Outset Medical, Inc.

OM

Nasdaq; healthcare; SIC 3845, Electromedical & Electrotherapeutic Apparatus; CIK 0001484612

E

weakest fifth of 305 graded peers in healthcare

rank 254 of 305; percentile 83.2; sampling error 2.8 points; lower is stronger

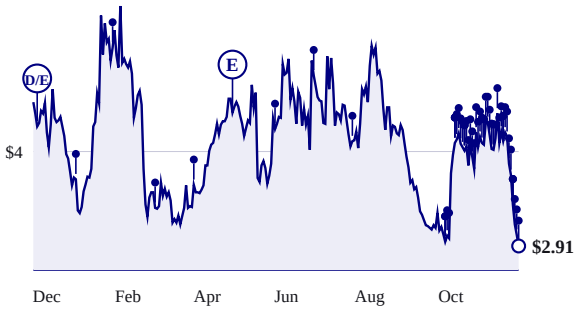
A B C D E

E, the bear



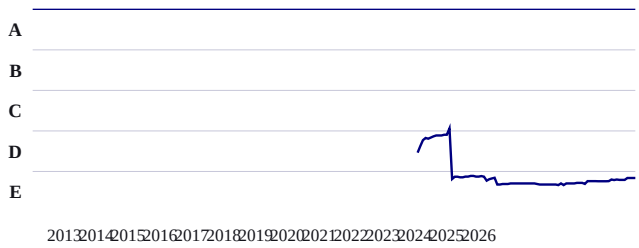
Scoreboard	
Profitability	C/D percentile 62.2
Solvency	C percentile 43.5
Growth and financing	D/E percentile 78.5
Reliability	0.87 AUC filers with $120M to $591M assets; 95% interval 0.83 to 0.90; 206 events, 2020 to 2025
Peer failure rate	1.03% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	$120M to $591M assets total assets $264.5M
Standard universe	inside revenue above $1M and assets above $10M
Warnings	dilution
Inputs computable	9 of 13
Graded from	filings received through Feb 13, 2026 280 days before the rescan; latest periodic filing 10-Q received Nov 4, 2026
Last close	$2.92 2026-11-19; market equity $55.0M; 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 Feb 13, 2026

Outset is a medical technology company pioneering a first-of-its-kind technology to improve clinical outcomes in dialysis with less cost and complexity. We believe the Tablo® Hemodialysis System (Tablo) represents a significant technological advancement that transforms the dialysis experience for patients and operationally simplifies it for providers. We designed Tablo from the ground up to be a single enterprise solution that can be utilized across the continuum of care, allowing dialysis to be delivered anytime, anywhere and by virtually anyone. Tablo is currently cleared by the U.S. Food and Drug Administration (FDA) for use in the hospital, clinic or home setting.

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 62.2						
Gross profitability	17.7%	32.8%		67.5	346	2025-12-31
Return on invested capital	not computable	9.6%				

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pretax income must exceed the validity floor and imply a 0%-100% tax rate						
Accruals ratio	(13.1%)	(6.7%)		32.7	756	2025-12-31
Gross margin stability, five years	11.6 pts	2.8 pts		86.4	237	2025-12-31
Solvency, sleeve percentile 43.5						
Altman Z double-prime	(9.87)	0.31		62.6	705	2025-12-31
Net debt to EBITDA	not computable	1.82x				
EBITDA must exceed $100,000						
Interest coverage	(4.78x)	(3.61x)		39.7	74	2025-12-31
Current ratio	6.67x	2.68x		28.2	781	2025-12-31
Growth and financing, sleeve percentile 78.5						
Revenue growth, three-year compound	1.2%	9.6%		69.2	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%				
pretax income must exceed the validity floor and imply a 0%-100% tax rate						
Asset growth, three years	(12.9%)	3.2%		73.3	663	2025-12-31
Net share issuance, one year	409.8%	1.6%		93.1	625	2026-02-06

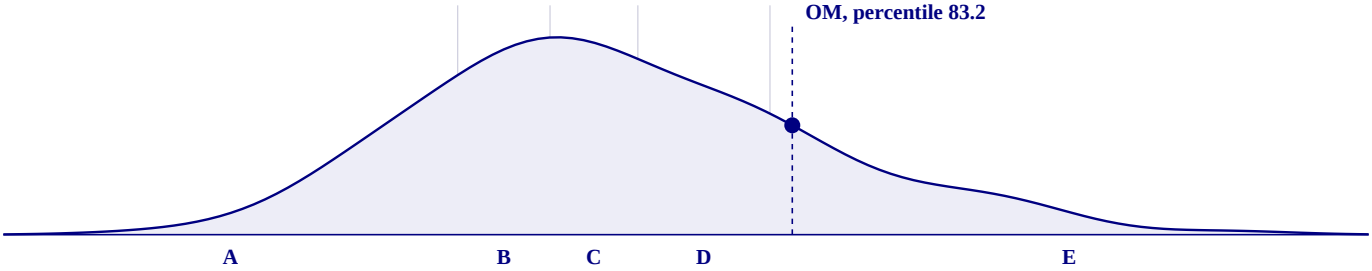
Warnings

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

Check	Measured
Dilution	split-adjusted year-over-year share growth is 409.8%

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
249	Rockwell Medical, Inc. (RMTI)	81.6	D/E	
250	Hyperfine, Inc. (HYPR)	81.9	D/E	
251	Surgery Partners, Inc. (SGRY)	82.2	D/E	late filer
252	Merck & Co., Inc. (MRK)	82.6	D/E	
253	Johnson & Johnson (JNJ)	82.9	E	
254	Outset Medical, Inc. (OM)	83.2	E	dilution
255	Novavax Inc. (NVAX)	83.6	E	
256	Moderna, Inc. (MRNA)	83.9	E	
257	Accuray Inc. (ARAY)	84.2	E	late filer
258	SkinHealth Systems Inc. (SKIN)	84.5	E	
259	Opko Health, Inc. (OPK)	84.9	E	fortress balance sheet

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What the price implies

at the 2026-11-19 close; none of these enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	(77.1%)	(1.7%)	6
Distance from 52-week high	(48.8%)	(31.7%)	33
EBIT to enterprise value	(56.9%)	0.5%	11
Free cash flow yield	(85.8%)	0.6%	8
Book value to price	1.52	0.29	92
Sales to price	2.18	0.37	89
Composite equity issuance, five years	188.9%	13.5%	89
Relative strength against the sector, log excess return	(1.65)	(0.19)	6
Twelve-month failure probability, CHS model	0.22%	0.06%	75

Diagnostics

shown on every report; none enters the grade

Measure	Value
Piotroski F-score 6 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	pass
Current ratio improved	pass
No new shares issued	fail
Gross margin improved	pass
Asset turnover improved	pass
Cash, filings, liquidity	
Cash and equivalents	$33.9M
Operating cash flow, four quarters	-$42.4M
Months of runway	9.6
Days since last periodic filing	16 (10-Q received Nov 4, 2026)
Median daily dollar volume, 63 sessions	$382,046

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	$46.8M	2025-12-31	2026-02-13	10-K	26-051278
2	assets	us-gaap:Assets	$264.5M	2025-12-31	2026-02-13	10-K	26-051278
3	operating income	us-gaap:OperatingIncomeLoss	-$66.7M	2025-12-31	2026-02-13	10-K	26-051278
4	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	-$80.9M	2025-12-31	2026-02-13	10-K	26-051278
5	income tax	us-gaap:IncomeTaxExpenseBenefit	$718,000	2025-12-31	2026-02-13	10-K	26-051278
6	total debt	us-gaap:LongTermDebt	$96.2M	2025-12-31	2026-02-13	10-K	26-051278
7	book equity	us-gaap:StockholdersEquity	$127.0M	2025-12-31	2026-02-13	10-K	26-051278
8	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$35.0M	2025-12-31	2026-02-13	10-K	26-051278
9	total debt	us-gaap:LongTermDebt	$197.4M	2024-12-31	2025-02-28	10-K	25-030045
10	book equity	us-gaap:StockholdersEquity	$26.8M	2024-12-31	2026-02-13	10-K	26-051278
11	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$124.0M	2024-12-31	2026-02-13	10-K	26-051278
12	net income	us-gaap:NetIncomeLoss	-$81.7M	2025-12-31	2026-02-13	10-K	26-051278
13	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-$46.3M	2025-12-31	2026-02-13	10-K	26-051278
14	assets	us-gaap:Assets	$275.8M	2024-12-31	2026-02-13	10-K	26-051278
15	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$119.5M	2025-12-31	2026-02-13	10-K	26-051278
16	gross profit	us-gaap:GrossProfit	$38.6M	2024-12-31	2026-02-13	10-K	26-051278
17	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$113.7M	2024-12-31	2026-02-13	10-K	26-051278

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18	gross profit	us-gaap:GrossProfit	$29.0M	2023-12-31	2026-02-13	10-K	26-051278
19	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$130.4M	2023-12-31	2026-02-13	10-K	26-051278
20	gross profit	us-gaap:GrossProfit	$17.8M	2022-12-31	2025-02-28	10-K	25-030045
21	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$115.4M	2022-12-31	2025-02-28	10-K	25-030045
22	gross profit	us-gaap:GrossProfit	$7.6M	2021-12-31	2024-02-21	10-K	24-018093
23	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$102.6M	2021-12-31	2024-02-21	10-K	24-018093
24	current assets	us-gaap:AssetsCurrent	$250.9M	2025-12-31	2026-02-13	10-K	26-051278
25	current liabilities	us-gaap:LiabilitiesCurrent	$37.6M	2025-12-31	2026-02-13	10-K	26-051278
26	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	-$1.2B	2025-12-31	2026-02-13	10-K	26-051278
27	liabilities	us-gaap:Liabilities	$137.5M	2025-12-31	2026-02-13	10-K	26-051278
28	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	$4.3M	2025-12-31	2026-02-13	10-K	26-051278
29	interest expense	us-gaap:InterestExpense	$14.0M	2025-12-31	2026-02-13	10-K	26-051278
30	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$798,000	2025-12-31	2026-02-13	10-K	26-051278
31	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-$116.3M	2024-12-31	2026-02-13	10-K	26-051278
32	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$912,000	2024-12-31	2026-02-13	10-K	26-051278
33	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-$131.4M	2023-12-31	2026-02-13	10-K	26-051278
34	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$3.4M	2023-12-31	2026-02-13	10-K	26-051278
35	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-$145.7M	2022-12-31	2025-02-28	10-K	25-030045
36	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$8.3M	2022-12-31	2025-02-28	10-K	25-030045
37	current assets	us-gaap:AssetsCurrent	$258.2M	2024-12-31	2026-02-13	10-K	26-051278
38	current liabilities	us-gaap:LiabilitiesCurrent	$45.4M	2024-12-31	2026-02-13	10-K	26-051278
39	assets	us-gaap:Assets	$313.8M	2023-12-31	2025-02-28	10-K	25-030045
40	assets	us-gaap:Assets	$400.1M	2022-12-31	2024-02-21	10-K	24-018093
41	shares outstanding	dei:EntityCommonStockSharesOutstanding	18,311,626	2026-02-06	2026-02-13	10-K	26-051278
42	shares outstanding	dei:EntityCommonStockSharesOutstanding	53,896,936	2025-02-24	2025-02-28	10-K	25-030045

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