Epsilon Energy Ltd.

EPSN

Nasdaq; energy; SIC 1311, Crude Petroleum & Natural Gas; CIK 0001726126

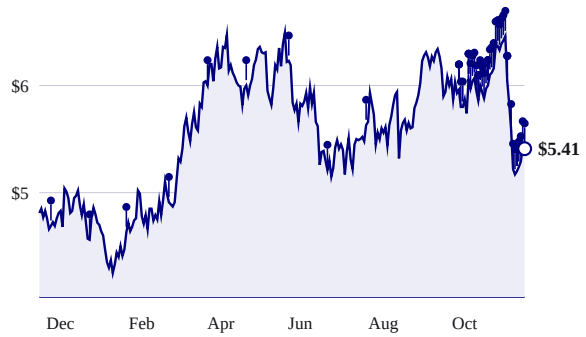
None

No letter

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

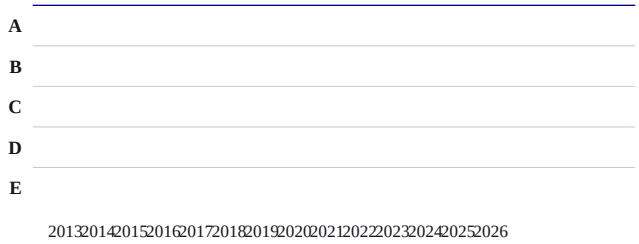
Scoreboard	
Reliability	0.87 AUC filers with $120M to $591M assets; 95% interval 0.83 to 0.90; 206 events, 2020 to 2025
Peer failure rate	1.03% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	$120M to $591M assets total assets $228.2M
Standard universe	inside revenue above $1M and assets above $10M
Warnings	dilution, late filer, thin data not computable: distress, fortress balance sheet
Inputs computable	6 of 14
Graded from	filings received through Mar 27, 2026 232 days before the rescan; latest periodic filing 10-Q received Aug 12, 2026
Last close	$5.39 2026-11-13; market equity $163.2M; 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 27, 2026

Epsilon Energy Ltd. (the "Company" or "Epsilon" or "we") was incorporated under the laws of the Province of Alberta, Canada on March 14, 2005, pursuant to the ABCA. The Company is extra-provincially registered in Ontario pursuant to the Business Corporations Act (Ontario). Epsilon is a North American on-shore focused independent natural gas and oil company engaged in the acquisition, development, gathering and production of natural gas and oil reserves.

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 14.2						
Gross profitability	not computable	17.0%				
one or more required annual facts are missing						
Return on invested capital	not computable	6.0%				
one or more required annual facts are missing						

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Accruals ratio	(15.2%)	(5.1%)	14.2	262	2025-12-31
Gross margin stability, five years	not computable	4.6 pts			
five annual gross margins are required; found 0					
Solvency, sleeve percentile 49.7					
Twelve-month failure probability	not computable	0.04%			
four consecutive discrete net-income quarters are required; found 4					
Altman Z double-prime	0.41	1.51	70.0	151	2025-12-31
Net debt to EBITDA	not computable	3.60x			
one or more required annual facts are missing					
Interest coverage	not computable	2.37x			
interest expense must exceed $100,000					
Current ratio	1.31x	0.97x	29.4	273	2025-12-31
Growth and financing, sleeve percentile 62.9					
Revenue growth, three-year compound	(9.7%)	0.7%	82.1	213	2025-12-31
Free cash flow growth, three-year compound	not computable	(11.8%)			
four consecutive annual FCF observations are required; found 0					
Reinvestment rate	not computable	59.0%			
one or more required annual facts are missing					
Asset growth, three years	22.6%	6.4%	12.3	237	2025-12-31
Net share issuance, one year	37.4%	0.4%	94.2	156	2026-03-26

Warnings

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

Check	Measured
Dilution	split-adjusted year-over-year share growth is 37.4%
Late filer	found 1 NT 10-K/Q filings in the last eight quarters
Thin data	6 of 14 grade factors are computable; minimum is 7

What the price implies

at the 2026-11-13 close; none of these enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	24.4%	6.5%	73
Distance from 52-week high	(16.6%)	(17.8%)	53
EBIT to enterprise value	not computable	4.5%	
Free cash flow yield	not computable	1.9%	
Book value to price	0.79	0.53	78
Sales to price	0.31	0.47	36
Composite equity issuance, five years	5.8%	(7.1%)	68
Relative strength against the sector, log excess return	(0.14)	0.02	32

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	fail
Current ratio improved	fail
No new shares issued	fail
Gross margin improved	fail

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Asset turnover improved	pass

Cash, filings, liquidity

Cash and equivalents	$11.2M
Operating cash flow, four quarters	$26.0M
Months of runway	not finite
Days since last periodic filing	94 (10-Q received Aug 12, 2026)
Median daily dollar volume, 63 sessions	$538,613

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	-$5.8M	2025-12-31	2026-03-27	10-K	26-035794
2	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$20.6M	2025-12-31	2026-03-27	10-K	26-035794
3	assets	us-gaap:Assets	$228.2M	2025-12-31	2026-03-27	10-K	26-035794
4	assets	us-gaap:Assets	$120.5M	2024-12-31	2026-03-27	10-K	26-035794
5	current assets	us-gaap:AssetsCurrent	$32.6M	2025-12-31	2026-03-27	10-K	26-035794
6	current liabilities	us-gaap:LiabilitiesCurrent	$25.0M	2025-12-31	2026-03-27	10-K	26-035794
7	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	-$53.3M	2025-12-31	2026-03-27	10-K	26-035794
8	operating income	us-gaap:OperatingIncomeLoss	-$10.5M	2025-12-31	2026-03-27	10-K	26-035794
9	book equity	us-gaap:StockholdersEquity	$124.7M	2025-12-31	2026-03-27	10-K	26-035794
10	liabilities	us-gaap:Liabilities	$103.5M	2025-12-31	2026-03-27	10-K	26-035794
11	operating income	us-gaap:OperatingIncomeLoss	$5.4M	2023-12-31	2025-03-19	10-K	25-003308
12	interest expense	us-gaap:InterestExpense	$80,379	2023-12-31	2024-03-21	10-K	24-003645
13	revenue	us-gaap:RevenueFromContractWithCustomerIncludingAs...	$51.6M	2025-12-31	2026-03-27	10-K	26-035794
14	revenue	us-gaap:RevenueFromContractWithCustomerIncludingAs...	$31.5M	2024-12-31	2026-03-27	10-K	26-035794
15	revenue	us-gaap:RevenueFromContractWithCustomerIncludingAs...	$30.7M	2023-12-31	2025-03-19	10-K	25-003308
16	revenue	us-gaap:RevenueFromContractWithCustomerIncludingAs...	$70.0M	2022-12-31	2024-03-21	10-K	24-003645
17	assets	us-gaap:Assets	$124.0M	2023-12-31	2025-03-19	10-K	25-003308
18	assets	us-gaap:Assets	$123.9M	2022-12-31	2024-03-21	10-K	24-003645
19	shares outstanding	dei:EntityCommonStockSharesOutstanding	30,239,980	2026-03-26	2026-03-27	10-K	26-035794
20	shares outstanding	dei:EntityCommonStockSharesOutstanding	22,008,766	2025-03-18	2025-03-19	10-K	25-003308

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