Zscaler, Inc.

ZS

Nasdaq; business equipment; SIC 7371, Services-Computer Programming Services; CIK 0001713683

A

strongest fifth of 469 graded peers in business equipment

rank 65 of 469; percentile 13.7; sampling error 2.3 points; lower is stronger

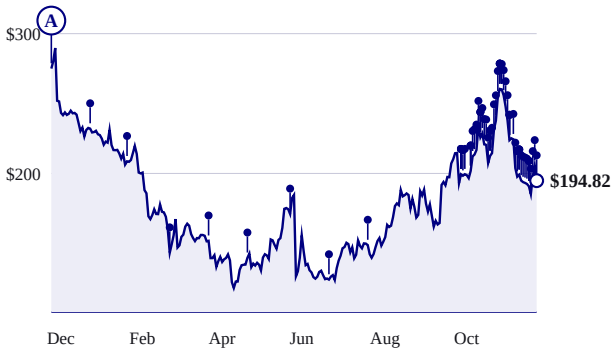
A B C D E

A, the bull



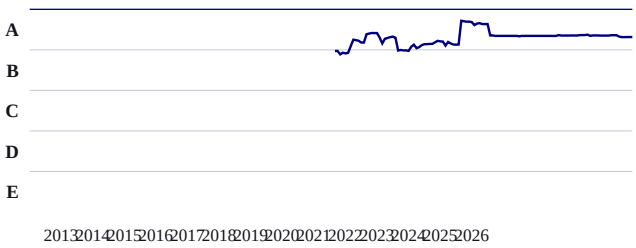
Scoreboard	
Profitability	A/B percentile 22.1
Solvency	C percentile 53.6
Growth and financing	B percentile 29.3
Reliability	0.94 AUC filers with over $2.67B assets; 95% interval 0.88 to 0.97; 61 events, 2020 to 2025
Peer failure rate	0.52% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	over $2.67B assets total assets $7.9B
Standard universe	inside revenue above $1M and assets above $10M
Warnings	none triggered; fortress balance sheet not computable: distress
Inputs computable	9 of 13
Graded from	filings received through Sep 3, 2026 80 days before the rescan; latest periodic filing 10-K received Sep 3, 2026
Last close	$226.15 2026-11-20; market equity $36.9B; 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 Sep 3, 2026

We are the cybersecurity platform for the AI era. We empower our customers with the cybersecurity solutions necessary to protect their enterprises, drive growth and outpace competitors where success depends on securely adopting the technologies required to operate and compete effectively in an AI world. We were founded in 2007, based on a vision that, with the broad adoption of SaaS applications, the internet would become the new corporate network, the cloud would become the new data center and perimeter-based security would fail to protect users, applications and data.

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 22.1						
Gross profitability	32.7%	29.4%		41.4	513	2026-07-31
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	(16.7%)	(7.4%)	22.5	566	2026-07-31
Gross margin stability, five years	0.5 pts	2.3 pts	2.5	406	2026-07-31
Solvency, sleeve percentile 53.6					
Altman Z double-prime	1.61	2.18	50.0	517	2026-07-31
Net debt to EBITDA	not computable	1.11x			
required facts have no common fiscal period end					
Interest coverage	not computable	4.90x			
latest aligned inputs end 2023-07-31; latest annual assets end 2026-07-31					
Current ratio	1.70x	1.98x	57.3	600	2026-07-31
Growth and financing, sleeve percentile 29.3					
Revenue growth, three-year compound	27.5%	6.6%	11.4	503	2026-07-31
Free cash flow growth, three-year compound	32.7%	17.4%	29.4	253	2026-07-31
Reinvestment rate	not computable	14.3%			
pretax income must exceed the validity floor and imply a 0%-100% tax rate					
Asset growth, three years	29.7%	5.0%	10.0	519	2026-07-31
Net share issuance, one year	3.0%	0.5%	66.3	404	2026-08-27

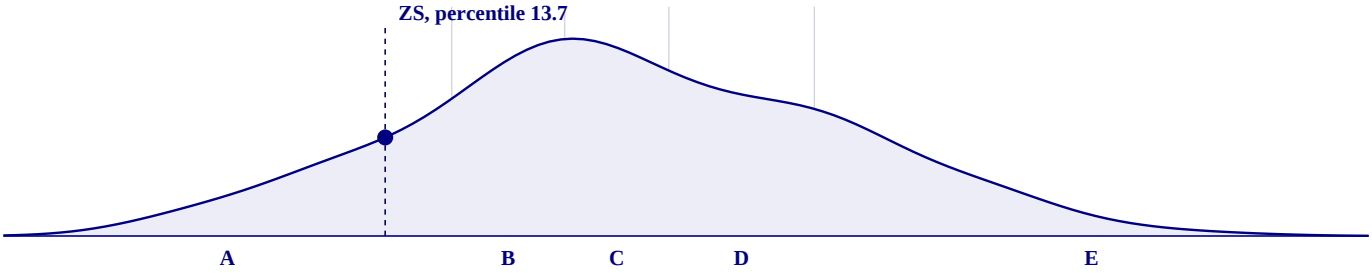
Warnings

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

Check	Measured
Fortress balance sheet	cash minus debt is 280,805,000 USD; Altman Z is not used

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
60	Applied Materials Inc. (AMAT)	12.6	A	
61	Logitech International S.A. (LOGI)	12.8	A	
62	OSI Systems Inc. (OSIS)	13.0	A	
63	Braze, Inc. (BRZE)	13.2	A	
64	AvePoint, Inc. (AVPT)	13.5	A	
65	Zscaler, Inc. (ZS)	13.7	A	fortress balance sheet
66	Zeta Global Holdings Corp. (ZETA)	13.9	A	fortress balance sheet
67	Grindr Inc. (GRND)	14.1	A	
68	Microsoft Corp. (MSFT)	14.3	A	
69	Lattice Semiconductor Corp. (LSCC)	14.5	A	
70	Sitime Corp. (SITM)	14.7	A	

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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	(39.8%)	(2.2%)	21
Distance from 52-week high	(32.8%)	(41.7%)	62
EBIT to enterprise value	(0.4%)	2.0%	32
Free cash flow yield	2.7%	3.1%	46
Book value to price	0.08	0.31	17
Sales to price	0.11	0.35	15
Composite equity issuance, five years	16.2%	4.3%	64
Relative strength against the sector, log excess return	(0.78)	(0.29)	21
Twelve-month failure probability, CHS model	not computable	0.05%	

Diagnostics

shown on every report; none enters the grade

Measure	Value
Piotroski F-score None of 9, period end 2026-07-31	
Return on assets above zero	fail
Operating cash flow above zero	pass
Return on assets improved	fail
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	fail
Cash, filings, liquidity	
Cash and equivalents	$928.4M
Operating cash flow, four quarters	$1.1B
Months of runway	not finite
Days since last periodic filing	80 (10-K received Sep 3, 2026)
Median daily dollar volume, 63 sessions	$543.4M

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	$2.6B	2026-07-31	2026-09-03	10-K	26-000157
2	assets	us-gaap:Assets	$7.9B	2026-07-31	2026-09-03	10-K	26-000157
3	operating income	us-gaap:OperatingIncomeLoss	-$121.5M	2024-07-31	2026-09-03	10-K	26-000157
4	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	-$29.2M	2024-07-31	2026-09-03	10-K	26-000157
5	income tax	us-gaap:IncomeTaxExpenseBenefit	$28.5M	2024-07-31	2026-09-03	10-K	26-000157
6	total debt	us-gaap:LongTermDebt	$1.1B	2024-07-31	2024-09-12	10-K	24-000109
7	book equity	us-gaap:StockholdersEquity	$1.3B	2024-07-31	2026-09-03	10-K	26-000157
8	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$1.4B	2024-07-31	2025-09-11	10-K	25-000158
9	total debt	us-gaap:LongTermDebt	$1.1B	2023-07-31	2024-09-12	10-K	24-000109
10	book equity	us-gaap:StockholdersEquity	$725.1M	2023-07-31	2026-09-03	10-K	26-000157
11	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$1.3B	2023-07-31	2024-09-12	10-K	24-000109
12	net income	us-gaap:NetIncomeLoss	-$63.2M	2026-07-31	2026-09-03	10-K	26-000157
13	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$1.1B	2026-07-31	2026-09-03	10-K	26-000157
14	assets	us-gaap:Assets	$6.4B	2025-07-31	2026-09-03	10-K	26-000157
15	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$3.4B	2026-07-31	2026-09-03	10-K	26-000157
16	gross profit	us-gaap:GrossProfit	$2.1B	2025-07-31	2026-09-03	10-K	26-000157
17	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$2.7B	2025-07-31	2026-09-03	10-K	26-000157

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18	gross profit	us-gaap:GrossProfit	$1.7B	2024-07-31	2026-09-03	10-K	26-000157
19	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$2.2B	2024-07-31	2026-09-03	10-K	26-000157
20	gross profit	us-gaap:GrossProfit	$1.3B	2023-07-31	2025-09-11	10-K	25-000158
21	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$1.6B	2023-07-31	2025-09-11	10-K	25-000158
22	gross profit	us-gaap:GrossProfit	$848.7M	2022-07-31	2024-09-12	10-K	24-000109
23	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$1.1B	2022-07-31	2024-09-12	10-K	24-000109
24	current assets	us-gaap:AssetsCurrent	$5.0B	2026-07-31	2026-09-03	10-K	26-000157
25	current liabilities	us-gaap:LiabilitiesCurrent	$3.0B	2026-07-31	2026-09-03	10-K	26-000157
26	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	-$1.3B	2026-07-31	2026-09-03	10-K	26-000157
27	operating income	us-gaap:OperatingIncomeLoss	-$133.3M	2026-07-31	2026-09-03	10-K	26-000157
28	book equity	us-gaap:StockholdersEquity	$2.6B	2026-07-31	2026-09-03	10-K	26-000157
29	liabilities	us-gaap:Liabilities	$5.3B	2026-07-31	2026-09-03	10-K	26-000157
30	operating income	us-gaap:OperatingIncomeLoss	-$234.6M	2023-07-31	2025-09-11	10-K	25-000158
31	interest expense	us-gaap:InterestExpense	$6.5M	2023-07-31	2023-09-14	10-K	23-000113
32	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$277.3M	2026-07-31	2026-09-03	10-K	26-000157
33	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$972.5M	2025-07-31	2026-09-03	10-K	26-000157
34	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$164.3M	2025-07-31	2026-09-03	10-K	26-000157
35	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$779.8M	2024-07-31	2026-09-03	10-K	26-000157
36	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$144.6M	2024-07-31	2026-09-03	10-K	26-000157
37	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$462.3M	2023-07-31	2025-09-11	10-K	25-000158
38	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$97.2M	2023-07-31	2025-09-11	10-K	25-000158
39	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	$148.5M	2026-07-31	2026-09-03	10-K	26-000157
40	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	-$17.1M	2026-07-31	2026-09-03	10-K	26-000157
41	income tax	us-gaap:IncomeTaxExpenseBenefit	$46.0M	2026-07-31	2026-09-03	10-K	26-000157
42	current assets	us-gaap:AssetsCurrent	$4.9B	2025-07-31	2026-09-03	10-K	26-000157
43	current liabilities	us-gaap:LiabilitiesCurrent	$2.4B	2025-07-31	2026-09-03	10-K	26-000157
44	assets	us-gaap:Assets	$4.7B	2024-07-31	2025-09-11	10-K	25-000158
45	assets	us-gaap:Assets	$3.6B	2023-07-31	2024-09-12	10-K	24-000109
46	shares outstanding	dei:EntityCommonStockSharesOutstanding	163,054,698	2026-08-27	2026-09-03	10-K	26-000157
47	shares outstanding	dei:EntityCommonStockSharesOutstanding	158,300,823	2025-08-29	2025-09-11	10-K	25-000158

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