

Edesa Biotech, Inc. (EDSA)

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

Edesa Biotech, Inc. EDSA; healthcare		
Grade	None 4 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	0.83 AUC 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 Item 1.03 bankruptcies, same asset band, 2012 to 2025	
Size band	\$12.5M to \$120M assets total assets \$13.5M	
Standard universe	outside revenue above \$1M and assets above \$10M	
Warnings	dilution, thin data, degenerate inputs not computable: distress, fortress balance sheet	
Inputs computable	4 of 14	
Graded from	filings received through Dec 12, 2025 301 days before the rescans; latest periodic filing 10-Q received Aug 13, 2026	
Last close	\$3.70 2026-10-08; market equity \$35.7M	
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 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 fourteen inputs

lower percentile is stronger; equal-weighted sleeves

Input	Percentile, 0 to 100	Value	Peer median	Percentile	Peers	Period end
Profitability, sleeve percentile 83.6						

Gross profitability	not computable	32.2%				latest aligned inputs end 2021-09-30; latest annual assets end 2025-09-30
Return on invested capital	not computable	9.3%				one or more required annual facts are missing
Accruals ratio		1.6%	(6.6%)	83.6	811	2025-09-30
Gross margin stability, five years	not computable	2.8 pts				five consecutive annual gross margins are required
Solvency, sleeve percentile 14.3						
Twelve-month failure probability	not computable	0.07%				liabilities and a nearby cover-page share count are required at 2026-06-30
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	(4.51x)				one or more required annual facts are missing
Current ratio		10.67x	2.96x	14.3	839	2025-09-30
Growth and financing, sleeve percentile 63.4						
Revenue growth, three-year compound	not computable	10.0%				four consecutive annual observations are required
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%			pretax income must exceed the validity floor and imply a 0%-100% tax rate
Asset growth, three years		5.3%	2.1%	39.8	704	2025-09-30
Net share issuance, one year		140.3%	2.5%	87.0	634	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 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	91.7%	8.0%	86
Distance from 52-week high	(80.0%)	(31.4%)	8
EBIT to enterprise value	not computable	(1.5%)	
Free cash flow yield	(18.8%)	(1.0%)	24
Book value to price	0.25	0.28	47
Sales to price	0.00	0.31	0
Composite equity issuance, five years	185.8%	20.3%	88
Relative strength against the sector, log excess return	0.44	(0.14)	86

Diagnostics

not in 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
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	57 (10-Q received Aug 13, 2026)
Median daily dollar volume, 63 sessions	\$204,749

Sources

each row links to the 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	0001654954-21-013551
2	cost of revenue	us-gaap:CostOfRevenue	\$0	2021-09-30	2021-12-28	10-K	0001654954-21-013551
3	assets	us-gaap:Assets	\$14.6M	2021-09-30	2022-12-16	10-K	0001654954-22-016633
4	net income	us-gaap:NetIncomeLoss	-\$7.2M	2025-09-30	2025-12-12	10-K	0001171843-25-007914

5	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-\$7.3M	2025-09-30	2025-12-12	10-K	0001171843-25-007914
6	assets	us-gaap:Assets	\$13.5M	2025-09-30	2025-12-12	10-K	0001171843-25-007914
7	assets	us-gaap:Assets	\$3.8M	2024-09-30	2025-12-12	10-K	0001171843-25-007914
8	current assets	us-gaap:AssetsCurrent	\$1.7M	2024-09-30	2025-12-12	10-K	0001171843-25-007914
9	current liabilities	us-gaap:LiabilitiesCurrent	\$1.8M	2024-09-30	2025-12-12	10-K	0001171843-25-007914
10	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	-\$58.6M	2024-09-30	2025-12-12	10-K	0001171843-25-007914
11	operating income	us-gaap:OperatingIncomeLoss	-\$7.0M	2024-09-30	2025-12-12	10-K	0001171843-25-007914
12	book equity	us-gaap:StockholdersEquity	\$2.0M	2024-09-30	2025-12-12	10-K	0001171843-25-007914
13	liabilities	us-gaap:Liabilities	\$1.8M	2024-09-30	2024-12-13	10-K	0001171843-24-006946
14	current assets	us-gaap:AssetsCurrent	\$11.5M	2025-09-30	2025-12-12	10-K	0001171843-25-007914
15	current liabilities	us-gaap:LiabilitiesCurrent	\$1.1M	2025-09-30	2025-12-12	10-K	0001171843-25-007914
16	revenue	us-gaap:Revenues	\$328,801	2020-09-30	2021-12-28	10-K	0001654954-21-013551
17	revenue	us-gaap:Revenues	\$0	2018-12-31	2019-12-12	10-KT	0001654954-19-013878
18	revenue	us-gaap:Revenues	\$211,849	2018-09-30	2018-11-30	10-K	0001144204-18-062614
19	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-\$6.6M	2023-09-30	2024-12-13	10-K	0001171843-24-006946
20	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$0	2023-09-30	2023-12-15	10-K	0001654954-23-015632
21	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-\$12.3M	2022-09-30	2023-12-15	10-K	0001654954-23-015632
22	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$5,656	2022-09-30	2023-12-15	10-K	0001654954-23-015632
23	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-\$13.7M	2021-09-30	2022-12-16	10-K	0001654954-22-016633
24	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$6,146	2021-09-30	2022-12-16	10-K	0001654954-22-016633
25	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-\$5.0M	2020-09-30	2021-12-28	10-K	0001654954-21-013551
26	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$4,856	2020-09-30	2021-12-28	10-K	0001654954-21-013551
27	depreciation amortization	us-gaap:Depreciation	\$4,328	2023-09-30	2024-12-13	10-K	0001171843-24-006946
28	operating income	us-gaap:OperatingIncomeLoss	-\$9.2M	2023-09-30	2024-12-13	10-K	0001171843-24-006946
29	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeIncomeTaxesExtraordinaryItems	-\$8.4M	2023-09-30	2024-12-13	10-K	0001171843-24-006946
30	income tax	us-gaap:IncomeTaxExpenseBenefit	\$800	2023-09-30	2024-12-13	10-K	0001171843-24-006946
31	current assets	us-gaap:AssetsCurrent	\$6.4M	2023-09-30	2024-12-13	10-K	0001171843-24-006946
32	current liabilities	us-gaap:LiabilitiesCurrent	\$1.8M	2023-09-30	2024-12-13	10-K	0001171843-24-006946
33	current assets	us-gaap:AssetsCurrent	\$9.1M	2022-09-30	2023-12-15	10-K	0001654954-23-015632
34	current liabilities	us-gaap:LiabilitiesCurrent	\$2.1M	2022-09-30	2023-12-15	10-K	0001654954-23-015632
35	assets	us-gaap:Assets	\$8.9M	2023-09-30	2024-12-13	10-K	0001171843-24-006946
36	assets	us-gaap:Assets	\$11.6M	2022-09-30	2023-12-15	10-K	0001654954-23-015632
37	shares outstanding	dei:EntityCommonStockSharesOutstanding	8,333,823	2025-12-12	2025-12-12	10-K	0001171843-25-007914
38	shares outstanding	dei:EntityCommonStockSharesOutstanding	3,467,658	2024-12-11	2024-12-20	10-K/A	0001171843-24-007041