PDF Solutions Inc.

PDFS

Nasdaq; business equipment; SIC 7372, Services-Prepackaged Software; CIK 0001120914

C

middle fifth of 469 graded peers in business equipment

rank 216 of 469; percentile 45.9; sampling error 2.3 points; lower is stronger

A B C D E

C, the tortoise



Scoreboard

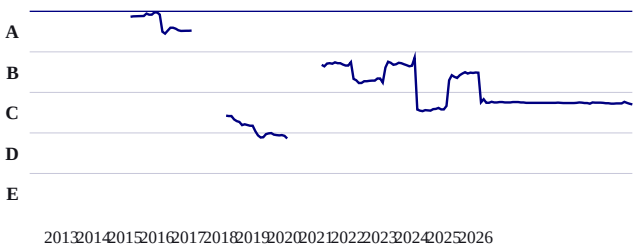
Profitability	C percentile 52.1
Solvency	C percentile 50.1
Growth and financing	B/C percentile 39.3
Reliability	0.87 AUC filers with $120M to $591M assets; 95% interval 0.83 to 0.90; 206 events, 2020 to 2025
Peer failure rate	1.03% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	$120M to $591M assets total assets $418.7M
Standard universe	inside revenue above $1M and assets above $10M
Warnings	none triggered not computable: distress
Inputs computable	9 of 13
Graded from	filings received through Feb 24, 2026 269 days before the rescan; latest periodic filing 10-Q received Nov 5, 2026
Last close	$34.95 2026-11-19; market equity $1.5B; 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 24, 2026

We provide comprehensive data solutions designed to empower organizations across the semiconductor and electronics ecosystems to improve the yield and quality of their products and operational efficiency for increased profitability. We derive revenues from two categories, Platform and Volume-based fees. Our offerings that contribute to Platform revenue are licenses for software (other than Cimetrix® runtime licenses) and related software maintenance and technical support services; software-as-a-service ("SaaS"); engineering services; fixed fees associated with Characterization Vehicle® systems; and licenses and purchase contracts for DirectScan? systems (formerly known as "DFI systems").

The thirteen inputs

lower percentile is stronger; sleeves and inputs within a sleeve carry equal weight

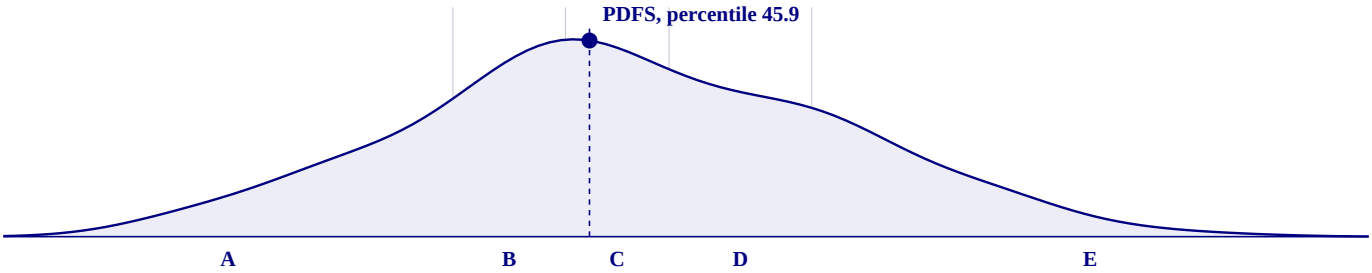
Input	Value	Peer median	Percentile, 0 to 100	Pct	Peers	Period end
Profitability, sleeve percentile 52.1						
Gross profitability	37.8%	29.3%		32.8	513	2025-12-31
Return on invested capital	not computable	11.0%				

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a prior annual debt, equity, and cash observation is required					
Accruals ratio	(6.7%)	(7.3%)	54.9	567	2025-12-31
Gross margin stability, five years	4.1 pts	2.3 pts	68.4	406	2025-12-31
Solvency, sleeve percentile 50.1					
Altman Z double-prime	2.73	2.19	40.1	517	2025-12-31
Net debt to EBITDA	2.49x	1.08x	67.9	138	2025-12-31
Interest coverage	not computable	4.90x			
one or more required annual facts are missing					
Current ratio	2.28x	1.98x	42.2	601	2025-12-31
Growth and financing, sleeve percentile 39.3					
Revenue growth, three-year compound	13.8%	6.6%	30.5	503	2025-12-31
Free cash flow growth, three-year compound	not computable	17.5%			
current FCF must be positive and base FCF must exceed $100,000					
Reinvestment rate	not computable	16.2%			
pretax income must exceed the validity floor and imply a 0%-100% tax rate					
Asset growth, three years	14.5%	5.1%	25.4	520	2025-12-31
Net share issuance, one year	2.0%	0.5%	62.1	405	2026-02-20

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
211	Seagate Technology Holdings plc (STX)	44.9	C	
212	Asana, Inc. (ASAN)	45.1	C	
213	Playtika Holding Corp. (PLTK)	45.3	C	
214	OneSpan Inc. (OSPN)	45.5	C	
215	CCC Intelligent Solutions Holdings Inc. (CCC)	45.7	C	
216	PDF Solutions Inc. (PDFS)	45.9	C	
217	Illumina, Inc. (ILMN)	46.2	C	
218	Guerrilla RF, Inc. (GUER)	46.4	C	
219	Hurco Companies Inc. (HURC)	46.6	C	
220	Snowflake Inc. (SNOW)	46.8	C	
221	Western Digital Corp. (WDC)	47.0	C	fortress balance sheet

What the price implies

at the 2026-11-19 close; none of these enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	75.2%	(2.2%)	85
Distance from 52-week high	(50.6%)	(38.6%)	36
EBIT to enterprise value	0.4%	1.8%	38
Free cash flow yield	(0.6%)	3.0%	23
Book value to price	0.26	0.29	47
Sales to price	0.15	0.33	26

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Composite equity issuance, five years	12.9%	4.3%	60
Relative strength against the sector, log excess return	0.29	(0.29)	85
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
No new shares issued	fail
Gross margin improved	pass
Asset turnover improved	pass
Cash, filings, liquidity	
Cash and equivalents	$107.1M
Operating cash flow, four quarters	$49.2M
Months of runway	not finite
Days since last periodic filing	15 (10-Q received Nov 5, 2026)
Median daily dollar volume, 63 sessions	$26.1M

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	gross profit	us-gaap:GrossProfit	$158.4M	2025-12-31	2026-02-24	10-K	26-005366
2	assets	us-gaap:Assets	$418.7M	2025-12-31	2026-02-24	10-K	26-005366
3	operating income	us-gaap:OperatingIncomeLoss	$5.8M	2025-12-31	2026-02-24	10-K	26-005366
4	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	$3.2M	2025-12-31	2026-02-24	10-K	26-005366
5	income tax	us-gaap:IncomeTaxExpenseBenefit	$3.8M	2025-12-31	2026-02-24	10-K	26-005366
6	total debt	us-gaap:LongTermDebt	$67.0M	2025-12-31	2026-02-24	10-K	26-005366
7	book equity	us-gaap:StockholdersEquity	$271.0M	2025-12-31	2026-02-24	10-K	26-005366
8	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$42.2M	2025-12-31	2026-02-24	10-K	26-005366
9	net income	us-gaap:NetIncomeLoss	-$640,000	2025-12-31	2026-02-24	10-K	26-005366
10	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$24.1M	2025-12-31	2026-02-24	10-K	26-005366
11	assets	us-gaap:Assets	$315.3M	2024-12-31	2026-02-24	10-K	26-005366
12	revenue	us-gaap:RevenueFromContractWithCustomerIncludingAs...	$219.0M	2025-12-31	2026-02-24	10-K	26-005366
13	gross profit	us-gaap:GrossProfit	$125.3M	2024-12-31	2026-02-24	10-K	26-005366
14	revenue	us-gaap:RevenueFromContractWithCustomerIncludingAs...	$179.5M	2024-12-31	2026-02-24	10-K	26-005366
15	revenue	us-gaap:RevenueFromContractWithCustomerIncludingAs...	$165.8M	2023-12-31	2026-02-24	10-K	26-005366
16	cost of revenue	us-gaap:CostOfRevenue	$51.7M	2023-12-31	2026-02-24	10-K	26-005366
17	revenue	us-gaap:RevenueFromContractWithCustomerIncludingAs...	$148.5M	2022-12-31	2025-02-27	10-K	25-001813
18	cost of revenue	us-gaap:CostOfRevenue	$47.9M	2022-12-31	2025-02-27	10-K	25-001813
19	revenue	us-gaap:RevenueFromContractWithCustomerIncludingAs...	$111.1M	2021-12-31	2024-02-27	10-K	24-001843
20	cost of revenue	us-gaap:CostOfRevenue	$44.2M	2021-12-31	2024-02-27	10-K	24-001843
21	current assets	us-gaap:AssetsCurrent	$163.9M	2025-12-31	2026-02-24	10-K	26-005366
22	current liabilities	us-gaap:LiabilitiesCurrent	$71.9M	2025-12-31	2026-02-24	10-K	26-005366
23	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	-$94.6M	2025-12-31	2026-02-24	10-K	26-005366
24	liabilities	us-gaap:Liabilities	$147.7M	2025-12-31	2026-02-24	10-K	26-005366
25	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	$4.1M	2025-12-31	2026-02-24	10-K	26-005366
26	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$32.6M	2025-12-31	2026-02-24	10-K	26-005366
27	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$9.7M	2024-12-31	2026-02-24	10-K	26-005366

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28	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$17.2M	2024-12-31	2026-02-24	10-K	26-005366
29	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$14.6M	2023-12-31	2026-02-24	10-K	26-005366
30	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$11.2M	2023-12-31	2026-02-24	10-K	26-005366
31	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$32.3M	2022-12-31	2025-02-27	10-K	25-001813
32	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$8.4M	2022-12-31	2025-02-27	10-K	25-001813
33	current assets	us-gaap:AssetsCurrent	$206.0M	2024-12-31	2026-02-24	10-K	26-005366
34	current liabilities	us-gaap:LiabilitiesCurrent	$60.5M	2024-12-31	2026-02-24	10-K	26-005366
35	assets	us-gaap:Assets	$290.1M	2023-12-31	2025-02-27	10-K	25-001813
36	assets	us-gaap:Assets	$278.7M	2022-12-31	2024-02-27	10-K	24-001843
37	shares outstanding	dei:EntityCommonStockSharesOutstanding	39,890,709	2026-02-20	2026-02-24	10-K	26-005366
38	shares outstanding	dei:EntityCommonStockSharesOutstanding	39,113,755	2025-02-21	2025-02-27	10-K	25-001813

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