# Kala BIO, Inc.

**KALA**

Nasdaq; healthcare; SIC 2834, Pharmaceutical Preparations; CIK 0001479419

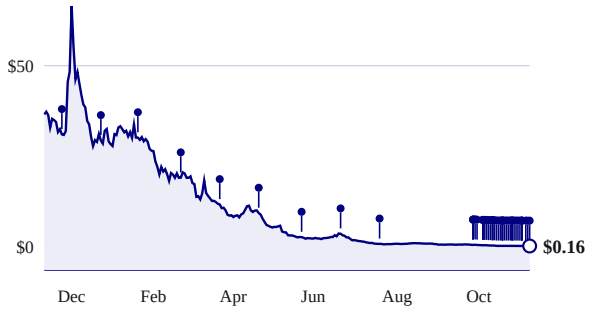
# None

### No letter

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

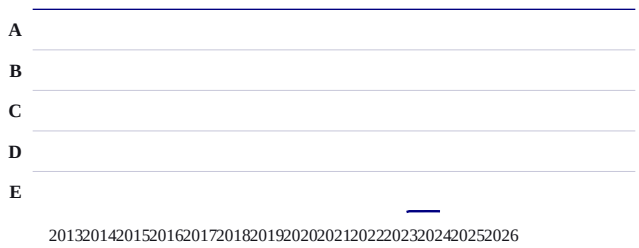
| Scoreboard | |
|---|---|
| **Reliability** | 0.76 AUC<br>filers with under $12.5M assets; 95% interval 0.65 to 0.86; 63 events, 2020 to 2025 |
| **Peer failure rate** | 0.60% a year<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | under $12.5M assets<br>total assets $9.5M |
| **Standard universe** | outside<br>revenue above $1M and assets above $10M |
| **Warnings** | dilution, short runway, late filer, thin... |
| **Inputs computable** | 6 of 14 |
| **Graded from** | filings received through Apr 15, 2026<br>208 days before the rescan; latest periodic filing 10-Q received Aug 19, 2026 |
| **Last close** | $0.15<br>2026-11-06; market equity $3.0M; 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 Apr 15, 2026*

In this Annual Report on Form 10-K, unless the context otherwise requires, references to "we," "us," "our," "our company," "KALA," "KALA BIO" and "Company" refer to KALA BIO, Inc. and its subsidiaries. We are a biopharmaceutical company in transition, evaluating the development of a dedicated, on-premises artificial intelligence (AI) infrastructure platform for the biotechnology industry. Our current focus is leveraging our mesenchymal stem cell secretome ("MSC-S") platform to test development of a scalable AI platform-as-a-service business to deploy secure, purpose-built AI systems directly within biotech and pharmaceutical client environments.

## 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 93.8** | | | | | | |
| Gross profitability | not computable | 32.3% | | | | |
| *one or more required annual facts are missing* | | | | | | |

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| | | | | | | |
|---|---|---|---|---|---|---|
| Return on invested capital | not computable | 9.3% | | | | |
| *one or more required annual facts are missing* | | | | | | |
| Accruals ratio | 15.4% | (6.6%) | 93.8 | 802 | 2025-12-31 | |
| Gross margin stability, five years | not computable | 2.8 pts | | | | |
| *five annual gross margins are required; found 0* | | | | | | |
| **Solvency, sleeve percentile 75.3** | | | | | | |
| Twelve-month failure probability | 0.55% | 0.08% | 79.4 | 249 | 2026-06-30 | |
| Altman Z double-prime | (258.66) | (0.37) | 99.1 | 747 | 2025-12-31 | |
| Net debt to EBITDA | not computable | 1.82x | | | | |
| *EBITDA must exceed $100,000* | | | | | | |
| Interest coverage | not computable | (4.51x) | | | | |
| *latest aligned inputs end 2023-12-31; latest annual assets end 2025-12-31* | | | | | | |
| Current ratio | 3.81x | 2.94x | 47.5 | 828 | 2025-12-31 | |
| **Growth and financing, sleeve percentile 99.0** | | | | | | |
| Revenue growth, three-year compound | not computable | 10.0% | | | | |
| *current value must be positive and the base must exceed $100,000* | | | | | | |
| Free cash flow growth, three-year compound | not computable | 10.9% | | | | |
| *four consecutive annual FCF observations are required; found 3* | | | | | | |
| Reinvestment rate | not computable | 37.1% | | | | |
| *one or more required annual facts are missing* | | | | | | |
| Asset growth, three years | (52.2%) | 2.2% | 98.6 | 696 | 2025-12-31 | |
| Net share issuance, one year | 14,305.4% | 2.5% | 99.5 | 630 | 2026-04-10 | |

## Warnings

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

| Check | Measured |
|---|---|
| Dilution | split-adjusted year-over-year share growth is 14305.4% |
| Short runway | cash runway is 0.1 months |
| Late filer | found 3 NT 10-K/Q filings in the last eight quarters |
| 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 27,192,000 USD; Altman Z is not used |

## What the price implies

*at the 2026-11-06 close; none of these enters the grade*

| Measure | Value | Peer median | Percentile |
|---|---|---|---|
| Twelve-month price change, skipping the latest month | (98.9%) | (2.1%) | 0 |
| Distance from 52-week high | (99.8%) | (30.4%) | 0 |
| EBIT to enterprise value | (131.7%) | (1.5%) | 6 |
| Free cash flow yield | (3,119.5%) | (1.0%) | 0 |
| Book value to price | 3.00 | 0.29 | 97 |
| Sales to price | 0.00 | 0.30 | 0 |
| Composite equity issuance, five years | 666.6% | 20.8% | 98 |
| Relative strength against the sector, log excess return | (4.68) | (0.19) | 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 | pass |

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| | |
|---|---|
| Operating cash flow exceeds net income | fail |
| Long-term leverage fell | fail |
| Current ratio improved | pass |
| No new shares issued | fail |
| Gross margin improved | fail |
| Asset turnover improved | fail |
| **Cash, filings, liquidity** | |
| Cash and equivalents | $229,000 |
| Operating cash flow, four quarters | -$19.9M |
| Months of runway | 0.1 |
| Days since last periodic filing | 82 (10-Q received Aug 19, 2026) |
| Median daily dollar volume, 63 sessions | $80,539 |

## 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 | net income | us-gaap:NetIncomeLoss | -$27.0M | 2025-12-31 | 2026-04-15 | 10-K | 26-043782 |
| 2 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$32.0M | 2025-12-31 | 2026-04-15 | 10-K | 26-043782 |
| 3 | assets | us-gaap:Assets | $9.5M | 2025-12-31 | 2026-04-15 | 10-K | 26-043782 |
| 4 | assets | us-gaap:Assets | $55.5M | 2024-12-31 | 2026-04-15 | 10-K | 26-043782 |
| 5 | current assets | us-gaap:AssetsCurrent | $9.5M | 2025-12-31 | 2026-04-15 | 10-K | 26-043782 |
| 6 | current liabilities | us-gaap:LiabilitiesCurrent | $2.5M | 2025-12-31 | 2026-04-15 | 10-K | 26-043782 |
| 7 | retained earnings | us-gaap:RetainedEarningsAccumulatedDeficit | -$694.9M | 2025-12-31 | 2026-04-15 | 10-K | 26-043782 |
| 8 | operating income | us-gaap:OperatingIncomeLoss | -$39.2M | 2025-12-31 | 2026-04-15 | 10-K | 26-043782 |
| 9 | book equity | us-gaap:StockholdersEquity | $7.0M | 2025-12-31 | 2026-04-15 | 10-K | 26-043782 |
| 10 | liabilities | us-gaap:Liabilities | $2.5M | 2025-12-31 | 2026-04-15 | 10-K | 26-043782 |
| 11 | total debt | us-gaap:LongTermDebt | $43.3M | 2022-12-31 | 2023-03-03 | 10-K | 23-002746 |
| 12 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $70.5M | 2022-12-31 | 2024-03-29 | 10-K | 24-004326 |
| 13 | operating income | us-gaap:OperatingIncomeLoss | -$81.7M | 2022-12-31 | 2024-03-29 | 10-K | 24-004326 |
| 14 | depreciation amortization | us-gaap:DepreciationDepletionAndAmortization | $537,000 | 2022-12-31 | 2024-03-29 | 10-K | 24-004326 |
| 15 | operating income | us-gaap:OperatingIncomeLoss | -$39.7M | 2023-12-31 | 2025-03-31 | 10-K | 25-004081 |
| 16 | interest expense | us-gaap:InterestExpense | $5.8M | 2023-12-31 | 2024-03-29 | 10-K | 24-004326 |
| 17 | revenue | us-gaap:RevenueFromContractWithCustomerIncludingAs... | $0 | 2025-12-31 | 2026-04-15 | 10-K | 26-043782 |
| 18 | revenue | us-gaap:RevenueFromContractWithCustomerIncludingAs... | $0 | 2024-12-31 | 2026-04-15 | 10-K | 26-043782 |
| 19 | revenue | us-gaap:RevenueFromContractWithCustomerIncludingAs... | $0 | 2023-12-31 | 2025-03-31 | 10-K | 25-004081 |
| 20 | revenue | us-gaap:RevenueFromContractWithCustomerIncludingAs... | $3.9M | 2022-12-31 | 2024-03-29 | 10-K | 24-004326 |
| 21 | assets | us-gaap:Assets | $55.9M | 2023-12-31 | 2025-03-31 | 10-K | 25-004081 |
| 22 | assets | us-gaap:Assets | $86.8M | 2022-12-31 | 2024-03-29 | 10-K | 24-004326 |
| 23 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 929,491,578 | 2026-04-10 | 2026-04-15 | 10-K | 26-043782 |
| 24 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 6,452,398 | 2025-03-28 | 2025-03-31 | 10-K | 25-004081 |

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