

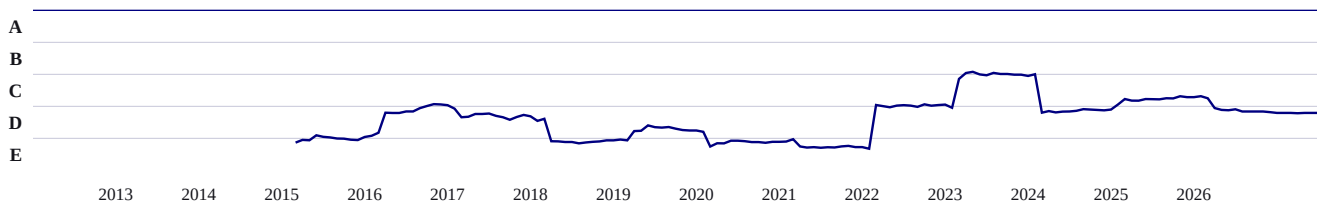
Nortech Systems Inc. (NSYS)

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

Nortech Systems Inc. NSYS; business equipment	
Grade D A B C D E fourth fifth of 497 graded peers percentile 64.1; sampling error 2.2 points; lower is stronger	 D, the sloth fourth fifth of its sector; letters are fifths of the 497 graded peers
Rank 319 of 497	
Profitability C percentile 49.2	
Solvency B/C percentile 40.6	
Growth and financing D percentile 69.2	
Reliability 0.83 AUC 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 Item 1.03 bankruptcies, same asset band, 2012 to 2025	
Size band \$12.5M to \$120M assets total assets \$71.9M	
Standard universe inside revenue above \$1M and assets above \$10M	
Warnings none active not computable: distress	
Inputs computable 9 of 14	
Graded from filings received through Apr 15, 2026 177 days before the rescans; latest periodic filing 10-Q received Aug 12, 2026	
Last close \$11.21 2026-09-29; market equity \$32.0M	
Price used in grade None	
Share price, twelve months to the rescans <i>split-adjusted close; the letter is fixed at the rescans that set it</i>  Rescans on file: C/D from Apr 21, 2026, D from May 21, 2026, C/D from Jul 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 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.

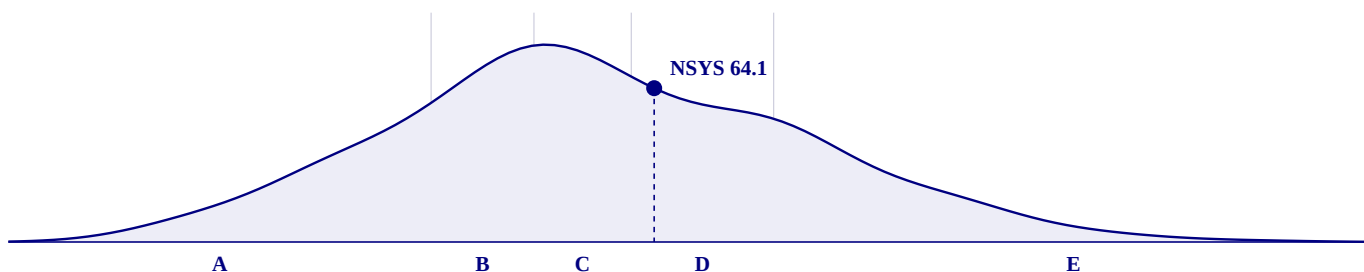
The fourteen inputs

lower percentile is stronger; equal-weighted sleeves

Input	Percentile, 0 to 100	Value	Peer median	Percentile	Peers	Period end
Profitability, sleeve percentile 49.2						
Gross profitability		25.0%	28.5%	54.9	558	2025-12-31
Return on invested capital		not computable	10.9%			pretax income must exceed the validity floor and imply a 0%-100% tax rate
Accruals ratio		(4.1%)	(7.4%)	69.5	621	2025-12-31
Gross margin stability, five years		1.2 pts	2.4 pts	23.1	429	2025-12-31
Solvency, sleeve percentile 40.6						
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		4.24	2.18	28.3	566	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	3.77x			latest aligned inputs end 2023-12-31; latest annual assets end 2025-12-31
Current ratio		1.88x	2.02x	52.8	666	2025-12-31
Growth and financing, sleeve percentile 69.2						
Revenue growth, three-year compound		(4.1%)	6.4%	78.0	538	2025-12-31
Free cash flow growth, three-year compound		(11.8%)	17.2%	86.9	268	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%	58.2	563	2025-12-31
Net share issuance, one year		0.9%	0.5%	53.7	407	2026-02-28

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
314	Netgear, Inc. (NTGR)	63.1	D	
315	KEY Tronic Corp. (KTCC)	63.3	D	
316	Marvell Technology, Inc. (MRVL)	63.5	D	
317	Avantor, Inc. (AVTR)	63.7	D	
318	Interlink Electronics Inc. (LINK)	63.9	D	
319	Nortech Systems Inc. (NSYS) <	64.1	D	
320	Caci International Inc. (CACI)	64.3	D	
321	Semtech Corp. (SMTC)	64.5	D	
322	Danaher Corp. (DHR)	64.7	D	
323	N-able, Inc. (NABL)	64.9	D	late filer
324	Applied Optoelectronics, Inc. (AAOI)	65.1	D	dilution, fortress balance sheet

What the price implies

at the 2026-09-29 close; none enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	28.3%	2.2%	70
Distance from 52-week high	(36.0%)	(30.0%)	40
EBIT to enterprise value	3.0%	1.5%	64
Free cash flow yield	6.5%	2.7%	75
Book value to price	1.10	0.23	89
Sales to price	3.67	0.30	96
Composite equity issuance, five years	7.0%	3.9%	55
Relative strength against the sector, log excess return	(0.03)	(0.26)	70

Diagnostics

not in 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	\$1.4M
Operating cash flow, four quarters	\$3.1M
Months of runway	not finite
Days since last periodic filing	58 (10-Q received Aug 12, 2026)

Median daily dollar volume, 63 sessions

\$122,805

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	\$18.0M	2025-12-31	2026-04-15	10-K/A	0001493152-26-016795
2	assets	us-gaap:Assets	\$71.9M	2025-12-31	2026-04-15	10-K/A	0001493152-26-016795
3	operating income	us-gaap:OperatingIncomeLoss	-\$616,000	2020-12-31	2022-03-17	10-K	0001437749-22-006550
4	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeIncomeTaxesExtraordinaryItemsDeductibleItems	\$11.0M	2025-12-31	2026-04-15	10-K/A	0001493152-26-016795
5	income tax	us-gaap:IncomeTaxExpenseBenefit	\$310,000	2020-12-31	2022-03-17	10-K	0001437749-22-006550
6	total debt	us-gaap:LongTermDebt	\$7.1M	2020-12-31	2022-03-17	10-K	0001437749-22-006550
7	book equity	us-gaap:StockholdersEquity	\$18.7M	2020-12-31	2023-03-17	10-K	0001437749-23-007041
8	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	\$352,000	2020-12-31	2022-03-17	10-K	0001437749-22-006550
9	total debt	us-gaap:LongTermDebt	\$3.6M	2019-12-31	2021-03-23	10-K	0001437749-21-006916
10	book equity	us-gaap:StockholdersEquity	\$20.0M	2019-12-31	2022-03-17	10-K	0001437749-22-006550
11	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	\$351,000	2019-12-31	2021-03-23	10-K	0001437749-21-006916
12	net income	us-gaap:NetIncomeLoss	-\$252,000	2025-12-31	2026-04-15	10-K/A	0001493152-26-016795
13	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	\$2.7M	2025-12-31	2026-04-15	10-K/A	0001493152-26-016795
14	assets	us-gaap:Assets	\$72.4M	2024-12-31	2026-04-15	10-K/A	0001493152-26-016795
15	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$118.4M	2025-12-31	2026-04-15	10-K/A	0001493152-26-016795
16	gross profit	us-gaap:GrossProfit	\$16.7M	2024-12-31	2026-04-15	10-K/A	0001493152-26-016795
17	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$128.1M	2024-12-31	2026-04-15	10-K/A	0001493152-26-016795
18	gross profit	us-gaap:GrossProfit	\$23.1M	2023-12-31	2025-03-31	10-K	0001641172-25-001473
19	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$139.3M	2023-12-31	2025-03-31	10-K	0001641172-25-001473
20	gross profit	us-gaap:GrossProfit	\$20.5M	2022-12-31	2024-03-20	10-K	0001437749-24-008690
21	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$134.1M	2022-12-31	2024-03-20	10-K	0001437749-24-008690
22	gross profit	us-gaap:GrossProfit	\$15.9M	2021-12-31	2023-03-17	10-K	0001437749-23-007041
23	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$115.2M	2021-12-31	2023-03-17	10-K	0001437749-23-007041
24	current assets	us-gaap:AssetsCurrent	\$56.1M	2025-12-31	2026-04-15	10-K/A	0001493152-26-016795
25	current liabilities	us-gaap:LiabilitiesCurrent	\$29.8M	2025-12-31	2026-04-15	10-K/A	0001493152-26-016795
26	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	\$17.1M	2025-12-31	2026-04-15	10-K/A	0001493152-26-016795
27	operating income	us-gaap:OperatingIncomeLoss	\$975,000	2025-12-31	2026-04-15	10-K/A	0001493152-26-016795
28	book equity	us-gaap:StockholdersEquity	\$34.5M	2025-12-31	2026-04-15	10-K/A	0001493152-26-016795
29	liabilities	us-gaap:Liabilities	\$37.4M	2025-12-31	2026-04-15	10-K/A	0001493152-26-016795
30	depreciation amortization	us-gaap:Depreciation	\$2.0M	2020-12-31	2022-03-17	10-K	0001437749-22-006550
31	operating income	us-gaap:OperatingIncomeLoss	\$6.0M	2023-12-31	2025-03-31	10-K	0001641172-25-001473
32	interest expense	us-gaap:InterestExpense	\$487,000	2023-12-31	2024-03-20	10-K	0001437749-24-008690
33	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$661,000	2025-12-31	2026-04-15	10-K/A	0001493152-26-016795
34	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-\$2.2M	2024-12-31	2026-04-15	10-K/A	0001493152-26-016795
35	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$1.3M	2024-12-31	2026-04-15	10-K/A	0001493152-26-016795
36	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	\$1.8M	2023-12-31	2025-03-31	10-K	0001641172-25-001473
37	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$1.3M	2023-12-31	2025-03-31	10-K	0001641172-25-001473
38	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	\$5.4M	2022-12-31	2024-03-20	10-K	0001437749-24-008690
39	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$2.4M	2022-12-31	2024-03-20	10-K	0001437749-24-008690
40	depreciation amortization	us-gaap:Depreciation	\$1.3M	2025-12-31	2026-04-15	10-K/A	0001493152-26-016795
41	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeIncomeTaxesExtraordinaryItemsDeductibleItems	\$11.0M	2025-12-31	2026-04-15	10-K/A	0001493152-26-016795
42	income tax	us-gaap:IncomeTaxExpenseBenefit	\$263,000	2025-12-31	2026-04-15	10-K/A	0001493152-26-016795
43	current assets	us-gaap:AssetsCurrent	\$55.3M	2024-12-31	2026-04-15	10-K/A	0001493152-26-016795
44	current liabilities	us-gaap:LiabilitiesCurrent	\$21.4M	2024-12-31	2026-04-15	10-K/A	0001493152-26-016795
45	assets	us-gaap:Assets	\$75.1M	2023-12-31	2025-03-31	10-K	0001641172-25-001473
46	assets	us-gaap:Assets	\$69.5M	2022-12-31	2024-03-20	10-K	0001437749-24-008690
47	shares outstanding	dei:EntityCommonStockSharesOutstanding	2,786,134	2026-02-28	2026-04-15	10-K/A	0001493152-26-016795
48	shares outstanding	dei:EntityCommonStockSharesOutstanding	2,760,793	2025-02-28	2025-03-31	10-K	0001641172-25-001473