# Zedge, Inc.

**ZDGE**

NYSE; business equipment; SIC 7372, Services-Prepackaged Software; CIK 0001667313

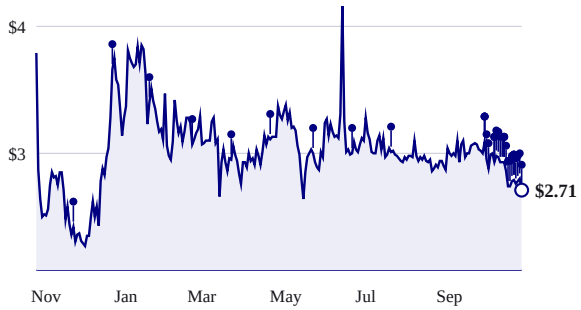
# None

### No letter

6 of 14 inputs computable; 7 are required, with a score in every sleeve

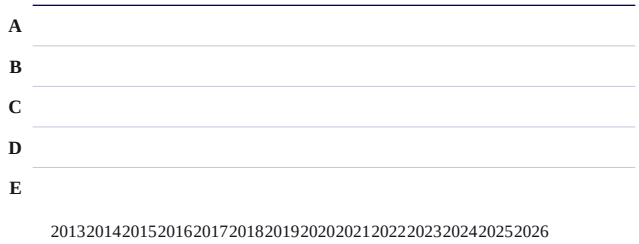
| Scoreboard | |
|---|---|
| **Reliability** | 0.83 AUC<br>filers with $12.5M to $120M assets; 95% interval 0.79 to 0.86; 201 events, 2020 to 2025 |
| **Peer failure rate** | 1.07% a year<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | $12.5M to $120M assets<br>total assets $35.7M |
| **Standard universe** | inside<br>revenue above $1M and assets above $10M |
| **Warnings** | thin data<br>not computable: dilution, distress, fortress balance sheet |
| **Inputs computable** | 6 of 14 |
| **Graded from** | filings received through Oct 28, 2025<br>363 days before the rescan; latest periodic filing 10-Q received Jun 12, 2026 |
| **Last close** | $2.73<br>2026-10-23; market equity $1.4M; 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 Oct 28, 2025*

builds digital marketplaces and friendly competitive games around content that people use to express themselves. Our leading products include Zedge Ringtones and Wallpapers, which we refer to as our "Zedge App," a freemium digital content marketplace offering mobile phone wallpapers, video wallpapers, ringtones, and notification sounds as well as pAInt, a generative AI wallpaper and ringtone maker, GuruShots, a skill-based photo challenge game, and Emojipedia, the #1 trusted source for ?all things emoji'. Our vision is to enable and connect creators who enjoy friendly competitions with a community of prospective consumers in order to drive commerce.

## 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 63.0** | | | | | | |
| Gross profitability | (329.8%) | 28.6% | | 100.0 | 557 | 2025-07-31 |
| Return on invested capital | not computable | 11.2% | | | | |

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| | | | | | | |
|---|---|---|---|---|---|---|
| *one or more required annual facts are missing* | | | | | | |
| Accruals ratio | (15.7%) | (7.3%) | | 26.0 | 620 | 2025-07-31 |
| Gross margin stability, five years | not computable | 2.3 pts | | | | |
| *five consecutive annual gross margins are required* | | | | | | |
| **Solvency, sleeve percentile 32.2** | | | | | | |
| Twelve-month failure probability | not computable | 0.05% | | | | |
| *liabilities and a nearby cover-page share count are required at 2026-04-30* | | | | | | |
| Altman Z double-prime | 3.46 | 2.15 | | 32.2 | 567 | 2025-07-31 |
| Net debt to EBITDA | not computable | 1.11x | | | | |
| *one or more required annual facts are missing* | | | | | | |
| Interest coverage | not computable | 3.77x | | | | |
| *one or more required annual facts are missing* | | | | | | |
| Current ratio | 2.89x | 2.01x | | 32.3 | 664 | 2025-07-31 |
| **Growth and financing, sleeve percentile 72.3** | | | | | | |
| Revenue growth, three-year compound | 3.5% | 6.4% | | 57.9 | 536 | 2025-07-31 |
| Free cash flow growth, three-year compound | not computable | 18.1% | | | | |
| *four consecutive annual FCF observations are required; found 3* | | | | | | |
| Reinvestment rate | not computable | 14.3% | | | | |
| *NOPAT must exceed $100,000* | | | | | | |
| Asset growth, three years | (13.3%) | 5.1% | | 86.6 | 561 | 2025-07-31 |
| Net share issuance, one year | not computable | 0.5% | | | | |
| *two annual share counts are required; found 1* | | | | | | |

## Warnings

*1 of 7 checks triggered; none of them enters the letter*

| Check | Measured |
|---|---|
| Thin data | 6 of 14 grade factors are computable; minimum is 7 |

## 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 | 6.9% | 2.2% | 54 |
| Distance from 52-week high | (34.9%) | (32.8%) | 48 |
| EBIT to enterprise value | not computable | 1.6% | |
| Free cash flow yield | 234.8% | 2.9% | 100 |
| Book value to price | 17.27 | 0.26 | 99 |
| Sales to price | 20.67 | 0.32 | 100 |
| Composite equity issuance, five years | not computable | 4.2% | |
| Relative strength against the sector, log excess return | (0.22) | (0.26) | 54 |

## Diagnostics

*shown on every report; none enters the grade*

| Measure | Value |
|---|---|
| **Piotroski F-score None of 9, period end 2025-07-31** | |
| 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 | fail |

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| | |
|---|---|
| Asset turnover improved | pass |

**Cash, filings, liquidity**

| | |
|---|---|
| Cash and equivalents | $19.7M |
| Operating cash flow, four quarters | $3.6M |
| Months of runway | not finite |
| Days since last periodic filing | 136 (10-Q received Jun 12, 2026) |
| Median daily dollar volume, 63 sessions | $121,030 |

## 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:Revenues | $29.4M | 2025-07-31 | 2025-10-28 | 10-K | 25-103098 |
| 2 | cost of revenue | us-gaap:CostOfRevenue | $147.0M | 2025-07-31 | 2025-10-28 | 10-K | 25-103098 |
| 3 | assets | us-gaap:Assets | $35.7M | 2025-07-31 | 2025-10-28 | 10-K | 25-103098 |
| 4 | net income | us-gaap:NetIncomeLoss | -$2.4M | 2025-07-31 | 2025-10-28 | 10-K | 25-103098 |
| 5 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $3.4M | 2025-07-31 | 2025-10-28 | 10-K | 25-103098 |
| 6 | assets | us-gaap:Assets | $38.2M | 2024-07-31 | 2025-10-28 | 10-K | 25-103098 |
| 7 | current assets | us-gaap:AssetsCurrent | $22.4M | 2025-07-31 | 2025-10-28 | 10-K | 25-103098 |
| 8 | current liabilities | us-gaap:LiabilitiesCurrent | $7.8M | 2025-07-31 | 2025-10-28 | 10-K | 25-103098 |
| 9 | retained earnings | us-gaap:RetainedEarningsAccumulatedDeficit | -$15.5M | 2025-07-31 | 2025-10-28 | 10-K | 25-103098 |
| 10 | operating income | us-gaap:OperatingIncomeLoss | -$3.2M | 2025-07-31 | 2025-10-28 | 10-K | 25-103098 |
| 11 | book equity | us-gaap:StockholdersEquity | $25.9M | 2025-07-31 | 2025-10-28 | 10-K | 25-103098 |
| 12 | liabilities | us-gaap:Liabilities | $9.8M | 2025-07-31 | 2025-10-28 | 10-K | 25-103098 |
| 13 | revenue | us-gaap:Revenues | $30.1M | 2024-07-31 | 2025-10-28 | 10-K | 25-103098 |
| 14 | revenue | us-gaap:Revenues | $27.2M | 2023-07-31 | 2024-10-29 | 10-K | 24-091735 |
| 15 | revenue | us-gaap:Revenues | $26.5M | 2022-07-31 | 2023-10-30 | 10-K | 23-081544 |
| 16 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $83,000 | 2025-07-31 | 2025-10-28 | 10-K | 25-103098 |
| 17 | depreciation amortization | us-gaap:DepreciationDepletionAndAmortization | $700,000 | 2025-07-31 | 2025-10-28 | 10-K | 25-103098 |
| 18 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | -$2.7M | 2025-07-31 | 2025-10-28 | 10-K | 25-103098 |
| 19 | income tax | us-gaap:IncomeTaxExpenseBenefit | -$325,000 | 2025-07-31 | 2025-10-28 | 10-K | 25-103098 |
| 20 | current assets | us-gaap:AssetsCurrent | $24.0M | 2024-07-31 | 2025-10-28 | 10-K | 25-103098 |
| 21 | current liabilities | us-gaap:LiabilitiesCurrent | $6.2M | 2024-07-31 | 2025-10-28 | 10-K | 25-103098 |
| 22 | assets | us-gaap:Assets | $46.8M | 2023-07-31 | 2024-10-29 | 10-K | 24-091735 |
| 23 | assets | us-gaap:Assets | $54.6M | 2022-07-31 | 2023-10-30 | 10-K | 23-081544 |
| 24 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 524,775 | 2021-11-05 | 2021-11-09 | 10-K | 21-057733 |

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