# Palladyne AI Corp. PDYN

Nasdaq; business equipment; SIC 7372, Services-Prepackaged Software; CIK 0001826681

**E**

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

rank 491 of 495; percentile 99.2; sampling error 2.2 points; lower is stronger

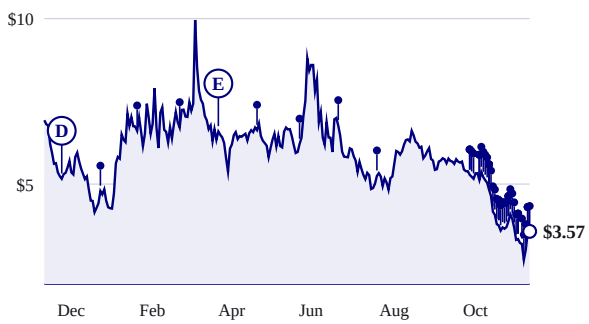
A B C D E

**E, the bear**



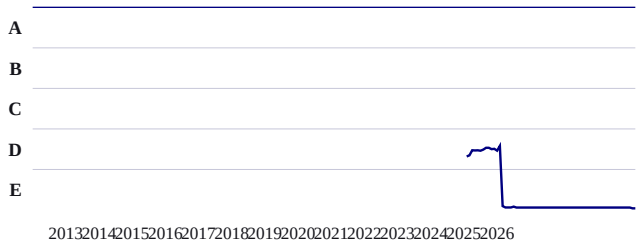
| Scoreboard | |
|---|---|
| **Profitability** | E<br>percentile 94.0 |
| **Solvency** | C/D<br>percentile 58.5 |
| **Growth and financing** | E<br>percentile 92.1 |
| **Reliability** | 0.83 AUC<br>filers with $12.5M to $120M assets; 95% interval 0.79 to 0.86; 201 events, 2020 to 2025 |
| **Peer failure 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 $95.7M |
| **Standard universe** | inside<br>revenue above $1M and assets above $10M |
| **Warnings** | dilution<br>not computable: fortress balance sheet |
| **Inputs computable** | 9 of 14 |
| **Graded from** | filings received through Mar 5, 2026<br>251 days before the rescan; latest periodic filing 10-Q received Nov 10, 2026 |
| **Last close** | $3.56<br>2026-11-10; market equity $183.2M; 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 5, 2026*

The following discussion should be read in conjunction with the information about us contained elsewhere in this Report, including the information set forth in our consolidated financial statements and the related notes. Some of the information contained in this section or set forth elsewhere in this Report, including information with respect to our plans and strategy for our business, includes forward-looking statements that involve risks and uncertainties. You should read Part I

## 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 94.0** | | | | | | |
| Gross profitability | 2.7% | 28.7% | | 90.4 | 552 | 2025-12-31 |
| Return on invested capital | not computable | 11.4% | | | | |
| *one or more required annual facts are missing* | | | | | | |
| Accruals ratio | 49.6% | (7.3%) | | 98.9 | 615 | 2025-12-31 |

Not investment advice. Informational and educational only. Data from SEC EDGAR, may contain errors, is not warranted. The grade ranks reported financial condition and is not a return forecast.

| | | | | | | |
|---|---|---|---|---|---|---|
| Gross margin stability, five years | 15.6 pts | 2.3 pts | | 92.9 | 423 | 2025-12-31 |
| **Solvency, sleeve percentile 58.5** | | | | | | |
| Twelve-month failure probability | 0.24% | 0.05% | | 84.6 | 105 | 2026-09-30 |
| Altman Z double-prime | (11.71) | 2.21 | | 83.4 | 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 | | | | |
| *one or more required annual facts are missing* | | | | | | |
| Current ratio | 9.28x | 2.01x | | 7.6 | 660 | 2025-12-31 |
| **Growth and financing, sleeve percentile 92.1** | | | | | | |
| Revenue growth, three-year compound | (28.9%) | 6.5% | | 97.0 | 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 | (17.0%) | 5.2% | | 90.3 | 557 | 2025-12-31 |
| Net share issuance, one year | 32.0% | 0.5% | | 89.1 | 406 | 2026-02-20 |

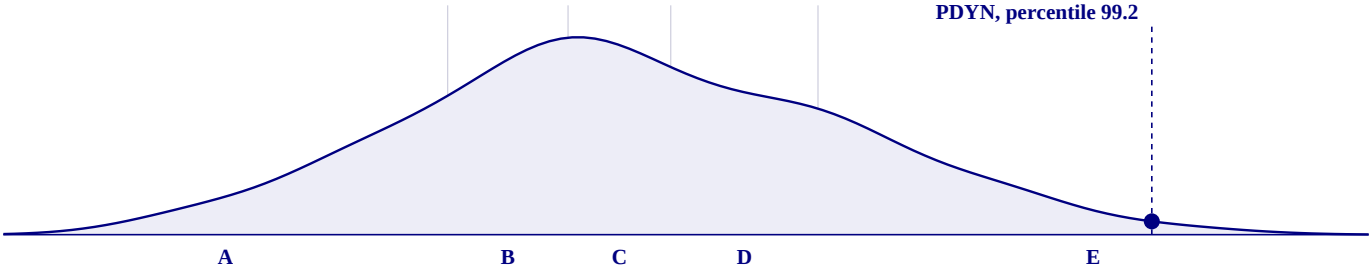
## Warnings

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

| Check | Measured |
|---|---|
| Dilution | split-adjusted year-over-year share growth is 32.0% |

## 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 |
|---|---|---|---|---|
| 486 | Flux Power Holdings, Inc. (FLUX) | 98.2 | E | dilution, late filer |
| 487 | Firy Inc. (FIRY) | 98.4 | E | late filer, fortress balance sheet |
| 488 | Rackspace Technology, Inc. (RXT) | 98.6 | E | late filer |
| 489 | Focus Universal Inc. (FCUV) | 98.8 | E | dilution, distress |
| 490 | ZW Data Action Technologies Inc. (CNET) | 99.0 | E | dilution, late filer |
| 491 | Palladyne AI Corp. (PDYN) | 99.2 | E | dilution |
| 492 | Polar Power, Inc. (POLA) | 99.4 | E | dilution, short runway, late filer, fortress balance sheet |
| 493 | Sports Entertainment Gaming Global Corp. (SEGG) | 99.6 | E | short runway, late filer, distress |
| 494 | Pixelworks, Inc. (PXLW) | 99.8 | E | dilution, fortress balance sheet |
| 495 | Stem, Inc. (STEM) | 100.0 | E | |

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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 | (38.4%) | (2.0%) | 22 |
| Distance from 52-week high | (64.2%) | (34.4%) | 18 |
| EBIT to enterprise value | not computable | 1.7% | |
| Free cash flow yield | (15.5%) | 2.9% | 14 |
| Book value to price | 0.41 | 0.28 | 64 |
| Sales to price | 0.03 | 0.32 | 3 |
| Composite equity issuance, five years | not computable | 4.3% | |
| Relative strength against the sector, log excess return | (0.75) | (0.29) | 22 |

## 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 | fail |
| Return on assets improved | pass |
| Operating cash flow exceeds net income | fail |
| Long-term leverage fell | fail |
| Current ratio improved | fail |
| No new shares issued | fail |
| Gross margin improved | fail |
| Asset turnover improved | fail |
| **Cash, filings, liquidity** | |
| Cash and equivalents | $27.2M |
| Operating cash flow, four quarters | -$36.7M |
| Months of runway | 8.9 |
| Days since last periodic filing | 1 (10-Q received Nov 10, 2026) |
| Median daily dollar volume, 63 sessions | $3.9M |

## 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 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $5.2M | 2025-12-31 | 2026-03-05 | 10-K | 26-092443 |
| 2 | cost of revenue | us-gaap:CostOfRevenue | $2.7M | 2025-12-31 | 2026-03-05 | 10-K | 26-092443 |
| 3 | assets | us-gaap:Assets | $95.7M | 2025-12-31 | 2026-03-05 | 10-K | 26-092443 |
| 4 | net income | us-gaap:NetIncomeLoss | $10.0M | 2025-12-31 | 2026-03-05 | 10-K | 26-092443 |
| 5 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$27.6M | 2025-12-31 | 2026-03-05 | 10-K | 26-092443 |
| 6 | assets | us-gaap:Assets | $56.3M | 2024-12-31 | 2026-03-05 | 10-K | 26-092443 |
| 7 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $7.8M | 2024-12-31 | 2026-03-05 | 10-K | 26-092443 |
| 8 | cost of revenue | us-gaap:CostOfRevenue | $3.5M | 2024-12-31 | 2026-03-05 | 10-K | 26-092443 |
| 9 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $6.1M | 2023-12-31 | 2025-02-20 | 10-K | 25-024148 |
| 10 | cost of revenue | us-gaap:CostOfRevenue | $5.0M | 2023-12-31 | 2025-02-20 | 10-K | 25-024148 |
| 11 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $14.6M | 2022-12-31 | 2024-02-28 | 10-K | 24-022168 |
| 12 | cost of revenue | us-gaap:CostOfRevenue | $11.6M | 2022-12-31 | 2024-02-28 | 10-K | 24-022168 |
| 13 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $5.1M | 2021-12-31 | 2023-03-16 | 10-K | 23-008496 |
| 14 | cost of revenue | us-gaap:CostOfRevenue | $3.9M | 2021-12-31 | 2023-03-16 | 10-K | 23-008496 |
| 15 | current assets | us-gaap:AssetsCurrent | $52.6M | 2025-12-31 | 2026-03-05 | 10-K | 26-092443 |
| 16 | current liabilities | us-gaap:LiabilitiesCurrent | $5.7M | 2025-12-31 | 2026-03-05 | 10-K | 26-092443 |
| 17 | retained earnings | us-gaap:RetainedEarningsAccumulatedDeficit | -$480.8M | 2025-12-31 | 2026-03-05 | 10-K | 26-092443 |
| 18 | operating income | us-gaap:OperatingIncomeLoss | -$32.4M | 2025-12-31 | 2026-03-05 | 10-K | 26-092443 |

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| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 19 | book equity | us-gaap:StockholdersEquity | $74.7M | 2025-12-31 | 2026-03-05 | 10-K | 26-092443 |
| 20 | liabilities | us-gaap:Liabilities | $21.0M | 2025-12-31 | 2026-03-05 | 10-K | 26-092443 |
| 21 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $713,000 | 2025-12-31 | 2026-03-05 | 10-K | 26-092443 |
| 22 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$22.6M | 2024-12-31 | 2026-03-05 | 10-K | 26-092443 |
| 23 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $265,000 | 2024-12-31 | 2026-03-05 | 10-K | 26-092443 |
| 24 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$76.6M | 2023-12-31 | 2025-02-20 | 10-K | 25-024148 |
| 25 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $782,000 | 2023-12-31 | 2025-02-20 | 10-K | 25-024148 |
| 26 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$65.4M | 2022-12-31 | 2024-02-28 | 10-K | 24-022168 |
| 27 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $1.5M | 2022-12-31 | 2024-02-28 | 10-K | 24-022168 |
| 28 | depreciation amortization | us-gaap:Depreciation | $974,000 | 2025-12-31 | 2026-03-05 | 10-K | 26-092443 |
| 29 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | $7.5M | 2025-12-31 | 2026-03-05 | 10-K | 26-092443 |
| 30 | income tax | us-gaap:IncomeTaxExpenseBenefit | -$2.5M | 2025-12-31 | 2026-03-05 | 10-K | 26-092443 |
| 31 | current assets | us-gaap:AssetsCurrent | $42.7M | 2024-12-31 | 2026-03-05 | 10-K | 26-092443 |
| 32 | current liabilities | us-gaap:LiabilitiesCurrent | $4.4M | 2024-12-31 | 2026-03-05 | 10-K | 26-092443 |
| 33 | assets | us-gaap:Assets | $60.4M | 2023-12-31 | 2025-02-20 | 10-K | 25-024148 |
| 34 | assets | us-gaap:Assets | $167.6M | 2022-12-31 | 2024-02-28 | 10-K | 24-022168 |
| 35 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 46,494,865 | 2026-02-20 | 2026-03-05 | 10-K | 26-092443 |
| 36 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 35,219,701 | 2025-02-11 | 2025-02-20 | 10-K | 25-024148 |

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