

Rackspace Technology, Inc. (RXT)

Nasdaq; business equipment; SIC 7370, Services-Computer Programming, Data Processing, Etc.; CIK 0001810019

Rackspace Technology, Inc.
RXT; business equipment

Grade

E

A B C D E

weakest fifth of 497 graded peers
percentile 98.4; sampling error 2.2 points; lower is stronger

Rank

489 of 497

Profitability

C

percentile 57.2

Solvency

E

percentile 89.0

Growth and financing

E

percentile 82.7

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 \$2.8B

Standard universe

inside

revenue above \$1M and assets above \$10M

Warnings

late filer

not computable: distress

Inputs computable

10 of 14

Graded from

filings received through Mar 6, 2026

217 days before the rescan; latest periodic filing 10-Q received Aug 10, 2026

Last close

\$3.63

2026-10-08; market equity \$925.2M

Price used in grade

None



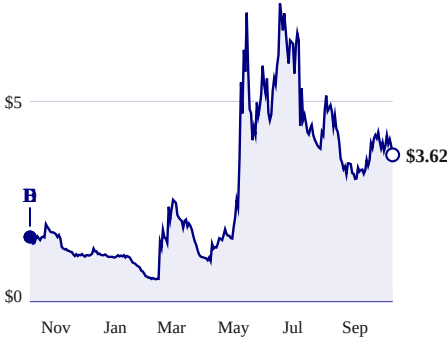
E, the bear

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

Share price, twelve months to the rescan

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

B



Rescans on file: E from Mar 21, 2022, D from Mar 21, 2023, E from Mar 21, 2024

Letter at every rescan

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 Mar 6, 2026

Rackspace Technology is a leading end-to-end hybrid cloud and AI solutions company. We serve as a trusted operator of the full technology stack, from governed private cloud infrastructure to AI deployed in production environments. From edge to core to cloud, we design, integrate and operate the infrastructure, data foundations and software platforms required to deliver business outcomes with predictable cost, resilience, security and compliance. Our solutions are purpose-built for regulated and mission-critical

environments where uptime, data sovereignty and operational accountability are essential.

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 57.2						
Gross profitability		18.1%	28.5%	65.9	558	2025-12-31
Return on invested capital		not computable	10.9%			pretax income must exceed the validity floor and imply a 0%-100% tax rate
Accruals ratio		(12.9%)	(7.4%)	33.4	621	2025-12-31
Gross margin stability, five years		4.8 pts	2.4 pts	72.2	429	2025-12-31
Solvency, sleeve percentile 89.0						
Twelve-month failure probability		not computable	0.05%			latest liabilities, cash plus short-term investments, book equity, and shares are required
Altman Z double-prime		(5.69)	2.18	76.6	566	2025-12-31
Net debt to EBITDA		52.07x	1.11x	100.0	147	2025-12-31
Interest coverage		not computable	3.77x			latest aligned inputs end 2023-12-31; latest annual assets end 2025-12-31
Current ratio		0.68x	2.02x	90.4	666	2025-12-31
Growth and financing, sleeve percentile 82.7						
Revenue growth, three-year compound		(4.9%)	6.4%	80.1	538	2025-12-31
Free cash flow growth, three-year compound		(18.3%)	17.2%	90.3	268	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		(19.9%)	5.0%	91.8	563	2025-12-31
Net share issuance, one year		4.0%	0.5%	68.7	407	2026-03-02

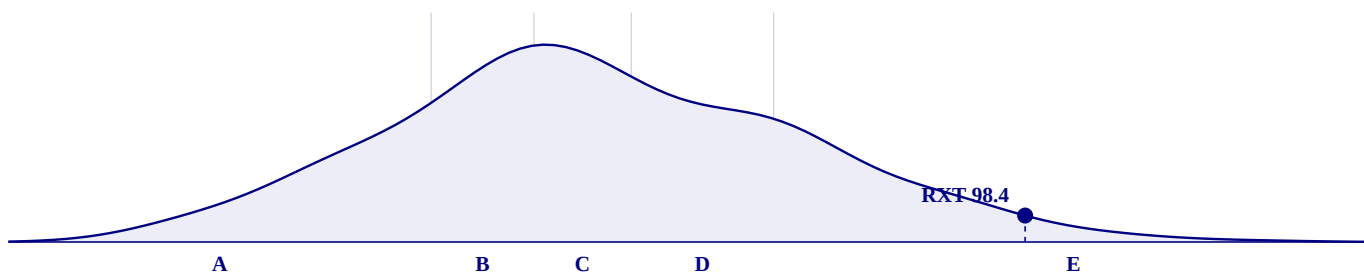
Warnings

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

Check	Measured
Late filer	found 1 NT 10-K/Q filings in the last eight quarters

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
484	Healthcare Triangle, Inc. (HCTI)	97.4	E	dilution, short runway, late filer
485	Flux Power Holdings, Inc. (FLUX)	97.6	E	dilution, short runway, late filer
486	Palladyne AI Corp. (PDYN)	97.9	E	
487	Palladyne AI Corp. (PDYNW)	97.9	E	
488	Firy Inc. (FIRY)	98.2	E	late filer, fortress balance sheet
489	Rackspace Technology, Inc. (RXT) <	98.4	E	late filer
490	Focus Universal Inc. (FCUV)	98.6	E	dilution, distress
491	ZW Data Action Technologies Inc. (CNET)	98.8	E	dilution, late filer
492	Sports Entertainment Gaming Global Corp. (LTRYW)	99.1	E	short runway, late filer
493	Sports Entertainment Gaming Global Corp. (SEGG)	99.1	E	short runway, late filer
494	Polar Power, Inc. (POLA)	99.4	E	dilution, short runway, late filer, fortress balance sheet

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	122.0%	2.2%	93
Distance from 52-week high	(51.9%)	(30.0%)	24
EBIT to enterprise value	(2.8%)	1.5%	24
Free cash flow yield	9.8%	2.7%	86
Book value to price	(1.39)	0.23	1
Sales to price	2.91	0.30	93
Composite equity issuance, five years	21.5%	3.9%	73
Relative strength against the sector, log excess return	0.51	(0.26)	93

Diagnostics

not in the grade

Measure	Value
Piotroski F-score 4 of 9, period end 2025-12-31	
Return on assets above zero	fail
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	fail
Asset turnover improved	pass
Cash, filings, liquidity	
Cash and equivalents	\$110.6M
Operating cash flow, four quarters	\$104.0M
Months of runway	not finite
Days since last periodic filing	60 (10-Q received Aug 10, 2026)
Median daily dollar volume, 63 sessions	\$24.7M

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	\$506.4M	2025-12-31	2026-03-06	10-K	0001810019-26-000015
2	assets	us-gaap:Assets	\$2.8B	2025-12-31	2026-03-06	10-K	0001810019-26-000015
3	operating income	us-gaap:OperatingIncomeLoss	-\$100.7M	2025-12-31	2026-03-06	10-K	0001810019-26-000015
4	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeIncomeTaxesExtraordnaryItemsAndNoncontrollingInterests	\$214.8M	2025-12-31	2026-03-06	10-K	0001810019-26-000015
5	income tax	us-gaap:IncomeTaxExpenseBenefit	\$24.0M	2025-12-31	2026-03-06	10-K	0001810019-26-000015
6	total debt	us-gaap:LongTermDebt	\$2.7B	2025-12-31	2026-03-06	10-K	0001810019-26-000015
7	book equity	us-gaap:StockholdersEquity	-\$1.2B	2025-12-31	2026-03-06	10-K	0001810019-26-000015
8	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	\$105.8M	2025-12-31	2026-03-06	10-K	0001810019-26-000015
9	total debt	us-gaap:LongTermDebt	\$2.8B	2024-12-31	2026-03-06	10-K	0001810019-26-000015
10	book equity	us-gaap:StockholdersEquity	-\$1.0B	2024-12-31	2026-03-06	10-K	0001810019-26-000015
11	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	\$144.0M	2024-12-31	2026-03-06	10-K	0001810019-26-000015
12	net income	us-gaap:NetIncomeLoss	-\$225.8M	2025-12-31	2026-03-06	10-K	0001810019-26-000015
13	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	\$151.4M	2025-12-31	2026-03-06	10-K	0001810019-26-000015
14	assets	us-gaap:Assets	\$3.1B	2024-12-31	2026-03-06	10-K	0001810019-26-000015
15	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$2.7B	2025-12-31	2026-03-06	10-K	0001810019-26-000015
16	gross profit	us-gaap:GrossProfit	\$533.4M	2024-12-31	2026-03-06	10-K	0001810019-26-000015
17	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$2.7B	2024-12-31	2026-03-06	10-K	0001810019-26-000015
18	gross profit	us-gaap:GrossProfit	\$628.8M	2023-12-31	2026-03-06	10-K	0001810019-26-000015
19	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$3.0B	2023-12-31	2026-03-06	10-K	0001810019-26-000015
20	gross profit	us-gaap:GrossProfit	\$856.9M	2022-12-31	2025-03-21	10-K	0001810019-25-000043
21	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$3.1B	2022-12-31	2025-03-21	10-K	0001810019-25-000043
22	gross profit	us-gaap:GrossProfit	\$936.8M	2021-12-31	2024-03-15	10-K	0001810019-24-000042
23	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$3.0B	2021-12-31	2024-03-15	10-K	0001810019-24-000042
24	current assets	us-gaap:AssetsCurrent	\$517.8M	2025-12-31	2026-03-06	10-K	0001810019-26-000015
25	current liabilities	us-gaap:LiabilitiesCurrent	\$766.7M	2025-12-31	2026-03-06	10-K	0001810019-26-000015
26	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	-\$3.9B	2025-12-31	2026-03-06	10-K	0001810019-26-000015
27	liabilities	us-gaap:Liabilities	\$4.0B	2025-12-31	2026-03-06	10-K	0001810019-26-000015
28	depreciation amortization	us-gaap:Depreciation	\$151.4M	2025-12-31	2026-03-06	10-K	0001810019-26-000015
29	operating income	us-gaap:OperatingIncomeLoss	-\$899.4M	2023-12-31	2026-03-06	10-K	0001810019-26-000015
30	interest expense	us-gaap:InterestExpense	\$221.6M	2023-12-31	2024-03-15	10-K	0001810019-24-000042
31	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$60.8M	2025-12-31	2026-03-06	10-K	0001810019-26-000015
32	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	\$39.9M	2024-12-31	2026-03-06	10-K	0001810019-26-000015
33	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$111.1M	2024-12-31	2026-03-06	10-K	0001810019-26-000015
34	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	\$374.9M	2023-12-31	2026-03-06	10-K	0001810019-26-000015
35	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$96.9M	2023-12-31	2026-03-06	10-K	0001810019-26-000015
36	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	\$246.7M	2022-12-31	2025-03-21	10-K	0001810019-25-000043
37	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$80.4M	2022-12-31	2025-03-21	10-K	0001810019-25-000043
38	current assets	us-gaap:AssetsCurrent	\$618.8M	2024-12-31	2026-03-06	10-K	0001810019-26-000015
39	current liabilities	us-gaap:LiabilitiesCurrent	\$766.6M	2024-12-31	2026-03-06	10-K	0001810019-26-000015
40	assets	us-gaap:Assets	\$4.1B	2023-12-31	2025-03-21	10-K	0001810019-25-000043
41	assets	us-gaap:Assets	\$5.5B	2022-12-31	2024-03-15	10-K	0001810019-24-000042
42	shares outstanding	dei:EntityCommonStockSharesOutstanding	246,914,399	2026-03-02	2026-03-06	10-K	0001810019-26-000015
43	shares outstanding	dei:EntityCommonStockSharesOutstanding	237,306,679	2025-03-17	2025-03-21	10-K	0001810019-25-000043