# Edesa Biotech, Inc.

**EDSA**

Nasdaq; healthcare; SIC 2834, Pharmaceutical Preparations; CIK 0001540159

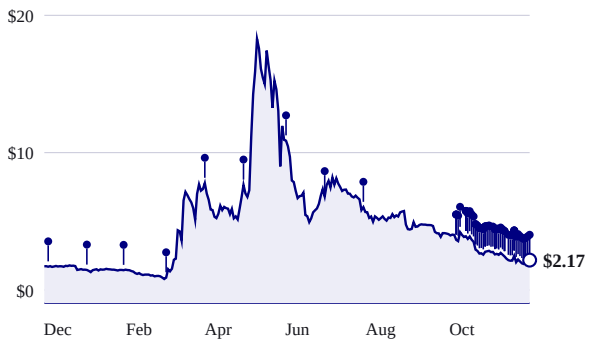
# None

**No letter**

4 of 13 inputs computable; 7 are required, with a score in every sleeve

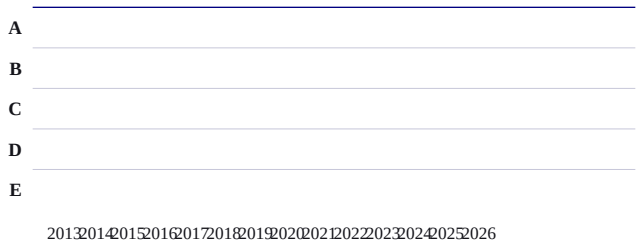
| Scoreboard | |
|---|---|
| **Reliability** | 0.83 AUC<br>filers with $12.5M to $120M assets; 95% interval 0.79 to 0.86; 201 events, 2020 to 2025 |
| **Peer failure rate** | 1.07% a year<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | $12.5M to $120M assets<br>total assets $13.5M |
| **Standard universe** | outside<br>revenue above $1M and assets above $10M |
| **Warnings** | dilution, thin data, degenerate inputs<br>not computable: distress, fortress balance sheet |
| **Inputs computable** | 4 of 13 |
| **Graded from** | filings received through Dec 12, 2025<br>343 days before the rescan; latest periodic filing 10-Q received Aug 13, 2026 |
| **Last close** | $2.15<br>2026-11-19; market equity $20.7M; 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 Dec 12, 2025*

We are a biopharmaceutical company developing innovative ways to treat inflammatory and immune-related diseases. Our approach is to acquire, develop and commercialize drug candidates based on mechanisms of action that have demonstrated proof-of-concept in human subjects. We prioritize our efforts on disease indications where there is compelling scientific rationale, no approved therapies or where there are unmet medical needs, and where there are large addressable market opportunities, among other factors. Our clinical pipeline is focused on two therapeutic areas: Medical Dermatology and Respiratory.

## 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 84.2** | | | | | | |
| Gross profitability | not computable | 32.8% | | | | |
| *latest aligned inputs end 2021-09-30; latest annual assets end 2025-09-30* | | | | | | |
| Return on invested capital | not computable | 9.6% | | | | |

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| | | | | | | |
|---|---|---|---|---|---|---|
| *one or more required annual facts are missing* | | | | | | |
| Accruals ratio | 1.6% | (6.7%) | | 84.2 | 756 | 2025-09-30 |
| Gross margin stability, five years | not computable | 2.8 pts | | | | |
| *five consecutive annual gross margins are required* | | | | | | |
| **Solvency, sleeve percentile 15.0** | | | | | | |
| Altman Z double-prime | not computable | 0.31 | | | | |
| *latest aligned inputs end 2024-09-30; latest annual assets end 2025-09-30* | | | | | | |
| Net debt to EBITDA | not computable | 1.82x | | | | |
| *one or more required annual facts are missing* | | | | | | |
| Interest coverage | not computable | (3.61x) | | | | |
| *one or more required annual facts are missing* | | | | | | |
| Current ratio | 10.67x | 2.68x | | 15.0 | 781 | 2025-09-30 |
| **Growth and financing, sleeve percentile 63.5** | | | | | | |
| Revenue growth, three-year compound | not computable | 9.6% | | | | |
| *four consecutive annual observations are required* | | | | | | |
| 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 | 5.3% | 3.2% | | 40.2 | 663 | 2025-09-30 |
| Net share issuance, one year | 140.3% | 1.6% | | 86.9 | 625 | 2025-12-12 |

## Warnings

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

| Check | Measured |
|---|---|
| Dilution | split-adjusted year-over-year share growth is 140.3% |
| Thin data | 4 of 13 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 2026-11-19 close; none of these enters the grade*

| Measure | Value | Peer median | Percentile |
|---|---|---|---|
| Twelve-month price change, skipping the latest month | 126.3% | (1.7%) | 96 |
| Distance from 52-week high | (88.1%) | (31.7%) | 6 |
| EBIT to enterprise value | not computable | 0.5% | |
| Free cash flow yield | (31.6%) | 0.6% | 17 |
| Book value to price | 0.42 | 0.29 | 61 |
| Sales to price | 0.00 | 0.37 | 0 |
| Composite equity issuance, five years | 185.8% | 13.5% | 89 |
| Relative strength against the sector, log excess return | 0.65 | (0.19) | 96 |
| Twelve-month failure probability, CHS model | not computable | 0.06% | |

## Diagnostics

*shown on every report; none enters the grade*

| Measure | Value |
|---|---|
| **Piotroski F-score None of 9, period end 2025-09-30** | |
| Return on assets above zero | fail |
| Operating cash flow above zero | fail |
| Return on assets improved | fail |
| Operating cash flow exceeds net income | fail |
| Long-term leverage fell | fail |
| Current ratio improved | pass |

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| | |
|---|---|
| No new shares issued | fail |
| Gross margin improved | fail |
| Asset turnover improved | fail |

**Cash, filings, liquidity**

| | |
|---|---|
| Cash and equivalents | $10.3M |
| Operating cash flow, four quarters | -$8.9M |
| Months of runway | 13.9 |
| Days since last periodic filing | 99 (10-Q received Aug 13, 2026) |
| Median daily dollar volume, 63 sessions | $164,573 |

## 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 | $0 | 2021-09-30 | 2021-12-28 | 10-K | 21-013551 |
| 2 | cost of revenue | us-gaap:CostOfRevenue | $0 | 2021-09-30 | 2021-12-28 | 10-K | 21-013551 |
| 3 | assets | us-gaap:Assets | $14.6M | 2021-09-30 | 2022-12-16 | 10-K | 22-016633 |
| 4 | net income | us-gaap:NetIncomeLoss | -$7.2M | 2025-09-30 | 2025-12-12 | 10-K | 25-007914 |
| 5 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$7.3M | 2025-09-30 | 2025-12-12 | 10-K | 25-007914 |
| 6 | assets | us-gaap:Assets | $13.5M | 2025-09-30 | 2025-12-12 | 10-K | 25-007914 |
| 7 | assets | us-gaap:Assets | $3.8M | 2024-09-30 | 2025-12-12 | 10-K | 25-007914 |
| 8 | current assets | us-gaap:AssetsCurrent | $1.7M | 2024-09-30 | 2025-12-12 | 10-K | 25-007914 |
| 9 | current liabilities | us-gaap:LiabilitiesCurrent | $1.8M | 2024-09-30 | 2025-12-12 | 10-K | 25-007914 |
| 10 | retained earnings | us-gaap:RetainedEarningsAccumulatedDeficit | -$58.6M | 2024-09-30 | 2025-12-12 | 10-K | 25-007914 |
| 11 | operating income | us-gaap:OperatingIncomeLoss | -$7.0M | 2024-09-30 | 2025-12-12 | 10-K | 25-007914 |
| 12 | book equity | us-gaap:StockholdersEquity | $2.0M | 2024-09-30 | 2025-12-12 | 10-K | 25-007914 |
| 13 | liabilities | us-gaap:Liabilities | $1.8M | 2024-09-30 | 2024-12-13 | 10-K | 24-006946 |
| 14 | current assets | us-gaap:AssetsCurrent | $11.5M | 2025-09-30 | 2025-12-12 | 10-K | 25-007914 |
| 15 | current liabilities | us-gaap:LiabilitiesCurrent | $1.1M | 2025-09-30 | 2025-12-12 | 10-K | 25-007914 |
| 16 | revenue | us-gaap:Revenues | $328,801 | 2020-09-30 | 2021-12-28 | 10-K | 21-013551 |
| 17 | revenue | us-gaap:Revenues | $0 | 2018-12-31 | 2019-12-12 | 10-KT | 19-013878 |
| 18 | revenue | us-gaap:Revenues | $211,849 | 2018-09-30 | 2018-11-30 | 10-K | 18-062614 |
| 19 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$6.6M | 2023-09-30 | 2024-12-13 | 10-K | 24-006946 |
| 20 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $0 | 2023-09-30 | 2023-12-15 | 10-K | 23-015632 |
| 21 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$12.3M | 2022-09-30 | 2023-12-15 | 10-K | 23-015632 |
| 22 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $5,656 | 2022-09-30 | 2023-12-15 | 10-K | 23-015632 |
| 23 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$13.7M | 2021-09-30 | 2022-12-16 | 10-K | 22-016633 |
| 24 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $6,146 | 2021-09-30 | 2022-12-16 | 10-K | 22-016633 |
| 25 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$5.0M | 2020-09-30 | 2021-12-28 | 10-K | 21-013551 |
| 26 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $4,856 | 2020-09-30 | 2021-12-28 | 10-K | 21-013551 |
| 27 | depreciation amortization | us-gaap:Depreciation | $4,328 | 2023-09-30 | 2024-12-13 | 10-K | 24-006946 |
| 28 | operating income | us-gaap:OperatingIncomeLoss | -$9.2M | 2023-09-30 | 2024-12-13 | 10-K | 24-006946 |
| 29 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | -$8.4M | 2023-09-30 | 2024-12-13 | 10-K | 24-006946 |
| 30 | income tax | us-gaap:IncomeTaxExpenseBenefit | $800 | 2023-09-30 | 2024-12-13 | 10-K | 24-006946 |
| 31 | current assets | us-gaap:AssetsCurrent | $6.4M | 2023-09-30 | 2024-12-13 | 10-K | 24-006946 |
| 32 | current liabilities | us-gaap:LiabilitiesCurrent | $1.8M | 2023-09-30 | 2024-12-13 | 10-K | 24-006946 |
| 33 | current assets | us-gaap:AssetsCurrent | $9.1M | 2022-09-30 | 2023-12-15 | 10-K | 23-015632 |
| 34 | current liabilities | us-gaap:LiabilitiesCurrent | $2.1M | 2022-09-30 | 2023-12-15 | 10-K | 23-015632 |
| 35 | assets | us-gaap:Assets | $8.9M | 2023-09-30 | 2024-12-13 | 10-K | 24-006946 |
| 36 | assets | us-gaap:Assets | $11.6M | 2022-09-30 | 2023-12-15 | 10-K | 23-015632 |
| 37 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 8,333,823 | 2025-12-12 | 2025-12-12 | 10-K | 25-007914 |
| 38 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 3,467,658 | 2024-12-11 | 2024-12-20 | 10-K/A | 24-007041 |

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