

Zacks Small-Cap Research

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Gaxos.AI Inc.

(NASDAQ: GXAI)

GXAI: Gaxos.AI Reports 2025 and Exceeds Estimates; Increasing Forecasts

We believe that Gaxos.AI's stock is worth \$2.88 per share based on a blended EV to Sales Ratio of its two lines of business, in line with those of its peers.

Current Price (3/18/26) **\$1.54**
Valuation **\$2.88**

OUTLOOK

Gaxos.AI is comprised of two main startups: RNK Health and Gaxos Labs. The large majority of revenues comes from RNK Health, a majority-owned subsidiary that markets wellness products online. It advertises and markets products, primarily peptides such as NAD+ (which is the vast majority of sales), Sermorelin, and Glucagon-Like Peptides (GLP-1s) on its website and orders are fulfilled through its fulfillment partners. It looks to add more products such as testosterone, enclomiphene, supplements, and hormone replacement in the near future. Gaxos Labs offers web and mobile-based generative AI tools, utilities, and lifestyle apps such as Art-Gen.ai, that allows users to generate images and videos in a variety of useful ways, UnGPT.ai that offers users the ability to humanize ai-written text, as well as others. Gaxos Labs has a robust pipeline of applications that are set to launch in the near term.

SUMMARY DATA

52-Week High **\$2.76**
52-Week Low **\$1.03**
One-Year Return (%) **24.2**
Beta **1.2**
Average Daily Volume (sh) **14,082,354**

Shares Outstanding (mil) **10.2**
Market Capitalization (\$mil) **\$15.7**
Short Interest Ratio (days) **0.0**
Institutional Ownership (%) **8**
Insider Ownership (%) **3**

Annual Cash Dividend **\$0.00**
Dividend Yield (%) **0.00**

5-Yr. Historical Growth Rates
Sales (%) **N/A**
Earnings Per Share (%) **N/A**
Dividend (%) **N/A**

P/E using TTM EPS **N/A**
P/E using 2026 Estimate **N/A**
P/E using 2027 Estimate **N/A**

Risk Level **High**
Type of Stock **Small Value**
Industry **Software & Services**

ZACKS ESTIMATES

Revenue (in millions of \$)

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2024	0.0 A				
2025	0.0 A	0.2 A	0.5 A	1.2 A	1.9 A
2026	1.6 E	1.8 E	1.8 E	1.9 E	7.0 E
2027					10.0 E

Earnings Per Share

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2024	-\$0.91 A	-\$0.72 A	-\$0.61 A	-\$0.32 A	-\$1.92 A
2025	-\$0.17 A	-\$0.11 A	-\$0.14 A	-\$0.13 A	-\$0.55 A
2026	-\$0.20 E	-\$0.15 E	-\$0.15 E	-\$0.15 E	-\$0.64 E
2027					-\$0.62 E

Gaxos.AI Beats Forecasts as Both Businesses Outperform

2025 Results

Both RNK Health and Gaxos Labs beat our estimates for the quarter, with Gaxos Labs being the bigger surprise as it gains traction. The company is advertising heavily for both businesses and is getting results. As a result, we are raising our revenue forecast for the year to \$7 million. There is, however, a careful balance in marketing spending and revenues that results in profits, and we are watching for that spending to ultimately result in profitable businesses.

For the year, the company reported \$1.9 million in revenue, up from \$4,000 last year. The operating loss was \$3.7 million, down from \$4.0 million in 2024. Despite the net loss being higher at \$3.9 million than last year's \$3.4 million, the loss per share declined to \$0.55 from \$1.92 as the share count increased 300%.

In Q4 of 2025, revenues were \$1.2 million versus \$1,300 in the year-ago period. The company established the RNK Health business in October 2024, which contributes the majority of revenues. RNK Health had \$876,000 in revenues versus none last year and \$441,000 in Q3 2025, almost doubling. Gaxos Labs was a major contributor this quarter, contributing \$364,000 compared with \$57,000 in Q3 2025. If the run rates continue at this level, the minimum revenues for 2026 would be \$5 million, up over 300%. The question is, will losses be reduced? So far, they have, but advertising spending is discretionary and based on results, and competition is intense for both businesses.

Operating expense line items have been reclassified, making quarterly comparisons difficult. The company ramped up advertising for both RNK Health and Gaxos Labs. Total operating expenses for Q4 were \$2.5 million versus \$900,000 a year ago. If we look at the annual results, which are apples-to-apples, the total was \$6.8 million, up from \$3.7 million in 2024. \$2.7 million of the increase was from advertising. Of the total, \$2.3 million was for the marketing of RNK Health services, and an additional \$380,000 was for advertising and marketing fees for Gaxos Labs' products.

Another \$400,000 of the increase was due to compensation and benefits, primarily a \$250,000 CEO bonus. The company had only three employees in both years. The increase in other expenses was mostly cancelled by the decrease in professional fees, which were lower due to a \$240,000 decrease in advisory fees. The operating loss increased to \$4.9 million, up from \$3.7 million in 2024.

Interest income was higher than last year, at \$612,000, compared to \$158,000 in 2024, due to higher balances. The pretax loss was \$4.3 million, up from \$3.4 million. Net loss after the add-back of minority income losses was \$3.9 million compared to a loss of \$3.4 million. The loss per share was \$0.55, compared with a loss of \$1.92 in 2024. Average shares outstanding increased to 7.1 million in 2025 versus 1.8 million in 2024, or approximately 300%.

Balance Sheet

Gaxos.AI ended the December quarter with \$12.2 million in cash and short-term investments and no debt. The company's cash is managed by Morgan Stanley, which buys short-term bonds and treasuries to increase interest income. Working capital was \$11.9 million. In the quarter, the company had negative free cash flow (excluding changes in working capital) of \$983,000 and \$4.0 million for the year.

The company ended the year with 7,123,453 shares, 4,509,259 warrants, and 239,084 stock options outstanding.

After the Quarter Ended

In January, Gaxos.AI entered into an At-the-Market Offering Agreement with H.C. Wainwright & Co for the sale of up to \$5.6 million in stock. From January 26, 2026, to March 5, 2026, the company issued 3,096,481 shares of common stock for net proceeds of approximately \$5.4 million pursuant to the ATM Agreement. As of March 25, 2026, the company had 10,219,934 shares outstanding, up from 7,123,453 at year's end.

On February 17, Gaxos.ai announced that it finalized a deal with Byteplus, the Enterprise Technology Division of ByteDance, parent of TikTok. Under the agreement, Gaxos receives preferred pricing and significant discounts on ByteDance's cutting-edge video generation models, enabling faster deployment of AI capabilities inside Art-Gen, Gaxos' AI image and video creation platform.

Amazon Web Services agreed to fund early development of Gaxos.AI's AI-driven sales coaching platform. Gaxos.AI is working with AWS partner Caylent to develop a real-time sales platform featuring live call transcription, automated coaching insights, and post-call analytics.

On March 5, 2026, Gaxos acquired a 19.99% stake in [America First Defense](#) .ai LLC (AFD), a New Mexico-based defense technology start-up, for \$2.9 million in cash. Gaxos says that America First Defense is a defense technology company developing next-generation security platforms across both air and ground domains. The company is focused on two high-priority categories: a detachable counter-drone system designed to neutralize hostile UAVs through precise protocol-level cyber-attacks without collateral jamming, and a biomimetic soft robotics platform engineered for low-detection ground and subsurface operations. We have no independent information about this company. Gaxos announced that AFD had secured a license for the [Detachable Drone Highjacker](#) (DDH), a drone-mounted electronic warfare payload originally developed at the Naval Postgraduate School to counter and defeat hostile Unmanned Aircraft Systems (UAS). The DDH attaches to a friendly drone and neutralizes enemy UASs through target cyber operations rather than broad-spectrum jamming. Unlike conventional counter-drone systems that rely on brute-force signal interference, the DDH is engineered for selective, precision defeat of hostile drones in air-to-air operations. The licensing agreement positions America First Defense to further develop and commercialize a scalable airborne counter-UAS capability for defense, security, and critical infrastructure protection applications.

On March 18, 2026, Gaxos.ai Inc. announced that its portfolio company, America First Defense, has been accepted into Anduril's Lattice Program. Anduril's Lattice is an AI-powered, software-defined operating system designed to manage, integrate, and command autonomous defense and security systems. It is an open platform that serves as the central nervous system, connecting diverse sensors, vehicles, and weapons to provide a unified, real-time picture of the battlespace. By joining the Anduril Lattice Program, AFD enhances its strategic positioning to support next-generation mission capabilities, situational awareness, and operational effectiveness.

KEY POINTS

- Gaxos.AI is primarily comprised of two businesses: RNK Health and Gaxos Labs. The former sells peptides, GLP-1s, wellness, and health products through eCommerce, accounting for 78% of sales in 2025; the latter offers web- and mobile-based Generative AI subscription tools and services.
- Both businesses are in the start-up phase, having launched only last fall, with RNK Health generating most of the revenues. Based on the last reported quarter, the health business is currently at a \$3.5 million run rate and growing rapidly. Gaxos Labs' run rate was reported at \$1.5 million in Q4, but its main product only launched in mid-August.

- The company beat estimates for the fourth quarter, and business continues to be strong. As a result, we are raising our estimates for 2026 to \$7 million in revenue. Expenses, however, continue to rise, so the risk is in EPS and dilution.
- While the company is burning about a million dollars a quarter, it has approximately \$13 million in cash and cash equivalents after its Q1 2026 stock sales and the \$2.9 million payment for its stake in America First Defense on March 4th. This gives it runway for at least the next two to three years, even if cash burn does not decline.
- The stock trades at a negative enterprise value of approximately \$1.5 million, assuming \$12 million in cash plus short-term investments and the current share count. We believe the stock could be worth \$2.88, based on \$7.0 million in revenue in 2026 at a blended EV-to-Sales, in line with its peers.

OVERVIEW

Gaxos.AI was founded in 2021, IPOed in February 2023 as The NFT Gaming Company, and then changed its name to Gaxos.AI in 2024. The company has only three full-time employees, and the rest are consultants. It comprises four businesses, of which RNK Health is the largest in terms of revenue.

RNK Health

In September 2024, Gaxos.AI formed a wholly-owned subsidiary, [RNK Health](#), to market certain health-related products. On October 10, 2024, Gaxos.AI, RNK Health, and Nekwellness entered into an operating agreement for RNK Health, a subsidiary. Gaxos.AI owns 70% of RNK Health, and Nekwellness owns 30%. In 2025, RNK Health provided 78% of the company's total revenues.

RNK Health is a health and wellness eCommerce business that currently provides access to prescription medications, supplements, and other wellness products and services, primarily NAD+, Sermorelin, and GLP-1s. The vast majority of its sales are currently NAD+. It intends to add other products, such as testosterone replacement therapy (TRT) and hormone replacement therapy (HRT), in many ways following Hims & Hers' strategy, but without taking on inventory or fulfilling orders. Orders are fulfilled through its fulfillment partners, and the company earns a fee from each sale; thus, there is no cost of sales for this business. All the products sold by RNK Health are taken orally, through a nasal spray, or injected. RNK Health's expertise is in eCommerce, digital marketing, and customer acquisition.

Gaxos also has a small health coaching business ([Gaxos Health](#)) that offers diet, fitness, habit, and supplementation plans, along with live coaching based on biomarkers from blood and DNA results, fulfilled by its partners. Gaxos plans to merge this business into RNK Health and add those services to its website offerings.

Gaxos Labs

Gaxos Labs, launched in September 2024, provides web- and mobile-based AI tools and services through its [Art-Gen](#), an AI image and video creation platform; [UnGPT](#), an AI-written text humanization tool; and others. It is ramping quickly. The offerings are sold under a subscription, usage-based pricing system pursuant to a tiered model, allowing customers to choose the subscription level to be charged based on their intended usage.

On November 6th, 2025, Gaxos.ai Inc. announced the launch of Photoshoots, a major new feature for Art-Gen. The feature update introduced a new workflow that enables users to produce consistent, cinematic, studio-quality images and animations from any photo or concept in seconds.

On December 9th, Gaxos.ai announced the official launch of [Bible Pray AI](#), a personalized, AI-powered spiritual growth platform with a subscription model. It is available on the Apple App Store.

Gaxos Gaming

Gaxos Gaming was the company's initial business and currently generates no revenues. We expect this business will eventually be sold off or closed. It was created to develop, design, acquire, and manage conventional games and to combine these games with unconventional game mechanisms, such as the ability to use AI to create and design in-game features, as well as to mint unique in-game features in the form of NFTs. It has provided Gaxos with significant technology that will be used in current and future businesses.

VALUATION

Gaxos.AI runs primarily two main businesses. As such, it should be valued by looking at the value of each. The main business, a drugs and supplements eCommerce business, can be compared to a handful of public companies, the most well-known of which is Hims & Hers. The Generative AI tool subscription business can be compared to SaaS platform companies, as shown below. Using 2026 revenue forecasts for both businesses gives an enterprise value of \$17.4 million, a market cap of \$29.4 million, and a share price of \$2.88.

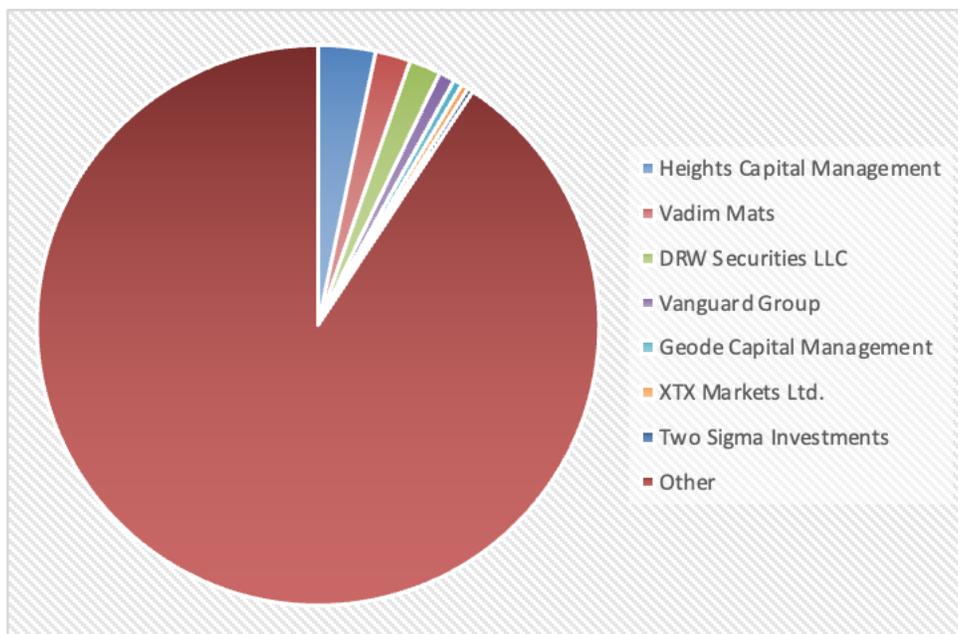
SaaS		Cal. Revenue			TTM		Enterprise Value / Sales			EV/	Enterprise	EBITDA
Company	Ticker	2027E	2026E	LTM	EBITDA	2027E	2026E	LTM	EBITDA	Value	Margin	
Adobe	ADBE	\$28,340	\$26,050	\$24,450	\$9,450	3.5x	3.8x	4.1x	10.6x	100,040	38.7%	
C3AI	AI	NA	\$212	\$307	-\$453	NA	3.0x	2.1x	-1.4x	634	-147.4%	
Elastic	ESTC	NA	\$1,901	\$1,680	-\$16	NA	2.7x	3.0x	-310.1x	5,110	-1.0%	
Ibotta	IBTA	\$373	\$342	\$342	\$4	1.3x	1.4x	1.4x	132.9x	479	1.1%	
Meitu	1357.HK	NA	\$5,000	\$3,540	\$660	NA	4.3x	6.1x	32.5x	21,430	18.7%	
Perfect Corp.	PERF	\$84	\$76	\$69	\$1	0.2x	0.2x	0.2x	24.9x	17	1.0%	
Roblox	RBLX	\$10,200	\$8,420	\$4,890	-\$1,010	4.0x	4.8x	8.3x	-40.0x	40,400	-20.7%	
Salesforce	CRM	\$50,530	\$46,130	\$41,520	\$12,550	3.7x	4.1x	4.5x	14.9x	186,990	30.2%	
Snap	SNAP	\$7,340	\$6,710	\$5,930	-\$369	1.2x	1.3x	1.5x	-24.4x	9,010	-6.2%	
Twilio	TWLO	\$6,150	\$5,680	\$5,070	\$371	2.9x	3.1x	3.5x	48.0x	17,790	7.3%	
WIX	WIX	\$2,590	\$2,290	\$1,990	\$34	2.2x	2.5x	2.9x	165.3x	5,680	1.7%	
Zoom	ZM	\$5,270	\$5,070	\$4,870	\$1,270	2.8x	2.9x	3.0x	11.6x	14,760	26.1%	
Average						2.2x	3.0x	3.6x	2.9x	30,228	-9.0%	

Health & Wellness		2026E	2025E	LTM	EBITDA	2026E	2025E	LTM	EBITDA	Value	Margin
GoodRx	GDRX	\$806	\$765	\$797	\$122	1.3x	1.3x	1.3x	8.4x	1,030	15.3%
Hims & Hers Health	HIMS	\$3,210	\$2,730	\$2,350	\$176	1.8x	2.1x	2.5x	33.1x	5,820	7.5%
LifeMD	LFMD	\$265	\$223	\$194	-\$7	0.7x	0.8x	0.9x	-26.9x	181	-3.5%
LifeVantage Corp.	LFVN	NA	\$191	\$210	\$12	NA	0.3x	0.3x	5.1x	60	5.6%
Nature's Sunshine	NATR	\$527	\$507	\$480	\$39	0.6x	0.6x	0.7x	8.5x	328	8.0%
WW International	WW	\$650	\$629	\$711	\$114	0.7x	0.8x	0.7x	4.2x	481	16.1%
Average						0.9x	1.0x	1.1x	5.4x	1,317	8.2%

RISKS

- Gaxos.AI is a startup with a variety of business endeavors, none of which make money. There can be no assurances that they ever will. Since they use cash, investors should expect potential dilution of their holdings until the company becomes cash flow positive.
- Health care regulations and prices are currently being changed, and their effects are difficult to predict. For example, the government has just reduced the prices of GLP-1s, and that price change is just beginning to take effect.
- Both of the company's main businesses are extremely competitive, and as a small company supporting losses, it may have difficulty growing its market share.
- The company is burning cash and has sold equity to fund spending, diluting current shareholders.

OWNERSHIP



INCOME STATEMENT

	March Q1 24	June Q2 24	Sept Q3 24	Dec Q4 24	March Q1 25	June Q2 25	Sept Q3 25	Dec Q4 25	March Q1 26E	June Q2 26E	Sept Q3 26E	Dec Q4 26E	2024	2025	2026E	2027E
RNK Health	\$0	\$0	\$0	\$0	\$22,552	\$170,398	\$441,228	\$875,708	\$1,200,000	\$1,300,000	\$1,325,000	\$1,350,000	\$0	\$1,509,886	\$5,175,000	\$6,986,250
Gaxos Labs Subscription Service	\$0	\$0	\$0	\$0	\$51	\$556	\$57,042	\$364,346	\$435,000	\$450,000	\$475,000	\$500,000	\$42	\$421,995	\$1,860,000	\$2,604,000
Health coaching	\$0	\$0	\$2,700	\$1,304	\$1,124	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,952	\$1,124	\$0	\$0
In-app games	\$19	\$0	\$4	\$0	\$5	\$18	\$1	\$1	\$0	\$0	\$0	\$0	\$33	\$25	\$0	\$0
REVENUE	\$19	\$0	\$2,704	\$1,304	\$23,732	\$170,971	\$498,271	\$1,240,056	\$1,635,000	\$1,750,000	\$1,800,000	\$1,850,000	\$4,027	\$1,933,030	\$7,035,000	\$9,590,250
Yr-to-yr Gr.					NM	NA	18327%	94996%	NM	NM	261%	167%	1473%	47902%	264%	36%
OPERATING EXPENSES																
R&D	182,329	249,341	252,657	NA	220,989	243,020	274,021	NA	NA	NA	NA	NA	0	0	0	0
Compensation & related benefits	363,484	153,578	172,502	183,335	588,985	184,753	188,360	307,745	707,745	307,745	300,000	300,000	872,899	1,269,843	1,615,490	1,777,039
Professional fees	274,688	285,673	259,167	126,672	232,890	125,956	192,769	170,521	190,521	170,521	170,000	170,000	946,200	722,136	701,042	700,000
Advertising & marketing	-	-	122,247	NA	NA	NA	903,258	1,530,000	2,600,000	2,700,000	2,800,000	2,900,000	367,351	3,082,784	11,000,000	12,650,000
Other G&A expenses	223,357	165,911	102,000	NA	372,563	599,936	254,618	459,172	450,000	400,000	300,000	260,000	524,695	781,122	1,410,000	1,551,000
Impairment loss	-	-	-	-	-	-	-	-	-	-	-	-	0	0	0	0
Tot Operating Exp.	1,043,858	854,503	908,573	900,698	1,415,427	1,153,665	1,813,026	2,467,438	3,948,266	3,578,266	3,570,000	3,630,000	3,707,632	6,849,556	14,726,532	16,678,039
Operating Income	(1,043,839)	(854,503)	(905,869)	(899,394)	(1,391,695)	(982,694)	(1,314,755)	(1,227,382)	(2,313,266)	(1,828,266)	(1,770,000)	(1,780,000)	(3,703,605)	(4,916,526)	(7,691,532)	(7,087,789)
Interest income	11,979	45,265	39,409	60,904	148,188	146,902	156,034	161,161	170,000	150,000	140,000	130,000	157,557	612,285	590,000	300,000
Unrealized gain on short-term investments	0	0	0	0	0	8,615	7,419	5,911	0	0	0	0	0	21,945	0	0
Realized gain on short-term investments	119,715	0	2,050	0	11,445	2,605	10,429	5,568	0	0	0	0	121,765	30,047	0	0
Realized loss on exchange of equity securities	-	-	-	-	0	0	0	(29,998)	-	-	-	-	-	(29,998)	0	0
Total other income	131,694	45,265	41,459	60,904	159,633	158,122	173,882	172,640	170,000	150,000	140,000	130,000	279,322	634,279	590,000	300,000
Profit before tax	(912,145)	(809,238)	(864,410)	(838,490)	(1,232,062)	(824,572)	(1,140,873)	(1,054,742)	(2,143,266)	(1,678,266)	(1,630,000)	(1,650,000)	(3,424,283)	(4,282,247)	(7,101,532)	(6,787,789)
Taxes	-	-	-	-	-	-	-	-	-	-	-	-	0	0	0	0
Tax Rate	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Net income	(912,145)	(809,238)	(864,410)	(838,490)	(1,232,062)	(824,572)	(1,140,873)	(1,054,742)	(2,143,266)	(1,678,266)	(1,630,000)	(1,650,000)	(3,424,283)	(4,282,247)	(7,101,532)	(6,787,789)
Minority interest	0	0	0	6,086	40,262	75,184	139,399	126,819	130,000	130,000	130,000	130,000	6,086	381,664	520,000	400,000
GAAP Net income	(912,145)	(809,238)	(864,410)	(832,404)	(1,191,800)	(749,388)	(1,001,474)	(927,923)	(2,013,266)	(1,548,266)	(1,500,000)	(1,520,000)	(3,418,197)	(3,900,583)	(6,581,532)	(6,387,789)
Yr-to-yr Gr.					31%	-7%	16%	11%	69%	107%	50%	-48%	-11%	14%	69%	-3%
Primary EPS	(\$0.91)	(\$0.72)	(\$0.61)	(\$0.59)	(\$0.17)	(\$0.11)	(\$0.14)	(\$0.13)	(\$0.20)	(\$0.15)	(\$0.15)	(\$0.15)	(\$1.92)	(\$0.55)	(\$0.64)	(\$0.62)
Primary Share Out	1,005,558	1,119,798	1,418,506	1,418,506	7,001,231	7,123,453	7,123,453	7,123,453	10,219,934	10,220,000	10,220,000	10,220,000	1,777,451	7,092,898	10,219,984	10,300,000
Yr-to-yr Gr.					596%	536%	402%	402%	46%	43%	43%	44%	80%	299%	44%	1%

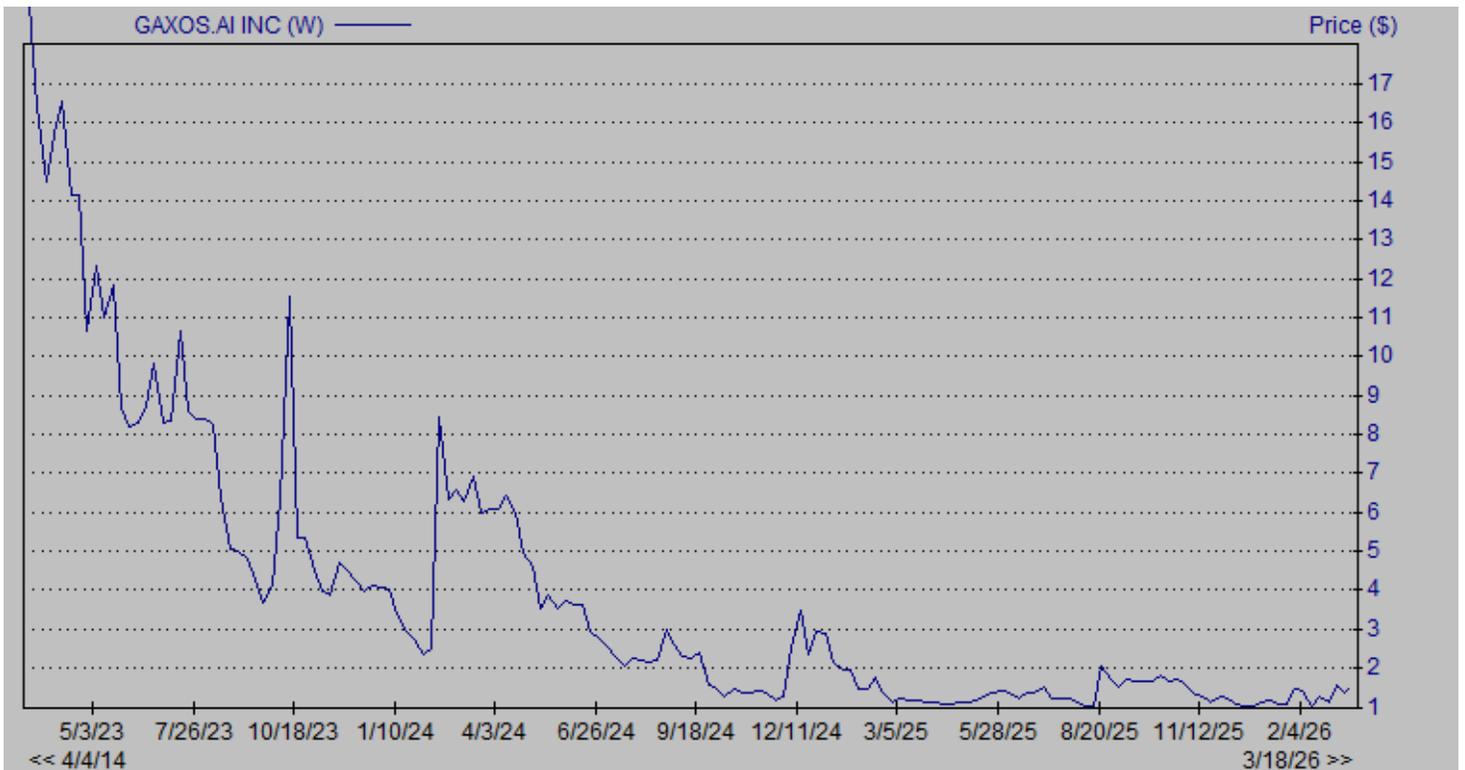
BALANCE SHEET

	Dec 31, 2025	Sept 30, 2025	Qtr-Qtr % Change	Dec 31, 2024	Yr-Yr % Change
CURRENT ASSETS					
Cash	\$840,799	\$914,183	-8.0%	\$14,398,099	-82.5%
Short-term investments at fair value	11,345,187	12,058,377	-5.9%	2,167,419	751.5%
Investment in equity securities at fair value	180,000	199,998	-10.0%	199,998	0.0%
Note receivable	0	10,000	-100.0%	0	NA
Accounts receivable	76,247	44,873	69.9%	0	NA
Prepaid expenses and other	157,586	193,283	-18.5%	63,609	123.2%
Total current assets	12,599,819	13,420,714	-6.1%	16,829,125	93.6%
Property and equipment, net	103,393	102,040	1.3%	70,374	81.0%
Intangible assets, net	718,333	763,233	-5.9%	125,000	476.0%
Digital currencies	0	37	-100.0%	37	0.0%
Long-term assets	821,726	865,310	-5.0%	195,411	358.0%
TOTAL ASSETS	13,421,545	14,286,024	-6.1%	17,024,536	100.7%
CURRENT LIABILITIES					
Accounts payable	270,105	213,509	26.5%	338,791	-35.2%
Accrued expenses	280,430	211,405	32.7%	61,590	188.6%
Deferred revenue	130,054	26,957	382.4%	1,126	1034.6%
Total current liabilities	680,589	451,871	50.6%	401,507	11.6%
Total liabilities	680,589	451,871	50.6%	401,507	11.6%
SHAREHOLDERS' EQUITY					
Common stock	712	712	0.0%	692	276.7%
Additional paid-in capital	25,801,322	25,761,301	0.2%	25,416,451	75.6%
Accumulated other comprehensive income	26,976	75,454	-64.2%	11,693	467.4%
Accumulated deficit	(12,700,304)	(11,742,383)	8.2%	(8,799,721)	47.4%
Gaxos.AI shareholder's equity	13,128,706	14,095,084	-6.9%	16,629,115	109.9%
Non-controlling interest	(387,750)	(260,931)	48.6%	(6,086)	NA
Total stockholders' equity	12,740,956	13,834,153	-7.9%	16,623,029	106.0%
TOTAL LIABILITIES AND EQUITY	\$13,421,545	\$14,286,024	-6.1%	\$17,024,536	100.7%
Current Ratio	18.5	29.7	-37.7%	41.9	73.5%
Working Capital	11,919,230	12,968,843	-8.1%	16,427,618	98.7%
Debt	\$0	\$0	0.0%	\$0	0.0%
Cash plus short-term investments	\$12,185,986	\$12,972,560	-6.1%	\$14,398,099	89.5%
Cash plus short-term investments per share	\$1.19	\$1.82	-34.5%	\$10.15	-62.3%

CASH FLOWS

US Dollars	3-Mo 3/31/24 US \$	3-Mo 6/30/25 US \$	3-Mo 9/30/24 US \$	3-Mo 12/31/24 US \$	Year 2024 US \$	3-Mo 3/31/25 US \$	3-Mo 6/30/25 US \$	3-Mo 9/30/25 US \$	3-Mo 12/31/25 US \$	Year 2025 US \$
CASH FLOWS - OPERATING ACTIVITIES										
Net profit (loss)	\$ (912,145)	\$ (809,238)	\$ (864,410)	\$ (838,490)	\$ (3,424,283)	\$ (1,232,062)	\$ (824,572)	\$ (1,140,874)	\$ (1,084,739)	\$ (4,282,247)
Income and non-cash expense items:										
Amortization expense	8,683	14,163	14,190	15,406	52,442	29,749	56,562	58,390	59,997	204,698
Stock-based compensation	15,806	33,435	34,949	35,253	119,443	32,880	30,473	33,517	40,021	136,891
Realized gain on short-term investments	(119,715)	0	(2,050)	0	(121,765)	(11,445)	(2,605)	(10,429)	(5,568)	(30,047)
Unrealized gain on short-term investments	0	0	0	0	0	0	(8,615)	(7,419)	(5,911)	(21,945)
Realized loss on exchange of equity securities							0	0	29,998	29,998
Non-cash transaction fees	0	764	0	0	764	0	0	0	0	0
Changes in assets and liabilities:										
Accounts receivable	(2)	10	0	0	8	(4,871)	(4,497)	(35,505)	(31,374)	(76,247)
Prepaid expenses and other	(335,781)	144,082	130,222	23,000	(38,477)	(210,977)	31,692	49,611	35,734	(93,940)
Accounts payable	177,268	(95,489)	31,627	9,503	122,909	(17,118)	(70,956)	(37,208)	56,596	(68,686)
Accrued expenses	66,469	(26,177)	(21,203)	(11,653)	7,436	117,481	75,096	(42,762)	69,025	218,840
Deferred revenue	0	0	2,376	(1,250)	1,126	(1,122)	562	26,391	103,097	128,928
Net cash provided by operating activities	(1,099,417)	(738,450)	(674,299)	(768,231)	(3,280,397)	(1,297,485)	(717,422)	(1,106,288)	(733,124)	(3,853,757)
CASH FLOWS - INVESTING ACTIVITIES										
Purchase of short-term investments	(2,095,707)	(586)	0	(1,450,969)	(3,547,262)	(12,171,293)	(1,142,693)	(1,846,559)	(525,000)	(15,685,545)
Purchase of equity securities	0	(199,998)	0	0	(199,998)	0	0	0	0	0
Proceeds from sale of short-term investments	2,616,619	586	695,000	698,000	4,010,205	2,164,819	1,029,277	2,179,765	1,201,191	6,575,052
Increase in note receivable	0	0	0	0	0	0	0	(10,000)	0	(10,000)
Increase in capitalized internal software development	(21,310)	(2,000)	0	(21,900)	(45,210)	(22,800)	(22,100)	(21,700)	(16,450)	(83,050)
Purchase of intangible asset	(150,000)	0	0	0	(150,000)	(500,000)	0	0	0	(500,000)
Net cash provided by (used in) investing activities	349,602	(201,998)	695,000	(774,869)	67,735	(10,529,274)	(135,516)	301,506	659,741	(9,703,543)
CASH FLOWS - FINANCING ACTIVITIES										
Proceeds from issuance of stock/units	159,060	0	0	8,049,711	8,208,771	0	0	0	0	0
Proceeds from exercise of pre-funded warrants	0	104	417	0	521	0	0	0	0	0
Proceeds from sale of pre-funded warrants	2,897,924	0	0	0	2,897,924	0	0	0	0	0
Proceeds from exercise of warrants	0	0	0	2,663,594	2,663,594	0	0	0	0	0
Proceeds from induced exercise of warrants	0	0	2,834,843	0	2,834,843	0	0	0	0	0
Purchase and cancellation of treasury securities	(19,602)	0	0	0	(19,602)	0	0	0	0	0
Net cash used in financing activities	3,037,382	104	2,835,260	10,713,305	16,586,051	0	0	0	0	0
INCREASE (DECREASE) IN CASH	2,287,567	(940,344)	2,855,961	9,170,205	13,373,389	(11,826,759)	(852,938)	(804,782)	(73,383)	(13,557,300)
CASH - BEGINNING OF PERIOD	1,024,710	3,312,277	2,371,933	5,227,894	1,024,710	14,398,099	2,571,340	1,718,964	914,182	14,398,099
CASH - END OF PERIOD	3,312,277	2,371,933	5,227,894	14,398,098	14,398,099	2,571,340	1,718,964	914,182	840,799	840,799
Operating Cash Flow	\$ (1,007,371)	\$ (760,876)	\$ (817,321)	\$ (787,831)	(3,373,399)	\$ (1,180,878)	\$ (748,757)	\$ (1,066,815)	\$ (966,202)	(3,962,652)
Free cash flow	\$ (1,028,681)	\$ (762,876)	\$ (817,321)	\$ (809,731)	(3,418,609)	\$ (1,203,678)	\$ (770,857)	\$ (1,088,515)	\$ (982,652)	(4,045,702)

HISTORICAL STOCK PRICE



Source: Zacks Investment Research

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