# Hydrofarm Holdings Group, Inc. HYFM

Nasdaq; shops; SIC 5190, Wholesale-Miscellaneous Nondurable Goods; CIK 0001695295

**E**

**weakest fifth of 256 graded peers in shops**

rank 256 of 256; percentile 100.0; sampling error 2.9 points; lower is stronger

A B C D E

**E, the bear**



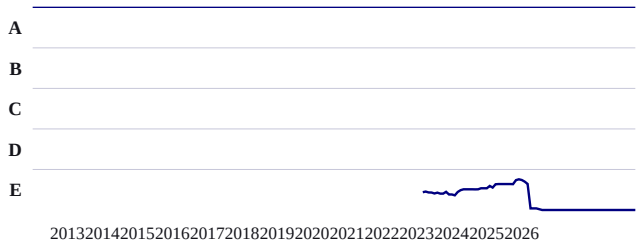
| Scoreboard | |
|---|---|
| **Profitability** | D<br>percentile 69.5 |
| **Solvency** | E<br>percentile 96.8 |
| **Growth and financing** | E<br>percentile 94.0 |
| **Reliability** | 0.87 AUC<br>filers with $120M to $591M assets; 95% interval 0.83 to 0.90; 206 events, 2020 to 2025 |
| **Peer failure rate** | 1.03% a year<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | $120M to $591M assets<br>total assets $123.8M |
| **Standard universe** | inside<br>revenue above $1M and assets above $10M |
| **Warnings** | none triggered; fortress balance sheet<br>not computable: distress |
| **Inputs computable** | 9 of 14 |
| **Graded from** | filings received through Mar 27, 2026<br>217 days before the rescan; latest periodic filing 10-Q received Aug 14, 2026 |
| **Last close** | $0.81<br>2026-10-29; market equity $3.9M; 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 Mar 27, 2026*

We are a leading independent manufacturer and distributor of branded hydroponics equipment and supplies for controlled environment agriculture ("CEA"), including grow lights, climate control solutions, grow media and nutrients, as well as a broad portfolio of innovative and proprietary branded products. We primarily serve the U.S. and Canadian markets, and believe we are one of the leading companies in these markets in an otherwise fragmented industry. For over 40 years, we have helped growers make growing easier and more productive.

## 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 69.5** | | | | | | |
| Gross profitability | 12.3% | 42.0% | | 87.4 | 240 | 2025-12-31 |
| Return on invested capital | (227.6%) | 10.9% | | 100.0 | 84 | 2025-12-31 |
| Accruals ratio | (100.3%) | (4.8%) | | 1.8 | 285 | 2025-12-31 |

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| | | | | | |
|---|---|---|---|---|---|
| Gross margin stability, five years | 4.5 pts | 1.2 pts | 88.9 | 218 | 2025-12-31 |
| **Solvency, sleeve percentile 96.8** | | | | | |
| Twelve-month failure probability | not computable | 0.04% | | | |
| *latest liabilities, cash plus short-term investments, book equity, and shares are required* | | | | | |
| Altman Z double-prime | (42.39) | 1.93 | 98.0 | 205 | 2025-12-31 |
| Net debt to EBITDA | not computable | 1.84x | | | |
| *EBITDA must exceed $100,000* | | | | | |
| Interest coverage | not computable | 2.28x | | | |
| *latest aligned inputs end 2023-12-31; latest annual assets end 2025-12-31* | | | | | |
| Current ratio | 0.37x | 1.38x | 95.5 | 293 | 2025-12-31 |
| **Growth and financing, sleeve percentile 94.0** | | | | | |
| Revenue growth, three-year compound | (27.0%) | 1.6% | 96.6 | 267 | 2025-12-31 |
| Free cash flow growth, three-year compound | not computable | 5.2% | | | |
| *current FCF must be positive and base FCF must exceed $100,000* | | | | | |
| Reinvestment rate | not computable | 8.4% | | | |
| *NOPAT must exceed $100,000* | | | | | |
| Asset growth, three years | (40.0%) | 3.4% | 98.5 | 270 | 2025-12-31 |
| Net share issuance, one year | 3.3% | (0.6%) | 87.0 | 208 | 2026-03-20 |

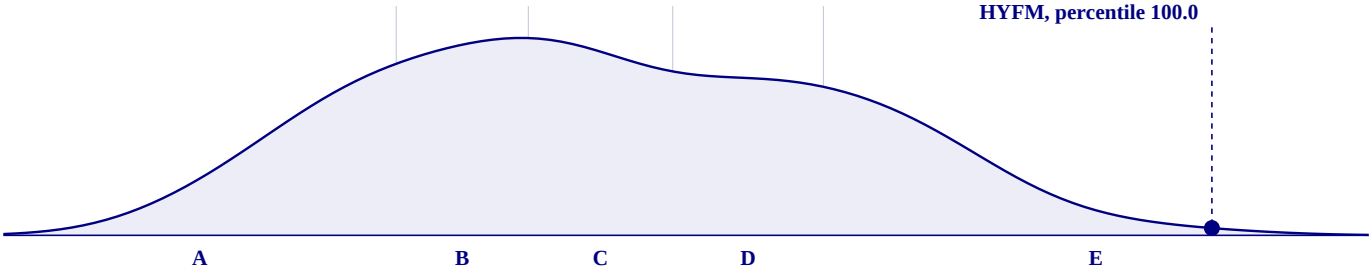
## Warnings

*1 of 7 checks triggered; none of them enters the letter*

| Check | Measured |
|---|---|
| Fortress balance sheet | cash minus debt is 6,259,000 USD; Altman Z is not used |

## Among 256 peers

*shops; 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 |
|---|---|---|---|---|
| 251 | Digital Brands Group, Inc. (DBGI) | 98.0 | E | dilution, short runway, late filer |
| 252 | LiveOne, Inc. (LVO) | 98.4 | E | dilution, late filer |
| 253 | iPower Inc. (IPW) | 98.8 | E | dilution, late filer, fortress balance sheet |
| 254 | Regis Corp. (RGS) | 99.2 | E | |
| 255 | Playboy, Inc. (PLBY) | 99.6 | E | |
| 256 | Hydrofarm Holdings Group, Inc. (HYFM) | 100.0 | E | fortress balance sheet |

## What the price implies

*at the 2026-10-29 close; none of these enters the grade*

| Measure | Value | Peer median | Percentile |
|---|---|---|---|
| Twelve-month price change, skipping the latest month | (72.2%) | 0.7% | 2 |
| Distance from 52-week high | (68.4%) | (19.4%) | 6 |
| EBIT to enterprise value | (247.1%) | 5.2% | 2 |
| Free cash flow yield | (401.2%) | 3.9% | 2 |

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| | | | |
|---|---|---|---|
| Book value to price | (23.68) | 0.35 | 0 |
| Sales to price | 35.71 | 1.59 | 98 |
| Composite equity issuance, five years | not computable | (16.8%) | |
| Relative strength against the sector, log excess return | (1.26) | 0.03 | 2 |

## Diagnostics

*shown on every report; none enters the grade*

| Measure | Value |
|---|---|
| **Piotroski F-score 2 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 | pass |
| Current ratio improved | fail |
| No new shares issued | fail |
| Gross margin improved | fail |
| Asset turnover improved | fail |
| **Cash, filings, liquidity** | |
| Cash and equivalents | $6.2M |
| Operating cash flow, four quarters | -$4.7M |
| Months of runway | 15.6 |
| Days since last periodic filing | 77 (10-Q received Aug 14, 2026) |
| Median daily dollar volume, 63 sessions | $79,484 |

## 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 | $15.2M | 2025-12-31 | 2026-03-27 | 10-K | 26-000010 |
| 2 | assets | us-gaap:Assets | $123.8M | 2025-12-31 | 2026-03-27 | 10-K | 26-000010 |
| 3 | operating income | us-gaap:OperatingIncomeLoss | -$276.9M | 2025-12-31 | 2026-03-27 | 10-K | 26-000010 |
| 4 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | -$290.5M | 2025-12-31 | 2026-03-27 | 10-K | 26-000010 |
| 5 | income tax | us-gaap:IncomeTaxExpenseBenefit | -$740,000 | 2025-12-31 | 2026-03-27 | 10-K | 26-000010 |
| 6 | total debt | us-gaap:LongTermDebtAndCapitalLeaseObligations | $50,000 | 2025-12-31 | 2026-03-27 | 10-K | 26-000010 |
| 7 | book equity | us-gaap:StockholdersEquity | -$63.3M | 2025-12-31 | 2026-03-27 | 10-K | 26-000010 |
| 8 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $6.3M | 2025-12-31 | 2026-03-27 | 10-K | 26-000010 |
| 9 | total debt | us-gaap:LongTermDebtAndCapitalLeaseObligations | $114.7M | 2024-12-31 | 2026-03-27 | 10-K | 26-000010 |
| 10 | book equity | us-gaap:StockholdersEquity | $223.7M | 2024-12-31 | 2026-03-27 | 10-K | 26-000010 |
| 11 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $26.1M | 2024-12-31 | 2026-03-27 | 10-K | 26-000010 |
| 12 | net income | us-gaap:NetIncomeLoss | -$289.8M | 2025-12-31 | 2026-03-27 | 10-K | 26-000010 |
| 13 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$14.1M | 2025-12-31 | 2026-03-27 | 10-K | 26-000010 |
| 14 | assets | us-gaap:Assets | $426.1M | 2024-12-31 | 2026-03-27 | 10-K | 26-000010 |
| 15 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $134.3M | 2025-12-31 | 2026-03-27 | 10-K | 26-000010 |
| 16 | gross profit | us-gaap:GrossProfit | $32.1M | 2024-12-31 | 2026-03-27 | 10-K | 26-000010 |
| 17 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $190.3M | 2024-12-31 | 2026-03-27 | 10-K | 26-000010 |
| 18 | gross profit | us-gaap:GrossProfit | $37.6M | 2023-12-31 | 2025-03-05 | 10-K | 25-010266 |
| 19 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $226.6M | 2023-12-31 | 2025-03-05 | 10-K | 25-010266 |
| 20 | gross profit | us-gaap:GrossProfit | $29.3M | 2022-12-31 | 2024-02-29 | 10-K | 24-007813 |
| 21 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $344.5M | 2022-12-31 | 2024-02-29 | 10-K | 24-007813 |
| 22 | gross profit | us-gaap:GrossProfit | $101.5M | 2021-12-31 | 2023-03-09 | 10-K | 23-007313 |
| 23 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $479.4M | 2021-12-31 | 2023-03-09 | 10-K | 23-007313 |
| 24 | current assets | us-gaap:AssetsCurrent | $51.4M | 2025-12-31 | 2026-03-27 | 10-K | 26-000010 |
| 25 | current liabilities | us-gaap:LiabilitiesCurrent | $140.0M | 2025-12-31 | 2026-03-27 | 10-K | 26-000010 |
| 26 | retained earnings | us-gaap:RetainedEarningsAccumulatedDeficit | -$847.3M | 2025-12-31 | 2026-03-27 | 10-K | 26-000010 |

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| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 27 | liabilities | us-gaap:Liabilities | $187.1M | 2025-12-31 | 2026-03-27 | 10-K | 26-000010 |
| 28 | depreciation amortization | us-gaap:DepreciationDepletionAndAmortization | $23.1M | 2025-12-31 | 2026-03-27 | 10-K | 26-000010 |
| 29 | operating income | us-gaap:OperatingIncomeLoss | -$49.7M | 2023-12-31 | 2025-03-05 | 10-K | 25-010266 |
| 30 | interest expense | us-gaap:InterestExpense | $15.4M | 2023-12-31 | 2024-02-29 | 10-K | 24-007813 |
| 31 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $1.0M | 2025-12-31 | 2026-03-27 | 10-K | 26-000010 |
| 32 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$324,000 | 2024-12-31 | 2026-03-27 | 10-K | 26-000010 |
| 33 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $2.9M | 2024-12-31 | 2026-03-27 | 10-K | 26-000010 |
| 34 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $7.0M | 2023-12-31 | 2025-03-05 | 10-K | 25-010266 |
| 35 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $4.2M | 2023-12-31 | 2025-03-05 | 10-K | 25-010266 |
| 36 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $22.0M | 2022-12-31 | 2024-02-29 | 10-K | 24-007813 |
| 37 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $8.2M | 2022-12-31 | 2024-02-29 | 10-K | 24-007813 |
| 38 | current assets | us-gaap:AssetsCurrent | $95.2M | 2024-12-31 | 2026-03-27 | 10-K | 26-000010 |
| 39 | current liabilities | us-gaap:LiabilitiesCurrent | $35.0M | 2024-12-31 | 2026-03-27 | 10-K | 26-000010 |
| 40 | assets | us-gaap:Assets | $507.6M | 2023-12-31 | 2025-03-05 | 10-K | 25-010266 |
| 41 | assets | us-gaap:Assets | $573.6M | 2022-12-31 | 2024-02-29 | 10-K | 24-007813 |
| 42 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 4,764,612 | 2026-03-20 | 2026-03-27 | 10-K | 26-000010 |
| 43 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 4,614,279 | 2025-02-27 | 2025-03-05 | 10-K | 25-010266 |

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