Arrowhead Pharmaceuticals, Inc.

ARWR

Nasdaq; healthcare; SIC 2834, Pharmaceutical Preparations; CIK 0000879407

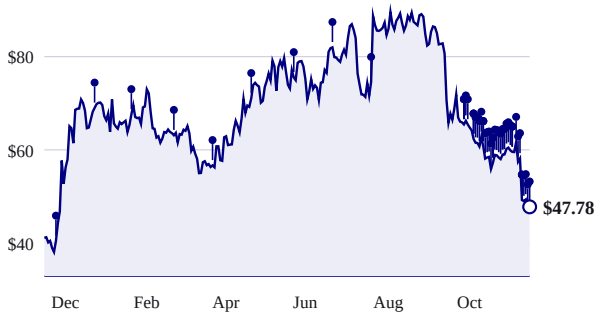
None

No letter

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

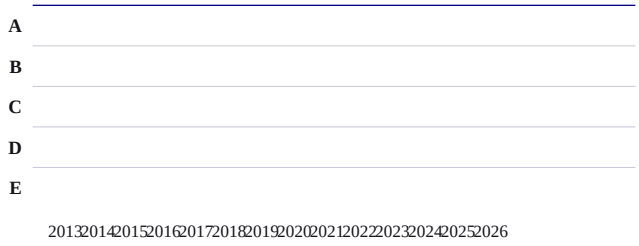
Scoreboard	
Reliability	0.91 AUC filers with $591M to $2.67B assets; 95% interval 0.88 to 0.94; 160 events, 2020 to 2025
Peer failure rate	1.01% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	$591M to $2.67B assets total assets $1.7B
Standard universe	inside revenue above $1M and assets above $10M
Warnings	thin data not computable: short runway, distress, fortress balance sheet
Inputs computable	5 of 14
Graded from	filings received through Nov 12, 2026 2 days before the rescan; latest periodic filing 10-K received Nov 12, 2026
Last close	$47.76 2026-11-13; market equity $6.8B; 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 Nov 25, 2025

The Company develops medicines that treat intractable diseases by silencing the genes that cause them. Using a broad portfolio of RNA chemistries and modes of delivery, the Company's therapies trigger the RNA interference mechanism to induce rapid, deep and durable knockdown of target genes. There are currently 18 Arrowhead discovered drug candidates in clinical trials ranging from early stage (Phase 1) to late stage (Phase 3). In addition, the company has a robust discovery stage pipeline which is capable of generating multiple new clinical candidates each year. The Company recently achieved a transformational milestone with its first commercial launch in 2025, when the U.S.

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 14.4						
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	(29.0%)	(6.6%)		14.4	799	2026-09-30
Gross margin stability, five years	not computable	2.8 pts				
five annual gross margins are required; found 0						
Solvency, sleeve percentile 43.6						
Twelve-month failure probability	not computable	0.08%				
liabilities and a nearby cover-page share count are required at 2026-09-30						
Altman Z double-prime	not computable	(0.31)				
one or more required annual facts are missing						
Net debt to EBITDA	not computable	1.82x				
one or more required annual facts are missing						
Interest coverage	not computable	(4.51x)				
latest aligned inputs end 2023-09-30; latest annual assets end 2026-09-30						
Current ratio	4.14x	2.96x		43.6	825	2026-09-30
Growth and financing, sleeve percentile 28.9						
Revenue growth, three-year compound	23.3%	10.1%		28.8	411	2026-09-30
Free cash flow growth, three-year compound	not computable	11.0%				
current FCF must be positive and base FCF must exceed $100,000						
Reinvestment rate	not computable	37.1%				
NOPAT must exceed $100,000						
Asset growth, three years	31.4%	2.3%		15.2	693	2026-09-30
Net share issuance, one year	4.1%	2.4%		42.8	627	2026-11-05

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 2026-11-13 close; none of these enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	54.4%	(1.5%)	79
Distance from 52-week high	(46.7%)	(32.0%)	33
EBIT to enterprise value	not computable	(1.8%)	
Free cash flow yield	(4.2%)	(1.0%)	42
Book value to price	0.01	0.29	12
Sales to price	0.07	0.29	20
Composite equity issuance, five years	30.2%	19.1%	58
Relative strength against the sector, log excess return	0.27	(0.18)	79

Diagnostics

shown on every report; none enters the grade

Measure	Value
Piotroski F-score None of 9, period end 2026-09-30	
Return on assets above zero	fail
Operating cash flow above zero	fail
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	fail

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Gross margin improved	fail
Asset turnover improved	fail
Cash, filings, liquidity	
Cash and equivalents	n/a
Operating cash flow, four quarters	n/a
Months of runway	not finite
Days since last periodic filing	2 (10-K received Nov 12, 2026)
Median daily dollar volume, 63 sessions	$107.3M

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	-$724.2M	2026-09-30	2026-11-12	10-K	26-000078
2	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-$271.9M	2026-09-30	2026-11-12	10-K	26-000078
3	assets	us-gaap:Assets	$1.7B	2026-09-30	2026-11-12	10-K	26-000078
4	assets	us-gaap:Assets	$1.4B	2025-09-30	2026-11-12	10-K	26-000078
5	operating income	us-gaap:OperatingIncomeLoss	-$205.0M	2023-09-30	2025-11-25	10-K	25-000029
6	interest expense	us-gaap:InterestExpense	$18.3M	2023-09-30	2023-11-29	10-K	23-040219
7	current assets	us-gaap:AssetsCurrent	$1.3B	2026-09-30	2026-11-12	10-K	26-000078
8	current liabilities	us-gaap:LiabilitiesCurrent	$311.3M	2026-09-30	2026-11-12	10-K	26-000078
9	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$450.8M	2026-09-30	2026-11-12	10-K	26-000078
10	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$829.4M	2025-09-30	2026-11-12	10-K	26-000078
11	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$3.6M	2024-09-30	2026-11-12	10-K	26-000078
12	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$240.7M	2023-09-30	2025-11-25	10-K	25-000029
13	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$12.0M	2026-09-30	2026-11-12	10-K	26-000078
14	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$179.6M	2025-09-30	2026-11-12	10-K	26-000078
15	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$22.7M	2025-09-30	2026-11-12	10-K	26-000078
16	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-$462.9M	2024-09-30	2026-11-12	10-K	26-000078
17	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$141.5M	2024-09-30	2026-11-12	10-K	26-000078
18	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-$153.9M	2023-09-30	2025-11-25	10-K	25-000029
19	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$176.7M	2023-09-30	2025-11-25	10-K	25-000029
20	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	$24.7M	2026-09-30	2026-11-12	10-K	26-000078
21	operating income	us-gaap:OperatingIncomeLoss	-$707.2M	2026-09-30	2026-11-12	10-K	26-000078
22	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	-$723.9M	2026-09-30	2026-11-12	10-K	26-000078
23	income tax	us-gaap:IncomeTaxExpenseBenefit	-$6.8M	2026-09-30	2026-11-12	10-K	26-000078
24	current assets	us-gaap:AssetsCurrent	$950.6M	2025-09-30	2026-11-12	10-K	26-000078
25	current liabilities	us-gaap:LiabilitiesCurrent	$195.5M	2025-09-30	2026-11-12	10-K	26-000078
26	assets	us-gaap:Assets	$1.1B	2024-09-30	2025-11-25	10-K	25-000029
27	assets	us-gaap:Assets	$765.6M	2023-09-30	2024-11-26	10-K	24-049277
28	shares outstanding	dei:EntityCommonStockSharesOutstanding	141,368,004	2026-11-05	2026-11-12	10-K	26-000078
29	shares outstanding	dei:EntityCommonStockSharesOutstanding	135,809,558	2025-11-19	2025-11-25	10-K	25-000029

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