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 492 of 495; percentile 99.4; sampling error 2.2 points; lower is stronger

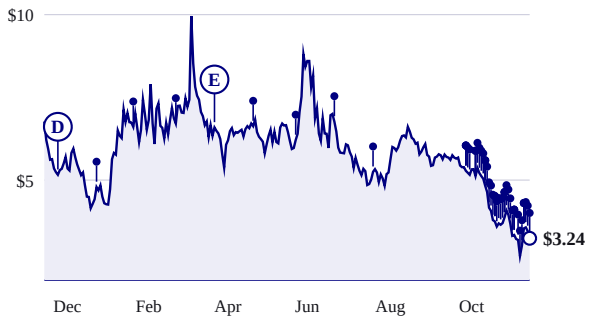
A B C D E

E, the bear



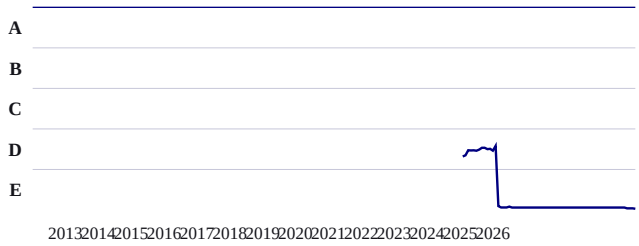
Scoreboard	
Profitability	E percentile 94.0
Solvency	C/D percentile 58.6
Growth and financing	E percentile 92.1
Reliability	0.83 AUC filers with $12.5M to $120M assets; 95% interval 0.79 to 0.86; 201 events, 2020 to 2025
Peer failure rate	1.07% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	$12.5M to $120M assets total assets $95.7M
Standard universe	inside revenue above $1M and assets above $10M
Warnings	dilution not computable: fortress balance sheet
Inputs computable	9 of 14
Graded from	filings received through Mar 5, 2026 253 days before the rescan; latest periodic filing 10-Q received Nov 10, 2026
Last close	$3.23 2026-11-12; market equity $166.2M; 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%	28.8%		90.4	552	2025-12-31
Return on invested capital	not computable	11.2%				
one or more required annual facts are missing						
Accruals ratio	49.6%	(7.3%)		98.9	615	2025-12-31

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Gross margin stability, five years	15.6 pts	2.3 pts	92.9	423	2025-12-31
Solvency, sleeve percentile 58.6					
Twelve-month failure probability	0.24%	0.05%	84.8	106	2026-09-30
Altman Z double-prime	(11.71)	2.21	83.4	562	2025-12-31
Net debt to EBITDA	not computable	1.09x			
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

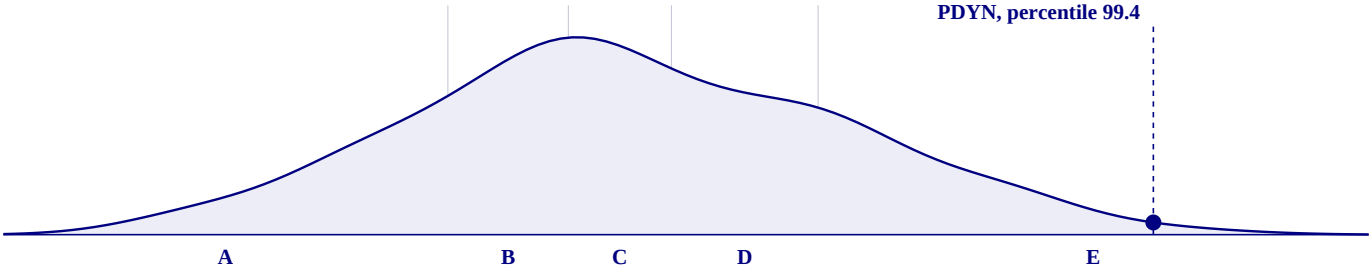
Warnings

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

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What the price implies

at the 2026-11-12 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	(67.5%)	(33.7%)	16
EBIT to enterprise value	not computable	1.7%	
Free cash flow yield	(17.0%)	2.8%	14
Book value to price	0.45	0.27	66
Sales to price	0.03	0.31	4
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	3 (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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