

Heron Therapeutics, Inc. (HRTX)

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

Heron Therapeutics, Inc. HRTX; healthcare	
Grade	E  weakest fifth of 371 graded peers percentile 87.3; sampling error 2.5 points; lower is stronger
Rank	324 of 371
Profitability	D  percentile 66.4
Solvency	D  percentile 75.5
Growth and financing	C  percentile 52.6
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	distress not computable: fortress balance sheet
Inputs computable	9 of 14
Graded from	filings received through Feb 26, 2026 225 days before the rescans; latest periodic filing 10-Q received Aug 10, 2026
Last close	\$0.36 2026-10-08; market equity \$67.7M
Price used in grade	None

Letter at every rescans

Jan 21, 2012 to Oct 9, 2026; sector percentile, 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 fourteen inputs

lower percentile is stronger; equal-weighted sleeves

Input	Percentile, 0 to 100	Value	Peer median	Percentile	Peers	Period end
Profitability, sleeve percentile 66.4						
Gross profitability		44.4%	32.2%	27.0	372	2025-12-31
Return on invested capital		not computable	9.3%			one or more required annual facts are missing
Accruals ratio		3.0%	(6.6%)	85.6	811	2025-12-31
Gross margin stability, five years		12.3 pts	2.8 pts	86.8	243	2025-12-31
Solvency, sleeve percentile 75.5						
Twelve-month failure probability		1.17%	0.07%	88.7	248	2026-06-30
Altman Z double-prime		(21.08)	(0.31)	74.6	756	2025-12-31
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 2023-12-31; latest annual assets end 2025-12-31
Current ratio		2.48x	2.96x	63.4	839	2025-12-31
Growth and financing, sleeve percentile 52.6						
Revenue growth, three-year compound		12.9%	10.0%	43.7	415	2025-12-31
Free cash flow growth, three-year compound		not computable	10.9%			current FCF must be positive and base FCF must exceed \$100,000 required facts have no common fiscal period end
Reinvestment rate		not computable	37.1%			
Asset growth, three years		0.7%	2.1%	49.9	704	2025-12-31
Net share issuance, one year		23.8%	2.5%	64.1	634	2026-02-13

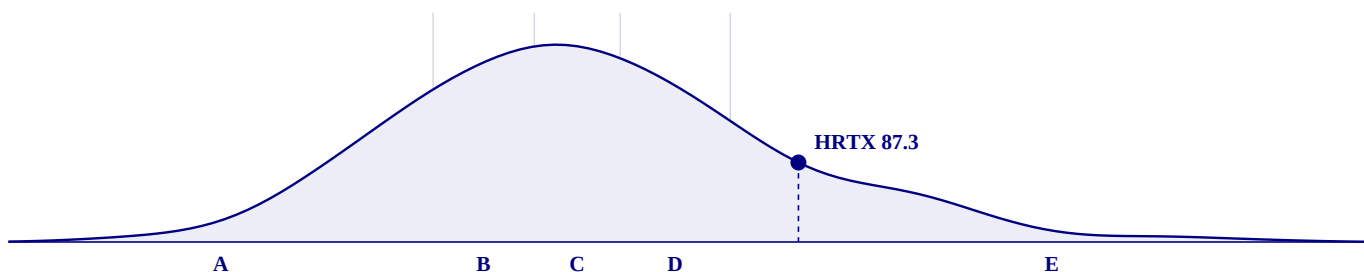
Warnings

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

Check	Measured
Distress	CHS probability 1.171951%; universe top-decile threshold 1.068854%

Among 371 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
319	Outset Medical, Inc. (OM)	85.9	E	dilution
320	National Vision Holdings, Inc. (EYE)	86.2	E	
321	Natural Alternatives International Inc. (NAII)	86.5	E	dilution, late filer, fortress balance sheet
322	DarioHealth Corp. (DRIO)	86.8	E	dilution, short runway
323	Intellia Therapeutics, Inc. (NTLA)	87.0	E	short runway
324	Heron Therapeutics, Inc. (HRTX) <	87.3	E	distress
325	Lexaria Bioscience Corp. (LEXX)	87.6	E	dilution, short runway, distress
326	Intelligent BIO Solutions Inc. (INBS)	87.8	E	dilution, short runway
327	Bristol Myers Squibb Co. (BMY)	88.2	E	
328	Bristol Myers Squibb Co. (CELG-RI)	88.2	E	
329	Maravai Lifesciences Holdings, Inc. (MRVI)	88.6	E	late filer

What the price implies

at the 2026-10-08 close; none enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	(74.8%)	8.0%	5
Distance from 52-week high	(76.0%)	(31.4%)	10
EBIT to enterprise value	not computable	(1.5%)	
Free cash flow yield	(41.0%)	(1.0%)	14
Book value to price	0.10	0.28	25
Sales to price	2.28	0.31	93
Composite equity issuance, five years	73.1%	20.3%	71
Relative strength against the sector, log excess return	(1.59)	(0.14)	5

Diagnostics

not in 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	\$20.7M
Operating cash flow, four quarters	-\$11.6M
Months of runway	21.4
Days since last periodic filing	60 (10-Q received Aug 10, 2026)
Median daily dollar volume, 63 sessions	\$742,061

Sources

each row links to the 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	0001193125-26-073515
2	assets	us-gaap:Assets	\$255.9M	2025-12-31	2026-02-26	10-K	0001193125-26-073515
3	net income	us-gaap:NetIncomeLoss	-\$20.2M	2025-12-31	2026-02-26	10-K	0001193125-26-073515
4	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-\$27.6M	2025-12-31	2026-02-26	10-K	0001193125-26-073515
5	assets	us-gaap:Assets	\$233.1M	2024-12-31	2026-02-26	10-K	0001193125-26-073515
6	revenue	us-gaap:RevenueFromContractWithCustomerIncludingAssessedTax	\$154.9M	2025-12-31	2026-02-26	10-K	0001193125-26-073515
7	gross profit	us-gaap:GrossProfit	\$105.6M	2024-12-31	2026-02-26	10-K	0001193125-26-073515
8	revenue	us-gaap:RevenueFromContractWithCustomerIncludingAssessedTax	\$144.3M	2024-12-31	2026-02-26	10-K	0001193125-26-073515
9	gross profit	us-gaap:GrossProfit	\$61.9M	2023-12-31	2026-02-26	10-K	0001193125-26-073515
10	revenue	us-gaap:RevenueFromContractWithCustomerIncludingAssessedTax	\$127.0M	2023-12-31	2026-02-26	10-K	0001193125-26-073515
11	revenue	us-gaap:RevenueFromContractWithCustomerIncludingAssessedTax	\$107.7M	2022-12-31	2025-02-27	10-K	0000950170-25-028374
12	cost of revenue	us-gaap:CostOfGoodsAndServicesSold	\$54.9M	2022-12-31	2025-02-27	10-K	0000950170-25-028374
13	revenue	us-gaap:RevenueFromContractWithCustomerIncludingAssessedTax	\$86.3M	2021-12-31	2023-03-29	10-K	0000950170-23-010603
14	cost of revenue	us-gaap:CostOfGoodsAndServicesSold	\$46.0M	2021-12-31	2023-03-29	10-K	0000950170-23-010603
15	current assets	us-gaap:AssetsCurrent	\$238.1M	2025-12-31	2026-02-26	10-K	0001193125-26-073515
16	current liabilities	us-gaap:LiabilitiesCurrent	\$96.1M	2025-12-31	2026-02-26	10-K	0001193125-26-073515
17	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	-\$1.9B	2025-12-31	2026-02-26	10-K	0001193125-26-073515
18	operating income	us-gaap:OperatingIncomeLoss	-\$2.5M	2025-12-31	2026-02-26	10-K	0001193125-26-073515
19	book equity	us-gaap:StockholdersEquity	\$14.3M	2025-12-31	2026-02-26	10-K	0001193125-26-073515
20	liabilities	us-gaap:Liabilities	\$241.5M	2025-12-31	2026-02-26	10-K	0001193125-26-073515
21	operating income	us-gaap:OperatingIncomeLoss	-\$110.6M	2023-12-31	2026-02-26	10-K	0001193125-26-073515
22	interest expense	us-gaap:InterestExpense	\$3.9M	2023-12-31	2024-03-12	10-K	0000950170-24-029951
23	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$317,000	2025-12-31	2026-02-26	10-K	0001193125-26-073515
24	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-\$22.5M	2024-12-31	2026-02-26	10-K	0001193125-26-073515
25	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$1.7M	2024-12-31	2026-02-26	10-K	0001193125-26-073515
26	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-\$58.8M	2023-12-31	2026-02-26	10-K	0001193125-26-073515
27	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$1.5M	2023-12-31	2026-02-26	10-K	0001193125-26-073515
28	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-\$146.9M	2022-12-31	2025-02-27	10-K	0000950170-25-028374
29	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$1.8M	2022-12-31	2025-02-27	10-K	0000950170-25-028374
30	assets	us-gaap:Assets	\$222.5M	2023-12-31	2025-02-27	10-K	0000950170-25-028374
31	assets	us-gaap:Assets	\$251.0M	2022-12-31	2024-03-12	10-K	0000950170-24-029951
32	shares outstanding	dei:EntityCommonStockSharesOutstanding	188,537,136	2026-02-13	2026-02-26	10-K	0001193125-26-073515
33	shares outstanding	dei:EntityCommonStockSharesOutstanding	152,329,588	2025-02-13	2025-02-27	10-K	0000950170-25-028374