# Element Solutions Inc.

**ESI**

NYSE; chemicals; SIC 2890, Miscellaneous Chemical Products; CIK 0001590714

**C**

**middle fifth of 330 graded peers in the pooled industrial group**

rank 166 of 330; percentile 53.5; sampling error 2.7 points; lower is stronger

A B C D E

**C, the tortoise**



## Scoreboard

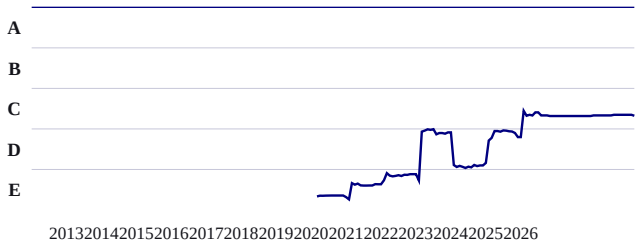
| | |
|---|---|
| **Profitability** | C<br>percentile 53.7 |
| **Solvency** | B/C<br>percentile 42.3 |
| **Growth and financing** | C<br>percentile 56.5 |
| **Reliability** | 0.94 AUC<br>filers with over $2.67B assets; 95% interval 0.88 to 0.97; 61 events, 2020 to 2025 |
| **Peer failure rate** | 0.52% a year<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | over $2.67B assets<br>total assets $5.1B |
| **Standard universe** | inside<br>revenue above $1M and assets above $10M |
| **Warnings** | none triggered<br>not computable: distress |
| **Inputs computable** | 12 of 14 |
| **Graded from** | filings received through Feb 18, 2026<br>254 days before the rescan; latest periodic filing 10-Q received Oct 22, 2026 |
| **Last close** | $35.38<br>2026-10-29; market equity $8.6B; 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 18, 2026*

Unless the context otherwise indicates or requires, all product names, trade names, trademarks, service marks or logos used in this 2025 Annual Report are part of our intellectual property, although the "®" and "TM" trademark designations may have been omitted.

## 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 53.7** | | | | | | |
| Gross profitability | 21.0% | 21.4% | | 48.6 | 359 | 2025-12-31 |
| Return on invested capital | 6.6% | 9.3% | | 61.6 | 126 | 2025-12-31 |
| Accruals ratio | (2.0%) | (4.2%) | | 69.3 | 398 | 2025-12-31 |
| Gross margin stability, five years | 1.8 pts | 2.2 pts | | 35.5 | 300 | 2025-12-31 |
| **Solvency, sleeve percentile 42.3** | | | | | | |
| Twelve-month failure probability | not computable | 0.04% | | | | |

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*latest liabilities, cash plus short-term investments, book equity, and shares are required*

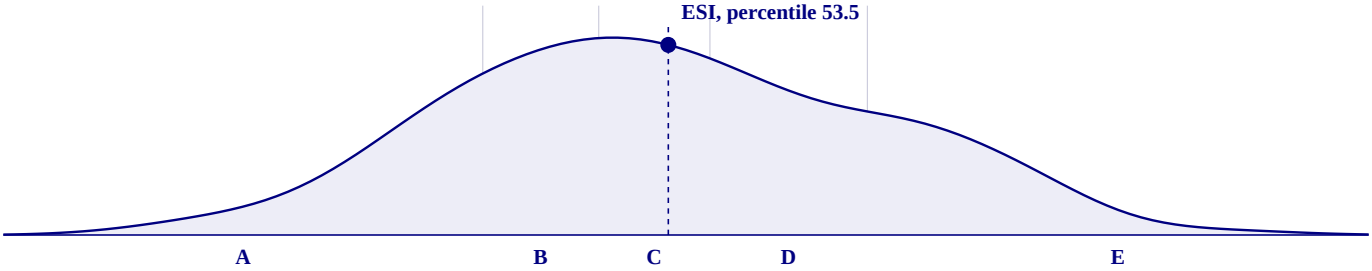
| | | | | | |
|---|---|---|---|---|---|
| Altman Z double-prime | 2.52 | 3.41 | 51.8 | 300 | 2025-12-31 |
| Net debt to EBITDA | 2.03x | 1.88x | 56.4 | 150 | 2025-12-31 |
| Interest coverage | not computable | 4.16x | | | |

*one or more required annual facts are missing*

| | | | | | |
|---|---|---|---|---|---|
| Current ratio | 3.68x | 2.20x | 18.6 | 421 | 2025-12-31 |
| **Growth and financing, sleeve percentile 56.5** | | | | | |
| Revenue growth, three-year compound | 0.02% | 1.2% | 55.7 | 349 | 2025-12-31 |
| Free cash flow growth, three-year compound | (2.8%) | 12.5% | 75.1 | 182 | 2025-12-31 |
| Reinvestment rate | 70.4% | 21.8% | 25.4 | 170 | 2025-12-31 |
| Asset growth, three years | 1.3% | 2.9% | 59.7 | 366 | 2025-12-31 |
| Net share issuance, one year | 0.5% | 0.0% | 66.5 | 317 | 2026-02-12 |

## Among 330 peers

*chemicals; 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 |
|---|---|---|---|---|
| 161 | Agco Corp. (AGCO) | 52.0 | C | |
| 162 | Linde plc (LIN) | 52.0 | C | |
| 163 | General Dynamics Corp. (GD) | 52.4 | C | |
| 164 | Gorman Rupp Co. (GRC) | 52.8 | C | |
| 165 | Hayward Holdings, Inc. (HAYW) | 53.1 | C | |
| 166 | Element Solutions Inc. (ESI) | 53.5 | C | |
| 167 | Eastern Co. (EML) | 53.5 | C | |
| 168 | Owens Corning (OC) | 53.9 | C | |
| 169 | HNI Corp. (HNI) | 54.3 | C | dilution |
| 170 | Edgewell Personal Care Co. (EPC) | 54.4 | C | |
| 171 | Procter & Gamble Co. (PG) | 54.7 | C | |

## What the price implies

*at the 2026-10-29 close; none of these enters the grade*

| Measure | Value | Peer median | Percentile |
|---|---|---|---|
| Twelve-month price change, skipping the latest month | 41.9% | 13.9% | 76 |
| Distance from 52-week high | (27.9%) | (24.3%) | 42 |
| EBIT to enterprise value | 3.3% | 3.7% | 43 |
| Free cash flow yield | 2.7% | 3.2% | 42 |
| Book value to price | 0.33 | 0.38 | 45 |
| Sales to price | 0.30 | 0.54 | 26 |
| Composite equity issuance, five years | (9.1%) | (10.0%) | 54 |
| Relative strength against the sector, log excess return | 0.18 | (0.02) | 73 |

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## Diagnostics

*shown on every report; none enters the grade*

| Measure | Value |
|---|---|
| **Piotroski F-score 6 of 9, period end 2025-12-31** | |
| Return on assets above zero | pass |
| Operating cash flow above zero | pass |
| Return on assets improved | fail |
| 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 | $224.9M |
| Operating cash flow, four quarters | $283.3M |
| Months of runway | not finite |
| Days since last periodic filing | 8 (10-Q received Oct 22, 2026) |
| Median daily dollar volume, 63 sessions | $132.2M |

## 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 | $1.1B | 2025-12-31 | 2026-02-18 | 10-K | 26-000018 |
| 2 | assets | us-gaap:Assets | $5.1B | 2025-12-31 | 2026-02-18 | 10-K | 26-000018 |
| 3 | operating income | us-gaap:OperatingIncomeLoss | $342.2M | 2025-12-31 | 2026-02-18 | 10-K | 26-000018 |
| 4 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | $265.6M | 2025-12-31 | 2026-02-18 | 10-K | 26-000018 |
| 5 | income tax | us-gaap:IncomeTaxExpenseBenefit | $74.6M | 2025-12-31 | 2026-02-18 | 10-K | 26-000018 |
| 6 | total debt | us-gaap:LongTermDebtAndCapitalLeaseObligations | $1.6B | 2025-12-31 | 2026-02-18 | 10-K | 26-000018 |
| 7 | book equity | us-gaap:StockholdersEquity | $2.7B | 2025-12-31 | 2026-02-18 | 10-K | 26-000018 |
| 8 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $626.5M | 2025-12-31 | 2026-02-18 | 10-K | 26-000018 |
| 9 | total debt | us-gaap:LongTermDebtAndCapitalLeaseObligations | $1.8B | 2024-12-31 | 2026-02-18 | 10-K | 26-000018 |
| 10 | book equity | us-gaap:StockholdersEquity | $2.4B | 2024-12-31 | 2026-02-18 | 10-K | 26-000018 |
| 11 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $359.4M | 2024-12-31 | 2026-02-18 | 10-K | 26-000018 |
| 12 | net income | us-gaap:NetIncomeLoss | $190.8M | 2025-12-31 | 2026-02-18 | 10-K | 26-000018 |
| 13 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivitiesC... | $289.8M | 2025-12-31 | 2026-02-18 | 10-K | 26-000018 |
| 14 | assets | us-gaap:Assets | $4.9B | 2024-12-31 | 2026-02-18 | 10-K | 26-000018 |
| 15 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $2.6B | 2025-12-31 | 2026-02-18 | 10-K | 26-000018 |
| 16 | gross profit | us-gaap:GrossProfit | $1.0B | 2024-12-31 | 2026-02-18 | 10-K | 26-000018 |
| 17 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $2.5B | 2024-12-31 | 2026-02-18 | 10-K | 26-000018 |
| 18 | gross profit | us-gaap:GrossProfit | $918.5M | 2023-12-31 | 2026-02-18 | 10-K | 26-000018 |
| 19 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $2.3B | 2023-12-31 | 2026-02-18 | 10-K | 26-000018 |
| 20 | gross profit | us-gaap:GrossProfit | $952.7M | 2022-12-31 | 2025-02-19 | 10-K | 25-000022 |
| 21 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $2.5B | 2022-12-31 | 2025-02-19 | 10-K | 25-000022 |
| 22 | gross profit | us-gaap:GrossProfit | $960.8M | 2021-12-31 | 2024-02-21 | 10-K | 24-000054 |
| 23 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $2.4B | 2021-12-31 | 2024-02-21 | 10-K | 24-000054 |
| 24 | current assets | us-gaap:AssetsCurrent | $1.6B | 2025-12-31 | 2026-02-18 | 10-K | 26-000018 |
| 25 | current liabilities | us-gaap:LiabilitiesCurrent | $429.9M | 2025-12-31 | 2026-02-18 | 10-K | 26-000018 |
| 26 | retained earnings | us-gaap:RetainedEarningsAccumulatedDeficit | -$904.6M | 2025-12-31 | 2026-02-18 | 10-K | 26-000018 |
| 27 | liabilities | us-gaap:Liabilities | $2.4B | 2025-12-31 | 2026-02-18 | 10-K | 26-000018 |
| 28 | depreciation amortization | us-gaap:DepreciationDepletionAndAmortization | $151.2M | 2025-12-31 | 2026-02-18 | 10-K | 26-000018 |
| 29 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $62.2M | 2025-12-31 | 2026-02-18 | 10-K | 26-000018 |
| 30 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivitiesC... | $362.0M | 2024-12-31 | 2026-02-18 | 10-K | 26-000018 |
| 31 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $68.4M | 2024-12-31 | 2026-02-18 | 10-K | 26-000018 |

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| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 32 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivitiesC... | $333.6M | 2023-12-31 | 2026-02-18 | 10-K | 26-000018 |
| 33 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $52.7M | 2023-12-31 | 2026-02-18 | 10-K | 26-000018 |
| 34 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $295.9M | 2022-12-31 | 2023-02-22 | 10-K | 23-000027 |
| 35 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $47.8M | 2022-12-31 | 2025-02-19 | 10-K | 25-000022 |
| 36 | current assets | us-gaap:AssetsCurrent | $1.3B | 2024-12-31 | 2026-02-18 | 10-K | 26-000018 |
| 37 | current liabilities | us-gaap:LiabilitiesCurrent | $379.7M | 2024-12-31 | 2026-02-18 | 10-K | 26-000018 |
| 38 | assets | us-gaap:Assets | $5.0B | 2023-12-31 | 2025-02-19 | 10-K | 25-000022 |
| 39 | assets | us-gaap:Assets | $4.9B | 2022-12-31 | 2024-02-21 | 10-K | 24-000054 |
| 40 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 243,578,414 | 2026-02-12 | 2026-02-18 | 10-K | 26-000018 |
| 41 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 242,452,327 | 2025-02-14 | 2025-02-19 | 10-K | 25-000022 |

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