

PFSA

Small-Cap Momentum

Biotech

Short Squeeze

Dilution Risk

Pre-Market Movers

Partnership News

PFSA: Biotech Dilution Machine Hits the Jackpot with Mayo Clinic Partnership and \$30M Acquisition Play

April 6, 2026 — 8:39 AM EDT · Report #40 · Free Equity Reports Research

SUMMARY

Profusa soars 130% pre-market on PanOmics acquisition and Mayo Clinic partnership, but extreme dilution risk and 377% short interest tell a different story.

SINCE REPORT -72.4%

DATA BOX

Price	\$1.74
Change	+129.55%
Volume	11.31M
Float	~1.2M
Mkt cap	\$1.03M

PFSA exploded 130% in pre-market trading Sunday morning after announcing a Letter of Intent to acquire the PanOmics™ multi-omics diagnostics platform from BioInsights LLC for approximately \$30 million, to be paid in equity securities. The Berkeley-based digital health company also

highlighted its collaboration with Mayo Clinic to build a differentiated, scalable presence in precision diagnostics and surgical monitoring.

Key Data (Pre-Market, 8:38 AM ET):

Price: \$1.74 (+129.55% from \$0.758 close)

Volume: 11.31M vs. typical daily volume

Float: ~1.2M shares (post-reverse split)

Market Cap: \$1.03M

The mechanics here aren't complicated. BioInsights will receive a 3% royalty on future net revenue, and the proposed transaction remains subject to completion of due diligence, shareholder approval, and customary closing conditions. More importantly for traders watching this move: Profusa would add \$30 million of shareholder equity to our balance sheet — that's dilution, folks.

The Dilution Machine in Motion

Here's what most people buying this rip don't understand: PFSA just executed a 1-for-75 reverse stock split on February 9, 2026, reducing outstanding shares from approximately 92.4 million to about 1.2 million. That reverse split came with a -36.4% drop in the session following this news.

The short interest tells you everything about sentiment before this morning's news. Short interest currently stands at 4.6 million shares, up 51.4% from the previous reporting period, representing 377.6% of the float. Over the past 12 months, short interest has increased by 2478.8%. That's not a typo — shorts have been betting against this stock aggressively.

The company reports substantial losses, going-concern doubts, and multiple Nasdaq listing deficiency notices, and has relied heavily on an equity line of

credit for funding. With operating income at -\$1.4M, and net income at -\$8.7M, plus diluted earnings per share of \$-1.47, the fundamentals haven't changed overnight.

The Mayo Connection Changes Everything

But here's why this isn't just another biotech lottery ticket: Profusa entered a know-how agreement with Mayo Clinic on Feb. 12, 2026 to investigate high-impact clinical applications of its Lumee™ continuous tissue oxygen monitoring technology targeting U.S. commercialization for critical limb ischemia.

Profusa reports more than \$100 million invested in Lumee development over a decade supporting the platform's development toward continuous, real-time in-body tissue oxygen measurement and commercial-stage activities. The pancreatic cancer angle isn't small potatoes either — more than 13,000 resections performed annually in the United States, representing an estimated \$26 million annual revenue opportunity.

The Mayo partnership isn't just a press release. Mayo Clinic disclosed a financial interest in the referenced technology and will use any revenue to support its mission. When Mayo puts skin in the game, institutional legitimacy follows.

What The Volume Is Telling Us

This morning's 11.31M volume on a 1.2M float is screaming short squeeze mechanics. Days to cover currently stands at 1.0 days, indicating high liquidity, allowing short sellers to quickly exit positions if needed. But with

377% short interest on the float, any sustained buying pressure creates a mathematical problem for shorts.

Recent history shows multiple positive operational and clinical updates followed by negative price reactions, while structurally negative events like the reverse split aligned with sharp declines. Despite developments like commercial progress and higher 2026 revenue guidance to \$1.5M–\$3.0M, most news events with constructive fundamentals saw negative 24-hour price reactions.

That pattern might be breaking today.

The Risk Framework

Don't get cute about position sizing here. The company elected not to proceed with its public offering after originally filing a Registration Statement for a \$15 million public offering, but they still need cash. The PanOmics deal being paid in equity means immediate dilution, and Profusa intends to pursue additional financing to support development and scale.

Watch the \$1.50-\$2.00 range for profit-taking. If shorts start covering en masse, \$3.00+ becomes possible on pure mechanics, but that's where the warrants and conversion features likely create overhead resistance.

The 52-week range is relevant here — this stock has been trading 96.41% below the 52-week high and below the \$0.34 200-day moving average. Even after today's move, we're still in deeply oversold territory.

Bottom line: Mayo Clinic partnerships don't happen by accident, and biotech companies don't acquire \$30M platforms without believing in the pipeline.

But until revenue materializes, this remains a high-risk momentum play with extreme dilution exposure.

This analysis was prepared at 8:38 AM ET during pre-market trading. Small-cap biotech investments carry substantial risk of total loss.

This report is for informational purposes only and does not constitute investment advice. Always conduct your own due diligence before making any investment decision.

freeequityreports.com/reports/pfsa-mayo-clinic-panomics-acquisition-squeeze-2026-04-06/ · Free Equity Reports Research · April 6, 2026 · Not investment advice.