Zai Lab Ltd.

ZLAB

Nasdaq; healthcare; SIC 2834, Pharmaceutical Preparations; CIK 0001704292

C

middle fifth of 369 graded peers in healthcare

rank 203 of 369; percentile 54.9; sampling error 2.5 points; lower is stronger

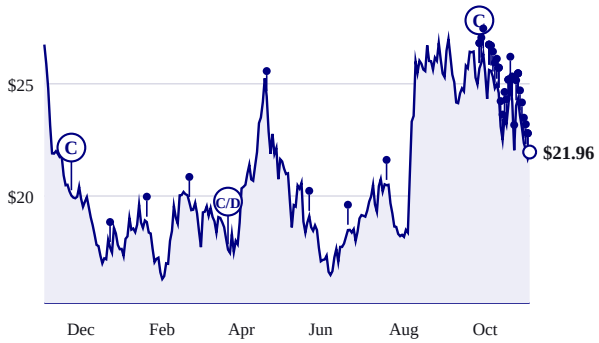
A B C D E

C, the tortoise



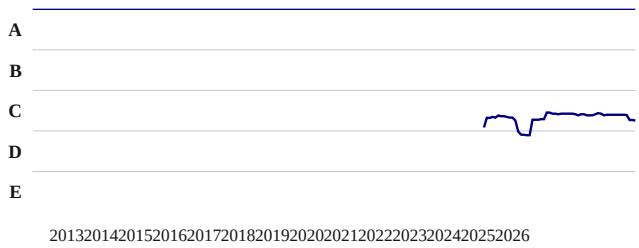
Scoreboard	
Profitability	C/D percentile 59.5
Solvency	C percentile 50.5
Growth and financing	B/C percentile 38.8
Reliability	0.91 AUC filers with $591M to $2.67B assets; 95% interval 0.88 to 0.94; 160 events, 2020 to 2025
Peer failure rate	1.01% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	$591M to $2.67B assets total assets $1.2B
Standard universe	inside revenue above $1M and assets above $10M
Warnings	none triggered not computable: dilution, fortress balance sheet
Inputs computable	8 of 14
Graded from	filings received through Feb 26, 2026 251 days before the rescan; latest periodic filing 10-Q received Aug 6, 2026
Last close	$21.97 2026-11-03; market equity $24.7B; 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 Feb 26, 2026

We are a patient-focused, innovative, commercial-stage, global biopharmaceutical company with a substantial presence in both Greater China and the United States. We are focused on discovering, developing, and commercializing products that address medical conditions with significant unmet needs in the areas of oncology, immunology, neuroscience, and infectious disease. We intend to leverage our competencies and resources to positively impact human health. To that end, our experienced team has secured partnerships with leading global biopharmaceutical companies to generate a broad pipeline, including multiple commercial products and multiple programs in late-stage clinical development.

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 59.5						
Gross profitability	22.7%	32.4%		59.9	365	2025-12-31
Return on invested capital	not computable	9.3%				

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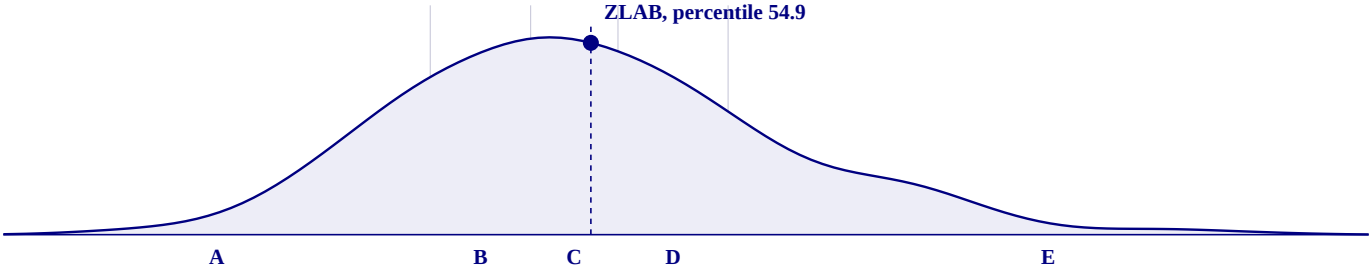
one or more required annual facts are missing					
Accruals ratio	(2.1%)	(6.6%)	76.3	803	2025-12-31
Gross margin stability, five years	2.4 pts	2.8 pts	42.3	242	2025-12-31
Solvency, sleeve percentile 50.5					
Twelve-month failure probability	0.06%	0.08%	37.8	247	2026-06-30
Altman Z double-prime	(3.61)	(0.35)	49.9	747	2025-12-31
Net debt to EBITDA	not computable	1.82x			
one or more required annual facts are missing					
Interest coverage	not computable	(4.51x)			
latest aligned inputs end 2024-12-31; latest annual assets end 2025-12-31					
Current ratio	2.45x	2.92x	63.8	828	2025-12-31
Growth and financing, sleeve percentile 38.8					
Revenue growth, three-year compound	29.1%	10.1%	23.1	412	2025-12-31
Free cash flow growth, three-year compound	not computable	10.9%			
current FCF must be positive and base FCF must exceed $100,000					
Reinvestment rate	not computable	37.1%			
NOPAT must exceed $100,000					
Asset growth, three years	(1.3%)	2.2%	54.5	697	2025-12-31
Net share issuance, one year	not computable	2.5%			
two annual share counts are required; found 1					

Among 369 peers

healthcare; 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
198	Universal Health Services Inc. (UHS)	53.5	C	
199	Emergent BioSolutions Inc. (EBS)	53.8	C	
200	Roivant Sciences Ltd. (ROIV)	54.1	C	fortress balance sheet
201	Regenxbio Inc. (RGNX)	54.3	C	short runway
202	Teladoc Health, Inc. (TDOC)	54.6	C	fortress balance sheet
203	Zai Lab Ltd. (ZLAB)	54.9	C	
204	Abbott Laboratories (ABT)	55.2	C	
205	Cabaletta Bio, Inc. (CABA)	55.4	C	dilution
206	Neuronetics, Inc. (STIM)	55.7	C	
207	ELI Lilly & Co. (LLY)	56.0	C	
208	Inogen Inc. (INGN)	56.2	C	fortress balance sheet

What the price implies

at the 2026-11-03 close; none of these enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	0.8%	(2.2%)	52
Distance from 52-week high	(18.7%)	(29.8%)	62
EBIT to enterprise value	not computable	(1.5%)	

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Free cash flow yield	(0.6%)	(0.9%)	51
Book value to price	0.02	0.28	14
Sales to price	0.02	0.30	8
Composite equity issuance, five years	not computable	20.5%	
Relative strength against the sector, log excess return	(0.16)	(0.19)	52

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	fail
Asset turnover improved	pass
Cash, filings, liquidity	
Cash and equivalents	$607.5M
Operating cash flow, four quarters	-$133.4M
Months of runway	54.7
Days since last periodic filing	90 (10-Q received Aug 6, 2026)
Median daily dollar volume, 63 sessions	$23.2M

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...	$457.2M	2025-12-31	2026-02-26	10-K	26-000015
2	cost of revenue	us-gaap:CostOfGoodsAndServicesSold	$190.5M	2025-12-31	2026-02-26	10-K	26-000015
3	assets	us-gaap:Assets	$1.2B	2025-12-31	2026-02-26	10-K	26-000015
4	net income	us-gaap:NetIncomeLoss	-$175.5M	2025-12-31	2026-02-26	10-K	26-000015
5	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-$150.8M	2025-12-31	2026-02-26	10-K	26-000015
6	assets	us-gaap:Assets	$1.2B	2024-12-31	2026-02-26	10-K	26-000015
7	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$397.6M	2024-12-31	2026-02-26	10-K	26-000015
8	cost of revenue	us-gaap:CostOfGoodsAndServicesSold	$147.1M	2024-12-31	2026-02-26	10-K	26-000015
9	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$266.7M	2023-12-31	2026-02-26	10-K	26-000015
10	cost of revenue	us-gaap:CostOfRevenue	$95.8M	2023-12-31	2024-02-27	10-K	24-007235
11	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$212.7M	2022-12-31	2025-02-27	10-K	25-008409
12	cost of revenue	us-gaap:CostOfRevenue	$74.0M	2022-12-31	2024-02-27	10-K	24-007235
13	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$144.1M	2021-12-31	2024-02-27	10-K	24-007235
14	cost of revenue	us-gaap:CostOfRevenue	$52.2M	2021-12-31	2024-02-27	10-K	24-007235
15	current assets	us-gaap:AssetsCurrent	$1.0B	2025-12-31	2026-02-26	10-K	26-000015
16	current liabilities	us-gaap:LiabilitiesCurrent	$416.2M	2025-12-31	2026-02-26	10-K	26-000015
17	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	-$2.6B	2025-12-31	2026-02-26	10-K	26-000015
18	operating income	us-gaap:OperatingIncomeLoss	-$229.4M	2025-12-31	2026-02-26	10-K	26-000015
19	book equity	us-gaap:StockholdersEquity	$715.5M	2025-12-31	2026-02-26	10-K	26-000015
20	liabilities	us-gaap:Liabilities	$456.9M	2025-12-31	2026-02-26	10-K	26-000015
21	operating income	us-gaap:OperatingIncomeLoss	-$282.1M	2024-12-31	2026-02-26	10-K	26-000015
22	interest expense	us-gaap:InterestExpense	$2.3M	2024-12-31	2025-02-27	10-K	25-008409
23	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$8.1M	2025-12-31	2026-02-26	10-K	26-000015
24	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-$214.9M	2024-12-31	2026-02-26	10-K	26-000015
25	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$5.7M	2024-12-31	2026-02-26	10-K	26-000015

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26	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-$198.2M	2023-12-31	2026-02-26	10-K	26-000015
27	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$7.2M	2023-12-31	2026-02-26	10-K	26-000015
28	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-$367.6M	2022-12-31	2025-02-27	10-K	25-008409
29	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$24.6M	2022-12-31	2025-02-27	10-K	25-008409
30	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	$15.0M	2025-12-31	2026-02-26	10-K	26-000015
31	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	-$178.5M	2025-12-31	2026-02-26	10-K	26-000015
32	income tax	us-gaap:IncomeTaxExpenseBenefit	-$2.9M	2025-12-31	2026-02-26	10-K	26-000015
33	current assets	us-gaap:AssetsCurrent	$1.1B	2024-12-31	2026-02-26	10-K	26-000015
34	current liabilities	us-gaap:LiabilitiesCurrent	$299.4M	2024-12-31	2026-02-26	10-K	26-000015
35	assets	us-gaap:Assets	$1.0B	2023-12-31	2025-02-27	10-K	25-008409
36	assets	us-gaap:Assets	$1.2B	2022-12-31	2024-02-27	10-K	24-007235
37	shares outstanding	dei:EntityCommonStockSharesOutstanding	88,592,343	2021-02-26	2021-03-01	10-K	21-062279

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