DAYAN RESEARCH

INDEPENDENT RESEARCH

INSTITUTIONAL NEWSLETTER

Four Small Caps the Market Has Punished Too Hard

Protective equipment, energy networks, herbal supplements and memory chips

Four New York-listed companies, each with a rating and a price target

AUDIENCE	Portfolio managers, CIOs, family offices
ISSUE DATE	November 1, 2026
RESEARCH HORIZON	12 to 18 months
FREQUENCY	Twice a month

OUR CALLS IN THIS ISSUE

1	**Cadre Holdings, Inc.** · CDRE	**BUY · TARGET $40**
2	**Energy Services of America Corp.** · ESOA	**BUY · TARGET $15**
3	**Nature's Sunshine Products, Inc.** · NATR	**BUY · TARGET $18**
4	**Everspin Technologies, Inc.** · MRAM	**SPECULATIVE · TARGET $25**

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Independent financial research, distributed identically to all recipients of this series.
Not investment advice. The author is not a registered investment adviser.

Prices: close of October 30, 2026. Company figures: latest SEC filings (June 30, 2026; September 30, 2026 for Everspin).

Cadre, ESOA, Nature's Sunshine: Buy. Everspin: Speculative.

FOUR SMALL CAPS THE MARKET HAS PUNISHED TOO HARD

The four companies in this issue have one thing in common: their shares are down 38% to 74% from their 12-month highs, while their fundamentals have not deteriorated anywhere near as much. The market punished a one-off disappointment (a missed quarter, a shrinking backlog, a guidance cut, litigation costs) as if it were permanent. For each company: the case for buying, our price target, what should move the stock, the dilution risk and what it could cost us.

Our Calls

Company	Rating	Price Oct 30	52-week high	Price target	Upside	Next catalyst
Cadre Holdings (CDRE)	**BUY**	$30.36	$48.76 (−38%)	**$40**	+32% +1.3% div.	Q3 results, Nov 4 (after the close)
Energy Services of America (ESOA)	**BUY**	$9.40	$19.94 (−53%)	**$15**	+60% +1.7% div.	Fiscal-year results, early Dec. (not confirmed)
Nature's Sunshine (NATR)	**BUY**	$12.25	$28.14 (−56%)	**$18**	+47%	Q3 results, Nov 4 (after the close)
Everspin (MRAM)	**SPECULATIVE**	$13.61	$51.50 (−74%)	**$25**	+84% (high risk)	Q4 results early 2027; ITC initial determination (patents) on April 15, 2027

Price targets: Dayan Research, 12–18 month horizon; the implied valuation is shown on each company's page. Upside and dividend yield based on the October 30, 2026 close.

Liquidity

Average daily dollar volume: $14.2M for Cadre, $10.1M for Everspin, $1.1M for Nature's Sunshine and $0.7M for ESOA. Capping participation at 20% of daily volume, a $1M position can be built in less than one session in Cadre and Everspin, in about 4 sessions in Nature's Sunshine and in about 7 sessions in ESOA: the latter two suit modest position sizes.

The November 4 results

Cadre and Nature's Sunshine report their third quarter three days after this issue. Our figures are therefore those of the latest 10-Q on file (June 30, 2026). For each, we state in advance what the quarter needs to confirm; **our ratings and targets will be reviewed on November 5** in a short note, whether the results are good or bad.

Everspin: Speculative

Our fourth company, Everspin, is rated SPECULATIVE: strong upside potential, but a significant risk of loss. Its third quarter, reported on October 28, shows record revenue but a wider GAAP loss, driven by a patent infringement lawsuit and a regulatory accrual: see page 5.

1. Cadre Holdings: Buy

BUY · TARGET $40

NYSE: CDRE · Reference price $30.36 (Oct 30) · Body armor, holsters and protective equipment for law enforcement, the military and the nuclear industry (Safariland brand)

THE THESIS IN ONE SENTENCE

The US leader in protective equipment for law enforcement, whose adjusted EBITDA grew 56% in the second quarter and which raised its guidance, now trades at a lower multiple than at the end of 2024 and 2025.

DAYAN RESEARCH PRICE TARGET **$40** **+32%** **+1.3% div.**

Implied valuation: 14.4x 2026 adjusted EBITDA (guidance midpoint), or 16.0x trailing 12 months, versus 17.1x at year-end 2025 and 13.5x at year-end 2024. Average target of the 6 analysts: $45.83.

The case for buying

1. **Strong, profitable growth.** In Q2, revenue rose 31.8% to $207.1M and adjusted EBITDA 55.6% to $42.0M, a 20.3% margin (+3.1 points). Record backlog of $368M.
2. **Guidance raised.** 2026 guidance lifted in August to $749–769M of revenue ($736–758M in March) and $139–144M of adjusted EBITDA ($136–141M).
3. **Hard-to-displace brands and contracts.** Certified body armor, holsters, bomb disposal (Safariland, Med-Eng), nuclear safety since the purchase of Carr's engineering division (April 2025), and TYR Tactical (up to $170M, January 2026), which opens up European defense.
4. **Cash and a dividend.** $78.1M of trailing 12-month free cash flow; $0.40 annual dividend, raised every year since 2024.

What the market punished

On March 10, the fourth quarter of 2025 missed expectations (EPS of $0.27 vs. $0.40, revenue about 8% below consensus) and the stock fell 22% in three sessions (from $40.69 on March 10 to $31.65 on March 13), down to $24.07 in early October. Since then, Q2 revenue has clearly beaten expectations and management has raised its targets. The trade-off is debt: $320.3M net at June 30 to fund TYR, or 2.5x adjusted EBITDA.

Four checks

Free cash flow yield	**6.0%**	$78.1M of trailing 12-month free cash flow on a $1.30B market cap, plus a 1.3% dividend yield.
Price versus its own history	**12.8x**	12.8x trailing 12-month adjusted EBITDA (including net debt; 11.5x 2026), versus 17.1x at year-end 2025 and 13.5x at year-end 2024.
Share price trend (12 months)	**−29%**	−29% over 12 months and −38% below the March high ($48.76), but +26% from the October low ($24.07): down over one year, now recovering.
Last quarter vs. expectations	**Beat**	Q2 (Aug 5): revenue of $207.1M vs. $178.4M expected and guidance raised; EPS of $0.26 vs. $0.29, weighed down by $6.4M of acquisition earn-out charges.

What could happen

Scenario	If…	Price	vs Oct 30
Bear	Q3 disappoints and 2026 guidance is cut	$24.07	−20.7%
Base	2026 guidance met and net debt declining	$40.00	+31.8%
Bull	Another raise and a successful TYR integration	$45.83	+51.0%

- **Dilution risk: moderate.** 42.82 million shares (+5.3% year over year), including 565,908 issued to the TYR sellers; at least 1.27 million potential shares from stock awards; $12.7M of stock-based compensation over 12 months (1.0% of market cap). A larger acquisition could be paid in stock, like the 2024 offering.
- **What Q3 needs to confirm (Nov 4):** revenue of at least $190M ($155.9M a year earlier) and adjusted EBITDA close to $38M, the pace the full-year guidance requires, and lower net debt.
- **We would change our view if** 2026 guidance were cut or net debt exceeded 3x adjusted EBITDA.

2. Energy Services of America: Buy

BUY · TARGET $15

Nasdaq: ESOA · Reference price $9.40 (Oct 30) · Construction and maintenance of gas, water and electric networks in the eastern United States

THE THESIS IN ONE SENTENCE

A utility infrastructure contractor growing revenue 25%, back to profitability, deleveraged by an equity raise, and valued by the market at 6.2x EBITDA after its share price halved since May.

DAYAN RESEARCH PRICE TARGET	**$15**	**+60%** **+1.7% div.**	Implied valuation: 9.4x trailing 12-month adjusted EBITDA ($33.0M), versus 11.4x at year-end 2025 and about 15x for MYR Group and Primoris. Average target of the 3 analysts: $25.00.

The case for buying

1. **Accelerating growth.** Fiscal Q3 (April–June): revenue up 25.5% to $130.0M, adjusted EBITDA up 28.9% to $8.3M; over nine months, net income of $6.2M versus a $3.9M loss.
2. **Structural demand.** Management cites data center construction and rising power demand, water network replacement and a recovery in gas transmission.
3. **A cleaner balance sheet.** $21.2M raised in February; debt reduced from $72.2M (September 2025) to $45.3M; net debt of 0.9x adjusted EBITDA.
4. **Work ahead.** Backlog of $286.6M at June 30 (+2% year over year); quarterly dividend raised 33% to $0.04.

What the market punished

The stock peaked at $19.94 in May, after a $325.1M backlog (+16% year over year). On August 10, the quarter beat expectations, but backlog fell back to $286.6M (−12% in three months) and a large gas transmission project delivered a lower margin than planned: −17% in four sessions. At $9.40, the stock is 18% below the price of the February equity raise ($11.50).

Four checks

Free cash flow yield	**3.1%**	$5.4M over 12 months on a $175M market cap: low, because projects tie up working capital (−$4.8M in Q3). This is the weak point of the case.
Price versus its own history	**6.2x**	6.2x trailing 12-month adjusted EBITDA, versus 11.4x at year-end 2025 and 8.0x at year-end 2024; about 15x for the large peers.
Share price trend (12 months)	**−16%**	−16% over 12 months and −53% below the May high ($19.94); +20% above the December 2025 low ($7.84). Downtrend since May.
Last quarter vs. expectations	**Beat**	Q3 (Aug 10): revenue of $130.0M vs. $112.7M expected, EPS of $0.18 vs. $0.17. The stock reacted to the backlog, not to the results.

What could happen

Scenario	If…	Price	vs Oct 30
Bear	Backlog keeps falling and gross margin drops below 10%	$7.84	−16.6%
Base	Fiscal year in line with consensus and stable backlog	$15.00	+59.6%
Bull	Backlog back above $325M and gross margin above 12%	$19.94	+112.1%

- **Dilution risk: already taken, worth watching.** 2,001,000 shares issued in February at $11.50 (+12% share count), 18.66 million shares today. Few dilutive instruments (35,164 unvested awards, no warrants disclosed), but the offering announcement said proceeds could also fund acquisitions: another raise remains possible.
- **Catalyst:** fiscal-year results (year ended September 30), expected in early December (date not confirmed). Q4 consensus (FXEmpire): $139.5M of revenue and $0.21 per share.
- **We would change our view if** backlog fell below $250M or full-year gross margin dropped below 10%.

3. Nature's Sunshine: Buy

BUY · TARGET $18

Nasdaq: NATR · Reference price $12.25 (Oct 30) · Herbal nutritional supplements, sold through independent consultants and online in more than 40 countries

THE THESIS IN ONE SENTENCE

A profitable, debt-free company whose cash equals 38% of its market cap, valued at 2.5x EBITDA after a 56% drop since March, made worse in August by a guidance cut of a few percent.

DAYAN RESEARCH PRICE TARGET	$18	+47%	Implied valuation: 4.7x 2026 adjusted EBITDA (guidance midpoint, $50M) net of cash, versus 5.7x at year-end 2025 and 4.6x at year-end 2024. Average target of the 2 analysts: $30.50.

The case for buying

1. **A liquidation-style valuation.** Enterprise value of $133.0M for $53.1M of trailing 12-month adjusted EBITDA; $82.5M of cash, no debt.
2. **Rising margins.** Q2 gross margin of 73.7%, up from 71.7% a year earlier; 2025 adjusted EBITDA up 21.7% to $49.4M.
3. **Digital drives growth.** In Q2: North America digital sales +26%, Asia +5.3% and group +3.8% in constant currency, despite China (−20% according to management).
4. **Cash returned to shareholders.** $18.1M of trailing 12-month free cash flow; $16.3M of buybacks in 2025 and $14.8M of authorization remaining.

What the market punished

On August 6, Q2 missed expectations (revenue of $117.0M vs. $123.7M, adjusted EPS of $0.21 vs. $0.27) and 2026 guidance was cut by 2.5% for revenue and 4% for adjusted EBITDA (midpoint), because of the strong dollar and China. The stock fell 19% the next day and is down 40% from the prior close ($20.34): a penalty out of proportion to the size of the revision.

Four checks

Free cash flow yield	**8.4%**	$18.1M over 12 months on a $216M market cap, with no debt; H1 free cash flow was negative (−$6.3M), to watch in Q3.
Price versus its own history	**2.5x**	2.5x trailing 12-month adjusted EBITDA net of cash, versus 5.7x at year-end 2025 and 4.6x at year-end 2024: half as expensive as at year-end 2025.
Share price trend (12 months)	**−7%**	−7% over 12 months and −56% below the March high ($28.14); 2% above its one-year low ($12.00). Clear downtrend.
Last quarter vs. expectations	**Missed**	Q2 (Aug 6): revenue of $117.0M vs. $123.7M expected, adjusted EPS of $0.21 vs. $0.27, full-year guidance cut. The stock has more than priced in this disappointment.

What could happen

Scenario	If…	Price	vs Oct 30
Bear	Another guidance cut: the market pays only for cash plus 2x EBITDA	$10.14	−17.2%
Base	2026 guidance met (adjusted EBITDA of $48–52M)	$18.00	+46.9%
Bull	China stabilizes; back to the year-end 2025 multiple	$21.02	+71.6%

- **Dilution risk: real but partly offset.** No share issuance, but 1,467,000 restricted stock units and 25,000 options outstanding, or 8.5% of the 17.60 million shares; stock-based compensation ($6.5M over 12 months, 3.0% of market cap) matches buybacks over the period.
- **What Q3 needs to confirm (Nov 4):** revenue of at least $124M ($128.3M a year earlier), adjusted EBITDA of at least $11M and 2026 guidance maintained.
- **We would change our view if** guidance were cut again or cash fell below $70M without buybacks.

4. Everspin Technologies: Speculative

SPECULATIVE · TARGET $25

Nasdaq: MRAM · Reference price $13.61 (Oct 30) · Magnetic memory (MRAM) that retains data without power, for industrial, defense and data center customers

THE THESIS IN ONE SENTENCE

The leading MRAM maker, with revenue up 47% and no debt, valued at 4.2x sales after a 74% drop: the upside is large, but a patent lawsuit weighs on its earnings.

DAYAN RESEARCH PRICE TARGET	$25	+84% high risk	Implied valuation: 6.4x annualized Q4 revenue (guidance midpoint, $88M) net of cash (8.2x trailing 12-month revenue), versus 4.2x today and nearly 20x at the May high. Average target of the 4 analysts: $25.50.

The third quarter (reported October 28)

Record revenue of $20.6M (+46.9% year over year, +10.2% sequentially), above guidance ($19.5–20.5M) and consensus ($20.5M): $16.9M of chip sales (+33.5%) and $3.7M of licensing and services, mostly $40M of engineering contracts with a US prime contractor. Gross margin of 51.4%. Adjusted EPS of $0.12, within guidance ($0.10–0.15). But a net loss of $7.2M (−$0.29 per share): $6.0M of litigation costs and a $2.7M regulatory accrual, which management links to a possible export-control penalty. Q4 guidance: $21.5–22.5M and $0.13–0.18 of adjusted EPS. Cash of $43.0M, no debt.

The case for a speculative position

1. **Accelerating growth.** Revenue up 34.3% over nine months; Q4 guidance implies +45% to +52% year over year.
2. **A rare technology, adopted by defense.** $40M of engineering contracts with a US prime contractor; Teledyne HiRel will distribute its PERSYST MRAM for military and space; ten-year agreement with Microchip to manufacture in the United States.
3. **Litigation costs set to fall.** In the Avalanche Technology case, the ITC will issue its initial determination on April 15, 2027 (final decision in August); management expects significantly lower costs in 2027.

Four checks

Free cash flow yield	**0.4%**	$1.3M of free cash flow in 2025 on a $331M market cap; over the first nine months of 2026, only $1.6M of operating cash flow, after $11.6M of litigation costs.
Price versus its own history	**4.2x**	4.2x trailing 12-month revenue, versus 3.1x at year-end 2025, 2.0x at year-end 2024 and nearly 20x at the May high.
Share price trend (12 months)	**+31%**	+31% over 12 months, but −74% from the May high ($51.50): a deflated bubble, extreme volatility.
Last quarter vs. expectations	**Mixed**	Q3 (Oct 28): revenue of $20.6M vs. $20.5M expected and adjusted EPS within guidance, but a GAAP loss of $0.29 per share versus guidance of −$0.10 to −$0.05.

What could happen

Scenario	If…	Price	vs Oct 30
Bear	The ITC bans imports of STT-MRAM chips (2027) or the penalty is heavy	$7.35	−46.0%
Base	Q4 guidance met and litigation costs lower in 2027	$25.00	+83.7%
Bull	Lawsuit won; 8x annualized revenue (Micron 7x, Rambus 10x)	$30.68	+125.4%

- **Why only Speculative:** GAAP losses, risk of an import ban (Section 337 investigation before the ITC), a pending regulatory penalty, 14% of the float sold short and a share price cut by a factor of 3.8 since May.

Company Files

1. Cadre Holdings, Inc.

NYSE: CDRE · Protective equipment for law enforcement, the military and the nuclear industry

Based in Jacksonville, Florida, and listed since 2021, Cadre brings together Safariland (body armor, holsters), Med-Eng (bomb disposal) and Carr's nuclear engineering business. Insiders, including CEO Warren Kanders, own about 27% of the company.

INVESTMENT THESIS

Thesis	A consolidator of a fragmented market, with recurring government customers.
Catalyst	After Q3: 2027 guidance (March 2027) and debt reduction after TYR.
Key risk	Acquisition-driven growth: $163.9M spent in 1H 2026, partly on credit.

Strengths	Weaknesses
Brands police forces know (Safariland), multi-year contracts. **Rising margin**: 20.3% adjusted EBITDA margin in Q2, versus 17.2%.	**Bought growth**, mostly through acquisitions. **Distribution declining**: −11% in 1H.
Opportunities	**Threats**
European defense (TYR), **nuclear safety** (Carr's), armor plates under a $61M FBI contract.	**Rising debt**: $320.3M net. **Government budgets**: police and military purchases depend on political choices.

Balance sheet

As of June 30, 2026: $54.0M in cash and $374.3M of debt, for $320.3M of net debt, 2.5x trailing 12-month adjusted EBITDA. Shareholders' equity of $346.8M, including $233.9M of goodwill.

Shares, dilution and liquidity

Shares outstanding	42,820,734 (July 31, 2026): +5.3% year over year, including 565,908 issued for TYR
Potentially dilutive securities	stock awards (at least 1.27 million); no convertibles or warrants
Liquidity	$14.2M traded per day on average (468,729 shares)

Income statement

$M	FY2024	FY2025	Q2 2026	1H 2026	2026 guidance
Revenue	567.6	610.3	207.1	362.6	749 to 769
YoY growth	+17.6%	+7.5%	+31.8%	+26.2%	+23% to +26%
Gross margin	41.1%	42.5%	42.1%	40.6%	—
Operating income	66.8	67.4	22.5	30.0	—
Adjusted EBITDA	104.8	111.7	42.0	63.1	139 to 144
Net income	36.1	44.1	11.4	13.4	—
Diluted EPS ($)	0.90	1.02	0.26	0.31	—

Cash flow

$M	FY2025	1H 2026
Cash from operations	63.7	44.7
Capex (equipment)	−6.9	−6.1
Free cash flow	**56.8**	**38.5**
Acquisitions	−89.6	−163.9
Dividends paid	−15.4	−8.6
Cash at end of period	**122.9**	**54.0**

Competition. Point Blank and other body armor makers, MSA Safety in protective equipment. **Barrier:** certifications, recognized brands and multi-year agency contracts.

Relative valuation

Company	Market cap	Enterprise value	TTM revenue	EV / Sales	EV / EBITDA	Forward P/E	Price / Book
Cadre (CDRE)	$1.30B	$1.62B	$685.6M	2.36x	15.3x	23.0x	3.75x
MSA Safety (MSA)	$6.89B	$7.33B	$1.95B	3.76x	14.1x	18.6x	4.9x
Brady (BRC)	$3.88B	$3.78B	$1.66B	2.28x	11.0x	12.6x	2.9x
CDRE 52-week range							$24.07 to $48.76

2. Energy Services of America Corp.

Nasdaq: ESOA · Gas, water and electric network construction

Based in Huntington, West Virginia, ESOA builds gas pipelines, water networks and electrical installations. Fiscal year ends September 30; in fiscal Q3: underground infrastructure 55% of revenue, industrial 34%, buildings 11%.

INVESTMENT THESIS

Thesis	A regional contractor riding network modernization, valued like a distressed company.
Catalyst	The backlog reported with fiscal-year results (early December).
Key risk	Fixed-price contracts: one mispriced project or a harsh winter can wipe out a quarter (9.4% gross margin in FY2025).

Strengths	Weaknesses
Strong sales growth: +25.5% in fiscal Q3. **Little debt**: less than one year of EBITDA.	**Thin margins**: 11.0% gross margin in fiscal Q3. **Little cash generated**: $5.4M over 12 months.
Opportunities	**Threats**
More power for data centers, **water networks** to replace, acquisitions of small competitors.	**Backlog declining**: −12% in three months. **PPP loans** of $9.8M forgiven in 2021, but under review by the US Small Business Administration (SBA) since 2023.

Balance sheet

As of June 30, 2026: $14.7M in cash and $45.3M of debt, for $30.7M of net debt (0.9x trailing 12-month adjusted EBITDA). Shareholders' equity of $84.1M ($59.2M in September 2025). The fiscal 2021–2022 accounts were restated to record $9.8M of PPP loans as debt.

Shares, dilution and liquidity

Shares outstanding	18,659,181 (August 7, 2026): +12.1% in one year, including 2,001,000 issued at $11.50 in February
Potentially dilutive securities	35,164 unvested awards; no convertibles or warrants disclosed
Liquidity	$0.7M traded per day on average (75,023 shares): about 7 sessions for a $1M position at 20% of volume

Income statement

$M	FY2024	FY2025	FQ3 2026	9M FY2026	TTM
Revenue	351.9	411.0	130.0	337.3	467.4
YoY growth	+15.7%	+16.8%	+25.5%	+20.1%	—
Gross margin	14.2%	9.4%	11.0%	11.4%	11.8%
Operating income	19.8	4.2	4.6	10.6	18.1
Adjusted EBITDA	28.8	17.2	8.3	21.7	33.0
Net income	25.1	0.4	3.3	6.2	10.5
Diluted EPS ($)	1.51	0.02	0.18	0.35	0.60

Cash flow

$M	FY2025	9M FY2026
Cash from operations	4.1	19.5
Capex (equipment)	−6.4	−7.6
Free cash flow	**−2.2**	**11.9**
Equity raised (net)	—	+21.2
Dividends paid	−1.5	−1.1
Cash at end of period	**12.2**	**14.7**

Competition. MYR Group, Primoris, MasTec and regional contractors. **Edge:** long-standing relationships with the gas, water and electric utilities in its region.

Relative valuation

Company	Market cap	Enterprise value	TTM revenue	EV / Sales	EV / EBITDA	Forward P/E	Price / Book
ESOA	$175.4M	$206.1M	$467.4M	0.44x	6.2x	14.1x	2.09x
MYR Group (MYRG)	$4.40B	$4.33B	$4.01B	1.08x	14.9x	22.0x	5.8x
Primoris (PRIM)	$3.92B	$4.98B	$7.28B	0.68x	15.5x	18.5x	2.4x
ESOA 52-week range							$7.84 to $19.94

3. Nature's Sunshine Products, Inc.

Nasdaq: NATR · Herbal nutritional supplements

Founded in 1972 and based in Lehi, Utah, Nature's Sunshine sells its supplements under the Nature's Sunshine and Synergy brands. In Q2: Asia 45% of sales, North America 31%, Europe 19%. It has owned 100% of its China business since December 2025.

INVESTMENT THESIS	
Thesis	A heritage brand shifting to digital, valued like a company with no future.
Catalyst	The results of the "Vision for Growth" plan and how the $82.5M of cash is deployed.
Key risk	China and currency: the strong dollar cut $2.1M from Q2 revenue.

Strengths	Weaknesses
Lots of cash: $82.5M, no debt. **High margins**: 73.7% gross margin in Q2.	**Slow growth**: sales +1.9% in Q2. **Negative cash flow** in 1H: −$6.3M.
Opportunities	**Threats**
Online sales in North America: +26% in Q2. **Japan** growing fast. Planned launch in Germany, possible acquisitions.	**China declining**: −20% in Q2 according to management. **Strong dollar**, which reduces sales made abroad. Possible tighter rules on direct selling.

Balance sheet

As of June 30, 2026: $82.5M in cash, no debt and an undrawn $25M credit line (Bank of America). Shareholders' equity of $169.3M and inventory of $71.7M. $14.8M of share repurchase authorization remains.

Shares, dilution and liquidity

Shares outstanding	17,595,520 (July 24, 2026): −4.8% since year-end 2024 thanks to buybacks
Potentially dilutive securities	1,467,000 restricted stock units and 25,000 options, or 8.5% of shares outstanding; no convertibles
Liquidity	$1.1M traded per day on average (92,794 shares): about 4 sessions for a $1M position at 20% of volume

Income statement

$M	FY2024	FY2025	Q2 2026	1H 2026	2026 guidance
Revenue	454.4	480.1	117.0	239.9	490 to 500
YoY growth	+2.0%	+5.7%	+1.9%	+5.2%	+2% to +4%
Gross margin	71.5%	72.4%	73.7%	73.4%	—
Operating income	20.1	24.7	5.5	15.0	—
Adjusted EBITDA	40.5	49.4	11.3	25.9	48 to 52
Net income	7.7	19.5	3.5	8.7	—
Diluted EPS ($)	0.40	1.06	0.19	0.48	—

Cash flow

$M	FY2025	1H 2026
Cash from operations	35.3	−1.0
Capex (equipment)	−6.5	−5.3
Free cash flow	**28.8**	**−6.3**
Share repurchases	−16.3	−2.6
Cash at end of period	**93.9**	**82.5**

Competition. Herbalife, USANA and the supplement brands sold in drugstores and online. **Edge:** a long-established herbal brand, a high gross margin and a debt-free balance sheet.

Relative valuation

Company	Market cap	Enterprise value	TTM revenue	EV / Sales	EV / EBITDA	Forward P/E	Price / Book
Nature's Sunshine	$215.5M	$133.0M	$492.0M	0.27x	3.1x	11.4x	1.27x
Herbalife (HLF)	$1.37B	$3.20B	$5.20B	0.61x	5.1x	4.9x	n.a.
USANA (USNA)	$264.4M	$95.8M	$913.4M	0.10x	1.3x	14.0x	0.5x
NATR 52-week range							$12.00 to $28.14

4. Everspin Technologies, Inc.

Nasdaq: MRAM · Magnetic memory (MRAM)

Spun off from Freescale in 2008 and based in Chandler, Arizona, Everspin makes Toggle MRAM in its own fab and designs the STT-MRAM line (PERSYST), for industrial, medical, defense and data center storage customers.

INVESTMENT THESIS

Thesis	A rare memory technology that has become strategic for US defense, hanging on the outcome of a lawsuit.
Catalyst	The ITC initial determination (April 15, 2027); production at Microchip (2H 2027).
Key risk	An import ban on STT-MRAM chips if the ITC rules for Avalanche.

Strengths	Weaknesses
Strong sales growth: +46.9% in Q3. **No debt** and $43.0M in cash.	**Still loss-making**: −$11.1M over nine months. **Relies on distributors**: 79% of Q2 sales.
Opportunities	**Threats**
Satellites, **data centers**, a new fast memory (prototype announced for early 2027), US production with Microchip.	**Avalanche lawsuit**, which could block imports of some chips. **Possible penalty** (export controls). Cyclical industry.

Balance sheet

As of September 30, 2026: $43.0M in cash, no financial debt ($2.5M of leases and $0.5M of software licenses still owed) and $67.7M of shareholders' equity. The Q3 loss includes $6.0M of litigation costs and a $2.7M regulatory accrual, both excluded from adjusted earnings.

Shares, dilution and liquidity

Shares outstanding	24,350,009 (July 30, 2026): +6.0% since year-end 2025 (22,977,797 shares)
Potentially dilutive securities	543,991 options and 1,769,315 restricted stock units, or 9.5% of shares outstanding; no convertibles
Liquidity	$10.1M traded per day on average (738,694 shares); 14% of the float sold short

Income statement

$M	FY2024	FY2025	Q3 2026	9M 2026	Q4 2026 guidance
Revenue	50.4	55.2	20.6	54.3	21.5 to 22.5
YoY growth	—	+9.5%	+46.9%	+34.3%	+45% to +52%
Gross margin	51.8%	51.2%	51.4%	52.6%	—
Litigation costs	—	—	6.0	11.6	—
Net income	0.8	−0.6	−7.2	−11.1	—
Diluted EPS ($)	0.04	−0.03	−0.29	−0.46	−0.13 to −0.08
Adjusted EPS ($)	0.34	0.22	0.12	—	0.13 to 0.18

Cash flow

$M	FY2025	9M 2026
Cash from operations	10.0	1.6
Capex (equipment, software)	−8.7	—
Free cash flow	**1.3**	**—**
Cash at end of period	**44.5**	**43.0**

Competition. Avalanche Technology in MRAM, Infineon (F-RAM) and conventional flash and SRAM memory. **Edge:** one of the few volume MRAM manufacturers, qualified for industrial and defense use.

Relative valuation

Company	Market cap	Enterprise value	TTM revenue	EV / Sales	EV / EBITDA	Forward P/E	Price / Book
Everspin (MRAM)	$331.4M	$288.4M	$69.1M	4.18x	n.m.	28.5x	4.90x
Rambus (RMBS)	$9.07B	$8.32B	$796.1M	10.45x	24.6x	22.7x	6.4x
Micron (MU)	$1,002B	$932.88B	$133.19B	7.00x	8.6x	5.0x	7.1x
MRAM 52-week range							$7.35 to $51.50

Position Tracking and Key Events

October 15 issue: scorecard

Since the October 15, 2026 issue (reference prices of October 14, 2026), the 4 companies we cover have moved by an average of −5.7%, versus +3.0% for the Russell 2000 (IWM ETF), a gap of −8.7 points; 0 of 4 is beating the index (prices as of October 30, 2026, excluding dividends). Detail: Freshpet (Buy) −0.9%, Arcos Dorados (Buy) −14.7%, Natural Grocers (Buy) −7.2%, Zevia (Speculative) unchanged.

A weak start, theses unchanged. Arcos Dorados fell the most: −13% on October 26, after the Brazilian real weakened following Brazil's runoff election, and Bank of America downgraded the stock from Buy to Neutral. On October 22, Zevia secured a $20M investment in convertible preferred stock, which strengthens its cash position but will dilute shareholders, and announced preliminary Q3 revenue of about $48M, above its guidance. Next reports: Freshpet and Zevia on November 4, Arcos Dorados on November 12, Natural Grocers around November 19. Our ratings are unchanged.

For this issue. Tracking starts from the October 30, 2026 close. On November 15, each company will be measured against its price target and the Russell 2000 (IWM ETF), losses included.

Disclosures and Distribution

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Positions and interests. Steven Dayan holds no position, direct or indirect, in the securities mentioned (CDRE, ESOA, NATR, MRAM). He has received no compensation from any issuer mentioned or any interested third party. No issuer saw this document before publication. **Sources:** SEC filings and company releases (10-Q, 10-K, 8-K); closing prices of October 30, 2026; peer data from StockAnalysis recalculated at the October 30, 2026 close; in the comparison tables, reported EBITDA (StockAnalysis definition) and, for peers, enterprise value including leases; in the text, adjusted EBITDA as reported by each company; analyst expectations: Benzinga, Earnings Whispers, FXEmpire, StockStory; average analyst price targets: StockAnalysis, collected October 12 to 25, 2026 (before Everspin's Q3 results); press reports and conference call transcripts for events after the latest filings; price targets: Dayan Research estimates over 12 to 18 months; Dayan Research calculations flagged as such.

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