# iRhythm Holdings, Inc.

**IRTC**

Nasdaq; healthcare; SIC 3841, Surgical & Medical Instruments & Apparatus; CIK 0001388658

**A**

**strongest fifth of 305 graded peers in healthcare**

rank 20 of 305; percentile 6.2; sampling error 2.8 points; lower is stronger

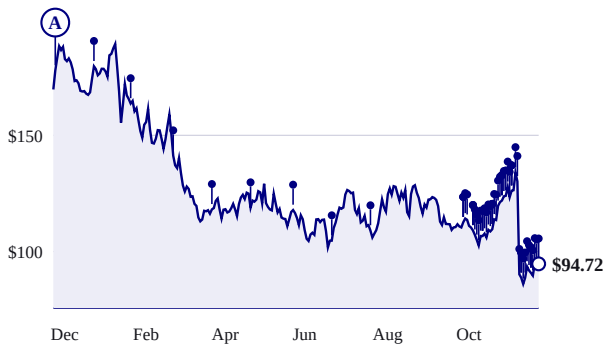
A B C D E

**A, the bull**



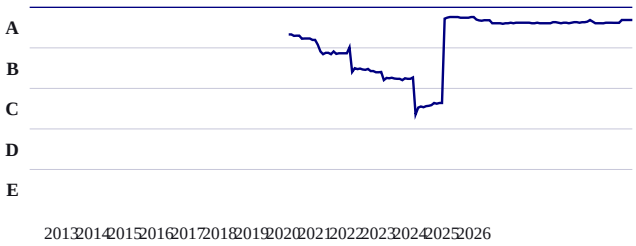
| Scoreboard | |
|---|---|
| **Profitability** | B<br>percentile 26.8 |
| **Solvency** | B/C<br>percentile 38.0 |
| **Growth and financing** | B<br>percentile 26.9 |
| **Reliability** | 0.91 AUC<br>filers with $591M to $2.67B assets; 95% interval 0.88 to 0.94; 160 events, 2020 to 2025 |
| **Peer failure 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 $1.0B |
| **Standard universe** | inside<br>revenue above $1M and assets above $10M |
| **Warnings** | none triggered; fortress balance sheet |
| **Inputs computable** | 8 of 13 |
| **Graded from** | filings received through Feb 19, 2026<br>275 days before the rescan; latest periodic filing 10-Q received Nov 5, 2026 |
| **Last close** | $94.87<br>2026-11-20; market equity $3.2B; 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 19, 2026*

iRhythm is a leading digital healthcare company that creates trusted solutions that detect, predict, and prevent disease. Our principal business is the design, development, and commercialization of device-based technology to provide ambulatory cardiac monitoring services that we believe allow clinicians to diagnose certain arrhythmias quicker and with greater efficiency than other services that rely on traditional technology.

## The thirteen 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 26.8** | | | | | | |
| Gross profitability | 51.7% | 32.8% | | 22.0 | 346 | 2025-12-31 |
| Return on invested capital | not computable | 9.6% | | | | |
| *pretax income must exceed the validity floor and imply a 0%-100% tax rate* | | | | | | |
| Accruals ratio | (12.9%) | (6.7%) | | 33.4 | 756 | 2025-12-31 |

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| | | | | | |
|---|---|---|---|---|---|
| Gross margin stability, five years | 1.5 pts | 2.8 pts | 25.0 | 237 | 2025-12-31 |
| **Solvency, sleeve percentile 38.0** | | | | | |
| Altman Z double-prime | 0.78 | 0.31 | 35.2 | 705 | 2025-12-31 |
| Net debt to EBITDA | not computable | 1.82x | | | |
| *required facts have no common fiscal period end* | | | | | |
| Interest coverage | not computable | (3.61x) | | | |
| *latest aligned inputs end 2023-12-31; latest annual assets end 2025-12-31* | | | | | |
| Current ratio | 4.63x | 2.68x | 40.8 | 781 | 2025-12-31 |
| **Growth and financing, sleeve percentile 26.9** | | | | | |
| Revenue growth, three-year compound | 22.1% | 9.6% | 29.3 | 400 | 2025-12-31 |
| Free cash flow growth, three-year compound | not computable | 11.1% | | | |
| *current FCF must be positive and base FCF must exceed $100,000* | | | | | |
| Reinvestment rate | not computable | 33.9% | | | |
| *pretax income must exceed the validity floor and imply a 0%-100% tax rate* | | | | | |
| Asset growth, three years | 31.5% | 3.2% | 14.5 | 663 | 2025-12-31 |
| Net share issuance, one year | 2.9% | 1.6% | 37.0 | 626 | 2026-02-12 |

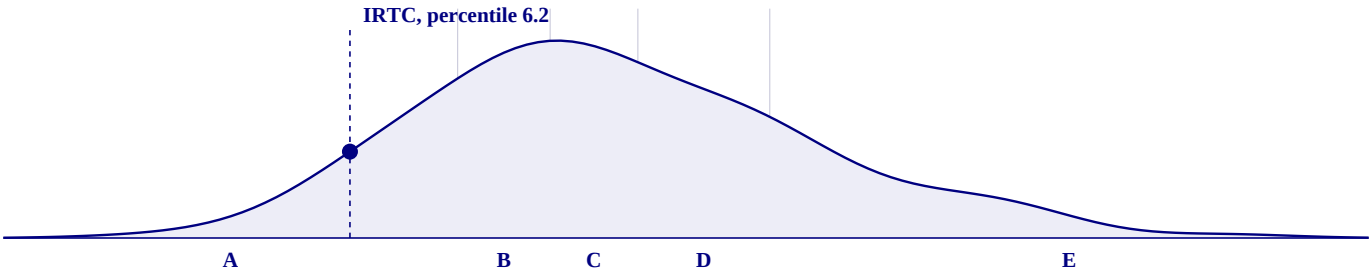
## Warnings

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

| Check | Measured |
|---|---|
| Fortress balance sheet | cash minus debt is 117,872,000 USD; Altman Z is not used |

## Among 305 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 |
|---|---|---|---|---|
| 15 | Biomarin Pharmaceutical Inc. (BMRN) | 4.6 | A | |
| 16 | Exelixis, Inc. (EXEL) | 4.9 | A | fortress balance sheet |
| 17 | Corcept Therapeutics Inc. (CORT) | 5.3 | A | fortress balance sheet |
| 18 | Neurocrine Biosciences Inc. (NBIX) | 5.6 | A | |
| 19 | AtriCure, Inc. (ATRC) | 5.9 | A | |
| 20 | iRhythm Holdings, Inc. (IRTC) | 6.2 | A | fortress balance sheet |
| 21 | Intuitive Surgical Inc. (ISRG) | 6.6 | A | |
| 22 | Gyre Therapeutics, Inc. (GYRE) | 6.9 | A | fortress balance sheet |
| 23 | Vericel Corp. (VCEL) | 7.2 | A | |
| 24 | United Therapeutics Corp. (UTHR) | 7.6 | A | |
| 25 | Hims & Hers Health, Inc. (HIMS) | 7.9 | A | |

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## What the price implies

*at the 2026-11-20 close; none of these enters the grade*

| Measure | Value | Peer median | Percentile |
|---|---|---|---|
| Twelve-month price change, skipping the latest month | (39.3%) | (1.7%) | 23 |
| Distance from 52-week high | (49.9%) | (33.0%) | 34 |
| EBIT to enterprise value | (2.1%) | 0.5% | 43 |
| Free cash flow yield | 1.1% | 0.6% | 53 |
| Book value to price | 0.06 | 0.29 | 17 |
| Sales to price | 0.23 | 0.38 | 35 |
| Composite equity issuance, five years | 14.2% | 13.5% | 51 |
| Relative strength against the sector, log excess return | (0.67) | (0.19) | 23 |
| Twelve-month failure probability, CHS model | 0.08% | 0.06% | 57 |

## 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 | pass |
| Operating cash flow exceeds net income | pass |
| Long-term leverage fell | fail |
| Current ratio improved | fail |
| No new shares issued | fail |
| Gross margin improved | pass |
| Asset turnover improved | fail |
| **Cash, filings, liquidity** | |
| Cash and equivalents | $394.7M |
| Operating cash flow, four quarters | $55.6M |
| Months of runway | not finite |
| Days since last periodic filing | 16 (10-Q received Nov 5, 2026) |
| Median daily dollar volume, 63 sessions | $55.7M |

## 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 | gross profit | us-gaap:GrossProfit | $527.2M | 2025-12-31 | 2026-02-19 | 10-K | 26-000011 |
| 2 | assets | us-gaap:Assets | $1.0B | 2025-12-31 | 2026-02-19 | 10-K | 26-000011 |
| 3 | operating income | us-gaap:OperatingIncomeLoss | -$99.9M | 2021-12-31 | 2024-02-22 | 10-K | 24-000014 |
| 4 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | -$101.0M | 2021-12-31 | 2024-02-22 | 10-K | 24-000014 |
| 5 | income tax | us-gaap:IncomeTaxExpenseBenefit | $367,000 | 2021-12-31 | 2024-02-22 | 10-K | 24-000014 |
| 6 | total debt | us-gaap:LongTermDebt | $9.7M | 2021-12-31 | 2022-02-28 | 10-K | 22-000020 |
| 7 | book equity | us-gaap:StockholdersEquity | $279.5M | 2021-12-31 | 2025-02-20 | 10-K | 25-000028 |
| 8 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $127.6M | 2021-12-31 | 2023-02-23 | 10-K | 23-000007 |
| 9 | total debt | us-gaap:LongTermDebt | $21.3M | 2020-12-31 | 2022-02-28 | 10-K | 22-000020 |
| 10 | book equity | us-gaap:StockholdersEquity | $341.6M | 2020-12-31 | 2024-02-22 | 10-K | 24-000014 |
| 11 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $88.6M | 2020-12-31 | 2022-02-28 | 10-K | 22-000020 |
| 12 | net income | us-gaap:NetIncomeLoss | -$44.6M | 2025-12-31 | 2026-02-19 | 10-K | 26-000011 |
| 13 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $80.9M | 2025-12-31 | 2026-02-19 | 10-K | 26-000011 |
| 14 | assets | us-gaap:Assets | $931.4M | 2024-12-31 | 2026-02-19 | 10-K | 26-000011 |
| 15 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $747.1M | 2025-12-31 | 2026-02-19 | 10-K | 26-000011 |
| 16 | gross profit | us-gaap:GrossProfit | $407.5M | 2024-12-31 | 2026-02-19 | 10-K | 26-000011 |
| 17 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $591.8M | 2024-12-31 | 2026-02-19 | 10-K | 26-000011 |

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| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 18 | gross profit | us-gaap:GrossProfit | $331.8M | 2023-12-31 | 2026-02-19 | 10-K | 26-000011 |
| 19 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $492.7M | 2023-12-31 | 2026-02-19 | 10-K | 26-000011 |
| 20 | gross profit | us-gaap:GrossProfit | $281.6M | 2022-12-31 | 2025-02-20 | 10-K | 25-000028 |
| 21 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $410.9M | 2022-12-31 | 2025-02-20 | 10-K | 25-000028 |
| 22 | gross profit | us-gaap:GrossProfit | $213.6M | 2021-12-31 | 2024-02-22 | 10-K | 24-000014 |
| 23 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $322.8M | 2021-12-31 | 2024-02-22 | 10-K | 24-000014 |
| 24 | current assets | us-gaap:AssetsCurrent | $702.8M | 2025-12-31 | 2026-02-19 | 10-K | 26-000011 |
| 25 | current liabilities | us-gaap:LiabilitiesCurrent | $151.9M | 2025-12-31 | 2026-02-19 | 10-K | 26-000011 |
| 26 | retained earnings | us-gaap:RetainedEarningsAccumulatedDeficit | -$803.4M | 2025-12-31 | 2026-02-19 | 10-K | 26-000011 |
| 27 | operating income | us-gaap:OperatingIncomeLoss | -$57.4M | 2025-12-31 | 2026-02-19 | 10-K | 26-000011 |
| 28 | book equity | us-gaap:StockholdersEquity | $152.7M | 2025-12-31 | 2026-02-19 | 10-K | 26-000011 |
| 29 | liabilities | us-gaap:Liabilities | $867.3M | 2025-12-31 | 2026-02-19 | 10-K | 26-000011 |
| 30 | operating income | us-gaap:OperatingIncomeLoss | -$125.2M | 2023-12-31 | 2026-02-19 | 10-K | 26-000011 |
| 31 | interest expense | us-gaap:InterestExpense | $3.6M | 2023-12-31 | 2024-02-22 | 10-K | 24-000014 |
| 32 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $46.3M | 2025-12-31 | 2026-02-19 | 10-K | 26-000011 |
| 33 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $3.4M | 2024-12-31 | 2026-02-19 | 10-K | 26-000011 |
| 34 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $33.9M | 2024-12-31 | 2026-02-19 | 10-K | 26-000011 |
| 35 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$50.1M | 2023-12-31 | 2026-02-19 | 10-K | 26-000011 |
| 36 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $40.4M | 2023-12-31 | 2026-02-19 | 10-K | 26-000011 |
| 37 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$23.0M | 2022-12-31 | 2025-02-20 | 10-K | 25-000028 |
| 38 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $29.8M | 2022-12-31 | 2025-02-20 | 10-K | 25-000028 |
| 39 | depreciation amortization | us-gaap:DepreciationDepletionAndAmortization | $20.7M | 2025-12-31 | 2026-02-19 | 10-K | 26-000011 |
| 40 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | -$43.6M | 2025-12-31 | 2026-02-19 | 10-K | 26-000011 |
| 41 | income tax | us-gaap:IncomeTaxExpenseBenefit | $953,000 | 2025-12-31 | 2026-02-19 | 10-K | 26-000011 |
| 42 | current assets | us-gaap:AssetsCurrent | $645.8M | 2024-12-31 | 2026-02-19 | 10-K | 26-000011 |
| 43 | current liabilities | us-gaap:LiabilitiesCurrent | $110.9M | 2024-12-31 | 2026-02-19 | 10-K | 26-000011 |
| 44 | assets | us-gaap:Assets | $433.1M | 2023-12-31 | 2025-02-20 | 10-K | 25-000028 |
| 45 | assets | us-gaap:Assets | $448.2M | 2022-12-31 | 2024-02-22 | 10-K | 24-000014 |
| 46 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 32,316,760 | 2026-02-12 | 2026-02-19 | 10-K | 26-000011 |
| 47 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 31,409,617 | 2025-02-13 | 2025-02-20 | 10-K | 25-000028 |

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