# Tessera Defense & Homeland Security Inc. HLSQ

NYSE; business equipment; SIC 7372, Services-Prepackaged Software; CIK 0001739174

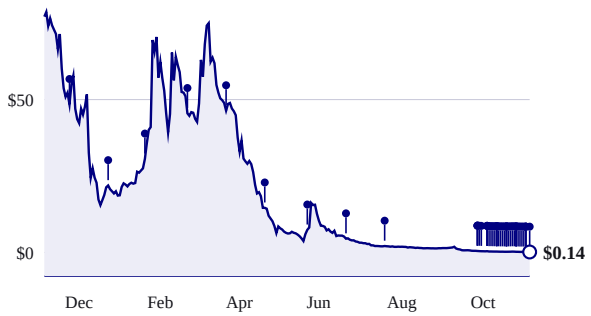
# None

**No letter**

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

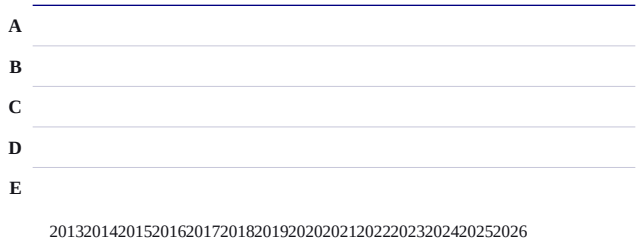
| Scoreboard | |
|---|---|
| **Reliability** | 0.76 AUC<br>filers with under $12.5M assets; 95% interval 0.65 to 0.86; 63 events, 2020 to 2025 |
| **Peer failure rate** | 0.60% a year<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | under $12.5M assets<br>total assets $5.8M |
| **Warnings** | short runway, late filer, thin data; fort...<br>not computable: dilution, degenerate inputs, distress |
| **Inputs computable** | 3 of 14 |
| **Graded from** | filings received through Apr 30, 2026<br>189 days before the rescan; latest periodic filing 10-Q received Aug 19, 2026 |
| **Last close** | $0.15<br>2026-11-04; market equity $389,634; 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 19, 2026*

are a clinical stage product discovery company developing products using both natural and engineered phage technologies designed to target and kill specific harmful bacteria associated with chronic diseases, such as diabetic foot infections, or DFI. Bacteriophage or phage are bacterial, species-specific, strain-limited viruses that infect, amplify and kill the target bacteria and are considered inert to mammalian cells. By utilizing proprietary combinations of naturally occurring phage and by creating novel phage using synthetic biology, we develop phage-based therapies intended to address large-market diseases.

## 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 9.1** | | | | | | |
| Gross profitability | not computable | 28.6% | | | | |
| *one or more required annual facts are missing* | | | | | | |
| Return on invested capital | not computable | 11.2% | | | | |

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| | | | | | |
|---|---|---|---|---|---|
| *pretax income must exceed the validity floor and imply a 0%-100% tax rate* | | | | | |
| Accruals ratio | (40.0%) | (7.3%) | 9.1 | 617 | 2025-12-31 |
| Gross margin stability, five years | not computable | 2.3 pts | | | |
| *five annual gross margins are required; found 0* | | | | | |
| **Solvency, sleeve percentile 86.1** | | | | | |
| Twelve-month failure probability | not computable | 0.05% | | | |
| *liabilities and a nearby cover-page share count are required at 2025-09-30* | | | | | |
| Altman Z double-prime | not computable | 2.16 | | | |
| *latest aligned inputs end 2019-06-30; latest annual assets end 2025-12-31* | | | | | |
| Net debt to EBITDA | not computable | 1.09x | | | |
| *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 | 0.87x | 2.01x | 86.1 | 662 | 2025-12-31 |
| **Growth and financing, sleeve percentile 99.1** | | | | | |
| Revenue growth, three-year compound | not computable | 6.4% | | | |
| *four annual observations are required; found 0* | | | | | |
| Free cash flow growth, three-year compound | not computable | 17.7% | | | |
| *current FCF must be positive and base FCF must exceed $100,000* | | | | | |
| Reinvestment rate | not computable | 13.3% | | | |
| *pretax income must exceed the validity floor and imply a 0%-100% tax rate* | | | | | |
| Asset growth, three years | (49.7%) | 5.1% | 99.1 | 559 | 2025-12-31 |
| Net share issuance, one year | not computable | 0.5% | | | |
| *prior share count is 73 days earlier* | | | | | |

## Warnings

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

| Check | Measured |
|---|---|
| Short runway | cash runway is 0.2 months |
| Late filer | found 2 NT 10-K/Q filings in the last eight quarters |
| Thin data | 3 of 14 grade factors are computable; minimum is 7 |
| Fortress balance sheet | cash minus debt is 3,720,000 USD; Altman Z is not used |

## What the price implies

*at the 2026-11-04 close; none of these enters the grade*

| Measure | Value | Peer median | Percentile |
|---|---|---|---|
| Twelve-month price change, skipping the latest month | (99.6%) | (2.0%) | 0 |
| Distance from 52-week high | (99.8%) | (33.1%) | 0 |
| EBIT to enterprise value | (369.4%) | 1.7% | 1 |
| Free cash flow yield | (6,858.2%) | 2.8% | 0 |
| Book value to price | 28.23 | 0.28 | 99 |
| Sales to price | not computable | 0.31 | |
| Composite equity issuance, five years | 534.4% | 4.2% | 99 |
| Relative strength against the sector, log excess return | (5.72) | (0.29) | 0 |

## 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 |

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| | |
|---|---|
| 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 | fail |
| **Cash, filings, liquidity** | |
| Cash and equivalents | $347,000 |
| Operating cash flow, four quarters | -$18.2M |
| Months of runway | 0.2 |
| Days since last periodic filing | 78 (10-Q received Aug 19, 2026) |
| Median daily dollar volume, 63 sessions | $235,072 |

## 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 | operating income | us-gaap:OperatingIncomeLoss | -$25.3M | 2023-12-31 | 2025-03-25 | 10-K | 25-002283 |
| 2 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | -$26.1M | 2023-12-31 | 2025-03-25 | 10-K | 25-002283 |
| 3 | income tax | us-gaap:IncomeTaxExpenseBenefit | $23,000 | 2023-12-31 | 2025-03-25 | 10-K | 25-002283 |
| 4 | total debt | us-gaap:LongTermDebt | $11.2M | 2023-12-31 | 2024-04-04 | 10-K | 24-030053 |
| 5 | book equity | us-gaap:StockholdersEquity | $3.1M | 2023-12-31 | 2026-02-19 | 10-K | 26-018231 |
| 6 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $14.9M | 2023-12-31 | 2025-03-25 | 10-K | 25-002283 |
| 7 | total debt | us-gaap:LongTermDebt | $15.0M | 2022-12-31 | 2023-03-29 | 10-K | 23-024122 |
| 8 | book equity | us-gaap:StockholdersEquity | $21.0M | 2022-12-31 | 2025-03-25 | 10-K | 25-002283 |
| 9 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $31.3M | 2022-12-31 | 2024-04-04 | 10-K | 24-030053 |
| 10 | net income | us-gaap:NetIncomeLoss | -$36.2M | 2025-12-31 | 2026-02-19 | 10-K | 26-018231 |
| 11 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$26.4M | 2025-12-31 | 2026-02-19 | 10-K | 26-018231 |
| 12 | assets | us-gaap:Assets | $5.8M | 2025-12-31 | 2026-02-19 | 10-K | 26-018231 |
| 13 | assets | us-gaap:Assets | $43.2M | 2024-12-31 | 2026-02-19 | 10-K | 26-018231 |
| 14 | current assets | us-gaap:AssetsCurrent | $736,454 | 2019-06-30 | 2019-08-21 | 10-K | 19-016461 |
| 15 | current liabilities | us-gaap:LiabilitiesCurrent | $371,011 | 2019-06-30 | 2019-08-21 | 10-K | 19-016461 |
| 16 | retained earnings | us-gaap:RetainedEarningsAccumulatedDeficit | $346,382 | 2019-06-30 | 2019-08-21 | 10-K | 19-016461 |
| 17 | operating income | us-gaap:OperatingIncomeLoss | -$404,521 | 2019-06-30 | 2019-08-21 | 10-K | 19-016461 |
| 18 | book equity | us-gaap:StockholdersEquity | $5.0M | 2019-06-30 | 2019-08-21 | 10-K | 19-016461 |
| 19 | assets | us-gaap:Assets | $71.6M | 2019-06-30 | 2019-08-21 | 10-K | 19-016461 |
| 20 | liabilities | us-gaap:Liabilities | $871,011 | 2019-06-30 | 2019-08-21 | 10-K | 19-016461 |
| 21 | operating income | us-gaap:OperatingIncomeLoss | -$27.2M | 2022-12-31 | 2024-04-04 | 10-K | 24-030053 |
| 22 | depreciation amortization | us-gaap:Depreciation | $909,000 | 2022-12-31 | 2023-03-29 | 10-K | 23-024122 |
| 23 | interest expense | us-gaap:InterestExpense | $2.4M | 2023-12-31 | 2024-04-04 | 10-K | 24-030053 |
| 24 | current assets | us-gaap:AssetsCurrent | $5.6M | 2025-12-31 | 2026-02-19 | 10-K | 26-018231 |
| 25 | current liabilities | us-gaap:LiabilitiesCurrent | $6.4M | 2025-12-31 | 2026-02-19 | 10-K | 26-018231 |
| 26 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $2,000 | 2025-12-31 | 2026-02-19 | 10-K | 26-018231 |
| 27 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$37.0M | 2024-12-31 | 2026-02-19 | 10-K | 26-018231 |
| 28 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $30,000 | 2024-12-31 | 2026-02-19 | 10-K | 26-018231 |
| 29 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$21.3M | 2023-12-31 | 2025-03-25 | 10-K | 25-002283 |
| 30 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $50,000 | 2023-12-31 | 2025-03-25 | 10-K | 25-002283 |
| 31 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$29.1M | 2022-12-31 | 2024-04-04 | 10-K | 24-030053 |
| 32 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $112,000 | 2022-12-31 | 2024-04-04 | 10-K | 24-030053 |
| 33 | depreciation amortization | us-gaap:Depreciation | $2.9M | 2025-12-31 | 2026-02-19 | 10-K | 26-018231 |
| 34 | operating income | us-gaap:OperatingIncomeLoss | -$41.5M | 2025-12-31 | 2026-02-19 | 10-K | 26-018231 |
| 35 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | -$36.2M | 2025-12-31 | 2026-02-19 | 10-K | 26-018231 |
| 36 | income tax | us-gaap:IncomeTaxExpenseBenefit | $7,000 | 2025-12-31 | 2026-02-19 | 10-K | 26-018231 |
| 37 | current assets | us-gaap:AssetsCurrent | $20.5M | 2024-12-31 | 2026-02-19 | 10-K | 26-018231 |
| 38 | current liabilities | us-gaap:LiabilitiesCurrent | $8.3M | 2024-12-31 | 2026-02-19 | 10-K | 26-018231 |
| 39 | assets | us-gaap:Assets | $25.0M | 2023-12-31 | 2025-03-25 | 10-K | 25-002283 |
| 40 | assets | us-gaap:Assets | $45.5M | 2022-12-31 | 2024-04-04 | 10-K | 24-030053 |

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| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 41 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 10,111,516 | 2026-04-30 | 2026-04-30 | 10-K/A | 26-050373 |
| 42 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 1,593,703 | 2026-02-16 | 2026-02-19 | 10-K | 26-018231 |