# Vertex, Inc.

**VERX**

Nasdaq; business equipment; SIC 7372, Services-Prepackaged Software; CIK 0001806837

# B/C

**on the B/C boundary of 494 graded peers in business equipm...**

rank 207 of 494; percentile 41.8; sampling error 2.2 points; lower is stronger

A B C D E

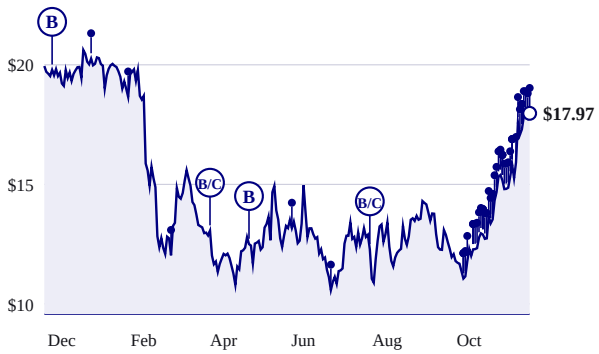
**B/C, the elk**



## Scoreboard

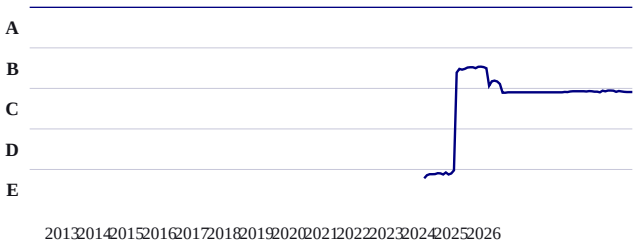
| | |
|---|---|
| **Profitability** | C<br>percentile 44.1 |
| **Solvency** | D<br>percentile 69.9 |
| **Growth and financing** | A/B<br>percentile 22.0 |
| **Reliability** | 0.91 AUC<br>filers with $591M to $2.67B assets; 95% interval 0.88 to 0.94; 160 events, 2020 to 2025 |
| **Peer failure rate** | 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 $1.3B |
| **Standard universe** | inside<br>revenue above $1M and assets above $10M |
| **Warnings** | none triggered<br>not computable: dilution, distress |
| **Inputs computable** | 8 of 14 |
| **Graded from** | filings received through Feb 24, 2026<br>265 days before the rescan; latest periodic filing 10-Q received Nov 5, 2026 |
| **Last close** | $17.97<br>2026-11-13; market equity $473.7M; 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 Feb 24, 2026*

Vertex is a leading provider of enterprise compliance technology for global commerce. Our software, data, and services help businesses operate with confidence by automating and governing transaction-based compliance obligations that arise wherever they buy, sell, and move goods and services around the world. At the core of global commerce are transaction-based regulatory requirements that must be calculated, documented, reported, and, in many cases, digitally transmitted to tax authorities in real time. Indirect taxes-such as sales tax, use tax, and value-added tax ("VAT")-represent a significant portion of these obligations.

## The fourteen inputs

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

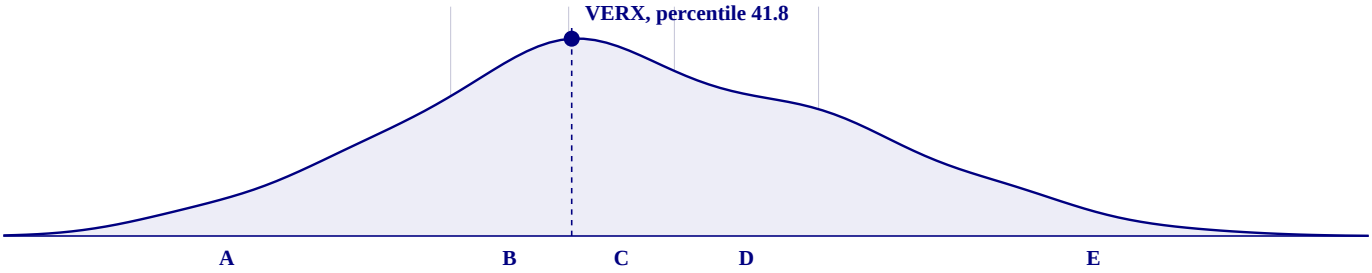
| Input | Value | Peer median | Percentile, 0 to 100 | Pct | Peers | Period end |
|---|---|---|---|---|---|---|
| **Profitability, sleeve percentile 44.1** | | | | | | |
| Gross profitability | 37.9% | 28.7% | | 31.1 | 550 | 2025-12-31 |
| Return on invested capital | 0.9% | 11.2% | | 79.4 | 132 | 2025-12-31 |
| Accruals ratio | (13.0%) | (7.3%) | | 32.2 | 613 | 2025-12-31 |

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.

| | | | | | | |
|---|---|---|---|---|---|---|
| Gross margin stability, five years | 1.5 pts | 2.3 pts | | 33.5 | 422 | 2025-12-31 |
| **Solvency, sleeve percentile 69.9** | | | | | | |
| Twelve-month failure probability | not computable | 0.05% | | | | |
| *liabilities and a nearby cover-page share count are required at 2026-09-30* | | | | | | |
| Altman Z double-prime | 0.09 | 2.21 | | 56.8 | 561 | 2025-12-31 |
| Net debt to EBITDA | not computable | 1.09x | | | | |
| *one or more required annual facts are missing* | | | | | | |
| Interest coverage | not computable | 3.77x | | | | |
| *one or more required annual facts are missing* | | | | | | |
| Current ratio | 0.98x | 2.01x | | 83.0 | 658 | 2025-12-31 |
| **Growth and financing, sleeve percentile 22.0** | | | | | | |
| Revenue growth, three-year compound | 15.0% | 6.4% | | 26.8 | 531 | 2025-12-31 |
| Free cash flow growth, three-year compound | not computable | 17.7% | | | | |
| *latest aligned inputs end 2023-12-31; latest annual assets end 2025-12-31* | | | | | | |
| Reinvestment rate | not computable | 15.1% | | | | |
| *one or more required annual facts are missing* | | | | | | |
| Asset growth, three years | 20.9% | 5.2% | | 17.1 | 555 | 2025-12-31 |
| Net share issuance, one year | not computable | 0.5% | | | | |
| *two annual share counts are required; found 0* | | | | | | |

## Among 494 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 |
|---|---|---|---|---|
| 202 | Leidos Holdings, Inc. (LDOS) | 40.8 | B/C | |
| 203 | Mirion Technologies, Inc. (MIR) | 41.0 | B/C | |
| 204 | Itron, Inc. (ITRI) | 41.2 | B/C | |
| 205 | Okta, Inc. (OKTA) | 41.4 | B/C | |
| 206 | Verisign Inc/Ca (VRSN) | 41.6 | B/C | fortress balance sheet |
| 207 | Vertex, Inc. (VERX) | 41.8 | B/C | |
| 208 | F5, Inc. (FFIV) | 42.0 | B/C | |
| 209 | Netscout Systems Inc. (NTCT) | 42.2 | B/C | |
| 210 | BOX Inc. (BOX) | 42.4 | C | |
| 211 | Coursera, Inc. (COUR) | 42.6 | C | |
| 212 | Ciena Corp. (CIEN) | 42.8 | C | fortress balance sheet |

## What the price implies

*at the 2026-11-13 close; none of these enters the grade*

| Measure | Value | Peer median | Percentile |
|---|---|---|---|
| Twelve-month price change, skipping the latest month | (48.6%) | (2.0%) | 16 |
| Distance from 52-week high | (12.9%) | (35.0%) | 77 |
| EBIT to enterprise value | 0.4% | 1.7% | 39 |
| Free cash flow yield | 5.3% | 2.8% | 70 |

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.

| | | | |
|---|---|---|---|
| Book value to price | 0.38 | 0.27 | 60 |
| Sales to price | 1.58 | 0.32 | 84 |
| Composite equity issuance, five years | not computable | 4.4% | |
| Relative strength against the sector, log excess return | (0.93) | (0.29) | 16 |

## 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 | pass |
| Operating cash flow above zero | pass |
| Return on assets improved | pass |
| Operating cash flow exceeds net income | pass |
| Long-term leverage fell | pass |
| Current ratio improved | fail |
| No new shares issued | fail |
| Gross margin improved | pass |
| Asset turnover improved | fail |
| **Cash, filings, liquidity** | |
| Cash and equivalents | $217.8M |
| Operating cash flow, four quarters | $164.4M |
| Months of runway | not finite |
| Days since last periodic filing | 11 (10-Q received Nov 5, 2026) |
| Median daily dollar volume, 63 sessions | $18.4M |

## 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 | $481.6M | 2025-12-31 | 2026-02-24 | 10-K | 26-019165 |
| 2 | assets | us-gaap:Assets | $1.3B | 2025-12-31 | 2026-02-24 | 10-K | 26-019165 |
| 3 | operating income | us-gaap:OperatingIncomeLoss | $2.3M | 2025-12-31 | 2026-02-24 | 10-K | 26-019165 |
| 4 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | $7.6M | 2025-12-31 | 2026-02-24 | 10-K | 26-019165 |
| 5 | income tax | us-gaap:IncomeTaxExpenseBenefit | $368,000 | 2025-12-31 | 2026-02-24 | 10-K | 26-019165 |
| 6 | total debt | us-gaap:LongTermDebt | $337.5M | 2025-12-31 | 2026-02-24 | 10-K | 26-019165 |
| 7 | book equity | us-gaap:StockholdersEquity | $258.9M | 2025-12-31 | 2026-02-24 | 10-K | 26-019165 |
| 8 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $314.0M | 2025-12-31 | 2026-02-24 | 10-K | 26-019165 |
| 9 | total debt | us-gaap:LongTermDebt | $335.2M | 2024-12-31 | 2026-02-24 | 10-K | 26-019165 |
| 10 | book equity | us-gaap:StockholdersEquity | $179.4M | 2024-12-31 | 2026-02-24 | 10-K | 26-019165 |
| 11 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $296.1M | 2024-12-31 | 2026-02-24 | 10-K | 26-019165 |
| 12 | net income | us-gaap:NetIncomeLoss | $7.2M | 2025-12-31 | 2026-02-24 | 10-K | 26-019165 |
| 13 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $165.5M | 2025-12-31 | 2026-02-24 | 10-K | 26-019165 |
| 14 | assets | us-gaap:Assets | $1.2B | 2024-12-31 | 2026-02-24 | 10-K | 26-019165 |
| 15 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $748.4M | 2025-12-31 | 2026-02-24 | 10-K | 26-019165 |
| 16 | gross profit | us-gaap:GrossProfit | $426.1M | 2024-12-31 | 2026-02-24 | 10-K | 26-019165 |
| 17 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $666.8M | 2024-12-31 | 2026-02-24 | 10-K | 26-019165 |
| 18 | gross profit | us-gaap:GrossProfit | $348.6M | 2023-12-31 | 2026-02-24 | 10-K | 26-019165 |
| 19 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $572.4M | 2023-12-31 | 2026-02-24 | 10-K | 26-019165 |
| 20 | gross profit | us-gaap:GrossProfit | $298.5M | 2022-12-31 | 2025-02-27 | 10-K | 25-001820 |
| 21 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $491.6M | 2022-12-31 | 2025-02-27 | 10-K | 25-001820 |
| 22 | gross profit | us-gaap:GrossProfit | $263.7M | 2021-12-31 | 2024-02-29 | 10-K | 24-002192 |
| 23 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $425.5M | 2021-12-31 | 2024-02-29 | 10-K | 24-002192 |
| 24 | current assets | us-gaap:AssetsCurrent | $560.7M | 2025-12-31 | 2026-02-24 | 10-K | 26-019165 |
| 25 | current liabilities | us-gaap:LiabilitiesCurrent | $574.7M | 2025-12-31 | 2026-02-24 | 10-K | 26-019165 |
| 26 | retained earnings | us-gaap:RetainedEarningsAccumulatedDeficit | -$46.1M | 2025-12-31 | 2026-02-24 | 10-K | 26-019165 |

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.

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 27 | liabilities | us-gaap:Liabilities | $1.0B | 2025-12-31 | 2026-02-24 | 10-K | 26-019165 |
| 28 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $74.3M | 2023-12-31 | 2026-02-24 | 10-K | 26-019165 |
| 29 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $49.3M | 2023-12-31 | 2024-02-29 | 10-K | 24-002192 |
| 30 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $63.8M | 2022-12-31 | 2025-02-27 | 10-K | 25-001820 |
| 31 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $45.5M | 2022-12-31 | 2024-02-29 | 10-K | 24-002192 |
| 32 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $90.3M | 2021-12-31 | 2024-02-29 | 10-K | 24-002192 |
| 33 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $31.7M | 2021-12-31 | 2024-02-29 | 10-K | 24-002192 |
| 34 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $59.5M | 2020-12-31 | 2023-03-10 | 10-K | 23-003469 |
| 35 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $21.0M | 2020-12-31 | 2023-03-10 | 10-K | 23-003469 |
| 36 | assets | us-gaap:Assets | $759.9M | 2023-12-31 | 2025-02-27 | 10-K | 25-001820 |
| 37 | assets | us-gaap:Assets | $719.2M | 2022-12-31 | 2024-02-29 | 10-K | 24-002192 |