# Arcutis Biotherapeutics, Inc.

**ARQT**

Nasdaq; healthcare; SIC 2834, Pharmaceutical Preparations; CIK 0001787306

**B**

**second fifth of 370 graded peers in healthcare**

rank 115 of 370; percentile 30.9; sampling error 2.5 points; lower is stronger

A B C D E

**B, the elk**



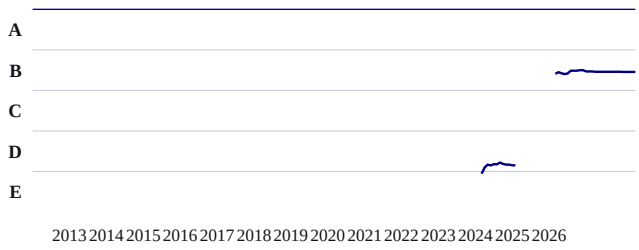
| Scoreboard | |
|---|---|
| **Profitability** | B/C<br>percentile 41.4 |
| **Solvency** | C<br>percentile 52.4 |
| **Growth and financing** | B<br>percentile 32.9 |
| **Reliability** | 0.87 AUC<br>filers with $120M to $591M assets; 95% interval 0.83 to 0.90; 206 events, 2020 to 2025 |
| **Peer failure rate** | 1.03% a year<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | $120M to $591M assets<br>total assets $433.0M |
| **Standard universe** | inside<br>revenue above $1M and assets above $10M |
| **Warnings** | none triggered<br>not computable: distress |
| **Inputs computable** | 7 of 14 |
| **Graded from** | filings received through Feb 25, 2026<br>236 days before the rescan; latest periodic filing 10-Q received Aug 5, 2026 |
| **Last close** | $28.84<br>2026-10-16; market equity $3.6B; no price enters the letter |

**Share price, twelve months to the rescan**




*Split-adjusted close. Each lollipop is a rescan and carries the letter held then.*

**Letter at every rescan, 2012 to 2026**




*Sector percentile at each rescan, 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 25, 2026*

We are a commercial-stage biopharmaceutical company focused on developing and commercializing treatments for dermatological diseases with high unmet medical needs. Our current portfolio is comprised of highly differentiated topical and systemic treatments with significant potential to treat immune-mediated dermatological diseases and conditions. We believe we have built a leading platform for dermatologic product development and commercialization.

## The fourteen inputs

*lower percentile is stronger; sleeves and inputs within a sleeve carry equal weight*

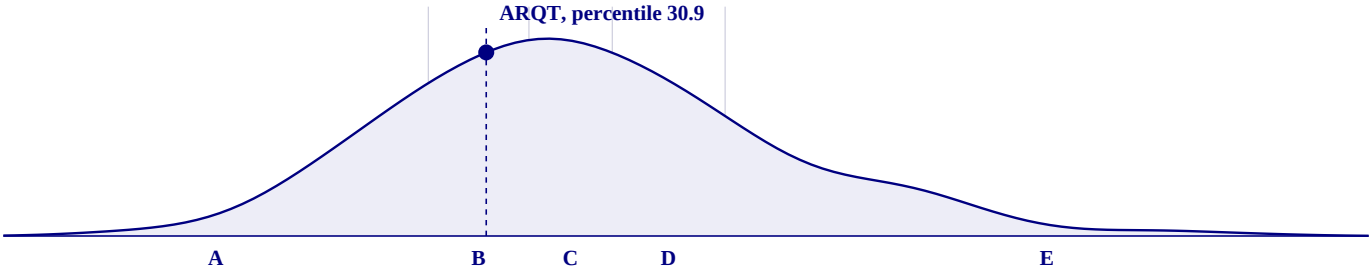
| Input | Value | Peer median | Percentile, 0 to 100 | Pct | Peers | Period end |
|---|---|---|---|---|---|---|
| **Profitability, sleeve percentile 41.4** | | | | | | |
| Gross profitability | 78.4% | 32.3% | | 10.3 | 371 | 2025-12-31 |
| Return on invested capital | not computable | 9.3% | | | | |
| *one or more required annual facts are missing* | | | | | | |
| Accruals ratio | (2.7%) | (6.6%) | | 72.6 | 812 | 2025-12-31 |

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| | | | | | | |
|---|---|---|---|---|---|---|
| Gross margin stability, five years | not computable | 2.8 pts | | | | |
| *five annual gross margins are required; found 3* | | | | | | |
| **Solvency, sleeve percentile 52.4** | | | | | | |
| 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 | (3.68) | (0.30) | | 50.3 | 757 | 2025-12-31 |
| Net debt to EBITDA | not computable | 1.82x | | | | |
| *EBITDA must exceed $100,000* | | | | | | |
| Interest coverage | not computable | (4.51x) | | | | |
| *latest aligned inputs end 2023-12-31; latest annual assets end 2025-12-31* | | | | | | |
| Current ratio | 3.17x | 2.96x | | 54.6 | 840 | 2025-12-31 |
| **Growth and financing, sleeve percentile 32.9** | | | | | | |
| Revenue growth, three-year compound | 367.3% | 10.1% | | 0.5 | 414 | 2025-12-31 |
| 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% | | | | |
| *one or more required annual facts are missing* | | | | | | |
| Asset growth, three years | (1.2%) | 2.1% | | 54.1 | 705 | 2025-12-31 |
| Net share issuance, one year | 4.5% | 2.5% | | 44.1 | 634 | 2026-02-20 |

## Among 370 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 |
|---|---|---|---|---|
| 110 | Staar Surgical Co. (STAA) | 29.5 | B | |
| 111 | Steris plc (STE) | 29.8 | B | |
| 112 | Cadre Holdings, Inc. (CDRE) | 30.1 | B | |
| 113 | MSA Safety Inc. (MSA) | 30.4 | B | |
| 114 | BioNexus Gene Lab Corp. (BGLC) | 30.6 | B | dilution, late filer |
| 115 | Arcutis Biotherapeutics, Inc. (ARQT) | 30.9 | B | |
| 116 | Bio-Techne Corp. (TECH) | 31.2 | B | fortress balance sheet |
| 117 | Stryker Corp. (SYK) | 31.4 | B | |
| 118 | Usana Health Sciences Inc. (USNA) | 31.7 | B | |
| 119 | Verastem, Inc. (VSTM) | 32.0 | B | dilution, fortress balance sheet |
| 120 | Eton Pharmaceuticals, Inc. (ETON) | 32.2 | B | |

## What the price implies

*at the 2026-10-16 close; none of these enters the grade*

| Measure | Value | Peer median | Percentile |
|---|---|---|---|
| Twelve-month price change, skipping the latest month | 27.2% | 8.0% | 63 |
| Distance from 52-week high | (7.6%) | (33.0%) | 87 |
| EBIT to enterprise value | (0.3%) | (1.7%) | 54 |
| Free cash flow yield | (0.2%) | (1.0%) | 53 |

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| | | | |
|---|---|---|---|
| Book value to price | 0.06 | 0.28 | 21 |
| Sales to price | 0.10 | 0.31 | 25 |
| Composite equity issuance, five years | 92.0% | 20.3% | 76 |
| Relative strength against the sector, log excess return | 0.03 | (0.13) | 63 |

## Diagnostics

*shown on every report; none enters the grade*

| Measure | Value |
|---|---|
| **Piotroski F-score 4 of 9, period end 2025-12-31** | |
| 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 | fail |
| No new shares issued | fail |
| Gross margin improved | fail |
| Asset turnover improved | pass |
| **Cash, filings, liquidity** | |
| Cash and equivalents | $34.1M |
| Operating cash flow, four quarters | $39.3M |
| Months of runway | not finite |
| Days since last periodic filing | 75 (10-Q received Aug 5, 2026) |
| Median daily dollar volume, 63 sessions | $48.0M |

## Sources

*every fact behind the inputs; each row links to its filing index on sec.gov*

| # | Concept | XBRL tag | Value | Period end | Received | Form | Accession |
|---|---|---|---|---|---|---|---|
| 1 | revenue | us-gaap:Revenues | $376.1M | 2025-12-31 | 2026-02-25 | 10-K | 26-000018 |
| 2 | cost of revenue | us-gaap:CostOfGoodsAndServicesSold | $36.7M | 2025-12-31 | 2026-02-25 | 10-K | 26-000018 |
| 3 | assets | us-gaap:Assets | $433.0M | 2025-12-31 | 2026-02-25 | 10-K | 26-000018 |
| 4 | net income | us-gaap:NetIncomeLoss | -$16.1M | 2025-12-31 | 2026-02-25 | 10-K | 26-000018 |
| 5 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$5.6M | 2025-12-31 | 2026-02-25 | 10-K | 26-000018 |
| 6 | assets | us-gaap:Assets | $348.9M | 2024-12-31 | 2026-02-25 | 10-K | 26-000018 |
| 7 | current assets | us-gaap:AssetsCurrent | $411.2M | 2025-12-31 | 2026-02-25 | 10-K | 26-000018 |
| 8 | current liabilities | us-gaap:LiabilitiesCurrent | $129.8M | 2025-12-31 | 2026-02-25 | 10-K | 26-000018 |
| 9 | retained earnings | us-gaap:RetainedEarningsAccumulatedDeficit | -$1.1B | 2025-12-31 | 2026-02-25 | 10-K | 26-000018 |
| 10 | operating income | us-gaap:OperatingIncomeLoss | -$12.2M | 2025-12-31 | 2026-02-25 | 10-K | 26-000018 |
| 11 | book equity | us-gaap:StockholdersEquity | $189.5M | 2025-12-31 | 2026-02-25 | 10-K | 26-000018 |
| 12 | liabilities | us-gaap:Liabilities | $243.5M | 2025-12-31 | 2026-02-25 | 10-K | 26-000018 |
| 13 | total debt | us-gaap:LongTermDebt | $109.0M | 2025-12-31 | 2026-02-25 | 10-K | 26-000018 |
| 14 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $42.9M | 2025-12-31 | 2026-02-25 | 10-K | 26-000018 |
| 15 | depreciation amortization | us-gaap:Depreciation | $700,000 | 2025-12-31 | 2026-02-25 | 10-K | 26-000018 |
| 16 | operating income | us-gaap:OperatingIncomeLoss | -$241.1M | 2023-12-31 | 2026-02-25 | 10-K | 26-000018 |
| 17 | interest expense | us-gaap:InterestExpense | $29.7M | 2023-12-31 | 2024-02-27 | 10-K | 24-000031 |
| 18 | revenue | us-gaap:Revenues | $196.5M | 2024-12-31 | 2026-02-25 | 10-K | 26-000018 |
| 19 | revenue | us-gaap:RevenueFromContractWithCustomerIncludingAs... | $29.2M | 2023-12-31 | 2026-02-25 | 10-K | 26-000018 |
| 20 | revenue | us-gaap:RevenueFromContractWithCustomerIncludingAs... | $3.7M | 2022-12-31 | 2025-02-25 | 10-K | 25-000029 |
| 21 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $686,000 | 2025-12-31 | 2026-02-25 | 10-K | 26-000018 |
| 22 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$112.2M | 2024-12-31 | 2026-02-25 | 10-K | 26-000018 |
| 23 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $143,000 | 2024-12-31 | 2026-02-25 | 10-K | 26-000018 |
| 24 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$247.1M | 2023-12-31 | 2026-02-25 | 10-K | 26-000018 |
| 25 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $428,000 | 2023-12-31 | 2026-02-25 | 10-K | 26-000018 |
| 26 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$257.7M | 2022-12-31 | 2025-02-25 | 10-K | 25-000029 |

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| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 27 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $333,000 | 2022-12-31 | 2025-02-25 | 10-K | 25-000029 |
| 28 | assets | us-gaap:Assets | $341.4M | 2023-12-31 | 2025-02-25 | 10-K | 25-000029 |
| 29 | assets | us-gaap:Assets | $449.3M | 2022-12-31 | 2024-02-27 | 10-K | 24-000031 |
| 30 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 124,033,382 | 2026-02-20 | 2026-02-25 | 10-K | 26-000018 |
| 31 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 118,638,235 | 2025-02-19 | 2025-02-25 | 10-K | 25-000029 |

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