

Applied Digital Corp. (APLD)

Nasdaq; business equipment; SIC 7374, Services-Computer Processing & Data Preparation; CIK 0001144879

Applied Digital Corp.	
APLD; business equipment	
Grade	C middle fifth of 497 graded peers percentile 50.4; sampling error 2.2 points; lower is stronger
Rank	251 of 497
Profitability	E percentile 84.9
Solvency	B percentile 33.2
Growth and financing	B percentile 27.2
Reliability	0.94 AUC filers with over \$2.67B assets; 95% interval 0.88 to 0.97; 61 events, 2020 to 2025
Peer failure rate	0.52% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	over \$2.67B assets total assets \$9.9B
Standard universe	inside revenue above \$1M and assets above \$10M
Warnings	none active; fortress balance sheet not computable: distress
Inputs computable	8 of 14
Graded from	filings received through Jul 29, 2026 72 days before the rescan; latest periodic filing 10-Q received Oct 7, 2026
Last close	\$23.72 2026-10-08; market equity \$7.2B
Price used in grade	None

C, the tortoise
middle fifth of its sector; letters are fifths of the 497 graded peers

Share price, twelve months to the rescan
split-adjusted close; the letter is fixed at the rescan that set it

Rescans on file: D from Aug 21, 2025, C from Aug 21, 2026

Letter at every rescan

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 Jul 29, 2026

We are a U.S.-based designer, developer, owner, and operator of large-scale, purpose-built data centers engineered to support high-performance computing ("HPC") workloads, including artificial intelligence ("AI"), machine learning, and other accelerated-compute applications. We design, build, and operate high-performance, sustainably engineered data centers-which we refer to as AI factories-and deliver that capacity to investment-grade hyperscalers and other leading compute customers under

long-term lease and hosting arrangements.

The fourteen inputs

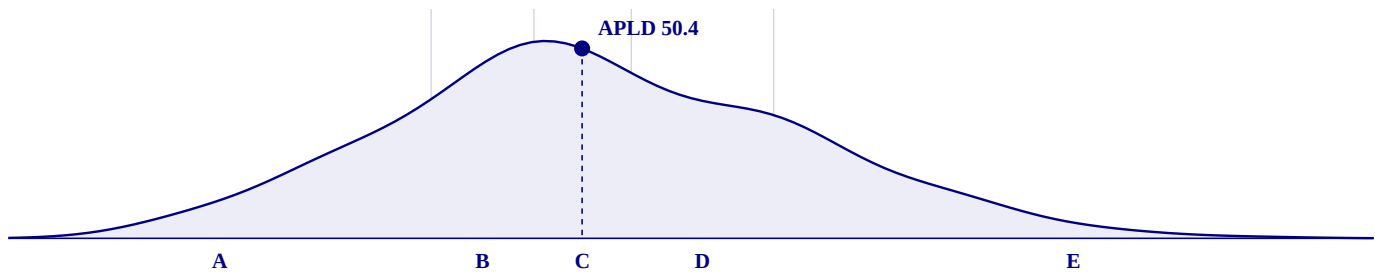
lower percentile is stronger; equal-weighted sleeves

Input	Percentile, 0 to 100	Value	Peer median	Percentile	Peers	Period end
Profitability, sleeve percentile 84.9						
Gross profitability		2.2%	28.5%	90.7	558	2026-05-31
Return on invested capital		not computable	10.9%			a prior annual debt, equity, and cash observation is required
Accruals ratio		(4.6%)	(7.4%)	66.9	621	2026-05-31
Gross margin stability, five years		29.4 pts	2.4 pts	97.2	429	2026-05-31
Solvency, sleeve percentile 33.2						
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		2.23	2.18	43.4	566	2026-05-31
Net debt to EBITDA		not computable	1.11x			EBITDA must exceed \$100,000
Interest coverage		not computable	3.77x			latest aligned inputs end 2024-05-31; latest annual assets end 2026-05-31
Current ratio		4.01x	2.02x	23.0	666	2026-05-31
Growth and financing, sleeve percentile 27.2						
Revenue growth, three-year compound		122.6%	6.4%	1.3	538	2026-05-31
Free cash flow growth, three-year compound		not computable	17.2%			current FCF must be positive and base FCF must exceed \$100,000
Reinvestment rate		not computable	14.3%			pretax income must exceed the validity floor and imply a 0%-100% tax rate
Asset growth, three years		235.1%	5.0%	0.2	563	2026-05-31
Net share issuance, one year		11.5%	0.5%	80.0	407	2026-07-28

Warnings

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

Check	Measured
Fortress balance sheet	cash minus debt is 31,608,000 USD; Altman Z is not used



Rank	Company	Percentile	Letter	Warnings
246	Great Elm Group, Inc. (GEGGL)	49.3	C	
247	Brightline Interactive, Inc./NV (BTLN)	49.6	C	
248	Roper Technologies Inc. (ROP)	49.8	C	
249	Bill Holdings, Inc. (BILL)	50.0	C	
250	Mobileye Global Inc. (MBLY)	50.2	C	
251	Applied Digital Corp. (APLD) <	50.4	C	fortress balance sheet
252	Soundthinking, Inc. (SSTI)	50.6	C	
253	Ultra Clean Holdings, Inc. (UCTT)	50.8	C	
254	Penguin Solutions, Inc. (PENG)	51.0	C	
255	Blackberry Ltd. (BB)	51.2	C	fortress balance sheet
256	Alarm.com Holdings, Inc. (ALRM)	51.4	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	10.8%	2.2%	57
Distance from 52-week high	(52.0%)	(30.0%)	23
EBIT to enterprise value	(5.5%)	1.5%	19
Free cash flow yield	(38.5%)	2.7%	8
Book value to price	0.22	0.23	49
Sales to price	0.08	0.30	17
Composite equity issuance, five years	not computable	3.9%	
Relative strength against the sector, log excess return	(0.18)	(0.26)	57

Diagnostics

not in the grade

Measure	Value
Piotroski F-score None of 9, period end 2026-05-31	
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	pass
No new shares issued	fail
Gross margin improved	pass
Asset turnover improved	pass
Cash, filings, liquidity	
Cash and equivalents	\$2.9B
Operating cash flow, four quarters	\$235.1M

Months of runway	not finite
Days since last periodic filing	2 (10-Q received Oct 7, 2026)
Median daily dollar volume, 63 sessions	\$451.6M

Sources

each row links to the filing index on sec.gov

#	Concept	XBRL tag	Value	Period end	Received	Form	Accession
1	revenue	us-gaap:Revenues	\$611.3M	2026-05-31	2026-07-29	10-K	0001144879-26-000048
2	cost of revenue	us-gaap:CostOfRevenue	\$396.9M	2026-05-31	2026-07-29	10-K	0001144879-26-000048
3	assets	us-gaap:Assets	\$9.9B	2026-05-31	2026-07-29	10-K	0001144879-26-000048
4	operating income	us-gaap:OperatingIncomeLoss	-\$20.9M	2022-05-31	2023-08-02	10-K	0001144879-23-000176
5	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeIncomeTaxesExtraordItemsAndDiscontrolling	\$11.9M	2022-05-31	2023-08-02	10-K	0001144879-23-000176
6	income tax	us-gaap:IncomeTaxExpenseBenefit	\$540,000	2022-05-31	2023-08-02	10-K	0001144879-23-000176
7	total debt	us-gaap:LongTermDebt	\$7.2M	2022-05-31	2022-08-29	10-K	0001628280-22-023816
8	book equity	us-gaap:StockholdersEquity	\$72.3M	2022-05-31	2023-08-02	10-K	0001144879-23-000176
9	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	\$38.8M	2022-05-31	2023-08-02	10-K	0001144879-23-000176
10	net income	us-gaap:ProfitLoss	-\$184.3M	2026-05-31	2026-07-29	10-K	0001144879-26-000048
11	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	\$89.7M	2026-05-31	2026-07-29	10-K	0001144879-26-000048
12	assets	us-gaap:Assets	\$1.9B	2025-05-31	2026-07-29	10-K	0001144879-26-000048
13	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$144.2M	2025-05-31	2025-07-30	10-K	0001144879-25-000021
14	cost of revenue	us-gaap:CostOfRevenue	\$216.8M	2025-05-31	2026-07-29	10-K	0001144879-26-000048
15	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$136.6M	2024-05-31	2025-07-30	10-K	0001144879-25-000021
16	cost of revenue	us-gaap:CostOfRevenue	\$148.3M	2024-05-31	2026-07-29	10-K	0001144879-26-000048
17	gross profit	us-gaap:GrossProfit	\$11.0M	2023-05-31	2023-08-02	10-K	0001144879-23-000176
18	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$55.4M	2023-05-31	2025-07-30	10-K	0001144879-25-000021
19	gross profit	us-gaap:GrossProfit	-\$957,000	2022-05-31	2023-08-02	10-K	0001144879-23-000176
20	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$8.5M	2022-05-31	2023-08-02	10-K	0001144879-23-000176
21	current assets	us-gaap:AssetsCurrent	\$4.7B	2026-05-31	2026-07-29	10-K	0001144879-26-000048
22	current liabilities	us-gaap:LiabilitiesCurrent	\$1.2B	2026-05-31	2026-07-29	10-K	0001144879-26-000048
23	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	-\$662.3M	2026-05-31	2026-07-29	10-K	0001144879-26-000048
24	operating income	us-gaap:OperatingIncomeLoss	-\$236.5M	2026-05-31	2026-07-29	10-K	0001144879-26-000048
25	book equity	us-gaap:StockholdersEquity	\$1.7B	2026-05-31	2026-07-29	10-K	0001144879-26-000048
26	liabilities	us-gaap:Liabilities	\$6.2B	2026-05-31	2026-07-29	10-K	0001144879-26-000048
27	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	\$1.1M	2022-05-31	2023-08-02	10-K	0001144879-23-000176
28	operating income	us-gaap:OperatingIncomeLoss	-\$98.3M	2024-05-31	2026-07-29	10-K	0001144879-26-000048
29	interest expense	us-gaap:InterestExpense	\$26.8M	2024-05-31	2024-08-30	10-K	0001144879-24-000216
30	capital expenditure	us-gaap:PaymentsToAcquireProductiveAssets	\$2.9B	2026-05-31	2026-07-29	10-K	0001144879-26-000048
31	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-\$115.4M	2025-05-31	2026-07-29	10-K	0001144879-26-000048
32	capital expenditure	us-gaap:PaymentsToAcquireProductiveAssets	\$681.6M	2025-05-31	2026-07-29	10-K	0001144879-26-000048
33	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	\$13.8M	2024-05-31	2026-07-29	10-K	0001144879-26-000048
34	capital expenditure	us-gaap:PaymentsToAcquireProductiveAssets	\$141.8M	2024-05-31	2026-07-29	10-K	0001144879-26-000048
35	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	\$58.7M	2023-05-31	2025-07-30	10-K	0001144879-25-000021
36	capital expenditure	us-gaap:PaymentsToAcquireProductiveAssets	\$131.3M	2023-05-31	2025-07-30	10-K	0001144879-25-000021
37	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	\$67.4M	2026-05-31	2026-07-29	10-K	0001144879-26-000048
38	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeIncomeTaxesExtraordItemsAndDiscontrolling	\$11.5M	2022-05-31	2026-07-29	10-K	0001144879-26-000048
39	income tax	us-gaap:IncomeTaxExpenseBenefit	\$1.8M	2026-05-31	2026-07-29	10-K	0001144879-26-000048
40	current assets	us-gaap:AssetsCurrent	\$132.8M	2025-05-31	2026-07-29	10-K	0001144879-26-000048
41	current liabilities	us-gaap:LiabilitiesCurrent	\$499.7M	2025-05-31	2026-07-29	10-K	0001144879-26-000048
42	assets	us-gaap:Assets	\$762.9M	2024-05-31	2025-07-30	10-K	0001144879-25-000021
43	assets	us-gaap:Assets	\$264.0M	2023-05-31	2024-08-30	10-K	0001144879-24-000216
44	shares outstanding	dei:EntityCommonStockSharesOutstanding	291,469,112	2026-07-28	2026-07-29	10-K	0001144879-26-000048
45	shares outstanding	dei:EntityCommonStockSharesOutstanding	261,519,794	2025-07-29	2025-07-30	10-K	0001144879-25-000021