6	1,786	2,493
<i>in % of total sales</i>	12.7	12.3	10.0	10.0	10.0	10.0		16.5	11.8
Other income	824	462	500	500	500	500		226	284
Other expenses	57	305	305	305	305	305		205	35
<b>EBIT</b>	<b>3,877</b>	<b>2,514</b>	<b>6,217</b>	<b>7,149</b>	<b>8,208</b>	<b>8,989</b>	18.3	<b>-690</b>	<b>1,500</b>
Finance Result (+inc./-exp)	-263	-584	-585	-585	-585	-585		-149	-406
<b>EBT</b>	<b>3,614</b>	<b>1,931</b>	<b>5,632</b>	<b>6,564</b>	<b>7,622</b>	<b>8,404</b>	18.4	<b>-839</b>	<b>1,116</b>
Taxes on Income (Exp./+Inc.-)	1,085	680	1,639	1,910	2,218	2,446		-98	318
<b>Net profit</b>	<b>2,529</b>	<b>1,250</b>	<b>3,993</b>	<b>4,654</b>	<b>5,404</b>	<b>5,958</b>	18.7	<b>-741</b>	<b>798</b>
<i>For information purposes</i>									
Depreciation and amortization	1,495	1,709	2,027	2,241	2,329	1,811		681	806
<i>in % of total sales</i>	5.0	5.8	4.1	4.1	3.8	2.9		6.3	3.8
<b>EBITDA</b>	<b>5,372</b>	<b>4,223</b>	<b>8,244</b>	<b>9,390</b>	<b>10,536</b>	<b>10,800</b>		<b>-9</b>	<b>2,306</b>
No. of shares (Ø outstanding)	6,600	7,259	7,980	7,980	7,980	7,980		7,259	7,980
Net profit / share (EPS)	0.38	0.17	0.50	0.58	0.68	0.75		-0.10	0.10

Source: CEOTRONICS AG (a), BankM Research (e)

### P&L Margins

in %	2022/23a	2023/24a	2024/25e	2025/26e	2026/27e	2027/28e		H1 23/24a	H1 24/25a
Gross Profit Margin	48.2	46.8	44.0	44.0	44.0	44.0		45.1	39.5
EBITDA Margin	17.9	14.3	16.5	17.1	17.4	17.0		-0.1	10.9
EBIT Margin	12.9	8.5	12.4	13.0	13.6	14.2		-6.4	7.1
EBT Margin	12.0	6.5	11.3	11.9	12.6	13.2		-7.7	5.3
Net Profit Margin	8.4	4.2	8.0	8.5	8.9	9.4		-6.8	3.8

Source: CEOTRONICS AG (a), BankM Research (e)

# CEOTRONICS AG

January 29, 2025

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## Cash Flow Statement

Fiscal Year 31.05 (HGB) in € ths	2022/23a	2023/24a	2024/25e	2025/26e	2026/27e	2027/28e	H1 23/24a	H1 24/25a
<b>EBT</b>	<b>2,529</b>	<b>1,250</b>	<b>3,993</b>	<b>4,654</b>	<b>5,404</b>	<b>5,958</b>	<b>-741</b>	<b>798</b>
+ Depreciation and amortization	1,390	1,377	2,027	2,241	2,329	1,811	681	806
+ Chg. in long-term provisions	-292	-630	0	0	0	0	-837	-310
<b>= Cash Earnings</b>	<b>3,627</b>	<b>1,997</b>	<b>6,020</b>	<b>6,894</b>	<b>7,733</b>	<b>7,769</b>	<b>-897</b>	<b>1,294</b>
- Change in NWC	-1,035	14,583	3,874	3,235	3,558	1,957	8,953	5,603
+ Net financial items	263	584	585	585	585	585	149	384
+ Other non-cash items	-255	-118	0	0	0	0	-8	95
<b>= Operating Cash Flow</b>	<b>4,670</b>	<b>-12,120</b>	<b>2,732</b>	<b>4,245</b>	<b>4,760</b>	<b>6,397</b>	<b>-9,709</b>	<b>-3,830</b>
- Capex	1,346	1,486	2,627	2,241	2,329	1,811	545	1,323
- Payments for intangible assets	533	704	1,225	1,400	1,600	1,105	345	155
- Payments for tangible assets	813	782	1,402	841	729	706	200	1,168
- Others	0	-1	0	0	0	0	0	-22
<b>Cash flow from investing activities</b>	<b>-1,346</b>	<b>-1,485</b>	<b>-2,627</b>	<b>-2,241</b>	<b>-2,329</b>	<b>-1,811</b>	<b>-545</b>	<b>-1,301</b>
<b>= Free Cash Flow</b>	<b>3,324</b>	<b>-13,605</b>	<b>104</b>	<b>2,004</b>	<b>2,431</b>	<b>4,587</b>	<b>-10,254</b>	<b>-5,131</b>
+ Capital increase	0	2,359	4,687	0	0	0	2,359	4,687
+ Financial debt	655	6,847	0	0	0	0	3,800	3,427
- Redemption of financial debt	1,490	948	0	0	0	0	422	452
- Interest paid	263	585	585	585	585	585	149	406
- Dividend (previous year)	990	990	1,089	1,436	1,596	1,676	990	1,089
<b>= Increase in liquid funds</b>	<b>1,236</b>	<b>-6,922</b>	<b>3,117</b>	<b>-17</b>	<b>250</b>	<b>2,326</b>	<b>-5,656</b>	<b>1,036</b>

Source: CEOTRONICS AG (a), BankM Research (e)

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## Balance Sheet

Fiscal Year 31.05 (HGB) in € ths	2022/23a	2023/24a	2024/25e	2025/26e	2026/27e	2027/28e	H1 24/25a
<b>Assets</b>							
<b>A. Total Fixed Assets</b>	<b>12,717</b>	<b>12,826</b>	<b>13,426</b>	<b>13,426</b>	<b>13,426</b>	<b>13,426</b>	<b>13,343</b>
I. Intangible assets	5,289	5,222	5,222	5,222	5,222	5,222	4,922
II. Tangible assets	7,428	7,604	8,204	8,204	8,204	8,204	8,421
<b>B. Total Current Assets</b>	<b>16,421</b>	<b>30,798</b>	<b>38,910</b>	<b>42,403</b>	<b>46,514</b>	<b>50,963</b>	<b>37,870</b>
I. Accounts receivable	13,096	21,723	20,956	23,052	25,357	26,625	22,594
II. Accounts receivable	1,881	8,383	14,145	15,560	17,116	17,971	14,846
III. Liquid funds	1,444	692	3,809	3,791	4,041	6,367	430
<b>C. Accruals</b>	<b>226</b>	<b>196</b>	<b>196</b>	<b>196</b>	<b>196</b>	<b>196</b>	<b>357</b>
<b>Balance Sheet Total</b>	<b>29,364</b>	<b>43,820</b>	<b>52,532</b>	<b>56,025</b>	<b>60,136</b>	<b>64,586</b>	<b>51,570</b>
<b>Shareholder's Equity / Liabilities</b>							
<b>A. Shareholders Equity</b>	<b>17,241</b>	<b>19,895</b>	<b>27,486</b>	<b>30,703</b>	<b>34,511</b>	<b>38,794</b>	<b>24,226</b>
I. Subscribed capital	6,600	7,259	7,980	7,980	7,980	7,980	7,980
II. Share premium	2,361	4,061	8,027	8,027	8,027	8,027	8,027
III. Retained earnings/losses	16	16	16	16	16	16	16
IV. Difference from currency translation	-579	-544	-544	-544	-544	-544	-609
V. Retained earnings	6,314	7,853	8,014	10,571	13,628	17,357	8,014
VI. Balance sheet profit	2,529	1,250	3,993	4,654	5,404	5,958	798
<b>B. Provisions</b>	<b>2,275</b>	<b>1,658</b>	<b>1,658</b>	<b>1,658</b>	<b>1,658</b>	<b>1,658</b>	<b>1,752</b>
<b>C. Liabilities</b>	<b>8,890</b>	<b>21,325</b>	<b>22,447</b>	<b>22,722</b>	<b>23,025</b>	<b>23,192</b>	<b>24,780</b>
t/o Financial liabilities	6,296	18,366	18,366	18,366	18,366	18,366	19,933
t/o pre-payments	384	116	116	116	116	116	0
t/o Accounts payable	1,384	1,632	2,754	3,029	3,332	3,499	2,368
t/o Others	826	1,211	1,211	1,211	1,211	1,211	2,479
<b>D. Deferred tax liabilities</b>	<b>958</b>	<b>942</b>	<b>942</b>	<b>942</b>	<b>942</b>	<b>942</b>	<b>812</b>
<b>Balance Sheet Total</b>	<b>29,364</b>	<b>43,820</b>	<b>52,532</b>	<b>56,025</b>	<b>60,136</b>	<b>64,586</b>	<b>51,570</b>

Source: CEOTRONICS AG (a), BankM Research (e)

## Balance Sheet Ratios

In % of Balance Sheet Total	2022/23a	2023/24a	2024/25e	2025/26e	2026/27e	2027/28e	H1 24/25a
Total Fixed Assets	43.31	29.27	25.56	23.96	22.33	20.79	25.87
Total Current Assets	55.92	70.28	74.07	75.69	77.35	78.91	73.43
Others	0.77	0.45	0.37	0.35	0.33	0.30	0.69
Shareholder's Equity	58.71	45.40	52.32	54.80	57.39	60.07	46.98
Provisions	7.75	3.78	3.16	2.96	2.76	2.57	3.40
Total Liabilities	30.28	48.66	42.73	40.56	38.29	35.91	48.05

Source: CEOTRONICS AG (a), BankM Research (e)

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**Authors: Daniel Grossjohann and Dr. Roger Becker (CEFA), analysts. We appreciate the qualified support of Jan Kaden during his internship as part of his dual study program.**

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Analysts	Date	Valuation result	Fair value
Daniel Großjohann, Dr. Roger Becker (CEFA)	January 31, 2024	Buy	€ 5.28
Daniel Großjohann, Dr. Roger Becker (CEFA)	April 18, 2024	Buy	€7.65
Daniel Großjohann, Dr. Roger Becker (CEFA)	April 24, 2024	Buy	€ 8.05
Daniel Großjohann, Dr. Roger Becker (CEFA)	June 5, 2024	Buy	€ 8.16
Daniel Großjohann, Dr. Roger Becker (CEFA)	July 23, 2024	Buy	€ 8.11
Daniel Großjohann, Dr. Roger Becker (CEFA)	September 12, 2024	Buy	€ 7.88
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