

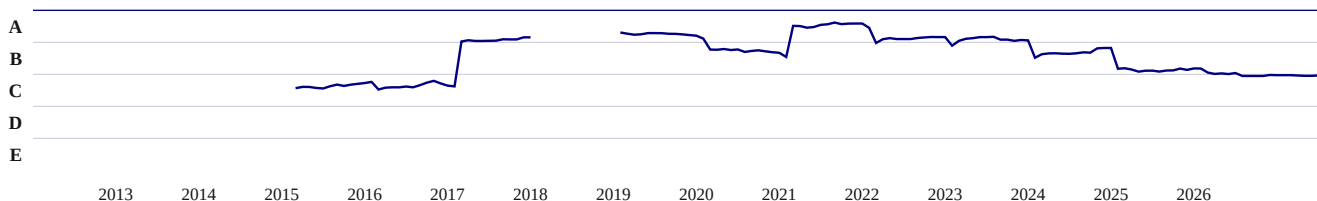
# Advanced Energy Industries Inc. (AEIS)

Nasdaq; business equipment; SIC 3679, Electronic Components, NEC; CIK 0000927003

|                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                    |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Advanced Energy Industries Inc.</b><br>AEIS; business equipment                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                    |
| <b>Grade</b><br><div> <div>B/C</div> <div> <div>A</div> <div>B</div> <div>C</div> <div>D</div> <div>E</div> </div> </div> <div>           on the B/C boundary of 497 graded peers<br/>           percentile 40.7; sampling error 2.2 points; lower is stronger         </div> |  <div> <b>B/C, the elk</b><br/>           on the B/C boundary of its sector; letters are fifths of the 497 graded peers         </div>                                                                                                                           |
| <b>Rank</b><br>203 of 497                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                    |
| <b>Profitability</b><br>C <div> <div></div> <div></div> <div></div> <div></div> <div></div> </div> percentile 42.3                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                    |
| <b>Solvency</b><br>B <div> <div></div> <div></div> <div></div> <div></div> <div></div> </div> percentile 30.5                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                    |
| <b>Growth and financing</b><br>D <div> <div></div> <div></div> <div></div> <div></div> <div></div> </div> percentile 62.9                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                    |
| <b>Reliability</b><br>0.91 AUC<br>filers with \$591M to \$2.67B assets; 95% interval 0.88 to 0.94; 160 events, 2020 to 2025                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                    |
| <b>Peer failure rate</b><br>1.01% a year<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                    |
| <b>Size band</b><br>\$591M to \$2.67B assets<br>total assets \$2.5B                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                    |
| <b>Standard universe</b><br>inside<br>revenue above \$1M and assets above \$10M                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                    |
| <b>Warnings</b><br>none active; fortress balance sheet<br>not computable: distress                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                    |
| <b>Inputs computable</b><br>13 of 14                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                    |
| <b>Graded from</b><br>filings received through Feb 13, 2026<br>238 days before the rescans; latest periodic filing 10-Q received Aug 3, 2026                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                    |
| <b>Last close</b><br>\$284.31<br>2026-10-08; market equity \$11.4B                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                    |
| <b>Price used in grade</b><br>None                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                    |
|                                                                                                                                                                                                                                                                               | <div> <b>Share price, twelve months to the rescans</b><br/> <i>split-adjusted close; the letter is fixed at the rescans that set it</i> </div>  <div>           Rescans on file: B from Feb 21, 2024, B/C from May 21, 2025, B from Sep 21, 2025         </div> |

### Letter at every rescans

Jan 21, 2012 to Oct 9, 2026; sector percentile, 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 13, 2026

Advanced Energy provides highly engineered, critical, precision power conversion, measurement, and control solutions to our global customers. We design, manufacture, sell and service precision power products that transform, refine, and modify the raw electrical power coming from either the utility or the building facility and convert it into various types of highly controllable, usable power that is predictable, repeatable, and customizable to meet the necessary requirements for powering a wide range of complex equipment.

## The fourteen inputs

lower percentile is stronger; equal-weighted sleeves

| Input                                               | Percentile, 0 to 100                                                              | Value          | Peer median | Percentile | Peers | Period end                                                                                 |
|-----------------------------------------------------|-----------------------------------------------------------------------------------|----------------|-------------|------------|-------|--------------------------------------------------------------------------------------------|
| <b>Profitability, sleeve percentile 42.3</b>        |                                                                                   |                |             |            |       |                                                                                            |
| Gross profitability                                 |  | 26.6%          | 28.5%       | 49.9       | 558   | 2025-12-31                                                                                 |
| Return on invested capital                          |  | 13.6%          | 10.9%       | 40.7       | 136   | 2025-12-31                                                                                 |
| Accruals ratio                                      |  | (3.5%)         | (7.4%)      | 72.3       | 621   | 2025-12-31                                                                                 |
| Gross margin stability, five years                  |  | 0.7 pts        | 2.4 pts     | 6.3        | 429   | 2025-12-31                                                                                 |
| <b>Solvency, sleeve percentile 30.5</b>             |                                                                                   |                |             |            |       |                                                                                            |
| 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                               |  | 4.61           | 2.18        | 26.2       | 566   | 2025-12-31                                                                                 |
| Net debt to EBITDA                                  |  | (0.97x)        | 1.11x       | 6.8        | 147   | 2025-12-31                                                                                 |
| Interest coverage                                   |  | 10.06x         | 3.77x       | 28.1       | 90    | 2025-12-31                                                                                 |
| Current ratio                                       |  | 1.59x          | 2.02x       | 60.9       | 666   | 2025-12-31                                                                                 |
| <b>Growth and financing, sleeve percentile 62.9</b> |                                                                                   |                |             |            |       |                                                                                            |
| Revenue growth, three-year compound                 |  | (0.8%)         | 6.4%        | 70.8       | 538   | 2025-12-31                                                                                 |
| Free cash flow growth, three-year compound          |  | 0.3%           | 17.2%       | 75.7       | 268   | 2025-12-31                                                                                 |
| Reinvestment rate                                   |  | (300.6%)       | 14.3%       | 89.3       | 226   | 2025-12-31                                                                                 |
| Asset growth, three years                           |  | 8.5%           | 5.0%        | 37.2       | 563   | 2025-12-31                                                                                 |
| Net share issuance, one year                        |  | 0.08%          | 0.5%        | 41.6       | 407   | 2026-02-04                                                                                 |

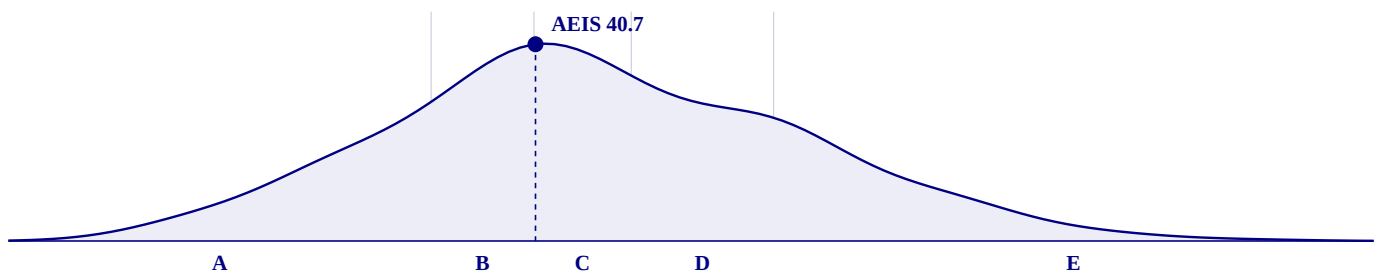
## Warnings

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

| Check                  | Measured                                                 |
|------------------------|----------------------------------------------------------|
| Fortress balance sheet | cash minus debt is 223,700,000 USD; Altman Z is not used |

## Among 497 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               |
|------|------------------------------------------|------------|--------|------------------------|
| 198  | Leidos Holdings, Inc. (LDOS)             | 39.7       | B/C    |                        |
| 199  | BEL Fuse Inc. (BELFA)                    | 40.0       | B/C    |                        |
| 200  | BEL Fuse Inc. (BELFB)                    | 40.0       | B/C    |                        |
| 201  | Okta, Inc. (OKTA)                        | 40.3       | B/C    |                        |
| 202  | BOX Inc. (BOX)                           | 40.5       | B/C    |                        |
| 203  | Advanced Energy Industries Inc. (AEIS) < | 40.7       | B/C    | fortress balance sheet |
| 204  | Micron Technology Inc. (MU)              | 40.9       | B/C    |                        |
| 205  | F5, Inc. (FFIV)                          | 41.1       | B/C    |                        |

|     |                                    |      |     |               |
|-----|------------------------------------|------|-----|---------------|
| 206 | Vishay Precision Group, Inc. (VPG) | 41.3 | B/C | fortress      |
|     |                                    |      |     | balance sheet |
| 207 | Vertex, Inc. (VERX)                | 41.5 | B/C |               |
| 208 | Mirion Technologies, Inc. (MIR)    | 41.7 | B/C |               |

## What the price implies

at the 2026-10-08 close; none enters the grade

| Measure                                                 | Value   | Peer median | Percentile |
|---------------------------------------------------------|---------|-------------|------------|
| Twelve-month price change, skipping the latest month    | 62.9%   | 2.2%        | 83         |
| Distance from 52-week high                              | (26.9%) | (30.0%)     | 55         |
| EBIT to enterprise value                                | 1.5%    | 1.5%        | 51         |
| Free cash flow yield                                    | 1.1%    | 2.7%        | 33         |
| Book value to price                                     | 0.13    | 0.23        | 29         |
| Sales to price                                          | 0.16    | 0.30        | 32         |
| Composite equity issuance, five years                   | 2.5%    | 3.9%        | 48         |
| Relative strength against the sector, log excess return | 0.21    | (0.26)      | 83         |

## Diagnostics

not in the grade

| Measure                                                | Value                          |
|--------------------------------------------------------|--------------------------------|
| <b>Piotroski F-score 6 of 9, period end 2025-12-31</b> |                                |
| 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                                | fail                           |
| Current ratio improved                                 | fail                           |
| No new shares issued                                   | fail                           |
| Gross margin improved                                  | pass                           |
| Asset turnover improved                                | pass                           |
| <b>Cash, filings, liquidity</b>                        |                                |
| Cash and equivalents                                   | \$1.4B                         |
| Operating cash flow, four quarters                     | \$238.2M                       |
| Months of runway                                       | not finite                     |
| Days since last periodic filing                        | 67 (10-Q received Aug 3, 2026) |
| Median daily dollar volume, 63 sessions                | \$146.6M                       |

## Sources

each row links to the filing index on sec.gov

| #  | Concept             | XBRL tag                                                            | Value    | Period end | Received   | Form | Accession            |
|----|---------------------|---------------------------------------------------------------------|----------|------------|------------|------|----------------------|
| 1  | gross profit        | us-gaap:GrossProfit                                                 | \$677.4M | 2025-12-31 | 2026-02-13 | 10-K | 0001104659-26-014731 |
| 2  | assets              | us-gaap:Assets                                                      | \$2.5B   | 2025-12-31 | 2026-02-13 | 10-K | 0001104659-26-014731 |
| 3  | operating income    | us-gaap:OperatingIncomeLoss                                         | \$168.0M | 2025-12-31 | 2026-02-13 | 10-K | 0001104659-26-014731 |
| 4  | pretax income       | us-gaap:IncomeLossFromContinuingOperationsBeforeIncomeTaxesExtraord | \$158.7M | 2025-12-31 | 2026-02-13 | 10-K | 0001104659-26-014731 |
| 5  | income tax          | us-gaap:IncomeTaxExpenseBenefit                                     | \$19.4M  | 2025-12-31 | 2026-02-13 | 10-K | 0001104659-26-014731 |
| 6  | total debt          | us-gaap:LongTermDebt                                                | \$567.5M | 2025-12-31 | 2026-02-13 | 10-K | 0001104659-26-014731 |
| 7  | book equity         | us-gaap:StockholdersEquity                                          | \$1.4B   | 2025-12-31 | 2026-02-13 | 10-K | 0001104659-26-014731 |
| 8  | cash                | us-gaap:CashAndCashEquivalentsAtCarryingValue                       | \$791.2M | 2025-12-31 | 2026-02-13 | 10-K | 0001104659-26-014731 |
| 9  | total debt          | us-gaap:LongTermDebt                                                | \$564.7M | 2024-12-31 | 2026-02-13 | 10-K | 0001104659-26-014731 |
| 10 | book equity         | us-gaap:StockholdersEquity                                          | \$1.2B   | 2024-12-31 | 2026-02-13 | 10-K | 0001104659-26-014731 |
| 11 | cash                | us-gaap:CashAndCashEquivalentsAtCarryingValue                       | \$722.1M | 2024-12-31 | 2026-02-13 | 10-K | 0001104659-26-014731 |
| 12 | net income          | us-gaap:ProfitLoss                                                  | \$148.4M | 2025-12-31 | 2026-02-13 | 10-K | 0001104659-26-014731 |
| 13 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities                  | \$233.3M | 2025-12-31 | 2026-02-13 | 10-K | 0001104659-26-014731 |
| 14 | assets              | us-gaap:Assets                                                      | \$2.3B   | 2024-12-31 | 2026-02-13 | 10-K | 0001104659-26-014731 |
| 15 | revenue             | us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax         | \$1.8B   | 2025-12-31 | 2026-02-13 | 10-K | 0001104659-26-014731 |
| 16 | gross profit        | us-gaap:GrossProfit                                                 | \$529.3M | 2024-12-31 | 2026-02-13 | 10-K | 0001104659-26-014731 |
| 17 | revenue             | us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax         | \$1.5B   | 2024-12-31 | 2026-02-13 | 10-K | 0001104659-26-014731 |
| 18 | gross profit        | us-gaap:GrossProfit                                                 | \$592.4M | 2023-12-31 | 2026-02-13 | 10-K | 0001104659-26-014731 |

|    |                           |                                                             |            |            |            |      |                      |
|----|---------------------------|-------------------------------------------------------------|------------|------------|------------|------|----------------------|
| 19 | revenue                   | us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax | \$1.7B     | 2023-12-31 | 2026-02-13 | 10-K | 0001104659-26-014731 |
| 20 | gross profit              | us-gaap:GrossProfit                                         | \$675.5M   | 2022-12-31 | 2025-02-18 | 10-K | 0001558370-25-001038 |
| 21 | revenue                   | us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax | \$1.8B     | 2022-12-31 | 2025-02-18 | 10-K | 0001558370-25-001038 |
| 22 | gross profit              | us-gaap:GrossProfit                                         | \$532.3M   | 2021-12-31 | 2024-02-20 | 10-K | 0000927003-24-000003 |
| 23 | revenue                   | us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax | \$1.5B     | 2021-12-31 | 2024-02-20 | 10-K | 0000927003-24-000003 |
| 24 | current assets            | us-gaap:AssetsCurrent                                       | \$1.6B     | 2025-12-31 | 2026-02-13 | 10-K | 0001104659-26-014731 |
| 25 | current liabilities       | us-gaap:LiabilitiesCurrent                                  | \$991.2M   | 2025-12-31 | 2026-02-13 | 10-K | 0001104659-26-014731 |
| 26 | retained earnings         | us-gaap:RetainedEarningsAccumulatedDeficit                  | \$1.1B     | 2025-12-31 | 2026-02-13 | 10-K | 0001104659-26-014731 |
| 27 | liabilities               | us-gaap:Liabilities                                         | \$1.2B     | 2025-12-31 | 2026-02-13 | 10-K | 0001104659-26-014731 |
| 28 | depreciation amortization | us-gaap:DepreciationDepletionAndAmortization                | \$62.0M    | 2025-12-31 | 2026-02-13 | 10-K | 0001104659-26-014731 |
| 29 | interest expense          | us-gaap:InterestAndDebtExpense                              | \$16.7M    | 2025-12-31 | 2026-02-13 | 10-K | 0001104659-26-014731 |
| 30 | capital expenditure       | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment          | \$107.4M   | 2025-12-31 | 2026-02-13 | 10-K | 0001104659-26-014731 |
| 31 | operating cash flow       | us-gaap:NetCashProvidedByUsedInOperatingActivities          | \$130.8M   | 2024-12-31 | 2026-02-13 | 10-K | 0001104659-26-014731 |
| 32 | capital expenditure       | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment          | \$56.8M    | 2024-12-31 | 2026-02-13 | 10-K | 0001104659-26-014731 |
| 33 | operating cash flow       | us-gaap:NetCashProvidedByUsedInOperatingActivities          | \$208.9M   | 2023-12-31 | 2026-02-13 | 10-K | 0001104659-26-014731 |
| 34 | capital expenditure       | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment          | \$61.0M    | 2023-12-31 | 2026-02-13 | 10-K | 0001104659-26-014731 |
| 35 | operating cash flow       | us-gaap:NetCashProvidedByUsedInOperatingActivities          | \$183.6M   | 2022-12-31 | 2025-02-18 | 10-K | 0001558370-25-001038 |
| 36 | capital expenditure       | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment          | \$58.9M    | 2022-12-31 | 2025-02-18 | 10-K | 0001558370-25-001038 |
| 37 | current assets            | us-gaap:AssetsCurrent                                       | \$1.4B     | 2024-12-31 | 2026-02-13 | 10-K | 0001104659-26-014731 |
| 38 | current liabilities       | us-gaap:LiabilitiesCurrent                                  | \$314.3M   | 2024-12-31 | 2026-02-13 | 10-K | 0001104659-26-014731 |
| 39 | assets                    | us-gaap:Assets                                              | \$2.6B     | 2023-12-31 | 2025-02-18 | 10-K | 0001558370-25-001038 |
| 40 | assets                    | us-gaap:Assets                                              | \$2.0B     | 2022-12-31 | 2024-02-20 | 10-K | 0000927003-24-000003 |
| 41 | shares outstanding        | dei:EntityCommonStockSharesOutstanding                      | 37,750,990 | 2026-02-04 | 2026-02-13 | 10-K | 0001104659-26-014731 |
| 42 | shares outstanding        | dei:EntityCommonStockSharesOutstanding                      | 37,721,671 | 2025-02-06 | 2025-02-18 | 10-K | 0001558370-25-001038 |