

CEOTRONICS AG

December 18, 2025

Information Analysis

Analysts:

Daniel Großjohann
Dr. Roger Becker, CEFA
+49 69 71 91 838 -42, -46
daniel.grossjohann@bankm.de; roger.becker@bankm.de

Valuation Result

BUY

(previous: BUY)

Fair Value

€17.92

(previous: €17,66)



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Third SmG lot contributes approximately €47 million to order backlog

CEOTRONICS was able to announce **the SmG call-off '2026'** somewhat sooner than we had initially expected – the Bundestag's Budget Committee had only given its approval at the beginning of December. The order gives CEOTRONICS greater planning security but does not change our medium-term sales expectations. The call-offs for a total of 50k **PTT buttons for officers and soldiers** (CT-MultiPTT 3C and 1C, amongst others) will have an impact on sales in the 2027 calendar year and will therefore be included in the 2026/27 and 2027/28 financial years. With a quantity of 110k units called up, the binding minimum volume (60k) has already been significantly exceeded; this underlines the German Armed Forces' ambition to provide all branches of the armed forces with high-quality SmG systems and, in our opinion, increases the likelihood that reservists and conscripts will also be equipped with these systems **in a future step**. Based on DCF and peer analysis, CEOTRONICS shares remain a "BUY" despite the recent rise in price.

The equal weighting of our updated DCF and peer group analyses results in a fair value of €17.92.

- European defence stocks have recently come under pressure as a ceasefire in Ukraine appears increasingly likely, driven by efforts on the part of the United States. In our view, this would not have any negative operational impact on suppliers (such as CEOTRONICS) that primarily address the technical infrastructure of NATO alliance armies, as these investments only resolve a certain investment backlog, increase the efficiency of the armed forces and remain on the political agenda.
- Software updates and upgrades keep CEOTRONICS solutions future-proof and enable very long-term use – even new, currently unknown radio systems can be integrated.
- The increase in German defence spending to €108.2 billion (+25.3%) in 2026 will ensure that the market environment remains favourable.

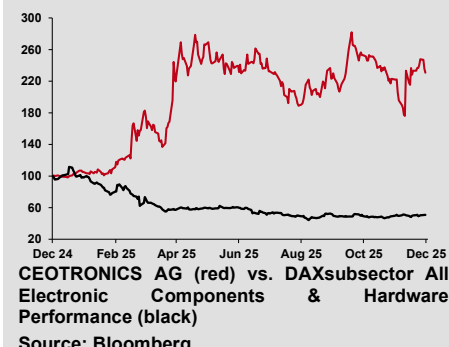
Outlook: CEOTRONICS continues to anticipate revenue of **approx. €56 mln for 2025/26**, which represents only slight growth of 0.4% (previous year: +88%). By contrast, annual earnings are expected to increase by just under 13% to around €5.3 mln. The company is thus 'digesting' the purely organic jump in sales from the previous year, with the medium-term goal of achieving sales of €65 mln.

Key operating figures (in €mln)

Year	Total income	EBITDA	EBIT	EBT	Net profit	EPS (€)	DPS (€)	EBIT margin	Net margin
2023/24a	29.6	4.2	2.5	1.9	1.3	0.18	0.15	8.5%	4.2%
2024/25a	55.8	9.4	7.8	6.9	4.7	0.60	0.20	14.0%	8.5%
2025/26e	56.0	10.0	7.9	7.5	5.3	0.67	0.22	14.1%	9.5%
2026/27e	60.5	11.0	8.8	8.4	6.0	0.75	0.24	14.6%	9.9%
2027/28e	65.3	11.4	9.8	9.4	6.7	0.84	0.26	15.0%	10.3%
2028/29e	68.6	12.4	10.6	10.2	7.3	0.91	0.28	15.5%	10.6%

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
Report H1 2025/26	End of January, 2026
Market segment	Open Market
Transparency standard	Basic Board
Financial ratios	25/26e 26/27e 27/28e 28/29e
EV/Sales	2.0 1.8 1.7 1.6
EV/EBITDA	11.0 10.0 9.6 8.9
EV/EBIT	13.9 12.5 11.2 10.4
P/E	20.2 18.0 16.1 14.8
Price/Book	3.4 3.0 2.6 2.3
Price/FCF	19.1 23.9 21.3 17.2
RoE	17.7 17.5 17.3 16.6
Dividend yield (%)	1.6 1.8 1.9 2.1
Number of shares (mln)	7.98
MarketCap / EV (€ mln)	107.73 / 110.00
Ø daily trading vol. (3M, in € ths.)	326.37
12M High / Low (€; close)	16.50 / 5.75
Price December 17, 2025	13.50
Performance	1M 6M 12M
absolute (%)	3.8 -3.6 126.9
relative (%)	1.5 14.6 324.8
Benchmark index	Daxsubsec. All Electr. Comp. & Hardware Perf.



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Tables

Profit & Loss Account

Fiscal Year 31.05 (HGB) in € ths	2023/24a	2024/25a	2025/26e	2026/27e	2027/28e	2028/29e	5y - CAGR 23/24 - 28/29
Total Sales	29,632	55,795	56,018	60,500	65,340	68,607	18.3
<i>Growth rate in %</i>	-1.5	88.3	0.4	8.0	8.0	5.0	
Cost of sales	15,778	33,002	32,771	35,392	38,224	40,135	20.5
<i>in % of total sales</i>	53.2	59.1	58.5	58.5	58.5	58.5	
Gross Profit	13,854	22,793	23,248	25,107	27,116	28,472	15.5
Selling and marketing expenses	5,473	6,624	6,834	7,260	7,710	7,958	7.8
<i>in % of total sales</i>	18.5	11.9	12.2	12.0	11.8	11.6	
General and administration expenses	2,382	2,985	3,081	3,206	3,332	3,362	7.1
<i>in % of total sales</i>	8.0	5.3	5.5	5.3	5.1	4.9	
Research and Development	3,642	4,995	5,015	5,416	5,849	6,142	11.0
<i>in % of total sales</i>	12.3	9.0	9.0	9.0	9.0	9.0	
Other income	462	380	380	380	380	380	
Other expenses	305	779	779	779	779	779	
EBIT	2,514	7,790	7,918	8,826	9,825	10,611	33.4
Finance Result (+inc./-exp)	-584	-855	-378	-378	-378	-378	
EBT	1,930	6,935	7,540	8,448	9,447	10,233	39.6
Taxes on Income (Exp./Inc.-)	680	2,196	2,194	2,458	2,749	2,978	
Net profit	1,250	4,739	5,346	5,989	6,698	7,255	42.1
<i>For information purposes</i>							
Depreciation and amortization	1,707	1,619	2,106	2,162	1,606	1,766	
<i>in % of total sales</i>	5.8	2.9	3.8	3.6	2.5	2.6	
EBITDA	4,221	9,409	10,024	10,988	11,431	12,377	
No. of shares (Ø outstanding)	6,957	7,948	7,980	7,980	7,980	7,980	
Net profit / share (EPS)	0.18	0.60	0.67	0.75	0.84	0.91	

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

P&L Margins

in %	2023/24a	2024/25a	2025/26e	2026/27e	2027/28e	2028/29e
Gross Profit Margin	46.8	40.9	41.5	41.5	41.5	41.5
EBITDA Margin	14.2	16.9	17.9	18.2	17.5	18.0
EBIT Margin	8.5	14.0	14.1	14.6	15.0	15.5
EBT Margin	6.5	12.4	13.5	14.0	14.5	14.9
Net Profit Margin	4.2	8.5	9.5	9.9	10.3	10.6

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

CEOTRONICS AG

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Cash Flow Statement

Fiscal Year 31.05 (HGB) in € ths	2023/24a	2024/25a	2025/26e	2026/27e	2027/28e	2028/29e
Net profit	1,250	4,739	5,346	5,989	6,698	7,255
+ Depreciation and amortization	1,377	1,619	2,106	2,162	1,606	1,766
+ Chg. in long-term provisions	-630	1,684	0	0	0	0
= Cash Earnings	1,997	8,042	7,452	8,151	8,304	9,021
- Change in NWC	14,583	-4,430	93	1,861	2,010	1,357
+ Net financial items	584	855	378	378	378	378
+ Other non-cash items	-118	1,494	0	0	0	0
= Operating Cash Flow	-12,120	14,821	7,737	6,668	6,673	8,043
- Capex	1,486	2,160	2,106	2,162	1,606	1,766
- Payments for intangible assets	704	377	1,279	1,462	946	1,081
- Payments for tangible assets	782	1,783	827	700	660	685
- Others	-1	-22	0	0	0	0
Cash flow from investing activities	-1,485	-2,138	-2,106	-2,162	-1,606	-1,766
= Free Cash Flow	-13,605	12,683	5,631	4,507	5,066	6,276
+ Capital increase	2,359	4,687	0	0	0	0
+ Financial debt	6,847	1,637	0	0	0	0
- Redemption of financial debt	948	6,092	0	0	0	0
- Interest paid	585	877	378	378	378	378
- Dividend (previous year)	990	1,089	1,596	1,756	1,915	2,075
= Increase in liquid funds	-6,922	10,949	3,657	2,373	2,773	3,824

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

Balance Sheet

Fiscal Year 31.05 (HGB) in € ths	2023/24a	2024/25a	2025/26e	2026/27e	2027/28e	2028/29e
Assets						
A. Total Fixed Assets	12,826	12,810	12,810	12,810	12,810	12,810
I. Intangible assets	5,222	4,169	4,169	4,169	4,169	4,169
II. Tangible assets	7,604	8,641	8,641	8,641	8,641	8,641
B. Total Current Assets	30,798	29,444	33,200	37,555	42,469	47,738
I. Accounts receivable	21,723	19,146	19,223	20,760	22,421	23,542
II. Accounts receivable	8,383	5,534	5,556	6,001	6,481	6,805
III. Liquid funds	692	4,764	8,421	10,794	13,567	17,391
C. Accruals	196	351	351	351	351	351
Balance Sheet Total	43,820	42,605	46,361	50,716	55,630	60,899
Shareholder's Equity / Liabilities						
A. Shareholders Equity	19,895	28,358	32,108	36,342	41,125	46,305
I. Subscribed capital	7,259	7,980	7,980	7,980	7,980	7,980
II. Share premium	4,061	8,027	8,027	8,027	8,027	8,027
III. Retained earnings/losses	16	16	16	16	16	16
IV. Difference from currency translation	-544	-418	-418	-418	-418	-418
V. Retained earnings	7,853	8,014	11,157	14,748	18,822	23,445
VI. Balance sheet profit	1,250	4,739	5,346	5,989	6,698	7,255
B. Provisions	1,658	4,235	4,235	4,235	4,235	4,235
C. Liabilities	21,325	9,153	9,159	9,280	9,411	9,500
t/o Financial liabilities	18,366	7,035	7,035	7,035	7,035	7,035
t/o pre-payments	116	145	145	145	145	145
t/o Accounts payable	1,632	1,511	1,517	1,638	1,769	1,858
t/o Others	1,211	462	462	462	462	462
D. Deferred tax liabilities	942	859	859	859	859	859
Balance Sheet Total	43,820	42,605	46,361	50,716	55,630	60,899

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

Balance Sheet Ratios

In % of Balance Sheet Total	2023/24a	2024/25a	2025/26e	2026/27e	2027/28e	2028/29e
Total Fixed Assets	29.27	30.07	27.63	25.26	23.03	21.03
Total Current Assets	70.28	69.11	71.61	74.05	76.34	78.39
Others	0.45	0.82	0.76	0.69	0.63	0.58
Shareholder's Equity	45.40	66.56	69.26	71.66	73.93	76.04
Provisions	3.78	9.94	9.13	8.35	7.61	6.95
Total Liabilities	48.66	21.48	19.76	18.30	16.92	15.60

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

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Responsible for the content of this document: BankM AG, Frankfurt am Main, Germany ("BankM").

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)	January 29, 2025	Buy	€8.37
Daniel Großjohann, Dr. Roger Becker (CEFA)	April 10, 2025	Buy	€10.96
Daniel Großjohann, Dr. Roger Becker (CEFA)	April 24, 2025	Hold	€13.89
Daniel Großjohann, Dr. Roger Becker (CEFA)	June 10, 2025	Buy	€15.71
Daniel Großjohann, Dr. Roger Becker (CEFA)	September 29, 2025	Buy	€ 18.24
Daniel Großjohann, Dr. Roger Becker (CEFA)	December 8, 2025	Buy	€ 17.66

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

December 18, 2025, 12:00am (CET)

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

Closing prices of December 17, 2025, 5:30pm (CET)

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