# 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 217 of 469; percentile 46.2; sampling error 2.3 points; lower is stronger

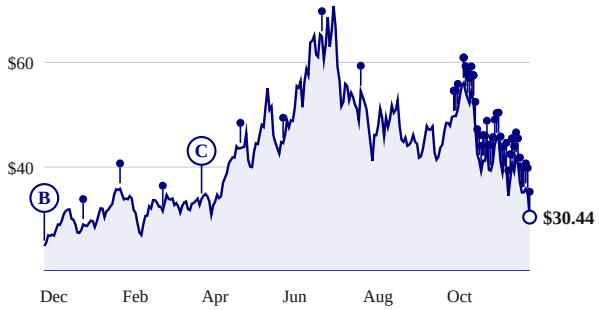
A B C D E

**C, the tortoise**



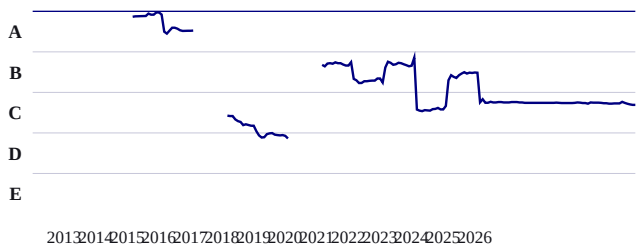
| Scoreboard | |
|---|---|
| **Profitability** | C<br>percentile 52.1 |
| **Solvency** | C<br>percentile 49.8 |
| **Growth and financing** | B/C<br>percentile 39.3 |
| **Reliability** | 0.87 AUC<br>filers with $120M to $591M assets; 95% interval 0.83 to 0.90; 206 events, 2020 to 2025 |
| **Peer failure rate** | 1.03% a year<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | $120M to $591M assets<br>total assets $418.7M |
| **Standard universe** | inside<br>revenue above $1M and assets above $10M |
| **Warnings** | none triggered<br>not computable: distress |
| **Inputs computable** | 9 of 13 |
| **Graded from** | filings received through Feb 24, 2026<br>271 days before the rescan; latest periodic filing 10-Q received Nov 5, 2026 |
| **Last close** | $30.46<br>2026-11-20; market equity $1.3B; 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*

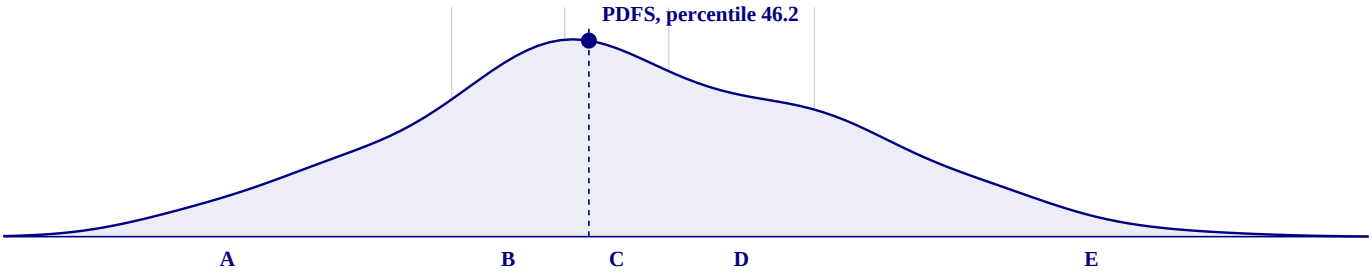
| Input | Value | Peer median | Percentile, 0 to 100 | Pct | Peers | Period end |
|---|---|---|---|---|---|---|
| **Profitability, sleeve percentile 52.1** | | | | | | |
| Gross profitability | 37.8% | 29.4% | | 32.8 | 513 | 2025-12-31 |
| Return on invested capital | not computable | 11.2% | | | | |

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 debt, equity, and cash observation is required* | | | | | |
| Accruals ratio | (6.7%) | (7.4%) | 55.2 | 566 | 2025-12-31 |
| Gross margin stability, five years | 4.1 pts | 2.3 pts | 68.4 | 406 | 2025-12-31 |
| **Solvency, sleeve percentile 49.8** | | | | | |
| Altman Z double-prime | 2.73 | 2.18 | 39.9 | 517 | 2025-12-31 |
| Net debt to EBITDA | 2.49x | 1.11x | 67.2 | 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 | 600 | 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 | 17.4% | | | |
| *current FCF must be positive and base FCF must exceed $100,000* | | | | | |
| Reinvestment rate | not computable | 14.3% | | | |
| *pretax income must exceed the validity floor and imply a 0%-100% tax rate* | | | | | |
| Asset growth, three years | 14.5% | 5.0% | 25.5 | 519 | 2025-12-31 |
| Net share issuance, one year | 2.0% | 0.5% | 62.0 | 404 | 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 |
|---|---|---|---|---|
| 212 | Freshworks Inc. (FRSH) | 45.1 | C | |
| 213 | Asana, Inc. (ASAN) | 45.3 | C | |
| 214 | Playtika Holding Corp. (PLTK) | 45.5 | C | |
| 215 | OneSpan Inc. (OSPN) | 45.7 | C | |
| 216 | CCC Intelligent Solutions Holdings Inc. (CCC) | 45.9 | C | |
| 217 | PDF Solutions Inc. (PDFS) | 46.2 | C | |
| 218 | Guerrilla RF, Inc. (GUER) | 46.4 | C | |
| 219 | Illumina, Inc. (ILMN) | 46.6 | C | |
| 220 | Hurco Companies Inc. (HURC) | 46.8 | C | |
| 221 | Western Digital Corp. (WDC) | 47.0 | C | fortress balance sheet |
| 222 | Snowflake Inc. (SNOW) | 47.2 | C | |

## What the price implies

*at the 2026-11-20 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 | (57.0%) | (41.7%) | 32 |
| EBIT to enterprise value | 0.5% | 2.0% | 39 |
| Free cash flow yield | (0.7%) | 3.1% | 23 |
| Book value to price | 0.30 | 0.31 | 48 |
| Sales to price | 0.17 | 0.35 | 26 |

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.

| | | | |
|---|---|---|---|
| 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 | 17 (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 |

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.

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 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 |

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.