Karat Packaging Inc.

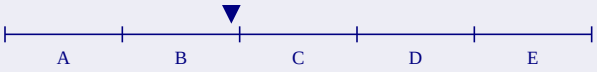
KRT

Nasdaq; manufacturing; SIC 3089, Plastics Products, NEC; CIK 0001758021

B/C

on the B/C boundary of 255 graded peers in manufacturing

rank 99 of 255; percentile 38.6; sampling error 3.0 points; lower is stronger



B/C, the elk



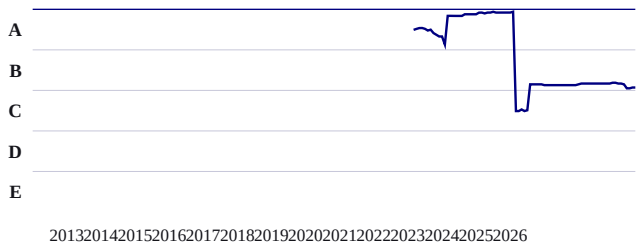
Scoreboard	
Profitability	C percentile 50.8
Solvency	B percentile 27.2
Growth and financing	C/D percentile 57.8
Reliability	0.87 AUC filers with $120M to $591M assets; 95% interval 0.83 to 0.90; 206 events, 2020 to 2025
Peer failure rate	1.03% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	$120M to $591M assets total assets $287.7M
Standard universe	inside revenue above $1M and assets above $10M
Warnings	none triggered not computable: fortress balance sheet
Inputs computable	11 of 14
Graded from	filings received through Mar 13, 2026 237 days before the rescan; latest periodic filing 10-Q received Aug 7, 2026
Last close	$54.14 2026-11-04; market equity $1.1B; 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 13, 2026

As used in this Annual Report on Form 10-K, "we", "us", "our", "Karat", "the Company" or "our Company" refer to Karat Packaging Inc., a Delaware corporation, and, unless the context requires otherwise, our operating subsidiaries. References to "Global Wells" or "our variable interest entity" refer to Global Wells Investment Group LLC, a Texas limited liability company and our consolidated variable interest entity, in which the Company has an equity interest and which is controlled by one of our stockholders. References to "Lollicup" refer to Lollicup USA Inc., our wholly-owned subsidiary incorporated in California in 2001 and redomesticated to the State of Texas in October 2025.

The fourteen inputs

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

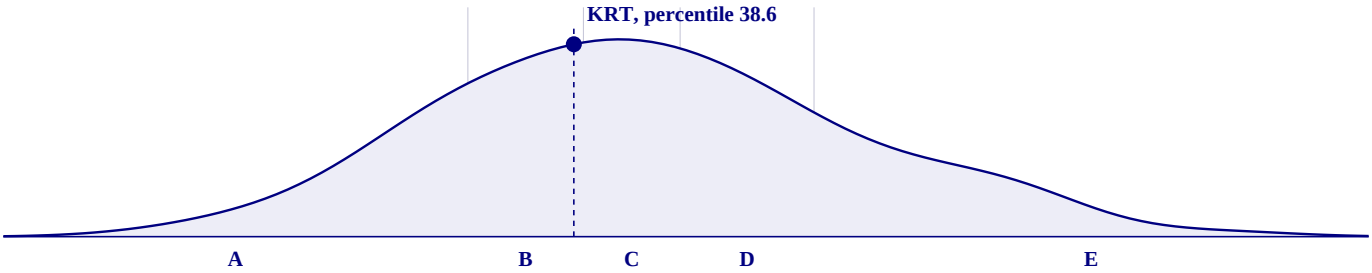
Input	Value	Peer median	Percentile, 0 to 100	Pct	Peers	Period end
Profitability, sleeve percentile 50.8						
Gross profitability	59.8%	21.9%		1.5	275	2025-12-31
Return on invested capital	not computable	9.7%				

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one or more required annual facts are missing						
Accruals ratio	(0.8%)	(3.6%)		75.1	306	2025-12-31
Gross margin stability, five years	3.7 pts	2.1 pts		75.9	229	2025-12-31
Solvency, sleeve percentile 27.2						
Twelve-month failure probability	0.02%	0.04%		2.9	35	2026-06-30
Altman Z double-prime	4.94	3.66		29.5	242	2025-12-31
Net debt to EBITDA	not computable	1.78x				
one or more required annual facts are missing						
Interest coverage	not computable	5.09x				
latest aligned inputs end 2023-12-31; latest annual assets end 2025-12-31						
Current ratio	2.30x	2.25x		49.1	323	2025-12-31
Growth and financing, sleeve percentile 57.8						
Revenue growth, three-year compound	3.4%	2.2%		42.2	269	2025-12-31
Free cash flow growth, three-year compound	7.2%	13.5%		62.1	141	2025-12-31
Reinvestment rate	(107.2%)	26.1%		93.5	139	2025-12-31
Asset growth, three years	4.5%	4.3%		48.2	277	2025-12-31
Net share issuance, one year	(0.4%)	0.01%		42.9	241	2026-03-10

Among 255 peers

manufacturing; 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
94	Cricut, Inc. (CRCT)	36.6	B	
95	Parker-Hannifin Corp. (PH)	37.0	B	
96	Lightwave Logic, Inc. (LWLG)	37.4	B/C	
97	Advanced Drainage Systems, Inc. (WMS)	37.8	B/C	
98	CPS Technologies (CPSH)	38.2	B/C	fortress balance sheet
99	Karat Packaging Inc. (KRT)	38.6	B/C	
100	AZZ Inc. (AZZ)	39.0	B/C	
101	United States Antimony Corp. (UAMY)	39.4	B/C	dilution, fortress balance sheet
102	Gibraltar Industries, Inc. (ROCK)	39.8	B/C	fortress balance sheet
103	Virco MFG Corporation (VIRC)	40.2	B/C	fortress balance sheet
104	OIL States International, Inc. (OIS)	40.6	B/C	fortress balance sheet

What the price implies

at the 2026-11-04 close; none of these enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	133.7%	9.8%	98
Distance from 52-week high	(1.9%)	(25.1%)	92
EBIT to enterprise value	not computable	4.1%	
Free cash flow yield	3.1%	3.3%	44
Book value to price	0.16	0.36	17
Sales to price	0.44	0.53	41

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Composite equity issuance, five years	not computable	(9.6%)	
Relative strength against the sector, log excess return	0.77	0.01	98

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	pass
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	$38.4M
Operating cash flow, four quarters	$56.7M
Months of runway	not finite
Days since last periodic filing	90 (10-Q received Aug 7, 2026)
Median daily dollar volume, 63 sessions	$7.9M

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	$172.1M	2025-12-31	2026-03-13	10-K	26-000010
2	assets	us-gaap:Assets	$287.7M	2025-12-31	2026-03-13	10-K	26-000010
3	net income	us-gaap:NetIncomeLoss	$31.5M	2025-12-31	2026-03-13	10-K	26-000010
4	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$33.8M	2025-12-31	2026-03-13	10-K	26-000010
5	assets	us-gaap:Assets	$294.5M	2024-12-31	2026-03-13	10-K	26-000010
6	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$467.7M	2025-12-31	2026-03-13	10-K	26-000010
7	gross profit	us-gaap:GrossProfit	$164.3M	2024-12-31	2026-03-13	10-K	26-000010
8	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$422.6M	2024-12-31	2026-03-13	10-K	26-000010
9	gross profit	us-gaap:GrossProfit	$153.0M	2023-12-31	2025-03-14	10-K	25-012816
10	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$405.7M	2023-12-31	2025-03-14	10-K	25-012816
11	gross profit	us-gaap:GrossProfit	$132.1M	2022-12-31	2024-03-15	10-K	24-011444
12	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$423.0M	2022-12-31	2024-03-15	10-K	24-011444
13	gross profit	us-gaap:GrossProfit	$107.8M	2021-12-31	2023-03-16	10-K	23-008299
14	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$364.2M	2021-12-31	2023-03-16	10-K	23-008299
15	current assets	us-gaap:AssetsCurrent	$161.2M	2025-12-31	2026-03-13	10-K	26-000010
16	current liabilities	us-gaap:LiabilitiesCurrent	$70.2M	2025-12-31	2026-03-13	10-K	26-000010
17	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	$61.7M	2025-12-31	2026-03-13	10-K	26-000010
18	operating income	us-gaap:OperatingIncomeLoss	$41.4M	2025-12-31	2026-03-13	10-K	26-000010
19	book equity	us-gaap:StockholdersEquity	$149.4M	2025-12-31	2026-03-13	10-K	26-000010
20	liabilities	us-gaap:Liabilities	$130.8M	2025-12-31	2026-03-13	10-K	26-000010
21	operating income	us-gaap:OperatingIncomeLoss	$42.1M	2023-12-31	2025-03-14	10-K	25-012816
22	interest expense	us-gaap:InterestExpense	$2.0M	2023-12-31	2024-03-15	10-K	24-011444
23	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$756,000	2025-12-31	2026-03-13	10-K	26-000010
24	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$48.0M	2024-12-31	2026-03-13	10-K	26-000010
25	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$934,000	2024-12-31	2026-03-13	10-K	26-000010
26	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$53.4M	2023-12-31	2025-03-14	10-K	25-012816
27	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$2.8M	2023-12-31	2025-03-14	10-K	25-012816
28	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$29.5M	2022-12-31	2024-03-15	10-K	24-011444
29	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$2.7M	2022-12-31	2024-03-15	10-K	24-011444

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30	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	$10.9M	2025-12-31	2026-03-13	10-K	26-000010
31	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	$43.0M	2025-12-31	2026-03-13	10-K	26-000010
32	income tax	us-gaap:IncomeTaxExpenseBenefit	$10.4M	2025-12-31	2026-03-13	10-K	26-000010
33	current assets	us-gaap:AssetsCurrent	$161.0M	2024-12-31	2026-03-13	10-K	26-000010
34	current liabilities	us-gaap:LiabilitiesCurrent	$46.4M	2024-12-31	2026-03-13	10-K	26-000010
35	assets	us-gaap:Assets	$276.4M	2023-12-31	2025-03-14	10-K	25-012816
36	assets	us-gaap:Assets	$252.2M	2022-12-31	2024-03-15	10-K	24-011444
37	shares outstanding	dei:EntityCommonStockSharesOutstanding	19,963,731	2026-03-10	2026-03-13	10-K	26-000010
38	shares outstanding	dei:EntityCommonStockSharesOutstanding	20,036,505	2025-03-10	2025-03-14	10-K	25-012816

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