# Rythm, Inc.

**RYM**

Nasdaq; consumer nondurables; SIC 700, Agricultural Services; CIK 0001800637

**E**

**weakest fifth of 124 graded peers in consumer nondurables**

rank 116 of 124; percentile 93.5; sampling error 3.8 points; lower is stronger

A B C D E

**E, the bear**



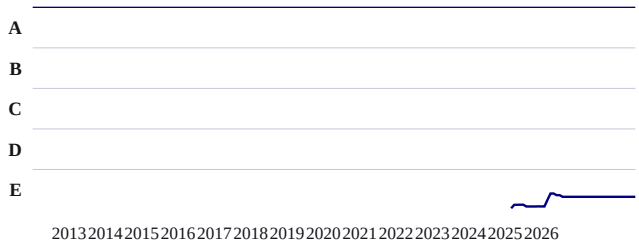
| Scoreboard | |
|---|---|
| **Profitability** | C<br>percentile 55.2 |
| **Solvency** | D/E<br>percentile 82.1 |
| **Growth and financing** | D<br>percentile 65.0 |
| **Reliability** | 0.83 AUC<br>filers with $12.5M to $120M assets; 95% interval 0.79 to 0.86; 201 events, 2020 to 2025 |
| **Peer failure rate** | 1.07% a year<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | $12.5M to $120M assets<br>total assets $106.7M |
| **Standard universe** | inside<br>revenue above $1M and assets above $10M |
| **Warnings** | none triggered<br>not computable: distress |
| **Inputs computable** | 8 of 14 |
| **Graded from** | filings received through Mar 3, 2026<br>233 days before the rescan; latest periodic filing 10-Q received Aug 4, 2026 |
| **Last close** | $17.26<br>2026-10-21; market equity $37.6M; 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 Mar 3, 2026*

Unless otherwise stated or the context otherwise requires, references in this report to "RYTHM", the "Company," "we," "us," "our," or similar references mean RYTHM, Inc. and its subsidiaries on a consolidated basis. Corporation) (together with its subsidiaries, the "Company" or "RYTHM") delivers well-being to consumers through its portfolio of hemp-derived tetrahydrocannabinol ("hemp-derived THC") products and iconic licensed brands. The Company's portfolio of consumer-packaged goods brands includes RYTHM, incredibles, Dogwalkers, Beboe, &Shine, Doctor Solomon's, Good Green and Señorita.

## 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 55.2** | | | | | | |
| Gross profitability | 9.6% | 29.8% | | 89.4 | 142 | 2025-12-31 |
| Return on invested capital | not computable | 5.6% | | | | |

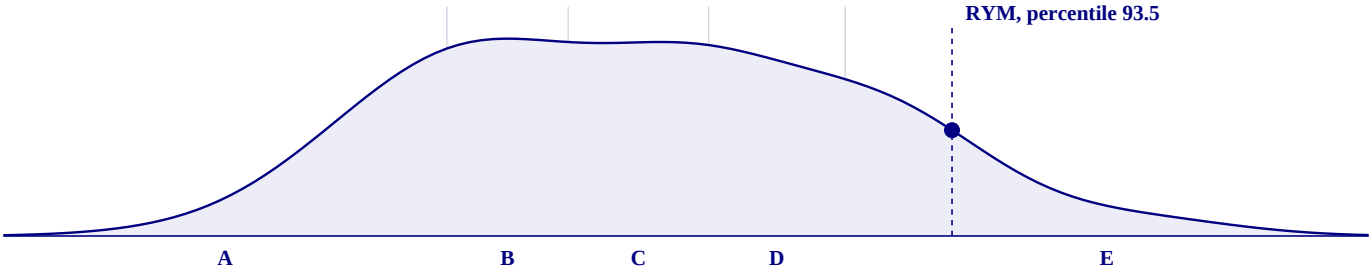
*latest aligned inputs end 2024-12-31; latest annual assets end 2025-12-31*

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| | | | | | |
|---|---|---|---|---|---|
| Accruals ratio | (12.1%) | (5.0%) | 20.9 | 149 | 2025-12-31 |
| Gross margin stability, five years | not computable | 1.9 pts | | | |
| *annual revenue must exceed $100,000* | | | | | |
| **Solvency, sleeve percentile 82.1** | | | | | |
| Twelve-month failure probability | not computable | 0.03% | | | |
| *latest liabilities, cash plus short-term investments, book equity, and shares are required* | | | | | |
| Altman Z double-prime | (12.02) | 3.11 | 88.1 | 119 | 2025-12-31 |
| Net debt to EBITDA | not computable | 2.54x | | | |
| *EBITDA must exceed $100,000* | | | | | |
| Interest coverage | (7.89x) | 2.51x | 85.7 | 43 | 2025-12-31 |
| Current ratio | 1.11x | 1.81x | 72.4 | 153 | 2025-12-31 |
| **Growth and financing, sleeve percentile 65.0** | | | | | |
| Revenue growth, three-year compound | (33.3%) | 0.2% | 97.0 | 133 | 2025-12-31 |
| Free cash flow growth, three-year compound | not computable | 14.9% | | | |
| *current FCF must be positive and base FCF must exceed $100,000* | | | | | |
| Reinvestment rate | not computable | 10.7% | | | |
| *NOPAT must exceed $100,000* | | | | | |
| Asset growth, three years | 15.2% | 0.5% | 9.8 | 134 | 2025-12-31 |
| Net share issuance, one year | 10.1% | 0.05% | 88.3 | 104 | 2026-03-03 |

## Among 124 peers

*consumer nondurables; 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 |
|---|---|---|---|---|
| 111 | John Wiley & Sons, Inc. (WLY) | 89.8 | E | |
| 112 | John Wiley & Sons, Inc. (WLYB) | 89.8 | E | |
| 113 | Rocky Mountain Chocolate Factory, Inc. (RMCF) | 91.1 | E | short runway, late filer, fortress balance sheet |
| 114 | Beyond Meat, Inc. (BYND) | 91.9 | E | dilution, late filer |
| 115 | Archer-Daniels-Midland Co. (ADM) | 92.7 | E | late filer |
| 116 | Rythm, Inc. (RYM) | 93.5 | E | |
| 117 | Mondelez International, Inc. (MDLZ) | 94.3 | E | |
| 118 | Culp Inc. (CULP) | 95.1 | E | fortress balance sheet |
| 119 | Hain Celestial Group Inc. (HAIN) | 95.9 | E | fortress balance sheet |
| 120 | Limoneira Co. (LMNR) | 96.7 | E | |
| 121 | Reed'S, Inc. (REED) | 97.6 | E | |

## What the price implies

*at the 2026-10-21 close; none of these enters the grade*

| Measure | Value | Peer median | Percentile |
|---|---|---|---|
| Twelve-month price change, skipping the latest month | (44.8%) | (0.2%) | 11 |
| Distance from 52-week high | (62.0%) | (23.1%) | 12 |
| EBIT to enterprise value | (42.3%) | 4.0% | 8 |

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| | | | |
|---|---|---|---|
| Free cash flow yield | (30.7%) | 4.5% | 5 |
| Book value to price | 1.04 | 0.57 | 75 |
| Sales to price | 0.46 | 1.26 | 18 |
| Composite equity issuance, five years | not computable | (16.3%) | |
| Relative strength against the sector, log excess return | (0.69) | (0.10) | 11 |

## Diagnostics

*shown on every report; none enters 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 | 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 | $41.9M |
| Operating cash flow, four quarters | $1.3M |
| Months of runway | not finite |
| Days since last periodic filing | 79 (10-Q received Aug 4, 2026) |
| Median daily dollar volume, 63 sessions | $218,150 |

## 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 | $10.2M | 2025-12-31 | 2026-03-03 | 10-K | 26-023069 |
| 2 | assets | us-gaap:Assets | $106.7M | 2025-12-31 | 2026-03-03 | 10-K | 26-023069 |
| 3 | operating income | us-gaap:OperatingIncomeLoss | -$5.1M | 2024-12-31 | 2026-03-03 | 10-K | 26-023069 |
| 4 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | -$23.2M | 2024-12-31 | 2026-03-03 | 10-K | 26-023069 |
| 5 | income tax | us-gaap:IncomeTaxExpenseBenefit | -$2,000 | 2024-12-31 | 2026-03-03 | 10-K | 26-023069 |
| 6 | total debt | us-gaap:LongTermDebt | $10.5M | 2024-12-31 | 2025-03-28 | 10-K/A | 25-003503 |
| 7 | book equity | us-gaap:StockholdersEquity | $28.1M | 2024-12-31 | 2026-03-03 | 10-K | 26-023069 |
| 8 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $31.2M | 2024-12-31 | 2025-03-28 | 10-K/A | 25-003503 |
| 9 | total debt | us-gaap:LongTermDebt | $16.0M | 2023-12-31 | 2024-04-15 | 10-K | 24-033048 |
| 10 | book equity | us-gaap:StockholdersEquity | -$14.7M | 2023-12-31 | 2026-03-03 | 10-K | 26-023069 |
| 11 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $434,000 | 2023-12-31 | 2025-03-28 | 10-K/A | 25-003503 |
| 12 | net income | us-gaap:NetIncomeLoss | -$33.3M | 2025-12-31 | 2026-03-03 | 10-K | 26-023069 |
| 13 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$23.5M | 2025-12-31 | 2026-03-03 | 10-K | 26-023069 |
| 14 | assets | us-gaap:Assets | $54.0M | 2024-12-31 | 2026-03-03 | 10-K | 26-023069 |
| 15 | revenue | us-gaap:Revenues | $17.3M | 2025-12-31 | 2026-03-03 | 10-K | 26-023069 |
| 16 | gross profit | us-gaap:GrossProfit | -$71,000 | 2024-12-31 | 2026-03-03 | 10-K | 26-023069 |
| 17 | revenue | us-gaap:Revenues | $18,000 | 2024-12-31 | 2026-03-03 | 10-K | 26-023069 |
| 18 | current assets | us-gaap:AssetsCurrent | $47.5M | 2025-12-31 | 2026-03-03 | 10-K | 26-023069 |
| 19 | current liabilities | us-gaap:LiabilitiesCurrent | $43.0M | 2025-12-31 | 2026-03-03 | 10-K | 26-023069 |
| 20 | retained earnings | us-gaap:RetainedEarningsAccumulatedDeficit | -$340.8M | 2025-12-31 | 2026-03-03 | 10-K | 26-023069 |
| 21 | operating income | us-gaap:OperatingIncomeLoss | -$32.3M | 2025-12-31 | 2026-03-03 | 10-K | 26-023069 |
| 22 | book equity | us-gaap:StockholdersEquity | $13.0M | 2025-12-31 | 2026-03-03 | 10-K | 26-023069 |
| 23 | liabilities | us-gaap:Liabilities | $93.7M | 2025-12-31 | 2026-03-03 | 10-K | 26-023069 |
| 24 | depreciation amortization | us-gaap:Depreciation | $300,000 | 2024-12-31 | 2025-03-28 | 10-K/A | 25-003503 |
| 25 | interest expense | us-gaap:InterestExpense | $4.1M | 2025-12-31 | 2026-03-03 | 10-K | 26-023069 |

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| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 26 | revenue | us-gaap:Revenues | $15.1M | 2023-12-31 | 2025-03-28 | 10-K/A | 25-003503 |
| 27 | revenue | us-gaap:Revenues | $58.3M | 2022-12-31 | 2024-04-15 | 10-K | 24-033048 |
| 28 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$11.6M | 2024-12-31 | 2026-03-03 | 10-K | 26-023069 |
| 29 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $4,000 | 2024-12-31 | 2026-03-03 | 10-K | 26-023069 |
| 30 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$31.0M | 2023-12-31 | 2025-03-28 | 10-K/A | 25-003503 |
| 31 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $59,000 | 2023-12-31 | 2025-03-28 | 10-K/A | 25-003503 |
| 32 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$72.0M | 2022-12-31 | 2024-04-15 | 10-K | 24-033048 |
| 33 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $8.1M | 2022-12-31 | 2024-04-15 | 10-K | 24-033048 |
| 34 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$30.1M | 2021-12-31 | 2023-11-28 | 10-K | 23-090353 |
| 35 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $2.2M | 2021-12-31 | 2023-11-28 | 10-K | 23-090353 |
| 36 | current assets | us-gaap:AssetsCurrent | $34.7M | 2024-12-31 | 2026-03-03 | 10-K | 26-023069 |
| 37 | current liabilities | us-gaap:LiabilitiesCurrent | $24.7M | 2024-12-31 | 2026-03-03 | 10-K | 26-023069 |
| 38 | current assets | us-gaap:AssetsCurrent | $24.0M | 2023-12-31 | 2025-03-28 | 10-K/A | 25-003503 |
| 39 | current liabilities | us-gaap:LiabilitiesCurrent | $41.2M | 2023-12-31 | 2025-03-28 | 10-K/A | 25-003503 |
| 40 | assets | us-gaap:Assets | $45.3M | 2023-12-31 | 2025-03-28 | 10-K/A | 25-003503 |
| 41 | assets | us-gaap:Assets | $69.7M | 2022-12-31 | 2024-04-15 | 10-K | 24-033048 |
| 42 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 2,149,148 | 2026-03-03 | 2026-03-03 | 10-K | 26-023069 |
| 43 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 1,952,032 | 2025-03-17 | 2025-03-28 | 10-K/A | 25-003503 |

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