# Sono TEK Corp.

**SOTK**

Nasdaq; manufacturing; SIC 3559, Special Industry Machinery, NEC; CIK 0000806172

**A**

**strongest fifth of 254 graded peers in manufacturing**

rank 5 of 254; percentile 1.6; sampling error 3.0 points; lower is stronger

A B C D E

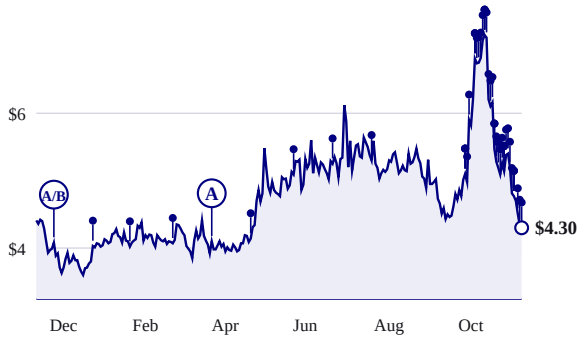
**A, the bull**



## Scoreboard

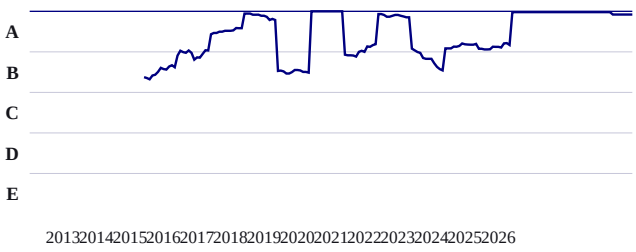
| | |
|---|---|
| **Profitability** | A/B<br>percentile 21.0 |
| **Solvency** | B<br>percentile 25.1 |
| **Growth and financing** | B<br>percentile 24.6 |
| **Reliability** | 0.83 AUC<br>filers with $12.5M to $120M assets; 95% interval 0.79 to 0.86; 201 events, 2020 to 2025 |
| **Peer failure rate** | 1.07% a year<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | $12.5M to $120M assets<br>total assets $26.4M |
| **Standard universe** | inside<br>revenue above $1M and assets above $10M |
| **Warnings** | none triggered; fortress balance sheet |
| **Inputs computable** | 10 of 14 |
| **Graded from** | filings received through May 28, 2026<br>165 days before the rescan; latest periodic filing 10-Q received Oct 14, 2026 |
| **Last close** | $4.31<br>2026-11-06; market equity $67.9M; 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 May 28, 2026*

"We" or "Our") is the world leader in the design and manufacture of ultrasonic coating systems for applying precise, thin film coatings to add functional properties, protect or strengthen surfaces on parts and components for the microelectronics/electronics, alternative energy, medical, industrial and emerging research & development/other markets.

## 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 21.0** | | | | | | |
| Gross profitability | 40.0% | 22.0% | | 11.4 | 274 | 2026-02-28 |
| Return on invested capital | not computable | 9.7% | | | | |
| *one or more required annual facts are missing* | | | | | | |
| Accruals ratio | (5.8%) | (3.7%) | | 33.6 | 305 | 2026-02-28 |
| Gross margin stability, five years | 1.2 pts | 2.1 pts | | 18.1 | 228 | 2026-02-28 |

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| | | | | | | |
|---|---|---|---|---|---|---|
| **Solvency, sleeve percentile 25.1** | | | | | | |
| Twelve-month failure probability | 0.04% | 0.04% | 42.9 | 36 | 2026-08-31 | |
| Altman Z double-prime | 8.78 | 3.72 | 10.4 | 241 | 2026-02-28 | |
| Net debt to EBITDA | not computable | 1.77x | | | | |
| *latest aligned inputs end 2021-02-28; latest annual assets end 2026-02-28* | | | | | | |
| Interest coverage | not computable | 5.09x | | | | |
| *interest expense must exceed $100,000* | | | | | | |
| Current ratio | 3.46x | 2.26x | 22.1 | 322 | 2026-02-28 | |
| **Growth and financing, sleeve percentile 24.6** | | | | | | |
| Revenue growth, three-year compound | 11.6% | 2.2% | 17.2 | 268 | 2026-02-28 | |
| Free cash flow growth, three-year compound | 57.8% | 13.3% | 7.2 | 140 | 2026-02-28 | |
| Reinvestment rate | not computable | 25.7% | | | | |
| *one or more required annual facts are missing* | | | | | | |
| Asset growth, three years | 9.4% | 4.2% | 27.3 | 276 | 2026-02-28 | |
| Net share issuance, one year | (0.09%) | 0.00% | 46.9 | 240 | 2026-05-19 | |

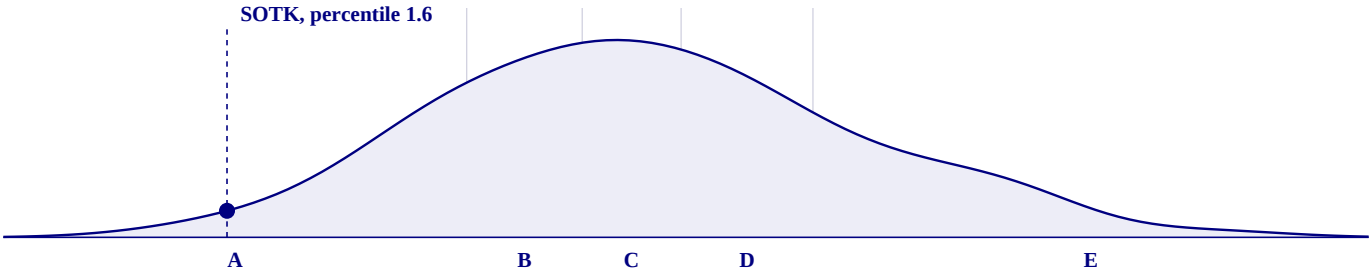
## Warnings

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

| Check | Measured |
|---|---|
| Fortress balance sheet | cash minus debt is 3,082,438 USD; Altman Z is not used |

## Among 254 peers

*manufacturing; 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 |
|---|---|---|---|---|
| 1 | Solaris Energy Infrastructure, Inc. (SEI) | 0.0 | A | fortress balance sheet |
| 2 | Xpel, Inc. (XPEL) | 0.4 | A | fortress balance sheet |
| 3 | Cactus, Inc. (WHD) | 0.8 | A | fortress balance sheet |
| 4 | Deckers Outdoor Corp. (DECK) | 1.2 | A | |
| 5 | Sono TEK Corp. (SOTK) | 1.6 | A | fortress balance sheet |
| 6 | Proto Labs Inc. (PRLB) | 2.0 | A | fortress balance sheet |
| 7 | Franklin Electric Co. Inc. (FELE) | 2.4 | A | |
| 8 | ITT Inc. (ITT) | 2.8 | A | fortress balance sheet |
| 9 | Smith Midland Corp. (SMID) | 3.2 | A | late filer |
| 10 | Simpson Manufacturing Co., Inc. (SSD) | 3.6 | A | fortress balance sheet |

## 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 | 30.5% | 9.8% | 68 |
| Distance from 52-week high | (39.9%) | (27.5%) | 31 |
| EBIT to enterprise value | 3.1% | 4.2% | 37 |
| Free cash flow yield | 4.5% | 3.5% | 60 |

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| | | | |
|---|---|---|---|
| Book value to price | 0.31 | 0.37 | 42 |
| Sales to price | 0.31 | 0.55 | 25 |
| Composite equity issuance, five years | not computable | (9.5%) | |
| Relative strength against the sector, log excess return | 0.18 | 0.01 | 68 |

## Diagnostics

*shown on every report; none enters the grade*

| Measure | Value |
|---|---|
| **Piotroski F-score None of 9, period end 2026-02-28** | |
| 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 | fail |
| Current ratio improved | pass |
| No new shares issued | pass |
| Gross margin improved | pass |
| Asset turnover improved | pass |
| **Cash, filings, liquidity** | |
| Cash and equivalents | $10.2M |
| Operating cash flow, four quarters | $7.4M |
| Months of runway | not finite |
| Days since last periodic filing | 26 (10-Q received Oct 14, 2026) |
| Median daily dollar volume, 63 sessions | $313,453 |

## 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 | $10.6M | 2026-02-28 | 2026-05-28 | 10-K | 26-000113 |
| 2 | assets | us-gaap:Assets | $26.4M | 2026-02-28 | 2026-05-28 | 10-K | 26-000113 |
| 3 | net income | us-gaap:ProfitLoss | $1.8M | 2026-02-28 | 2026-05-28 | 10-K | 26-000113 |
| 4 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $3.2M | 2026-02-28 | 2026-05-28 | 10-K | 26-000113 |
| 5 | assets | us-gaap:Assets | $23.4M | 2025-02-28 | 2026-05-28 | 10-K | 26-000113 |
| 6 | revenue | us-gaap:Revenues | $20.9M | 2026-02-28 | 2026-05-28 | 10-K | 26-000113 |
| 7 | gross profit | us-gaap:GrossProfit | $9.7M | 2025-02-28 | 2026-05-28 | 10-K | 26-000113 |
| 8 | revenue | us-gaap:Revenues | $20.5M | 2025-02-28 | 2026-05-28 | 10-K | 26-000113 |
| 9 | gross profit | us-gaap:GrossProfit | $9.8M | 2024-02-29 | 2025-05-28 | 10-K | 25-000195 |
| 10 | revenue | us-gaap:Revenues | $19.7M | 2024-02-29 | 2025-05-28 | 10-K | 25-000195 |
| 11 | gross profit | us-gaap:GrossProfit | $7.7M | 2023-02-28 | 2024-05-23 | 10-K | 24-000208 |
| 12 | revenue | us-gaap:Revenues | $15.1M | 2023-02-28 | 2024-05-23 | 10-K | 24-000208 |
| 13 | gross profit | us-gaap:GrossProfit | $8.6M | 2022-02-28 | 2023-05-25 | 10-K | 23-000181 |
| 14 | revenue | us-gaap:Revenues | $17.1M | 2022-02-28 | 2023-05-25 | 10-K | 23-000181 |
| 15 | current assets | us-gaap:AssetsCurrent | $22.8M | 2026-02-28 | 2026-05-28 | 10-K | 26-000113 |
| 16 | current liabilities | us-gaap:LiabilitiesCurrent | $6.6M | 2026-02-28 | 2026-05-28 | 10-K | 26-000113 |
| 17 | retained earnings | us-gaap:RetainedEarningsAccumulatedDeficit | $9.4M | 2026-02-28 | 2026-05-28 | 10-K | 26-000113 |
| 18 | operating income | us-gaap:OperatingIncomeLoss | $1.8M | 2026-02-28 | 2026-05-28 | 10-K | 26-000113 |
| 19 | book equity | us-gaap:StockholdersEquity | $19.8M | 2026-02-28 | 2026-05-28 | 10-K | 26-000113 |
| 20 | liabilities | us-gaap:Liabilities | $6.6M | 2026-02-28 | 2026-05-28 | 10-K | 26-000113 |
| 21 | total debt | us-gaap:LongTermDebt | $1.0M | 2021-02-28 | 2021-05-28 | 10-K | 21-000215 |
| 22 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $4.1M | 2021-02-28 | 2022-05-24 | 10-K | 22-000333 |
| 23 | operating income | us-gaap:OperatingIncomeLoss | $1.3M | 2021-02-28 | 2022-05-24 | 10-K | 22-000333 |
| 24 | depreciation amortization | us-gaap:DepreciationDepletionAndAmortization | $463,076 | 2021-02-28 | 2022-05-24 | 10-K | 22-000333 |
| 25 | interest expense | us-gaap:InterestExpense | $39,843 | 2021-02-28 | 2022-05-24 | 10-K | 22-000333 |
| 26 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $224,558 | 2026-02-28 | 2026-05-28 | 10-K | 26-000113 |

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| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 27 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $525,019 | 2025-02-28 | 2026-05-28 | 10-K | 26-000113 |
| 28 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $468,798 | 2025-02-28 | 2026-05-28 | 10-K | 26-000113 |
| 29 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $1.2M | 2024-02-29 | 2025-05-28 | 10-K | 25-000195 |
| 30 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $794,690 | 2024-02-29 | 2025-05-28 | 10-K | 25-000195 |
| 31 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $1.3M | 2023-02-28 | 2024-05-23 | 10-K | 24-000208 |
| 32 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $555,867 | 2023-02-28 | 2024-05-23 | 10-K | 24-000208 |
| 33 | assets | us-gaap:Assets | $23.1M | 2024-02-29 | 2025-05-28 | 10-K | 25-000195 |
| 34 | assets | us-gaap:Assets | $20.2M | 2023-02-28 | 2024-05-23 | 10-K | 24-000208 |
| 35 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 15,713,747 | 2026-05-19 | 2026-05-28 | 10-K | 26-000113 |
| 36 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 15,727,702 | 2025-05-23 | 2025-05-28 | 10-K | 25-000195 |

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