# Drilling Tools International Corp. DTI

Nasdaq; manufacturing; SIC 3533, Oil & Gas Field Machinery & Equipment; CIK 0001884516

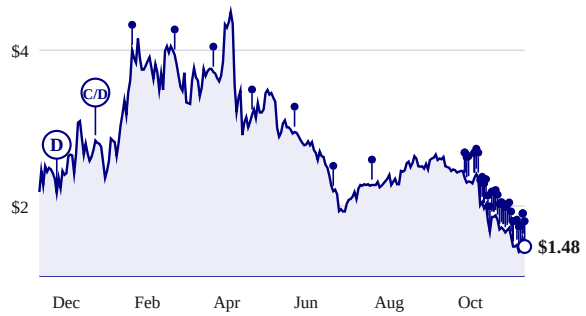
# None

**No letter**

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

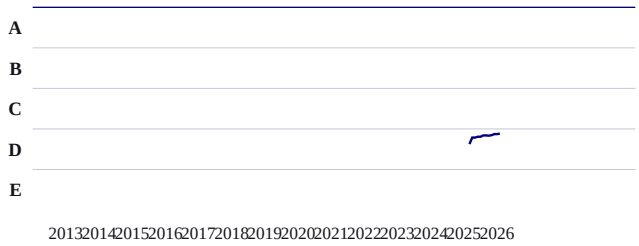
| Scoreboard | |
|---|---|
| **Reliability** | 0.87 AUC<br>filers with $120M to $591M assets; 95% interval 0.83 to 0.90; 206 events, 2020 to 2025 |
| **Peer failure rate** | 1.03% a year<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | $120M to $591M assets<br>total assets $222.2M |
| **Standard universe** | inside<br>revenue above $1M and assets above $10M |
| **Warnings** | thin data<br>not computable: distress |
| **Inputs computable** | 4 of 14 |
| **Graded from** | filings received through Mar 6, 2026<br>250 days before the rescan; latest periodic filing 10-Q received Nov 6, 2026 |
| **Last close** | $1.49<br>2026-11-10; market equity $52.4M; 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 Mar 6, 2026*

" for information on our products and business. Demand for our services and products depends primarily upon the general level of activity in the oil and gas industry, including the number of active drilling rigs, the number of wells drilled, the depth and working pressure of these wells, the number of well completions, the level of well remediation activity, the volume of production and the corresponding capital spending by oil and natural gas companies. Oil and gas activity is in turn heavily influenced by, among other factors, investor sentiment, availability of capital and oil and gas prices locally and worldwide, which have historically been volatile.

## 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 17.4** | | | | | | |
| Gross profitability | not computable | 22.0% | | | | |
| *latest aligned inputs end 2024-12-31; latest annual assets end 2025-12-31* | | | | | | |
| Return on invested capital | not computable | 9.7% | | | | |

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| | | | | | | |
|---|---|---|---|---|---|---|
| *a prior annual debt, equity, and cash observation is required* | | | | | | |
| Accruals ratio | (10.7%) | (3.7%) | | 17.4 | 305 | 2025-12-31 |
| Gross margin stability, five years | not computable | 2.1 pts | | | | |
| *five annual gross margins are required; found 1* | | | | | | |
| **Solvency, sleeve percentile 54.2** | | | | | | |
| Twelve-month failure probability | not computable | 0.04% | | | | |
| *latest liabilities, cash plus short-term investments, book equity, and shares are required* | | | | | | |
| Altman Z double-prime | not computable | 3.72 | | | | |
| *latest aligned inputs end 2024-12-31; latest annual assets end 2025-12-31* | | | | | | |
| Net debt to EBITDA | not computable | 1.77x | | | | |
| *latest aligned inputs end 2024-12-31; latest annual assets end 2025-12-31* | | | | | | |
| Interest coverage | not computable | 5.09x | | | | |
| *one or more required annual facts are missing* | | | | | | |
| Current ratio | 2.11x | 2.26x | | 54.2 | 324 | 2025-12-31 |
| **Growth and financing, sleeve percentile 20.3** | | | | | | |
| Revenue growth, three-year compound | not computable | 2.2% | | | | |
| *four annual observations are required; found 3* | | | | | | |
| Free cash flow growth, three-year compound | not computable | 13.7% | | | | |
| *four consecutive annual FCF observations are required; found 3* | | | | | | |
| Reinvestment rate | not computable | 24.5% | | | | |
| *pretax income must exceed the validity floor and imply a 0%-100% tax rate* | | | | | | |
| Asset growth, three years | 28.3% | 4.1% | | 8.0 | 276 | 2025-12-31 |
| Net share issuance, one year | (1.1%) | 0.0% | | 32.6 | 240 | 2026-03-03 |

## Warnings

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

| Check | Measured |
|---|---|
| Thin data | 4 of 14 grade factors are computable; minimum is 7 |

## What the price implies

*at the 2026-11-10 close; none of these enters the grade*

| Measure | Value | Peer median | Percentile |
|---|---|---|---|
| Twelve-month price change, skipping the latest month | 3.8% | 9.8% | 42 |
| Distance from 52-week high | (67.0%) | (24.7%) | 8 |
| EBIT to enterprise value | 13.5% | 4.2% | 96 |
| Free cash flow yield | (0.4%) | 3.4% | 22 |
| Book value to price | 2.26 | 0.36 | 96 |
| Sales to price | 3.06 | 0.54 | 93 |
| Composite equity issuance, five years | not computable | (9.6%) | |
| Relative strength against the sector, log excess return | (0.05) | 0.01 | 42 |

## 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 | pass |
| Return on assets improved | fail |
| Operating cash flow exceeds net income | pass |
| Long-term leverage fell | pass |
| Current ratio improved | fail |
| No new shares issued | pass |

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| | |
|---|---|
| Gross margin improved | fail |
| Asset turnover improved | fail |
| **Cash, filings, liquidity** | |
| Cash and equivalents | $3.0M |
| Operating cash flow, four quarters | $1.3M |
| Months of runway | not finite |
| Days since last periodic filing | 5 (10-Q received Nov 6, 2026) |
| Median daily dollar volume, 63 sessions | $403,799 |

## 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 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $154.4M | 2024-12-31 | 2026-03-06 | 10-K | 26-095973 |
| 2 | cost of revenue | us-gaap:CostOfGoodsAndServicesSold | $38.5M | 2024-12-31 | 2025-03-14 | 10-K | 25-039259 |
| 3 | assets | us-gaap:Assets | $222.4M | 2024-12-31 | 2026-03-06 | 10-K | 26-095973 |
| 4 | operating income | us-gaap:OperatingIncomeLoss | $13.4M | 2024-12-31 | 2025-03-14 | 10-K | 25-039259 |
| 5 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | $3.0M | 2024-12-31 | 2026-03-06 | 10-K | 26-095973 |
| 6 | income tax | us-gaap:IncomeTaxExpenseBenefit | -$30,000 | 2024-12-31 | 2026-03-06 | 10-K | 26-095973 |
| 7 | total debt | us-gaap:LongTermDebt | $53.8M | 2024-12-31 | 2025-03-14 | 10-K | 25-039259 |
| 8 | book equity | us-gaap:StockholdersEquity | $120.0M | 2024-12-31 | 2026-03-06 | 10-K | 26-095973 |
| 9 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $6.2M | 2024-12-31 | 2026-03-06 | 10-K | 26-095973 |
| 10 | net income | us-gaap:NetIncomeLoss | -$3.8M | 2025-12-31 | 2026-03-06 | 10-K | 26-095973 |
| 11 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $19.9M | 2025-12-31 | 2026-03-06 | 10-K | 26-095973 |
| 12 | assets | us-gaap:Assets | $222.2M | 2025-12-31 | 2026-03-06 | 10-K | 26-095973 |
| 13 | current assets | us-gaap:AssetsCurrent | $68.1M | 2024-12-31 | 2026-03-06 | 10-K | 26-095973 |
| 14 | current liabilities | us-gaap:LiabilitiesCurrent | $31.0M | 2024-12-31 | 2026-03-06 | 10-K | 26-095973 |
| 15 | retained earnings | us-gaap:RetainedEarningsAccumulatedDeficit | -$3.6M | 2024-12-31 | 2026-03-06 | 10-K | 26-095973 |
| 16 | liabilities | us-gaap:Liabilities | $102.5M | 2024-12-31 | 2026-03-06 | 10-K | 26-095973 |
| 17 | depreciation amortization | us-gaap:Depreciation | $21.5M | 2024-12-31 | 2026-03-06 | 10-K | 26-095973 |
| 18 | current assets | us-gaap:AssetsCurrent | $64.9M | 2025-12-31 | 2026-03-06 | 10-K | 26-095973 |
| 19 | current liabilities | us-gaap:LiabilitiesCurrent | $30.8M | 2025-12-31 | 2026-03-06 | 10-K | 26-095973 |
| 20 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $159.6M | 2025-12-31 | 2026-03-06 | 10-K | 26-095973 |
| 21 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $152.0M | 2023-12-31 | 2025-03-14 | 10-K | 25-039259 |
| 22 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $22.9M | 2024-12-31 | 2026-03-06 | 10-K | 26-095973 |
| 23 | current assets | us-gaap:AssetsCurrent | $46.4M | 2023-12-31 | 2025-03-14 | 10-K | 25-039259 |
| 24 | current liabilities | us-gaap:LiabilitiesCurrent | $22.3M | 2023-12-31 | 2025-03-14 | 10-K | 25-039259 |
| 25 | assets | us-gaap:Assets | $132.5M | 2023-12-31 | 2025-03-14 | 10-K | 25-039259 |
| 26 | assets | us-gaap:Assets | $105.2M | 2022-12-31 | 2024-03-28 | 10-K | 24-037792 |
| 27 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 35,185,760 | 2026-03-03 | 2026-03-06 | 10-K | 26-095973 |
| 28 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 35,592,737 | 2025-03-14 | 2025-03-14 | 10-K | 25-039259 |

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