American Resources Corp.

AREC

Nasdaq; energy; SIC 1220, Silver Ores; CIK 0001590715

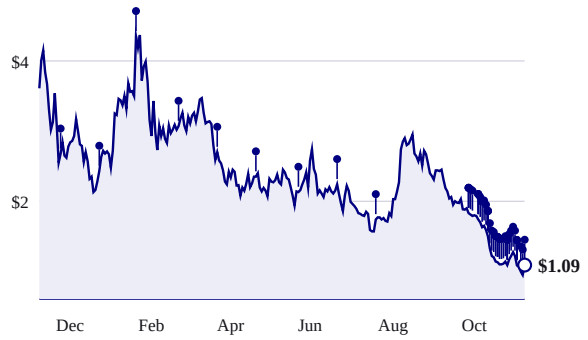
None

No letter

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

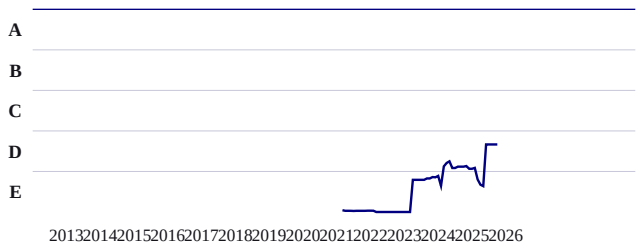
Scoreboard	
Reliability	0.87 AUC filers with $120M to $591M assets; 95% interval 0.83 to 0.90; 206 events, 2020 to 2025
Peer failure rate	1.03% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	$120M to $591M assets total assets $168.9M
Standard universe	outside revenue above $1M and assets above $10M
Warnings	late filer, thin data, degenerate inputs not computable: dilution, short runway, distress
Inputs computable	4 of 14
Graded from	filings received through May 20, 2026 171 days before the rescan; latest periodic filing 10-K received May 20, 2026
Last close	$1.09 2026-11-06; market equity $117.1M; 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 May 20, 2026

When we formed our company, our focus was to (i) construct and/or purchase and manage a chain of combined gasoline, diesel and natural gas (NG) fueling and service stations (initially, in the Miami, FL area); (ii) construct conversion factories to convert NG to liquefied natural gas (LNG) and compressed natural gas (CNG); and (iii) construct conversion factories to retrofit vehicles currently using gasoline or diesel fuel to also run on NG in the United States and also to build a convenience store to serve our customers in each of our locations. On January 5, 2017, American Resources Corporation (ARC) executed a Share Exchange Agreement between the Company and Quest Energy Inc.

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 100.0						
Gross profitability	not computable	17.5%				

latest aligned inputs end 2022-12-31; latest annual assets end 2025-12-31

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Return on invested capital	not computable	6.0%				
required facts have no common fiscal period end						
Accruals ratio	29.2%	(5.0%)	100.0	270	2025-12-31	
Gross margin stability, five years	not computable	4.6 pts				
latest aligned inputs end 2022-12-31; latest annual assets end 2025-12-31						
Solvency, sleeve percentile 44.1						
Twelve-month failure probability	not computable	0.05%				
liabilities and a nearby cover-page share count are required at 2025-06-30						
Altman Z double-prime	(0.36)	1.48	76.8	152	2025-12-31	
Net debt to EBITDA	not computable	3.63x				
EBITDA must exceed $100,000						
Interest coverage	not computable	2.37x				
latest aligned inputs end 2024-12-31; latest annual assets end 2025-12-31						
Current ratio	2.19x	0.97x	11.4	281	2025-12-31	
Growth and financing, sleeve percentile 3.3						
Revenue growth, three-year compound	not computable	0.7%				
current value must be positive and the base must exceed $100,000						
Free cash flow growth, three-year compound	not computable	(11.8%)				
four consecutive annual FCF observations are required; found 4						
Reinvestment rate	not computable	59.0%				
required facts have no common fiscal period end						
Asset growth, three years	44.6%	6.4%	3.3	245	2025-12-31	
Net share issuance, one year	not computable	0.4%				
prior share count is 214 days earlier						

Warnings

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

Check	Measured
Late filer	found 6 NT 10-K/Q filings in the last eight quarters
Thin data	4 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 2026-11-06 close; none of these enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	(52.8%)	6.5%	3
Distance from 52-week high	(75.1%)	(19.3%)	4
EBIT to enterprise value	(11.4%)	4.6%	8
Free cash flow yield	(19.1%)	1.6%	8
Book value to price	0.81	0.54	76
Sales to price	0.00	0.48	0
Composite equity issuance, five years	72.9%	(7.1%)	93
Relative strength against the sector, log excess return	(1.11)	0.02	2

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	pass
Operating cash flow above zero	fail
Return on assets improved	pass
Operating cash flow exceeds net income	fail

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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	n/a
Operating cash flow, four quarters	n/a
Months of runway	not finite
Days since last periodic filing	171 (10-K received May 20, 2026)
Median daily dollar volume, 63 sessions	$3.0M

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	revenue	us-gaap:Revenues	$39.5M	2022-12-31	2024-04-15	10-K	24-002122
2	cost of revenue	us-gaap:CostOfRevenue	$21.7M	2022-12-31	2023-03-31	10-K	23-002105
3	assets	us-gaap:Assets	$55.9M	2022-12-31	2024-04-15	10-K	24-002122
4	net income	us-gaap:NetIncomeLoss	$55.4M	2025-12-31	2026-05-20	10-K	26-003317
5	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivitiesC...	-$10.4M	2025-12-31	2026-05-20	10-K	26-003317
6	assets	us-gaap:Assets	$168.9M	2025-12-31	2026-05-20	10-K	26-003317
7	assets	us-gaap:Assets	$281.7M	2024-12-31	2026-05-20	10-K	26-003317
8	revenue	us-gaap:Revenues	$7.8M	2021-12-31	2023-03-31	10-K	23-002105
9	cost of revenue	us-gaap:CostOfRevenue	$7.1M	2021-12-31	2023-03-31	10-K	23-002105
10	revenue	us-gaap:Revenues	$1.1M	2020-12-31	2023-02-10	10-K/A	23-000881
11	cost of revenue	us-gaap:CostOfRevenue	$3.7M	2020-12-31	2023-02-10	10-K/A	23-000881
12	revenue	us-gaap:Revenues	$24.5M	2019-12-31	2021-03-12	10-K/A	21-001410
13	cost of revenue	us-gaap:CostOfRevenue	$26.1M	2019-12-31	2021-03-12	10-K/A	21-001410
14	revenue	us-gaap:Revenues	$31.5M	2018-12-31	2020-06-01	10-K/A	20-003168
15	cost of revenue	us-gaap:CostOfGoodsAndServicesSold	$320,644	2018-12-31	2019-05-30	10-K/A	19-003252
16	current assets	us-gaap:AssetsCurrent	$134.3M	2025-12-31	2026-05-20	10-K	26-003317
17	current liabilities	us-gaap:LiabilitiesCurrent	$61.2M	2025-12-31	2026-05-20	10-K	26-003317
18	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	-$210.4M	2025-12-31	2026-05-20	10-K	26-003317
19	operating income	us-gaap:OperatingIncomeLoss	-$11.3M	2025-12-31	2026-05-20	10-K	26-003317
20	book equity	us-gaap:StockholdersEquity	$94.8M	2025-12-31	2026-05-20	10-K	26-003317
21	liabilities	us-gaap:Liabilities	$75.7M	2025-12-31	2026-05-20	10-K	26-003317
22	total debt	us-gaap:LongTermDebt	$14.3M	2020-12-31	2021-03-12	10-K/A	21-001410
23	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$11.2M	2020-12-31	2022-03-30	10-K	22-001737
24	operating income	us-gaap:OperatingIncomeLoss	-$16.4M	2020-12-31	2023-02-10	10-K/A	23-000881
25	depreciation amortization	us-gaap:Depreciation	$2.3M	2020-12-31	2023-02-10	10-K/A	23-000881
26	operating income	us-gaap:OperatingIncomeLoss	-$14.2M	2024-12-31	2026-05-20	10-K	26-003317
27	interest expense	us-gaap:InterestExpense	$8.0M	2024-12-31	2025-10-24	10-K/A	25-007744
28	revenue	us-gaap:Revenues	$0	2025-12-31	2026-05-20	10-K	26-003317
29	revenue	us-gaap:Revenues	$34,070	2024-12-31	2026-05-20	10-K	26-003317
30	revenue	us-gaap:Revenues	$11.8M	2023-12-31	2025-10-24	10-K/A	25-007744
31	assets	us-gaap:Assets	$64.7M	2023-12-31	2025-10-24	10-K/A	25-007744
32	shares outstanding	dei:EntityCommonStockSharesOutstanding	106,971,272	2026-05-19	2026-05-20	10-K	26-003317
33	shares outstanding	dei:EntityCommonStockSharesOutstanding	100,869,137	2025-10-17	2025-10-24	10-K/A	25-007744

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