# Heritage Global Inc.

**HGBL**

Nasdaq; other; SIC 7389, Services-Business Services, NEC; CIK 0000849145

# C/D

**on the C/D boundary of 336 graded peers in other**

rank 199 of 336; percentile 59.1; sampling error 2.6 points; lower is stronger

A B C D E

**C/D, the tortoise**



## Scoreboard

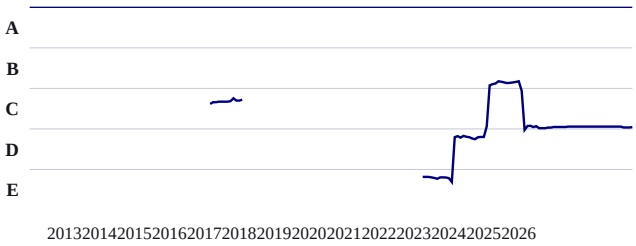
| | | |
|---|---|---|
| **Profitability** | D | percentile 70.5 |
| **Solvency** | C | percentile 51.4 |
| **Growth and financing** | B | percentile 30.6 |
| **Reliability** | 0.83 AUC | filers with $12.5M to $120M assets; 95% interval 0.79 to 0.86; 201 events, 2020 to 2025 |
| **Peer failure rate** | 1.07% a year | Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | $12.5M to $120M assets | total assets $88.4M |
| **Standard universe** | inside | revenue above $1M and assets above $10M |
| **Warnings** | none triggered; fortress balance sheet | not computable: distress |
| **Inputs computable** | 8 of 14 | |
| **Graded from** | filings received through Mar 12, 2026 | 232 days before the rescan; latest periodic filing 10-Q received Aug 13, 2026 |
| **Last close** | $1.27 | 2026-10-29; market equity $44.0M; 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 12, 2026*

We are an asset services company specializing in financial and industrial asset transactions. We provide a full suite of services including market making, acquisitions, refurbishment, dispositions, valuations and secured lending. We focus on identifying, valuing, acquiring and monetizing underlying tangible assets across more than twenty-five global sectors. We act as an advisor as well as a principal, acquiring or brokering turnkey manufacturing facilities, surplus industrial machinery and equipment, industrial inventories, and charged-off receivable portfolios. Our operations are organized into two divisions, Industrial Assets and Financial Assets.

## 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 70.5** | | | | | | |
| Gross profitability | 15.8% | 27.0% | | 70.3 | 287 | 2025-12-31 |
| Return on invested capital | not computable | 10.0% | | | | |

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

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| | | | | | |
|---|---|---|---|---|---|
| Accruals ratio | (3.0%) | (5.8%) | 70.7 | 503 | 2025-12-31 |
| Gross margin stability, five years | not computable | 2.2 pts | | | |
| *five annual gross margins are required; found 2* | | | | | |
| **Solvency, sleeve percentile 51.4** | | | | | |
| Twelve-month failure probability | not computable | 0.04% | | | |
| *latest liabilities, cash plus short-term investments, book equity, and shares are required* | | | | | |
| Altman Z double-prime | (3.22) | 2.05 | 77.9 | 385 | 2025-12-31 |
| Net debt to EBITDA | not computable | 2.52x | | | |
| *latest aligned inputs end 2023-12-31; latest annual assets end 2025-12-31* | | | | | |
| Interest coverage | not computable | 2.45x | | | |
| *latest aligned inputs end 2016-12-31; latest annual assets end 2025-12-31* | | | | | |
| Current ratio | 2.16x | 1.32x | 24.9 | 507 | 2025-12-31 |
| **Growth and financing, sleeve percentile 30.6** | | | | | |
| Revenue growth, three-year compound | 2.8% | 5.0% | 57.1 | 400 | 2025-12-31 |
| Free cash flow growth, three-year compound | not computable | 8.7% | | | |
| *current FCF must be positive and base FCF must exceed $100,000* | | | | | |
| Reinvestment rate | 222.5% | 11.6% | 4.7 | 191 | 2025-12-31 |
| Asset growth, three years | 9.4% | 4.2% | 28.9 | 437 | 2025-12-31 |
| Net share issuance, one year | (2.1%) | (0.5%) | 31.8 | 353 | 2026-03-01 |

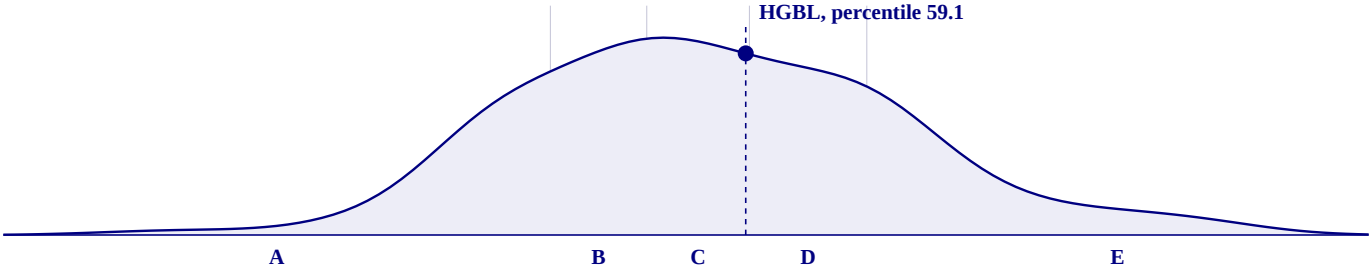
## Warnings

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

| Check | Measured |
|---|---|
| Fortress balance sheet | cash minus debt is 5,051,000 USD; Altman Z is not used |

## Among 336 peers

*other; 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 |
|---|---|---|---|---|
| 194 | GEE Group Inc. (JOB) | 57.6 | C/D | |
| 195 | Xponential Fitness, Inc. (XPOF) | 57.9 | C/D | |
| 196 | Concrete Pumping Holdings, Inc. (BBCP) | 58.2 | C/D | |
| 197 | Compass Minerals International Inc. (CMP) | 58.5 | C/D | |
| 198 | Full House Resorts Inc. (FLL) | 58.8 | C/D | |
| 199 | Heritage Global Inc. (HGBL) | 59.1 | C/D | fortress balance sheet |
| 200 | TrueBlue, Inc. (TBI) | 59.4 | C/D | short runway, fortress balance sheet |
| 201 | Caesars Entertainment, Inc. (CZR) | 59.7 | C/D | |
| 202 | Western Union Co. (WU) | 60.0 | C/D | |
| 203 | Dorian LPG Ltd. (LPG) | 60.3 | C/D | |
| 204 | Waste Connections, Inc. (WCN) | 60.6 | C/D | |

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## What the price implies

*at the 2026-10-29 close; none of these enters the grade*

| Measure | Value | Peer median | Percentile |
|---|---|---|---|
| Twelve-month price change, skipping the latest month | (22.3%) | 2.0% | 26 |
| Distance from 52-week high | (14.3%) | (24.2%) | 64 |
| EBIT to enterprise value | 16.5% | 4.3% | 97 |
| Free cash flow yield | (5.3%) | 4.1% | 16 |
| Book value to price | 1.19 | 0.33 | 91 |
| Sales to price | 1.17 | 0.70 | 65 |
| Composite equity issuance, five years | (2.0%) | (8.8%) | 62 |
| Relative strength against the sector, log excess return | (0.40) | (0.13) | 26 |

## 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 | pass |
| Operating cash flow above zero | pass |
| Return on assets improved | fail |
| Operating cash flow exceeds net income | pass |
| Long-term leverage fell | fail |
| Current ratio improved | fail |
| No new shares issued | pass |
| Gross margin improved | fail |
| Asset turnover improved | pass |
| **Cash, filings, liquidity** | |
| Cash and equivalents | $13.2M |
| Operating cash flow, four quarters | $579,000 |
| Months of runway | not finite |
| Days since last periodic filing | 78 (10-Q received Aug 13, 2026) |
| Median daily dollar volume, 63 sessions | $138,842 |

## 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 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $51.0M | 2025-12-31 | 2026-03-12 | 10-K | 26-104062 |
| 2 | cost of revenue | us-gaap:CostOfRevenue | $37.0M | 2025-12-31 | 2026-03-12 | 10-K | 26-104062 |
| 3 | assets | us-gaap:Assets | $88.4M | 2025-12-31 | 2026-03-12 | 10-K | 26-104062 |
| 4 | operating income | us-gaap:OperatingIncomeLoss | $14.3M | 2023-12-31 | 2025-03-13 | 10-K | 25-038691 |
| 5 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | $14.0M | 2023-12-31 | 2025-03-13 | 10-K | 25-038691 |
| 6 | income tax | us-gaap:IncomeTaxExpenseBenefit | $1.5M | 2023-12-31 | 2025-03-13 | 10-K | 25-038691 |
| 7 | total debt | us-gaap:LongTermDebt | $7.2M | 2023-12-31 | 2024-03-14 | 10-K | 24-031436 |
| 8 | book equity | us-gaap:StockholdersEquity | $61.1M | 2023-12-31 | 2026-03-12 | 10-K | 26-104062 |
| 9 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $12.3M | 2023-12-31 | 2025-03-13 | 10-K | 25-038691 |
| 10 | net income | us-gaap:NetIncomeLoss | $3.6M | 2025-12-31 | 2026-03-12 | 10-K | 26-104062 |
| 11 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $6.1M | 2025-12-31 | 2026-03-12 | 10-K | 26-104062 |
| 12 | assets | us-gaap:Assets | $81.3M | 2024-12-31 | 2026-03-12 | 10-K | 26-104062 |
| 13 | current assets | us-gaap:AssetsCurrent | $33.6M | 2025-12-31 | 2026-03-12 | 10-K | 26-104062 |
| 14 | current liabilities | us-gaap:LiabilitiesCurrent | $15.5M | 2025-12-31 | 2026-03-12 | 10-K | 26-104062 |
| 15 | retained earnings | us-gaap:RetainedEarningsAccumulatedDeficit | -$224.3M | 2025-12-31 | 2026-03-12 | 10-K | 26-104062 |
| 16 | operating income | us-gaap:OperatingIncomeLoss | $5.7M | 2025-12-31 | 2026-03-12 | 10-K | 26-104062 |
| 17 | book equity | us-gaap:StockholdersEquity | $67.0M | 2025-12-31 | 2026-03-12 | 10-K | 26-104062 |
| 18 | liabilities | us-gaap:Liabilities | $21.5M | 2025-12-31 | 2026-03-12 | 10-K | 26-104062 |

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| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 19 | depreciation amortization | us-gaap:Depreciation | $100,000 | 2023-12-31 | 2025-03-13 | 10-K | 25-038691 |
| 20 | operating income | us-gaap:OperatingIncomeLoss | $190,000 | 2016-12-31 | 2018-03-13 | 10-K | 18-005463 |
| 21 | interest expense | us-gaap:InterestExpense | $182,000 | 2016-12-31 | 2017-03-07 | 10-K | 17-003568 |
| 22 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $45.4M | 2024-12-31 | 2026-03-12 | 10-K | 26-104062 |
| 23 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $60.5M | 2023-12-31 | 2025-03-13 | 10-K | 25-038691 |
| 24 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $46.9M | 2022-12-31 | 2024-03-14 | 10-K | 24-031436 |
| 25 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $8.5M | 2025-12-31 | 2026-03-12 | 10-K | 26-104062 |
| 26 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $7.7M | 2024-12-31 | 2026-03-12 | 10-K | 26-104062 |
| 27 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $137,000 | 2024-12-31 | 2026-03-12 | 10-K | 26-104062 |
| 28 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $13.0M | 2023-12-31 | 2025-03-13 | 10-K | 25-038691 |
| 29 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $257,000 | 2023-12-31 | 2025-03-13 | 10-K | 25-038691 |
| 30 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $6.5M | 2022-12-31 | 2024-03-14 | 10-K | 24-031436 |
| 31 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $215,000 | 2022-12-31 | 2024-03-14 | 10-K | 24-031436 |
| 32 | depreciation amortization | us-gaap:Depreciation | $200,000 | 2025-12-31 | 2026-03-12 | 10-K | 26-104062 |
| 33 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | $5.8M | 2025-12-31 | 2026-03-12 | 10-K | 26-104062 |
| 34 | income tax | us-gaap:IncomeTaxExpenseBenefit | $2.3M | 2025-12-31 | 2026-03-12 | 10-K | 26-104062 |
| 35 | current assets | us-gaap:AssetsCurrent | $33.1M | 2024-12-31 | 2026-03-12 | 10-K | 26-104062 |
| 36 | current liabilities | us-gaap:LiabilitiesCurrent | $14.6M | 2024-12-31 | 2026-03-12 | 10-K | 26-104062 |
| 37 | assets | us-gaap:Assets | $83.2M | 2023-12-31 | 2025-03-13 | 10-K | 25-038691 |
| 38 | assets | us-gaap:Assets | $67.6M | 2022-12-31 | 2024-03-14 | 10-K | 24-031436 |
| 39 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 34,741,553 | 2026-03-01 | 2026-03-12 | 10-K | 26-104062 |
| 40 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 35,495,057 | 2025-03-01 | 2025-03-13 | 10-K | 25-038691 |

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