

TNON

FLOAT SQUEEZE

float-squeeze

medical-devices

convertible-notes

premarket-movers

small-cap

nasdaq

TNON Premarket Squeeze: Note Repayment Killed a Death-Spiral Overhang Two Days Before It Activated

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◆ DESK TAKE

Premarket squeeze continuation off Wednesday's convertible-note repayment — the discounted-conversion overhang died two days before its window opened. Float is microscopic, but a fresh 424B3 registers 1.84M resale shares (~3x the outstanding count) and a \$100M shelf sits live. Watch \$4.20 resistance and \$3.10 support into the open; Wednesday's \$2.40 low is the deeper backstop.

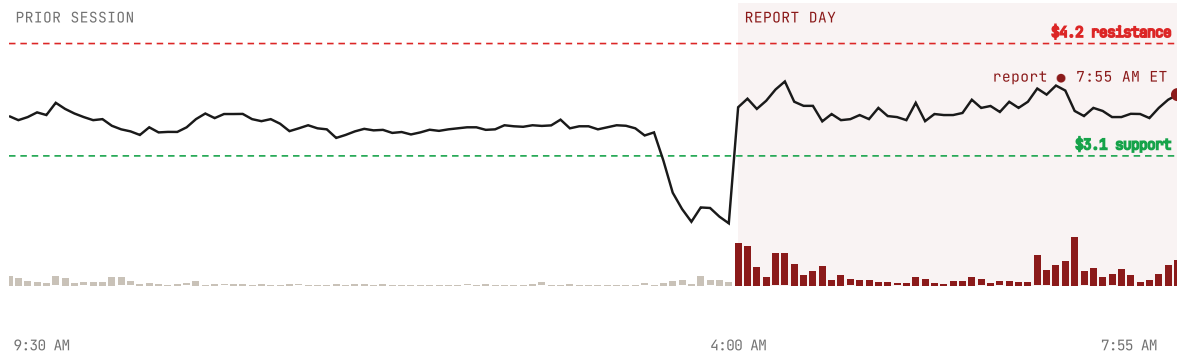
DATA BOX

Price	\$3.79
Change	+55.33%
Volume	10.04M
Float	550.8K
Mkt cap	\$2.53M

MECHANICS

TNON executed a 1-for-35 reverse split in August 2026 to maintain its Nasdaq listing, leaving under 700K shares outstanding and a float near 550K. A 424B3 effective this month registers 1.84M shares for selling-stockholder resale, warrants from July's \$4.2M offering are immediately exercisable, and a \$100M mixed shelf filed in August remains available. The \$5.16M OID convertible notes issued March 2026 were repaid in full on September 9, eliminating discounted conversion; the company regained Nasdaq stockholders' equity compliance in July 2026.

TNON — PRIOR SESSION → REPORT TIME



DATA BOX — MACHINE-VERIFIED

Data Box — TNON · as of 8:10 AM ET, 2026-09-10 · Pre-market session

METRIC	VALUE
Price	\$3.79
Previous close	\$2.44
Change	+55.33%
Volume (premarket)	10.04M
Float	550.8K
Shares outstanding	667.0K
Market cap	\$2.53M
52-week range	\$2.40 - \$50.40
Avg daily volume (20d)	4.29M
Relative volume	N/A (premarket)

All figures machine-sourced from market data APIs at publication time.

Tenon Medical is ripping in Thursday's premarket (September 10) on volume that has already recycled its microscopic float many times over before the opening bell. This is the second act of a story that broke

Wednesday morning — and the first act ended badly for anyone who chased it.

Wednesday, September 9, before the open, Tenon announced it had repaid in full its outstanding original issue discount senior convertible promissory notes — roughly \$5.16 million in aggregate principal — ahead of their September 11, 2026 maturity date. The stock opened at \$3.44, tagged \$3.67 early, then unwound all session to close at \$2.44, pennies off a fresh 52-week low, on the heaviest volume in months. Overnight the tape flipped. Buyers came back in force.

The note that almost converted

Timing is the whole catalyst here. The notes carried a 20% original issue discount, matured September 11, and became convertible after six months at 80% of the trailing 3-day VWAP. They were issued March 11, 2026 — meaning the discounted-conversion window would have opened this week, aimed squarely at a float of barely half a million shares. Repaying early eliminates the potential for conversion into common stock at a discount to market prices. For a share structure this small, killing that mechanism 48 hours before activation is a real, tangible event — not fluff.

What the filings say about supply

The risk side lives in the same EDGAR feed. Tenon is a Los Gatos medical device company selling the Catamaran SI-Joint Fusion System, a titanium-implant approach to sacroiliac joint disorders — but its recent history is capital-markets machinery:

- A 424B3 dated September 8 registers 1.84 million shares for resale by selling stockholders — nearly three times the entire outstanding count. That stock can hit the tape at any strength.
- July's \$4.2 million offering priced at \$0.38 (pre-split) and included warrants covering 13.26 million pre-split shares, immediately exercisable.
- A \$100 million mixed shelf was filed in mid-August, days after a 1-for-35 reverse split executed to maintain the Nasdaq listing; the company had regained stockholders' equity compliance in July after the raise.

The cash to retire the notes came largely from those dilutive raises. That's not a judgment — it's the circuit this company runs on, and the shelf means the circuit stays live.

The bracket

Thesis: overhang removal versus registered supply. Right now the data backs the squeeze — demand is overwhelming a sub-600K float and the single ugliest structural threat (discounted note conversion) is gone. The premarket range gives you the bracket: resistance at the \$4.20 area, support at the \$3.10 area, with buyers averaging in the mid-\$3.60s. Lose \$3.10 and Wednesday's \$2.40 low is the only backstop. Clear \$4.20 on sustained volume and there's little in the way until the early-September shelf near \$4.50–\$4.80, where the stock traded before this week's flush.

What flips the thesis: resale shares from the 424B3 showing up on the offer, or any prospectus supplement off the \$100M shelf — on a market cap in the low single-digit millions, a raise headline rewrites this setup in minutes. Watch EDGAR intraday. Halt risk is elevated too; this name was halted news-

pending as recently as early August. Size accordingly — floats this thin move dollars per minute in both directions.

This is not investment advice; do your own research and manage your own risk.

MECHANICS BOX — THE STRUCTURAL READ

- Shares outstanding: 667.0K · Float: 550.8K
- Dilution-relevant SEC filings (30d): 424B3 (2026-09-08), S-3/A (2026-09-02), S-3/A (2026-08-17), S-3 (2026-08-11)
- Splits: 1-for-35 reverse (2026-08-10), 1-for-8 reverse (2024-09-06), 1-for-10 reverse (2023-11-02)
- TNON executed a 1-for-35 reverse split in August 2026 to maintain its Nasdaq listing, leaving under 700K shares outstanding and a float near 550K. A 424B3 effective this month registers 1.84M shares for selling-stockholder resale, warrants from July's \$4.2M offering are immediately exercisable, and a \$100M mixed shelf filed in August remains available. The \$5.16M OID convertible notes issued March 2026 were repaid in full on September 9, eliminating discounted conversion; the company regained Nasdaq stockholders' equity compliance in July 2026.

The Setup: This is a [Float Squeeze](#) play — read the pattern guide to learn how these setups typically unfold.

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