# Rocky Mountain Chocolate Factory, Inc. RMCF

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

**E**

**weakest fifth of 118 graded peers in consumer nondurables**

rank 106 of 118; percentile 89.7; sampling error 3.8 points; lower is stronger

A B C D E

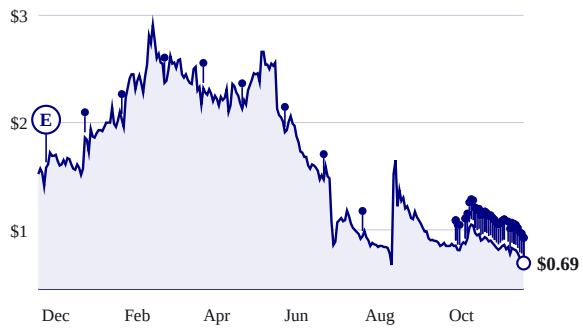
**E, the bear**



## Scoreboard

| | |
|---|---|
| **Profitability** | C<br>percentile 49.7 |
| **Solvency** | D<br>percentile 73.7 |
| **Growth and financing** | D<br>percentile 74.7 |
| **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 $20.2M |
| **Standard universe** | inside<br>revenue above $1M and assets above $10M |
| **Warnings** | short runway, late filer; fortress balan...<br>not computable: distress |
| **Inputs computable** | 9 of 13 |
| **Graded from** | filings received through May 29, 2026<br>172 days before the rescan; latest periodic filing 10-Q received Oct 19, 2026 |
| **Last close** | $0.84<br>2026-11-06; market equity $8.0M; 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 thirteen 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 49.7** | | | | | | |
| Gross profitability | 33.9% | 30.0% | | 44.0 | 135 | 2026-02-28 |
| Return on invested capital | not computable | 5.7% | | | | |

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

Not investment advice. Informational and educational only. Data from SEC EDGAR, may contain errors, is not warranted. The grade ranks reported financial condition and is not a return forecast.

| | | | | | |
|---|---|---|---|---|---|
| Accruals ratio | (13.3%) | (5.2%) | 15.2 | 139 | 2026-02-28 |
| Gross margin stability, five years | 4.9 pts | 1.9 pts | 90.0 | 111 | 2026-02-28 |
| **Solvency, sleeve percentile 73.7** | | | | | |
| Altman Z double-prime | (1.79) | 3.11 | 77.1 | 110 | 2026-02-28 |
| Net debt to EBITDA | not computable | 2.44x | | | |
| *latest aligned inputs end 2018-02-28; latest annual assets end 2026-02-28* | | | | | |
| Interest coverage | (4.27x) | 2.45x | 75.7 | 38 | 2026-02-28 |
| Current ratio | 1.29x | 1.82x | 68.3 | 143 | 2026-02-28 |
| **Growth and financing, sleeve percentile 74.7** | | | | | |
| Revenue growth, three-year compound | (3.3%) | (0.1%) | 70.2 | 125 | 2026-02-28 |
| Free cash flow growth, three-year compound | not computable | 15.3% | | | |
| *current FCF must be positive and base FCF must exceed $100,000* | | | | | |
| Reinvestment rate | not computable | 11.8% | | | |
| *pretax income must exceed the validity floor and imply a 0%-100% tax rate* | | | | | |
| Asset growth, three years | (2.8%) | 0.2% | 63.7 | 125 | 2026-02-28 |
| Net share issuance, one year | 21.0% | 0.03% | 90.2 | 103 | 2026-05-22 |

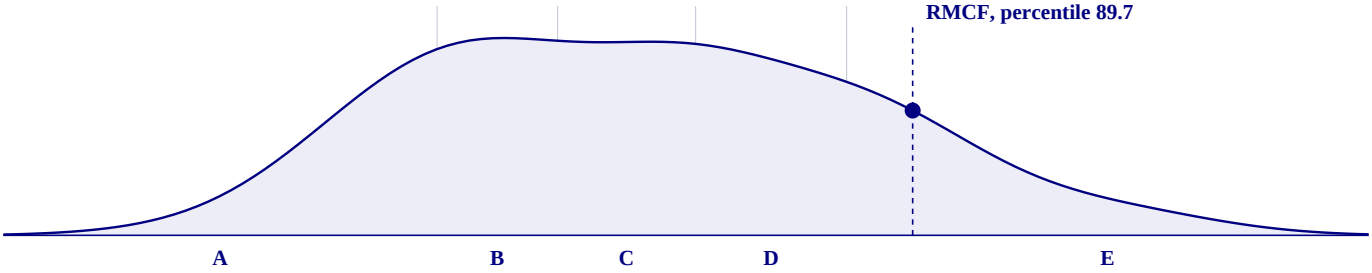
## Warnings

*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 118 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 |
|---|---|---|---|---|
| 101 | Primo Brands Corp. (PRMB) | 85.5 | E | |
| 102 | Wolverine World Wide Inc. (WWW) | 86.3 | E | |
| 103 | Utz Brands, Inc. (UTZ) | 87.2 | E | |
| 104 | John Wiley & Sons, Inc. (WLY) | 88.0 | E | |
| 105 | USA Today Co., Inc. (TDAY) | 88.9 | E | |
| 106 | Rocky Mountain Chocolate Factory, Inc. (RMCF) | 89.7 | E | short runway, late filer, fortress balance sheet |
| 107 | Beyond Meat, Inc. (BYND) | 90.6 | E | dilution, late filer |
| 108 | Rythm, Inc. (RYM) | 91.5 | E | |
| 109 | Archer-Daniels-Midland Co. (ADM) | 92.3 | E | |
| 110 | Culp Inc. (CULP) | 93.2 | E | fortress balance sheet |
| 111 | Mondelez International, Inc. (MDLZ) | 94.0 | E | |

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## What the price implies

*at the 2026-11-06 close; none of these enters the grade*

| Measure | Value | Peer median | Percentile |
|---|---|---|---|
| Twelve-month price change, skipping the latest month | (52.9%) | (1.0%) | 11 |
| Distance from 52-week high | (76.3%) | (21.4%) | 8 |
| EBIT to enterprise value | (54.9%) | 3.4% | 5 |
| Free cash flow yield | (35.9%) | 4.4% | 6 |
| Book value to price | 0.46 | 0.56 | 44 |
| Sales to price | 4.14 | 1.23 | 91 |
| Composite equity issuance, five years | 45.0% | (17.0%) | 91 |
| Relative strength against the sector, log excess return | (0.83) | (0.09) | 11 |
| Twelve-month failure probability, CHS model | not computable | 0.04% | |

## 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 | 29 (10-Q received Oct 19, 2026) |
| Median daily dollar volume, 63 sessions | $32,580 |

## 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 |

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| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 18 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $28.0M | 2024-02-29 | 2026-05-29 | 10-K | 26-248296 |
| 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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