# Clearone Inc.

**CLRO**

Nasdaq; business equipment; SIC 3661, Telephone & Telegraph Apparatus; CIK 0000840715

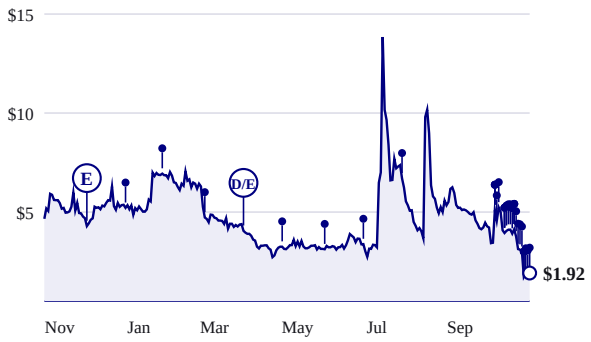
# None

**No letter**

6 of 14 inputs computable; 7 are required, with a score in every sleeve

| Scoreboard | |
|---|---|
| **Reliability** | 0.76 AUC<br>filers with under $12.5M assets; 95% interval 0.65 to 0.86; 63 events, 2020 to 2025 |
| **Peer failure rate** | 0.60% a year<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | under $12.5M assets<br>total assets $2.3M |
| **Standard universe** | outside<br>revenue above $1M and assets above $10M |
| **Warnings** | dilution, thin data, degenerate inputs;...<br>not computable: short runway, distress |
| **Inputs computable** | 6 of 14 |
| **Graded from** | filings received through Mar 31, 2026<br>206 days before the rescan; latest periodic filing 10-Q received Aug 14, 2026 |
| **Last close** | $1.80<br>2026-10-21; market equity $4.8M; 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 Mar 31, 2026*

Delaware corporation, was previously engaged in the design, development, and marketing of professional audio conferencing, microphone, and video All share and per-share amounts presented in this report (current and historical) have been adjusted to reflect the 15-for-1 reverse stock split effected in June 2025. certain intellectual property, product inventory, and non-exclusive rights to customer data to Biamp Systems, LLC ("Biamp") for gross cash consideration of $3.0 million (the "Asset Sale") pursuant to an Asset Purchase Agreement dated the same date. Biamp did not assume any warranty or technical support obligations.

## The fourteen 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 51.1** | | | | | | |
| Gross profitability | (14.3%) | 28.6% | | 98.9 | 558 | 2025-12-31 |
| Return on invested capital | not computable | 11.2% | | | | |

*a prior annual debt, equity, and cash observation is required*

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| | | | | | |
|---|---|---|---|---|---|
| Accruals ratio | (80.0%) | (7.4%) | 3.2 | 621 | 2025-12-31 |
| Gross margin stability, five years | not computable | 2.3 pts | | | |
| *annual revenue must exceed $100,000* | | | | | |
| **Solvency, sleeve percentile 85.4** | | | | | |
| 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 | (63.75) | 2.16 | 97.3 | 565 | 2025-12-31 |
| Net debt to EBITDA | not computable | 1.11x | | | |
| *EBITDA must exceed $100,000* | | | | | |
| Interest coverage | not computable | 3.77x | | | |
| *latest aligned inputs end 2023-12-31; latest annual assets end 2025-12-31* | | | | | |
| Current ratio | 1.14x | 2.01x | 73.5 | 665 | 2025-12-31 |
| **Growth and financing, sleeve percentile 96.5** | | | | | |
| Revenue growth, three-year compound | not computable | 6.4% | | | |
| *current value must be positive and the base must exceed $100,000* | | | | | |
| Free cash flow growth, three-year compound | not computable | 18.0% | | | |
| *current FCF must be positive and base FCF must exceed $100,000* | | | | | |
| Reinvestment rate | not computable | 14.3% | | | |
| *pretax income must exceed the validity floor and imply a 0%-100% tax rate* | | | | | |
| Asset growth, three years | (69.8%) | 5.0% | 100.0 | 562 | 2025-12-31 |
| Net share issuance, one year | 54.4% | 0.5% | 92.9 | 410 | 2026-03-31 |

## Warnings

*4 of 7 checks triggered; none of them enters the letter*

| Check | Measured |
|---|---|
| Dilution | split-adjusted year-over-year share growth is 54.4% |
| Thin data | 6 of 14 grade factors are computable; minimum is 7 |
| Degenerate inputs | latest revenue or assets are at or below the $100,000 validity floor |
| Fortress balance sheet | cash minus debt is 1,842,000 USD; Altman Z is not used |

## What the price implies

*at the 2026-10-21 close; none of these enters the grade*

| Measure | Value | Peer median | Percentile |
|---|---|---|---|
| Twelve-month price change, skipping the latest month | (10.3%) | 2.2% | 41 |
| Distance from 52-week high | (86.1%) | (33.0%) | 5 |
| EBIT to enterprise value | (59.2%) | 1.5% | 8 |
| Free cash flow yield | (122.9%) | 2.8% | 4 |
| Book value to price | (0.07) | 0.26 | 5 |
| Sales to price | 0.00 | 0.31 | 0 |
| Composite equity issuance, five years | (19.5%) | 4.2% | 14 |
| Relative strength against the sector, log excess return | (0.39) | (0.26) | 41 |

## Diagnostics

*shown on every report; none enters the grade*

| Measure | Value |
|---|---|
| **Piotroski F-score None of 9, period end 2025-12-31** | |
| Return on assets above zero | fail |
| Operating cash flow above zero | fail |
| Return on assets improved | fail |
| Operating cash flow exceeds net income | pass |
| Long-term leverage fell | fail |
| Current ratio improved | fail |

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| | |
|---|---|
| No new shares issued | fail |
| Gross margin improved | fail |
| Asset turnover improved | fail |

**Cash, filings, liquidity**

| | |
|---|---|
| Cash and equivalents | $75,000 |
| Operating cash flow, four quarters | -$13.6M |
| Months of runway | not finite |
| Days since last periodic filing | 70 (10-Q received Aug 14, 2026) |
| Median daily dollar volume, 63 sessions | $213,116 |

## 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 | -$328,000 | 2025-12-31 | 2026-03-31 | 10-K | 26-000600 |
| 2 | assets | us-gaap:Assets | $2.3M | 2025-12-31 | 2026-03-31 | 10-K | 26-000600 |
| 3 | operating income | us-gaap:OperatingIncomeLoss | -$8.6M | 2019-12-31 | 2021-03-31 | 10-K | 21-000080 |
| 4 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | -$8.4M | 2019-12-31 | 2021-03-31 | 10-K | 21-000080 |
| 5 | income tax | us-gaap:IncomeTaxExpenseBenefit | $56,000 | 2019-12-31 | 2021-03-31 | 10-K | 21-000080 |
| 6 | total debt | us-gaap:LongTermDebt | $2.2M | 2019-12-31 | 2020-03-30 | 10-K | 20-000071 |
| 7 | book equity | us-gaap:StockholdersEquity | $44.5M | 2019-12-31 | 2021-03-31 | 10-K | 21-000080 |
| 8 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $4.1M | 2019-12-31 | 2021-03-31 | 10-K | 21-000080 |
| 9 | net income | us-gaap:NetIncomeLoss | -$26.1M | 2025-12-31 | 2026-03-31 | 10-K | 26-000600 |
| 10 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivitiesC... | -$14.6M | 2025-12-31 | 2026-03-31 | 10-K | 26-000600 |
| 11 | assets | us-gaap:Assets | $26.5M | 2024-12-31 | 2026-03-31 | 10-K | 26-000600 |
| 12 | revenue | us-gaap:RevenueFromContractWithCustomerIncludingAs... | $0 | 2025-12-31 | 2026-03-31 | 10-K | 26-000600 |
| 13 | current assets | us-gaap:AssetsCurrent | $1.7M | 2025-12-31 | 2026-03-31 | 10-K | 26-000600 |
| 14 | current liabilities | us-gaap:LiabilitiesCurrent | $1.5M | 2025-12-31 | 2026-03-31 | 10-K | 26-000600 |
| 15 | retained earnings | us-gaap:RetainedEarningsAccumulatedDeficit | -$36.1M | 2025-12-31 | 2026-03-31 | 10-K | 26-000600 |
| 16 | operating income | us-gaap:OperatingIncomeLoss | -$4.4M | 2025-12-31 | 2026-03-31 | 10-K | 26-000600 |
| 17 | book equity | us-gaap:StockholdersEquity | -$714,000 | 2025-12-31 | 2026-03-31 | 10-K | 26-000600 |
| 18 | liabilities | us-gaap:Liabilities | $3.0M | 2025-12-31 | 2026-03-31 | 10-K | 26-000600 |
| 19 | depreciation amortization | us-gaap:Depreciation | $512,000 | 2019-12-31 | 2021-03-31 | 10-K | 21-000080 |
| 20 | operating income | us-gaap:OperatingIncomeLoss | -$6.8M | 2023-12-31 | 2025-03-28 | 10-K | 25-000516 |
| 21 | interest expense | us-gaap:InterestExpense | $537,000 | 2023-12-31 | 2024-04-01 | 10-K | 24-000656 |
| 22 | revenue | us-gaap:RevenueFromContractWithCustomerIncludingAs... | $0 | 2024-12-31 | 2026-03-31 | 10-K | 26-000600 |
| 23 | revenue | us-gaap:RevenueFromContractWithCustomerIncludingAs... | $18.7M | 2023-12-31 | 2025-03-28 | 10-K | 25-000516 |
| 24 | revenue | us-gaap:RevenueFromContractWithCustomerIncludingAs... | $25.2M | 2022-12-31 | 2024-04-01 | 10-K | 24-000656 |
| 25 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$6.1M | 2024-12-31 | 2025-03-28 | 10-K | 25-000516 |
| 26 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $196,000 | 2024-12-31 | 2025-03-28 | 10-K | 25-000516 |
| 27 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $54.6M | 2023-12-31 | 2025-03-28 | 10-K | 25-000516 |
| 28 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $375,000 | 2023-12-31 | 2025-03-28 | 10-K | 25-000516 |
| 29 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$4.2M | 2022-12-31 | 2024-04-01 | 10-K | 24-000656 |
| 30 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $51,000 | 2022-12-31 | 2024-04-01 | 10-K | 24-000656 |
| 31 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$4.4M | 2021-12-31 | 2023-03-31 | 10-K | 23-000346 |
| 32 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $221,000 | 2021-12-31 | 2023-03-31 | 10-K | 23-000346 |
| 33 | depreciation amortization | us-gaap:Depreciation | $0 | 2024-12-31 | 2026-03-31 | 10-K | 26-000600 |
| 34 | operating income | us-gaap:OperatingIncomeLoss | -$2.1M | 2024-12-31 | 2026-03-31 | 10-K | 26-000600 |
| 35 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | -$1.8M | 2024-12-31 | 2026-03-31 | 10-K | 26-000600 |
| 36 | income tax | us-gaap:IncomeTaxExpenseBenefit | $98,000 | 2024-12-31 | 2026-03-31 | 10-K | 26-000600 |
| 37 | current assets | us-gaap:AssetsCurrent | $18.8M | 2024-12-31 | 2026-03-31 | 10-K | 26-000600 |
| 38 | current liabilities | us-gaap:LiabilitiesCurrent | $3.5M | 2024-12-31 | 2026-03-31 | 10-K | 26-000600 |
| 39 | current assets | us-gaap:AssetsCurrent | $43.3M | 2023-12-31 | 2025-03-28 | 10-K | 25-000516 |
| 40 | current liabilities | us-gaap:LiabilitiesCurrent | $4.3M | 2023-12-31 | 2025-03-28 | 10-K | 25-000516 |
| 41 | assets | us-gaap:Assets | $50.7M | 2023-12-31 | 2025-03-28 | 10-K | 25-000516 |
| 42 | assets | us-gaap:Assets | $83.8M | 2022-12-31 | 2024-04-01 | 10-K | 24-000656 |
| 43 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 2,675,412 | 2026-03-31 | 2026-03-31 | 10-K | 26-000600 |

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| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 44 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 25,992,995 | 2025-03-27 | 2025-04-25 | 10-K/A | 25-000682 | |