# Vertex, Inc.

**VERX**

Nasdaq; business equipment; SIC 7372, Services-Prepackaged Software; CIK 0001806837

# B/C

**on the B/C boundary of 496 graded peers in business equipm...**

rank 206 of 496; percentile 41.4; sampling error 2.2 points; lower is stronger

A B C D E

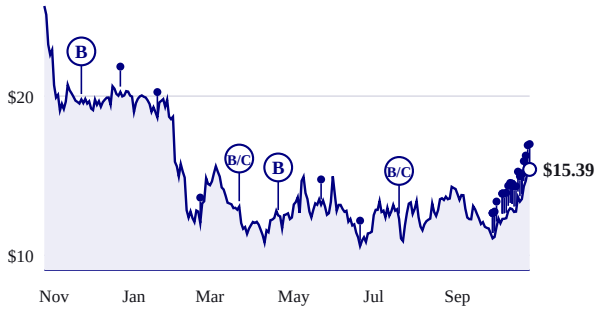
**B/C, the elk**



## Scoreboard

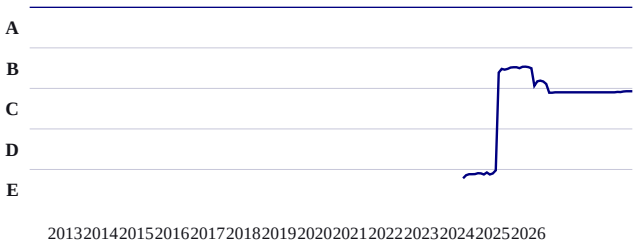
| | |
|---|---|
| **Profitability** | C<br>percentile 44.3 |
| **Solvency** | D<br>percentile 69.4 |
| **Growth and financing** | A/B<br>percentile 21.6 |
| **Reliability** | 0.91 AUC<br>filers with $591M to $2.67B assets; 95% interval 0.88 to 0.94; 160 events, 2020 to 2025 |
| **Peer failure rate** | 1.01% a year<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | $591M to $2.67B assets<br>total assets $1.3B |
| **Standard universe** | inside<br>revenue above $1M and assets above $10M |
| **Warnings** | none triggered<br>not computable: dilution, distress |
| **Inputs computable** | 8 of 14 |
| **Graded from** | filings received through Feb 24, 2026<br>244 days before the rescan; latest periodic filing 10-Q received Aug 4, 2026 |
| **Last close** | $15.40<br>2026-10-23; market equity $405.9M; 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 Feb 24, 2026*

Vertex is a leading provider of enterprise compliance technology for global commerce. Our software, data, and services help businesses operate with confidence by automating and governing transaction-based compliance obligations that arise wherever they buy, sell, and move goods and services around the world. At the core of global commerce are transaction-based regulatory requirements that must be calculated, documented, reported, and, in many cases, digitally transmitted to tax authorities in real time. Indirect taxes-such as sales tax, use tax, and value-added tax ("VAT")-represent a significant portion of these obligations.

## The fourteen inputs

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

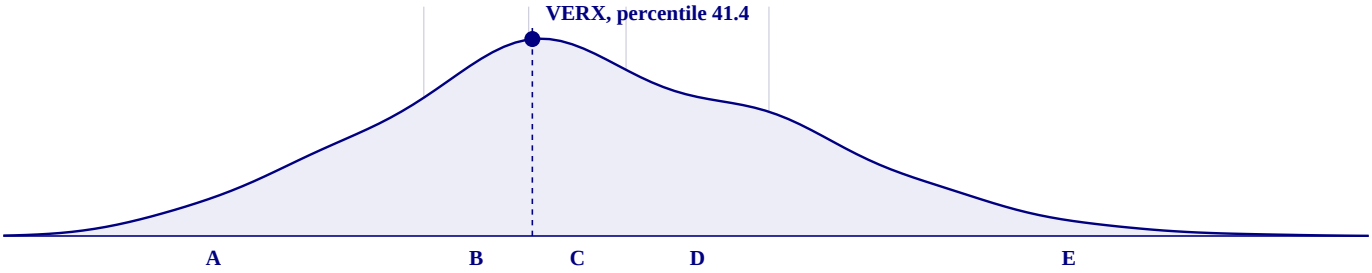
| Input | Value | Peer median | Percentile, 0 to 100 | Pct | Peers | Period end |
|---|---|---|---|---|---|---|
| **Profitability, sleeve percentile 44.3** | | | | | | |
| Gross profitability | 37.9% | 28.6% | | 30.9 | 557 | 2025-12-31 |
| Return on invested capital | 0.9% | 11.2% | | 79.7 | 134 | 2025-12-31 |
| Accruals ratio | (13.0%) | (7.3%) | | 33.0 | 620 | 2025-12-31 |

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| | | | | | |
|---|---|---|---|---|---|
| Gross margin stability, five years | 1.5 pts | 2.3 pts | 33.4 | 426 | 2025-12-31 |
| **Solvency, sleeve percentile 69.4** | | | | | |
| Twelve-month failure probability | not computable | 0.05% | | | |
| *liabilities and a nearby cover-page share count are required at 2026-06-30* | | | | | |
| Altman Z double-prime | 0.09 | 2.15 | 56.4 | 567 | 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 | 0.98x | 2.01x | 82.4 | 664 | 2025-12-31 |
| **Growth and financing, sleeve percentile 21.6** | | | | | |
| Revenue growth, three-year compound | 15.0% | 6.4% | 26.4 | 536 | 2025-12-31 |
| Free cash flow growth, three-year compound | not computable | 18.1% | | | |
| *latest aligned inputs end 2023-12-31; latest annual assets end 2025-12-31* | | | | | |
| Reinvestment rate | not computable | 14.3% | | | |
| *one or more required annual facts are missing* | | | | | |
| Asset growth, three years | 20.9% | 5.1% | 16.8 | 561 | 2025-12-31 |
| Net share issuance, one year | not computable | 0.5% | | | |
| *two annual share counts are required; found 0* | | | | | |

## Among 496 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 |
|---|---|---|---|---|
| 201 | Mirion Technologies, Inc. (MIR) | 40.4 | B/C | |
| 202 | Okta, Inc. (OKTA) | 40.6 | B/C | |
| 203 | Itron, Inc. (ITRI) | 40.8 | B/C | |
| 204 | Vishay Precision Group, Inc. (VPG) | 41.0 | B/C | fortress balance sheet |
| 205 | Advanced Energy Industries Inc. (AEIS) | 41.2 | B/C | fortress balance sheet |
| 206 | Vertex, Inc. (VERX) | 41.4 | B/C | |
| 207 | F5, Inc. (FFIV) | 41.6 | B/C | |
| 208 | BOX Inc. (BOX) | 41.8 | B/C | |
| 209 | Netscout Systems Inc. (NTCT) | 42.0 | B/C | |
| 210 | Clearfield, Inc. (CLFD) | 42.2 | C | fortress balance sheet |
| 211 | Nutanix, Inc. (NTNX) | 42.4 | C | |

## What the price implies

*at the 2026-10-23 close; none of these enters the grade*

| Measure | Value | Peer median | Percentile |
|---|---|---|---|
| Twelve-month price change, skipping the latest month | (42.9%) | 2.2% | 16 |
| Distance from 52-week high | (40.0%) | (32.8%) | 43 |
| EBIT to enterprise value | 0.5% | 1.6% | 40 |
| Free cash flow yield | 6.2% | 2.9% | 75 |

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| | | | |
|---|---|---|---|
| Book value to price | 0.59 | 0.26 | 77 |
| Sales to price | 1.84 | 0.32 | 87 |
| Composite equity issuance, five years | not computable | 4.2% | |
| Relative strength against the sector, log excess return | (0.84) | (0.26) | 16 |

## 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 | pass |
| Operating cash flow above zero | pass |
| Return on assets improved | pass |
| Operating cash flow exceeds net income | pass |
| Long-term leverage fell | pass |
| Current ratio improved | fail |
| No new shares issued | fail |
| Gross margin improved | pass |
| Asset turnover improved | fail |
| **Cash, filings, liquidity** | |
| Cash and equivalents | $230.5M |
| Operating cash flow, four quarters | $173.6M |
| Months of runway | not finite |
| Days since last periodic filing | 83 (10-Q received Aug 4, 2026) |
| Median daily dollar volume, 63 sessions | $18.5M |

## 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 | $481.6M | 2025-12-31 | 2026-02-24 | 10-K | 26-019165 |
| 2 | assets | us-gaap:Assets | $1.3B | 2025-12-31 | 2026-02-24 | 10-K | 26-019165 |
| 3 | operating income | us-gaap:OperatingIncomeLoss | $2.3M | 2025-12-31 | 2026-02-24 | 10-K | 26-019165 |
| 4 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | $7.6M | 2025-12-31 | 2026-02-24 | 10-K | 26-019165 |
| 5 | income tax | us-gaap:IncomeTaxExpenseBenefit | $368,000 | 2025-12-31 | 2026-02-24 | 10-K | 26-019165 |
| 6 | total debt | us-gaap:LongTermDebt | $337.5M | 2025-12-31 | 2026-02-24 | 10-K | 26-019165 |
| 7 | book equity | us-gaap:StockholdersEquity | $258.9M | 2025-12-31 | 2026-02-24 | 10-K | 26-019165 |
| 8 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $314.0M | 2025-12-31 | 2026-02-24 | 10-K | 26-019165 |
| 9 | total debt | us-gaap:LongTermDebt | $335.2M | 2024-12-31 | 2026-02-24 | 10-K | 26-019165 |
| 10 | book equity | us-gaap:StockholdersEquity | $179.4M | 2024-12-31 | 2026-02-24 | 10-K | 26-019165 |
| 11 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $296.1M | 2024-12-31 | 2026-02-24 | 10-K | 26-019165 |
| 12 | net income | us-gaap:NetIncomeLoss | $7.2M | 2025-12-31 | 2026-02-24 | 10-K | 26-019165 |
| 13 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $165.5M | 2025-12-31 | 2026-02-24 | 10-K | 26-019165 |
| 14 | assets | us-gaap:Assets | $1.2B | 2024-12-31 | 2026-02-24 | 10-K | 26-019165 |
| 15 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $748.4M | 2025-12-31 | 2026-02-24 | 10-K | 26-019165 |
| 16 | gross profit | us-gaap:GrossProfit | $426.1M | 2024-12-31 | 2026-02-24 | 10-K | 26-019165 |
| 17 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $666.8M | 2024-12-31 | 2026-02-24 | 10-K | 26-019165 |
| 18 | gross profit | us-gaap:GrossProfit | $348.6M | 2023-12-31 | 2026-02-24 | 10-K | 26-019165 |
| 19 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $572.4M | 2023-12-31 | 2026-02-24 | 10-K | 26-019165 |
| 20 | gross profit | us-gaap:GrossProfit | $298.5M | 2022-12-31 | 2025-02-27 | 10-K | 25-001820 |
| 21 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $491.6M | 2022-12-31 | 2025-02-27 | 10-K | 25-001820 |
| 22 | gross profit | us-gaap:GrossProfit | $263.7M | 2021-12-31 | 2024-02-29 | 10-K | 24-002192 |
| 23 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $425.5M | 2021-12-31 | 2024-02-29 | 10-K | 24-002192 |
| 24 | current assets | us-gaap:AssetsCurrent | $560.7M | 2025-12-31 | 2026-02-24 | 10-K | 26-019165 |
| 25 | current liabilities | us-gaap:LiabilitiesCurrent | $574.7M | 2025-12-31 | 2026-02-24 | 10-K | 26-019165 |
| 26 | retained earnings | us-gaap:RetainedEarningsAccumulatedDeficit | -$46.1M | 2025-12-31 | 2026-02-24 | 10-K | 26-019165 |

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| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 27 | liabilities | us-gaap:Liabilities | $1.0B | 2025-12-31 | 2026-02-24 | 10-K | 26-019165 |
| 28 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $74.3M | 2023-12-31 | 2026-02-24 | 10-K | 26-019165 |
| 29 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $49.3M | 2023-12-31 | 2024-02-29 | 10-K | 24-002192 |
| 30 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $63.8M | 2022-12-31 | 2025-02-27 | 10-K | 25-001820 |
| 31 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $45.5M | 2022-12-31 | 2024-02-29 | 10-K | 24-002192 |
| 32 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $90.3M | 2021-12-31 | 2024-02-29 | 10-K | 24-002192 |
| 33 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $31.7M | 2021-12-31 | 2024-02-29 | 10-K | 24-002192 |
| 34 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $59.5M | 2020-12-31 | 2023-03-10 | 10-K | 23-003469 |
| 35 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $21.0M | 2020-12-31 | 2023-03-10 | 10-K | 23-003469 |
| 36 | assets | us-gaap:Assets | $759.9M | 2023-12-31 | 2025-02-27 | 10-K | 25-001820 |
| 37 | assets | us-gaap:Assets | $719.2M | 2022-12-31 | 2024-02-29 | 10-K | 24-002192 |