# ZW Data Action Technologies Inc.

**CNET**

Nasdaq; business equipment; SIC 7370, Services-Computer Programming, Data Processing, Etc.; CIK 0001376321

**E**

**weakest fifth of 497 graded peers in business equipment**

rank 490 of 497; percentile 98.6; sampling error 2.2 points; lower is stronger

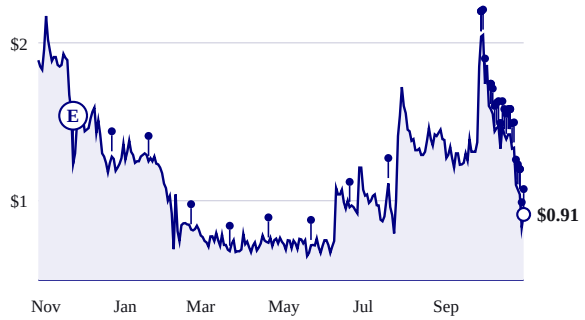
A B C D E

**E, the bear**



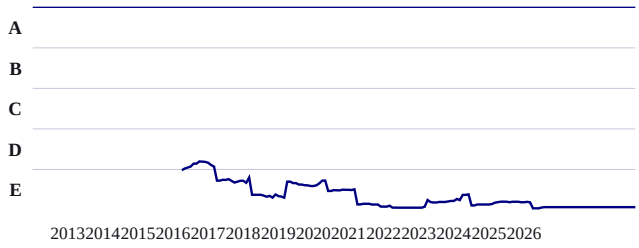
| Scoreboard | |
|---|---|
| **Profitability** | D<br>percentile 67.1 |
| **Solvency** | D<br>percentile 76.6 |
| **Growth and financing** | E<br>percentile 93.9 |
| **Reliability** | 0.76 AUC<br>filers with under $12.5M assets; 95% interval 0.65 to 0.86; 63 events, 2020 to 2025 |
| **Peer failure rate** | 0.60% a year<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | under $12.5M assets<br>total assets $9.7M |
| **Standard universe** | outside<br>revenue above $1M and assets above $10M |
| **Warnings** | dilution, late filer<br>not computable: distress, fortress balance sheet |
| **Inputs computable** | 8 of 14 |
| **Graded from** | filings received through Mar 31, 2026<br>212 days before the rescan; latest periodic filing 10-Q received Aug 14, 2026 |
| **Last close** | $0.85<br>2026-10-28; market equity $3.1M; 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 31, 2026*

We are a holding company that conducts our businesses through our subsidiaries outside of mainland China, PRC subsidiaries and operating entities (the "VIEs"). We primarily operate a one-stop services for our clients on our Omni-channel advertising, precision marketing, influencer marketing and data analysis management system. We also develop blockchain enabled web/mobile applications and provide software solutions, i.e., Software-as-a-Service ("SaaS") services for clients. In addition, we provide intellectual property licensing services.

## 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 67.1** | | | | | | |
| Gross profitability | 3.6% | 28.6% | | 89.2 | 555 | 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 | (8.7%) | (7.4%) | 48.1 | 618 | 2025-12-31 |
| Gross margin stability, five years | 3.3 pts | 2.3 pts | 64.0 | 426 | 2025-12-31 |
| **Solvency, sleeve percentile 76.6** | | | | | |
| 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 | (20.78) | 2.16 | 89.0 | 565 | 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 | | | |
| *interest expense must exceed $100,000* | | | | | |
| Current ratio | 1.49x | 2.01x | 64.1 | 662 | 2025-12-31 |
| **Growth and financing, sleeve percentile 93.9** | | | | | |
| Revenue growth, three-year compound | (44.0%) | 6.3% | 97.9 | 535 | 2025-12-31 |
| Free cash flow growth, three-year compound | not computable | 18.0% | | | |
| *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 | (21.0%) | 5.1% | 93.2 | 560 | 2025-12-31 |
| Net share issuance, one year | 42.0% | 0.5% | 90.4 | 409 | 2026-03-31 |

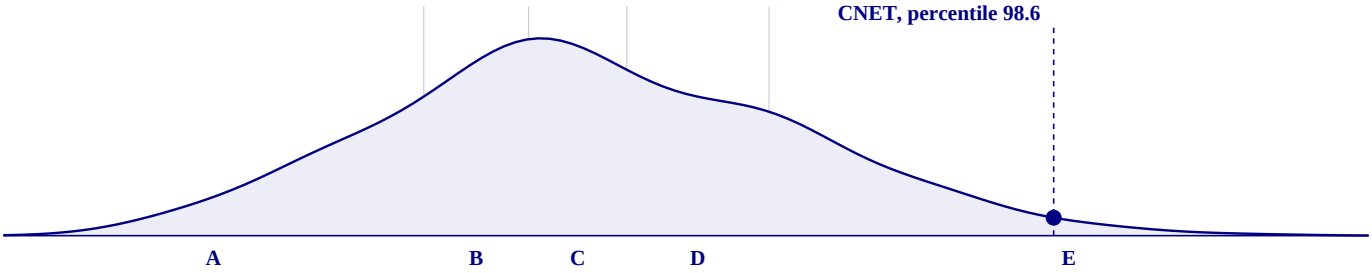
## Warnings

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

| Check | Measured |
|---|---|
| Dilution | split-adjusted year-over-year share growth is 42.0% |
| Late filer | found 3 NT 10-K/Q filings in the last eight quarters |

## 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 |
|---|---|---|---|---|
| 485 | Healthcare Triangle, Inc. (HCTI) | 97.6 | E | dilution, short runway, late filer |
| 486 | Flux Power Holdings, Inc. (FLUX) | 97.8 | E | dilution, short runway, late filer |
| 487 | Firy Inc. (FIRY) | 98.0 | E | late filer, fortress balance sheet |
| 488 | Rackspace Technology, Inc. (RXT) | 98.2 | E | late filer |
| 489 | Focus Universal Inc. (FCUV) | 98.4 | E | dilution, distress |
| 490 | ZW Data Action Technologies Inc. (CNET) | 98.6 | E | dilution, late filer |
| 491 | Palladyne AI Corp. (PDYN) | 98.8 | E | dilution |
| 492 | Polar Power, Inc. (POLA) | 99.0 | E | dilution, short runway, late filer, fortress balance sheet |
| 493 | Sports Entertainment Gaming Global Corp. (LTRYW) | 99.3 | E | short runway, late filer |
| 494 | Sports Entertainment Gaming Global Corp. (SEGG) | 99.3 | E | short runway, late filer |
| 495 | Pixelworks, Inc. (PXLW) | 99.6 | E | dilution, fortress balance sheet |

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## What the price implies

*at the 2026-10-28 close; none of these enters the grade*

| Measure | Value | Peer median | Percentile |
|---|---|---|---|
| Twelve-month price change, skipping the latest month | (40.8%) | 2.2% | 17 |
| Distance from 52-week high | (57.9%) | (30.5%) | 21 |
| EBIT to enterprise value | not computable | 1.5% | |
| Free cash flow yield | (29.7%) | 2.8% | 10 |
| Book value to price | 1.23 | 0.25 | 90 |
| Sales to price | 1.38 | 0.31 | 83 |
| Composite equity issuance, five years | 85.2% | 4.1% | 90 |
| Relative strength against the sector, log excess return | (0.81) | (0.26) | 17 |

## 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 | 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 | fail |
| **Cash, filings, liquidity** | |
| Cash and equivalents | $611,000 |
| Operating cash flow, four quarters | -$1.0M |
| Months of runway | 7.1 |
| Days since last periodic filing | 76 (10-Q received Aug 14, 2026) |
| Median daily dollar volume, 63 sessions | $10,457 |

## 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 | $353,000 | 2025-12-31 | 2026-03-31 | 10-K | 26-002058 |
| 2 | assets | us-gaap:Assets | $9.7M | 2025-12-31 | 2026-03-31 | 10-K | 26-002058 |
| 3 | net income | us-gaap:NetIncomeLoss | -$1.8M | 2025-12-31 | 2026-03-31 | 10-K | 26-002058 |
| 4 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$929,000 | 2025-12-31 | 2026-03-31 | 10-K | 26-002058 |
| 5 | assets | us-gaap:Assets | $9.7M | 2024-12-31 | 2026-03-31 | 10-K | 26-002058 |
| 6 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $4.6M | 2025-12-31 | 2026-03-31 | 10-K | 26-002058 |
| 7 | gross profit | us-gaap:GrossProfit | $446,000 | 2024-12-31 | 2026-03-31 | 10-K | 26-002058 |
| 8 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $15.4M | 2024-12-31 | 2026-03-31 | 10-K | 26-002058 |
| 9 | gross profit | us-gaap:GrossProfit | -$436,000 | 2023-12-31 | 2025-04-15 | 10-K | 25-002214 |
| 10 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $30.6M | 2023-12-31 | 2025-04-15 | 10-K | 25-002214 |
| 11 | gross profit | us-gaap:GrossProfit | -$194,000 | 2022-12-31 | 2024-06-28 | 10-K | 24-003699 |
| 12 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $26.2M | 2022-12-31 | 2024-06-28 | 10-K | 24-003699 |
| 13 | gross profit | us-gaap:GrossProfit | $98,000 | 2021-12-31 | 2023-04-17 | 10-K | 23-002333 |
| 14 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $47.3M | 2021-12-31 | 2023-04-17 | 10-K | 23-002333 |
| 15 | current assets | us-gaap:AssetsCurrent | $7.6M | 2025-12-31 | 2026-03-31 | 10-K | 26-002058 |
| 16 | current liabilities | us-gaap:LiabilitiesCurrent | $5.1M | 2025-12-31 | 2026-03-31 | 10-K | 26-002058 |
| 17 | retained earnings | us-gaap:RetainedEarningsAccumulatedDeficit | -$65.2M | 2025-12-31 | 2026-03-31 | 10-K | 26-002058 |
| 18 | operating income | us-gaap:OperatingIncomeLoss | -$2.0M | 2025-12-31 | 2026-03-31 | 10-K | 26-002058 |

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| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 19 | book equity | us-gaap:StockholdersEquity | $4.3M | 2025-12-31 | 2026-03-31 | 10-K | 26-002058 |
| 20 | liabilities | us-gaap:Liabilities | $5.3M | 2025-12-31 | 2026-03-31 | 10-K | 26-002058 |
| 21 | operating income | us-gaap:OperatingIncomeLoss | -$1.7M | 2019-12-31 | 2021-04-13 | 10-K | 21-002452 |
| 22 | interest expense | us-gaap:InterestExpense | $35,000 | 2019-12-31 | 2020-05-27 | 10-K | 20-004001 |
| 23 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $65,000 | 2025-12-31 | 2026-03-31 | 10-K | 26-002058 |
| 24 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$2.1M | 2024-12-31 | 2026-03-31 | 10-K | 26-002058 |
| 25 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $3,000 | 2024-12-31 | 2026-03-31 | 10-K | 26-002058 |
| 26 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$2.0M | 2023-12-31 | 2025-04-15 | 10-K | 25-002214 |
| 27 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $81,000 | 2023-12-31 | 2025-04-15 | 10-K | 25-002214 |
| 28 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$3.2M | 2022-12-31 | 2024-06-28 | 10-K | 24-003699 |
| 29 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $0 | 2022-12-31 | 2024-06-28 | 10-K | 24-003699 |
| 30 | depreciation amortization | us-gaap:DepreciationDepletionAndAmortization | $232,000 | 2025-12-31 | 2026-03-31 | 10-K | 26-002058 |
| 31 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | -$1.8M | 2025-12-31 | 2026-03-31 | 10-K | 26-002058 |
| 32 | income tax | us-gaap:IncomeTaxExpenseBenefit | $1,000 | 2025-12-31 | 2026-03-31 | 10-K | 26-002058 |
| 33 | current assets | us-gaap:AssetsCurrent | $9.2M | 2024-12-31 | 2026-03-31 | 10-K | 26-002058 |
| 34 | current liabilities | us-gaap:LiabilitiesCurrent | $5.8M | 2024-12-31 | 2026-03-31 | 10-K | 26-002058 |
| 35 | assets | us-gaap:Assets | $11.2M | 2023-12-31 | 2025-04-15 | 10-K | 25-002214 |
| 36 | assets | us-gaap:Assets | $19.7M | 2022-12-31 | 2024-06-28 | 10-K | 24-003699 |
| 37 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 3,268,429 | 2026-03-31 | 2026-03-31 | 10-K | 26-002058 |
| 38 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 2,301,205 | 2025-04-15 | 2025-04-15 | 10-K | 25-002214 |

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