Sonos Inc.

SONO

Nasdaq; consumer durables; SIC 3651, Household Audio & Video Equipment; CIK 0001314727

C

middle fifth of 460 graded peers in the pooled consumer group

rank 208 of 460; percentile 46.2; sampling error 2.3 points; lower is stronger

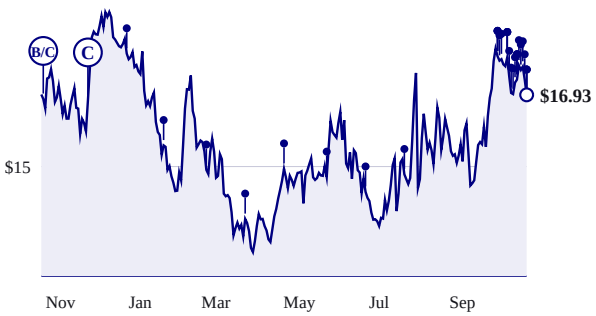
A B C D E

C, the tortoise



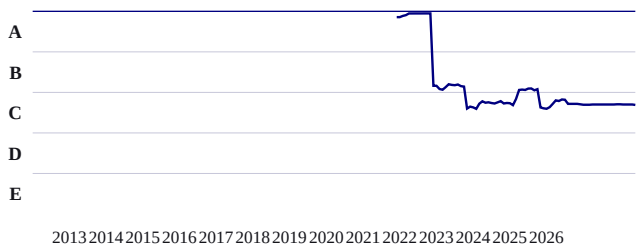
Scoreboard	
Profitability	A/B percentile 21.1
Solvency	C percentile 56.5
Growth and financing	D percentile 66.5
Reliability	0.91 AUC filers with $591M to $2.67B assets; 95% interval 0.88 to 0.94; 160 events, 2020 to 2025
Peer failure rate	1.01% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	$591M to $2.67B assets total assets $823.3M
Standard universe	inside revenue above $1M and assets above $10M
Warnings	none triggered; fortress balance sheet not computable: distress
Inputs computable	8 of 14
Graded from	filings received through Nov 14, 2025 340 days before the rescan; latest periodic filing 10-Q received Jul 29, 2026
Last close	$16.93 2026-10-19; market equity $2.0B; 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 Nov 14, 2025

Sonos is a leading audio company dedicated to elevating life through sound. Since pioneering multi-room wireless audio in 2005, Sonos has built a system that unites every dimension of sound - music, movies, stories and conversations - into one connected platform. The portfolio includes home theater speakers, components, plug-in and portable speakers, and headphones that compound in value with every room and device its customers add. Known for exceptional sound, thoughtful design, ease of use and seamless access to the world's audio content, Sonos is trusted by more than 17 million households in 60+ countries around the world.

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 21.1						
Gross profitability	76.6%	34.4%		9.3	473	2025-09-27
Return on invested capital	not computable	8.9%				
pretax income must exceed the validity floor and imply a 0%-100% tax rate						

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Accruals ratio	(22.8%)	(5.1%)	10.2	523	2025-09-27
Gross margin stability, five years	1.4 pts	1.7 pts	43.7	408	2025-09-27
Solvency, sleeve percentile 56.5					
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	1.15	2.11	58.4	400	2025-09-27
Net debt to EBITDA	not computable	2.11x			
latest aligned inputs end 2020-10-03; latest annual assets end 2025-09-27					
Interest coverage	not computable	2.57x			
latest aligned inputs end 2023-09-30; latest annual assets end 2025-09-27					
Current ratio	1.43x	1.56x	54.6	539	2025-09-27
Growth and financing, sleeve percentile 66.5					
Revenue growth, three-year compound	(6.3%)	1.4%	79.4	482	2025-09-27
Free cash flow growth, three-year compound	not computable	8.3%			
current FCF must be positive and base FCF must exceed $100,000					
Reinvestment rate	not computable	12.0%			
pretax income must exceed the validity floor and imply a 0%-100% tax rate					
Asset growth, three years	(11.5%)	1.7%	86.0	487	2025-09-27
Net share issuance, one year	(1.3%)	(0.3%)	34.2	381	2025-10-27

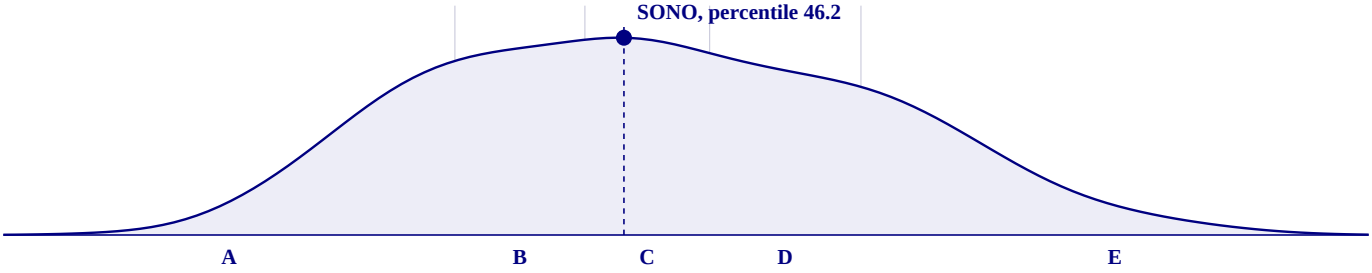
Warnings

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

Check	Measured
Fortress balance sheet	cash minus debt is 382,182,000 USD; Altman Z is not used

Among 460 peers

consumer durables; 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
203	Herbalife Ltd. (HLF)	45.1	C	
204	Sonic Automotive Inc. (SAH)	45.5	C	
205	Post Holdings, Inc. (POST)	45.5	C	
206	Adient plc (ADNT)	45.5	C	
207	Honest Company, Inc. (HNST)	45.9	C	
208	Sonos Inc. (SONO)	46.2	C	fortress balance sheet
209	First Watch Restaurant Group, Inc. (FWRG)	46.3	C	
210	Philip Morris International Inc. (PM)	46.3	C	
211	Yum China Holdings, Inc. (YUMC)	46.7	C	
212	Starbucks Corp. (SBUX)	47.1	C	
213	Altria Group, Inc. (MO)	47.2	C	

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What the price implies

at the 2026-10-19 close; none of these enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	(1.3%)	(0.1%)	48
Distance from 52-week high	(11.6%)	(25.2%)	73
EBIT to enterprise value	(2.8%)	4.9%	20
Free cash flow yield	5.4%	4.4%	56
Book value to price	0.20	0.44	30
Sales to price	0.72	1.48	28
Composite equity issuance, five years	4.7%	(16.0%)	82
Relative strength against the sector, log excess return	0.01	(0.01)	52

Diagnostics

shown on every report; none enters the grade

Measure	Value
Piotroski F-score None of 9, period end 2025-09-27	
Return on assets above zero	fail
Operating cash flow above zero	pass
Return on assets improved	fail
Operating cash flow exceeds net income	pass
Long-term leverage fell	fail
Current ratio improved	fail
No new shares issued	pass
Gross margin improved	fail
Asset turnover improved	pass
Cash, filings, liquidity	
Cash and equivalents	$206.9M
Operating cash flow, four quarters	$147.1M
Months of runway	not finite
Days since last periodic filing	83 (10-Q received Jul 29, 2026)
Median daily dollar volume, 63 sessions	$27.4M

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	gross profit	us-gaap:GrossProfit	$630.5M	2025-09-27	2025-11-14	10-K	25-000090
2	assets	us-gaap:Assets	$823.3M	2025-09-27	2025-11-14	10-K	25-000090
3	operating income	us-gaap:OperatingIncomeLoss	-$27.2M	2020-10-03	2022-11-23	10-K	22-025663
4	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	-$20.1M	2020-10-03	2022-11-23	10-K	22-025663
5	income tax	us-gaap:IncomeTaxExpenseBenefit	$32,000	2020-10-03	2022-11-23	10-K	22-025663
6	total debt	us-gaap:LongTermDebt	$24.9M	2020-10-03	2021-11-22	10-K	21-000039
7	book equity	us-gaap:StockholdersEquity	$297.8M	2020-10-03	2023-11-20	10-K	23-065135
8	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$407.1M	2020-10-03	2021-11-22	10-K	21-000039
9	total debt	us-gaap:LongTermDebt	$33.2M	2019-09-28	2020-11-23	10-K	20-000052
10	book equity	us-gaap:StockholdersEquity	$280.9M	2019-09-28	2022-11-23	10-K	22-025663
11	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$338.6M	2019-09-28	2020-11-23	10-K	20-000052
12	net income	us-gaap:NetIncomeLoss	-$61.1M	2025-09-27	2025-11-14	10-K	25-000090
13	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$136.9M	2025-09-27	2025-11-14	10-K	25-000090
14	assets	us-gaap:Assets	$916.3M	2024-09-28	2025-11-14	10-K	25-000090
15	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$1.4B	2025-09-27	2025-11-14	10-K	25-000090
16	gross profit	us-gaap:GrossProfit	$689.4M	2024-09-28	2025-11-14	10-K	25-000090
17	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$1.5B	2024-09-28	2025-11-14	10-K	25-000090
18	gross profit	us-gaap:GrossProfit	$716.5M	2023-09-30	2025-11-14	10-K	25-000090

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19	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$1.7B	2023-09-30	2025-11-14	10-K	25-000090
20	gross profit	us-gaap:GrossProfit	$796.4M	2022-10-01	2024-11-15	10-K	24-000026
21	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$1.8B	2022-10-01	2024-11-15	10-K	24-000026
22	gross profit	us-gaap:GrossProfit	$810.0M	2021-10-02	2023-11-20	10-K	23-065135
23	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$1.7B	2021-10-02	2023-11-20	10-K	23-065135
24	current assets	us-gaap:AssetsCurrent	$504.0M	2025-09-27	2025-11-14	10-K	25-000090
25	current liabilities	us-gaap:LiabilitiesCurrent	$352.4M	2025-09-27	2025-11-14	10-K	25-000090
26	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	-$112.1M	2025-09-27	2025-11-14	10-K	25-000090
27	operating income	us-gaap:OperatingIncomeLoss	-$50.5M	2025-09-27	2025-11-14	10-K	25-000090
28	book equity	us-gaap:StockholdersEquity	$355.2M	2025-09-27	2025-11-14	10-K	25-000090
29	liabilities	us-gaap:Liabilities	$468.1M	2025-09-27	2025-11-14	10-K	25-000090
30	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	$36.4M	2020-10-03	2022-11-23	10-K	22-025663
31	operating income	us-gaap:OperatingIncomeLoss	-$20.5M	2023-09-30	2025-11-14	10-K	25-000090
32	interest expense	us-gaap:InterestExpense	$733,000	2023-09-30	2023-11-20	10-K	23-065135
33	capital expenditure	us-gaap:PaymentsToAcquireProductiveAssets	$28.7M	2025-09-27	2025-11-14	10-K	25-000090
34	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$189.9M	2024-09-28	2025-11-14	10-K	25-000090
35	capital expenditure	us-gaap:PaymentsToAcquireProductiveAssets	$55.2M	2024-09-28	2025-11-14	10-K	25-000090
36	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$100.4M	2023-09-30	2025-11-14	10-K	25-000090
37	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$50.3M	2023-09-30	2023-11-20	10-K	23-065135
38	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-$28.3M	2022-10-01	2024-11-15	10-K	24-000026
39	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$46.2M	2022-10-01	2023-11-20	10-K	23-065135
40	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	$62.3M	2025-09-27	2025-11-14	10-K	25-000090
41	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	-$50.5M	2025-09-27	2025-11-14	10-K	25-000090
42	income tax	us-gaap:IncomeTaxExpenseBenefit	$10.6M	2025-09-27	2025-11-14	10-K	25-000090
43	current assets	us-gaap:AssetsCurrent	$551.1M	2024-09-28	2025-11-14	10-K	25-000090
44	current liabilities	us-gaap:LiabilitiesCurrent	$366.2M	2024-09-28	2025-11-14	10-K	25-000090
45	assets	us-gaap:Assets	$1.0B	2023-09-30	2024-11-15	10-K	24-000026
46	assets	us-gaap:Assets	$1.2B	2022-10-01	2023-11-20	10-K	23-065135
47	shares outstanding	dei:EntityCommonStockSharesOutstanding	120,240,651	2025-10-27	2025-11-14	10-K	25-000090
48	shares outstanding	dei:EntityCommonStockSharesOutstanding	121,763,776	2024-10-26	2024-11-15	10-K	24-000026

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