# IP Strategy Holdings, Inc.

**IPST**

Nasdaq; consumer nondurables; SIC 2080, Beverages; CIK 0001788230

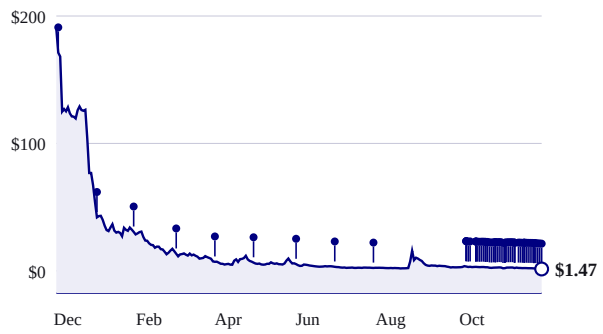
# None

**No letter**

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

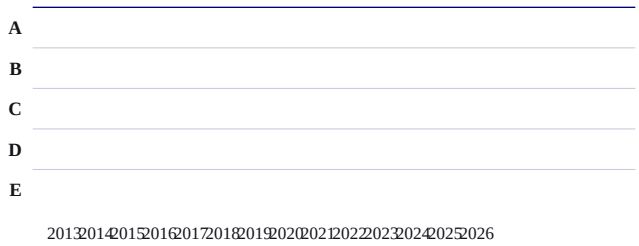
| Scoreboard | |
|---|---|
| **Reliability** | 0.83 AUC<br>filers with $12.5M to $120M assets; 95% interval 0.79 to 0.86; 201 events, 2020 to 2025 |
| **Peer failure rate** | 1.07% a year<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | $12.5M to $120M assets<br>total assets $108.8M |
| **Standard universe** | inside<br>revenue above $1M and assets above $10M |
| **Warnings** | dilution, late filer, thin data<br>not computable: short runway, distress, fortress balance sheet |
| **Inputs computable** | 5 of 13 |
| **Graded from** | filings received through Apr 14, 2026<br>221 days before the rescan; latest periodic filing 10-Q received Oct 23, 2026 |
| **Last close** | $1.47<br>2026-11-20; market equity $1.5M; 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 Apr 14, 2026*

We operate a diversified business centered on digital asset-based infrastructure and intellectual property ("IP") management, supplemented by a legacy craft spirits operating segment. In August 2025, we consummated a $220 million offering of our pre-paid stock purchase warrants in which we acquired 53.2 million $IP Tokens for our digital asset treasury. The $IP Token is the native utility token of the Story Network, a decentralized layer 1 blockchain that allows network participants to register, license and enforce IP assets.

## 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 47.4** | | | | | | |
| Gross profitability | 5.1% | 30.0% | | 94.0 | 135 | 2025-12-31 |
| Return on invested capital | not computable | 6.0% | | | | |
| *one or more required annual facts are missing* | | | | | | |

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| | | | | | |
|---|---|---|---|---|---|
| Accruals ratio | (179.0%) | (5.2%) | 0.7 | 139 | 2025-12-31 |
| Gross margin stability, five years | not computable | 1.9 pts | | | |
| *five annual gross margins are required; found 2* | | | | | |
| **Solvency, sleeve percentile 90.6** | | | | | |
| Altman Z double-prime | (5.21) | 3.11 | 82.6 | 110 | 2025-12-31 |
| Net debt to EBITDA | not computable | 2.44x | | | |
| *one or more required annual facts are missing* | | | | | |
| Interest coverage | not computable | 2.36x | | | |
| *one or more required annual facts are missing* | | | | | |
| Current ratio | 0.31x | 1.82x | 98.6 | 143 | 2025-12-31 |
| **Growth and financing, sleeve percentile 98.0** | | | | | |
| Revenue growth, three-year compound | not computable | (0.1%) | | | |
| *four annual observations are required; found 2* | | | | | |
| Free cash flow growth, three-year compound | not computable | 13.6% | | | |
| *four consecutive annual FCF observations are required; found 2* | | | | | |
| Reinvestment rate | not computable | 11.8% | | | |
| *NOPAT must exceed $100,000* | | | | | |
| Asset growth, three years | not computable | 0.2% | | | |
| *four annual observations are required; found 2* | | | | | |
| Net share issuance, one year | 2,871.4% | 0.03% | 98.0 | 103 | 2026-03-31 |

## Warnings

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

| Check | Measured |
|---|---|
| Dilution | split-adjusted year-over-year share growth is 2871.4% |
| Late filer | found 7 NT 10-K/Q filings in the last eight quarters |
| Thin data | 5 of 13 grade factors are computable; minimum is 7 |

## What the price implies

*at the 2026-11-20 close; none of these enters the grade*

| Measure | Value | Peer median | Percentile |
|---|---|---|---|
| Twelve-month price change, skipping the latest month | (98.6%) | (1.0%) | 2 |
| Distance from 52-week high | (99.2%) | (24.5%) | 2 |
| EBIT to enterprise value | not computable | 3.5% | |
| Free cash flow yield | (1,055.7%) | 4.5% | 0 |
| Book value to price | 12.57 | 0.60 | 98 |
| Sales to price | 6.94 | 1.26 | 98 |
| Composite equity issuance, five years | not computable | (17.0%) | |
| Relative strength against the sector, log excess return | (4.37) | (0.09) | 2 |
| Twelve-month failure probability, CHS model | not computable | 0.04% | |

## 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 | pass |
| Long-term leverage fell | fail |
| Current ratio improved | pass |
| No new shares issued | fail |

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| | |
|---|---|
| Gross margin improved | pass |
| 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 | 29 (10-Q received Oct 23, 2026) |
| Median daily dollar volume, 63 sessions | $91,556 |

## 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 | $5.6M | 2025-12-31 | 2026-04-14 | 10-K | 26-000046 |
| 2 | assets | us-gaap:Assets | $108.8M | 2025-12-31 | 2026-04-14 | 10-K | 26-000046 |
| 3 | net income | us-gaap:NetIncomeLoss | -$137.7M | 2025-12-31 | 2026-04-14 | 10-K | 26-000046 |
| 4 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$15.3M | 2025-12-31 | 2026-04-14 | 10-K | 26-000046 |
| 5 | assets | us-gaap:Assets | $28.0M | 2024-12-31 | 2026-04-14 | 10-K | 26-000046 |
| 6 | current assets | us-gaap:AssetsCurrent | $2.7M | 2025-12-31 | 2026-04-14 | 10-K | 26-000046 |
| 7 | current liabilities | us-gaap:LiabilitiesCurrent | $8.9M | 2025-12-31 | 2026-04-14 | 10-K | 26-000046 |
| 8 | retained earnings | us-gaap:RetainedEarningsAccumulatedDeficit | -$211.8M | 2025-12-31 | 2026-04-14 | 10-K | 26-000046 |
| 9 | operating income | us-gaap:OperatingIncomeLoss | -$133.9M | 2025-12-31 | 2026-04-14 | 10-K | 26-000046 |
| 10 | book equity | us-gaap:StockholdersEquity | $98.2M | 2025-12-31 | 2026-04-14 | 10-K | 26-000046 |
| 11 | liabilities | us-gaap:Liabilities | $10.5M | 2025-12-31 | 2026-04-14 | 10-K | 26-000046 |
| 12 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $10.1M | 2025-12-31 | 2026-04-14 | 10-K | 26-000046 |
| 13 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $8.4M | 2024-12-31 | 2026-04-14 | 10-K | 26-000046 |
| 14 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $74,754 | 2025-12-31 | 2026-04-14 | 10-K | 26-000046 |
| 15 | depreciation amortization | us-gaap:DepreciationDepletionAndAmortization | $1.1M | 2025-12-31 | 2026-04-14 | 10-K | 26-000046 |
| 16 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | -$137.7M | 2025-12-31 | 2026-04-14 | 10-K | 26-000046 |
| 17 | income tax | us-gaap:IncomeTaxExpenseBenefit | -$8,490 | 2025-12-31 | 2026-04-14 | 10-K | 26-000046 |
| 18 | current assets | us-gaap:AssetsCurrent | $3.9M | 2024-12-31 | 2026-04-14 | 10-K | 26-000046 |
| 19 | current liabilities | us-gaap:LiabilitiesCurrent | $13.8M | 2024-12-31 | 2026-04-14 | 10-K | 26-000046 |
| 20 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 10,283,427 | 2026-03-31 | 2026-04-14 | 10-K | 26-000046 |
| 21 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 6,921,564 | 2025-04-25 | 2025-04-28 | 10-K/A | 25-000051 |

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