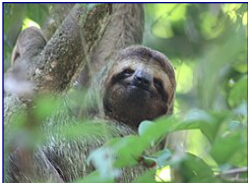


Precision Optics Corporation, Inc. (POCI)

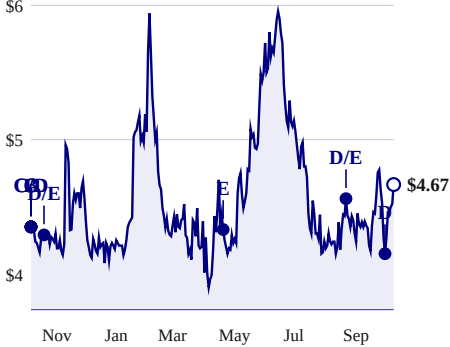
Nasdaq; healthcare; SIC 3845, Electromedical & Electrotherapeutic Apparatus; CIK 0000867840

Precision Optics Corporation, Inc. POCI; healthcare	
Grade	D  fourth fifth of 371 graded peers percentile 74.3; sampling error 2.5 points; lower is stronger
Rank	276 of 371
Profitability	D  percentile 66.1
Solvency	C/D  percentile 57.8
Growth and financing	C  percentile 45.6
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 \$32.3M
Standard universe	inside revenue above \$1M and assets above \$10M
Warnings	dilution; fortress balance sheet not computable: distress
Inputs computable	8 of 14
Graded from	filings received through Sep 28, 2026 11 days before the rescans; latest periodic filing 10-K received Sep 28, 2026
Last close	\$4.59 2026-10-08; market equity \$50.4M
Price used in grade	None



D, the sloth
fourth fifth of its sector; letters are fifths of the 371 graded peers

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



Rescans on file: D/E from Oct 21, 2025, E from Apr 21, 2026, D/E from Aug 21, 2026

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 Sep 29, 2025

advanced optical instruments since 1982, and we operate primarily in two key market segments: medical devices and advanced defense/aerospace products. Within our proprietary optical and imaging technology, our unique custom designs, expert manufacturing capabilities, and advanced engineering and development capabilities have generated traditional endoscopes and endocouplers, digital imaging endoscopes using CMOS sensor technology, some designed and manufactured for single-use, as well as other, more

advanced, custom imaging and illumination products for our customers' use in minimally invasive surgical procedures.

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 66.1						
Gross profitability		16.8%	32.2%	68.5	372	2026-06-30
Return on invested capital		not computable	9.3%			pretax income must exceed the validity floor and imply a 0%-100% tax rate
Accruals ratio		(8.0%)	(6.6%)	48.8	811	2026-06-30
Gross margin stability, five years		7.8 pts	2.8 pts	81.0	243	2026-06-30
Solvency, sleeve percentile 57.8						
Twelve-month failure probability		not computable	0.07%			latest liabilities, cash plus short-term investments, book equity, and shares are required
Altman Z double-prime		(2.77)	(0.31)	48.3	756	2026-06-30
Net debt to EBITDA		not computable	1.82x			EBITDA must exceed \$100,000
Interest coverage		not computable	(4.51x)			latest aligned inputs end 2025-06-30; latest annual assets end 2026-06-30
Current ratio		2.28x	2.96x	67.3	839	2026-06-30
Growth and financing, sleeve percentile 45.6						
Revenue growth, three-year compound		14.4%	10.0%	40.1	415	2026-06-30
Free cash flow growth, three-year compound		not computable	10.9%			current FCF must be positive and base FCF must exceed \$100,000
Reinvestment rate		not computable	37.1%			pretax income must exceed the validity floor and imply a 0%-100% tax rate
Asset growth, three years		17.9%	2.1%	23.0	704	2026-06-30
Net share issuance, one year		42.2%	2.5%	73.8	634	2026-09-20

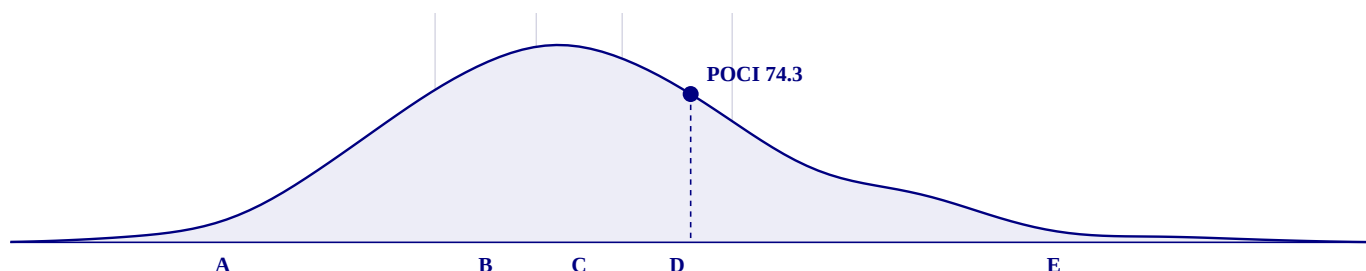
Warnings

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

Check	Measured
Dilution	split-adjusted year-over-year share growth is 42.2%
Fortress balance sheet	cash minus debt is 8,507,391 USD; Altman Z is not used

Among 371 peers

healthcare; 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
271	Elanco Animal Health Inc. (ELAN)	73.0	D	
272	ICU Medical Inc/De (ICUI)	73.2	D	
273	Butterfly Network, Inc. (BFLY)	73.5	D	
274	Vir Biotechnology, Inc. (VIR)	73.8	D	
275	Viatis Inc. (VTRS)	74.1	D	
276	Precision Optics Corporation, Inc. (POCI) <	74.3	D	dilution, fortress balance sheet
277	Retractable Technologies Inc. (RVP)	74.6	D	fortress balance sheet
278	NutriBand Inc. (NTRB)	75.0	D	fortress balance sheet
279	NutriBand Inc. (NTRBW)	75.0	D	fortress balance sheet
280	Teleflex Inc. (TFX)	75.4	D	
281	Standard Biotools Inc. (LAB)	75.7	D	late filer, fortress balance sheet

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	(1.1%)	8.0%	46
Distance from 52-week high	(21.7%)	(31.4%)	63
EBIT to enterprise value	(8.2%)	(1.5%)	35
Free cash flow yield	(3.9%)	(1.0%)	42
Book value to price	0.40	0.28	61
Sales to price	0.62	0.31	72
Composite equity issuance, five years	not computable	20.3%	
Relative strength against the sector, log excess return	(0.22)	(0.14)	46

Diagnostics

not in the grade

Measure	Value
Piotroski F-score 5 of 9, period end 2026-06-30	
Return on assets above zero	fail
Operating cash flow above zero	fail
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	fail
Gross margin improved	fail
Asset turnover improved	pass
Cash, filings, liquidity	
Cash and equivalents	\$9.8M
Operating cash flow, four quarters	-\$1.6M
Months of runway	76.2
Days since last periodic filing	11 (10-K received Sep 28, 2026)
Median daily dollar volume, 63 sessions	\$170,397

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	\$5.4M	2026-06-30	2026-09-28	10-K	0001683168-26-007462
2	assets	us-gaap:Assets	\$32.3M	2026-06-30	2026-09-28	10-K	0001683168-26-007462
3	operating income	us-gaap:OperatingIncomeLoss	-\$3.5M	2026-06-30	2026-09-28	10-K	0001683168-26-007462
4	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeIncomeTaxesExtraordinaryItemsDeductibleItems	\$4,958	2026-06-30	2026-09-28	10-K	0001683168-26-007462
5	income tax	us-gaap:IncomeTaxExpenseBenefit	\$1.3M	2026-06-30	2026-09-28	10-K	0001683168-26-007462
6	total debt	us-gaap:LongTermDebt	\$20.3M	2026-06-30	2026-09-28	10-K	0001683168-26-007462
7	book equity	us-gaap:StockholdersEquity	\$9.8M	2026-06-30	2026-09-28	10-K	0001683168-26-007462
8	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	\$1.9M	2025-06-30	2025-09-29	10-K	0001683168-25-007305
9	total debt	us-gaap:LongTermDebt	\$12.3M	2025-06-30	2026-09-28	10-K	0001683168-26-007462
10	book equity	us-gaap:StockholdersEquity	\$1.8M	2025-06-30	2026-09-28	10-K	0001683168-26-007462
11	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	-\$3.6M	2026-06-30	2026-09-28	10-K	0001683168-26-007462
12	net income	us-gaap:NetIncomeLoss	\$19.8M	2025-06-30	2026-09-28	10-K	0001683168-26-007462
13	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	\$19.8M	2025-06-30	2026-09-28	10-K	0001683168-26-007462
14	assets	us-gaap:Assets	\$31.5M	2026-06-30	2026-09-28	10-K	0001683168-26-007462
15	revenue	us-gaap:Revenues	\$3.4M	2025-06-30	2026-09-28	10-K	0001683168-26-007462
16	gross profit	us-gaap:GrossProfit	\$19.1M	2025-06-30	2026-09-28	10-K	0001683168-26-007462
17	revenue	us-gaap:Revenues	\$5.8M	2024-06-30	2025-09-29	10-K	0001683168-25-007305
18	gross profit	us-gaap:GrossProfit	\$19.1M	2024-06-30	2025-09-29	10-K	0001683168-25-007305
19	revenue	us-gaap:Revenues	\$7.7M	2023-06-30	2024-09-30	10-K	0001683168-24-006760
20	gross profit	us-gaap:GrossProfit	\$21.0M	2023-06-30	2024-09-30	10-K	0001683168-24-006760
21	revenue	us-gaap:Revenues	\$4.9M	2022-06-30	2023-09-28	10-K	0001683168-23-006801
22	gross profit	us-gaap:GrossProfit	\$15.7M	2022-06-30	2023-09-28	10-K	0001683168-23-006801
23	revenue	us-gaap:Revenues	\$20.1M	2026-06-30	2026-09-28	10-K	0001683168-26-007462
24	current assets	us-gaap:AssetsCurrent	\$8.8M	2026-06-30	2026-09-28	10-K	0001683168-26-007462
25	current liabilities	us-gaap:LiabilitiesCurrent	-\$60.6M	2026-06-30	2026-09-28	10-K	0001683168-26-007462
26	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	\$12.0M	2026-06-30	2026-09-28	10-K	0001683168-26-007462
27	liabilities	us-gaap:Liabilities	\$279,277	2026-06-30	2026-09-28	10-K	0001683168-26-007462
28	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	-\$5.6M	2025-06-30	2026-09-28	10-K	0001683168-26-007462
29	operating income	us-gaap:OperatingIncomeLoss	\$227,019	2025-06-30	2025-09-29	10-K	0001683168-25-007305
30	interest expense	us-gaap:InterestExpense	\$426,786	2026-06-30	2026-09-28	10-K	0001683168-26-007462
31	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	-\$3.4M	2025-06-30	2026-09-28	10-K	0001683168-26-007462
32	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	\$227,209	2025-06-30	2026-09-28	10-K	0001683168-26-007462
33	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	-\$2.7M	2024-06-30	2025-09-29	10-K	0001683168-25-007305
34	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	\$272,435	2024-06-30	2025-09-29	10-K	0001683168-25-007305
35	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	-\$81,090	2023-06-30	2024-09-30	10-K	0001683168-24-006760
36	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	\$16,784	2023-06-30	2024-09-30	10-K	0001683168-24-006760
37	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$10.1M	2025-06-30	2026-09-28	10-K	0001683168-26-007462
38	current assets	us-gaap:AssetsCurrent	\$6.2M	2025-06-30	2026-09-28	10-K	0001683168-26-007462
39	current liabilities	us-gaap:LiabilitiesCurrent	\$16.9M	2024-06-30	2025-09-29	10-K	0001683168-25-007305
40	assets	us-gaap:Assets	\$19.7M	2023-06-30	2024-09-30	10-K	0001683168-24-006760
41	assets	us-gaap:Assets	10,972,792	2026-09-20	2026-09-28	10-K	0001683168-26-007462
42	shares outstanding	dei:EntityCommonStockSharesOutstanding	7,714,701	2025-09-20	2025-10-28	10-K/A	0001683168-25-007809
43	shares outstanding	dei:EntityCommonStockSharesOutstanding					