Tucows Inc.

TCX

Nasdaq; business equipment; SIC 7374, Services-Computer Processing & Data Preparation; CIK 0000909494

E

weakest fifth of 496 graded peers in business equipment

rank 454 of 496; percentile 91.5; sampling error 2.2 points; lower is stronger

A B C D E

E, the bear



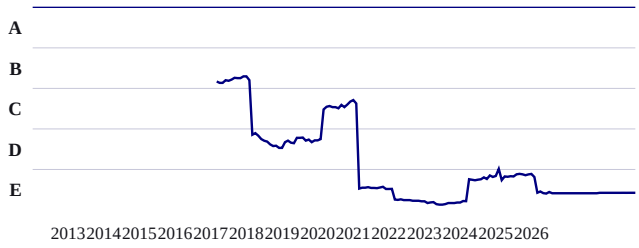
Scoreboard	
Profitability	C percentile 56.0
Solvency	E percentile 93.0
Growth and financing	C percentile 50.9
Reliability	0.91 AUC filers with $591M to $2.67B assets; 95% interval 0.88 to 0.94; 160 events, 2020 to 2025
Peer failure rate	1.01% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	$591M to $2.67B assets total assets $730.9M
Standard universe	inside revenue above $1M and assets above $10M
Warnings	none triggered not computable: distress
Inputs computable	8 of 14
Graded from	filings received through Mar 12, 2026 228 days before the rescan; latest periodic filing 10-Q received Aug 6, 2026
Last close	$11.90 2026-10-23; market equity $133.1M; 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 Mar 12, 2026

Our mission is to provide simple useful services that help people unlock the power of the Internet. We accomplish this by reducing the complexity of our customers' experience as they access the Internet (at home or on the go) and while using Internet services such as domain name registration, email and other Internet related services. We are organized into three operating and reporting segments - Ting, Wavelo, and Tucows Domains. Each segment is differentiated primarily by their services, the markets they serve and the regulatory environments in which they operate.

The fourteen inputs

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

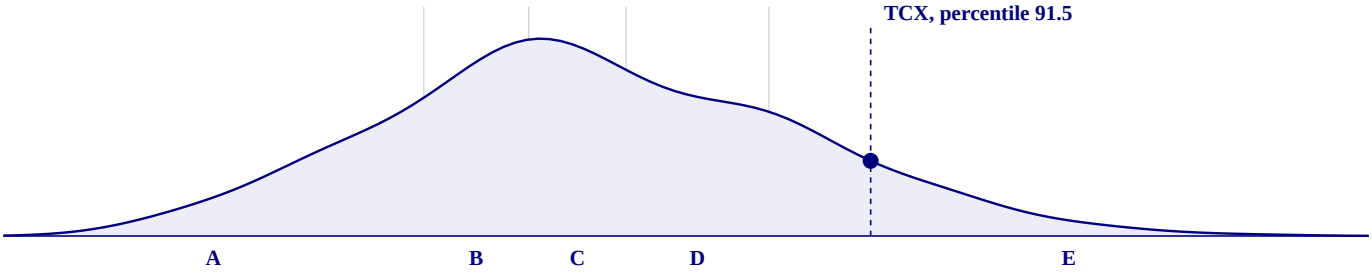
Input	Value	Peer median	Percentile, 0 to 100	Pct	Peers	Period end
Profitability, sleeve percentile 56.0						
Gross profitability	12.9%	28.6%		76.8	557	2025-12-31
Return on invested capital	not computable	11.2%				
pretax income must exceed the validity floor and imply a 0%-100% tax rate						

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Accruals ratio	(9.4%)	(7.3%)	45.1	620	2025-12-31
Gross margin stability, five years	2.1 pts	2.3 pts	46.1	426	2025-12-31
Solvency, sleeve percentile 93.0					
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	not computable	2.15			
one or more required annual facts are missing					
Net debt to EBITDA	7.94x	1.11x	94.5	147	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	0.61x	2.01x	91.4	664	2025-12-31
Growth and financing, sleeve percentile 50.9					
Revenue growth, three-year compound	6.7%	6.4%	48.8	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	3.2%	5.1%	52.3	561	2025-12-31
Net share issuance, one year	0.9%	0.5%	51.7	409	2026-03-10

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
449	BIO KEY International Inc. (BKYI)	90.5	E	short runway, late filer
450	Firefly Neuroscience, Inc. (AIFF)	90.7	E	dilution, late filer, fortress balance sheet
451	Laser Photonics Corp. (LASE)	90.9	E	late filer
452	Marketwise, Inc. (MKTW)	91.1	E	
453	Skillsoft Corp. (SKIL)	91.3	E	
454	Tucows Inc. (TCX)	91.5	E	
455	Atomera Inc. (ATOM)	91.7	E	dilution, degenerate inputs
456	Hewlett Packard Enterprise Co. (HPE)	92.0	E	
457	Hewlett Packard Enterprise Co. (HPE-PC)	92.0	E	
458	EyePoint, Inc. (EYPT)	92.3	E	short runway, fortress balance sheet
459	RideNow Group, Inc. (RDNW)	92.5	E	

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	(43.0%)	2.2%	16
Distance from 52-week high	(51.9%)	(32.8%)	28
EBIT to enterprise value	(8.4%)	1.6%	18

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Free cash flow yield	(17.1%)	2.9%	13
Book value to price	(1.50)	0.26	2
Sales to price	2.91	0.32	92
Composite equity issuance, five years	5.2%	4.2%	51
Relative strength against the sector, log excess return	(0.84)	(0.26)	16

Diagnostics

shown on every report; none enters the grade

Measure	Value
Piotroski F-score 4 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	fail
Current ratio improved	fail
No new shares issued	fail
Gross margin improved	pass
Asset turnover improved	pass
Cash, filings, liquidity	
Cash and equivalents	$44.2M
Operating cash flow, four quarters	$4.4M
Months of runway	not finite
Days since last periodic filing	81 (10-Q received Aug 6, 2026)
Median daily dollar volume, 63 sessions	$724,274

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	$94.0M	2025-12-31	2026-03-12	10-K	26-008009
2	assets	us-gaap:Assets	$730.9M	2025-12-31	2026-03-12	10-K	26-008009
3	operating income	us-gaap:OperatingIncomeLoss	-$23.5M	2025-12-31	2026-03-12	10-K	26-008009
4	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	-$67.3M	2025-12-31	2026-03-12	10-K	26-008009
5	income tax	us-gaap:IncomeTaxExpenseBenefit	$8.5M	2025-12-31	2026-03-12	10-K	26-008009
6	total debt	us-gaap:LongTermDebt	$190.4M	2025-12-31	2026-03-12	10-K	26-008009
7	book equity	us-gaap:StockholdersEquity	-$164.2M	2025-12-31	2026-03-12	10-K	26-008009
8	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$46.8M	2025-12-31	2026-03-12	10-K	26-008009
9	total debt	us-gaap:LongTermDebt	$195.4M	2024-12-31	2025-03-13	10-K	25-007558
10	book equity	us-gaap:StockholdersEquity	-$95.3M	2024-12-31	2026-03-12	10-K	26-008009
11	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$56.9M	2024-12-31	2026-03-12	10-K	26-008009
12	net income	us-gaap:NetIncomeLoss	-$75.8M	2025-12-31	2026-03-12	10-K	26-008009
13	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-$5.8M	2025-12-31	2026-03-12	10-K	26-008009
14	assets	us-gaap:Assets	$758.8M	2024-12-31	2026-03-12	10-K	26-008009
15	revenue	us-gaap:RevenueFromContractWithCustomerIncludingAs...	$390.3M	2025-12-31	2026-03-12	10-K	26-008009
16	gross profit	us-gaap:GrossProfit	$83.0M	2024-12-31	2026-03-12	10-K	26-008009
17	revenue	us-gaap:Revenues	$362.3M	2024-12-31	2025-03-13	10-K	25-007558
18	gross profit	us-gaap:GrossProfit	$66.7M	2023-12-31	2026-03-12	10-K	26-008009
19	revenue	us-gaap:Revenues	$339.3M	2023-12-31	2025-03-13	10-K	25-007558
20	gross profit	us-gaap:GrossProfit	$78.2M	2022-12-31	2025-03-13	10-K	25-007558
21	revenue	us-gaap:Revenues	$321.1M	2022-12-31	2025-03-13	10-K	25-007558
22	gross profit	us-gaap:GrossProfit	$78.3M	2021-12-31	2024-04-01	10-K	24-010358
23	revenue	us-gaap:RevenueFromContractWithCustomerIncludingAs...	$304.3M	2021-12-31	2024-04-01	10-K	24-010358
24	depreciation amortization	us-gaap:Depreciation	$41.6M	2025-12-31	2026-03-12	10-K	26-008009
25	operating income	us-gaap:OperatingIncomeLoss	-$63.7M	2023-12-31	2026-03-12	10-K	26-008009

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26	interest expense	us-gaap:InterestExpense	$46.3M	2023-12-31	2024-04-01	10-K	24-010358
27	current assets	us-gaap:AssetsCurrent	$203.1M	2025-12-31	2026-03-12	10-K	26-008009
28	current liabilities	us-gaap:LiabilitiesCurrent	$330.4M	2025-12-31	2026-03-12	10-K	26-008009
29	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$17.1M	2025-12-31	2026-03-12	10-K	26-008009
30	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-$19.7M	2024-12-31	2026-03-12	10-K	26-008009
31	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$56.5M	2024-12-31	2026-03-12	10-K	26-008009
32	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-$4.8M	2023-12-31	2026-03-12	10-K	26-008009
33	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$92.1M	2023-12-31	2026-03-12	10-K	26-008009
34	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$19.9M	2022-12-31	2025-03-13	10-K	25-007558
35	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$136.7M	2022-12-31	2025-03-13	10-K	25-007558
36	current assets	us-gaap:AssetsCurrent	$205.4M	2024-12-31	2026-03-12	10-K	26-008009
37	current liabilities	us-gaap:LiabilitiesCurrent	$199.9M	2024-12-31	2026-03-12	10-K	26-008009
38	assets	us-gaap:Assets	$798.4M	2023-12-31	2025-03-13	10-K	25-007558
39	assets	us-gaap:Assets	$664.7M	2022-12-31	2024-04-01	10-K	24-010358
40	shares outstanding	dei:EntityCommonStockSharesOutstanding	11,128,972	2026-03-10	2026-03-12	10-K	26-008009
41	shares outstanding	dei:EntityCommonStockSharesOutstanding	11,032,586	2025-03-10	2025-03-13	10-K	25-007558

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