Avalo Therapeutics, Inc.

AVTX

Nasdaq; healthcare; SIC 2834, Pharmaceutical Preparations; CIK 0001534120

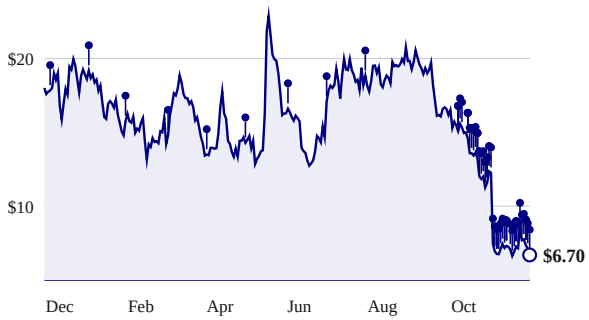
None

No letter

6 of 13 inputs computable; 7 are required, with a score in every sleeve

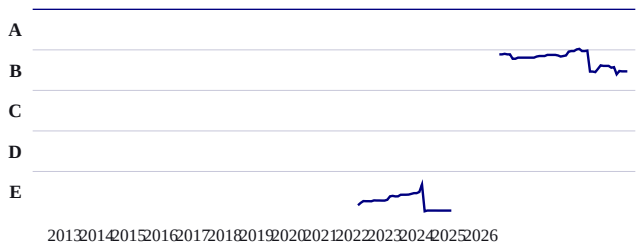
Scoreboard	
Reliability	0.83 AUC filers with $12.5M to $120M assets; 95% interval 0.79 to 0.86; 201 events, 2020 to 2025
Peer failure rate	1.07% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	$12.5M to $120M assets total assets $116.5M
Standard universe	outside revenue above $1M and assets above $10M
Warnings	dilution, thin data, degenerate inputs not computable: fortress balance sheet
Inputs computable	6 of 13
Graded from	filings received through Mar 23, 2026 241 days before the rescan; latest periodic filing 10-Q received Nov 5, 2026
Last close	$6.71 2026-11-18; market equity $388.0M; 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 23, 2026

We are a clinical stage biotechnology company fully dedicated to developing IL-1?-based treatments for immune-mediated inflammatory diseases. Our lead product candidate, abdakibart (AVTX-009), an anti-IL-1? monoclonal antibody ("mAb") is in a Phase 2 clinical trial for hidradenitis suppurativa ("HS"). We are also exploring additional opportunities to make an impact in prevalent indications that have significant remaining unmet needs. Our current focus is on completing the Phase 2 ("LOTUS") trial evaluating abdakibart (AVTX-009) in HS, preparing for the anticipated topline data readout in the second quarter of 2026, and planning for our Phase 3 trial(s).

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 20.5						
Gross profitability	not computable	32.8%				

latest aligned inputs end 2023-12-31; latest annual assets end 2025-12-31

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Return on invested capital	not computable	9.6%				
one or more required annual facts are missing						
Accruals ratio	(20.1%)	(6.7%)		20.5	756	2025-12-31
Gross margin stability, five years	not computable	2.8 pts				
latest aligned inputs end 2023-12-31; latest annual assets end 2025-12-31						
Solvency, sleeve percentile 42.0						
Altman Z double-prime	(8.95)	0.31		61.2	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)				
one or more required annual facts are missing						
Current ratio	8.14x	2.68x		22.7	781	2025-12-31
Growth and financing, sleeve percentile 63.8						
Revenue growth, three-year compound	(85.2%)	9.6%		99.5	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	51.7%	3.2%		7.4	663	2025-12-31
Net share issuance, one year	113.5%	1.6%		84.5	625	2026-03-18

Warnings

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

Check	Measured
Dilution	split-adjusted year-over-year share growth is 113.5%
Thin data	6 of 13 grade factors are computable; minimum is 7
Degenerate inputs	latest revenue or assets are at or below the $100,000 validity floor

What the price implies

at the 2026-11-18 close; none of these enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	(15.0%)	(1.7%)	40
Distance from 52-week high	(70.7%)	(30.2%)	14
EBIT to enterprise value	(21.6%)	0.5%	21
Free cash flow yield	(6.9%)	0.6%	32
Book value to price	1.13	0.29	89
Sales to price	0.00	0.36	1
Composite equity issuance, five years	753.3%	13.5%	99
Relative strength against the sector, log excess return	(0.33)	(0.19)	40
Twelve-month failure probability, CHS model	0.06%	0.06%	49

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	fail
No new shares issued	fail

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Gross margin improved	fail
Asset turnover improved	fail
Cash, filings, liquidity	
Cash and equivalents	$65.0M
Operating cash flow, four quarters	-$63.5M
Months of runway	12.3
Days since last periodic filing	14 (10-Q received Nov 5, 2026)
Median daily dollar volume, 63 sessions	$14.6M

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	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$1.9M	2023-12-31	2025-03-20	10-K	25-013986
2	cost of revenue	us-gaap:CostOfGoodsAndServicesSold	$1.3M	2023-12-31	2024-03-29	10-K	24-013786
3	assets	us-gaap:Assets	$21.0M	2023-12-31	2025-03-20	10-K	25-013986
4	net income	us-gaap:NetIncomeLoss	-$78.3M	2025-12-31	2026-03-23	10-K	26-000011
5	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-$51.5M	2025-12-31	2026-03-23	10-K	26-000011
6	assets	us-gaap:Assets	$116.5M	2025-12-31	2026-03-23	10-K	26-000011
7	assets	us-gaap:Assets	$150.7M	2024-12-31	2026-03-23	10-K	26-000011
8	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$18.1M	2022-12-31	2024-03-29	10-K	24-013786
9	cost of revenue	us-gaap:CostOfGoodsAndServicesSold	$3.4M	2022-12-31	2024-03-29	10-K	24-013786
10	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$5.4M	2021-12-31	2023-03-29	10-K	23-009630
11	cost of revenue	us-gaap:CostOfGoodsAndServicesSold	$1.5M	2021-12-31	2023-03-29	10-K	23-009630
12	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$6.7M	2020-12-31	2022-03-02	10-K	22-004671
13	cost of revenue	us-gaap:CostOfGoodsAndServicesSold	$300,000	2020-12-31	2022-03-02	10-K	22-004671
14	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$6.8M	2019-12-31	2021-03-08	10-K	21-004162
15	cost of revenue	us-gaap:CostOfGoodsAndServicesSold	-$566,523	2019-12-31	2020-03-11	10-K	20-003395
16	current assets	us-gaap:AssetsCurrent	$105.3M	2025-12-31	2026-03-23	10-K	26-000011
17	current liabilities	us-gaap:LiabilitiesCurrent	$12.9M	2025-12-31	2026-03-23	10-K	26-000011
18	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	-$448.5M	2025-12-31	2026-03-23	10-K	26-000011
19	operating income	us-gaap:OperatingIncomeLoss	-$72.9M	2025-12-31	2026-03-23	10-K	26-000011
20	book equity	us-gaap:StockholdersEquity	$83.0M	2025-12-31	2026-03-23	10-K	26-000011
21	liabilities	us-gaap:Liabilities	$33.4M	2025-12-31	2026-03-23	10-K	26-000011
22	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$59,000	2025-12-31	2026-03-23	10-K	26-000011
23	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$441,000	2024-12-31	2026-03-23	10-K	26-000011
24	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-$26.8M	2022-12-31	2024-03-29	10-K	24-013786
25	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$95,000	2022-12-31	2023-03-29	10-K	23-009630
26	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-$70.9M	2021-12-31	2023-03-29	10-K	23-009630
27	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$113,000	2021-12-31	2023-03-29	10-K	23-009630
28	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-$40.5M	2020-12-31	2022-03-02	10-K	22-004671
29	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$63,000	2020-12-31	2022-03-02	10-K	22-004671
30	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-$19.1M	2019-12-31	2021-03-08	10-K	21-004162
31	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$262,013	2019-12-31	2021-03-08	10-K	21-004162
32	assets	us-gaap:Assets	$33.4M	2022-12-31	2024-03-29	10-K	24-013786
33	shares outstanding	dei:EntityCommonStockSharesOutstanding	22,788,452	2026-03-18	2026-03-23	10-K	26-000011
34	shares outstanding	dei:EntityCommonStockSharesOutstanding	10,671,934	2025-03-17	2025-03-20	10-K	25-013986

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