

Denali Therapeutics Inc. (DNLI)

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

Denali Therapeutics Inc.		
DNLI; healthcare		
Grade	None 6 of 14 inputs computable; 7 are required	Share price, twelve months to the rescansplit-adjusted close; the letter is fixed at the rescans that set it 
Reliability	0.91 AUC 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 Item 1.03 bankruptcies, same asset band, 2012 to 2025	
Size band	\$591M to \$2.67B assets total assets \$1.1B	
Standard universe	outside revenue above \$1M and assets above \$10M	
Warnings	short runway, thin data, degenerate inputs not computable: fortress balance sheet	
Inputs computable	6 of 14	
Graded from	filings received through Feb 26, 2026 225 days before the rescans; latest periodic filing 10-Q received Aug 6, 2026	
Last close	\$18.66 2026-10-08; market equity \$3.0B	
Price used in grade	None	

Letter at every rescans

Jan 21, 2012 to Oct 9, 2026; sector percentile, stronger toward the top; facts filed by each date only

A	
B	
C	
D	
E	
	20132014201520162017201820192020202120222023202420252026

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; equal-weighted sleeves

Input	Percentile, 0 to 100	Value	Peer median	Percentile	Peers	Period end
Profitability, sleeve percentile 49.3						
Gross profitability		not computable	32.2%		one or more required annual facts are missing	

Return on invested capital		not computable	9.3%			one or more required annual facts are missing
Accruals ratio		(7.9%)	(6.6%)	49.3	811	2025-12-31
Gross margin stability, five years		not computable	2.8 pts			five annual gross margins are required; found 0
Solvency, sleeve percentile 27.6						
Twelve-month failure probability		0.06%	0.07%	41.3	248	2026-06-30
Altman Z double-prime		3.62	(0.31)	23.2	756	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	18.3	839	2025-12-31
Growth and financing, sleeve percentile 58.0						
Revenue growth, three-year compound		not computable	10.0%			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%	65.7	704	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 2026-10-08 close; none 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	(31.4%)	(31.4%)	50
EBIT to enterprise value	not computable	(1.5%)	
Free cash flow yield	(14.1%)	(1.0%)	27
Book value to price	0.28	0.28	50

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	(0.14)	81

Diagnostics

not in 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
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	64 (10-Q received Aug 6, 2026)
Median daily dollar volume, 63 sessions	\$32.7M

Sources

each row links to the 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	0001714899-26-000021
2	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-\$412.6M	2025-12-31	2026-02-26	10-K	0001714899-26-000021
3	assets	us-gaap:Assets	\$1.1B	2025-12-31	2026-02-26	10-K	0001714899-26-000021
4	assets	us-gaap:Assets	\$1.4B	2024-12-31	2026-02-26	10-K	0001714899-26-000021
5	current assets	us-gaap:AssetsCurrent	\$900.7M	2025-12-31	2026-02-26	10-K	0001714899-26-000021
6	current liabilities	us-gaap:LiabilitiesCurrent	\$98.4M	2025-12-31	2026-02-26	10-K	0001714899-26-000021
7	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	-\$2.1B	2025-12-31	2026-02-26	10-K	0001714899-26-000021
8	operating income	us-gaap:OperatingIncomeLoss	-\$555.3M	2025-12-31	2026-02-26	10-K	0001714899-26-000021
9	book equity	us-gaap:StockholdersEquity	\$1.0B	2025-12-31	2026-02-26	10-K	0001714899-26-000021
10	liabilities	us-gaap:Liabilities	\$131.1M	2025-12-31	2026-02-26	10-K	0001714899-26-000021
11	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$0	2025-12-31	2026-02-26	10-K	0001714899-26-000021
12	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$0	2024-12-31	2026-02-26	10-K	0001714899-26-000021
13	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$330.5M	2023-12-31	2026-02-26	10-K	0001714899-26-000021
14	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$105.1M	2022-12-31	2025-02-27	10-K	0001714899-25-000066
15	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$9.5M	2025-12-31	2026-02-26	10-K	0001714899-26-000021
16	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-\$347.7M	2024-12-31	2026-02-26	10-K	0001714899-26-000021
17	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$15.9M	2024-12-31	2026-02-26	10-K	0001714899-26-000021
18	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-\$358.0M	2023-12-31	2026-02-26	10-K	0001714899-26-000021
19	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$12.9M	2023-12-31	2026-02-26	10-K	0001714899-26-000021
20	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-\$244.7M	2022-12-31	2025-02-27	10-K	0001714899-25-000066
21	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$17.8M	2022-12-31	2025-02-27	10-K	0001714899-25-000066
22	assets	us-gaap:Assets	\$1.2B	2023-12-31	2025-02-27	10-K	0001714899-25-000066
23	assets	us-gaap:Assets	\$1.5B	2022-12-31	2024-02-28	10-K	0001714899-24-000086
24	shares outstanding	dei:EntityCommonStockSharesOutstanding	158,591,491	2026-02-20	2026-02-26	10-K	0001714899-26-000021
25	shares outstanding	dei:EntityCommonStockSharesOutstanding	145,215,391	2025-02-21	2025-02-27	10-K	0001714899-25-000066