DigitalOcean Holdings, Inc.

DOCN

NYSE; business equipment; SIC 7370, Services-Computer Programming, Data Processing, Etc.; CIK 0001582961

D

fourth fifth of 469 graded peers in business equipment

rank 338 of 469; percentile 72.0; sampling error 2.3 points; lower is stronger

A B C D E

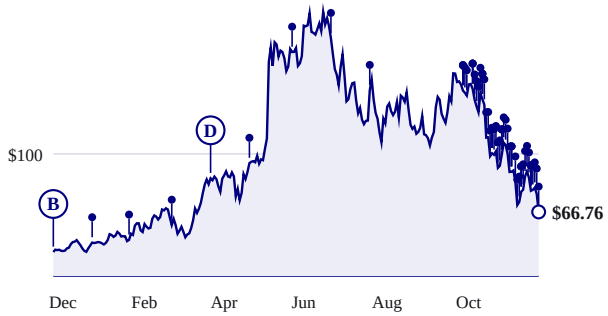
D, the sloth



Scoreboard

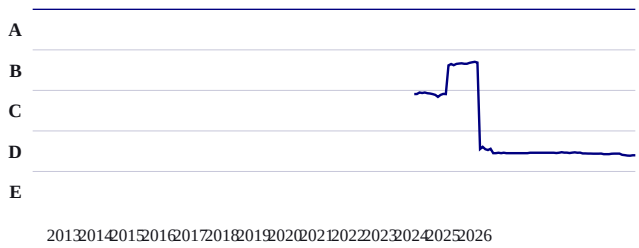
Profitability	C percentile 55.4
Solvency	D percentile 77.0
Growth and financing	B/C percentile 40.1
Reliability	0.91 AUC filers with $591M to $2.67B assets; 95% interval 0.88 to 0.94; 160 events, 2020 to 2025
Peer failure rate	1.01% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	$591M to $2.67B assets total assets $1.8B
Standard universe	inside revenue above $1M and assets above $10M
Warnings	none triggered not computable: distress
Inputs computable	10 of 13
Graded from	filings received through Feb 24, 2026 271 days before the rescan; latest periodic filing 10-Q received Nov 3, 2026
Last close	$66.78 2026-11-20; market equity $7.9B; 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 24, 2026

Our mission is to empower AI-driven and digital-native businesses to build, run, and scale intelligent applications with speed, simplicity and predictable economics through an agentic inference cloud platform that reduces operational complexity and accelerates time to product. DigitalOcean is an agentic inference cloud platform that helps AI and Digital Native Enterprises build, run, and scale intelligent applications with speed, simplicity, and predictable economics. The platform combines production-ready GPU infrastructure, a full-stack cloud, model-first inference workflows, and an agentic experience layer to reduce operational complexity and accelerate time to production.

The thirteen inputs

lower percentile is stronger; sleeves and inputs within a sleeve carry equal weight

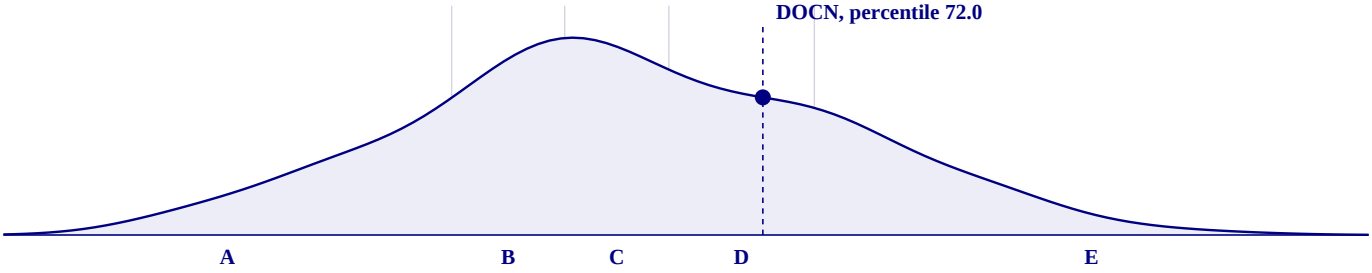
Input	Value	Peer median	Percentile, 0 to 100	Pct	Peers	Period end
Profitability, sleeve percentile 55.4						
Gross profitability	29.4%	29.4%		47.3	513	2025-12-31
Return on invested capital	not computable	11.2%				

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prior invested-capital observation is 1461 days earlier					
Accruals ratio	(2.9%)	(7.4%)	76.8	566	2025-12-31
Gross margin stability, five years	1.9 pts	2.3 pts	42.0	406	2025-12-31
Solvency, sleeve percentile 77.0					
Altman Z double-prime	(0.21)	2.18	60.9	517	2025-12-31
Net debt to EBITDA	3.54x	1.11x	78.1	138	2025-12-31
Interest coverage	not computable	4.90x			
latest aligned inputs end 2023-12-31; latest annual assets end 2025-12-31					
Current ratio	0.69x	1.98x	92.2	600	2025-12-31
Growth and financing, sleeve percentile 40.1					
Revenue growth, three-year compound	16.1%	6.6%	24.7	503	2025-12-31
Free cash flow growth, three-year compound	26.7%	17.4%	36.5	253	2025-12-31
Reinvestment rate	not computable	14.3%			
pretax income must exceed the validity floor and imply a 0%-100% tax rate					
Asset growth, three years	0.4%	5.0%	62.0	519	2025-12-31
Net share issuance, one year	(0.08%)	0.5%	37.2	404	2026-02-17

Among 469 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
333	Magnachip Semiconductor Corp. (MX)	70.9	D	fortress balance sheet
334	Cars.com Inc. (CARS)	71.2	D	
335	Bruker Corp. (BRKR)	71.4	D	
336	Palo Alto Networks Inc. (PANW)	71.6	D	
337	Blackbaud Inc. (BLKB)	71.8	D	
338	DigitalOcean Holdings, Inc. (DOCN)	72.0	D	
339	Mercury Systems Inc. (MRCY)	72.2	D	
340	Dropbox, Inc. (DBX)	72.4	D	
341	Q2 Holdings, Inc. (QTWO)	72.6	D	
342	Cohu Inc. (COHU)	72.9	D	
343	Evolv Technologies Holdings, Inc. (EVLV)	73.1	D	late filer, fortress balance sheet

What the price implies

at the 2026-11-20 close; none of these enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	228.1%	(2.2%)	97
Distance from 52-week high	(63.2%)	(41.7%)	25
EBIT to enterprise value	2.0%	2.0%	51
Free cash flow yield	2.3%	3.1%	40
Book value to price	0.18	0.31	32
Sales to price	0.11	0.35	16
Composite equity issuance, five years	not computable	4.3%	

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Relative strength against the sector, log excess return	0.92	(0.29)	97
Twelve-month failure probability, CHS model	not computable	0.05%	

Diagnostics

shown on every report; none enters the grade

Measure	Value
Piotroski F-score 8 of 9, period end 2025-12-31	
Return on assets above zero	pass
Operating cash flow above zero	pass
Return on assets improved	pass
Operating cash flow exceeds net income	pass
Long-term leverage fell	pass
Current ratio improved	fail
No new shares issued	pass
Gross margin improved	pass
Asset turnover improved	pass
Cash, filings, liquidity	
Cash and equivalents	$666.1M
Operating cash flow, four quarters	$375.4M
Months of runway	not finite
Days since last periodic filing	19 (10-Q received Nov 3, 2026)
Median daily dollar volume, 63 sessions	$257.1M

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	$539.6M	2025-12-31	2026-02-24	10-K	26-000019
2	assets	us-gaap:Assets	$1.8B	2025-12-31	2026-02-24	10-K	26-000019
3	operating income	us-gaap:OperatingIncomeLoss	$157.0M	2025-12-31	2026-02-24	10-K	26-000019
4	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	$206.7M	2025-12-31	2026-02-24	10-K	26-000019
5	income tax	us-gaap:IncomeTaxExpenseBenefit	-$52.6M	2025-12-31	2026-02-24	10-K	26-000019
6	total debt	us-gaap:LongTermDebt	$1.3B	2025-12-31	2026-02-24	10-K	26-000019
7	book equity	us-gaap:StockholdersEquity	-$28.7M	2025-12-31	2026-02-24	10-K	26-000019
8	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$254.5M	2025-12-31	2026-02-24	10-K	26-000019
9	total debt	us-gaap:LongTermDebt	$1.5B	2021-12-31	2022-02-25	10-K	22-000010
10	book equity	us-gaap:StockholdersEquity	$578.2M	2021-12-31	2025-02-25	10-K	25-000035
11	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$1.7B	2021-12-31	2023-08-11	10-K/A	23-000038
12	net income	us-gaap:NetIncomeLoss	$259.3M	2025-12-31	2026-02-24	10-K	26-000019
13	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$309.6M	2025-12-31	2026-02-24	10-K	26-000019
14	assets	us-gaap:Assets	$1.6B	2024-12-31	2026-02-24	10-K	26-000019
15	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$901.4M	2025-12-31	2026-02-24	10-K	26-000019
16	gross profit	us-gaap:GrossProfit	$465.9M	2024-12-31	2026-02-24	10-K	26-000019
17	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$780.6M	2024-12-31	2026-02-24	10-K	26-000019
18	gross profit	us-gaap:GrossProfit	$397.5M	2023-12-31	2026-02-24	10-K	26-000019
19	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$692.9M	2023-12-31	2026-02-24	10-K	26-000019
20	gross profit	us-gaap:GrossProfit	$364.4M	2022-12-31	2025-02-25	10-K	25-000035
21	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$576.3M	2022-12-31	2025-02-25	10-K	25-000035
22	gross profit	us-gaap:GrossProfit	$258.0M	2021-12-31	2024-02-21	10-K	24-000031
23	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$428.6M	2021-12-31	2024-02-21	10-K	24-000031
24	current assets	us-gaap:AssetsCurrent	$427.0M	2025-12-31	2026-02-24	10-K	26-000019
25	current liabilities	us-gaap:LiabilitiesCurrent	$619.5M	2025-12-31	2026-02-24	10-K	26-000019
26	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	-$43.7M	2025-12-31	2026-02-24	10-K	26-000019
27	liabilities	us-gaap:Liabilities	$1.9B	2025-12-31	2026-02-24	10-K	26-000019
28	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	$137.4M	2025-12-31	2026-02-24	10-K	26-000019
29	operating income	us-gaap:OperatingIncomeLoss	$11.9M	2023-12-31	2026-02-24	10-K	26-000019

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30	interest expense	us-gaap:InterestExpense	$8.9M	2023-12-31	2024-02-21	10-K	24-000031
31	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$129.1M	2025-12-31	2026-02-24	10-K	26-000019
32	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$282.7M	2024-12-31	2026-02-24	10-K	26-000019
33	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$178.2M	2024-12-31	2026-02-24	10-K	26-000019
34	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$234.9M	2023-12-31	2026-02-24	10-K	26-000019
35	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$119.3M	2023-12-31	2026-02-24	10-K	26-000019
36	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$195.2M	2022-12-31	2025-02-25	10-K	25-000035
37	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$106.4M	2022-12-31	2025-02-25	10-K	25-000035
38	current assets	us-gaap:AssetsCurrent	$541.7M	2024-12-31	2026-02-24	10-K	26-000019
39	current liabilities	us-gaap:LiabilitiesCurrent	$221.0M	2024-12-31	2026-02-24	10-K	26-000019
40	assets	us-gaap:Assets	$1.5B	2023-12-31	2025-02-25	10-K	25-000035
41	assets	us-gaap:Assets	$1.8B	2022-12-31	2024-02-21	10-K	24-000031
42	shares outstanding	dei:EntityCommonStockSharesOutstanding	91,996,094	2026-02-17	2026-02-24	10-K	26-000019
43	shares outstanding	dei:EntityCommonStockSharesOutstanding	92,067,799	2025-02-18	2025-02-25	10-K	25-000035

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