AXT Inc.

AXTI

Nasdaq; business equipment; SIC 3674, Semiconductors & Related Devices; CIK 0001051627

E

weakest fifth of 497 graded peers in business equipment

rank 428 of 497; percentile 86.1; sampling error 2.2 points; lower is stronger

A B C D E

E, the bear



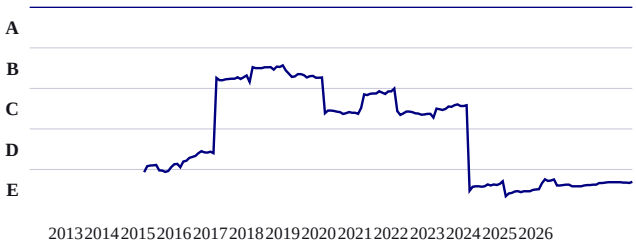
Scoreboard	
Profitability	E percentile 85.1
Solvency	B percentile 31.3
Growth and financing	D percentile 74.1
Reliability	0.87 AUC filers with $120M to $591M assets; 95% interval 0.83 to 0.90; 206 events, 2020 to 2025
Peer failure rate	1.03% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	$120M to $591M assets total assets $433.8M
Standard universe	inside revenue above $1M and assets above $10M
Warnings	none triggered not computable: fortress balance sheet
Inputs computable	9 of 14
Graded from	filings received through Mar 17, 2026 220 days before the rescan; latest periodic filing 10-Q received Aug 13, 2026
Last close	$51.53 2026-10-22; market equity $3.4B; no price enters the letter

Share price, twelve months to the rescan



Split-adjusted close. Each lollipop is a rescan and carries the letter held then.

Letter at every rescan, 2012 to 2026



Sector percentile at each rescan, stronger toward the top; facts filed by each date only.

Business, in the company's words

opening of Item 1 of the 10-K received Mar 17, 2026

AXT is a worldwide materials science company that develops and produces high-performance compound and single element semiconductor substrates, also known as wafers. Two of our consolidated subsidiaries produce and sell certain raw materials some of which are used in our substrate manufacturing process and some of which are sold to other companies. Our substrate wafers are used when a typical silicon substrate wafer cannot meet the performance requirements of a semiconductor or optoelectronic device. The dominant substrates used in producing semiconductor chips and other electronic circuits are made from silicon.

The fourteen inputs

lower percentile is stronger; sleeves and inputs within a sleeve carry equal weight

Input	Value	Peer median	Percentile, 0 to 100	Pct	Peers	Period end
Profitability, sleeve percentile 85.1						
Gross profitability	2.6%	28.6%		90.3	558	2025-12-31
Return on invested capital	not computable	11.2%				

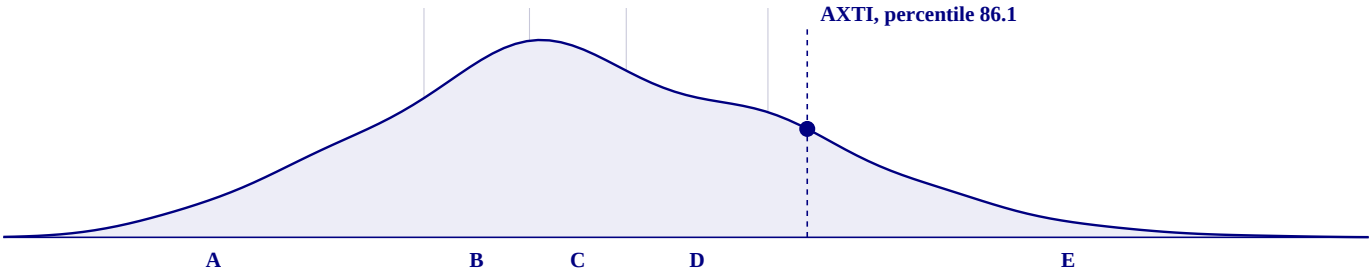
one or more required annual facts are missing

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Accruals ratio	(2.2%)	(7.4%)	78.7	621	2025-12-31
Gross margin stability, five years	9.4 pts	2.3 pts	86.2	427	2025-12-31
Solvency, sleeve percentile 31.3					
Twelve-month failure probability	0.04%	0.05%	31.7	102	2026-06-30
Altman Z double-prime	4.43	2.16	27.8	565	2025-12-31
Net debt to EBITDA	not computable	1.11x			
one or more required annual facts are missing					
Interest coverage	not computable	3.77x			
one or more required annual facts are missing					
Current ratio	2.72x	2.01x	34.3	665	2025-12-31
Growth and financing, sleeve percentile 74.1					
Revenue growth, three-year compound	(14.5%)	6.4%	90.5	537	2025-12-31
Free cash flow growth, three-year compound	not computable	18.0%			
current FCF must be positive and base FCF must exceed $100,000					
Reinvestment rate	not computable	14.3%			
pretax income must exceed the validity floor and imply a 0%-100% tax rate					
Asset growth, three years	5.4%	5.0%	46.3	562	2025-12-31
Net share issuance, one year	21.9%	0.5%	85.3	410	2026-03-02

Among 497 peers

business equipment; letters are fifths of this list



Composite score of every graded peer, smoothed; vertical rules are the letter band edges; stronger to the left.

Rank	Company	Percentile	Letter	Warnings
423	Methode Electronics Inc. (MEI)	85.1	E	
424	Socket Mobile, Inc. (SCKT)	85.3	E	fortress balance sheet
425	Cerence Inc. (CRNC)	85.5	E	
426	Enphase Energy, Inc. (ENPH)	85.7	E	
427	Open Text Corp. (OTEX)	85.9	E	
428	AXT Inc. (AXTI)	86.1	E	
429	Xperi Inc. (XPER)	86.3	E	fortress balance sheet
430	My Size, Inc. (MYSZ)	86.5	E	dilution, short runway, late filer
431	Microvast Holdings, Inc. (MVST)	86.7	E	late filer, fortress balance sheet
432	Beam Global (BEEM)	86.9	E	dilution, short runway, late filer
433	XTI Aerospace, Inc. (XTIA)	87.1	E	dilution, short runway, late filer, fortress balance sheet

What the price implies

at the 2026-10-22 close; none of these enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	1,249.9%	2.2%	100
Distance from 52-week high	(63.4%)	(33.0%)	19
EBIT to enterprise value	not computable	1.5%	
Free cash flow yield	(0.6%)	2.8%	23

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Book value to price	0.26	0.26	50
Sales to price	0.03	0.31	2
Composite equity issuance, five years	44.3%	4.2%	84
Relative strength against the sector, log excess return	2.32	(0.26)	100

Diagnostics

shown on every report; none enters the grade

Measure	Value
Piotroski F-score None of 9, period end 2025-12-31	
Return on assets above zero	fail
Operating cash flow above zero	fail
Return on assets improved	fail
Operating cash flow exceeds net income	pass
Long-term leverage fell	fail
Current ratio improved	pass
No new shares issued	fail
Gross margin improved	fail
Asset turnover improved	fail
Cash, filings, liquidity	
Cash and equivalents	$412.2M
Operating cash flow, four quarters	-$5.8M
Months of runway	858.5
Days since last periodic filing	71 (10-Q received Aug 13, 2026)
Median daily dollar volume, 63 sessions	$587.7M

Sources

every fact behind the inputs; each row links to its filing index on sec.gov

#	Concept	XBRL tag	Value	Period end	Received	Form	Accession
1	gross profit	us-gaap:GrossProfit	$11.2M	2025-12-31	2026-03-17	10-K	26-008612
2	assets	us-gaap:Assets	$433.8M	2025-12-31	2026-03-17	10-K	26-008612
3	net income	us-gaap:NetIncomeLoss	-$21.3M	2025-12-31	2026-03-17	10-K	26-008612
4	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-$12.8M	2025-12-31	2026-03-17	10-K	26-008612
5	assets	us-gaap:Assets	$339.3M	2024-12-31	2026-03-17	10-K	26-008612
6	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$88.3M	2025-12-31	2026-03-17	10-K	26-008612
7	gross profit	us-gaap:GrossProfit	$23.8M	2024-12-31	2026-03-17	10-K	26-008612
8	revenue	us-gaap:Revenues	$99.4M	2024-12-31	2025-03-14	10-K	25-003004
9	gross profit	us-gaap:GrossProfit	$13.3M	2023-12-31	2026-03-17	10-K	26-008612
10	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$75.8M	2023-12-31	2026-03-17	10-K	26-008612
11	gross profit	us-gaap:GrossProfit	$52.1M	2022-12-31	2025-03-14	10-K	25-003004
12	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$141.1M	2022-12-31	2024-03-15	10-K	24-003410
13	gross profit	us-gaap:GrossProfit	$47.4M	2021-12-31	2024-03-15	10-K	24-003410
14	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$137.4M	2021-12-31	2024-03-15	10-K	24-003410
15	current assets	us-gaap:AssetsCurrent	$246.6M	2025-12-31	2026-03-17	10-K	26-008612
16	current liabilities	us-gaap:LiabilitiesCurrent	$90.5M	2025-12-31	2026-03-17	10-K	26-008612
17	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	-$64.9M	2025-12-31	2026-03-17	10-K	26-008612
18	operating income	us-gaap:OperatingIncomeLoss	-$22.0M	2025-12-31	2026-03-17	10-K	26-008612
19	book equity	us-gaap:StockholdersEquity	$273.3M	2025-12-31	2026-03-17	10-K	26-008612
20	liabilities	us-gaap:Liabilities	$99.1M	2025-12-31	2026-03-17	10-K	26-008612
21	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$6.0M	2025-12-31	2026-03-17	10-K	26-008612
22	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-$12.1M	2024-12-31	2026-03-17	10-K	26-008612
23	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$5.8M	2024-12-31	2026-03-17	10-K	26-008612
24	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$3.4M	2023-12-31	2026-03-17	10-K	26-008612
25	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$10.5M	2023-12-31	2026-03-17	10-K	26-008612
26	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-$8.8M	2022-12-31	2025-03-14	10-K	25-003004

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27	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$28.5M	2022-12-31	2025-03-14	10-K	25-003004
28	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	$9.1M	2025-12-31	2026-03-17	10-K	26-008612
29	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	-$21.5M	2025-12-31	2026-03-17	10-K	26-008612
30	income tax	us-gaap:IncomeTaxExpenseBenefit	$1.7M	2025-12-31	2026-03-17	10-K	26-008612
31	current assets	us-gaap:AssetsCurrent	$158.3M	2024-12-31	2026-03-17	10-K	26-008612
32	current liabilities	us-gaap:LiabilitiesCurrent	$74.2M	2024-12-31	2026-03-17	10-K	26-008612
33	assets	us-gaap:Assets	$358.7M	2023-12-31	2025-03-14	10-K	25-003004
34	assets	us-gaap:Assets	$370.1M	2022-12-31	2024-03-15	10-K	24-003410
35	shares outstanding	dei:EntityCommonStockSharesOutstanding	55,573,599	2026-03-02	2026-03-17	10-K	26-008612
36	shares outstanding	dei:EntityCommonStockSharesOutstanding	45,597,995	2025-03-01	2025-03-14	10-K	25-003004

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