



RxAir360

RxAir360, Inc.

Unaudited Financial Statements

For the Year Ended December 31, 2023
(With December 31, 2022 Comparative Information)

Basis of Accounting: Accrual Basis — U.S. GAAP

Report Type: Unaudited — Management Prepared

Regulatory Purpose: OTC Markets / FINRA Form 211 Submission

Date Prepared: April 10, 2026

These financial statements were prepared in April 2026 based on the Company's historical accounting records for the periods presented.

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RxAir360, Inc.**Balance Sheet**

As of December 31, 2023
(Unaudited — Management Prepared)

	December 31, 2023	December 31, 2022
ASSETS		
Cash and cash equivalents	\$78,411.26	\$51,245.82
Intangible assets — patents/IP	\$3,000,000.00	\$3,000,000.00
Total Assets	\$3,078,411.26	\$3,051,245.82
LIABILITIES		
Note payable — inventor	\$2,620,825.00	\$2,752,700.00
Total Liabilities	\$2,620,825.00	\$2,752,700.00
STOCKHOLDERS' EQUITY		
Preferred stock	\$10.88	\$4.60
Additional paid-in capital	\$1,085,439.12	\$459,590.40
Equity adjustment clearing	(\$6,500.00)	—
Accumulated deficit	(\$625,100.97)	(\$160,293.88)
Total Stockholders' Equity	\$457,586.26	\$298,545.82
Total Liabilities and Stockholders' Equity	\$3,078,411.26	\$3,051,245.82

RxAir360, Inc.
Statement of Operations
For the Year Ended December 31, 2023
(Unaudited — Management Prepared)

	Year Ended Dec. 31, 2023	Year Ended Dec. 31, 2022
NON-CORE / ANCILLARY REVENUE		
Total revenues	—	—
OPERATING EXPENSES		
Consulting services	\$428,530.00	\$129,755.00
Legal fees	\$400.90	\$12,369.97
Travel expenses	\$6,863.19	\$152.86
Office expenses	\$6,435.04	\$907.37
Advertising and marketing	\$1,402.00	\$5,000.00
Investor referral fees	\$7,050.00	\$10,130.00
Supplies and materials	\$10,000.00	—
Meals and entertainment	\$1,537.09	\$1,068.09
Startup compliance	\$999.00	\$499.00
General business expenses	\$357.00	\$104.64
Website and email costs	\$797.22	\$259.95
Phone and utilities	\$43.80	—
Fraud loss — non-recoverable	\$100.00	—
Accounting fees	\$165.00	—
Total Operating Expenses	\$464,680.24	\$160,246.88
Net Operating Loss	(\$464,680.24)	(\$160,246.88)
Other income — interest	\$0.08	—
Other expense — vehicle	(\$126.93)	(\$47.00)
NET LOSS	(\$464,807.09)	(\$160,293.88)

Note: The Company has not yet commenced commercial operations related to its core HBOT platform. No revenue was generated from primary HBOT activities during any period presented.

RxAir360, Inc.
Statement of Cash Flows

For the Year Ended December 31, 2023
(Unaudited — Management Prepared)

	Year Ended Dec. 31, 2023	Year Ended Dec. 31, 2022
OPERATING ACTIVITIES		
Net loss	(\$464,807.09)	(\$160,293.88)
Adjustments for working capital changes	—	—
Net cash used in operating activities	(\$464,807.09)	(\$160,293.88)
INVESTING ACTIVITIES		
Patent/IP acquisition	—	(\$3,000,000.00)
Net cash used in investing activities	—	(\$3,000,000.00)
FINANCING ACTIVITIES		
Equity capital raised	\$626,325.95	\$458,719.70
Equity adjustment clearing	(\$6,500.00)	—
Founder contributions	\$3,614.06	\$44.70
Note payable — inventor proceeds / (payments)	(\$131,875.00)	\$2,752,700.00
Preferred stock	\$6.28	\$4.60
Opening balance equity	\$3.47	—
Net cash provided by financing activities	\$491,574.76	\$3,211,469.00
NET CHANGE IN CASH		
	\$26,767.67	\$51,175.12
Cash — beginning of period	\$51,245.82	\$0.00
Cash — end of period	\$78,411.26	\$51,245.82

Note: The Company maintains minimal working capital accounts. Changes in accounts receivable, accounts payable, and accrued liabilities were not material for the periods presented. No working capital adjustments are required.

RxAir360, Inc.
Statement of Changes in Stockholders' Equity

For the Year Ended December 31, 2023
(Unaudited — Management Prepared)

	Pref. Stock	APIC	Equity Adj.	Founder / Other	Accum. Deficit / Net Loss	Total Equity
Balance, January 1, 2023	\$4.60	\$459,590.40	—	\$119.70	(\$160,293.88)	\$299,020.82
Net loss — 2023	—	—	—	—	(\$464,807.09)	(\$464,807.09)
Capital contributions & equity activity	\$6.28	\$625,848.72	(\$6,500.00)	\$3,614.06	—	\$622,969.06
Balance, December 31, 2023	\$10.88	\$1,085,439.12	(\$6,500.00)	\$3,733.76	(\$625,100.97)	\$457,582.79

NOTE 1 — ORGANIZATION AND NATURE OF OPERATIONS

RxAir360, Inc. (the "Company") is a Delaware C-Corporation formed in the fourth quarter of 2022 to develop and commercialize a patented, compact hyperbaric oxygen therapy (HBOT) chamber engineered for integration into physician offices and outpatient clinical environments. The Company is advancing a vertical monoplace HBOT chamber designed to expand clinical access to HBOT beyond traditional hospital-based settings.

The Company holds two issued U.S. patents (US 11,648,164 B2 and WO 2023/225028 A1) and is focused on regulatory clearance, engineering finalization, and commercialization readiness.

During the periods presented, the Company operated as a development-stage enterprise, with activities encompassing product development, regulatory preparation, capital formation, and operational infrastructure buildout. The Company's financial profile reflects a pre-commercial medical technology platform advancing toward commercialization.

NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation. These financial statements are management-prepared and unaudited, presented on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles (GAAP). They are intended for public disclosure and regulatory review in connection with the Company's OTC Markets/FINRA Form 211 filing process.

Cash and Cash Equivalents. Cash and cash equivalents include demand deposits maintained at Mercury Bank, Wells Fargo, and Silicon Valley Bank (SVB). All accounts are considered liquid; certain accounts carry nominal balances. Cash at December 31, 2023 was \$78,411.26.

Intangible Assets. The Company's primary intangible asset consists of patent rights acquired pursuant to an IP Assignment and Reimbursement Agreement dated October 1, 2022, recorded at the contracted assignment value of \$3,000,000. No amortization has been recorded, as commercial operations have not yet commenced. Amortization will begin upon receipt of FDA 510(k) clearance, at which time the useful life will be established in accordance with GAAP.

Fixed Assets. Leasehold improvements are recorded at cost. Depreciation will be computed and recorded consistent with GAAP upon commencement of commercial operations.

Revenue Recognition. Revenue is recognized when services are performed and the earnings process is complete. The Company generated no operating revenue for the year ended December 31, 2023, as it remained in an early development and pre-commercial stage. No revenue was generated from the Company's primary HBOT commercialization activities during the period.

Operating Cash Flows. The Company paid all operating expenses as incurred during the periods presented. The Company maintains minimal working capital accounts; changes in accounts receivable, accounts payable, and accrued liabilities were not material for the periods presented. Accordingly, no working capital adjustments are reflected in the statements of cash flows.

Income Taxes. The Company is subject to federal and state income taxes. No deferred tax assets or liabilities have been recognized, as the Company remains in a pre-revenue stage and realization of any such asset is not currently determinable.

NOTE 3 — INTELLECTUAL PROPERTY AND NOTE PAYABLE — INVENTOR

Pursuant to the IP Assignment and Reimbursement Agreement dated October 1, 2022, the Company acquired all rights, title, and interest in the underlying patent from the inventor and original technology holder. In consideration for this assignment, the Company assumed a reimbursement obligation of \$3,000,000.

The obligation is payable incrementally as capital is raised and/or as product sales generate revenue, at a pace and percentage that supports the Company's growth without operational disruption. The full unpaid balance becomes immediately due upon the occurrence of a qualified financing event or the successful raise of institutional funds, whichever occurs first. The note bears no stated interest rate and has no formal maturity date beyond the qualified financing acceleration clause.

The outstanding balance was \$2,752,700 at the time of the original assignment (October 2022), reduced to \$2,620,825 at December 31, 2023 after \$131,875 in principal payments during 2023, and reduced further to \$2,535,825 at December 31, 2024 after \$85,000 in payments during 2024. During 2023, the Company made \$131,875 in principal payments on this obligation. The balance was \$2,620,825 at the end of the period presented.

The remaining balance of \$2,535,825 is structured for repayment through product sales at a rate of 1% of the retail sale price per chamber sold. Based on a retail sale price of \$500,000 per chamber, each unit sold satisfies \$5,000 of the outstanding obligation (1% × \$500,000). At this rate, the obligation would be fully satisfied after approximately 508 chambers are sold (508 chambers × \$5,000 per chamber = \$2,540,000, sufficient to retire the outstanding balance). This repayment structure aligns the inventor's compensation with the Company's commercial success and does not impose fixed payment obligations prior to product commercialization.

NOTE 4 — RELATED-PARTY TRANSACTIONS

Note Payable — Inventor and Affiliated Parties. The reimbursement obligation described in Note 3 represents the Company's most significant related-party obligation. The founder and certain affiliated parties provided equity capital and early-stage operational support during 2023. Management represents that these transactions were undertaken in support of formation, capitalization, and development activities.

NOTE 5 — EQUITY STRUCTURE AND CAPITALIZATION

During 2023, the Company continued early-stage capitalization through preferred equity issuances and founder support. The Equity Adjustment Clearing balance of (\$6,500) reflects investor transaction corrections recorded during capitalization cleanup. Management

has presented equity activity in a manner intended to reconcile the Company's year-end balances to its underlying accounting records. These adjustments do not affect total stockholders' equity.

NOTE 6 — NET CAPITAL REQUIREMENTS (RULE 15c3-1)

The Company is not a registered broker-dealer, does not engage in broker-dealer activities, and does not hold customer funds or customer securities. Accordingly, the Company is not subject to the net capital requirements of SEC Rule 15c3-1. This disclosure is provided for informational purposes only in connection with the Company's OTC Markets/FINRA filing.

NOTE 7 — GOING CONCERN

The Company has incurred net losses since inception and has not yet commenced commercial revenue-generating operations. The cumulative net loss since inception through December 31, 2023 was \$625,100.97. Cash was \$78,411.26 at the end of the period presented. These conditions raise substantial doubt about the Company's ability to continue as a going concern.

Management's plans to address these conditions include:

- (1) Continued capital formation through SAFE instruments and planned institutional equity financing;
- (2) Completion of FDA 510(k) regulatory submission and receipt of clearance;
- (3) Initiation of device sales and deployment revenue following regulatory approval; and
- (4) Entry onto OTC Markets through the Form 211 process.

There can be no assurance that management's plans will be successfully implemented.

NOTE 8 — COMMITMENTS AND CONTINGENCIES

Management is not aware of any material legal proceedings requiring accrual or disclosure as of the date these financial statements were available for issuance. No material contingencies were identified other than those ordinarily incident to a pre-commercial operating company.

NOTE 9 — SUBSEQUENT EVENTS

Management evaluated subsequent events through April 10, 2026, the date these financial statements were available for issuance. No matter requiring adjustment to the 2023 annual financial statements was identified.

These financial statements are management-prepared and unaudited. They have not been audited or reviewed by an independent certified public accountant. They are presented for informational purposes in connection with the Company's OTC Markets/FINRA Form 211 disclosure obligations.