Heron Therapeutics, Inc.

HRTX

Nasdaq; healthcare; SIC 2834, Pharmaceutical Preparations; CIK 0000818033

E

weakest fifth of 305 graded peers in healthcare

rank 263 of 305; percentile 86.2; sampling error 2.8 points; lower is stronger

A B C D E

E, the bear



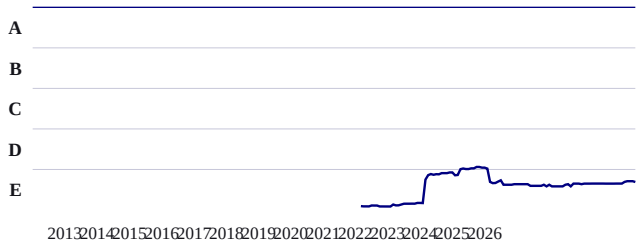
Scoreboard	
Profitability	D percentile 67.1
Solvency	D percentile 70.4
Growth and financing	C percentile 52.7
Reliability	0.87 AUC filers with $120M to $591M assets; 95% interval 0.83 to 0.90; 206 events, 2020 to 2025
Peer failure rate	1.03% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	$120M to $591M assets total assets $255.9M
Standard universe	inside revenue above $1M and assets above $10M
Warnings	none triggered not computable: fortress balance sheet
Inputs computable	8 of 13
Graded from	filings received through Feb 26, 2026 264 days before the rescan; latest periodic filing 10-Q received Nov 9, 2026
Last close	$0.28 2026-11-16; market equity $53.8M; 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 26, 2026

We are a commercial-stage biotechnology company focused on improving the lives of patients by developing and commercializing therapeutic innovations that improve medical care. Our advanced science, patented technologies, and innovative approach to drug discovery and development have allowed us to create and commercialize a portfolio of products that aim to advance the standard of care for acute care and oncology patients. ZYNRELEF is a dual-acting local anesthetic that delivers a fixed-dose combination of the local anesthetic bupivacaine and a low dose of the nonsteroidal anti-inflammatory drug meloxicam.

The thirteen 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 67.1						
Gross profitability	44.4%	32.8%		28.1	346	2025-12-31
Return on invested capital	not computable	9.6%				

one or more required annual facts are missing

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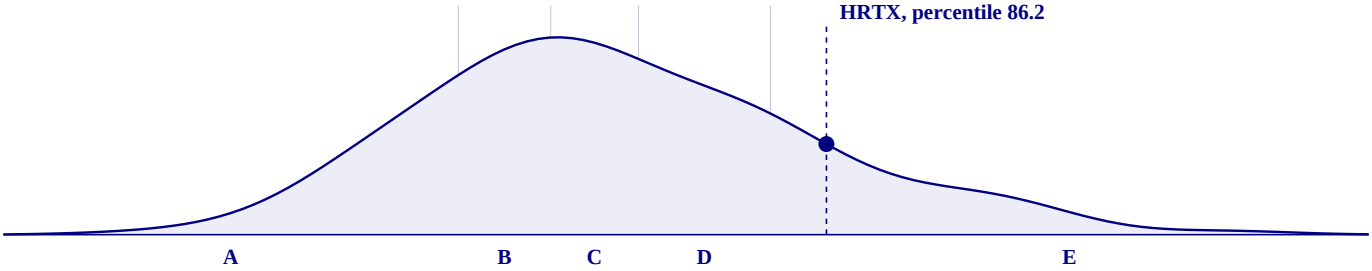
Accruals ratio	3.0%	(6.7%)	86.4	756	2025-12-31
Gross margin stability, five years	12.3 pts	2.8 pts	86.9	237	2025-12-31
Solvency, sleeve percentile 70.4					
Altman Z double-prime	(21.08)	0.31	76.0	705	2025-12-31
Net debt to EBITDA	not computable	1.82x			
one or more required annual facts are missing					
Interest coverage	not computable	(3.61x)			
latest aligned inputs end 2023-12-31; latest annual assets end 2025-12-31					
Current ratio	2.48x	2.68x	64.7	781	2025-12-31
Growth and financing, sleeve percentile 52.7					
Revenue growth, three-year compound	12.9%	9.6%	43.9	400	2025-12-31
Free cash flow growth, three-year compound	not computable	11.1%			
current FCF must be positive and base FCF must exceed $100,000					
Reinvestment rate	not computable	33.9%			
required facts have no common fiscal period end					
Asset growth, three years	0.7%	3.2%	50.5	663	2025-12-31
Net share issuance, one year	23.8%	1.6%	63.9	624	2026-02-13

Among 305 peers

healthcare; 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
258	SkinHealth Systems Inc. (SKIN)	84.5	E	
259	Opko Health, Inc. (OPK)	84.9	E	fortress balance sheet
260	Personalis, Inc. (PSNL)	85.2	E	
261	Stereotaxis, Inc. (STXS)	85.5	E	short runway
262	Journey Medical Corp. (DERM)	85.9	E	
263	Heron Therapeutics, Inc. (HRTX)	86.2	E	
264	Amgen Inc. (AMGN)	86.5	E	
265	Organon & Co. (OGN)	86.8	E	
266	Sonoma Pharmaceuticals, Inc. (SNOA)	87.2	E	dilution, fortress balance sheet
267	Lexaria Bioscience Corp. (LEXX)	87.5	E	dilution, short runway
268	Natural Alternatives International Inc. (NAII)	87.8	E	dilution, late filer, fortress balance sheet

What the price implies

at the 2026-11-16 close; none of these enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	(73.0%)	(1.7%)	6
Distance from 52-week high	(80.9%)	(31.5%)	8
EBIT to enterprise value	not computable	0.5%	
Free cash flow yield	(51.6%)	0.5%	13
Book value to price	0.09	0.28	23

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Sales to price	2.86	0.36	91
Composite equity issuance, five years	73.3%	13.2%	78
Relative strength against the sector, log excess return	(1.48)	(0.19)	6
Twelve-month failure probability, CHS model	1.41%	0.06%	84

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
Operating cash flow exceeds net income	fail
Long-term leverage fell	fail
Current ratio improved	pass
No new shares issued	fail
Gross margin improved	pass
Asset turnover improved	pass
Cash, filings, liquidity	
Cash and equivalents	$11.6M
Operating cash flow, four quarters	-$13.7M
Months of runway	10.1
Days since last periodic filing	8 (10-Q received Nov 9, 2026)
Median daily dollar volume, 63 sessions	$626,633

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	$113.6M	2025-12-31	2026-02-26	10-K	26-073515
2	assets	us-gaap:Assets	$255.9M	2025-12-31	2026-02-26	10-K	26-073515
3	net income	us-gaap:NetIncomeLoss	-$20.2M	2025-12-31	2026-02-26	10-K	26-073515
4	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-$27.6M	2025-12-31	2026-02-26	10-K	26-073515
5	assets	us-gaap:Assets	$233.1M	2024-12-31	2026-02-26	10-K	26-073515
6	revenue	us-gaap:RevenueFromContractWithCustomerIncludingAs...	$154.9M	2025-12-31	2026-02-26	10-K	26-073515
7	gross profit	us-gaap:GrossProfit	$105.6M	2024-12-31	2026-02-26	10-K	26-073515
8	revenue	us-gaap:RevenueFromContractWithCustomerIncludingAs...	$144.3M	2024-12-31	2026-02-26	10-K	26-073515
9	gross profit	us-gaap:GrossProfit	$61.9M	2023-12-31	2026-02-26	10-K	26-073515
10	revenue	us-gaap:RevenueFromContractWithCustomerIncludingAs...	$127.0M	2023-12-31	2026-02-26	10-K	26-073515
11	revenue	us-gaap:RevenueFromContractWithCustomerIncludingAs...	$107.7M	2022-12-31	2025-02-27	10-K	25-028374
12	cost of revenue	us-gaap:CostOfGoodsAndServicesSold	$54.9M	2022-12-31	2025-02-27	10-K	25-028374
13	revenue	us-gaap:RevenueFromContractWithCustomerIncludingAs...	$86.3M	2021-12-31	2023-03-29	10-K	23-010603
14	cost of revenue	us-gaap:CostOfGoodsAndServicesSold	$46.0M	2021-12-31	2023-03-29	10-K	23-010603
15	current assets	us-gaap:AssetsCurrent	$238.1M	2025-12-31	2026-02-26	10-K	26-073515
16	current liabilities	us-gaap:LiabilitiesCurrent	$96.1M	2025-12-31	2026-02-26	10-K	26-073515
17	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	-$1.9B	2025-12-31	2026-02-26	10-K	26-073515
18	operating income	us-gaap:OperatingIncomeLoss	-$2.5M	2025-12-31	2026-02-26	10-K	26-073515
19	book equity	us-gaap:StockholdersEquity	$14.3M	2025-12-31	2026-02-26	10-K	26-073515
20	liabilities	us-gaap:Liabilities	$241.5M	2025-12-31	2026-02-26	10-K	26-073515
21	operating income	us-gaap:OperatingIncomeLoss	-$110.6M	2023-12-31	2026-02-26	10-K	26-073515
22	interest expense	us-gaap:InterestExpense	$3.9M	2023-12-31	2024-03-12	10-K	24-029951
23	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$317,000	2025-12-31	2026-02-26	10-K	26-073515
24	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-$22.5M	2024-12-31	2026-02-26	10-K	26-073515
25	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$1.7M	2024-12-31	2026-02-26	10-K	26-073515
26	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-$58.8M	2023-12-31	2026-02-26	10-K	26-073515

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27	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$1.5M	2023-12-31	2026-02-26	10-K	26-073515
28	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-$146.9M	2022-12-31	2025-02-27	10-K	25-028374
29	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$1.8M	2022-12-31	2025-02-27	10-K	25-028374
30	assets	us-gaap:Assets	$222.5M	2023-12-31	2025-02-27	10-K	25-028374
31	assets	us-gaap:Assets	$251.0M	2022-12-31	2024-03-12	10-K	24-029951
32	shares outstanding	dei:EntityCommonStockSharesOutstanding	188,537,136	2026-02-13	2026-02-26	10-K	26-073515
33	shares outstanding	dei:EntityCommonStockSharesOutstanding	152,329,588	2025-02-13	2025-02-27	10-K	25-028374

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