

# M-Tron Industries, Inc. (MPTI)


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## Company Overview




NYSE: MPTI

Size: Small Company  
(<1 billion in sales)

Sector (Varies): Technology,  
Construction

Industry (Varies): Technology (BI),  
Engineering – R&D Services  
(Zacks, others), Electronic  
Equipment & Parts (VL, others)

Avg. Trading Volume: 42,173



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## Overview CONTINUED



Over 60 years of design & manufacturing of reliable and precise filters, resonators, oscillators and solutions

Serves a diverse array of end markets, including defense and aerospace, space, industrial automation, robotics, medical imaging and energy generation

Has over 9,500 products spanning frequencies from 32 kHz to 50 GHz.  
AS9100D Certified Facilities

Vertically integrated with complete control of basic material science, design and manufacturing

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## Relevancy Now



- US Defense strategy undergoing change and growth
  - Potential \$1.5 trillion U.S. defense budget, w/focus on electronic warfare and communications systems (M-Tron's area)
  - Increasingly spectrum complex world
- IPO in 2022
- Rebranded itself in 2025, aligned with 60-year anniversary



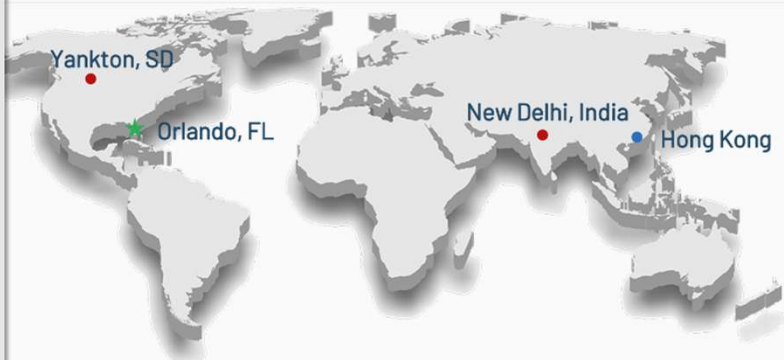
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## Global Footprint

*Strategically Located to Supply Critical National Security Needs With Ample Capacity For Future Growth*

Over 100,000 sq. ft. of ITAR registered Design and Manufacturing Space



Location	Area	Facilities/Compliance
Orlando, FL (HQ)	71,000 sq. ft.	AS9100D Design and Manufacturing Facility, ITAR Registered, Sales Office
Yankton, SD	32,000 sq. ft.	AS9100D Design and Manufacturing Facility, ITAR Registered
New Delhi, India	13,000 sq. ft.	ISO 9001:2015 Manufacturing Facility, MLA - Manufacturing License Agreement for ITAR Compliance
Hong Kong	Sales Office	

Source: Company data

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## Blue-Chip Customer Base

Tenured Industry Relationships With Premier Customers Across Various End Markets

### Aerospace & Defense

### Avionics

### Space

### Industrials

More than 70 customers with a 10+ year history

Source: Company data

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## Drone Market Opportunity

Drones, Space & Satellites, EW and Radar represent some of the near-term growth markets for the company

### Remote-Controlled Attack/ISR Aircraft

**1** Pilot, sensor operator in remotely located ground control station fly aircraft via satellite link

**2** Satellite send command to aircraft

**3** Radar onboard protects drone from kamikaze drones

**4** Electronic warfare is critical component of protecting ground stations, mechanized troops and air defense sites

**5** Sensors in aircraft find, identify, fix and track ground targets

Length: 11m  
Wingspan: 20.1m  
Speed: 370 kph  
Payload: 1700 kg  
Armament: Hellfire missiles, laser-ground bombs

- In the Drone / UAV market since 2014
- Our products are robust and for longer life UAVs
- Deployed in both ISR and kinetic platforms
- Deployed in the following systems:
  - Ground controllers
  - Drone-based communications systems
  - Anti-drone radar
  - Counter-drone electronic warfare
  - Guidance systems of munitions
- Existing design wins with many of the leading platforms
- New business expected through new design wins with up-and-coming UAV innovators

10 YEAR HISTORY SUPPLYING THIS CRITICAL DEFENSE GROWTH AREA

Source: Company data

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## Noteworthy Activity

- Backlog surged 61.8% in the 4<sup>th</sup> quarter and year ended 31 Dec 2025 from previous year
- A cluster of hedge fund heavyweights and institutional investors are adding M-Tron to their portfolios. Among them are:
  - Goldman Sachs Group Inc
  - Acadian Asset Management LLC
  - Dimensional Fund Advisors LP
  - Renaissance Technologies
  - Citadel Advisors

**INSTITUTIONAL OWNERSHIP**

Number of Transactions [Show top holders](#)

4Q 2024 1Q 2025 2Q 2025 3Q 2025 4Q 2025

Quarter	Buyers	Sellers	Closing price
4Q 2024	~25	~15	~35
1Q 2025	~45	~25	~45
2Q 2025	~35	~25	~45
3Q 2025	~45	~35	~45
4Q 2025	~55	~35	~45

Percent Shares Held by Institutions

Quarter	Percent Shares Held by Institutions
4Q 2024	~25
1Q 2025	~35
2Q 2025	~33
3Q 2025	~45
4Q 2025	~45

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## Noteworthy Activity CONTINUED

- Proactively raising capital for acquisitions via a rights offering and warrant proceeds:
  - January 6, 2026: Announcement of successful exercise of warrants which raised ~\$27.5 million in cash
  - March 18, 2026: M-Tron announced an offering of subscription rights to raise capital
- M-tron is a significant vendor to recent signing of 7-year production agreements between Lockheed Martin, Raytheon and the Department of War

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## Snapshot of Valuation, Profitability and Financials

### VALUATION

*Management effectiveness:*  
 Return on assets 16.9%  
 Return on equity 17.88%  
 Return on invested capital 17.83%

*MRQ:*  
 Price/Earnings (TTM) 27.19x  
 Price/Sales (TTM) 4.54x  
 Price/Book 3.73x  
 Price/Cash flow 16.58x

### PROFITABILITY

Gross margin 44.38%  
 Operating margin 18.91%  
 EBITDA margin 20.91%  
 Net profit margin 15.52%

### FINANCIALS

Earnings per share growth rate 2.55  
 Current ratio 12.52x  
 Asset turnover 1.04  
 Inventory turnover 3.16x  
 Receivables turnover 8.06

Source: [www.etrade.wallst.com/etrade-web/fundamentals](http://www.etrade.wallst.com/etrade-web/fundamentals)

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## Historical Profit Margin Comparison

Historical Sales | Historical EPS | Historical PTP | **% PTP on Sales** | % Return On Equity | % Debt To Capital | High P/E | Low P/E | % Payout

**We want the black line to be above the pink/blue lines** 🤔

% Pre-Tax Profit On Sales											
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	5 Yr Avg
M-Tron Industries (MPTI)	---	---	---	---	9.6%	7.9%	8.1%	10.7%	19.9%	20.1%	13.3%
Eltek (ELTK)	-6.9%	-11.3%	-7.5%	5.4%	7.3%	4.4%	9.7%	16.5%	11.0%	2.1%	8.7%
Bel Fuse (BELFB)	-16.5%	2.0%	4.3%	-1.5%	2.6%	5.0%	9.0%	13.0%	11.6%	14.1%	10.5%
Bel Fuse (BELFA)	-16.5%	2.0%	4.3%	-1.5%	2.6%	5.0%	9.0%	13.0%	11.6%	14.1%	10.5%
Peer Group Average	6.8%	8.8%	7.7%	6.2%	6.1%	8.0%	11.2%	8.9%	8.8%	---	9.2%
Industry Average	6.9%	8.2%	7.1%	6.3%	4.6%	8.9%	9.0%	7.6%	8.1%	---	8.4%

**M-Tron**  
**13.3%**

**Peer Group**  
**9.2%**

**Industry**  
**8.4%**

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# Acid Test for MPTI

The Acid Test is a snapshot of the stocks most important numbers, the fundamentals:

**Sales**  
**Pre-Tax Profits**  
**Earnings Per Share**

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# Acid Test

Company: M-Tron Industries (MPTI) Study Name: MPTI 4/10/26

**BENCHMARK:**  
Recent Quarterly Sales & EPS Up 5%+

	Sales	EPS
Latest Quarter	14	0.96
Year Ago Quarter	13	0.71
Percentage Change	11.2%	35.6%

ANALYST CONSENSUS ESTIMATES

Sales 2 Year Estimate: 6.9%  
 EPS Long Term Estimate: 25.0%

**LEGEND**

- Sales
- Pre-Tax Profit
- Prices Hi/Lo
- EPS
- Book Value/Share
- Free Cash Flow/Share
- Dividend
- Total Debt
- Net Income
- Shares Outstanding
- Sales Detailed Estimates
- EPS Detailed Estimates

Lines Up, Straight & Parallel?

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## Acid Test CONTINUED BENCHMARKS :

Pre-Tax Profit (PTP) trending up or even; w/recent year > previous year

Sales Growth for Small-sized Company > 12%

Fundamental Company Data													
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Growth (%)	Forecast (%)	5 Yr Est
Historical Sales (\$M)	---	---	---	---	30	27	32	41	49	54	15.6%		---
Historical EPS (\$)	---	---	---	---	0.42	0.28	0.65	1.24	2.57	2.54	59.3%		---
Pre-Tax Profit (\$M)	---	---	---	---	3	2	3	4	10	11	40.0%		---

Evaluate Management												
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	5 Yr Avg	Trend
% Pre-Tax Profit on Sales	---	---	---	---	9.6%	7.9%	8.1%	10.7%	19.9%	20.1%	13.3%	
% Return on Equity	---	---	---	---	---	---	9.6%	20.1%	29.4%	24.1%	20.8%	
% Debt To Capital	---	---	---	---	0.9%	0.9%	0.5%	0.1%	0.0%	0.2%	0.3%	

**BENCHMARKS :**

%PTP on Sales trending up or even; w/recent year > previous year

%Return on Equity 15%+ & trending up or even

Debt < 33%

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## What Analysts are Saying

- Spark's (Tipranks) report: Outperform score of 82 based on strong financial quality (growth, improving cash generation and very low leverage).
  - However, Valuation (P/E ~23.8 w/no dividend) and recent margin pressures from product mix/tariffs keep the score below the top tier
- Zacks: Currently rates M-tron a #4 (Sell)
  - Forward P/E ratio of 28.13 higher than industry
  - VGM Score: B (VGM=Value, Growth, Momentum)
  - PEG ratio is 1.13 (industry is 1.7 on average) – (lower is better)

**Zacks Rank:** ■ ■ ■ ■ 4 - Sell

**Style Scores:** D Value | A Growth | A Momentum | B VGM


**Industry Rank:** ■ Top 25% (61 out of 244)

Industry: Engineering - R and D Services


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<b>What Analysts are Saying</b> <small>CONTINUED</small>  <b>Source: Claude.ai</b>  Six long-standing methods analyzed		Outcome	Comments	
	Fundamental	Strong	Record revenue, zero debt, expanding margins, 62% backlog – offset by valuation premium vs quant models	
	Porter's Five Focus	Favorable	Low new entrant threat, low substation risk are structural advantages; buyer concentration is the item to watch	
	Venture Capital	7.9 / 10	Exceptional product moat and market tailwinds; scalability and team depth are relative gaps	
	Scorecard	4.14 / 5.0	Above average across all weighted factors; market opportunity and financial performance lead	
	Development Stage	Growth / Expansion	Second growth are post-IPO with balance sheet firepower; M&A capacity unproven	
	Rule of 40	~41-43 Meets criteria	Rare for defense hardware manufacturer, demonstrate balanced growth and profitability discipline	

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<h1>SWOT Analysis</h1>				
<b>STRENGTHS (INTERNAL)</b>  Durable revenue growth and customer relationships  Strong product moat / low new entrant threat/substitution risk  Sustained free cash flow (FCF) / zero debt		<b>WEAKNESSES (INTERNAL)</b>  New product introductions impacting margins  Sensitivity to demand cycles and working-capital swings  Buyer concentration		
<b>OPPORTUNITIES (EXTERNAL)</b>  RF components for defense/space/avionics is \$5B+ global market & growing  US defense spending tailwinds  Global instability / conflicts on the rise / global defense spending up / drones & counter-drones		<b>THREATS (EXTERNAL)</b>  Loss of any of its top 4 customers (61% of revenues) could have material adverse effect  Component-cost pressures can affect margins  Tariffs and/or retaliatory tariffs		

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## Final Thoughts

“Sustainable valuation follows authentic value creation, not the other way around”  
-Amol Patil, LinkedIn post

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## SSG JUDGEMENTS / POLLING NEXT!

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## Judgements for Sales & EPS

Sales Estimates	EPS Estimates
6.9% - Analyst Consensus Estimate (ACE) (2-yr)	11.8% - Finviz (5 yr)
10.6% - Member Sentiment (mean, 32 studies)	13% - Member Sentiment (mean, 32 studies)
14.0% - VL (1yr)	25% - Analyst Consensus Estimate (ACE) & Zacks (2 yr)
15.6% - 5 year historical	59.3% - 5 year historical
	107% - ValueLine (1yr)

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## Judgements for High PE and Low Price

High PE	Low Price Estimate
26.6 - Member Sentiment (mean 32 studies)	• \$17.90 - 5 Year Avg. Low Price
28.2 - 5 Year Average	• \$22.30 - 2024 Low Price
29.4 - Current / TTM (4/3/26)	• \$33.30 - Member Sentiment (mean, 32 studies)
29.7 - 5 Year Avg w/1 outlier removed	• \$36.38 - 52 Week Low Price

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## Questions or Comments?

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