# 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

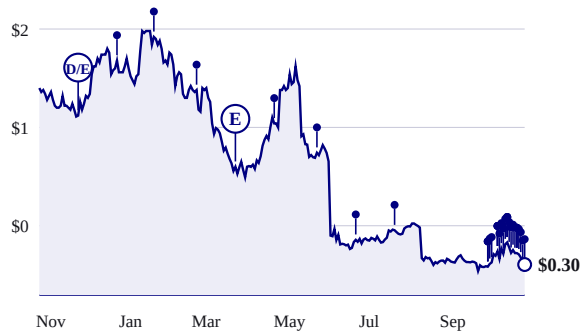
A B C D E

**E, the bear**



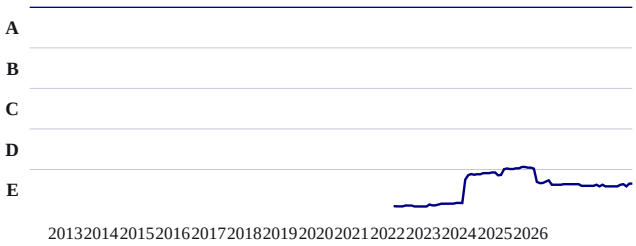
| Scoreboard | |
|---|---|
| **Profitability** | D<br>percentile 66.3 |
| **Solvency** | D<br>percentile 75.8 |
| **Growth and financing** | C<br>percentile 52.6 |
| **Reliability** | 0.87 AUC<br>filers with $120M to $591M assets; 95% interval 0.83 to 0.90; 206 events, 2020 to 2025 |
| **Peer failure rate** | 1.03% a year<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | $120M to $591M assets<br>total assets $255.9M |
| **Standard universe** | inside<br>revenue above $1M and assets above $10M |
| **Warnings** | distress<br>not computable: fortress balance sheet |
| **Inputs computable** | 9 of 14 |
| **Graded from** | filings received through Feb 26, 2026<br>241 days before the rescan; latest periodic filing 10-Q received Aug 10, 2026 |
| **Last close** | $0.30<br>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%) | 85.2 | 807 | 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% | 89.1 | 248 | 2026-06-30 |
| Altman Z double-prime | (21.08) | (0.33) | 74.8 | 752 | 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 | 834 | 2025-12-31 |
| **Growth and financing, sleeve percentile 52.6** | | | | | |
| 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% | 50.2 | 700 | 2025-12-31 |
| Net share issuance, one year | 23.8% | 2.5% | 63.8 | 636 | 2026-02-13 |

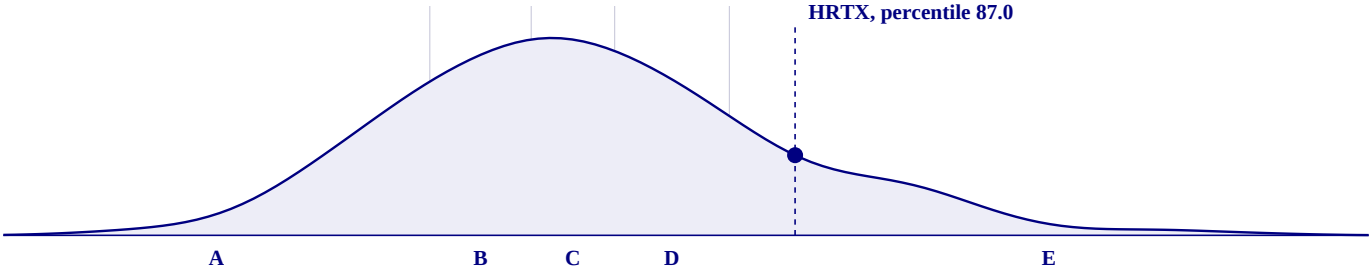
## Warnings

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

| Check | Measured |
|---|---|
| Distress | CHS probability 1.296432%; universe top-decile threshold 1.085870% |

## 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 | Intelligent BIO Solutions Inc. (INBS) | 87.5 | E | dilution, short runway |
| 325 | Bristol Myers Squibb Co. (BMY) | 87.9 | E | |
| 326 | Bristol Myers Squibb Co. (CELG-RI) | 87.9 | E | |
| 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 | 76 (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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