Hydrofarm Holdings Group, Inc. HYFM

Nasdaq; shops; SIC 5190, Wholesale-Miscellaneous Nondurable Goods; CIK 0001695295

E

weakest fifth of 239 graded peers in shops

rank 239 of 239; percentile 100.0; sampling error 3.0 points; lower is stronger

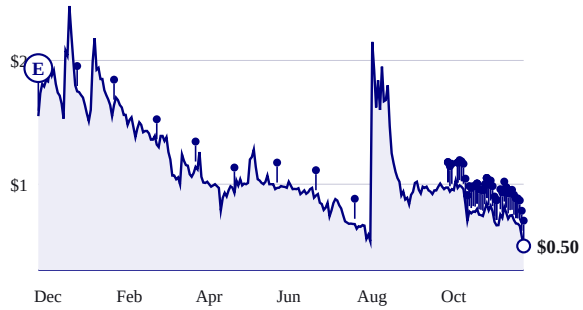
A B C D E

E, the bear



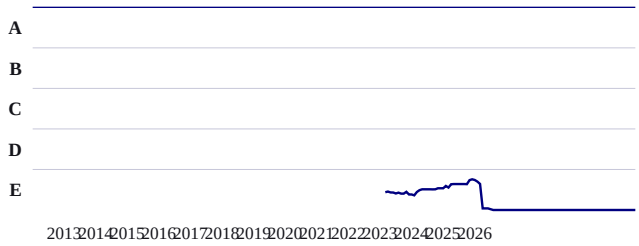
Scoreboard	
Profitability	D percentile 70.2
Solvency	E percentile 96.9
Growth and financing	E percentile 94.1
Reliability	0.87 AUC filers with $120M to $591M assets; 95% interval 0.83 to 0.90; 206 events, 2020 to 2025
Peer failure rate	1.03% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	$120M to $591M assets total assets $123.8M
Standard universe	inside revenue above $1M and assets above $10M
Warnings	short runway; fortress balance sheet not computable: distress
Inputs computable	9 of 13
Graded from	filings received through Mar 27, 2026 240 days before the rescan; latest periodic filing 10-Q received Nov 16, 2026
Last close	$0.60 2026-11-19; market equity $8.0M; 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 27, 2026

We are a leading independent manufacturer and distributor of branded hydroponics equipment and supplies for controlled environment agriculture ("CEA"), including grow lights, climate control solutions, grow media and nutrients, as well as a broad portfolio of innovative and proprietary branded products. We primarily serve the U.S. and Canadian markets, and believe we are one of the leading companies in these markets in an otherwise fragmented industry. For over 40 years, we have helped growers make growing easier and more productive.

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 70.2						
Gross profitability	12.3%	43.5%		90.1	223	2025-12-31
Return on invested capital	(227.6%)	11.5%		100.0	76	2025-12-31
Accruals ratio	(100.3%)	(4.9%)		1.5	268	2025-12-31

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Gross margin stability, five years	4.5 pts	1.2 pts	89.1	202	2025-12-31
Solvency, sleeve percentile 96.9					
Altman Z double-prime	(42.39)	1.93	98.5	197	2025-12-31
Net debt to EBITDA	not computable	1.65x			
EBITDA must exceed $100,000					
Interest coverage	not computable	3.83x			
latest aligned inputs end 2023-12-31; latest annual assets end 2025-12-31					
Current ratio	0.37x	1.34x	95.2	274	2025-12-31
Growth and financing, sleeve percentile 94.1					
Revenue growth, three-year compound	(27.0%)	1.8%	96.8	250	2025-12-31
Free cash flow growth, three-year compound	not computable	5.2%			
current FCF must be positive and base FCF must exceed $100,000					
Reinvestment rate	not computable	13.1%			
NOPAT must exceed $100,000					
Asset growth, three years	(40.0%)	3.3%	98.8	251	2025-12-31
Net share issuance, one year	3.3%	(0.6%)	86.8	206	2026-03-20

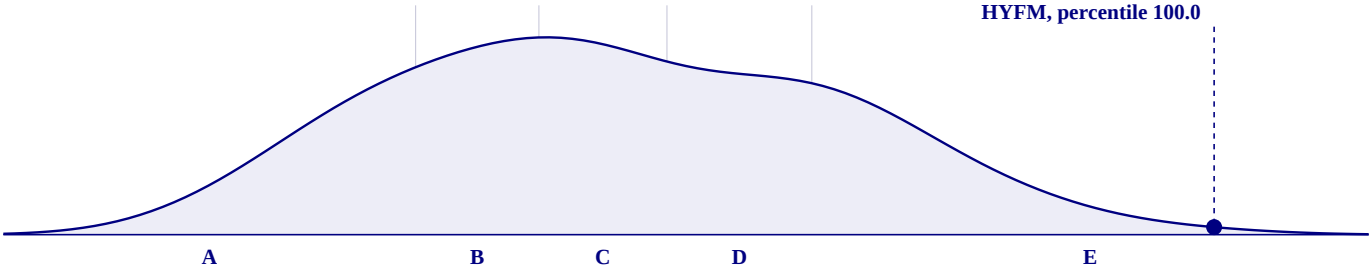
Warnings

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

Check	Measured
Short runway	cash runway is 3.4 months
Fortress balance sheet	cash minus debt is 6,259,000 USD; Altman Z is not used

Among 239 peers

shops; 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
234	Digital Brands Group, Inc. (DBGI)	97.9	E	dilution, short runway, late filer
235	LiveOne, Inc. (LVO)	98.3	E	dilution, late filer
236	iPower Inc. (IPW)	98.7	E	dilution, short runway, late filer, fortress balance sheet
237	Regis Corp. (RGS)	99.2	E	
238	Playboy, Inc. (PLBY)	99.6	E	
239	Hydrofarm Holdings Group, Inc. (HYFM)	100.0	E	short runway, fortress balance sheet

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	(56.7%)	(0.5%)	5
Distance from 52-week high	(79.5%)	(25.1%)	4
EBIT to enterprise value	(246.8%)	5.5%	1
Free cash flow yield	(225.0%)	4.2%	1
Book value to price	(14.00)	0.40	0

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Sales to price	20.02	1.70	96
Composite equity issuance, five years	not computable	(17.2%)	
Relative strength against the sector, log excess return	(0.75)	0.08	5
Twelve-month failure probability, CHS model	not computable	0.04%	

Diagnostics

shown on every report; none enters the grade

Measure	Value
Piotroski F-score 2 of 9, period end 2025-12-31	
Return on assets above zero	fail
Operating cash flow above zero	fail
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	fail
Cash, filings, liquidity	
Cash and equivalents	$3.4M
Operating cash flow, four quarters	-$12.2M
Months of runway	3.4
Days since last periodic filing	6 (10-Q received Nov 16, 2026)
Median daily dollar volume, 63 sessions	$53,790

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	$15.2M	2025-12-31	2026-03-27	10-K	26-000010
2	assets	us-gaap:Assets	$123.8M	2025-12-31	2026-03-27	10-K	26-000010
3	operating income	us-gaap:OperatingIncomeLoss	-$276.9M	2025-12-31	2026-03-27	10-K	26-000010
4	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	-$290.5M	2025-12-31	2026-03-27	10-K	26-000010
5	income tax	us-gaap:IncomeTaxExpenseBenefit	-$740,000	2025-12-31	2026-03-27	10-K	26-000010
6	total debt	us-gaap:LongTermDebtAndCapitalLeaseObligations	$50,000	2025-12-31	2026-03-27	10-K	26-000010
7	book equity	us-gaap:StockholdersEquity	-$63.3M	2025-12-31	2026-03-27	10-K	26-000010
8	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$6.3M	2025-12-31	2026-03-27	10-K	26-000010
9	total debt	us-gaap:LongTermDebtAndCapitalLeaseObligations	$114.7M	2024-12-31	2026-03-27	10-K	26-000010
10	book equity	us-gaap:StockholdersEquity	$223.7M	2024-12-31	2026-03-27	10-K	26-000010
11	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$26.1M	2024-12-31	2026-03-27	10-K	26-000010
12	net income	us-gaap:NetIncomeLoss	-$289.8M	2025-12-31	2026-03-27	10-K	26-000010
13	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-$14.1M	2025-12-31	2026-03-27	10-K	26-000010
14	assets	us-gaap:Assets	$426.1M	2024-12-31	2026-03-27	10-K	26-000010
15	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$134.3M	2025-12-31	2026-03-27	10-K	26-000010
16	gross profit	us-gaap:GrossProfit	$32.1M	2024-12-31	2026-03-27	10-K	26-000010
17	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$190.3M	2024-12-31	2026-03-27	10-K	26-000010
18	gross profit	us-gaap:GrossProfit	$37.6M	2023-12-31	2025-03-05	10-K	25-010266
19	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$226.6M	2023-12-31	2025-03-05	10-K	25-010266
20	gross profit	us-gaap:GrossProfit	$29.3M	2022-12-31	2024-02-29	10-K	24-007813
21	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$344.5M	2022-12-31	2024-02-29	10-K	24-007813
22	gross profit	us-gaap:GrossProfit	$101.5M	2021-12-31	2023-03-09	10-K	23-007313
23	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$479.4M	2021-12-31	2023-03-09	10-K	23-007313
24	current assets	us-gaap:AssetsCurrent	$51.4M	2025-12-31	2026-03-27	10-K	26-000010
25	current liabilities	us-gaap:LiabilitiesCurrent	$140.0M	2025-12-31	2026-03-27	10-K	26-000010
26	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	-$847.3M	2025-12-31	2026-03-27	10-K	26-000010

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27	liabilities	us-gaap:Liabilities	$187.1M	2025-12-31	2026-03-27	10-K	26-000010
28	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	$23.1M	2025-12-31	2026-03-27	10-K	26-000010
29	operating income	us-gaap:OperatingIncomeLoss	-$49.7M	2023-12-31	2025-03-05	10-K	25-010266
30	interest expense	us-gaap:InterestExpense	$15.4M	2023-12-31	2024-02-29	10-K	24-007813
31	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$1.0M	2025-12-31	2026-03-27	10-K	26-000010
32	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-$324,000	2024-12-31	2026-03-27	10-K	26-000010
33	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$2.9M	2024-12-31	2026-03-27	10-K	26-000010
34	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$7.0M	2023-12-31	2025-03-05	10-K	25-010266
35	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$4.2M	2023-12-31	2025-03-05	10-K	25-010266
36	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$22.0M	2022-12-31	2024-02-29	10-K	24-007813
37	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$8.2M	2022-12-31	2024-02-29	10-K	24-007813
38	current assets	us-gaap:AssetsCurrent	$95.2M	2024-12-31	2026-03-27	10-K	26-000010
39	current liabilities	us-gaap:LiabilitiesCurrent	$35.0M	2024-12-31	2026-03-27	10-K	26-000010
40	assets	us-gaap:Assets	$507.6M	2023-12-31	2025-03-05	10-K	25-010266
41	assets	us-gaap:Assets	$573.6M	2022-12-31	2024-02-29	10-K	24-007813
42	shares outstanding	dei:EntityCommonStockSharesOutstanding	4,764,612	2026-03-20	2026-03-27	10-K	26-000010
43	shares outstanding	dei:EntityCommonStockSharesOutstanding	4,614,279	2025-02-27	2025-03-05	10-K	25-010266

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