# Applied Digital Corp.

**APLD**

Nasdaq; business equipment; SIC 7374, Services-Computer Processing & Data Preparation; CIK 0001144879

**C**

**middle fifth of 495 graded peers in business equipment**

rank 250 of 495; percentile 50.4; sampling error 2.2 points; lower is stronger

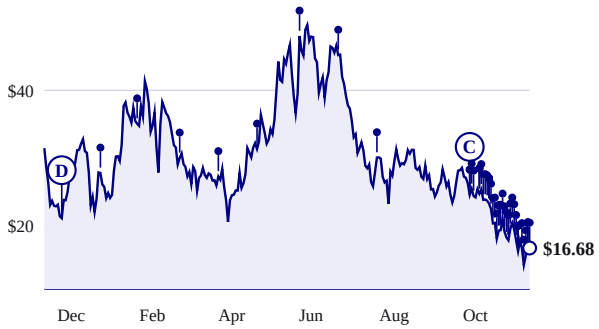
A B C D E

**C, the tortoise**



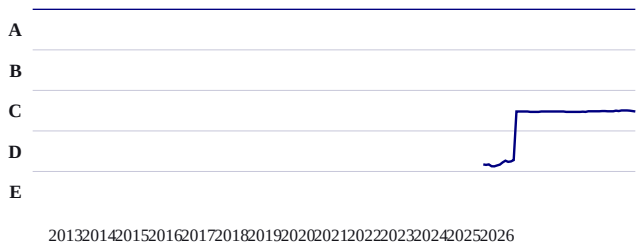
| Scoreboard | |
|---|---|
| **Profitability** | E<br>percentile 84.9 |
| **Solvency** | B<br>percentile 33.3 |
| **Growth and financing** | B<br>percentile 27.0 |
| **Reliability** | 0.94 AUC<br>filers with over $2.67B assets; 95% interval 0.88 to 0.97; 61 events, 2020 to 2025 |
| **Peer failure rate** | 0.52% a year<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | over $2.67B assets<br>total assets $9.9B |
| **Standard universe** | inside<br>revenue above $1M and assets above $10M |
| **Warnings** | none triggered; fortress balance sheet<br>not computable: distress |
| **Inputs computable** | 8 of 14 |
| **Graded from** | filings received through Jul 29, 2026<br>105 days before the rescan; latest periodic filing 10-Q received Oct 7, 2026 |
| **Last close** | $16.69<br>2026-11-10; market equity $5.0B; 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 Jul 29, 2026*

We are a U.S.-based designer, developer, owner, and operator of large-scale, purpose-built data centers engineered to support high-performance computing ("HPC") workloads, including artificial intelligence ("AI"), machine learning, and other accelerated-compute applications. We design, build, and operate high-performance, sustainably engineered data centers-which we refer to as AI factories-and deliver that capacity to investment-grade hyperscalers and other leading compute customers under long-term lease and hosting arrangements.

## 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 84.9** | | | | | | |
| Gross profitability | 2.2% | 28.7% | | 91.1 | 552 | 2026-05-31 |
| Return on invested capital | not computable | 11.4% | | | | |

*a prior annual debt, equity, and cash observation is required*

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.

| | | | | | |
|---|---|---|---|---|---|
| Accruals ratio | (4.6%) | (7.3%) | 66.3 | 615 | 2026-05-31 |
| Gross margin stability, five years | 29.4 pts | 2.3 pts | 97.2 | 423 | 2026-05-31 |
| **Solvency, sleeve percentile 33.3** | | | | | |
| 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 | 2.23 | 2.21 | 43.3 | 562 | 2026-05-31 |
| Net debt to EBITDA | not computable | 1.08x | | | |
| *EBITDA must exceed $100,000* | | | | | |
| Interest coverage | not computable | 3.77x | | | |
| *latest aligned inputs end 2024-05-31; latest annual assets end 2026-05-31* | | | | | |
| Current ratio | 4.01x | 2.01x | 23.2 | 660 | 2026-05-31 |
| **Growth and financing, sleeve percentile 27.0** | | | | | |
| Revenue growth, three-year compound | 122.6% | 6.5% | 1.3 | 532 | 2026-05-31 |
| 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 | 15.1% | | | |
| *pretax income must exceed the validity floor and imply a 0%-100% tax rate* | | | | | |
| Asset growth, three years | 235.1% | 5.2% | 0.2 | 557 | 2026-05-31 |
| Net share issuance, one year | 11.5% | 0.5% | 79.5 | 406 | 2026-07-28 |

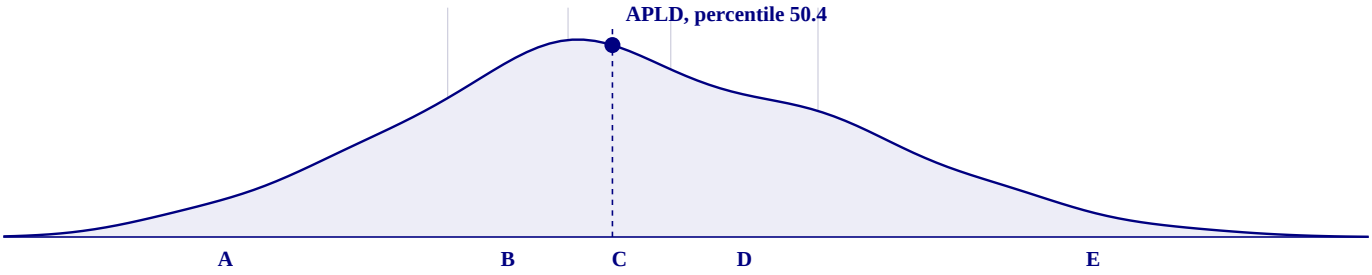
## Warnings

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

| Check | Measured |
|---|---|
| Fortress balance sheet | cash minus debt is 31,608,000 USD; Altman Z is not used |

## Among 495 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 |
|---|---|---|---|---|
| 245 | Skyworks Solutions, Inc. (SWKS) | 49.4 | C | fortress balance sheet |
| 246 | Cognizant Technology Solutions Corp. (CTSH) | 49.6 | C | fortress balance sheet |
| 247 | Brightline Interactive, Inc./NV (BTLN) | 49.8 | C | |
| 248 | Roper Technologies Inc. (ROP) | 50.0 | C | |
| 249 | Arteris, Inc. (AIP) | 50.2 | C | |
| 250 | Applied Digital Corp. (APLD) | 50.4 | C | fortress balance sheet |
| 251 | Penguin Solutions, Inc. (PENG) | 50.6 | C | |
| 252 | Mobileye Global Inc. (MBLY) | 50.8 | C | |
| 253 | Bill Holdings, Inc. (BILL) | 51.0 | C | |
| 254 | Ultra Clean Holdings, Inc. (UCTT) | 51.2 | C | |
| 255 | Evertec, Inc. (EVTC) | 51.4 | C | |

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.

## What the price implies

*at the 2026-11-10 close; none of these enters the grade*

| Measure | Value | Peer median | Percentile |
|---|---|---|---|
| Twelve-month price change, skipping the latest month | (29.7%) | (2.0%) | 28 |
| Distance from 52-week high | (66.4%) | (34.4%) | 17 |
| EBIT to enterprise value | (11.3%) | 1.7% | 15 |
| Free cash flow yield | (55.0%) | 2.9% | 7 |
| Book value to price | 0.32 | 0.28 | 54 |
| Sales to price | 0.12 | 0.32 | 22 |
| Composite equity issuance, five years | not computable | 4.3% | |
| Relative strength against the sector, log excess return | (0.62) | (0.29) | 28 |

## Diagnostics

*shown on every report; none enters the grade*

| Measure | Value |
|---|---|
| **Piotroski F-score None of 9, period end 2026-05-31** | |
| 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 | pass |
| No new shares issued | fail |
| Gross margin improved | pass |
| Asset turnover improved | pass |
| **Cash, filings, liquidity** | |
| Cash and equivalents | $2.9B |
| Operating cash flow, four quarters | $235.1M |
| Months of runway | not finite |
| Days since last periodic filing | 35 (10-Q received Oct 7, 2026) |
| Median daily dollar volume, 63 sessions | $442.1M |

## 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 | revenue | us-gaap:Revenues | $611.3M | 2026-05-31 | 2026-07-29 | 10-K | 26-000048 |
| 2 | cost of revenue | us-gaap:CostOfRevenue | $396.9M | 2026-05-31 | 2026-07-29 | 10-K | 26-000048 |
| 3 | assets | us-gaap:Assets | $9.9B | 2026-05-31 | 2026-07-29 | 10-K | 26-000048 |
| 4 | operating income | us-gaap:OperatingIncomeLoss | -$20.9M | 2022-05-31 | 2023-08-02 | 10-K | 23-000176 |
| 5 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | -$21.9M | 2022-05-31 | 2023-08-02 | 10-K | 23-000176 |
| 6 | income tax | us-gaap:IncomeTaxExpenseBenefit | $540,000 | 2022-05-31 | 2023-08-02 | 10-K | 23-000176 |
| 7 | total debt | us-gaap:LongTermDebt | $7.2M | 2022-05-31 | 2022-08-29 | 10-K | 22-023816 |
| 8 | book equity | us-gaap:StockholdersEquity | $72.3M | 2022-05-31 | 2023-08-02 | 10-K | 23-000176 |
| 9 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $38.8M | 2022-05-31 | 2023-08-02 | 10-K | 23-000176 |
| 10 | net income | us-gaap:ProfitLoss | -$184.3M | 2026-05-31 | 2026-07-29 | 10-K | 26-000048 |
| 11 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $89.7M | 2026-05-31 | 2026-07-29 | 10-K | 26-000048 |
| 12 | assets | us-gaap:Assets | $1.9B | 2025-05-31 | 2026-07-29 | 10-K | 26-000048 |
| 13 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $144.2M | 2025-05-31 | 2025-07-30 | 10-K | 25-000021 |
| 14 | cost of revenue | us-gaap:CostOfRevenue | $216.8M | 2025-05-31 | 2026-07-29 | 10-K | 26-000048 |
| 15 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $136.6M | 2024-05-31 | 2025-07-30 | 10-K | 25-000021 |
| 16 | cost of revenue | us-gaap:CostOfRevenue | $148.3M | 2024-05-31 | 2026-07-29 | 10-K | 26-000048 |
| 17 | gross profit | us-gaap:GrossProfit | $11.0M | 2023-05-31 | 2023-08-02 | 10-K | 23-000176 |
| 18 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $55.4M | 2023-05-31 | 2025-07-30 | 10-K | 25-000021 |

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.

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 19 | gross profit | us-gaap:GrossProfit | -$957,000 | 2022-05-31 | 2023-08-02 | 10-K | 23-000176 |
| 20 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $8.5M | 2022-05-31 | 2023-08-02 | 10-K | 23-000176 |
| 21 | current assets | us-gaap:AssetsCurrent | $4.7B | 2026-05-31 | 2026-07-29 | 10-K | 26-000048 |
| 22 | current liabilities | us-gaap:LiabilitiesCurrent | $1.2B | 2026-05-31 | 2026-07-29 | 10-K | 26-000048 |
| 23 | retained earnings | us-gaap:RetainedEarningsAccumulatedDeficit | -$662.3M | 2026-05-31 | 2026-07-29 | 10-K | 26-000048 |
| 24 | operating income | us-gaap:OperatingIncomeLoss | -$236.5M | 2026-05-31 | 2026-07-29 | 10-K | 26-000048 |
| 25 | book equity | us-gaap:StockholdersEquity | $1.7B | 2026-05-31 | 2026-07-29 | 10-K | 26-000048 |
| 26 | liabilities | us-gaap:Liabilities | $6.2B | 2026-05-31 | 2026-07-29 | 10-K | 26-000048 |
| 27 | depreciation amortization | us-gaap:DepreciationDepletionAndAmortization | $1.1M | 2022-05-31 | 2023-08-02 | 10-K | 23-000176 |
| 28 | operating income | us-gaap:OperatingIncomeLoss | -$98.3M | 2024-05-31 | 2026-07-29 | 10-K | 26-000048 |
| 29 | interest expense | us-gaap:InterestExpense | $26.8M | 2024-05-31 | 2024-08-30 | 10-K | 24-000216 |
| 30 | capital expenditure | us-gaap:PaymentsToAcquireProductiveAssets | $2.9B | 2026-05-31 | 2026-07-29 | 10-K | 26-000048 |
| 31 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$115.4M | 2025-05-31 | 2026-07-29 | 10-K | 26-000048 |
| 32 | capital expenditure | us-gaap:PaymentsToAcquireProductiveAssets | $681.6M | 2025-05-31 | 2026-07-29 | 10-K | 26-000048 |
| 33 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $13.8M | 2024-05-31 | 2026-07-29 | 10-K | 26-000048 |
| 34 | capital expenditure | us-gaap:PaymentsToAcquireProductiveAssets | $141.8M | 2024-05-31 | 2026-07-29 | 10-K | 26-000048 |
| 35 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $58.7M | 2023-05-31 | 2025-07-30 | 10-K | 25-000021 |
| 36 | capital expenditure | us-gaap:PaymentsToAcquireProductiveAssets | $131.3M | 2023-05-31 | 2025-07-30 | 10-K | 25-000021 |
| 37 | depreciation amortization | us-gaap:DepreciationDepletionAndAmortization | $67.4M | 2026-05-31 | 2026-07-29 | 10-K | 26-000048 |
| 38 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | -$181.5M | 2026-05-31 | 2026-07-29 | 10-K | 26-000048 |
| 39 | income tax | us-gaap:IncomeTaxExpenseBenefit | $1.8M | 2026-05-31 | 2026-07-29 | 10-K | 26-000048 |
| 40 | current assets | us-gaap:AssetsCurrent | $132.8M | 2025-05-31 | 2026-07-29 | 10-K | 26-000048 |
| 41 | current liabilities | us-gaap:LiabilitiesCurrent | $499.7M | 2025-05-31 | 2026-07-29 | 10-K | 26-000048 |
| 42 | assets | us-gaap:Assets | $762.9M | 2024-05-31 | 2025-07-30 | 10-K | 25-000021 |
| 43 | assets | us-gaap:Assets | $264.0M | 2023-05-31 | 2024-08-30 | 10-K | 24-000216 |
| 44 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 291,469,112 | 2026-07-28 | 2026-07-29 | 10-K | 26-000048 |
| 45 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 261,519,794 | 2025-07-29 | 2025-07-30 | 10-K | 25-000021 |

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.