# Varex Imaging Corp.

**VREX**

Nasdaq; business equipment; SIC 3679, Electronic Components, NEC; CIK 0001681622

**C**

**middle fifth of 498 graded peers in business equipment**

rank 226 of 498; percentile 45.3; sampling error 2.2 points; lower is stronger

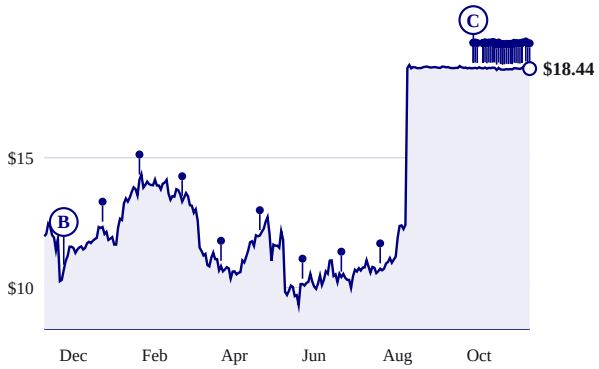
A B C D E

**C, the tortoise**



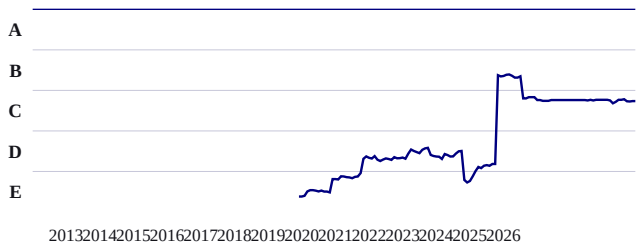
| Scoreboard | |
|---|---|
| **Profitability** | B<br>percentile 35.7 |
| **Solvency** | B/C<br>percentile 39.3 |
| **Growth and financing** | D<br>percentile 65.2 |
| **Reliability** | 0.91 AUC<br>filers with $591M to $2.67B assets; 95% interval 0.88 to 0.94; 160 events, 2020 to 2025 |
| **Peer failure 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 $1.1B |
| **Standard universe** | inside<br>revenue above $1M and assets above $10M |
| **Warnings** | none triggered |
| **Inputs computable** | 9 of 14 |
| **Graded from** | filings received through Nov 18, 2025<br>355 days before the rescan; latest periodic filing 10-Q received Aug 10, 2026 |
| **Last close** | $18.45<br>2026-11-06; market equity $776.7M; 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 Nov 18, 2025*

Varex Imaging Corporation is a leading innovator, designer and manufacturer of X-ray imaging components including X-ray tubes, flat panel and photon counting detectors and accessories, linear accelerators, image software processing solutions, and stand-alone X-ray based systems in select application areas. Our components are used in medical diagnostic imaging, security inspection systems, and industrial quality inspection systems, as well as for analysis and measurement applications in industrial manufacturing applications. Global OEMs incorporate our X-ray imaging components into their systems to detect, diagnose, protect, irradiate, and inspect.

## The fourteen inputs

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

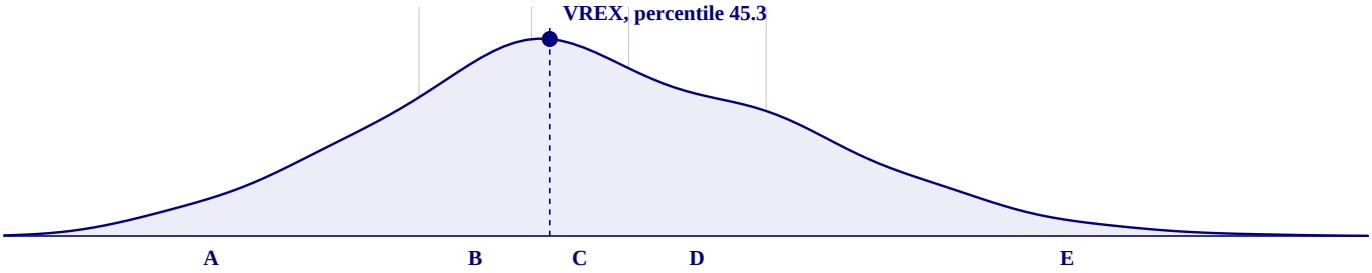
| Input | Value | Peer median | Percentile, 0 to 100 | Pct | Peers | Period end |
|---|---|---|---|---|---|---|
| **Profitability, sleeve percentile 35.7** | | | | | | |
| Gross profitability | 26.2% | 28.7% | | 51.1 | 555 | 2025-10-03 |
| Return on invested capital | not computable | 11.4% | | | | |

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 | (9.7%) | (7.3%) | | 43.4 | 618 | 2025-10-03 |
| Gross margin stability, five years | 0.9 pts | 2.3 pts | | 12.5 | 426 | 2025-10-03 |
| **Solvency, sleeve percentile 39.3** | | | | | | |
| Twelve-month failure probability | 0.06% | 0.06% | | 56.9 | 103 | 2026-07-03 |
| Altman Z double-prime | 3.31 | 2.18 | | 33.2 | 565 | 2025-10-03 |
| Net debt to EBITDA | not computable | 1.08x | | | | |
| *EBITDA must exceed $100,000* | | | | | | |
| Interest coverage | not computable | 3.77x | | | | |
| *latest aligned inputs end 2023-09-29; latest annual assets end 2025-10-03* | | | | | | |
| Current ratio | 3.43x | 2.01x | | 27.9 | 663 | 2025-10-03 |
| **Growth and financing, sleeve percentile 65.2** | | | | | | |
| Revenue growth, three-year compound | (0.6%) | 6.4% | | 70.0 | 535 | 2025-10-03 |
| 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 | 13.5% | | | | |
| *pretax income must exceed the validity floor and imply a 0%-100% tax rate* | | | | | | |
| Asset growth, three years | (2.2%) | 5.1% | | 67.4 | 560 | 2025-10-03 |
| Net share issuance, one year | 1.5% | 0.5% | | 58.0 | 408 | 2025-11-11 |

## Among 498 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 |
|---|---|---|---|---|
| 221 | Asana, Inc. (ASAN) | 44.3 | C | |
| 222 | Seagate Technology Holdings plc (STX) | 44.5 | C | |
| 223 | Playtika Holding Corp. (PLTK) | 44.7 | C | |
| 224 | OneSpan Inc. (OSPN) | 44.9 | C | |
| 225 | PDF Solutions Inc. (PDFS) | 45.1 | C | |
| 226 | Varex Imaging Corp. (VREX) | 45.3 | C | |
| 227 | Qualcomm Inc/De (QCOM) | 45.5 | C | |
| 228 | Western Digital Corp. (WDC) | 45.7 | C | fortress balance sheet |
| 229 | LGL Group Inc. (LGL) | 45.9 | C | fortress balance sheet |
| 230 | Illumina, Inc. (ILMN) | 46.1 | C | |
| 231 | Snowflake Inc. (SNOW) | 46.3 | C | |

## What the price implies

*at the 2026-11-06 close; none of these enters the grade*

| Measure | Value | Peer median | Percentile |
|---|---|---|---|
| Twelve-month price change, skipping the latest month | 57.8% | (2.0%) | 81 |
| Distance from 52-week high | (0.8%) | (36.5%) | 96 |
| EBIT to enterprise value | (2.7%) | 1.8% | 26 |
| Free cash flow yield | 2.4% | 2.9% | 43 |

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| | | | |
|---|---|---|---|
| Book value to price | 0.64 | 0.28 | 78 |
| Sales to price | 1.09 | 0.33 | 77 |
| Composite equity issuance, five years | 7.1% | 4.2% | 55 |
| Relative strength against the sector, log excess return | 0.19 | (0.29) | 81 |

## Diagnostics

*shown on every report; none enters the grade*

| Measure | Value |
|---|---|
| **Piotroski F-score 6 of 9, period end 2025-10-03** | |
| Return on assets above zero | fail |
| Operating cash flow above zero | pass |
| Return on assets improved | fail |
| Operating cash flow exceeds net income | pass |
| Long-term leverage fell | pass |
| Current ratio improved | pass |
| No new shares issued | fail |
| Gross margin improved | pass |
| Asset turnover improved | pass |
| **Cash, filings, liquidity** | |
| Cash and equivalents | $99.2M |
| Operating cash flow, four quarters | $11.3M |
| Months of runway | not finite |
| Days since last periodic filing | 90 (10-Q received Aug 10, 2026) |
| Median daily dollar volume, 63 sessions | $11.9M |

## 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 | $290.5M | 2025-10-03 | 2025-11-18 | 10-K | 25-000108 |
| 2 | assets | us-gaap:Assets | $1.1B | 2025-10-03 | 2025-11-18 | 10-K | 25-000108 |
| 3 | operating income | us-gaap:OperatingIncomeLoss | -$27.8M | 2025-10-03 | 2025-11-18 | 10-K | 25-000108 |
| 4 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | -$59.2M | 2025-10-03 | 2025-11-18 | 10-K | 25-000108 |
| 5 | income tax | us-gaap:IncomeTaxExpenseBenefit | $10.7M | 2025-10-03 | 2025-11-18 | 10-K | 25-000108 |
| 6 | total debt | us-gaap:LongTermDebt | $367.5M | 2025-10-03 | 2025-11-18 | 10-K | 25-000108 |
| 7 | book equity | us-gaap:StockholdersEquity | $472.6M | 2025-10-03 | 2025-11-18 | 10-K | 25-000108 |
| 8 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $145.0M | 2025-10-03 | 2025-11-18 | 10-K | 25-000108 |
| 9 | total debt | us-gaap:LongTermDebt | $443.4M | 2024-09-27 | 2025-11-18 | 10-K | 25-000108 |
| 10 | book equity | us-gaap:StockholdersEquity | $529.1M | 2024-09-27 | 2025-11-18 | 10-K | 25-000108 |
| 11 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $168.7M | 2024-09-27 | 2025-11-18 | 10-K | 25-000108 |
| 12 | net income | us-gaap:NetIncomeLoss | -$70.3M | 2025-10-03 | 2025-11-18 | 10-K | 25-000108 |
| 13 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $41.7M | 2025-10-03 | 2025-11-18 | 10-K | 25-000108 |
| 14 | assets | us-gaap:Assets | $1.2B | 2024-09-27 | 2025-11-18 | 10-K | 25-000108 |
| 15 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $844.6M | 2025-10-03 | 2025-11-18 | 10-K | 25-000108 |
| 16 | gross profit | us-gaap:GrossProfit | $256.9M | 2024-09-27 | 2025-11-18 | 10-K | 25-000108 |
| 17 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $811.0M | 2024-09-27 | 2025-11-18 | 10-K | 25-000108 |
| 18 | gross profit | us-gaap:GrossProfit | $290.3M | 2023-09-29 | 2025-11-18 | 10-K | 25-000108 |
| 19 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $893.4M | 2023-09-29 | 2025-11-18 | 10-K | 25-000108 |
| 20 | gross profit | us-gaap:GrossProfit | $283.5M | 2022-09-30 | 2024-11-19 | 10-K | 24-000089 |
| 21 | revenue | us-gaap:Revenues | $859.4M | 2022-09-30 | 2024-11-19 | 10-K | 24-000089 |
| 22 | gross profit | us-gaap:GrossProfit | $271.5M | 2021-10-01 | 2023-11-16 | 10-K | 23-000074 |
| 23 | revenue | us-gaap:Revenues | $818.1M | 2021-10-01 | 2023-11-16 | 10-K | 23-000074 |
| 24 | current assets | us-gaap:AssetsCurrent | $641.8M | 2025-10-03 | 2025-11-18 | 10-K | 25-000108 |
| 25 | current liabilities | us-gaap:LiabilitiesCurrent | $187.2M | 2025-10-03 | 2025-11-18 | 10-K | 25-000108 |
| 26 | retained earnings | us-gaap:RetainedEarningsAccumulatedDeficit | -$5.9M | 2025-10-03 | 2025-11-18 | 10-K | 25-000108 |

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| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 27 | liabilities | us-gaap:Liabilities | $620.8M | 2025-10-03 | 2025-11-18 | 10-K | 25-000108 |
| 28 | depreciation amortization | us-gaap:Depreciation | $23.2M | 2025-10-03 | 2025-11-18 | 10-K | 25-000108 |
| 29 | operating income | us-gaap:OperatingIncomeLoss | $77.1M | 2023-09-29 | 2025-11-18 | 10-K | 25-000108 |
| 30 | interest expense | us-gaap:InterestExpense | $29.3M | 2023-09-29 | 2023-11-16 | 10-K | 23-000074 |
| 31 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $22.9M | 2025-10-03 | 2025-11-18 | 10-K | 25-000108 |
| 32 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $47.3M | 2024-09-27 | 2025-11-18 | 10-K | 25-000108 |
| 33 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $26.9M | 2024-09-27 | 2025-11-18 | 10-K | 25-000108 |
| 34 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $108.4M | 2023-09-29 | 2025-11-18 | 10-K | 25-000108 |
| 35 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $20.7M | 2023-09-29 | 2025-11-18 | 10-K | 25-000108 |
| 36 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $16.9M | 2022-09-30 | 2024-11-19 | 10-K | 24-000089 |
| 37 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $21.3M | 2022-09-30 | 2024-11-19 | 10-K | 24-000089 |
| 38 | current assets | us-gaap:AssetsCurrent | $649.9M | 2024-09-27 | 2025-11-18 | 10-K | 25-000108 |
| 39 | current liabilities | us-gaap:LiabilitiesCurrent | $195.9M | 2024-09-27 | 2025-11-18 | 10-K | 25-000108 |
| 40 | assets | us-gaap:Assets | $1.2B | 2023-09-29 | 2024-11-19 | 10-K | 24-000089 |
| 41 | assets | us-gaap:Assets | $1.2B | 2022-09-30 | 2023-11-16 | 10-K | 23-000074 |
| 42 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 41,700,000 | 2025-11-11 | 2025-11-18 | 10-K | 25-000108 |
| 43 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 41,100,000 | 2024-11-14 | 2024-11-19 | 10-K | 24-000089 |

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