

Information analysis

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Valuation Result

HOLD

(previous: Buy)

Fair Value

€ 13.89

(previous: € 10.96)

Share revaluation underway, a further major order received

CEOTRONICS AG's share price has risen significantly in recent days/weeks. The **initial trigger** was the forecast increase on April 8, 2025, and in our view the capital market has also **revalued** the CEOTRONICS share for several reasons (see below). The latest major order, which has a volume of at least €13.5m, should further fuel the euphoria, as the customer **could be** a European NATO partner, given the products to be supplied (including the CT-MultiPTT C3 'FührungsPTT'). This would reinforce our view that the major order from the German Armed Forces is a flagship project whose appeal will open doors for other NATO partners. With a 2024/25 EV/Sales of 2.6, the share has **closed the gap** to peers that develop and produce communication equipment for NATO armies - Bittium (2025e: 2.8) and Invisio (2025e: 8.5).

The equal weighting of our updated DCF and peer group analysis results in a fair value of € 13.89. With the current share price exceeding our Fair Value by 6.8%, our recommendation reads "Hold".

- **Revaluation by the capital market.** The recent sharp rise in the share price is not only due to the **forecast increase**: 1) exceeding the **€ 100 million mark** in market capitalisation has made the share investable and more **visible** for certain investors, 2) this has increased daily trading volumes (XETRA 30-day average: T€ 887) and thus liquidity, 3) the **most recent order** could support the thesis that the Bundeswehr order was the key to a faster Europeanisation of sales, 4) the **easing of the debt brake** and **"ReArm Europe"** have led to **revaluations in the entire defence sector** - CEOTRONICS had previously benefited disproportionately less here (due to its lower visibility), 5) measured against the valuations of its **closer peers** (Bittium, Invisio), there is still upside potential.
- Our peer group has **so far not taken** into account the **exceptional boom** in defence spending. We have therefore now divided the peer group into a peer predominantly focused on the **civil market** (Rosenbauer, Fortec, Frequentis, Init, among others) and a **defence peer** (Hensoldt, Invisio, Bittium) - which we weight **within the peer valuation with our expected 2024/25 revenue split [20 (civil):80 (defence)]**.

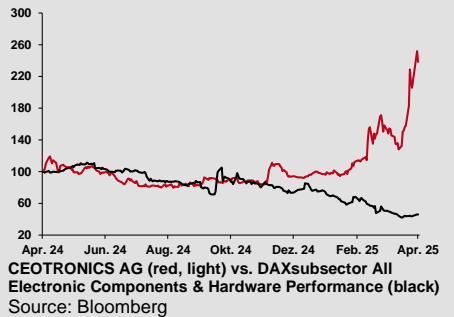
Key operating figures (in € mln)

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	55.0	8.7	6.8	6.2	4.4	0.55	0.18	12.3%	8.0%
2025/26e	60.5	10.0	7.8	7.2	5.1	0.64	0.20	12.9%	8.5%
2026/27e	66.6	11.2	9.0	8.4	5.9	0.74	0.21	13.5%	8.9%
2027/28e	69.9	11.5	9.8	9.2	6.5	0.82	0.22	14.1%	9.4%

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

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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 4, 2025
Market segment	Open Market
Transparency standard	Basic Board
	24/25e 25/26e 26/27e 27/28e
EV/Sales	2.5 2.3 2.1 2.0
EV/EBITDA	15.8 13.9 12.3 12.0
EV/EBIT	20.4 17.7 15.4 14.1
P/E	27.1 23.2 20.0 18.2
Price/Book	4.3 3.8 3.3 2.9
Price/FCF	neg. 55.4 45.5 23.9
RoE	18.4 17.2 17.6 17.1
Dividend yield (%)	1.2 1.3 1.4 1.5
Number of shares (mln)	7.98
MarketCap / EV (€ mln)	118.90 / 138.41
Ø daily trading vol. (3M, in € ths.)	600.37
12M High / Low (€; close)	15.75 / 4.98
Price April 23, 2025	14.90
Performance absolute (%)	1M 6M 12M 50.5 173.4 144.3
relative (%)	65.9 421.8 436.5
Benchmark index	Daxsubsec. All Electr. Comp. & Hardware



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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
Total Sales	30,081	29,632	55,000	60,500	66,550	69,878	18.4
<i>Growth rate in %</i>	3.3	-1.5	85.6	10.0	10.0	5.0	
Cost of sales	15,594	15,778	31,625	34,788	38,266	40,180	20.8
<i>in % of total sales</i>	51.8	53.2	57.5	57.5	57.5	57.5	
Gross Profit	14,487	13,854	23,375	25,713	28,284	29,698	15.4
Selling and marketing expenses	5,371	5,473	8,910	9,620	10,382	10,691	14.8
<i>in % of total sales</i>	17.9	18.5	16.2	15.9	15.6	15.3	
General and administration expenses	2,185	2,382	2,892	3,000	3,100	3,045	6.9
<i>in % of total sales</i>	7.3	8.0	5.3	5.0	4.7	4.4	
	3,821	3,642	4,986	5,485	6,033	6,335	10.6
<i>in % of total sales</i>	12.7	12.3	9.1	9.1	9.1	9.1	
Other income	824	462	500	500	500	500	
Other expenses	57	305	305	305	305	305	
EBIT	3,877	2,514	6,782	7,804	8,964	9,822	20.4
Finance Result (+inc./-exp)	-263	-584	-585	-585	-585	-585	
EBT	3,614	1,931	6,197	7,218	8,378	9,236	20.6
Taxes on Income (Exp./Inc.-)	1,085	680	1,803	2,101	2,438	2,688	
Net profit	2,529	1,250	4,393	5,118	5,940	6,548	21.0
<i>For information purposes</i>							
Depreciation and amortization	1,495	1,709	1,961	2,167	2,247	1,719	
<i>in % of total sales</i>	5.0	5.8	3.6	3.6	3.4	2.5	
EBITDA	5,372	4,223	8,743	9,970	11,210	11,541	
No. of shares (Ø outstanding)	6,600	7,259	7,980	7,980	7,980	7,980	
Net profit / share (EPS)	0.38	0.17	0.55	0.64	0.74	0.82	

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

P&L Margins

in %	2022/23a	2023/24a	2024/25e	2025/26e	2026/27e	2027/28e
Gross Profit Margin	48.2	46.8	42.5	42.5	42.5	42.5
EBITDA Margin	17.9	14.3	15.9	16.5	16.8	16.5
EBIT Margin	12.9	8.5	12.3	12.9	13.5	14.1
EBT Margin	12.0	6.5	11.3	11.9	12.6	13.2
Net Profit Margin	8.4	4.2	8.0	8.5	8.9	9.4

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

CEOTRONICS AG

April 24, 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
Net profit	2,529	1,250	4,393	5,118	5,940	6,548
+ Depreciation and amortization	1,390	1,377	1,961	2,167	2,247	1,719
+ Chg. in long-term provisions	-292	-630	0	0	0	0
= Cash Earnings	3,627	1,997	6,354	7,284	8,187	8,268
- Change in NWC	-1,035	14,583	7,109	3,558	3,914	2,153
+ Net financial items	263	584	585	585	585	585
+ Other non-cash items	-255	-118	0	0	0	0
= Operating Cash Flow	4,670	-12,120	-169	4,312	4,858	6,700
- Capex	1,346	1,486	1,961	2,167	2,247	1,719
- Payments for intangible assets	533	704	1,225	1,400	1,600	1,105
- Payments for tangible assets	813	782	735	766	646	614
- Others	0	-1	0	0	0	0
Cash flow from investing activities	-1,346	-1,485	-1,961	-2,167	-2,247	-1,719
= Free Cash Flow	3,324	-13,605	-2,130	2,145	2,612	4,981
+ Capital increase	0	2,359	4,687	0	0	0
+ Financial debt	655	6,847	0	0	0	0
- Redemption of financial debt	1,490	948	0	0	0	0
- Interest paid	263	585	585	585	585	585
- Dividend (previous year)	990	990	1,089	1,436	1,596	1,676
= Increase in liquid funds	1,236	-6,922	883	123	430	2,720

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

Balance Sheet

Fiscal Year 31.05 (HGB) in € ths	2022/23a	2023/24a	2024/25e	2025/26e	2026/27e	2027/28e
Assets						
A. Total Fixed Assets	12,717	12,826	12,826	12,826	12,826	12,826
I. Intangible assets	5,289	5,222	5,222	5,222	5,222	5,222
II. Tangible assets	7,428	7,604	7,604	7,604	7,604	7,604
B. Total Current Assets	16,421	30,798	40,186	44,170	48,848	53,904
I. Accounts receivable	13,096	21,723	23,052	25,357	27,893	29,288
II. Accounts receivable	1,881	8,383	15,560	17,116	18,827	19,769
III. Liquid funds	1,444	692	1,575	1,698	2,128	4,848
C. Accruals	226	196	196	196	196	196
Balance Sheet Total	29,364	43,820	53,208	57,193	61,870	66,926
Shareholder's Equity / Liabilities						
A. Shareholders Equity	17,241	19,895	27,886	31,568	35,912	40,785
I. Subscribed capital	6,600	7,259	7,980	7,980	7,980	7,980
II. Share premium	2,361	4,061	8,027	8,027	8,027	8,027
III. Retained earnings/losses	16	16	16	16	16	16
IV. Difference from currency translation	-579	-544	-544	-544	-544	-544
V. Retained earnings	6,314	7,853	8,014	10,971	14,493	18,758
VI. Balance sheet profit	2,529	1,250	4,393	5,118	5,940	6,548
B. Provisions	2,275	1,658	1,658	1,658	1,658	1,658
C. Liabilities	8,890	21,325	22,722	23,025	23,358	23,542
t/o Financial liabilities	6,296	18,366	18,366	18,366	18,366	18,366
t/o pre-payments	384	116	116	116	116	116
t/o Accounts payable	1,384	1,632	3,029	3,332	3,665	3,849
t/o Others	826	1,211	1,211	1,211	1,211	1,211
D. Deferred tax liabilities	958	942	942	942	942	942
Balance Sheet Total	29,364	43,820	53,208	57,193	61,870	66,926

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
Total Fixed Assets	43.31	29.27	24.11	22.43	20.73	19.16
Total Current Assets	55.92	70.28	75.53	77.23	78.95	80.54
Others	0.77	0.45	0.37	0.34	0.32	0.29
Shareholder's Equity	58.71	45.40	52.41	55.20	58.04	60.94
Provisions	7.75	3.78	3.12	2.90	2.68	2.48
Total Liabilities	30.28	48.66	42.70	40.26	37.75	35.18

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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Issuer of the analysed instruments is CEOTRONICS AG.

Notice regarding previous publications regarding the issuer within the last 12 months:

Analysts	Date	Valuation result	Fair value
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
Daniel Großjohann, Dr. Roger Becker (CEFA)	October 9, 2024	Buy	€ 7.94
Daniel Großjohann, Dr. Roger Becker (CEFA)	January 29, 2025	Buy	€ 8.37
Daniel Großjohann, Dr. Roger Becker (CEFA)	April 10, 2025	Buy	€ 10.96

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3. Date and time of finalisation of this document (German original):

April 24, 2025, 10:00am (CEST)

4. Date and time of prices of the instruments quoted in this document:

Closing prices of April 23, 2025, 5:30pm (CEST)

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