# Mereo BioPharma Group plc

**MREO**

Nasdaq; healthcare; SIC 2834, Pharmaceutical Preparations; CIK 0001719714

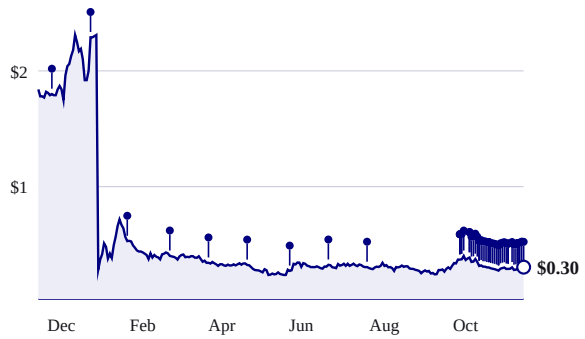
# None

**No letter**

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

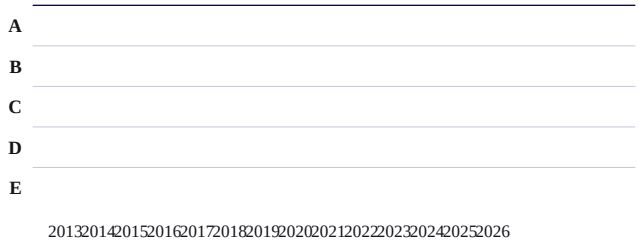
| Scoreboard | |
|---|---|
| **Reliability** | 0.83 AUC<br>filers with $12.5M to $120M assets; 95% interval 0.79 to 0.86; 201 events, 2020 to 2025 |
| **Peer failure rate** | 1.07% a year<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | $12.5M to $120M assets<br>total assets $45.9M |
| **Standard universe** | outside<br>revenue above $1M and assets above $10M |
| **Warnings** | thin data<br>not computable: distress, fortress balance sheet |
| **Inputs computable** | 5 of 14 |
| **Graded from** | filings received through Mar 19, 2026<br>239 days before the rescan; latest periodic filing 10-Q received Nov 9, 2026 |
| **Last close** | $0.30<br>2026-11-12; market equity $243.3M; 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 19, 2026*

-Core Rare Disease Product Candidates-Setrusumab (BPS-804/UX143) for the Treatment of Osteogenesis Imperfecta-Top-line Data from Setrusumab Phase 3 Orbit and Cosmic Studies." We do not know whether our planned clinical trials will begin on time or be completed on schedule, if at all.

## 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 24.4** | | | | | | |
| Gross profitability | not computable | 32.3% | | | | |
| *one or more required annual facts are missing* | | | | | | |
| Return on invested capital | not computable | 9.3% | | | | |
| *one or more required annual facts are missing* | | | | | | |
| Accruals ratio | (17.8%) | (6.6%) | | 24.4 | 800 | 2025-12-31 |

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| | | | | | | |
|---|---|---|---|---|---|---|
| Gross margin stability, five years | not computable | 2.8 pts | | | | |
| *five annual gross margins are required; found 0* | | | | | | |
| **Solvency, sleeve percentile 63.4** | | | | | | |
| Twelve-month failure probability | not computable | 0.08% | | | | |
| *liabilities and a nearby cover-page share count are required at 2025-12-31* | | | | | | |
| Altman Z double-prime | (27.03) | (0.35) | | 78.7 | 744 | 2025-12-31 |
| Net debt to EBITDA | not computable | 1.82x | | | | |
| *one or more required annual facts are missing* | | | | | | |
| Interest coverage | (157.28x) | (4.51x) | | 96.1 | 78 | 2025-12-31 |
| Current ratio | 10.46x | 2.95x | | 15.3 | 826 | 2025-12-31 |
| **Growth and financing, sleeve percentile 17.3** | | | | | | |
| Revenue growth, three-year compound | not computable | 10.1% | | | | |
| *four annual observations are required; found 3* | | | | | | |
| Free cash flow growth, three-year compound | not computable | 11.0% | | | | |
| *four consecutive annual FCF observations are required; found 2* | | | | | | |
| Reinvestment rate | not computable | 37.1% | | | | |
| *NOPAT must exceed $100,000* | | | | | | |
| Asset growth, three years | not computable | 2.2% | | | | |
| *four annual observations are required; found 3* | | | | | | |
| Net share issuance, one year | 0.4% | 2.5% | | 17.3 | 627 | 2026-03-18 |

## Warnings

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

| Check | Measured |
|---|---|
| Thin data | 5 of 14 grade factors are computable; minimum is 7 |

## 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 | (78.8%) | (1.9%) | 6 |
| Distance from 52-week high | (86.8%) | (30.8%) | 6 |
| EBIT to enterprise value | not computable | (1.9%) | |
| Free cash flow yield | (12.7%) | (1.0%) | 29 |
| Book value to price | 0.10 | 0.28 | 23 |
| Sales to price | 0.00 | 0.29 | 4 |
| Composite equity issuance, five years | not computable | 20.5% | |
| Relative strength against the sector, log excess return | (1.72) | (0.19) | 6 |

## 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 |
| Operating cash flow exceeds net income | pass |
| Long-term leverage fell | fail |
| Current ratio improved | pass |
| No new shares issued | fail |
| Gross margin improved | fail |
| Asset turnover improved | pass |

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| Cash, filings, liquidity | |
|---|---|
| Cash and equivalents | $26.1M |
| Operating cash flow, four quarters | -$22.1M |
| Months of runway | 14.2 |
| Days since last periodic filing | 4 (10-Q received Nov 9, 2026) |
| Median daily dollar volume, 63 sessions | $334,398 |

## 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 | -$41.9M | 2025-12-31 | 2026-03-19 | 10-K | 26-115226 |
| 2 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$31.0M | 2025-12-31 | 2026-03-19 | 10-K | 26-115226 |
| 3 | assets | us-gaap:Assets | $45.9M | 2025-12-31 | 2026-03-19 | 10-K | 26-115226 |
| 4 | assets | us-gaap:Assets | $76.4M | 2024-12-31 | 2026-03-19 | 10-K | 26-115226 |
| 5 | current assets | us-gaap:AssetsCurrent | $45.0M | 2025-12-31 | 2026-03-19 | 10-K | 26-115226 |
| 6 | current liabilities | us-gaap:LiabilitiesCurrent | $4.3M | 2025-12-31 | 2026-03-19 | 10-K | 26-115226 |
| 7 | retained earnings | us-gaap:RetainedEarningsAccumulatedDeficit | -$501.0M | 2025-12-31 | 2026-03-19 | 10-K | 26-115226 |
| 8 | operating income | us-gaap:OperatingIncomeLoss | -$40.1M | 2025-12-31 | 2026-03-19 | 10-K | 26-115226 |
| 9 | book equity | us-gaap:StockholdersEquity | $40.9M | 2025-12-31 | 2026-03-19 | 10-K | 26-115226 |
| 10 | liabilities | us-gaap:Liabilities | $5.0M | 2025-12-31 | 2026-03-19 | 10-K | 26-115226 |
| 11 | interest expense | us-gaap:InterestExpense | $255,000 | 2025-12-31 | 2026-03-19 | 10-K | 26-115226 |
| 12 | revenue | us-gaap:Revenues | $500,000 | 2025-12-31 | 2026-03-19 | 10-K | 26-115226 |
| 13 | revenue | us-gaap:Revenues | $0 | 2024-12-31 | 2026-03-19 | 10-K | 26-115226 |
| 14 | revenue | us-gaap:Revenues | $10.0M | 2023-12-31 | 2025-03-26 | 10-K | 25-044787 |
| 15 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $20,000 | 2025-12-31 | 2026-03-19 | 10-K | 26-115226 |
| 16 | depreciation amortization | us-gaap:Depreciation | $157,000 | 2025-12-31 | 2026-03-19 | 10-K | 26-115226 |
| 17 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | -$41.9M | 2025-12-31 | 2026-03-19 | 10-K | 26-115226 |
| 18 | income tax | us-gaap:IncomeTaxExpenseBenefit | $0 | 2025-12-31 | 2026-03-19 | 10-K | 26-115226 |
| 19 | current assets | us-gaap:AssetsCurrent | $74.8M | 2024-12-31 | 2026-03-19 | 10-K | 26-115226 |
| 20 | current liabilities | us-gaap:LiabilitiesCurrent | $13.8M | 2024-12-31 | 2026-03-19 | 10-K | 26-115226 |
| 21 | assets | us-gaap:Assets | $66.5M | 2023-12-31 | 2025-03-26 | 10-K | 25-044787 |
| 22 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 798,078,829 | 2026-03-18 | 2026-03-19 | 10-K | 26-115226 |
| 23 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 795,001,444 | 2025-03-25 | 2025-03-26 | 10-K | 25-044787 |

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