# Tucows Inc.

**TCX**

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

**E**

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

rank 455 of 497; percentile 91.5; sampling error 2.2 points; lower is stronger

A B C D E

**E, the bear**



## Scoreboard

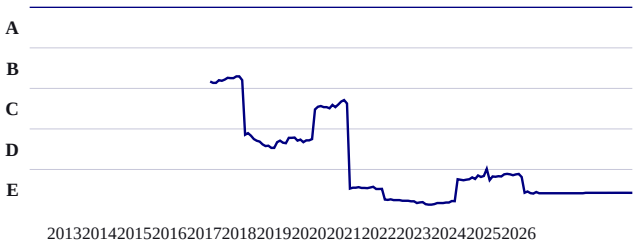
| | |
|---|---|
| **Profitability** | C<br>percentile 56.0 |
| **Solvency** | E<br>percentile 93.1 |
| **Growth and financing** | C<br>percentile 51.0 |
| **Reliability** | 0.91 AUC<br>filers with $591M to $2.67B assets; 95% interval 0.88 to 0.94; 160 events, 2020 to 2025 |
| **Peer failure rate** | 1.01% a year<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | $591M to $2.67B assets<br>total assets $730.9M |
| **Standard universe** | inside<br>revenue above $1M and assets above $10M |
| **Warnings** | none triggered<br>not computable: distress |
| **Inputs computable** | 8 of 14 |
| **Graded from** | filings received through Mar 12, 2026<br>232 days before the rescan; latest periodic filing 10-Q received Aug 6, 2026 |
| **Last close** | $10.41<br>2026-10-29; market equity $116.5M; 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% | | 76.9 | 555 | 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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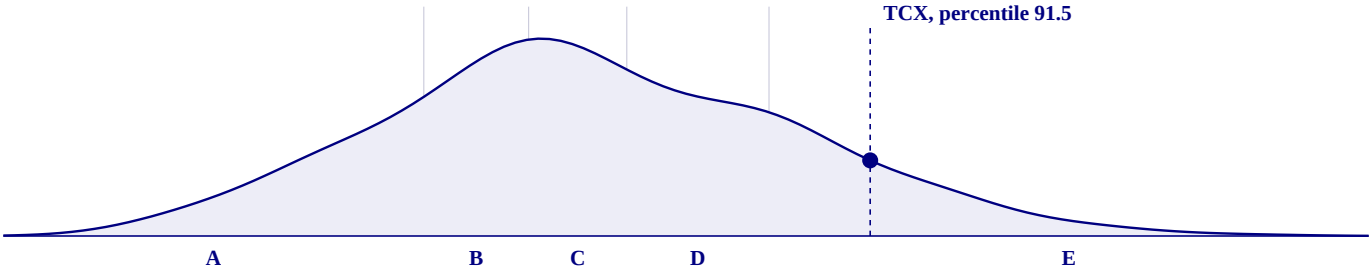
| | | | | | |
|---|---|---|---|---|---|
| Accruals ratio | (9.4%) | (7.4%) | 44.9 | 618 | 2025-12-31 |
| Gross margin stability, five years | 2.1 pts | 2.3 pts | 46.1 | 426 | 2025-12-31 |
| **Solvency, sleeve percentile 93.1** | | | | | |
| Twelve-month failure probability | not computable | 0.05% | | | |
| *liabilities and a nearby cover-page share count are required at 2026-06-30* | | | | | |
| Altman Z double-prime | not computable | 2.16 | | | |
| *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 | 91.7 | 662 | 2025-12-31 |
| **Growth and financing, sleeve percentile 51.0** | | | | | |
| Revenue growth, three-year compound | 6.7% | 6.3% | 48.9 | 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 | 3.2% | 5.1% | 52.4 | 560 | 2025-12-31 |
| Net share issuance, one year | 0.9% | 0.5% | 51.7 | 409 | 2026-03-10 |

## 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 |
|---|---|---|---|---|
| 450 | BIO KEY International Inc. (BKYI) | 90.5 | E | short runway, late filer |
| 451 | Firefly Neuroscience, Inc. (AIFF) | 90.7 | E | dilution, late filer, fortress balance sheet |
| 452 | Laser Photonics Corp. (LASE) | 90.9 | E | late filer |
| 453 | Marketwise, Inc. (MKTW) | 91.1 | E | |
| 454 | Skillsoft Corp. (SKIL) | 91.3 | E | |
| 455 | Tucows Inc. (TCX) | 91.5 | E | |
| 456 | Atomera Inc. (ATOM) | 91.7 | E | dilution, degenerate inputs |
| 457 | Hewlett Packard Enterprise Co. (HPE) | 92.0 | E | |
| 458 | Hewlett Packard Enterprise Co. (HPE-PC) | 92.0 | E | |
| 459 | EyePoint, Inc. (EYPT) | 92.3 | E | short runway, fortress balance sheet |
| 460 | RideNow Group, Inc. (RDNW) | 92.5 | E | |

## What the price implies

*at the 2026-10-29 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 | (58.1%) | (29.4%) | 22 |
| EBIT to enterprise value | (8.9%) | 1.5% | 17 |

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| | | | |
|---|---|---|---|
| Free cash flow yield | (19.6%) | 2.8% | 12 |
| Book value to price | (1.72) | 0.25 | 1 |
| Sales to price | 3.35 | 0.31 | 93 |
| Composite equity issuance, five years | 5.2% | 4.1% | 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 | 85 (10-Q received Aug 6, 2026) |
| Median daily dollar volume, 63 sessions | $732,765 |

## 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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