Cloudflare, Inc.

NET

NYSE; business equipment; SIC 7372, Services-Prepackaged Software; CIK 0001477333

A

strongest fifth of 496 graded peers in business equipment

rank 36 of 496; percentile 7.1; sampling error 2.2 points; lower is stronger

A B C D E

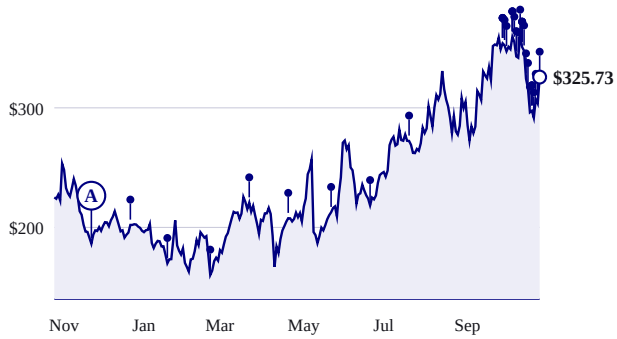
A, the bull



Scoreboard

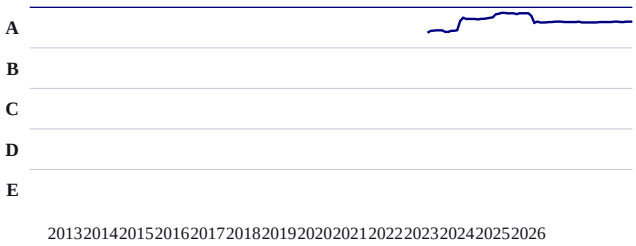
Profitability	B percentile 32.0
Solvency	C percentile 47.5
Growth and financing	A percentile 9.6
Reliability	0.94 AUC filers with over $2.67B assets; 95% interval 0.88 to 0.97; 61 events, 2020 to 2025
Peer failure rate	0.52% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	over $2.67B assets total assets $6.0B
Standard universe	inside revenue above $1M and assets above $10M
Warnings	none triggered not computable: dilution, distress, fortress balance sheet
Inputs computable	7 of 14
Graded from	filings received through Feb 26, 2026 242 days before the rescan; latest periodic filing 10-Q received Aug 6, 2026
Last close	$325.80 2026-10-23; market equity $0; 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

Over the past decade, the technology industry has been undergoing a massive transition from on-premises hardware and software that customers buy, to services in the cloud that they rent. Organizations find themselves at different points in this transition to the cloud. Regardless of where organizations are in their transition, they all face a common set of challenges: they exist in a complex, heterogeneous infrastructure environment which exacerbates the fundamental problems of the Internet more than ever, and the on-premises hardware boxes that they once relied upon to solve these problems were never designed to work in such an environment.

The fourteen 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 32.0						
Gross profitability	26.8%	28.6%		49.8	557	2025-12-31
Return on invested capital	not computable	11.2%				
one or more required annual facts are missing						

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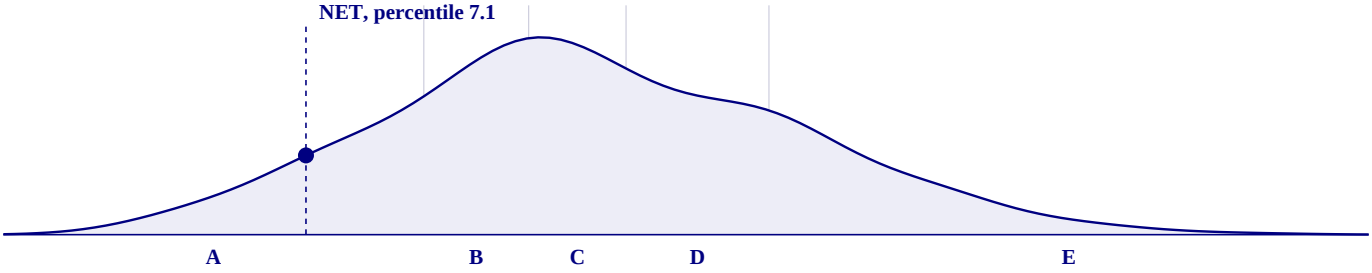
Accruals ratio	(15.1%)	(7.3%)	27.8	620	2025-12-31
Gross margin stability, five years	1.1 pts	2.3 pts	18.4	426	2025-12-31
Solvency, sleeve percentile 47.5					
Twelve-month failure probability	not computable	0.05%			
liabilities and a nearby cover-page share count are required at 2026-06-30					
Altman Z double-prime	1.95	2.15	44.7	567	2025-12-31
Net debt to EBITDA	not computable	1.11x			
one or more required annual facts are missing					
Interest coverage	not computable	3.77x			
latest aligned inputs end 2023-12-31; latest annual assets end 2025-12-31					
Current ratio	1.98x	2.01x	50.4	664	2025-12-31
Growth and financing, sleeve percentile 9.6					
Revenue growth, three-year compound	30.5%	6.4%	9.7	536	2025-12-31
Free cash flow growth, three-year compound	not computable	18.1%			
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	32.6%	5.1%	9.5	561	2025-12-31
Net share issuance, one year	not computable	0.5%			
two annual share counts are required; found 0					

Among 496 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
31	Qualcomm Inc/De (QCOM)	6.1	A	
32	NeoVolta Inc. (NEOV)	6.4	A	
33	NeoVolta Inc. (NEOVW)	6.4	A	
34	SPS Commerce Inc. (SPSC)	6.7	A	
35	M-tron Industries, Inc. (MPTI)	6.9	A	fortress balance sheet
36	Cloudflare, Inc. (NET)	7.1	A	
37	JFrog Ltd. (FROG)	7.3	A	
38	Napco Security Technologies, Inc. (NSSC)	7.5	A	fortress balance sheet
39	Garmin Ltd. (GRMN)	7.7	A	
40	Adobe Inc. (ADBE)	7.9	A	
41	Commvault Systems Inc. (CVLT)	8.1	A	

What the price implies

at the 2026-10-23 close; none of these enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	42.2%	2.2%	77
Distance from 52-week high	(9.8%)	(32.8%)	80
EBIT to enterprise value	not computable	1.6%	

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Free cash flow yield	not computable	2.9%	
Book value to price	not computable	0.26	
Sales to price	not computable	0.32	
Composite equity issuance, five years	not computable	4.2%	
Relative strength against the sector, log excess return	0.07	(0.26)	77

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	fail
Asset turnover improved	pass
Cash, filings, liquidity	
Cash and equivalents	$1.7B
Operating cash flow, four quarters	$633.4M
Months of runway	not finite
Days since last periodic filing	81 (10-Q received Aug 6, 2026)
Median daily dollar volume, 63 sessions	$975.0M

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	$1.6B	2025-12-31	2026-02-26	10-K	26-000016
2	assets	us-gaap:Assets	$6.0B	2025-12-31	2026-02-26	10-K	26-000016
3	net income	us-gaap:NetIncomeLoss	-$102.3M	2025-12-31	2026-02-26	10-K	26-000016
4	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$603.1M	2025-12-31	2026-02-26	10-K	26-000016
5	assets	us-gaap:Assets	$3.3B	2024-12-31	2026-02-26	10-K	26-000016
6	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$2.2B	2025-12-31	2026-02-26	10-K	26-000016
7	gross profit	us-gaap:GrossProfit	$1.3B	2024-12-31	2026-02-26	10-K	26-000016
8	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$1.7B	2024-12-31	2026-02-26	10-K	26-000016
9	gross profit	us-gaap:GrossProfit	$989.7M	2023-12-31	2026-02-26	10-K	26-000016
10	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$1.3B	2023-12-31	2026-02-26	10-K	26-000016
11	gross profit	us-gaap:GrossProfit	$742.6M	2022-12-31	2025-02-20	10-K	25-000043
12	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$975.2M	2022-12-31	2025-02-20	10-K	25-000043
13	gross profit	us-gaap:GrossProfit	$509.3M	2021-12-31	2024-02-21	10-K	24-000013
14	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$656.4M	2021-12-31	2024-02-21	10-K	24-000013
15	current assets	us-gaap:AssetsCurrent	$4.6B	2025-12-31	2026-02-26	10-K	26-000016
16	current liabilities	us-gaap:LiabilitiesCurrent	$2.4B	2025-12-31	2026-02-26	10-K	26-000016
17	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	-$1.2B	2025-12-31	2026-02-26	10-K	26-000016
18	operating income	us-gaap:OperatingIncomeLoss	-$207.2M	2025-12-31	2026-02-26	10-K	26-000016
19	book equity	us-gaap:StockholdersEquity	$1.5B	2025-12-31	2026-02-26	10-K	26-000016
20	liabilities	us-gaap:Liabilities	$4.6B	2025-12-31	2026-02-26	10-K	26-000016
21	operating income	us-gaap:OperatingIncomeLoss	-$185.5M	2023-12-31	2026-02-26	10-K	26-000016
22	interest expense	us-gaap:InterestExpense	$5.9M	2023-12-31	2024-02-21	10-K	24-000013
23	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$315.6M	2025-12-31	2026-02-26	10-K	26-000016
24	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$380.4M	2024-12-31	2026-02-26	10-K	26-000016
25	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$185.0M	2024-12-31	2026-02-26	10-K	26-000016

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26	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$254.4M	2023-12-31	2026-02-26	10-K	26-000016
27	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$114.4M	2023-12-31	2026-02-26	10-K	26-000016
28	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$123.6M	2022-12-31	2025-02-20	10-K	25-000043
29	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$143.6M	2022-12-31	2025-02-20	10-K	25-000043
30	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	$189.7M	2025-12-31	2026-02-26	10-K	26-000016
31	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	-$92.7M	2025-12-31	2026-02-26	10-K	26-000016
32	income tax	us-gaap:IncomeTaxExpenseBenefit	$9.6M	2025-12-31	2026-02-26	10-K	26-000016
33	current assets	us-gaap:AssetsCurrent	$2.3B	2024-12-31	2026-02-26	10-K	26-000016
34	current liabilities	us-gaap:LiabilitiesCurrent	$793.7M	2024-12-31	2026-02-26	10-K	26-000016
35	assets	us-gaap:Assets	$2.8B	2023-12-31	2025-02-20	10-K	25-000043
36	assets	us-gaap:Assets	$2.6B	2022-12-31	2024-02-21	10-K	24-000013

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