# Motorsport Games Inc.

**MSGM**

Nasdaq; business equipment; SIC 7372, Services-Prepackaged Software; CIK 0001821175

**E**

**weakest fifth of 495 graded peers in business equipment**

rank 447 of 495; percentile 90.3; sampling error 2.2 points; lower is stronger

A B C D E

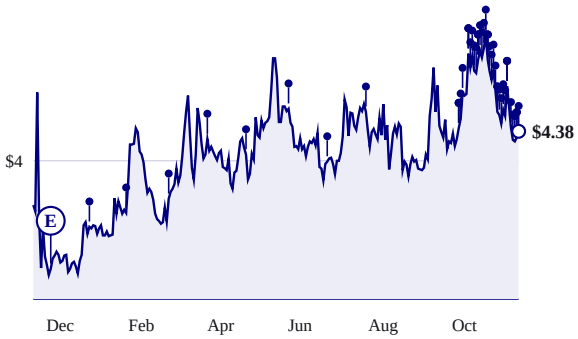
**E, the bear**



## Scoreboard

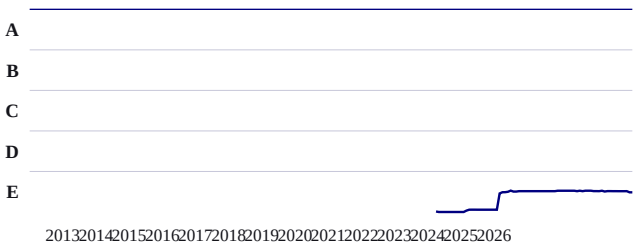
| | |
|---|---|
| **Profitability** | D<br>percentile 64.2 |
| **Solvency** | D<br>percentile 64.7 |
| **Growth and financing** | D<br>percentile 73.9 |
| **Reliability** | 0.76 AUC<br>filers with under $12.5M assets; 95% interval 0.65 to 0.86; 63 events, 2020 to 2025 |
| **Peer failure rate** | 0.60% a year<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | under $12.5M assets<br>total assets $12.0M |
| **Standard universe** | inside<br>revenue above $1M and assets above $10M |
| **Warnings** | none triggered<br>not computable: dilution, distress, fortress balance sheet |
| **Inputs computable** | 7 of 14 |
| **Graded from** | filings received through Mar 10, 2026<br>246 days before the rescan; latest periodic filing 10-Q received Aug 14, 2026 |
| **Last close** | $4.34<br>2026-11-10; market equity $0; 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 10, 2026*

Games Inc. ("Motorsport") is a racing game developer, publisher and esports ecosystem provider of official motorsport racing series, including games based on the iconic 24 Hours of Le Mans endurance race ("Le Mans") and the associated FIA World Endurance Championship (the "WEC"). Our portfolio also includes the KartKraft karting simulation game, as well as Studio 397 B.V. ("Studio397") and their rFactor 2 realistic racing simulator technology and platform. rFactor 2 also powers F1® Arcade through a partnership with Kindred Concepts.

## 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 64.2** | | | | | | |
| Gross profitability | 76.9% | 28.7% | | 4.2 | 552 | 2025-12-31 |
| Return on invested capital | not computable | 11.4% | | | | |

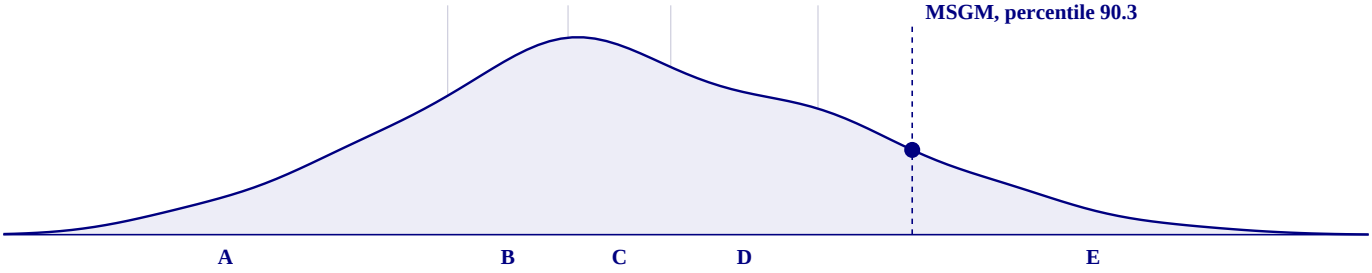
*one or more required annual facts are missing*

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| | | | | | |
|---|---|---|---|---|---|
| Accruals ratio | 31.3% | (7.3%) | 97.6 | 615 | 2025-12-31 |
| Gross margin stability, five years | 12.5 pts | 2.3 pts | 90.8 | 423 | 2025-12-31 |
| **Solvency, sleeve percentile 64.7** | | | | | |
| Twelve-month failure probability | not computable | 0.05% | | | |
| *liabilities and a nearby cover-page share count are required at 2026-06-30* | | | | | |
| Altman Z double-prime | (17.36) | 2.21 | 86.3 | 562 | 2025-12-31 |
| Net debt to EBITDA | not computable | 1.08x | | | |
| *one or more required annual facts are missing* | | | | | |
| Interest coverage | not computable | 3.77x | | | |
| *interest expense must exceed $100,000* | | | | | |
| Current ratio | 2.25x | 2.01x | 43.1 | 660 | 2025-12-31 |
| **Growth and financing, sleeve percentile 73.9** | | | | | |
| Revenue growth, three-year compound | 3.0% | 6.5% | 59.7 | 532 | 2025-12-31 |
| Free cash flow growth, three-year compound | not computable | 18.0% | | | |
| *current FCF must be positive and base FCF must exceed $100,000* | | | | | |
| Reinvestment rate | not computable | 15.1% | | | |
| *pretax income must exceed the validity floor and imply a 0%-100% tax rate* | | | | | |
| Asset growth, three years | (14.1%) | 5.2% | 88.1 | 557 | 2025-12-31 |
| Net share issuance, one year | not computable | 0.5% | | | |
| *two annual share counts are required; found 0* | | | | | |

## Among 495 peers

*business equipment; 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 |
|---|---|---|---|---|
| 442 | BigBear.ai Holdings, Inc. (BBAI-WT) | 89.2 | E | late filer |
| 443 | Senseonics Holdings, Inc. (SENS) | 89.5 | E | dilution, short runway, fortress balance sheet |
| 444 | Smartbird, Inc. (BIRD) | 89.7 | E | late filer, fortress balance sheet |
| 445 | Sypris Solutions Inc. (SYPR) | 89.9 | E | fortress balance sheet |
| 446 | Solaredge Technologies, Inc. (SEDG) | 90.1 | E | |
| 447 | Motorsport Games Inc. (MSGM) | 90.3 | E | |
| 448 | 8X8 Inc. (EGHT) | 90.5 | E | |
| 449 | FingerMotion, Inc. (FNGR) | 90.7 | E | short runway |
| 450 | BIO KEY International Inc. (BKYI) | 90.9 | E | short runway, late filer |
| 451 | Firefly Neuroscience, Inc. (AIFF) | 91.1 | E | dilution, late filer, fortress balance sheet |
| 452 | Lase Corp. (LASE) | 91.3 | E | late filer |

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## What the price implies

*at the 2026-11-10 close; none of these enters the grade*

| Measure | Value | Peer median | Percentile |
|---|---|---|---|
| Twelve-month price change, skipping the latest month | 108.6% | (2.0%) | 91 |
| Distance from 52-week high | (22.1%) | (34.4%) | 67 |
| EBIT to enterprise value | not computable | 1.7% | |
| Free cash flow yield | not computable | 2.9% | |
| Book value to price | not computable | 0.28 | |
| Sales to price | not computable | 0.32 | |
| Composite equity issuance, five years | not computable | 4.3% | |
| Relative strength against the sector, log excess return | 0.47 | (0.29) | 91 |

## 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 | pass |
| Operating cash flow exceeds net income | fail |
| Long-term leverage fell | fail |
| Current ratio improved | pass |
| No new shares issued | fail |
| Gross margin improved | pass |
| Asset turnover improved | pass |
| **Cash, filings, liquidity** | |
| Cash and equivalents | $3.9M |
| Operating cash flow, four quarters | $6.2M |
| Months of runway | not finite |
| Days since last periodic filing | 89 (10-Q received Aug 14, 2026) |
| Median daily dollar volume, 63 sessions | $333,346 |

## 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 | $9.2M | 2025-12-31 | 2026-03-10 | 10-K | 26-009532 |
| 2 | assets | us-gaap:Assets | $12.0M | 2025-12-31 | 2026-03-10 | 10-K | 26-009532 |
| 3 | net income | us-gaap:NetIncomeLoss | $6.9M | 2025-12-31 | 2026-03-10 | 10-K | 26-009532 |
| 4 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $4.1M | 2025-12-31 | 2026-03-10 | 10-K | 26-009532 |
| 5 | assets | us-gaap:Assets | $6.3M | 2024-12-31 | 2026-03-10 | 10-K | 26-009532 |
| 6 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $11.3M | 2025-12-31 | 2026-03-10 | 10-K | 26-009532 |
| 7 | gross profit | us-gaap:GrossProfit | $5.5M | 2024-12-31 | 2026-03-10 | 10-K | 26-009532 |
| 8 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $8.7M | 2024-12-31 | 2026-03-10 | 10-K | 26-009532 |
| 9 | gross profit | us-gaap:GrossProfit | $3.3M | 2023-12-31 | 2025-03-20 | 10-K | 25-011033 |
| 10 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $6.9M | 2023-12-31 | 2025-03-20 | 10-K | 25-011033 |
| 11 | gross profit | us-gaap:GrossProfit | $5.4M | 2022-12-31 | 2024-04-01 | 10-K | 24-012233 |
| 12 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $10.3M | 2022-12-31 | 2024-04-01 | 10-K | 24-012233 |
| 13 | gross profit | us-gaap:GrossProfit | $7.5M | 2021-12-31 | 2023-03-24 | 10-K | 23-008878 |
| 14 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $15.1M | 2021-12-31 | 2023-03-24 | 10-K | 23-008878 |
| 15 | current assets | us-gaap:AssetsCurrent | $7.6M | 2025-12-31 | 2026-03-10 | 10-K | 26-009532 |
| 16 | current liabilities | us-gaap:LiabilitiesCurrent | $3.4M | 2025-12-31 | 2026-03-10 | 10-K | 26-009532 |
| 17 | retained earnings | us-gaap:RetainedEarningsAccumulatedDeficit | -$84.9M | 2025-12-31 | 2026-03-10 | 10-K | 26-009532 |
| 18 | operating income | us-gaap:OperatingIncomeLoss | $3.2M | 2025-12-31 | 2026-03-10 | 10-K | 26-009532 |

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| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 19 | book equity | us-gaap:StockholdersEquity | $6.8M | 2025-12-31 | 2026-03-10 | 10-K | 26-009532 |
| 20 | liabilities | us-gaap:Liabilities | $4.4M | 2025-12-31 | 2026-03-10 | 10-K | 26-009532 |
| 21 | interest expense | us-gaap:InterestExpense | $18,786 | 2025-12-31 | 2026-03-10 | 10-K | 26-009532 |
| 22 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $12,067 | 2025-12-31 | 2026-03-10 | 10-K | 26-009532 |
| 23 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$2.8M | 2024-12-31 | 2026-03-10 | 10-K | 26-009532 |
| 24 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $25,015 | 2024-12-31 | 2026-03-10 | 10-K | 26-009532 |
| 25 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$13.7M | 2023-12-31 | 2025-03-20 | 10-K | 25-011033 |
| 26 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $31,653 | 2023-12-31 | 2025-03-20 | 10-K | 25-011033 |
| 27 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$19.5M | 2022-12-31 | 2024-04-01 | 10-K | 24-012233 |
| 28 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $292,446 | 2022-12-31 | 2024-04-01 | 10-K | 24-012233 |
| 29 | depreciation amortization | us-gaap:DepreciationDepletionAndAmortization | $1.1M | 2025-12-31 | 2026-03-10 | 10-K | 26-009532 |
| 30 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | $6.6M | 2025-12-31 | 2026-03-10 | 10-K | 26-009532 |
| 31 | income tax | us-gaap:IncomeTaxExpenseBenefit | -$245,258 | 2025-12-31 | 2026-03-10 | 10-K | 26-009532 |
| 32 | current assets | us-gaap:AssetsCurrent | $2.8M | 2024-12-31 | 2026-03-10 | 10-K | 26-009532 |
| 33 | current liabilities | us-gaap:LiabilitiesCurrent | $5.0M | 2024-12-31 | 2026-03-10 | 10-K | 26-009532 |
| 34 | assets | us-gaap:Assets | $9.8M | 2023-12-31 | 2025-03-20 | 10-K | 25-011033 |
| 35 | assets | us-gaap:Assets | $18.9M | 2022-12-31 | 2024-04-01 | 10-K | 24-012233 |

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