Innovate Corp.

VATE

NYSE; manufacturing; SIC 3440, Fabricated Structural Metal Products; CIK 0001006837

E

weakest fifth of 246 graded peers in manufacturing

rank 206 of 246; percentile 83.7; sampling error 3.0 points; lower is stronger

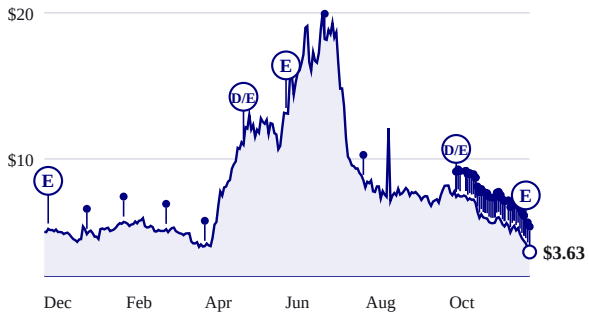
A B C D E

E, the bear



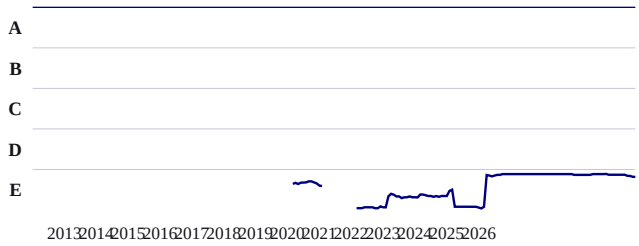
Scoreboard	
Profitability	B percentile 32.0
Solvency	D percentile 66.5
Growth and financing	E percentile 86.6
Reliability	0.91 AUC filers with $591M to $2.67B assets; 95% interval 0.88 to 0.94; 160 events, 2020 to 2025
Peer failure rate	1.01% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	$591M to $2.67B assets total assets $950.1M
Standard universe	inside revenue above $1M and assets above $10M
Warnings	none triggered; fortress balance sheet not computable: distress
Inputs computable	9 of 13
Graded from	filings received through Mar 26, 2026 239 days before the rescan; latest periodic filing 10-Q received Nov 12, 2026
Last close	$3.66 2026-11-19; market equity $50.7M; 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 Mar 26, 2026

Unless the context otherwise requires, in this Annual Report on Form 10-K, "INNOVATE," means INNOVATE Corp. and the "Company," "we" and "our" mean INNOVATE together with its consolidated subsidiaries. This Annual Report on Form 10-K contains forward-looking statements. See "Management's Discussion and Analysis of Financial Condition and Results of Operations - Special Note Regarding Forward-Looking Statements." INNOVATE is a diversified holding company that has a portfolio of subsidiaries in a variety of operating segments. We seek to grow these businesses so that they can generate long-term sustainable free cash flow and attractive returns in order to maximize value for all stakeholders.

The thirteen 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 32.0						
Gross profitability	21.0%	22.3%		51.5	267	2025-12-31
Return on invested capital	not computable	9.9%				

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pretax income must exceed the validity floor and imply a 0%-100% tax rate					
Accruals ratio	(22.5%)	(3.7%)	7.0	287	2025-12-31
Gross margin stability, five years	1.7 pts	2.1 pts	37.6	222	2025-12-31
Solvency, sleeve percentile 66.5					
Altman Z double-prime	(6.03)	3.74	90.1	223	2025-12-31
Net debt to EBITDA	(0.54x)	1.75x	11.1	118	2025-12-31
Interest coverage	not computable	5.13x			
latest aligned inputs end 2023-12-31; latest annual assets end 2025-12-31					
Current ratio	0.44x	2.30x	98.3	302	2025-12-31
Growth and financing, sleeve percentile 86.6					
Revenue growth, three-year compound	(8.7%)	2.3%	91.5	261	2025-12-31
Free cash flow growth, three-year compound	not computable	13.3%			
current FCF must be positive and base FCF must exceed $100,000					
Reinvestment rate	not computable	25.4%			
pretax income must exceed the validity floor and imply a 0%-100% tax rate					
Asset growth, three years	(6.2%)	4.2%	84.5	265	2025-12-31
Net share issuance, one year	2.7%	(0.04%)	83.7	240	2026-03-23

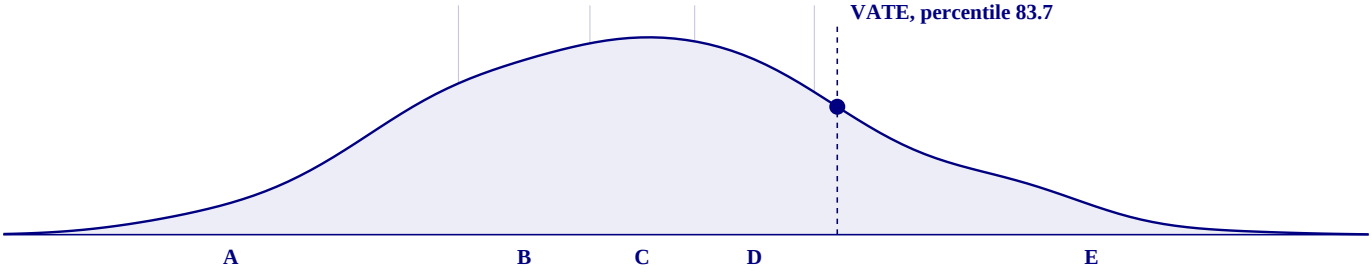
Warnings

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

Check	Measured
Fortress balance sheet	cash minus debt is 31,800,000 USD; Altman Z is not used

Among 246 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
201	Redwire Corp. (RDW)	81.6	D/E	dilution, fortress balance sheet
202	Fuelcell Energy Inc. (FCEL)	82.0	D/E	fortress balance sheet
203	American Superconductor Corp. (AMSC)	82.4	D/E	
204	Broadwind, Inc. (BWEN)	82.9	D/E	
205	Crane NXT, Co. (CXT)	83.3	E	
206	Innovate Corp. (VATE)	83.7	E	fortress balance sheet
207	Polaris Inc. (PII)	84.1	E	
208	Moving iMAGE Technologies Inc. (MITQ)	84.5	E	fortress balance sheet
209	IT Tech Packaging, Inc. (ITP)	84.9	E	late filer, fortress balance sheet
210	RTX Corp. (RTX)	85.3	E	
211	Millerknoll, Inc. (MLKN)	85.7	E	

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What the price implies

at the 2026-11-19 close; none of these enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	50.8%	10.0%	81
Distance from 52-week high	(81.9%)	(29.0%)	2
EBIT to enterprise value	63.2%	4.4%	99
Free cash flow yield	290.5%	3.6%	100
Book value to price	(4.54)	0.38	0
Sales to price	24.78	0.58	99
Composite equity issuance, five years	(86.9%)	(9.5%)	1
Relative strength against the sector, log excess return	0.33	0.01	81
Twelve-month failure probability, CHS model	not computable	0.04%	

Diagnostics

shown on every report; none enters the grade

Measure	Value
Piotroski F-score 4 of 9, period end 2025-12-31	
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	fail
No new shares issued	fail
Gross margin improved	fail
Asset turnover improved	pass
Cash, filings, liquidity	
Cash and equivalents	$4.9M
Operating cash flow, four quarters	$157.0M
Months of runway	not finite
Days since last periodic filing	8 (10-Q received Nov 12, 2026)
Median daily dollar volume, 63 sessions	$415,270

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	$199.7M	2025-12-31	2026-03-26	10-K	26-000014
2	assets	us-gaap:Assets	$950.1M	2025-12-31	2026-03-26	10-K	26-000014
3	operating income	us-gaap:OperatingIncomeLoss	$28.7M	2025-12-31	2026-03-26	10-K	26-000014
4	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	-$61.5M	2025-12-31	2026-03-26	10-K	26-000014
5	income tax	us-gaap:IncomeTaxExpenseBenefit	$2.5M	2025-12-31	2026-03-26	10-K	26-000014
6	total debt	us-gaap:LongTermDebtAndCapitalLeaseObligations	$80.3M	2025-12-31	2026-03-26	10-K	26-000014
7	book equity	us-gaap:StockholdersEquity	-$240.1M	2025-12-31	2026-03-26	10-K	26-000014
8	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$112.1M	2025-12-31	2026-03-26	10-K	26-000014
9	total debt	us-gaap:LongTermDebtAndCapitalLeaseObligations	$500.6M	2024-12-31	2026-03-26	10-K	26-000014
10	book equity	us-gaap:StockholdersEquity	-$180.4M	2024-12-31	2026-03-26	10-K	26-000014
11	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$48.8M	2024-12-31	2026-03-26	10-K	26-000014
12	net income	us-gaap:NetIncomeLoss	-$60.6M	2025-12-31	2026-03-26	10-K	26-000014
13	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$146.6M	2025-12-31	2026-03-26	10-K	26-000014
14	assets	us-gaap:Assets	$891.1M	2024-12-31	2026-03-26	10-K	26-000014
15	revenue	us-gaap:Revenues	$1.2B	2025-12-31	2026-03-26	10-K	26-000014
16	gross profit	us-gaap:GrossProfit	$208.8M	2024-12-31	2026-03-26	10-K	26-000014
17	revenue	us-gaap:Revenues	$1.1B	2024-12-31	2026-03-26	10-K	26-000014

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18	gross profit	us-gaap:GrossProfit	$216.0M	2023-12-31	2025-03-31	10-K	25-000021
19	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$1.4B	2023-12-31	2024-03-06	10-K	24-000023
20	gross profit	us-gaap:GrossProfit	$221.4M	2022-12-31	2024-03-06	10-K	24-000023
21	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$1.6B	2022-12-31	2024-03-06	10-K	24-000023
22	gross profit	us-gaap:GrossProfit	$183.7M	2021-12-31	2023-03-14	10-K	23-000018
23	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$1.2B	2021-12-31	2023-03-14	10-K	23-000018
24	current assets	us-gaap:AssetsCurrent	$451.5M	2025-12-31	2026-03-26	10-K	26-000014
25	current liabilities	us-gaap:LiabilitiesCurrent	$1.0B	2025-12-31	2026-03-26	10-K	26-000014
26	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	-$582.5M	2025-12-31	2026-03-26	10-K	26-000014
27	liabilities	us-gaap:Liabilities	$1.2B	2025-12-31	2026-03-26	10-K	26-000014
28	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	$30.4M	2025-12-31	2026-03-26	10-K	26-000014
29	operating income	us-gaap:OperatingIncomeLoss	$26.5M	2023-12-31	2025-03-31	10-K	25-000021
30	interest expense	us-gaap:InterestExpense	$68.2M	2023-12-31	2024-03-06	10-K	24-000023
31	capital expenditure	us-gaap:PaymentsToAcquireProductiveAssets	$500,000	2025-12-31	2026-03-26	10-K	26-000014
32	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$9.1M	2024-12-31	2026-03-26	10-K	26-000014
33	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$19.0M	2024-12-31	2025-03-31	10-K	25-000021
34	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$26.5M	2023-12-31	2025-03-31	10-K	25-000021
35	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$18.4M	2023-12-31	2025-03-31	10-K	25-000021
36	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-$9.5M	2022-12-31	2024-03-06	10-K	24-000023
37	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$20.7M	2022-12-31	2024-03-06	10-K	24-000023
38	current assets	us-gaap:AssetsCurrent	$390.9M	2024-12-31	2026-03-26	10-K	26-000014
39	current liabilities	us-gaap:LiabilitiesCurrent	$483.0M	2024-12-31	2026-03-26	10-K	26-000014
40	assets	us-gaap:Assets	$1.0B	2023-12-31	2025-03-31	10-K	25-000021
41	assets	us-gaap:Assets	$1.2B	2022-12-31	2024-03-06	10-K	24-000023
42	shares outstanding	dei:EntityCommonStockSharesOutstanding	13,645,127	2026-03-23	2026-03-26	10-K	26-000014
43	shares outstanding	dei:EntityCommonStockSharesOutstanding	13,283,218	2025-03-27	2025-03-31	10-K	25-000021

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