Rhythm Pharmaceuticals, Inc.

RYTM

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

B

second fifth of 305 graded peers in healthcare

rank 76 of 305; percentile 24.7; sampling error 2.8 points; lower is stronger

A B C D E

B, the elk



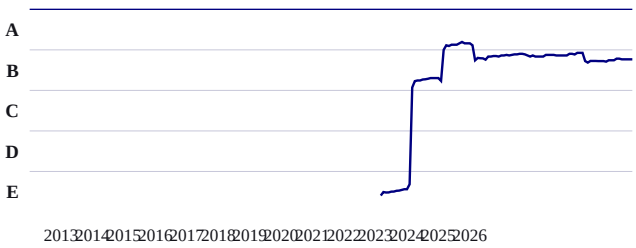
Scoreboard	
Profitability	B/C percentile 40.4
Solvency	C percentile 49.4
Growth and financing	B percentile 29.7
Reliability	0.87 AUC filers with $120M to $591M assets; 95% interval 0.83 to 0.90; 206 events, 2020 to 2025
Peer failure rate	1.03% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
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 270 days before the rescan; latest periodic filing 10-Q received Nov 3, 2026
Last close	$112.53 2026-11-20; market equity $7.8B; 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%)		22.1	756	2025-12-31

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.

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%	48.5	626	2026-02-24

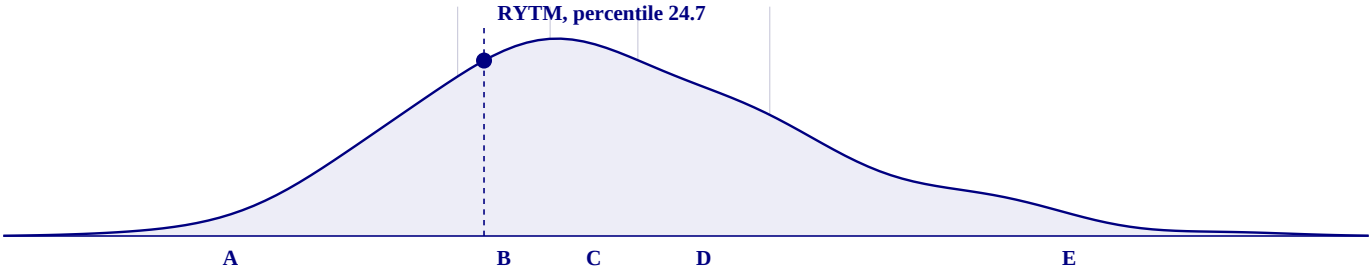
Warnings

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
71	Warby Parker Inc. (WRBY)	23.0	B	
72	Guardant Health, Inc. (GH)	23.4	B	
73	Cronos Group Inc. (CRON)	23.7	B	
74	Vertex Pharmaceuticals Inc. MA (VRTX)	24.0	B	
75	Pulmonx Corp. (LUNG)	24.3	B	fortress balance sheet
76	Rhythm Pharmaceuticals, Inc. (RYTM)	24.7	B	short runway
77	Axogen, Inc. (AXGN)	25.0	B	
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	
81	Mannatech Inc. (MTEX)	26.3	B	late filer, fortress balance sheet

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.

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	(16.3%)	(1.7%)	39
Distance from 52-week high	(5.6%)	(33.0%)	89
EBIT to enterprise value	(2.5%)	0.5%	40
Free cash flow yield	(1.5%)	0.6%	40
Book value to price	0.01	0.29	12
Sales to price	0.02	0.38	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%	58

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	20 (10-Q received Nov 3, 2026)
Median daily dollar volume, 63 sessions	$70.2M

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

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.

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

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.