# Adtran Holdings, Inc.

**ADTN**

Nasdaq; business equipment; SIC 3661, Telephone & Telegraph Apparatus; CIK 0000926282

# D

**fourth fifth of 496 graded peers in business equipment**

rank 355 of 496; percentile 71.5; sampling error 2.2 points; lower is stronger

A B C D E

**D, the sloth**



## Scoreboard

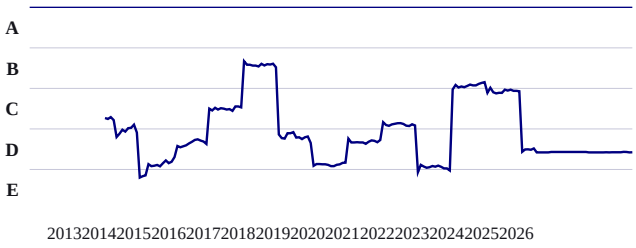
| | |
|---|---|
| **Profitability** | C<br>percentile 43.7 |
| **Solvency** | C/D<br>percentile 60.8 |
| **Growth and financing** | D<br>percentile 68.6 |
| **Reliability** | 0.91 AUC<br>filers with $591M to $2.67B assets; 95% interval 0.88 to 0.94; 160 events, 2020 to 2025 |
| **Peer failure rate** | 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 $1.2B |
| **Standard universe** | inside<br>revenue above $1M and assets above $10M |
| **Warnings** | late filer; fortress balance sheet<br>not computable: distress |
| **Inputs computable** | 9 of 14 |
| **Graded from** | filings received through Feb 26, 2026<br>247 days before the rescan; latest periodic filing 10-Q received Aug 4, 2026 |
| **Last close** | $6.54<br>2026-10-30; market equity $532.9M; 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 26, 2026*

ADTRAN Holdings, Inc. ("Adtran" or the "Company") is a leading global provider of networking and communications platforms, software, systems and services focused on the metro optical transport, data center interconnect, and broadband access market, serving a diverse domestic and international customer base in multiple countries that includes large, medium and small Service Providers, alternative Service Providers, such as utilities, municipalities and fiber overbuilders, cable/MSOs, SMBs and distributed enterprises, including Fortune 500 companies with sophisticated business continuity applications; hyper-scalers, neocloud and content providers and data center companies; and federal, stat...

## 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 43.7** | | | | | | |
| Gross profitability | 34.5% | 28.7% | | 36.5 | 554 | 2025-12-31 |
| Return on invested capital | not computable | 11.4% | | | | |

Not investment advice. Informational and educational only. Data from SEC EDGAR, may contain errors, is not warranted. The grade ranks reported financial condition and is not a return forecast.

| | | | | | |
|---|---|---|---|---|---|
| *pretax income must exceed the validity floor and imply a 0%-100% tax rate* | | | | | |
| Accruals ratio | (14.8%) | (7.3%) | 28.2 | 617 | 2025-12-31 |
| Gross margin stability, five years | 3.8 pts | 2.3 pts | 66.3 | 425 | 2025-12-31 |
| **Solvency, sleeve percentile 60.8** | | | | | |
| Twelve-month failure probability | not computable | 0.05% | | | |
| *latest liabilities, cash plus short-term investments, book equity, and shares are required* | | | | | |
| Altman Z double-prime | (0.35) | 2.15 | 59.3 | 564 | 2025-12-31 |
| Net debt to EBITDA | not computable | 1.09x | | | |
| *EBITDA must exceed $100,000* | | | | | |
| Interest coverage | (0.81x) | 3.77x | 67.8 | 88 | 2025-12-31 |
| Current ratio | 1.76x | 2.01x | 55.2 | 661 | 2025-12-31 |
| **Growth and financing, sleeve percentile 68.6** | | | | | |
| Revenue growth, three-year compound | 1.9% | 6.4% | 63.2 | 534 | 2025-12-31 |
| Free cash flow growth, three-year compound | not computable | 18.1% | | | |
| *current FCF must be positive and base FCF must exceed $100,000* | | | | | |
| Reinvestment rate | not computable | 13.5% | | | |
| *pretax income must exceed the validity floor and imply a 0%-100% tax rate* | | | | | |
| Asset growth, three years | (14.7%) | 5.1% | 88.4 | 559 | 2025-12-31 |
| Net share issuance, one year | 1.0% | 0.5% | 54.3 | 408 | 2026-02-19 |

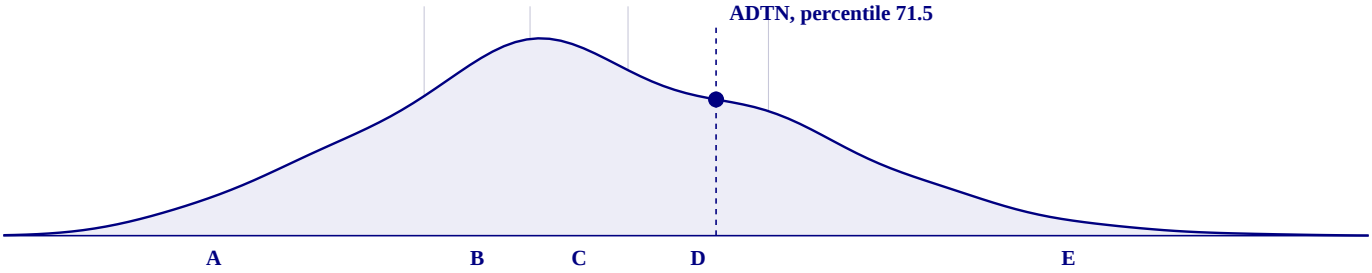
## Warnings

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

| Check | Measured |
|---|---|
| Late filer | found 1 NT 10-K/Q filings in the last eight quarters |
| Fortress balance sheet | cash minus debt is 49,173,000 USD; Altman Z is not used |

## 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 |
|---|---|---|---|---|
| 350 | Cars.com Inc. (CARS) | 70.5 | D | |
| 351 | DigitalOcean Holdings, Inc. (DOCN) | 70.7 | D | |
| 352 | Blackbaud Inc. (BLKB) | 70.9 | D | |
| 353 | Evolv Technologies Holdings, Inc. (EVLV) | 71.1 | D | late filer, fortress balance sheet |
| 354 | Dropbox, Inc. (DBX) | 71.3 | D | |
| 355 | Adtran Holdings, Inc. (ADTN) | 71.5 | D | late filer, fortress balance sheet |
| 356 | Unity Software Inc. (U) | 71.7 | D | |
| 357 | Mercury Systems Inc. (MRCY) | 71.9 | D | |
| 358 | PAR Technology Corp. (PAR) | 72.1 | D | |
| 359 | Unisys Corp. (UIS) | 72.3 | D | |
| 360 | 908 Devices Inc. (MASS) | 72.5 | D | |

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## What the price implies

*at the 2026-10-30 close; none of these enters the grade*

| Measure | Value | Peer median | Percentile |
|---|---|---|---|
| Twelve-month price change, skipping the latest month | (17.4%) | 2.2% | 33 |
| Distance from 52-week high | (66.3%) | (32.4%) | 16 |
| EBIT to enterprise value | (3.3%) | 1.6% | 23 |
| Free cash flow yield | 18.4% | 2.8% | 95 |
| Book value to price | 0.24 | 0.27 | 47 |
| Sales to price | 2.04 | 0.31 | 89 |
| Composite equity issuance, five years | 46.6% | 4.3% | 85 |
| Relative strength against the sector, log excess return | (0.47) | (0.26) | 33 |

## 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 | pass |
| Return on assets improved | pass |
| Operating cash flow exceeds net income | pass |
| Long-term leverage fell | fail |
| Current ratio improved | fail |
| No new shares issued | fail |
| Gross margin improved | pass |
| Asset turnover improved | pass |
| **Cash, filings, liquidity** | |
| Cash and equivalents | $79.2M |
| Operating cash flow, four quarters | $93.0M |
| Months of runway | not finite |
| Days since last periodic filing | 88 (10-Q received Aug 4, 2026) |
| Median daily dollar volume, 63 sessions | $11.7M |

## 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 | $415.0M | 2025-12-31 | 2026-02-26 | 10-K | 26-073878 |
| 2 | assets | us-gaap:Assets | $1.2B | 2025-12-31 | 2026-02-26 | 10-K | 26-073878 |
| 3 | operating income | us-gaap:OperatingIncomeLoss | -$40.0M | 2019-12-31 | 2022-02-25 | 10-K | 22-002054 |
| 4 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | -$24.8M | 2019-12-31 | 2022-02-25 | 10-K | 22-002054 |
| 5 | income tax | us-gaap:IncomeTaxExpenseBenefit | $28.2M | 2019-12-31 | 2022-02-25 | 10-K | 22-002054 |
| 6 | total debt | us-gaap:LongTermDebt | $24.6M | 2019-12-31 | 2021-02-26 | 10-K | 21-009423 |
| 7 | book equity | us-gaap:StockholdersEquity | $380.4M | 2019-12-31 | 2022-02-25 | 10-K | 22-002054 |
| 8 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $73.8M | 2019-12-31 | 2021-02-26 | 10-K | 21-009423 |
| 9 | total debt | us-gaap:LongTermDebt | $25.6M | 2018-12-31 | 2019-02-28 | 10-K | 19-005179 |
| 10 | book equity | us-gaap:StockholdersEquity | $446.3M | 2018-12-31 | 2022-02-25 | 10-K | 22-002054 |
| 11 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $105.5M | 2018-12-31 | 2020-02-25 | 10-K | 20-006425 |
| 12 | net income | us-gaap:NetIncomeLoss | -$45.7M | 2025-12-31 | 2026-02-26 | 10-K | 26-073878 |
| 13 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $129.8M | 2025-12-31 | 2026-02-26 | 10-K | 26-073878 |
| 14 | assets | us-gaap:Assets | $1.2B | 2024-12-31 | 2026-02-26 | 10-K | 26-073878 |
| 15 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $1.1B | 2025-12-31 | 2026-02-26 | 10-K | 26-073878 |
| 16 | gross profit | us-gaap:GrossProfit | $324.2M | 2024-12-31 | 2026-02-26 | 10-K | 26-073878 |
| 17 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $922.7M | 2024-12-31 | 2026-02-26 | 10-K | 26-073878 |
| 18 | gross profit | us-gaap:GrossProfit | $331.1M | 2023-12-31 | 2026-02-26 | 10-K | 26-073878 |

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| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 19 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $1.1B | 2023-12-31 | 2026-02-26 | 10-K | 26-073878 |
| 20 | gross profit | us-gaap:GrossProfit | $327.3M | 2022-12-31 | 2025-05-20 | 10-K/A | 25-075366 |
| 21 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $1.0B | 2022-12-31 | 2025-05-20 | 10-K/A | 25-075366 |
| 22 | gross profit | us-gaap:GrossProfit | $218.4M | 2021-12-31 | 2024-03-15 | 10-K | 24-032089 |
| 23 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $563.0M | 2021-12-31 | 2024-03-15 | 10-K | 24-032089 |
| 24 | current assets | us-gaap:AssetsCurrent | $635.2M | 2025-12-31 | 2026-02-26 | 10-K | 26-073878 |
| 25 | current liabilities | us-gaap:LiabilitiesCurrent | $361.9M | 2025-12-31 | 2026-02-26 | 10-K | 26-073878 |
| 26 | retained earnings | us-gaap:RetainedEarningsAccumulatedDeficit | -$730.0M | 2025-12-31 | 2026-02-26 | 10-K | 26-073878 |
| 27 | operating income | us-gaap:OperatingIncomeLoss | -$15.6M | 2025-12-31 | 2026-02-26 | 10-K | 26-073878 |
| 28 | book equity | us-gaap:StockholdersEquityIncludingPortionAttributableT... | $145.8M | 2025-12-31 | 2026-02-26 | 10-K | 26-073878 |
| 29 | liabilities | us-gaap:Liabilities | $685.3M | 2025-12-31 | 2026-02-26 | 10-K | 26-073878 |
| 30 | depreciation amortization | us-gaap:DepreciationDepletionAndAmortization | $17.8M | 2019-12-31 | 2022-02-25 | 10-K | 22-002054 |
| 31 | interest expense | us-gaap:InterestExpense | $19.3M | 2025-12-31 | 2026-02-26 | 10-K | 26-073878 |
| 32 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $31.7M | 2025-12-31 | 2026-02-26 | 10-K | 26-073878 |
| 33 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $103.6M | 2024-12-31 | 2026-02-26 | 10-K | 26-073878 |
| 34 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $34.5M | 2024-12-31 | 2026-02-26 | 10-K | 26-073878 |
| 35 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$43.0M | 2023-12-31 | 2026-02-26 | 10-K | 26-073878 |
| 36 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $36.3M | 2023-12-31 | 2026-02-26 | 10-K | 26-073878 |
| 37 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$44.2M | 2022-12-31 | 2025-05-20 | 10-K/A | 25-075366 |
| 38 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $17.1M | 2022-12-31 | 2025-05-20 | 10-K/A | 25-075366 |
| 39 | depreciation amortization | us-gaap:DepreciationDepletionAndAmortization | $92.5M | 2025-12-31 | 2026-02-26 | 10-K | 26-073878 |
| 40 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | -$31.2M | 2025-12-31 | 2026-02-26 | 10-K | 26-073878 |
| 41 | income tax | us-gaap:IncomeTaxExpenseBenefit | $5.0M | 2025-12-31 | 2026-02-26 | 10-K | 26-073878 |
| 42 | current assets | us-gaap:AssetsCurrent | $599.1M | 2024-12-31 | 2026-02-26 | 10-K | 26-073878 |
| 43 | current liabilities | us-gaap:LiabilitiesCurrent | $293.5M | 2024-12-31 | 2026-02-26 | 10-K | 26-073878 |
| 44 | assets | us-gaap:Assets | $1.7B | 2023-12-31 | 2025-05-20 | 10-K/A | 25-075366 |
| 45 | assets | us-gaap:Assets | $1.9B | 2022-12-31 | 2024-03-15 | 10-K | 24-032089 |
| 46 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 80,659,651 | 2026-02-19 | 2026-02-26 | 10-K | 26-073878 |
| 47 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 79,860,033 | 2025-02-28 | 2025-05-20 | 10-K/A | 25-075366 |

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