# Nortech Systems Inc.

**NSYS**

Nasdaq; business equipment; SIC 3679, Electronic Components, NEC; CIK 0000722313

**D**

**fourth fifth of 469 graded peers in business equipment**

rank 304 of 469; percentile 64.7; sampling error 2.3 points; lower is stronger

A B C D E

**D, the sloth**



| Scoreboard | |
|---|---|
| **Profitability** | C<br>percentile 50.3 |
| **Solvency** | B/C<br>percentile 40.2 |
| **Growth and financing** | D<br>percentile 69.8 |
| **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 $71.9M |
| **Standard universe** | inside<br>revenue above $1M and assets above $10M |
| **Warnings** | none triggered<br>not computable: distress |
| **Inputs computable** | 9 of 13 |
| **Graded from** | filings received through Apr 15, 2026<br>221 days before the rescan; latest periodic filing 10-Q received Nov 12, 2026 |
| **Last close** | $11.78<br>2026-11-16; market equity $33.7M; 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*

Systems Incorporated, ("the Company", "we", "our") organized in 1990, is a provider of engineering design and manufacturing solutions for complex electromedical devices, electromechanical systems, assemblies and components headquartered in Maple Grove, Minnesota, a suburb of Minneapolis, Minnesota. We maintain facilities and operations in Minnesota in the United States; Monterrey, Mexico; and Suzhou, China.

## The thirteen inputs

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

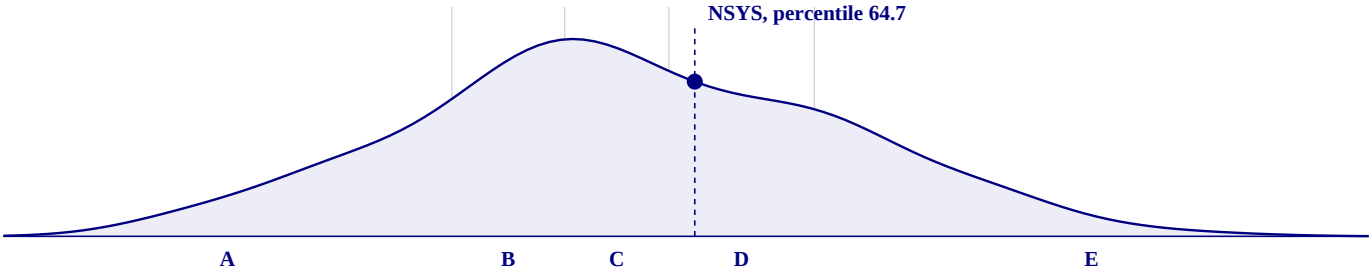
| Input | Value | Peer median | Percentile, 0 to 100 | Pct | Peers | Period end |
|---|---|---|---|---|---|---|
| **Profitability, sleeve percentile 50.3** | | | | | | |
| Gross profitability | 25.0% | 29.4% | | 57.4 | 513 | 2025-12-31 |
| Return on invested capital | not computable | 11.2% | | | | |
| *pretax income must exceed the validity floor and imply a 0%-100% tax rate* | | | | | | |
| Accruals ratio | (4.1%) | (7.4%) | | 69.6 | 566 | 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 | 1.2 pts | 2.3 pts | | 24.0 | 406 | 2025-12-31 |
| **Solvency, sleeve percentile 40.2** | | | | | | |
| Altman Z double-prime | 4.24 | 2.18 | | 28.1 | 517 | 2025-12-31 |
| Net debt to EBITDA | not computable | 1.11x | | | | |
| *latest aligned inputs end 2020-12-31; latest annual assets end 2025-12-31* | | | | | | |
| Interest coverage | not computable | 4.90x | | | | |
| *latest aligned inputs end 2023-12-31; latest annual assets end 2025-12-31* | | | | | | |
| Current ratio | 1.88x | 1.98x | | 52.3 | 600 | 2025-12-31 |
| **Growth and financing, sleeve percentile 69.8** | | | | | | |
| Revenue growth, three-year compound | (4.1%) | 6.6% | | 78.5 | 503 | 2025-12-31 |
| Free cash flow growth, three-year compound | (11.8%) | 17.4% | | 88.1 | 253 | 2025-12-31 |
| Reinvestment rate | not computable | 14.3% | | | | |
| *pretax income must exceed the validity floor and imply a 0%-100% tax rate* | | | | | | |
| Asset growth, three years | 1.1% | 5.0% | | 59.7 | 519 | 2025-12-31 |
| Net share issuance, one year | 0.9% | 0.5% | | 53.1 | 404 | 2026-02-28 |

## Among 469 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 |
|---|---|---|---|---|
| 299 | Caci International Inc. (CACI) | 63.7 | D | |
| 300 | Marvell Technology, Inc. (MRVL) | 63.9 | D | |
| 301 | Avantor, Inc. (AVTR) | 64.1 | D | |
| 302 | Interlink Electronics Inc. (LINK) | 64.3 | D | |
| 303 | RingCentral, Inc. (RNG) | 64.5 | D | |
| 304 | Nortech Systems Inc. (NSYS) | 64.7 | D | |
| 305 | Danaher Corp. (DHR) | 65.0 | D | |
| 306 | Semtech Corp. (SMTC) | 65.2 | D | |
| 307 | Applied Optoelectronics, Inc. (AAOI) | 65.4 | D | dilution, fortress balance sheet |
| 308 | Netgear, Inc. (NTGR) | 65.6 | D | |
| 309 | N-able, Inc. (NABL) | 65.8 | D | late filer |

## What the price implies

*at the 2026-11-16 close; none of these enters the grade*

| Measure | Value | Peer median | Percentile |
|---|---|---|---|
| Twelve-month price change, skipping the latest month | 20.4% | (2.2%) | 66 |
| Distance from 52-week high | (40.2%) | (41.7%) | 53 |
| EBIT to enterprise value | 3.3% | 2.0% | 60 |
| Free cash flow yield | 6.9% | 3.1% | 74 |
| Book value to price | 1.21 | 0.31 | 86 |
| Sales to price | 3.91 | 0.35 | 92 |
| Composite equity issuance, five years | 7.5% | 4.3% | 55 |
| Relative strength against the sector, log excess return | (0.08) | (0.29) | 66 |

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.

| | | |
|---|---|---|
| Twelve-month failure probability, CHS model | not computable | 0.05% |

## 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 | 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 | fail |
| No new shares issued | fail |
| Gross margin improved | pass |
| Asset turnover improved | fail |
| **Cash, filings, liquidity** | |
| Cash and equivalents | $3.0M |
| Operating cash flow, four quarters | $5.3M |
| Months of runway | not finite |
| Days since last periodic filing | 10 (10-Q received Nov 12, 2026) |
| Median daily dollar volume, 63 sessions | $67,197 |

## 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 | $18.0M | 2025-12-31 | 2026-04-15 | 10-K/A | 26-016795 |
| 2 | assets | us-gaap:Assets | $71.9M | 2025-12-31 | 2026-04-15 | 10-K/A | 26-016795 |
| 3 | operating income | us-gaap:OperatingIncomeLoss | -$616,000 | 2020-12-31 | 2022-03-17 | 10-K | 22-006550 |
| 4 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | -$1.2M | 2020-12-31 | 2022-03-17 | 10-K | 22-006550 |
| 5 | income tax | us-gaap:IncomeTaxExpenseBenefit | $310,000 | 2020-12-31 | 2022-03-17 | 10-K | 22-006550 |
| 6 | total debt | us-gaap:LongTermDebt | $7.1M | 2020-12-31 | 2022-03-17 | 10-K | 22-006550 |
| 7 | book equity | us-gaap:StockholdersEquity | $18.7M | 2020-12-31 | 2023-03-17 | 10-K | 23-007041 |
| 8 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $352,000 | 2020-12-31 | 2022-03-17 | 10-K | 22-006550 |
| 9 | total debt | us-gaap:LongTermDebt | $3.6M | 2019-12-31 | 2021-03-23 | 10-K | 21-006916 |
| 10 | book equity | us-gaap:StockholdersEquity | $20.0M | 2019-12-31 | 2022-03-17 | 10-K | 22-006550 |
| 11 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $351,000 | 2019-12-31 | 2021-03-23 | 10-K | 21-006916 |
| 12 | net income | us-gaap:NetIncomeLoss | -$252,000 | 2025-12-31 | 2026-04-15 | 10-K/A | 26-016795 |
| 13 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $2.7M | 2025-12-31 | 2026-04-15 | 10-K/A | 26-016795 |
| 14 | assets | us-gaap:Assets | $72.4M | 2024-12-31 | 2026-04-15 | 10-K/A | 26-016795 |
| 15 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $118.4M | 2025-12-31 | 2026-04-15 | 10-K/A | 26-016795 |
| 16 | gross profit | us-gaap:GrossProfit | $16.7M | 2024-12-31 | 2026-04-15 | 10-K/A | 26-016795 |
| 17 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $128.1M | 2024-12-31 | 2026-04-15 | 10-K/A | 26-016795 |
| 18 | gross profit | us-gaap:GrossProfit | $23.1M | 2023-12-31 | 2025-03-31 | 10-K | 25-001473 |
| 19 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $139.3M | 2023-12-31 | 2025-03-31 | 10-K | 25-001473 |
| 20 | gross profit | us-gaap:GrossProfit | $20.5M | 2022-12-31 | 2024-03-20 | 10-K | 24-008690 |
| 21 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $134.1M | 2022-12-31 | 2024-03-20 | 10-K | 24-008690 |
| 22 | gross profit | us-gaap:GrossProfit | $15.9M | 2021-12-31 | 2023-03-17 | 10-K | 23-007041 |
| 23 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $115.2M | 2021-12-31 | 2023-03-17 | 10-K | 23-007041 |
| 24 | current assets | us-gaap:AssetsCurrent | $56.1M | 2025-12-31 | 2026-04-15 | 10-K/A | 26-016795 |
| 25 | current liabilities | us-gaap:LiabilitiesCurrent | $29.8M | 2025-12-31 | 2026-04-15 | 10-K/A | 26-016795 |
| 26 | retained earnings | us-gaap:RetainedEarningsAccumulatedDeficit | $17.1M | 2025-12-31 | 2026-04-15 | 10-K/A | 26-016795 |
| 27 | operating income | us-gaap:OperatingIncomeLoss | $975,000 | 2025-12-31 | 2026-04-15 | 10-K/A | 26-016795 |
| 28 | book equity | us-gaap:StockholdersEquity | $34.5M | 2025-12-31 | 2026-04-15 | 10-K/A | 26-016795 |
| 29 | liabilities | us-gaap:Liabilities | $37.4M | 2025-12-31 | 2026-04-15 | 10-K/A | 26-016795 |
| 30 | depreciation amortization | us-gaap:Depreciation | $2.0M | 2020-12-31 | 2022-03-17 | 10-K | 22-006550 |

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.

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 31 | operating income | us-gaap:OperatingIncomeLoss | $6.0M | 2023-12-31 | 2025-03-31 | 10-K | 25-001473 |
| 32 | interest expense | us-gaap:InterestExpense | $487,000 | 2023-12-31 | 2024-03-20 | 10-K | 24-008690 |
| 33 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $661,000 | 2025-12-31 | 2026-04-15 | 10-K/A | 26-016795 |
| 34 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$2.2M | 2024-12-31 | 2026-04-15 | 10-K/A | 26-016795 |
| 35 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $1.3M | 2024-12-31 | 2026-04-15 | 10-K/A | 26-016795 |
| 36 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $1.8M | 2023-12-31 | 2025-03-31 | 10-K | 25-001473 |
| 37 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $1.3M | 2023-12-31 | 2025-03-31 | 10-K | 25-001473 |
| 38 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $5.4M | 2022-12-31 | 2024-03-20 | 10-K | 24-008690 |
| 39 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $2.4M | 2022-12-31 | 2024-03-20 | 10-K | 24-008690 |
| 40 | depreciation amortization | us-gaap:Depreciation | $1.3M | 2025-12-31 | 2026-04-15 | 10-K/A | 26-016795 |
| 41 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | $11,000 | 2025-12-31 | 2026-04-15 | 10-K/A | 26-016795 |
| 42 | income tax | us-gaap:IncomeTaxExpenseBenefit | $263,000 | 2025-12-31 | 2026-04-15 | 10-K/A | 26-016795 |
| 43 | current assets | us-gaap:AssetsCurrent | $55.3M | 2024-12-31 | 2026-04-15 | 10-K/A | 26-016795 |
| 44 | current liabilities | us-gaap:LiabilitiesCurrent | $21.4M | 2024-12-31 | 2026-04-15 | 10-K/A | 26-016795 |
| 45 | assets | us-gaap:Assets | $75.1M | 2023-12-31 | 2025-03-31 | 10-K | 25-001473 |
| 46 | assets | us-gaap:Assets | $69.5M | 2022-12-31 | 2024-03-20 | 10-K | 24-008690 |
| 47 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 2,786,134 | 2026-02-28 | 2026-04-15 | 10-K/A | 26-016795 |
| 48 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 2,760,793 | 2025-02-28 | 2025-03-31 | 10-K | 25-001473 |

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.