System1, Inc.

SST

NYSE; business equipment; SIC 7370, Services-Computer Programming, Data Processing, Etc.; CIK 0001805833

E

weakest fifth of 469 graded peers in business equipment

rank 460 of 469; percentile 98.1; sampling error 2.3 points; lower is stronger

A B C D E

E, the bear



Scoreboard

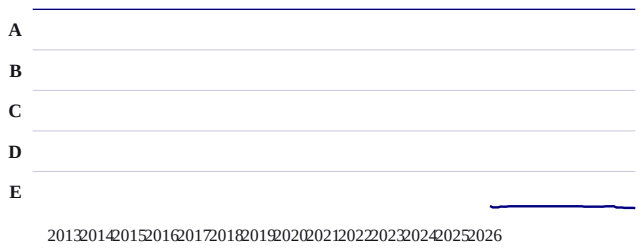
Profitability	C/D percentile 58.7
Solvency	D/E percentile 81.9
Growth and financing	E percentile 95.8
Reliability	0.87 AUC filers with $120M to $591M assets; 95% interval 0.83 to 0.90; 206 events, 2020 to 2025
Peer failure rate	1.03% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	$120M to $591M assets total assets $405.0M
Standard universe	inside revenue above $1M and assets above $10M
Warnings	short runway not computable: dilution, distress
Inputs computable	7 of 13
Graded from	filings received through Mar 11, 2026 251 days before the rescan; latest periodic filing 10-Q received Nov 12, 2026
Last close	$0.94 2026-11-16; 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 11, 2026

Throughout this report, the "Company," "System1," "we," "us," "our" and other similar terms refer to System1, Inc. and its subsidiaries. We operate several flagship brands across multiple consumer verticals, including shopping, travel and search, and a best-in-class customer acquisition and marketing platform powered by Artificial Intelligence ("AI") and machine learning. Our platform is omnichannel and omnivertical, delivering high-intent customers to our advertising partners to maximize their reach and effectiveness.

The thirteen 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 58.7						
Gross profitability	24.8%	29.1%		58.3	512	2025-12-31
Return on invested capital	(23.0%)	11.2%		89.3	123	2025-12-31
Accruals ratio	(14.2%)	(7.4%)		28.5	566	2025-12-31

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Gross margin stability, five years	not computable	2.3 pts				
five annual gross margins are required; found 2						
Solvency, sleeve percentile 81.9						
Altman Z double-prime	(7.72)	2.19		81.0	516	2025-12-31
Net debt to EBITDA	not computable	1.15x				
EBITDA must exceed $100,000						
Interest coverage	not computable	4.90x				
latest aligned inputs end 2023-12-31; latest annual assets end 2025-12-31						
Current ratio	1.02x	1.98x		82.8	599	2025-12-31
Growth and financing, sleeve percentile 95.8						
Revenue growth, three-year compound	(24.2%)	6.4%		95.0	502	2025-12-31
Free cash flow growth, three-year compound	not computable	18.2%				
current FCF must be positive and base FCF must exceed $100,000						
Reinvestment rate	not computable	14.3%				
NOPAT must exceed $100,000						
Asset growth, three years	(29.6%)	5.0%		96.5	519	2025-12-31
Net share issuance, one year	not computable	0.5%				
firm-wide XBRL shares cannot be assigned to one ticker class						

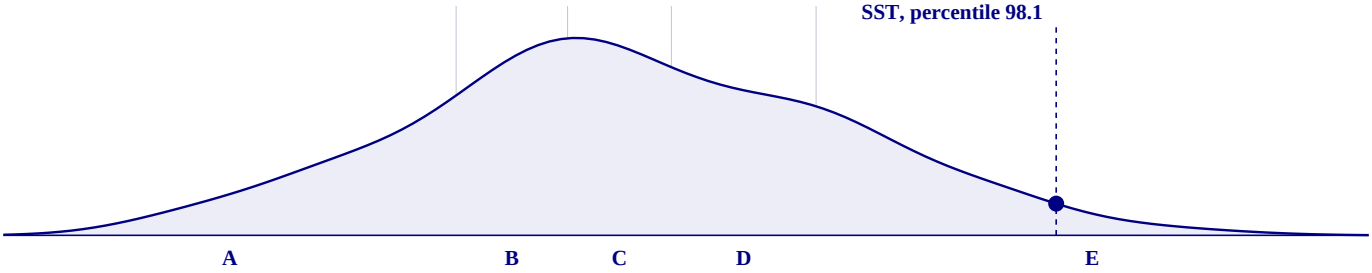
Warnings

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

Check	Measured
Short runway	cash runway is 4.0 months

Among 469 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
455	Microchip Technology Inc. (MCHP)	97.0	E	
456	Ideal Power Inc. (IPWR)	97.2	E	dilution, degenerate inputs, fortress balance sheet
457	FTC Solar, Inc. (FTCI)	97.4	E	fortress balance sheet
458	Bionano Genomics, Inc. (BNGO)	97.6	E	dilution, short runway, fortress balance sheet
459	Healthcare Triangle, Inc. (HCTI)	97.9	E	dilution, short runway, late filer
460	System1, Inc. (SST)	98.1	E	short runway
461	Flux Power Holdings, Inc. (FLUX)	98.3	E	dilution, late filer
462	Firy Inc. (FIRY)	98.5	E	late filer, fortress balance sheet
463	Palladyne AI Corp. (PDYN)	98.7	E	dilution
464	Rackspace Technology, Inc. (RXT)	98.9	E	late filer
465	ZW Data Action Technologies Inc. (CNET)	99.1	E	dilution, late filer

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What the price implies

at the 2026-11-16 close; none of these enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	(53.6%)	(2.0%)	13
Distance from 52-week high	(82.1%)	(36.5%)	7
EBIT to enterprise value	not computable	1.8%	
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	4.4%	
Relative strength against the sector, log excess return	(1.04)	(0.29)	13
Twelve-month failure probability, CHS model	not computable	0.05%	

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	fail
Operating cash flow above zero	fail
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	fail
Gross margin improved	fail
Asset turnover improved	pass
Cash, filings, liquidity	
Cash and equivalents	$12.4M
Operating cash flow, four quarters	-$36.8M
Months of runway	4.0
Days since last periodic filing	5 (10-Q received Nov 12, 2026)
Median daily dollar volume, 63 sessions	$169,962

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...	$266.1M	2025-12-31	2026-03-11	10-K	26-000014
2	cost of revenue	us-gaap:CostOfRevenue	$165.7M	2025-12-31	2026-03-11	10-K	26-000014
3	assets	us-gaap:Assets	$405.0M	2025-12-31	2026-03-11	10-K	26-000014
4	operating income	us-gaap:OperatingIncomeLoss	-$62.0M	2025-12-31	2026-03-11	10-K	26-000014
5	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	-$84.1M	2025-12-31	2026-03-11	10-K	26-000014
6	income tax	us-gaap:IncomeTaxExpenseBenefit	-$2.9M	2025-12-31	2026-03-11	10-K	26-000014
7	total debt	us-gaap:LongTermDebt	$305.1M	2025-12-31	2026-03-11	10-K	26-000014
8	book equity	us-gaap:StockholdersEquity	$30.5M	2025-12-31	2026-03-11	10-K	26-000014
9	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$86.9M	2025-12-31	2026-03-11	10-K	26-000014
10	total debt	us-gaap:LongTermDebtAndCapitalLeaseObligations	$255.1M	2024-12-31	2025-03-10	10-K	25-011690
11	book equity	us-gaap:StockholdersEquity	$80.3M	2024-12-31	2026-03-11	10-K	26-000014
12	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$63.6M	2024-12-31	2026-03-11	10-K	26-000014
13	net income	us-gaap:NetIncomeLoss	-$65.3M	2025-12-31	2026-03-11	10-K	26-000014
14	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-$4.1M	2025-12-31	2026-03-11	10-K	26-000014
15	assets	us-gaap:Assets	$459.1M	2024-12-31	2026-03-11	10-K	26-000014
16	current assets	us-gaap:AssetsCurrent	$149.5M	2025-12-31	2026-03-11	10-K	26-000014
17	current liabilities	us-gaap:LiabilitiesCurrent	$146.4M	2025-12-31	2026-03-11	10-K	26-000014

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18	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	-$847.7M	2025-12-31	2026-03-11	10-K	26-000014
19	liabilities	us-gaap:Liabilities	$387.6M	2025-12-31	2026-03-11	10-K	26-000014
20	depreciation amortization	us-gaap:Depreciation	$600,000	2025-12-31	2026-03-11	10-K	26-000014
21	operating income	us-gaap:OperatingIncomeLoss	-$86.0M	2023-12-31	2025-03-10	10-K	25-011690
22	interest expense	us-gaap:InterestExpense	$48.7M	2023-12-31	2024-03-15	10-K	24-000041
23	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$343.9M	2024-12-31	2026-03-11	10-K	26-000014
24	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$402.0M	2023-12-31	2025-03-10	10-K	25-011690
25	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$612.2M	2022-12-31	2024-03-15	10-K	24-000041
26	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$46,000	2025-12-31	2026-03-11	10-K	26-000014
27	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-$5.3M	2024-12-31	2026-03-11	10-K	26-000014
28	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$31,000	2024-12-31	2026-03-11	10-K	26-000014
29	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-$24.7M	2023-12-31	2025-03-10	10-K	25-011690
30	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$2.4M	2023-12-31	2025-03-10	10-K	25-011690
31	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$3.3M	2022-12-31	2024-03-15	10-K	24-000041
32	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$3.5M	2022-12-31	2024-03-15	10-K	24-000041
33	current assets	us-gaap:AssetsCurrent	$134.5M	2024-12-31	2026-03-11	10-K	26-000014
34	current liabilities	us-gaap:LiabilitiesCurrent	$105.1M	2024-12-31	2026-03-11	10-K	26-000014
35	assets	us-gaap:Assets	$605.5M	2023-12-31	2025-03-10	10-K	25-011690
36	assets	us-gaap:Assets	$1.2B	2022-12-31	2024-03-15	10-K	24-000041

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