

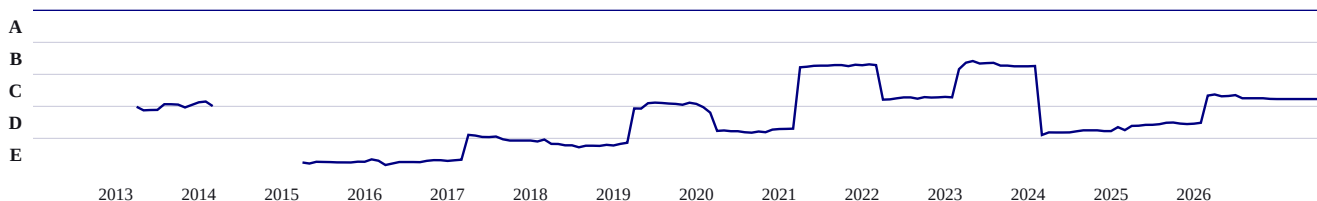
Telos Corp. (TLS)

Nasdaq; business equipment; SIC 7373, Services-Computer Integrated Systems Design; CIK 0000320121

Telos Corp. TLS; business equipment	
Grade C A B C D E middle fifth of 497 graded peers percentile 55.4; sampling error 2.2 points; lower is stronger	 C, the tortoise middle fifth of its sector; letters are fifths of the 497 graded peers
Rank 276 of 497	
Profitability B percentile 23.7	
Solvency C percentile 56.6	
Growth and financing D percentile 69.8	
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 \$139.9M	
Standard universe inside revenue above \$1M and assets above \$10M	
Warnings none active not computable: distress	
Inputs computable 9 of 14	
Graded from filings received through Mar 16, 2026 207 days before the rescans; latest periodic filing 10-Q received Aug 10, 2026	
Last close \$4.37 2026-10-08; market equity \$326.6M	
Price used in grade None	
	Share price, twelve months to the rescans <i>split-adjusted close; the letter is fixed at the rescans that set it</i>  Rescans on file: B from Mar 21, 2023, D/E from Mar 21, 2024, D from Apr 21,

Letter at every rescan

Jan 21, 2012 to Oct 9, 2026; sector percentile, 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 Mar 16, 2026

Telos Corporation is a Maryland corporation headquartered in Ashburn, Virginia. Telos Corporation, together with its subsidiaries (the "Company" or "Telos" or "We"), offers technology solutions and services that empower and protect the world's most security-conscious organizations. We deliver efficient, adaptable, and secure solutions that protect people, organizations, and information across government and industry. From cyber governance, risk and compliance ("GRC") with Xacta®, to identity and

biometric solutions, secure networks, and TSA PreCheck® enrollment, we help customers stay ahead of evolving threats. Our primary customers include the U.S.

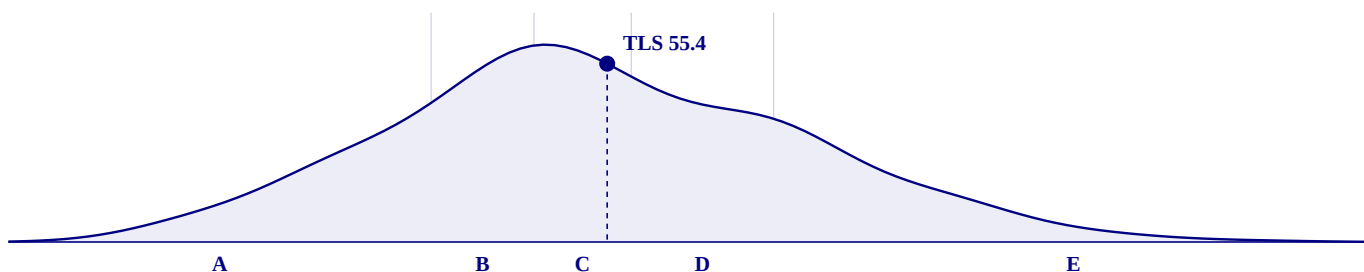
The fourteen inputs

lower percentile is stronger; equal-weighted sleeves

Input	Percentile, 0 to 100	Value	Peer median	Percentile	Peers	Period end
Profitability, sleeve percentile 23.7						
Gross profitability		43.6%	28.5%	22.3	558	2025-12-31
Return on invested capital		not computable	10.9%			average invested capital must exceed \$1,000,000
Accruals ratio		(44.8%)	(7.4%)	7.3	621	2025-12-31
Gross margin stability, five years		1.9 pts	2.4 pts	41.6	429	2025-12-31
Solvency, sleeve percentile 56.6						
Twelve-month failure probability		not computable	0.05%			latest liabilities, cash plus short-term investments, book equity, and shares are required
Altman Z double-prime		(5.40)	2.18	75.8	566	2025-12-31
Net debt to EBITDA		not computable	1.11x			latest aligned inputs end 2018-12-31; latest annual assets end 2025-12-31
Interest coverage		not computable	3.77x			latest aligned inputs end 2023-12-31; latest annual assets end 2025-12-31
Current ratio		2.57x	2.02x	37.4	666	2025-12-31
Growth and financing, sleeve percentile 69.8						
Revenue growth, three-year compound		(8.7%)	6.4%	85.3	538	2025-12-31
Free cash flow growth, three-year compound		23.8%	17.2%	40.8	268	2025-12-31
Reinvestment rate		not computable	14.3%			NOPAT must exceed \$100,000
Asset growth, three years		(16.2%)	5.0%	88.6	563	2025-12-31
Net share issuance, one year		2.3%	0.5%	64.5	407	2026-03-09

Among 497 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
271	Benchmark Electronics Inc. (BHE)	54.4	C	fortress balance sheet
272	Palo Alto Networks Inc. (PANW)	54.6	C	
273	Skyworks Solutions, Inc. (SWKS)	54.8	C	fortress balance sheet
274	TTM Technologies Inc. (TTMI)	55.0	C	
275	Espey MFG & Electronics Corp. (ESP)	55.2	C	
276	Telos Corp. (TLS) <	55.4	C	
277	Bandwidth Inc. (BAND)	55.6	C	
278	Teledyne Technologies Inc. (TDY)	55.8	C	
279	Seer, Inc. (SEER)	56.0	C	
280	GSI Technology Inc. (GSIT)	56.2	C	dilution
281	Lumentum Holdings Inc. (LITE)	56.5	C	dilution

What the price implies

at the 2026-10-08 close; none enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	(29.5%)	2.2%	24
Distance from 52-week high	(43.7%)	(30.0%)	34
EBIT to enterprise value	(13.9%)	1.5%	14
Free cash flow yield	9.0%	2.7%	83
Book value to price	0.29	0.23	56
Sales to price	0.50	0.30	63
Composite equity issuance, five years	14.5%	3.9%	64
Relative strength against the sector, log excess return	(0.63)	(0.26)	24

Diagnostics

not in 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	pass
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	\$50.6M
Operating cash flow, four quarters	\$34.6M
Months of runway	not finite
Days since last periodic filing	60 (10-Q received Aug 10, 2026)

Sources

each row links to the filing index on sec.gov

#	Concept	XBRL tag	Value	Period end	Received	Form	Accession
1	gross profit	us-gaap:GrossProfit	\$61.0M	2025-12-31	2026-03-16	10-K	0000320121-26-000010
2	assets	us-gaap:Assets	\$139.9M	2025-12-31	2026-03-16	10-K	0000320121-26-000010
3	operating income	us-gaap:OperatingIncomeLoss	\$9.0M	2018-12-31	2021-03-25	10-K	0001140361-21-009988
4	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeIncomeTaxesExtraordinaryItemsIncludableInNetEarnings	\$31.0M	2018-12-31	2021-03-25	10-K	0001140361-21-009988
5	income tax	us-gaap:IncomeTaxExpenseBenefit	\$31,000	2018-12-31	2021-03-25	10-K	0001140361-21-009988
6	total debt	us-gaap:LongTermDebt	\$11.0M	2018-12-31	2019-04-01	10-K	0000320121-19-000007
7	book equity	us-gaap:StockholdersEquity	-\$134.7M	2018-12-31	2020-04-13	10-K	0000320121-20-000009
8	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	\$72,000	2018-12-31	2020-04-13	10-K	0000320121-20-000009
9	total debt	us-gaap:LongTermDebt	\$10.8M	2017-12-31	2019-04-01	10-K	0000320121-19-000007
10	book equity	us-gaap:StockholdersEquity	-\$136.9M	2017-12-31	2019-04-01	10-K	0000320121-19-000007
11	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	\$600,000	2017-12-31	2019-04-01	10-K	0000320121-19-000007
12	net income	us-gaap:NetIncomeLoss	-\$36.5M	2025-12-31	2026-03-16	10-K	0000320121-26-000010
13	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	\$30.2M	2025-12-31	2026-03-16	10-K	0000320121-26-000010
14	assets	us-gaap:Assets	\$158.2M	2024-12-31	2026-03-16	10-K	0000320121-26-000010
15	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$164.8M	2025-12-31	2026-03-16	10-K	0000320121-26-000010
16	gross profit	us-gaap:GrossProfit	\$34.4M	2024-12-31	2026-03-16	10-K	0000320121-26-000010
17	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$108.3M	2024-12-31	2026-03-16	10-K	0000320121-26-000010
18	gross profit	us-gaap:GrossProfit	\$52.9M	2023-12-31	2025-03-10	10-K	0000320121-25-000011
19	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$145.4M	2023-12-31	2025-03-10	10-K	0000320121-25-000011
20	gross profit	us-gaap:GrossProfit	\$79.0M	2022-12-31	2024-03-15	10-K	0000320121-24-000017
21	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$216.9M	2022-12-31	2024-03-15	10-K	0000320121-24-000017
22	gross profit	us-gaap:GrossProfit	\$86.0M	2021-12-31	2023-03-16	10-K	0000320121-23-000016
23	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$242.4M	2021-12-31	2023-03-16	10-K	0000320121-23-000016
24	current assets	us-gaap:AssetsCurrent	\$94.4M	2025-12-31	2026-03-16	10-K	0000320121-26-000010
25	current liabilities	us-gaap:LiabilitiesCurrent	\$36.8M	2025-12-31	2026-03-16	10-K	0000320121-26-000010
26	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	-\$363.9M	2025-12-31	2026-03-16	10-K	0000320121-26-000010
27	operating income	us-gaap:OperatingIncomeLoss	-\$39.9M	2025-12-31	2026-03-16	10-K	0000320121-26-000010
28	book equity	us-gaap:StockholdersEquity	\$96.0M	2025-12-31	2026-03-16	10-K	0000320121-26-000010
29	liabilities	us-gaap:Liabilities	\$43.9M	2025-12-31	2026-03-16	10-K	0000320121-26-000010
30	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	\$3.0M	2018-12-31	2021-03-25	10-K	0001140361-21-009988
31	operating income	us-gaap:OperatingIncomeLoss	-\$40.3M	2023-12-31	2025-03-10	10-K	0000320121-25-000011
32	interest expense	us-gaap:InterestExpense	\$786,000	2023-12-31	2024-03-15	10-K	0000320121-24-000017
33	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$739,000	2025-12-31	2026-03-16	10-K	0000320121-26-000010
34	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-\$25.9M	2024-12-31	2026-03-16	10-K	0000320121-26-000010
35	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$2.3M	2024-12-31	2026-03-16	10-K	0000320121-26-000010
36	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	\$1.6M	2023-12-31	2025-03-10	10-K	0000320121-25-000011
37	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$926,000	2023-12-31	2025-03-10	10-K	0000320121-25-000011
38	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	\$16.5M	2022-12-31	2024-03-15	10-K	0000320121-24-000017
39	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$1.0M	2022-12-31	2024-03-15	10-K	0000320121-24-000017
40	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	\$11.5M	2025-12-31	2026-03-16	10-K	0000320121-26-000010
41	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeIncomeTaxesExtraordinaryItemsIncludableInNetEarnings	\$37.2M	2025-12-31	2026-03-16	10-K	0000320121-26-000010
42	income tax	us-gaap:IncomeTaxExpenseBenefit	-\$663,000	2025-12-31	2026-03-16	10-K	0000320121-26-000010
43	current assets	us-gaap:AssetsCurrent	\$91.4M	2024-12-31	2026-03-16	10-K	0000320121-26-000010
44	current liabilities	us-gaap:LiabilitiesCurrent	\$22.1M	2024-12-31	2026-03-16	10-K	0000320121-26-000010
45	assets	us-gaap:Assets	\$208.7M	2023-12-31	2025-03-10	10-K	0000320121-25-000011
46	assets	us-gaap:Assets	\$237.4M	2022-12-31	2024-03-15	10-K	0000320121-24-000017
47	shares outstanding	dei:EntityCommonStockSharesOutstanding	74,217,621	2026-03-09	2026-03-16	10-K	0000320121-26-000010
48	shares outstanding	dei:EntityCommonStockSharesOutstanding	72,552,120	2025-03-03	2025-03-10	10-K	0000320121-25-000011