

Epsilon Energy Ltd. (EPSN)

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

Epsilon Energy Ltd. EPSN; energy		
Grade	None 6 of 14 inputs computable; 7 are required	Share price, twelve months to the rescan split-adjusted close; the letter is fixed at the rescan that set it 
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, thin data not computable: distress, fortress balance sheet	
Inputs computable	6 of 14	
Graded from	filings received through Mar 27, 2026 196 days before the rescan; latest periodic filing 10-Q received Aug 12, 2026	
Last close	\$6.08 2026-10-08; market equity \$184.0M	
Price used in grade	None	

Letter at every rescan

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 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; equal-weighted sleeves

Input	Percentile, 0 to 100	Value	Peer median	Percentile	Peers	Period end
Profitability, sleeve percentile 13.7						
Gross profitability		not computable	17.5%		one or more required annual facts are missing	

Return on invested capital		not computable	6.0%			one or more required annual facts are missing
Accruals ratio		(15.2%)	(5.0%)	13.7	271	2025-12-31
Gross margin stability, five years		not computable	4.6 pts			five annual gross margins are required; found 0
Solvency, sleeve percentile 49.2						
Twelve-month failure probability		not computable	0.06%			four consecutive discrete net-income quarters are required; found 4
Altman Z double-prime		0.41	1.48	69.5	152	2025-12-31
Net debt to EBITDA		not computable	3.63x			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	28.8	282	2025-12-31
Growth and financing, sleeve percentile 62.8						
Revenue growth, three-year compound		(9.7%)	0.7%	82.4	222	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%	11.8	246	2025-12-31
Net share issuance, one year		37.4%	0.4%	94.2	157	2026-03-26

Warnings

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

Check	Measured
Dilution	split-adjusted year-over-year share growth is 37.4%
Thin data	6 of 14 grade factors are computable; minimum is 7

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	26.2%	15.5%	65
Distance from 52-week high	(6.5%)	(15.4%)	82
EBIT to enterprise value	not computable	4.6%	
Free cash flow yield	not computable	1.3%	
Book value to price	0.71	0.53	72

Sales to price	0.28	0.45	25
Composite equity issuance, five years	5.8%	(7.2%)	68
Relative strength against the sector, log excess return	(0.14)	0.04	24

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	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
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	58 (10-Q received Aug 12, 2026)
Median daily dollar volume, 63 sessions	\$734,871

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	-\$5.8M	2025-12-31	2026-03-27	10-K	0001104659-26-035794
2	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	\$20.6M	2025-12-31	2026-03-27	10-K	0001104659-26-035794
3	assets	us-gaap:Assets	\$228.2M	2025-12-31	2026-03-27	10-K	0001104659-26-035794
4	assets	us-gaap:Assets	\$120.5M	2024-12-31	2026-03-27	10-K	0001104659-26-035794
5	current assets	us-gaap:AssetsCurrent	\$32.6M	2025-12-31	2026-03-27	10-K	0001104659-26-035794
6	current liabilities	us-gaap:LiabilitiesCurrent	\$25.0M	2025-12-31	2026-03-27	10-K	0001104659-26-035794
7	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	-\$53.3M	2025-12-31	2026-03-27	10-K	0001104659-26-035794
8	operating income	us-gaap:OperatingIncomeLoss	-\$10.5M	2025-12-31	2026-03-27	10-K	0001104659-26-035794
9	book equity	us-gaap:StockholdersEquity	\$124.7M	2025-12-31	2026-03-27	10-K	0001104659-26-035794
10	liabilities	us-gaap:Liabilities	\$103.5M	2025-12-31	2026-03-27	10-K	0001104659-26-035794
11	operating income	us-gaap:OperatingIncomeLoss	\$5.4M	2023-12-31	2025-03-19	10-K	0001558370-25-003308
12	interest expense	us-gaap:InterestExpense	\$80,379	2023-12-31	2024-03-21	10-K	0001558370-24-003645
13	revenue	us-gaap:RevenueFromContractWithCustomerIncludingAssessedTax	\$51.6M	2025-12-31	2026-03-27	10-K	0001104659-26-035794
14	revenue	us-gaap:RevenueFromContractWithCustomerIncludingAssessedTax	\$31.5M	2024-12-31	2026-03-27	10-K	0001104659-26-035794
15	revenue	us-gaap:RevenueFromContractWithCustomerIncludingAssessedTax	\$30.7M	2023-12-31	2025-03-19	10-K	0001558370-25-003308
16	revenue	us-gaap:RevenueFromContractWithCustomerIncludingAssessedTax	\$70.0M	2022-12-31	2024-03-21	10-K	0001558370-24-003645
17	assets	us-gaap:Assets	\$124.0M	2023-12-31	2025-03-19	10-K	0001558370-25-003308
18	assets	us-gaap:Assets	\$123.9M	2022-12-31	2024-03-21	10-K	0001558370-24-003645
19	shares outstanding	dei:EntityCommonStockSharesOutstanding	30,239,980	2026-03-26	2026-03-27	10-K	0001104659-26-035794
20	shares outstanding	dei:EntityCommonStockSharesOutstanding	22,008,766	2025-03-18	2025-03-19	10-K	0001558370-25-003308