Rhythm Pharmaceuticals, Inc.

RYTM

Nasdaq; healthcare; SIC 2834, Pharmaceutical Preparations; CIK 0001649904

B

second fifth of 305 graded peers in healthcare

rank 75 of 305; percentile 24.3; sampling error 2.8 points; lower is stronger

A B C D E

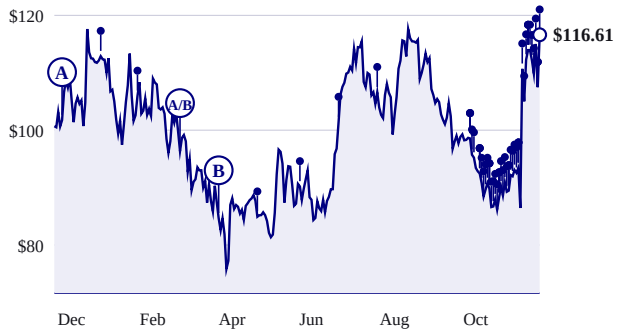
B, the elk



Scoreboard

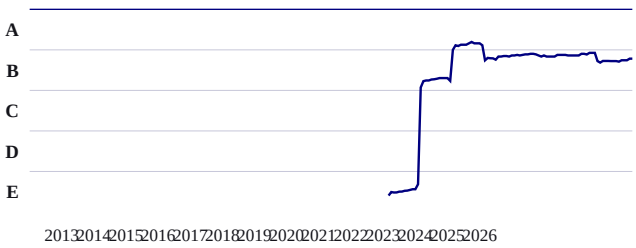
Profitability	B/C percentile 40.4
Solvency	C percentile 49.4
Growth and financing	B percentile 29.7
Reliability	0.87 AUC filers with $120M to $591M assets; 95% interval 0.83 to 0.90; 206 events, 2020 to 2025
Peer failure rate	1.03% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	$120M to $591M assets total assets $480.2M
Standard universe	inside revenue above $1M and assets above $10M
Warnings	short runway not computable: fortress balance sheet
Inputs computable	8 of 13
Graded from	filings received through Feb 26, 2026 265 days before the rescan; latest periodic filing 10-Q received Nov 3, 2026
Last close	$116.61 2026-11-17; market equity $8.1B; 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 Feb 26, 2026

We are a global, commercial-stage biopharmaceutical company dedicated to transforming the lives of patients living with rare neuroendocrine diseases. We are focused on advancing melanocortin-4 receptor (MC4R) agonists, including our lead asset, IMCIVREE® (setmelanotide), as precision medicines designed to treat hyperphagia and severe obesity caused by rare MC4R pathway diseases.

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 40.4						
Gross profitability	35.5%	32.8%		38.8	346	2025-12-31
Return on invested capital	not computable	9.6%				
one or more required annual facts are missing						
Accruals ratio	(18.5%)	(6.7%)		22.3	756	2025-12-31

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Gross margin stability, five years	3.6 pts	2.8 pts	60.2	237	2025-12-31
Solvency, sleeve percentile 49.4						
Altman Z double-prime	(6.24)	0.31	56.4	705	2025-12-31
Net debt to EBITDA	not computable	1.82x			
one or more required annual facts are missing						
Interest coverage	not computable	(3.61x)			
latest aligned inputs end 2023-12-31; latest annual assets end 2025-12-31						
Current ratio	4.41x	2.68x	42.4	781	2025-12-31
Growth and financing, sleeve percentile 29.7						
Revenue growth, three-year compound	100.2%	9.6%	5.5	400	2025-12-31
Free cash flow growth, three-year compound	not computable	11.1%			
four consecutive annual FCF observations are required; found 8						
Reinvestment rate	not computable	33.9%			
pretax income must exceed the validity floor and imply a 0%-100% tax rate						
Asset growth, three years	7.9%	3.2%	35.0	663	2025-12-31
Net share issuance, one year	8.0%	1.6%	48.4	625	2026-02-24

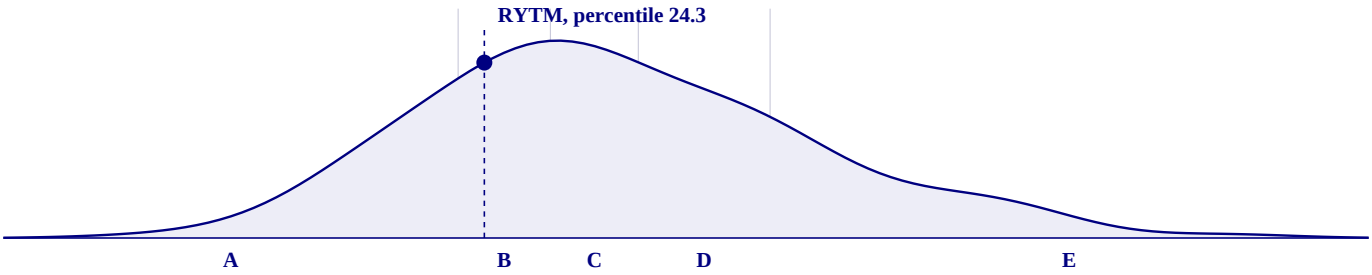
Warnings

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

Check	Measured
Short runway	cash runway is 5.9 months

Among 305 peers

healthcare; 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
70	InnovAge Holding Corp. (INNV)	22.7	A/B	fortress balance sheet
71	Cronos Group Inc. (CRON)	23.0	B	
72	Warby Parker Inc. (WRBY)	23.4	B	
73	Guardant Health, Inc. (GH)	23.7	B	
74	Vertex Pharmaceuticals Inc. MA (VRTX)	24.0	B	
75	Rhythm Pharmaceuticals, Inc. (RYTM)	24.3	B	short runway
76	Axogen, Inc. (AXGN)	24.7	B	
77	Pulmonx Corp. (LUNG)	25.0	B	fortress balance sheet
78	NeuroPace Inc. (NPCE)	25.3	B	
79	GE HealthCare Technologies Inc. (GEHC)	25.7	B	
80	Phibro Animal Health Corp. (PAHC)	26.0	B	

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What the price implies

at the 2026-11-17 close; none of these enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	(16.3%)	(1.7%)	39
Distance from 52-week high	(0.9%)	(30.5%)	97
EBIT to enterprise value	(2.4%)	0.5%	40
Free cash flow yield	(1.4%)	0.5%	40
Book value to price	0.01	0.28	12
Sales to price	0.02	0.36	5
Composite equity issuance, five years	32.3%	13.5%	68
Relative strength against the sector, log excess return	(0.35)	(0.19)	39
Twelve-month failure probability, CHS model	0.09%	0.06%	60

Diagnostics

shown on every report; none enters the grade

Measure	Value
Piotroski F-score 6 of 9, period end 2025-12-31	
Return on assets above zero	fail
Operating cash flow above zero	fail
Return on assets improved	pass
Operating cash flow exceeds net income	pass
Long-term leverage fell	pass
Current ratio improved	pass
No new shares issued	fail
Gross margin improved	pass
Asset turnover improved	pass
Cash, filings, liquidity	
Cash and equivalents	$40.0M
Operating cash flow, four quarters	-$81.8M
Months of runway	5.9
Days since last periodic filing	15 (10-Q received Nov 3, 2026)
Median daily dollar volume, 63 sessions	$61.9M

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...	$189.8M	2025-12-31	2026-02-26	10-K	26-012399
2	cost of revenue	us-gaap:CostOfGoodsAndServicesSold	$19.5M	2025-12-31	2026-02-26	10-K	26-012399
3	assets	us-gaap:Assets	$480.2M	2025-12-31	2026-02-26	10-K	26-012399
4	net income	us-gaap:NetIncomeLoss	-$196.5M	2025-12-31	2026-02-26	10-K	26-012399
5	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-$115.7M	2025-12-31	2026-02-26	10-K	26-012399
6	assets	us-gaap:Assets	$392.3M	2024-12-31	2026-02-26	10-K	26-012399
7	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$130.1M	2024-12-31	2026-02-26	10-K	26-012399
8	cost of revenue	us-gaap:CostOfGoodsAndServicesSold	$13.4M	2024-12-31	2026-02-26	10-K	26-012399
9	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$77.4M	2023-12-31	2026-02-26	10-K	26-012399
10	cost of revenue	us-gaap:CostOfGoodsAndServicesSold	$9.3M	2023-12-31	2026-02-26	10-K	26-012399
11	revenue	us-gaap:RevenueFromContractWithCustomerIncludingAs...	$23.6M	2022-12-31	2024-02-29	10-K	24-002181
12	cost of revenue	us-gaap:CostOfGoodsAndServicesSold	$2.1M	2022-12-31	2025-02-28	10-K	25-001889
13	revenue	us-gaap:RevenueFromContractWithCustomerIncludingAs...	$3.2M	2021-12-31	2024-02-29	10-K	24-002181
14	cost of revenue	us-gaap:CostOfGoodsAndServicesSold	$599,000	2021-12-31	2024-02-29	10-K	24-002181
15	current assets	us-gaap:AssetsCurrent	$466.9M	2025-12-31	2026-02-26	10-K	26-012399
16	current liabilities	us-gaap:LiabilitiesCurrent	$105.9M	2025-12-31	2026-02-26	10-K	26-012399
17	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	-$1.4B	2025-12-31	2026-02-26	10-K	26-012399

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18	operating income	us-gaap:OperatingIncomeLoss	-$192.0M	2025-12-31	2026-02-26	10-K	26-012399
19	book equity	us-gaap:StockholdersEquity	$139.1M	2025-12-31	2026-02-26	10-K	26-012399
20	liabilities	us-gaap:Liabilities	$210.2M	2025-12-31	2026-02-26	10-K	26-012399
21	operating income	us-gaap:OperatingIncomeLoss	-$184.4M	2023-12-31	2026-02-26	10-K	26-012399
22	interest expense	us-gaap:InterestExpense	$13.9M	2023-12-31	2024-02-29	10-K	24-002181
23	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$953,000	2025-12-31	2026-02-26	10-K	26-012399
24	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	$500,000	2025-12-31	2026-02-26	10-K	26-012399
25	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	-$196.0M	2025-12-31	2026-02-26	10-K	26-012399
26	income tax	us-gaap:IncomeTaxExpenseBenefit	$497,000	2025-12-31	2026-02-26	10-K	26-012399
27	current assets	us-gaap:AssetsCurrent	$374.2M	2024-12-31	2026-02-26	10-K	26-012399
28	current liabilities	us-gaap:LiabilitiesCurrent	$115.5M	2024-12-31	2026-02-26	10-K	26-012399
29	assets	us-gaap:Assets	$332.7M	2023-12-31	2025-02-28	10-K	25-001889
30	assets	us-gaap:Assets	$382.5M	2022-12-31	2024-02-29	10-K	24-002181
31	shares outstanding	dei:EntityCommonStockSharesOutstanding	68,285,039	2026-02-24	2026-02-26	10-K	26-012399
32	shares outstanding	dei:EntityCommonStockSharesOutstanding	63,223,727	2025-02-24	2025-02-28	10-K	25-001889

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