# HeartCore Enterprises, Inc. HTCR

Nasdaq; business equipment; SIC 7374, Services-Computer Processing & Data Preparation; CIK 0001892322

**E**

**weakest fifth of 495 graded peers in business equipment**

rank 476 of 495; percentile 96.2; sampling error 2.2 points; lower is stronger

A B C D E

**E, the bear**



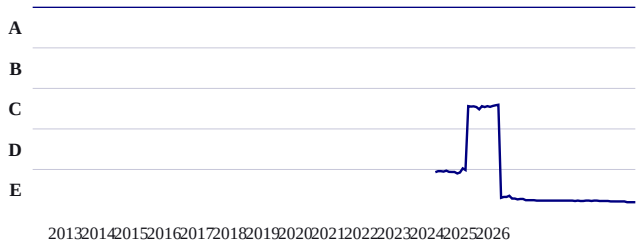
| Scoreboard | |
|---|---|
| **Profitability** | D/E<br>percentile 78.0 |
| **Solvency** | D<br>percentile 71.9 |
| **Growth and financing** | D<br>percentile 68.4 |
| **Reliability** | 0.83 AUC<br>filers with $12.5M to $120M assets; 95% interval 0.79 to 0.86; 201 events, 2020 to 2025 |
| **Peer failure rate** | 1.07% a year<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | $12.5M to $120M assets<br>total assets $13.1M |
| **Standard universe** | inside<br>revenue above $1M and assets above $10M |
| **Warnings** | short runway, late filer; fortress balan... |
| **Inputs computable** | 9 of 14 |
| **Graded from** | filings received through Mar 31, 2026<br>227 days before the rescan; latest periodic filing 10-Q received Aug 13, 2026 |
| **Last close** | $1.35<br>2026-11-12; market equity $2.0M; 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 31, 2026*

Business section, along with other sections of this annual report on Form 10-K, includes statistical and other industry and market data that we obtained from industry publications and research, surveys and studies conducted by third parties. Industry publications and third-party research, surveys and studies generally indicate that their information has been obtained from sources believed to be reliable, although they do not guarantee the accuracy or completeness of such information.

## 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 78.0** | | | | | | |
| Gross profitability | 24.1% | 28.8% | | 57.7 | 552 | 2025-12-31 |
| Return on invested capital | not computable | 11.2% | | | | |
| *pretax income must exceed the validity floor and imply a 0%-100% tax rate* | | | | | | |
| Accruals ratio | 65.9% | (7.3%) | | 99.3 | 615 | 2025-12-31 |

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| | | | | | |
|---|---|---|---|---|---|
| Gross margin stability, five years | 5.7 pts | 2.3 pts | 77.0 | 423 | 2025-12-31 |
| **Solvency, sleeve percentile 71.9** | | | | | |
| Twelve-month failure probability | 0.30% | 0.05% | 86.7 | 106 | 2026-06-30 |
| Altman Z double-prime | (1.89) | 2.21 | 67.0 | 562 | 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 | 1.58x | 2.01x | 62.1 | 660 | 2025-12-31 |
| **Growth and financing, sleeve percentile 68.4** | | | | | |
| Revenue growth, three-year compound | 0.6% | 6.5% | 67.2 | 532 | 2025-12-31 |
| Free cash flow growth, three-year compound | not computable | 18.0% | | | |
| *current FCF must be positive and base FCF must exceed $100,000* | | | | | |
| Reinvestment rate | not computable | 15.1% | | | |
| *NOPAT must exceed $100,000* | | | | | |
| Asset growth, three years | 2.5% | 5.2% | 55.8 | 557 | 2025-12-31 |
| Net share issuance, one year | 15.2% | 0.5% | 82.2 | 406 | 2026-03-31 |

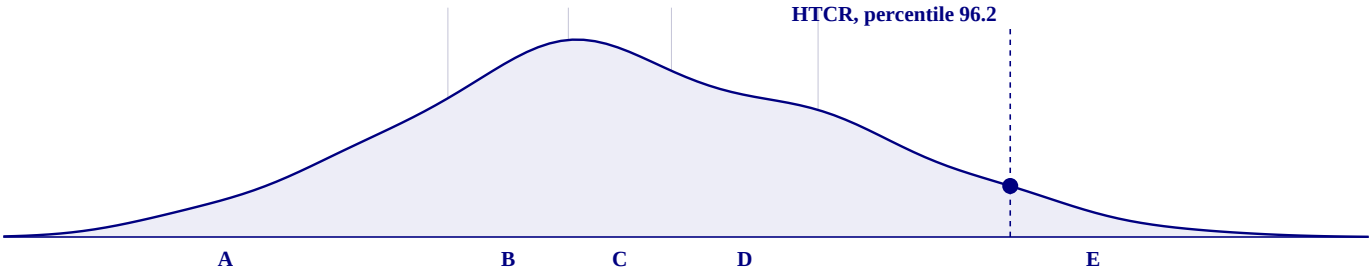
## Warnings

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

| Check | Measured |
|---|---|
| Short runway | cash runway is 2.4 months |
| Late filer | found 1 NT 10-K/Q filings in the last eight quarters |
| Fortress balance sheet | cash minus debt is 1,486,988 USD; Altman Z is not used |

## Among 495 peers

*business equipment; 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 |
|---|---|---|---|---|
| 471 | Comtech Telecommunications Corp. (CMTL) | 95.1 | E | late filer |
| 472 | Smith Micro Software, Inc. (SMSI) | 95.3 | E | dilution, short runway |
| 473 | Waystar Holding Corp. (WAY) | 95.5 | E | |
| 474 | ChargePoint Holdings, Inc. (CHPT) | 95.7 | E | |
| 475 | Peraso Inc. (PRSO) | 96.0 | E | dilution |
| 476 | HeartCore Enterprises, Inc. (HTCR) | 96.2 | E | short runway, late filer, fortress balance sheet |
| 477 | Microchip Technology Inc. (MCHP) | 96.5 | E | |
| 478 | Microchip Technology Inc. (MCHPP) | 96.5 | E | |
| 479 | Cyngn Inc. (CYN) | 96.8 | E | dilution, short runway, late filer, distress |
| 480 | Ideal Power Inc. (IPWR) | 97.0 | E | dilution, degenerate inputs, fortress balance sheet |
| 481 | FTC Solar, Inc. (FTCI) | 97.2 | E | fortress balance sheet |

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## What the price implies

*at the 2026-11-12 close; none of these enters the grade*

| Measure | Value | Peer median | Percentile |
|---|---|---|---|
| Twelve-month price change, skipping the latest month | (85.5%) | (2.0%) | 2 |
| Distance from 52-week high | (90.1%) | (33.7%) | 4 |
| EBIT to enterprise value | (161.7%) | 1.7% | 2 |
| Free cash flow yield | (235.5%) | 2.8% | 2 |
| Book value to price | 2.41 | 0.27 | 95 |
| Sales to price | 4.42 | 0.31 | 94 |
| Composite equity issuance, five years | not computable | 4.3% | |
| Relative strength against the sector, log excess return | (2.20) | (0.29) | 2 |

## Diagnostics

*shown on every report; none enters the grade*

| Measure | Value |
|---|---|
| **Piotroski F-score 3 of 9, period end 2025-12-31** | |
| Return on assets above zero | pass |
| Operating cash flow above zero | fail |
| Return on assets improved | pass |
| 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 | $587,074 |
| Operating cash flow, four quarters | -$2.9M |
| Months of runway | 2.4 |
| Days since last periodic filing | 92 (10-Q received Aug 13, 2026) |
| Median daily dollar volume, 63 sessions | $21,712 |

## 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 | $3.2M | 2025-12-31 | 2026-03-31 | 10-K | 26-014236 |
| 2 | assets | us-gaap:Assets | $13.1M | 2025-12-31 | 2026-03-31 | 10-K | 26-014236 |
| 3 | operating income | us-gaap:OperatingIncomeLoss | -$3.1M | 2025-12-31 | 2026-03-31 | 10-K | 26-014236 |
| 4 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | -$4.1M | 2025-12-31 | 2026-03-31 | 10-K | 26-014236 |
| 5 | income tax | us-gaap:IncomeTaxExpenseBenefit | $44,900 | 2025-12-31 | 2026-03-31 | 10-K | 26-014236 |
| 6 | total debt | us-gaap:LongTermDebt | $498,974 | 2025-12-31 | 2026-03-31 | 10-K | 26-014236 |
| 7 | book equity | us-gaap:StockholdersEquity | $8.8M | 2025-12-31 | 2026-03-31 | 10-K | 26-014236 |
| 8 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $2.0M | 2025-12-31 | 2026-03-31 | 10-K | 26-014236 |
| 9 | total debt | us-gaap:LongTermDebt | $545,088 | 2024-12-31 | 2026-03-31 | 10-K | 26-014236 |
| 10 | book equity | us-gaap:StockholdersEquity | $4.7M | 2024-12-31 | 2026-03-31 | 10-K | 26-014236 |
| 11 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $2.0M | 2024-12-31 | 2026-03-31 | 10-K | 26-014236 |
| 12 | net income | us-gaap:NetIncomeLoss | $5.8M | 2025-12-31 | 2026-03-31 | 10-K | 26-014236 |
| 13 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivitiesC... | -$3.1M | 2025-12-31 | 2026-03-31 | 10-K | 26-014236 |
| 14 | assets | us-gaap:Assets | $14.0M | 2024-12-31 | 2026-03-31 | 10-K | 26-014236 |
| 15 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $9.0M | 2025-12-31 | 2026-03-31 | 10-K | 26-014236 |
| 16 | gross profit | us-gaap:GrossProfit | $14.7M | 2024-12-31 | 2026-03-31 | 10-K | 26-014236 |
| 17 | revenue | us-gaap:Revenues | $30.4M | 2024-12-31 | 2025-03-31 | 10-K | 25-025791 |
| 18 | gross profit | us-gaap:GrossProfit | $8.1M | 2023-12-31 | 2025-03-31 | 10-K | 25-025791 |

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| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 19 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $21.8M | 2023-12-31 | 2024-04-09 | 10-K | 24-013979 |
| 20 | gross profit | us-gaap:GrossProfit | $3.4M | 2022-12-31 | 2024-04-09 | 10-K | 24-013979 |
| 21 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $8.8M | 2022-12-31 | 2024-04-09 | 10-K | 24-013979 |
| 22 | gross profit | us-gaap:GrossProfit | $5.2M | 2021-12-31 | 2023-03-31 | 10-K | 23-010249 |
| 23 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $10.8M | 2021-12-31 | 2023-03-31 | 10-K | 23-010249 |
| 24 | current assets | us-gaap:AssetsCurrent | $8.4M | 2025-12-31 | 2026-03-31 | 10-K | 26-014236 |
| 25 | current liabilities | us-gaap:LiabilitiesCurrent | $5.3M | 2025-12-31 | 2026-03-31 | 10-K | 26-014236 |
| 26 | retained earnings | us-gaap:RetainedEarningsAccumulatedDeficit | -$13.8M | 2025-12-31 | 2026-03-31 | 10-K | 26-014236 |
| 27 | liabilities | us-gaap:Liabilities | $5.8M | 2025-12-31 | 2026-03-31 | 10-K | 26-014236 |
| 28 | depreciation amortization | us-gaap:DepreciationDepletionAndAmortization | $46,373 | 2025-12-31 | 2026-03-31 | 10-K | 26-014236 |
| 29 | operating income | us-gaap:OperatingIncomeLoss | -$4.1M | 2023-12-31 | 2025-03-31 | 10-K | 25-025791 |
| 30 | interest expense | us-gaap:InterestExpense | $162,968 | 2023-12-31 | 2024-04-09 | 10-K | 24-013979 |
| 31 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$4.8M | 2024-12-31 | 2025-03-31 | 10-K | 25-025791 |
| 32 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $7,446 | 2024-12-31 | 2025-03-31 | 10-K | 25-025791 |
| 33 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$4.3M | 2023-12-31 | 2025-03-31 | 10-K | 25-025791 |
| 34 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $526,260 | 2023-12-31 | 2025-03-31 | 10-K | 25-025791 |
| 35 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$4.8M | 2022-12-31 | 2024-04-09 | 10-K | 24-013979 |
| 36 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $57,071 | 2022-12-31 | 2024-04-09 | 10-K | 24-013979 |
| 37 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $766,300 | 2021-12-31 | 2023-03-31 | 10-K | 23-010249 |
| 38 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $36,153 | 2021-12-31 | 2023-03-31 | 10-K | 23-010249 |
| 39 | depreciation amortization | us-gaap:DepreciationDepletionAndAmortization | $676,047 | 2024-12-31 | 2026-03-31 | 10-K | 26-014236 |
| 40 | operating income | us-gaap:OperatingIncomeLoss | -$161,711 | 2024-12-31 | 2026-03-31 | 10-K | 26-014236 |
| 41 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | -$5.5M | 2024-12-31 | 2026-03-31 | 10-K | 26-014236 |
| 42 | income tax | us-gaap:IncomeTaxExpenseBenefit | -$363,156 | 2024-12-31 | 2026-03-31 | 10-K | 26-014236 |
| 43 | current assets | us-gaap:AssetsCurrent | $9.4M | 2024-12-31 | 2026-03-31 | 10-K | 26-014236 |
| 44 | current liabilities | us-gaap:LiabilitiesCurrent | $7.4M | 2024-12-31 | 2026-03-31 | 10-K | 26-014236 |
| 45 | current assets | us-gaap:AssetsCurrent | $5.5M | 2023-12-31 | 2025-03-31 | 10-K | 25-025791 |
| 46 | current liabilities | us-gaap:LiabilitiesCurrent | $6.5M | 2023-12-31 | 2025-03-31 | 10-K | 25-025791 |
| 47 | assets | us-gaap:Assets | $19.6M | 2023-12-31 | 2025-03-31 | 10-K | 25-025791 |
| 48 | assets | us-gaap:Assets | $12.1M | 2022-12-31 | 2024-04-09 | 10-K | 24-013979 |
| 49 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 25,435,724 | 2026-03-31 | 2026-03-31 | 10-K | 26-014236 |
| 50 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 22,075,333 | 2025-03-31 | 2025-03-31 | 10-K | 25-025791 |

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