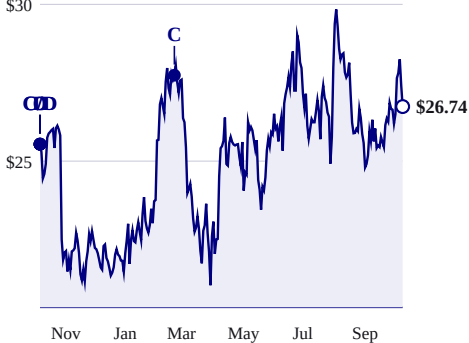


## Gates Industrial Corp. Ltd. (GTES)

NYSE; manufacturing; SIC 3560, General Industrial Machinery & Equipment; CIK 0001718512

| <b>Gates Industrial Corp. Ltd.</b><br>GTES; manufacturing                                                                                                                                                                                                         |                                                                                                                                                                                                                                       |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Grade</b><br><div>  </div> <div>             middle fifth of 255 graded peers<br/>             percentile 49.6; sampling error 3.0 points; lower is stronger           </div> | <div>  </div> <div> <b>C, the tortoise</b><br/>             middle fifth of its sector; letters are fifths of the 255 graded peers           </div> |
| <b>Rank</b><br>127 of 255                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                       |
| <b>Profitability</b><br>C <div>  </div> percentile 52.0                                                                                                                          |                                                                                                                                                                                                                                       |
| <b>Solvency</b><br>B/C <div>  </div> percentile 42.2                                                                                                                             |                                                                                                                                                                                                                                       |
| <b>Growth and financing</b><br>C <div>  </div> percentile 52.4                                                                                                                   |                                                                                                                                                                                                                                       |
| <b>Reliability</b><br>0.94 AUC<br>filers with over \$2.67B assets; 95% interval 0.88 to 0.97; 61 events, 2020 to 2025                                                                                                                                             |                                                                                                                                                                                                                                       |
| <b>Peer failure rate</b><br>0.52% a year<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025                                                                                                                                                                 |                                                                                                                                                                                                                                       |
| <b>Size band</b><br>over \$2.67B assets<br>total assets \$7.2B                                                                                                                                                                                                    |                                                                                                                                                                                                                                       |
| <b>Standard universe</b><br>inside<br>revenue above \$1M and assets above \$10M                                                                                                                                                                                   |                                                                                                                                                                                                                                       |
| <b>Warnings</b><br>none active<br>not computable: distress                                                                                                                                                                                                        |                                                                                                                                                                                                                                       |
| <b>Inputs computable</b><br>12 of 14                                                                                                                                                                                                                              |                                                                                                                                                                                                                                       |
| <b>Graded from</b><br>filings received through Feb 12, 2026<br>239 days before the rescans; latest periodic filing 10-Q received Jul 31, 2026                                                                                                                     |                                                                                                                                                                                                                                       |
| <b>Last close</b><br>\$26.73<br>2026-10-08; market equity \$6.8B                                                                                                                                                                                                  |                                                                                                                                                                                                                                       |
| <b>Price used in grade</b><br>None                                                                                                                                                                                                                                |                                                                                                                                                                                                                                       |

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



Rescans on file: C/D from Mar 21, 2024, D from Aug 21, 2024, C/D from Apr 2

### 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 12, 2026

We are a global manufacturer of innovative, highly engineered power transmission and fluid power solutions. We offer a broad portfolio of products to diverse aftermarket channel customers, and to original equipment manufacturers ("OEM") as specified components, with the majority of our revenue coming from aftermarket channels. Our products are used in applications across numerous end markets, including automotive aftermarket, automotive OEM, diversified industrial, industrial off-highway, industrial

on-highway, energy and resources, and personal mobility.

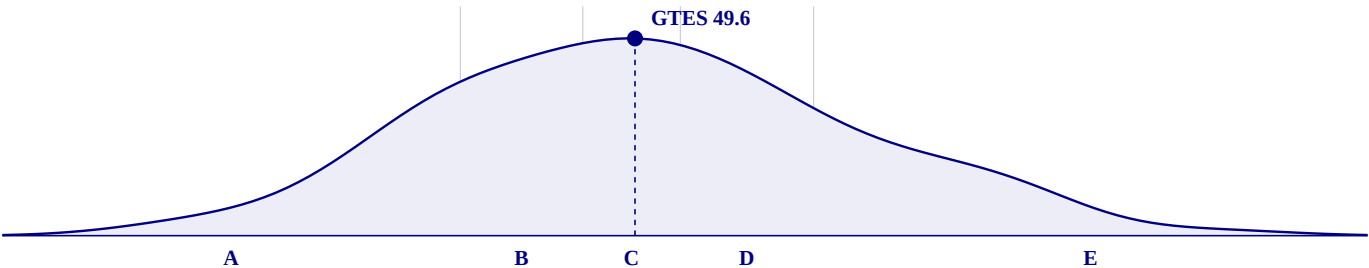
The fourteen inputs

lower percentile is stronger; equal-weighted sleeves

| Input                                        | Percentile, 0 to 100   | Value          | Peer median | Percentile | Peers | Period end                                                                                 |
|----------------------------------------------|------------------------|----------------|-------------|------------|-------|--------------------------------------------------------------------------------------------|
| Profitability, sleeve percentile 52.0        |                        |                |             |            |       |                                                                                            |
| Gross profitability                          | <div><div></div></div> | 19.2%          | 21.9%       | 55.1       | 275   | 2025-12-31                                                                                 |
| Return on invested capital                   | <div><div></div></div> | 8.0%           | 9.7%        | 62.6       | 100   | 2025-12-31                                                                                 |
| Accruals ratio                               | <div><div></div></div> | (3.3%)         | (3.6%)      | 53.1       | 308   | 2025-12-31                                                                                 |
| Gross margin stability, five years           | <div><div></div></div> | 1.7 pts        | 2.1 pts     | 37.3       | 229   | 2025-12-31                                                                                 |
| Solvency, sleeve percentile 42.2             |                        |                |             |            |       |                                                                                            |
| Twelve-month failure probability             |                        | not computable | 0.04%       |            |       | latest liabilities, cash plus short-term investments, book equity, and shares are required |
| Altman Z double-prime                        | <div><div></div></div> | 3.80           | 3.66        | 41.2       | 244   | 2025-12-31                                                                                 |
| Net debt to EBITDA                           | <div><div></div></div> | 2.09x          | 1.78x       | 61.7       | 121   | 2025-12-31                                                                                 |
| Interest coverage                            |                        | not computable | 5.09x       |            |       | latest aligned inputs end 2023-12-30; latest annual assets end 2025-12-31                  |
| Current ratio                                | <div><div></div></div> | 3.37x          | 2.25x       | 23.8       | 325   | 2025-12-31                                                                                 |
| Growth and financing, sleeve percentile 52.4 |                        |                |             |            |       |                                                                                            |
| Revenue growth, three-year compound          | <div><div></div></div> | (1.1%)         | 2.1%        | 65.3       | 269   | 2025-12-31                                                                                 |
| Free cash flow growth, three-year compound   | <div><div></div></div> | 29.1%          | 13.9%       | 26.8       | 139   | 2025-12-31                                                                                 |
| Reinvestment rate                            | <div><div></div></div> | 5.5%           | 26.4%       | 63.8       | 139   | 2025-12-31                                                                                 |
| Asset growth, three years                    | <div><div></div></div> | (0.2%)         | 4.4%        | 68.3       | 279   | 2025-12-31                                                                                 |
| Net share issuance, one year                 | <div><div></div></div> | (0.6%)         | 0.01%       | 38.0       | 243   | 2026-02-10                                                                                 |

Among 255 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                             |
|------|------------------------------------------|------------|--------|--------------------------------------|
| 122  | Nordson Corp. (NDSN)                     | 47.6       | C      |                                      |
| 123  | Optical Cable Corp. (OCC)                | 48.0       | C      |                                      |
| 124  | TransDigm Group Inc. (TDG)               | 48.4       | C      |                                      |
| 125  | Mayville Engineering Company, Inc. (MEC) | 48.8       | C      |                                      |
| 126  | Hyllion Holdings Corp. (HYLN)            | 49.2       | C      | short runway, fortress balance sheet |
| 127  | Gates Industrial Corp. Ltd. (GTES) <     | 49.6       | C      |                                      |

|     |                           |      |                             |
|-----|---------------------------|------|-----------------------------|
| 128 | Arcosa, Inc. (ACA)        | 50.0 | C                           |
| 129 | CVD Equipment Corp. (CVV) | 50.4 | C fortress<br>balance sheet |
| 130 | Woodward, Inc. (WWD)      | 50.8 | C                           |
| 131 | Caterpillar Inc. (CAT)    | 51.2 | C                           |
| 132 | Agco Corp. (AGCO)         | 51.6 | 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    | 3.1%    | 13.7%       | 38         |
| Distance from 52-week high                              | (10.4%) | (24.3%)     | 86         |
| EBIT to enterprise value                                | 5.7%    | 4.1%        | 68         |
| Free cash flow yield                                    | 6.0%    | 3.4%        | 77         |
| Book value to price                                     | 0.52    | 0.34        | 65         |
| Sales to price                                          | 0.51    | 0.54        | 46         |
| Composite equity issuance, five years                   | (13.9%) | (9.5%)      | 35         |
| Relative strength against the sector, log excess return | (0.10)  | (0.00)      | 38         |

### Diagnostics

not in the grade

| Measure                                                | Value                           |
|--------------------------------------------------------|---------------------------------|
| <b>Piotroski F-score 8 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                                | pass                            |
| Current ratio improved                                 | pass                            |
| No new shares issued                                   | pass                            |
| Gross margin improved                                  | fail                            |
| Asset turnover improved                                | pass                            |
| <b>Cash, filings, liquidity</b>                        |                                 |
| Cash and equivalents                                   | \$823.5M                        |
| Operating cash flow, four quarters                     | \$476.6M                        |
| Months of runway                                       | not finite                      |
| Days since last periodic filing                        | 70 (10-Q received Jul 31, 2026) |
| Median daily dollar volume, 63 sessions                | \$46.0M                         |

### 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                                                                       | \$1.4B   | 2025-12-31 | 2026-02-12 | 10-K | 0001628280-26-007719 |
| 2  | assets              | us-gaap:Assets                                                                            | \$7.2B   | 2025-12-31 | 2026-02-12 | 10-K | 0001628280-26-007719 |
| 3  | operating income    | us-gaap:OperatingIncomeLoss                                                               | \$465.3M | 2025-12-31 | 2026-02-12 | 10-K | 0001628280-26-007719 |
| 4  | pretax income       | us-gaap:IncomeLossFromContinuingOperationsBeforeIncomeTaxesExtraordinaryItemsUnusualItems | \$340.2M | 2025-12-31 | 2026-02-12 | 10-K | 0001628280-26-007719 |
| 5  | income tax          | us-gaap:IncomeTaxExpenseBenefit                                                           | \$63.1M  | 2025-12-31 | 2026-02-12 | 10-K | 0001628280-26-007719 |
| 6  | total debt          | us-gaap:LongTermDebt                                                                      | \$2.2B   | 2025-12-31 | 2026-02-12 | 10-K | 0001628280-26-007719 |
| 7  | book equity         | us-gaap:StockholdersEquity                                                                | \$3.3B   | 2025-12-31 | 2026-02-12 | 10-K | 0001628280-26-007719 |
| 8  | cash                | us-gaap:CashAndCashEquivalentsAtCarryingValue                                             | \$812.1M | 2025-12-31 | 2026-02-12 | 10-K | 0001628280-26-007719 |
| 9  | total debt          | us-gaap:LongTermDebt                                                                      | \$2.4B   | 2024-12-28 | 2026-02-12 | 10-K | 0001628280-26-007719 |
| 10 | book equity         | us-gaap:StockholdersEquity                                                                | \$3.0B   | 2024-12-28 | 2026-02-12 | 10-K | 0001628280-26-007719 |
| 11 | cash                | us-gaap:CashAndCashEquivalentsAtCarryingValue                                             | \$682.0M | 2024-12-28 | 2026-02-12 | 10-K | 0001628280-26-007719 |
| 12 | net income          | us-gaap:NetIncomeLoss                                                                     | \$251.4M | 2025-12-31 | 2026-02-12 | 10-K | 0001628280-26-007719 |
| 13 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities                                        | \$478.1M | 2025-12-31 | 2026-02-12 | 10-K | 0001628280-26-007719 |
| 14 | assets              | us-gaap:Assets                                                                            | \$6.8B   | 2024-12-28 | 2026-02-12 | 10-K | 0001628280-26-007719 |
| 15 | revenue             | us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax                               | \$3.4B   | 2025-12-31 | 2026-02-12 | 10-K | 0001628280-26-007719 |
| 16 | gross profit        | us-gaap:GrossProfit                                                                       | \$1.4B   | 2024-12-28 | 2026-02-12 | 10-K | 0001628280-26-007719 |

|    |                           |                                                             |             |            |            |      |                      |
|----|---------------------------|-------------------------------------------------------------|-------------|------------|------------|------|----------------------|
| 17 | revenue                   | us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax | \$3.4B      | 2024-12-28 | 2026-02-12 | 10-K | 0001628280-26-007719 |
| 18 | gross profit              | us-gaap:GrossProfit                                         | \$1.4B      | 2023-12-30 | 2026-02-12 | 10-K | 0001628280-26-007719 |
| 19 | revenue                   | us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax | \$3.6B      | 2023-12-30 | 2026-02-12 | 10-K | 0001628280-26-007719 |
| 20 | gross profit              | us-gaap:GrossProfit                                         | \$1.3B      | 2022-12-31 | 2025-02-06 | 10-K | 0001718512-25-000013 |
| 21 | revenue                   | us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax | \$3.6B      | 2022-12-31 | 2025-02-06 | 10-K | 0001718512-25-000013 |
| 22 | gross profit              | us-gaap:GrossProfit                                         | \$1.3B      | 2022-01-01 | 2024-02-08 | 10-K | 0001718512-24-000010 |
| 23 | revenue                   | us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax | \$3.5B      | 2022-01-01 | 2024-02-08 | 10-K | 0001718512-24-000010 |
| 24 | current assets            | us-gaap:AssetsCurrent                                       | \$2.5B      | 2025-12-31 | 2026-02-12 | 10-K | 0001628280-26-007719 |
| 25 | current liabilities       | us-gaap:LiabilitiesCurrent                                  | \$735.4M    | 2025-12-31 | 2026-02-12 | 10-K | 0001628280-26-007719 |
| 26 | retained earnings         | us-gaap:RetainedEarningsAccumulatedDeficit                  | \$1.7B      | 2025-12-31 | 2026-02-12 | 10-K | 0001628280-26-007719 |
| 27 | liabilities               | us-gaap:Liabilities                                         | \$3.5B      | 2025-12-31 | 2026-02-12 | 10-K | 0001628280-26-007719 |
| 28 | depreciation amortization | us-gaap:DepreciationDepletionAndAmortization                | \$213.8M    | 2025-12-31 | 2026-02-12 | 10-K | 0001628280-26-007719 |
| 29 | operating income          | us-gaap:OperatingIncomeLoss                                 | \$460.1M    | 2023-12-30 | 2026-02-12 | 10-K | 0001628280-26-007719 |
| 30 | interest expense          | us-gaap:InterestExpense                                     | \$163.2M    | 2023-12-30 | 2024-02-08 | 10-K | 0001718512-24-000010 |
| 31 | capital expenditure       | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment          | \$73.2M     | 2025-12-31 | 2026-02-12 | 10-K | 0001628280-26-007719 |
| 32 | operating cash flow       | us-gaap:NetCashProvidedByUsedInOperatingActivities          | \$379.6M    | 2024-12-28 | 2026-02-12 | 10-K | 0001628280-26-007719 |
| 33 | capital expenditure       | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment          | \$83.1M     | 2024-12-28 | 2026-02-12 | 10-K | 0001628280-26-007719 |
| 34 | operating cash flow       | us-gaap:NetCashProvidedByUsedInOperatingActivities          | \$481.0M    | 2023-12-30 | 2026-02-12 | 10-K | 0001628280-26-007719 |
| 35 | capital expenditure       | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment          | \$61.2M     | 2023-12-30 | 2026-02-12 | 10-K | 0001628280-26-007719 |
| 36 | operating cash flow       | us-gaap:NetCashProvidedByUsedInOperatingActivities          | \$265.8M    | 2022-12-31 | 2025-02-06 | 10-K | 0001718512-25-000013 |
| 37 | capital expenditure       | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment          | \$77.6M     | 2022-12-31 | 2025-02-06 | 10-K | 0001718512-25-000013 |
| 38 | current assets            | us-gaap:AssetsCurrent                                       | \$2.3B      | 2024-12-28 | 2026-02-12 | 10-K | 0001628280-26-007719 |
| 39 | current liabilities       | us-gaap:LiabilitiesCurrent                                  | \$721.5M    | 2024-12-28 | 2026-02-12 | 10-K | 0001628280-26-007719 |
| 40 | assets                    | us-gaap:Assets                                              | \$7.3B      | 2023-12-30 | 2025-02-06 | 10-K | 0001718512-25-000013 |
| 41 | assets                    | us-gaap:Assets                                              | \$7.2B      | 2022-12-31 | 2024-02-08 | 10-K | 0001718512-24-000010 |
| 42 | shares outstanding        | dei:EntityCommonStockSharesOutstanding                      | 253,855,699 | 2026-02-10 | 2026-02-12 | 10-K | 0001628280-26-007719 |
| 43 | shares outstanding        | dei:EntityCommonStockSharesOutstanding                      | 255,413,513 | 2025-02-03 | 2025-02-06 | 10-K | 0001718512-25-000013 |