Rocky Mountain Chocolate Factory, Inc. RMCF

Nasdaq; consumer nondurables; SIC 2060, Sugar & Confectionery Products; CIK 0001616262

E

weakest fifth of 124 graded peers in consumer nondurables

rank 113 of 124; percentile 91.1; sampling error 3.8 points; lower is stronger

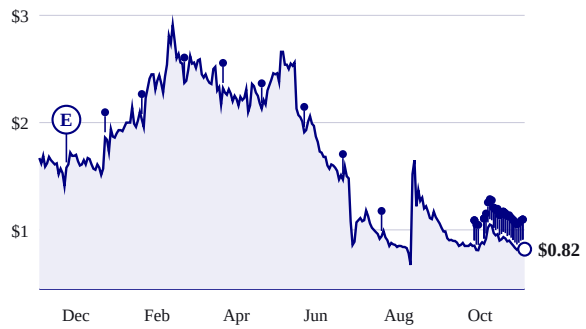
A B C D E

E, the bear



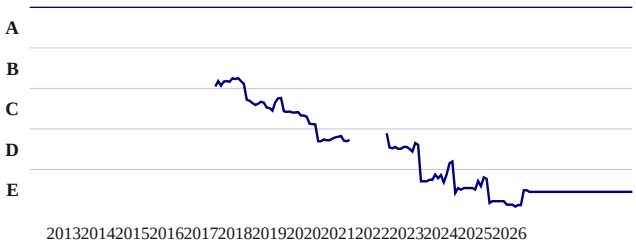
Scoreboard	
Profitability	C percentile 50.6
Solvency	D percentile 73.4
Growth and financing	D percentile 75.2
Reliability	0.83 AUC filers with $12.5M to $120M assets; 95% interval 0.79 to 0.86; 201 events, 2020 to 2025
Peer failure rate	1.07% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	$12.5M to $120M assets total assets $20.2M
Standard universe	inside revenue above $1M and assets above $10M
Warnings	short runway, late filer; fortress balan... not computable: distress
Inputs computable	9 of 14
Graded from	filings received through May 29, 2026 159 days before the rescan; latest periodic filing 10-Q received Oct 19, 2026
Last close	$0.90 2026-10-16; market equity $8.7M; 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 May 29, 2026

Rocky Mountain Chocolate Factory, Inc., a Delaware corporation, and its subsidiaries, including its operating subsidiary with the same name, Rocky Mountain Chocolate Factory, Inc., a Colorado corporation ("RMCF") (referred to as the "Company", "Rocky Mountain Chocolate Factory," "we," "us," or "our"), is an international franchisor, confectionery producer and retail operator. Founded in 1981, and headquartered in Durango, Colorado, we produce an extensive line of premium chocolate and other confectionery products.

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 50.6						
Gross profitability	33.9%	29.8%		43.1	145	2026-02-28
Return on invested capital	not computable	5.6%				

latest aligned inputs end 2018-02-28; latest annual assets end 2026-02-28

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Accruals ratio	(13.3%)	(5.1%)	17.4	150	2026-02-28
Gross margin stability, five years	4.9 pts	1.9 pts	91.3	116	2026-02-28
Solvency, sleeve percentile 73.4					
Twelve-month failure probability	not computable	0.03%			
latest liabilities, cash plus short-term investments, book equity, and shares are required					
Altman Z double-prime	(1.79)	3.11	77.3	120	2026-02-28
Net debt to EBITDA	not computable	2.54x			
latest aligned inputs end 2018-02-28; latest annual assets end 2026-02-28					
Interest coverage	(4.27x)	2.51x	76.2	43	2026-02-28
Current ratio	1.29x	1.81x	66.7	154	2026-02-28
Growth and financing, sleeve percentile 75.2					
Revenue growth, three-year compound	(3.3%)	0.2%	71.2	133	2026-02-28
Free cash flow growth, three-year compound	not computable	14.9%			
current FCF must be positive and base FCF must exceed $100,000					
Reinvestment rate	not computable	11.0%			
pretax income must exceed the validity floor and imply a 0%-100% tax rate					
Asset growth, three years	(2.8%)	0.2%	63.2	134	2026-02-28
Net share issuance, one year	21.0%	0.03%	91.1	102	2026-05-22

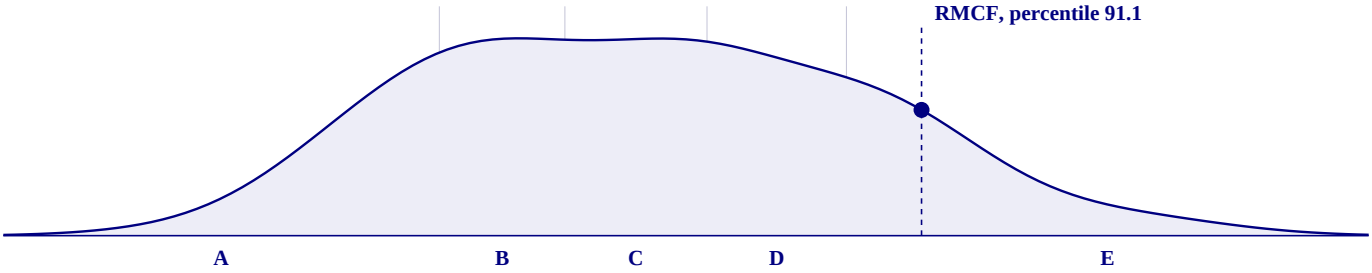
Warnings

3 of 7 checks triggered; none of them enters the letter

Check	Measured
Short runway	cash runway is 2.3 months
Late filer	found 3 NT 10-K/Q filings in the last eight quarters
Fortress balance sheet	cash minus debt is 3,543,675 USD; Altman Z is not used

Among 124 peers

consumer nondurables; 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
108	Tyson Foods, Inc. (TSN)	87.0	E	
109	Utz Brands, Inc. (UTZ)	87.8	E	
110	USA Today Co., Inc. (TDAY)	88.6	E	
111	John Wiley & Sons, Inc. (WLY)	89.8	E	
112	John Wiley & Sons, Inc. (WLYB)	89.8	E	
113	Rocky Mountain Chocolate Factory, Inc. (RMCF)	91.1	E	short runway, late filer, fortress balance sheet
114	Beyond Meat, Inc. (BYND)	91.9	E	dilution, late filer
115	Archer-Daniels-Midland Co. (ADM)	92.7	E	late filer
116	Rythm, Inc. (RYM)	93.5	E	
117	Culp Inc. (CULP)	94.3	E	fortress balance sheet
118	Mondelez International, Inc. (MDLZ)	95.1	E	

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What the price implies

at the 2026-10-16 close; none of these enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	(52.9%)	(1.3%)	11
Distance from 52-week high	(71.8%)	(20.3%)	9
EBIT to enterprise value	(46.1%)	3.7%	7
Free cash flow yield	(30.2%)	4.3%	6
Book value to price	0.38	0.55	37
Sales to price	3.49	1.22	89
Composite equity issuance, five years	45.0%	(16.7%)	92
Relative strength against the sector, log excess return	(0.83)	(0.09)	11

Diagnostics

shown on every report; none enters the grade

Measure	Value
Piotroski F-score None of 9, period end 2026-02-28	
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	$416,000
Operating cash flow, four quarters	-$2.2M
Months of runway	2.3
Days since last periodic filing	16 (10-Q received Oct 19, 2026)
Median daily dollar volume, 63 sessions	$34,857

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:RevenueFromContractWithCustomerExcludingA...	$27.5M	2026-02-28	2026-05-29	10-K	26-248296
2	cost of revenue	us-gaap:CostOfRevenue	$20.6M	2026-02-28	2026-05-29	10-K	26-248296
3	assets	us-gaap:Assets	$20.2M	2026-02-28	2026-05-29	10-K	26-248296
4	operating income	us-gaap:OperatingIncomeLoss	$5.2M	2018-02-28	2020-05-29	10-K	20-012018
5	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	$5.1M	2018-02-28	2020-05-29	10-K	20-012018
6	income tax	us-gaap:IncomeTaxExpenseBenefit	$2.2M	2018-02-28	2020-05-29	10-K	20-012018
7	total debt	us-gaap:LongTermDebt	$2.5M	2018-02-28	2018-05-15	10-K	18-010031
8	book equity	us-gaap:StockholdersEquity	$19.6M	2018-02-28	2020-05-29	10-K	20-012018
9	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$6.1M	2018-02-28	2021-06-01	10-K	21-013850
10	total debt	us-gaap:LongTermDebt	$3.8M	2017-02-28	2017-05-23	10-K	17-009919
11	book equity	us-gaap:StockholdersEquity	$18.8M	2017-02-28	2018-05-15	10-K	18-010031
12	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$5.8M	2017-02-28	2020-05-29	10-K	20-012018
13	net income	us-gaap:NetIncomeLoss	-$4.6M	2026-02-28	2026-05-29	10-K	26-248296
14	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-$1.8M	2026-02-28	2026-05-29	10-K	26-248296
15	assets	us-gaap:Assets	$21.2M	2025-02-28	2026-05-29	10-K	26-248296
16	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$29.6M	2025-02-28	2026-05-29	10-K	26-248296
17	cost of revenue	us-gaap:CostOfRevenue	$23.9M	2025-02-28	2026-05-29	10-K	26-248296
18	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$28.0M	2024-02-29	2026-05-29	10-K	26-248296

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19	cost of revenue	us-gaap:CostOfRevenue	$20.7M	2024-02-29	2026-05-29	10-K	26-248296
20	gross profit	us-gaap:GrossProfit	$4.0M	2023-02-28	2023-05-30	10-K	23-016104
21	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$30.4M	2023-02-28	2024-06-13	10-K	24-072997
22	gross profit	us-gaap:GrossProfit	$4.9M	2022-02-28	2023-05-30	10-K	23-016104
23	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$29.5M	2022-02-28	2024-06-13	10-K	24-072997
24	current assets	us-gaap:AssetsCurrent	$8.8M	2026-02-28	2026-05-29	10-K	26-248296
25	current liabilities	us-gaap:LiabilitiesCurrent	$6.8M	2026-02-28	2026-05-29	10-K	26-248296
26	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	-$9.9M	2026-02-28	2026-05-29	10-K	26-248296
27	operating income	us-gaap:OperatingIncomeLoss	-$3.6M	2026-02-28	2026-05-29	10-K	26-248296
28	book equity	us-gaap:StockholdersEquity	$5.2M	2026-02-28	2026-05-29	10-K	26-248296
29	liabilities	us-gaap:Liabilities	$15.0M	2026-02-28	2026-05-29	10-K	26-248296
30	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	$1.3M	2018-02-28	2020-05-29	10-K	20-012018
31	interest expense	us-gaap:InterestExpense	$840,000	2026-02-28	2026-05-29	10-K	26-248296
32	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$569,000	2026-02-28	2026-05-29	10-K	26-248296
33	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-$6.6M	2025-02-28	2026-05-29	10-K	26-248296
34	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$3.8M	2025-02-28	2026-05-29	10-K	26-248296
35	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-$2.4M	2024-02-29	2026-05-29	10-K	26-248296
36	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$3.0M	2024-02-29	2026-05-29	10-K	26-248296
37	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-$2.1M	2023-02-28	2024-06-13	10-K	24-072997
38	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$1.0M	2023-02-28	2024-06-13	10-K	24-072997
39	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	$1.4M	2026-02-28	2026-05-29	10-K	26-248296
40	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	-$4.4M	2026-02-28	2026-05-29	10-K	26-248296
41	income tax	us-gaap:IncomeTaxExpenseBenefit	$187,000	2026-02-28	2026-05-29	10-K	26-248296
42	current assets	us-gaap:AssetsCurrent	$9.2M	2025-02-28	2026-05-29	10-K	26-248296
43	current liabilities	us-gaap:LiabilitiesCurrent	$6.9M	2025-02-28	2026-05-29	10-K	26-248296
44	assets	us-gaap:Assets	$20.6M	2024-02-29	2026-05-29	10-K	26-248296
45	assets	us-gaap:Assets	$22.0M	2023-02-28	2024-06-13	10-K	24-072997
46	shares outstanding	dei:EntityCommonStockSharesOutstanding	9,398,826	2026-05-22	2026-05-29	10-K	26-248296
47	shares outstanding	dei:EntityCommonStockSharesOutstanding	7,765,486	2025-05-30	2025-06-20	10-K	25-088556

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