Heron Therapeutics, Inc.

HRTX

Nasdaq; healthcare; SIC 2834, Pharmaceutical Preparations; CIK 0000818033

E

weakest fifth of 370 graded peers in healthcare

rank 322 of 370; percentile 87.0; sampling error 2.5 points; lower is stronger

A B C D E

E, the bear



Scoreboard

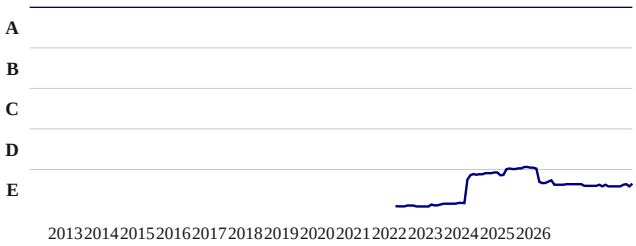
Profitability	D percentile 66.3
Solvency	D percentile 75.8
Growth and financing	C percentile 52.7
Reliability	0.87 AUC filers with $120M to $591M assets; 95% interval 0.83 to 0.90; 206 events, 2020 to 2025
Peer failure rate	1.03% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	$120M to $591M assets total assets $255.9M
Standard universe	inside revenue above $1M and assets above $10M
Warnings	distress not computable: fortress balance sheet
Inputs computable	9 of 14
Graded from	filings received through Feb 26, 2026 240 days before the rescan; latest periodic filing 10-Q received Aug 10, 2026
Last close	$0.30 2026-10-23; market equity $57.2M; 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 26, 2026

We are a commercial-stage biotechnology company focused on improving the lives of patients by developing and commercializing therapeutic innovations that improve medical care. Our advanced science, patented technologies, and innovative approach to drug discovery and development have allowed us to create and commercialize a portfolio of products that aim to advance the standard of care for acute care and oncology patients. ZYNRELEF is a dual-acting local anesthetic that delivers a fixed-dose combination of the local anesthetic bupivacaine and a low dose of the nonsteroidal anti-inflammatory drug meloxicam.

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 66.3						
Gross profitability	44.4%	32.3%		27.0	368	2025-12-31
Return on invested capital	not computable	9.3%				
one or more required annual facts are missing						

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Accruals ratio	3.0%	(6.6%)	85.3	809	2025-12-31
Gross margin stability, five years	12.3 pts	2.8 pts	86.7	242	2025-12-31
Solvency, sleeve percentile 75.8					
Twelve-month failure probability	1.30%	0.07%	89.4	247	2026-06-30
Altman Z double-prime	(21.08)	(0.33)	74.6	754	2025-12-31
Net debt to EBITDA	not computable	1.82x			
one or more required annual facts are missing					
Interest coverage	not computable	(4.51x)			
latest aligned inputs end 2023-12-31; latest annual assets end 2025-12-31					
Current ratio	2.48x	2.94x	63.5	836	2025-12-31
Growth and financing, sleeve percentile 52.7					
Revenue growth, three-year compound	12.9%	10.1%	43.9	413	2025-12-31
Free cash flow growth, three-year compound	not computable	10.9%			
current FCF must be positive and base FCF must exceed $100,000					
Reinvestment rate	not computable	37.1%			
required facts have no common fiscal period end					
Asset growth, three years	0.7%	2.1%	50.1	702	2025-12-31
Net share issuance, one year	23.8%	2.5%	64.0	634	2026-02-13

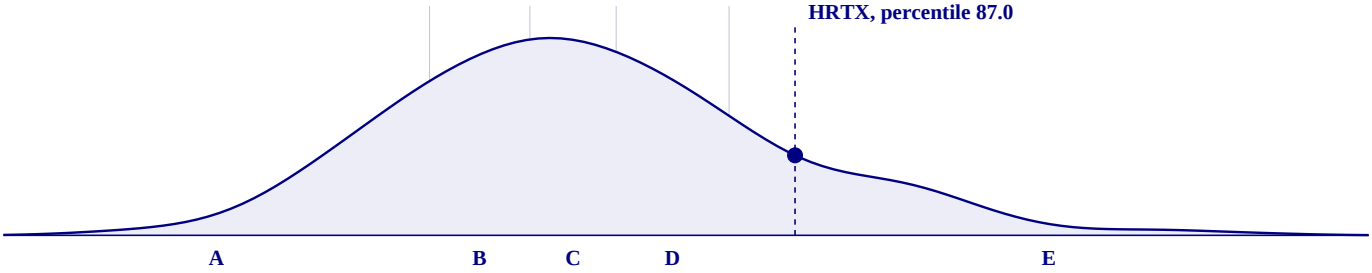
Warnings

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

Check	Measured
Distress	CHS probability 1.296622%; universe top-decile threshold 0.999057%

Among 370 peers

healthcare; 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
317	Intellia Therapeutics, Inc. (NTLA)	85.6	E	short runway
318	Outset Medical, Inc. (OM)	85.9	E	dilution
319	National Vision Holdings, Inc. (EYE)	86.2	E	
320	Natural Alternatives International Inc. (NAII)	86.4	E	dilution, late filer, fortress balance sheet
321	DarioHealth Corp. (DRIO)	86.7	E	dilution, short runway
322	Heron Therapeutics, Inc. (HRTX)	87.0	E	distress
323	Lexaria Bioscience Corp. (LEXX)	87.3	E	dilution, short runway, distress
324	Bristol Myers Squibb Co. (BMY)	87.7	E	
325	Bristol Myers Squibb Co. (CELG-RI)	87.7	E	
326	Intelligent BIO Solutions Inc. (INBS)	88.1	E	dilution, short runway
327	Maravai Lifesciences Holdings, Inc. (MRVI)	88.3	E	late filer

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What the price implies

at the 2026-10-23 close; none of these enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	(74.8%)	7.7%	5
Distance from 52-week high	(79.7%)	(31.4%)	9
EBIT to enterprise value	not computable	(1.5%)	
Free cash flow yield	(48.5%)	(1.0%)	15
Book value to price	0.12	0.28	30
Sales to price	2.69	0.30	93
Composite equity issuance, five years	73.1%	20.5%	71
Relative strength against the sector, log excess return	(1.59)	(0.14)	5

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	fail
Long-term leverage fell	fail
Current ratio improved	pass
No new shares issued	fail
Gross margin improved	pass
Asset turnover improved	pass
Cash, filings, liquidity	
Cash and equivalents	$20.7M
Operating cash flow, four quarters	-$11.6M
Months of runway	21.4
Days since last periodic filing	75 (10-Q received Aug 10, 2026)
Median daily dollar volume, 63 sessions	$740,570

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	$113.6M	2025-12-31	2026-02-26	10-K	26-073515
2	assets	us-gaap:Assets	$255.9M	2025-12-31	2026-02-26	10-K	26-073515
3	net income	us-gaap:NetIncomeLoss	-$20.2M	2025-12-31	2026-02-26	10-K	26-073515
4	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-$27.6M	2025-12-31	2026-02-26	10-K	26-073515
5	assets	us-gaap:Assets	$233.1M	2024-12-31	2026-02-26	10-K	26-073515
6	revenue	us-gaap:RevenueFromContractWithCustomerIncludingAs...	$154.9M	2025-12-31	2026-02-26	10-K	26-073515
7	gross profit	us-gaap:GrossProfit	$105.6M	2024-12-31	2026-02-26	10-K	26-073515
8	revenue	us-gaap:RevenueFromContractWithCustomerIncludingAs...	$144.3M	2024-12-31	2026-02-26	10-K	26-073515
9	gross profit	us-gaap:GrossProfit	$61.9M	2023-12-31	2026-02-26	10-K	26-073515
10	revenue	us-gaap:RevenueFromContractWithCustomerIncludingAs...	$127.0M	2023-12-31	2026-02-26	10-K	26-073515
11	revenue	us-gaap:RevenueFromContractWithCustomerIncludingAs...	$107.7M	2022-12-31	2025-02-27	10-K	25-028374
12	cost of revenue	us-gaap:CostOfGoodsAndServicesSold	$54.9M	2022-12-31	2025-02-27	10-K	25-028374
13	revenue	us-gaap:RevenueFromContractWithCustomerIncludingAs...	$86.3M	2021-12-31	2023-03-29	10-K	23-010603
14	cost of revenue	us-gaap:CostOfGoodsAndServicesSold	$46.0M	2021-12-31	2023-03-29	10-K	23-010603
15	current assets	us-gaap:AssetsCurrent	$238.1M	2025-12-31	2026-02-26	10-K	26-073515
16	current liabilities	us-gaap:LiabilitiesCurrent	$96.1M	2025-12-31	2026-02-26	10-K	26-073515
17	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	-$1.9B	2025-12-31	2026-02-26	10-K	26-073515
18	operating income	us-gaap:OperatingIncomeLoss	-$2.5M	2025-12-31	2026-02-26	10-K	26-073515

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19	book equity	us-gaap:StockholdersEquity	$14.3M	2025-12-31	2026-02-26	10-K	26-073515
20	liabilities	us-gaap:Liabilities	$241.5M	2025-12-31	2026-02-26	10-K	26-073515
21	operating income	us-gaap:OperatingIncomeLoss	-$110.6M	2023-12-31	2026-02-26	10-K	26-073515
22	interest expense	us-gaap:InterestExpense	$3.9M	2023-12-31	2024-03-12	10-K	24-029951
23	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$317,000	2025-12-31	2026-02-26	10-K	26-073515
24	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-$22.5M	2024-12-31	2026-02-26	10-K	26-073515
25	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$1.7M	2024-12-31	2026-02-26	10-K	26-073515
26	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-$58.8M	2023-12-31	2026-02-26	10-K	26-073515
27	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$1.5M	2023-12-31	2026-02-26	10-K	26-073515
28	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-$146.9M	2022-12-31	2025-02-27	10-K	25-028374
29	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$1.8M	2022-12-31	2025-02-27	10-K	25-028374
30	assets	us-gaap:Assets	$222.5M	2023-12-31	2025-02-27	10-K	25-028374
31	assets	us-gaap:Assets	$251.0M	2022-12-31	2024-03-12	10-K	24-029951
32	shares outstanding	dei:EntityCommonStockSharesOutstanding	188,537,136	2026-02-13	2026-02-26	10-K	26-073515
33	shares outstanding	dei:EntityCommonStockSharesOutstanding	152,329,588	2025-02-13	2025-02-27	10-K	25-028374

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