

Freshworks Inc. (FRSH)

Nasdaq; business equipment; SIC 7372, Services-Prepackaged Software; CIK 0001544522

Freshworks Inc. FRSH; business equipment	
Grade	C A B C D E middle fifth of 497 graded peers percentile 42.7; sampling error 2.2 points; lower is stronger
Rank	213 of 497
Profitability	C percentile 46.9
Solvency	C percentile 56.9
Growth and financing	B percentile 33.6
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 \$1.6B
Standard universe	inside revenue above \$1M and assets above \$10M
Warnings	none active not computable: dilution, distress, fortress balance sheet
Inputs computable	7 of 14
Graded from	filings received through Feb 26, 2026 225 days before the rescans; latest periodic filing 10-Q received Aug 4, 2026
Last close	\$13.62 2026-10-08; market equity \$2.1B
Price used in grade	None



C, the tortoise

middle fifth of its sector; letters are fifths of the 497 graded peers

Share price, twelve months to the rescans

split-adjusted close; the letter is fixed at the rescans that set it



Rescans on file: A from Feb 21, 2025, C from Mar 21, 2026, B/C from Apr 21, 2026, C from Sep 26, 2026

Letter at every rescans

Jan 21, 2012 to Oct 9, 2026; sector percentile, 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 provide people-first AI service software that organizations use to deliver exceptional employee and customer experiences. Our employee experience (EX) products include Freshservice, Freshservice for Business Teams, Device42 and FireHydrant. Our customer experience (CX) products include our Freshdesk suite of products. Our AI offerings, which include Freddy AI Agents, Freddy AI Copilot and Freddy AI Insights, further enhance the employee and customer experience and are designed to boost productivity.

Currently, nearly 75,000 companies use Freshworks' uncomplicated solutions to increase employee efficiency and customer loyalty.

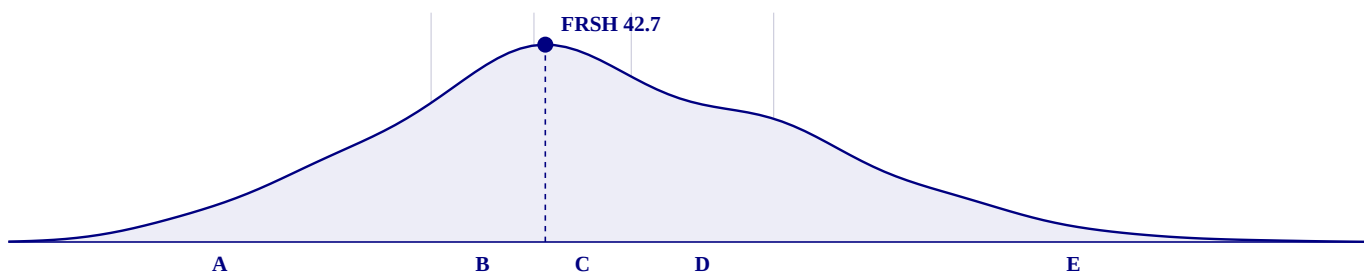
The fourteen inputs

lower percentile is stronger; equal-weighted sleeves

Input	Percentile, 0 to 100	Value	Peer median	Percentile	Peers	Period end
Profitability, sleeve percentile 46.9						
Gross profitability		44.5%	28.5%	21.2	558	2025-12-31
Return on invested capital		not computable	10.9%			one or more required annual facts are missing
Accruals ratio		(3.6%)	(7.4%)	71.8	621	2025-12-31
Gross margin stability, five years		2.2 pts	2.4 pts	47.7	429	2025-12-31
Solvency, sleeve percentile 56.9						
Twelve-month failure probability		not computable	0.05%			liabilities and a nearby cover-page share count are required at 2026-06-30
Altman Z double-prime		(2.82)	2.18	69.2	566	2025-12-31
Net debt to EBITDA		not computable	1.11x			one or more required annual facts are missing
Interest coverage		not computable	3.77x			one or more required annual facts are missing
Current ratio		2.20x	2.02x	44.5	666	2025-12-31
Growth and financing, sleeve percentile 33.6						
Revenue growth, three-year compound		19.0%	6.4%	19.9	538	2025-12-31
Free cash flow growth, three-year compound		not computable	17.2%			current FCF must be positive and base FCF must exceed \$100,000 pretax income must exceed the validity floor and imply a 0%-100% tax rate
Reinvestment rate		not computable	14.3%			
Asset growth, three years		5.1%	5.0%	47.3	563	2025-12-31
Net share issuance, one year		not computable	0.5%			two annual share counts are required; found 0

Among 497 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
208	Mirion Technologies, Inc. (MIR)	41.7	B/C	
209	Itron, Inc. (ITRI)	41.9	B/C	
210	Netscout Systems Inc. (NTCT)	42.1	B/C	
211	Intelligent Protection Management Corp. (IPM)	42.3	C	fortress balance sheet
212	Nutanix, Inc. (NTNX)	42.5	C	
213	Freshworks Inc. (FRSH) <	42.7	C	
214	Everspin Technologies Inc. (MRAM)	42.9	C	
215	Clearfield, Inc. (CLFD)	43.1	C	fortress balance sheet
216	CCC Intelligent Solutions Holdings Inc. (CCC)	43.3	C	
217	Navitas Semiconductor Corp. (NVTX)	43.5	C	
218	Playtika Holding Corp. (PLTK)	43.8	C	

What the price implies

at the 2026-10-08 close; none enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	18.3%	2.2%	64
Distance from 52-week high	(2.0%)	(30.0%)	95
EBIT to enterprise value	not computable	1.5%	
Free cash flow yield	11.3%	2.7%	89
Book value to price	0.43	0.23	69
Sales to price	0.40	0.30	58
Composite equity issuance, five years	not computable	3.9%	
Relative strength against the sector, log excess return	(0.12)	(0.26)	64

Diagnostics

not in the grade

Measure	Value
Piotroski F-score None 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	fail
Current ratio improved	fail
No new shares issued	fail
Gross margin improved	pass
Asset turnover improved	pass
Cash, filings, liquidity	
Cash and equivalents	\$494.7M
Operating cash flow, four quarters	\$246.7M
Months of runway	not finite
Days since last periodic filing	66 (10-Q received Aug 4, 2026)

Sources

each row links to the filing index on sec.gov

#	Concept	XBRL tag	Value	Period end	Received	Form	Accession
1	gross profit	us-gaap:GrossProfit	\$712.7M	2025-12-31	2026-02-26	10-K	0001544522-26-000036
2	assets	us-gaap:Assets	\$1.6B	2025-12-31	2026-02-26	10-K	0001544522-26-000036
3	net income	us-gaap:NetIncomeLoss	\$183.7M	2025-12-31	2026-02-26	10-K	0001544522-26-000036
4	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	\$242.4M	2025-12-31	2026-02-26	10-K	0001544522-26-000036
5	assets	us-gaap:Assets	\$1.6B	2024-12-31	2026-02-26	10-K	0001544522-26-000036
6	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$838.8M	2025-12-31	2026-02-26	10-K	0001544522-26-000036
7	gross profit	us-gaap:GrossProfit	\$607.1M	2024-12-31	2026-02-26	10-K	0001544522-26-000036
8	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$720.4M	2024-12-31	2026-02-26	10-K	0001544522-26-000036
9	gross profit	us-gaap:GrossProfit	\$493.1M	2023-12-31	2026-02-26	10-K	0001544522-26-000036
10	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$596.4M	2023-12-31	2026-02-26	10-K	0001544522-26-000036
11	gross profit	us-gaap:GrossProfit	\$402.2M	2022-12-31	2025-02-20	10-K	0001544522-25-000010
12	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$498.0M	2022-12-31	2025-02-20	10-K	0001544522-25-000010
13	gross profit	us-gaap:GrossProfit	\$293.0M	2021-12-31	2024-02-16	10-K	0001544522-24-000012
14	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$371.0M	2021-12-31	2024-02-16	10-K	0001544522-24-000012
15	current assets	us-gaap:AssetsCurrent	\$1.1B	2025-12-31	2026-02-26	10-K	0001544522-26-000036
16	current liabilities	us-gaap:LiabilitiesCurrent	\$498.0M	2025-12-31	2026-02-26	10-K	0001544522-26-000036
17	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	-\$3.6B	2025-12-31	2026-02-26	10-K	0001544522-26-000036
18	operating income	us-gaap:OperatingIncomeLoss	\$13.2M	2025-12-31	2026-02-26	10-K	0001544522-26-000036
19	book equity	us-gaap:StockholdersEquity	\$1.0B	2025-12-31	2026-02-26	10-K	0001544522-26-000036
20	liabilities	us-gaap:Liabilities	\$570.1M	2025-12-31	2026-02-26	10-K	0001544522-26-000036
21	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$5.7M	2025-12-31	2026-02-26	10-K	0001544522-26-000036
22	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	\$160.6M	2024-12-31	2026-02-26	10-K	0001544522-26-000036
23	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$9.2M	2024-12-31	2026-02-26	10-K	0001544522-26-000036
24	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	\$86.2M	2023-12-31	2026-02-26	10-K	0001544522-26-000036
25	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$2.1M	2023-12-31	2026-02-26	10-K	0001544522-26-000036
26	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-\$2.5M	2022-12-31	2025-02-20	10-K	0001544522-25-000010
27	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$7.1M	2022-12-31	2025-02-20	10-K	0001544522-25-000010
28	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	\$25.9M	2025-12-31	2026-02-26	10-K	0001544522-26-000036
29	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeIncomeTaxesExtraordinaryItemsDeductibleItems	\$53.5M	2025-12-31	2026-02-26	10-K	0001544522-26-000036
30	income tax	us-gaap:IncomeTaxExpenseBenefit	-\$130.4M	2025-12-31	2026-02-26	10-K	0001544522-26-000036
31	current assets	us-gaap:AssetsCurrent	\$1.3B	2024-12-31	2026-02-26	10-K	0001544522-26-000036
32	current liabilities	us-gaap:LiabilitiesCurrent	\$407.7M	2024-12-31	2026-02-26	10-K	0001544522-26-000036
33	assets	us-gaap:Assets	\$1.5B	2023-12-31	2025-02-20	10-K	0001544522-25-000010
34	assets	us-gaap:Assets	\$1.4B	2022-12-31	2024-02-16	10-K	0001544522-24-000012