# Qnity Electronics, Inc.

**Q**

NYSE; business equipment; SIC 3674, Semiconductors & Related Devices; CIK 0002058873

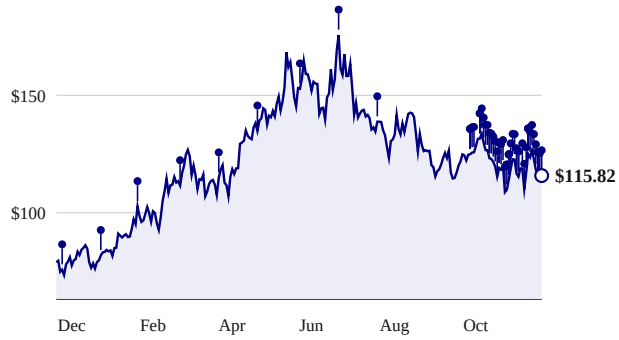
# None

**No letter**

2 of 13 inputs computable; 7 are required, with a score in every sleeve

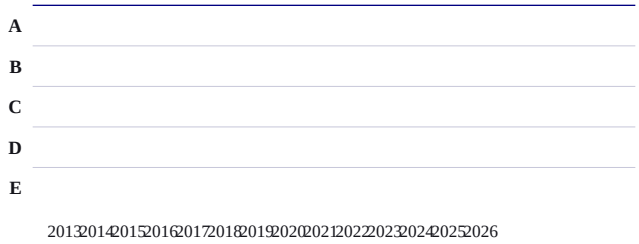
| Scoreboard | |
|---|---|
| **Reliability** | 0.94 AUC<br>filers with over $2.67B assets; 95% interval 0.88 to 0.97; 61 events, 2020 to 2025 |
| **Peer failure rate** | 0.52% a year<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | over $2.67B assets<br>total assets $14.1B |
| **Standard universe** | inside<br>revenue above $1M and assets above $10M |
| **Warnings** | late filer, thin data<br>not computable: dilution, distress |
| **Inputs computable** | 2 of 13 |
| **Graded from** | filings received through Feb 26, 2026<br>266 days before the rescan; latest periodic filing 10-Q received Nov 4, 2026 |
| **Last close** | $115.82<br>2026-11-18; market equity $24.2B; 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*

Qnity is one of the largest global leaders in materials and solutions for the semiconductor and electronics industries. We empower our customers' technology roadmaps to enable advancements in megatrends such as artificial intelligence, high-performance computing and advanced connectivity. We partner with leading semiconductor and advanced device manufacturers to address complex challenges and develop solutions that facilitate next-generation technological innovations.

## 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 73.8** | | | | | | |
| Gross profitability | 15.6% | 29.2% | | 73.8 | 512 | 2025-12-31 |
| Return on invested capital | not computable | 11.0% | | | | |
| *one or more required annual facts are missing* | | | | | | |
| Accruals ratio | not computable | (7.4%) | | | | |

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.

| | | | | | | |
|---|---|---|---|---|---|---|
| *a prior annual assets observation is required* | | | | | | |
| Gross margin stability, five years | not computable | 2.3 pts | | | | |
| *five annual gross margins are required; found 1* | | | | | | |
| **Solvency, sleeve percentile 51.3** | | | | | | |
| Altman Z double-prime | not computable | 2.21 | | | | |
| *one or more required annual facts are missing* | | | | | | |
| Net debt to EBITDA | not computable | 1.08x | | | | |
| *one or more required annual facts are missing* | | | | | | |
| Interest coverage | not computable | 4.90x | | | | |
| *one or more required annual facts are missing* | | | | | | |
| Current ratio | 1.95x | 1.98x | | 51.3 | 600 | 2025-12-31 |
| **Growth and financing** | | | | | | |
| Revenue growth, three-year compound | not computable | 6.5% | | | | |
| *four annual observations are required; found 1* | | | | | | |
| Free cash flow growth, three-year compound | not computable | 17.5% | | | | |
| *four consecutive annual FCF observations are required; found 1* | | | | | | |
| Reinvestment rate | not computable | 15.6% | | | | |
| *one or more required annual facts are missing* | | | | | | |
| Asset growth, three years | not computable | 5.0% | | | | |
| *four annual observations are required; found 1* | | | | | | |
| Net share issuance, one year | not computable | 0.5% | | | | |
| *two annual share counts are required; found 1* | | | | | | |

## Warnings

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

| Check | Measured |
|---|---|
| Late filer | found 1 NT 10-K/Q filings in the last eight quarters |
| Thin data | 2 of 13 grade factors are computable; minimum is 7 |

## What the price implies

*at the 2026-11-18 close; none of these enters the grade*

| Measure | Value | Peer median | Percentile |
|---|---|---|---|
| Twelve-month price change, skipping the latest month | not computable | (2.2%) | |
| Distance from 52-week high | (34.1%) | (37.2%) | 56 |
| EBIT to enterprise value | not computable | 1.8% | |
| Free cash flow yield | 4.1% | 2.9% | 60 |
| Book value to price | 0.31 | 0.28 | 53 |
| Sales to price | 0.20 | 0.33 | 35 |
| Composite equity issuance, five years | not computable | 4.3% | |
| Relative strength against the sector, log excess return | not computable | (0.29) | |
| 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 | pass |
| Return on assets improved | fail |
| Operating cash flow exceeds net income | pass |
| Long-term leverage fell | fail |
| Current ratio improved | fail |

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| | |
|---|---|
| No new shares issued | fail |
| Gross margin improved | fail |
| Asset turnover improved | fail |
| **Cash, filings, liquidity** | |
| Cash and equivalents | $1.1B |
| Operating cash flow, four quarters | $1.1B |
| Months of runway | not finite |
| Days since last periodic filing | 15 (10-Q received Nov 4, 2026) |
| Median daily dollar volume, 63 sessions | $202.8M |

## 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... | $4.8B | 2025-12-31 | 2026-02-26 | 10-K | 26-000010 |
| 2 | cost of revenue | us-gaap:CostOfGoodsAndServicesSold | $2.6B | 2025-12-31 | 2026-02-26 | 10-K | 26-000010 |
| 3 | assets | us-gaap:Assets | $14.1B | 2025-12-31 | 2026-02-26 | 10-K | 26-000010 |
| 4 | net income | us-gaap:ProfitLoss | $729.0M | 2025-12-31 | 2026-02-26 | 10-K | 26-000010 |
| 5 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $1.3B | 2025-12-31 | 2026-02-26 | 10-K | 26-000010 |
| 6 | current assets | us-gaap:AssetsCurrent | $2.6B | 2025-12-31 | 2026-02-26 | 10-K | 26-000010 |
| 7 | current liabilities | us-gaap:LiabilitiesCurrent | $1.4B | 2025-12-31 | 2026-02-26 | 10-K | 26-000010 |
| 8 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 209,658,907 | 2026-02-24 | 2026-02-26 | 10-K | 26-000010 |

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