# Denali Therapeutics Inc.

**DNLI**

Nasdaq; healthcare; SIC 2836, Biological Products, (No Diagnostic Substances); CIK 0001714899

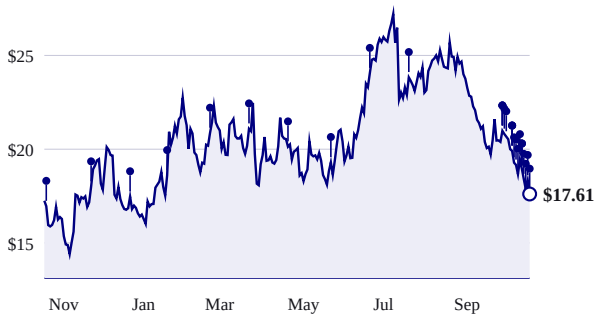
# None

### No letter

6 of 14 inputs computable; 7 are required, with a score in every sleeve

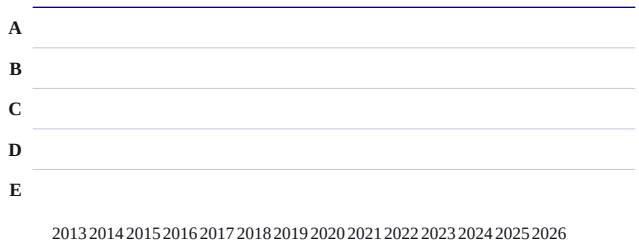
| Scoreboard | |
|---|---|
| **Reliability** | 0.91 AUC<br>filers with $591M to $2.67B assets; 95% interval 0.88 to 0.94; 160 events, 2020 to 2025 |
| **Peer failure rate** | 1.01% a year<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | $591M to $2.67B assets<br>total assets $1.1B |
| **Standard universe** | outside<br>revenue above $1M and assets above $10M |
| **Warnings** | short runway, thin data, degenerate in...<br>not computable: fortress balance sheet |
| **Inputs computable** | 6 of 14 |
| **Graded from** | filings received through Feb 26, 2026<br>235 days before the rescan; latest periodic filing 10-Q received Aug 6, 2026 |
| **Last close** | $17.61<br>2026-10-16; market equity $2.8B; 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 26, 2026*

Our purpose is to bring the power of biotherapeutics to the whole body, including the brain, by discovering, developing, and delivering medicines for people living with serious diseases. Historically, the blood-brain barrier has been a major challenge to the development of medicines for diseases of the central nervous system. While the blood-brain barrier protects the brain and is essential for our survival, it also prevents the delivery of medicines to the brain in sufficient quantities to have therapeutic effect.

## The fourteen 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 49.1** | | | | | | |
| Gross profitability | not computable | 32.3% | | | | |
| *one or more required annual facts are missing* | | | | | | |
| Return on invested capital | not computable | 9.3% | | | | |
| *one or more required annual facts are missing* | | | | | | |

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| | | | | | |
|---|---|---|---|---|---|
| Accruals ratio | (7.9%) | (6.6%) | 49.1 | 812 | 2025-12-31 |
| Gross margin stability, five years | not computable | 2.8 pts | | | |
| *five annual gross margins are required; found 0* | | | | | |
| **Solvency, sleeve percentile 26.2** | | | | | |
| Twelve-month failure probability | 0.05% | 0.07% | 37.0 | 247 | 2026-06-30 |
| Altman Z double-prime | 3.62 | (0.30) | 23.3 | 757 | 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) | | | |
| *one or more required annual facts are missing* | | | | | |
| Current ratio | 9.16x | 2.96x | 18.4 | 840 | 2025-12-31 |
| **Growth and financing, sleeve percentile 57.9** | | | | | |
| Revenue growth, three-year compound | not computable | 10.1% | | | |
| *current value must be positive and the base must exceed $100,000* | | | | | |
| Free cash flow growth, three-year compound | not computable | 10.9% | | | |
| *current FCF must be positive and base FCF must exceed $100,000* | | | | | |
| Reinvestment rate | not computable | 37.1% | | | |
| *one or more required annual facts are missing* | | | | | |
| Asset growth, three years | (7.8%) | 2.1% | 65.6 | 705 | 2025-12-31 |
| Net share issuance, one year | 9.2% | 2.5% | 50.2 | 634 | 2026-02-20 |

## Warnings

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

| Check | Measured |
|---|---|
| Short runway | cash runway is 5.6 months |
| Thin data | 6 of 14 grade factors are computable; minimum is 7 |
| Degenerate inputs | latest revenue or assets are at or below the $100,000 validity floor |

## What the price implies

*at the 2026-10-16 close; none of these enters the grade*

| Measure | Value | Peer median | Percentile |
|---|---|---|---|
| Twelve-month price change, skipping the latest month | 63.6% | 8.0% | 81 |
| Distance from 52-week high | (35.3%) | (33.0%) | 46 |
| EBIT to enterprise value | not computable | (1.7%) | |
| Free cash flow yield | (15.0%) | (1.0%) | 27 |
| Book value to price | 0.30 | 0.28 | 52 |
| Sales to price | 0.00 | 0.31 | 0 |
| Composite equity issuance, five years | 27.9% | 20.3% | 56 |
| Relative strength against the sector, log excess return | 0.28 | (0.13) | 81 |

## 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 |
| Gross margin improved | fail |

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| | |
|---|---|
| Asset turnover improved | fail |

**Cash, filings, liquidity**

| | |
|---|---|
| Cash and equivalents | $201.5M |
| Operating cash flow, four quarters | -$434.0M |
| Months of runway | 5.6 |
| Days since last periodic filing | 74 (10-Q received Aug 6, 2026) |
| Median daily dollar volume, 63 sessions | $32.0M |

## 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 | net income | us-gaap:NetIncomeLoss | -$512.5M | 2025-12-31 | 2026-02-26 | 10-K | 26-000021 |
| 2 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$412.6M | 2025-12-31 | 2026-02-26 | 10-K | 26-000021 |
| 3 | assets | us-gaap:Assets | $1.1B | 2025-12-31 | 2026-02-26 | 10-K | 26-000021 |
| 4 | assets | us-gaap:Assets | $1.4B | 2024-12-31 | 2026-02-26 | 10-K | 26-000021 |
| 5 | current assets | us-gaap:AssetsCurrent | $900.7M | 2025-12-31 | 2026-02-26 | 10-K | 26-000021 |
| 6 | current liabilities | us-gaap:LiabilitiesCurrent | $98.4M | 2025-12-31 | 2026-02-26 | 10-K | 26-000021 |
| 7 | retained earnings | us-gaap:RetainedEarningsAccumulatedDeficit | -$2.1B | 2025-12-31 | 2026-02-26 | 10-K | 26-000021 |
| 8 | operating income | us-gaap:OperatingIncomeLoss | -$555.3M | 2025-12-31 | 2026-02-26 | 10-K | 26-000021 |
| 9 | book equity | us-gaap:StockholdersEquity | $1.0B | 2025-12-31 | 2026-02-26 | 10-K | 26-000021 |
| 10 | liabilities | us-gaap:Liabilities | $131.1M | 2025-12-31 | 2026-02-26 | 10-K | 26-000021 |
| 11 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $0 | 2025-12-31 | 2026-02-26 | 10-K | 26-000021 |
| 12 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $0 | 2024-12-31 | 2026-02-26 | 10-K | 26-000021 |
| 13 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $330.5M | 2023-12-31 | 2026-02-26 | 10-K | 26-000021 |
| 14 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $105.1M | 2022-12-31 | 2025-02-27 | 10-K | 25-000066 |
| 15 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $9.5M | 2025-12-31 | 2026-02-26 | 10-K | 26-000021 |
| 16 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$347.7M | 2024-12-31 | 2026-02-26 | 10-K | 26-000021 |
| 17 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $15.9M | 2024-12-31 | 2026-02-26 | 10-K | 26-000021 |
| 18 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$358.0M | 2023-12-31 | 2026-02-26 | 10-K | 26-000021 |
| 19 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $12.9M | 2023-12-31 | 2026-02-26 | 10-K | 26-000021 |
| 20 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$244.7M | 2022-12-31 | 2025-02-27 | 10-K | 25-000066 |
| 21 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $17.8M | 2022-12-31 | 2025-02-27 | 10-K | 25-000066 |
| 22 | assets | us-gaap:Assets | $1.2B | 2023-12-31 | 2025-02-27 | 10-K | 25-000066 |
| 23 | assets | us-gaap:Assets | $1.5B | 2022-12-31 | 2024-02-28 | 10-K | 24-000086 |
| 24 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 158,591,491 | 2026-02-20 | 2026-02-26 | 10-K | 26-000021 |
| 25 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 145,215,391 | 2025-02-21 | 2025-02-27 | 10-K | 25-000066 |

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