



RxAir360

RxAir360, Inc.

Unaudited Financial Statements

For the Three Months Ended March 31, 2026

(With December 31, 2025 Balance Sheet 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 March 31, 2026
(Unaudited — Management Prepared)

	March 31, 2026	December 31, 2025
ASSETS		
Cash and cash equivalents	\$1,467.87	\$1,992.90
Fixed assets, net	\$2,147.94	\$2,147.94
Intangible assets — patents/IP	\$3,000,000.00	\$3,000,000.00
Total Assets	\$3,003,615.81	\$3,004,140.84
LIABILITIES		
Short-term loan — officer (informal)	\$19,983.56	\$19,983.56
Note payable — inventor	\$2,535,825.00	\$2,535,825.00
SAFE notes payable	\$774,464.05	\$740,139.05
Total Liabilities	\$3,330,272.61	\$3,295,947.61
STOCKHOLDERS' EQUITY (DEFICIT)		
Accumulated deficit	(\$3,085,479.87)	(\$3,045,624.84)
Total Stockholders' Equity (Deficit)	(\$326,656.80)	(\$291,806.77)
Total Liabilities and Stockholders' Equity	\$3,003,615.81	\$3,004,140.84

See Note 6 for details of the components of stockholders' deficit.

RxAir360, Inc.
Statement of Operations
For the Three Months Ended March 31, 2026
(Unaudited — Management Prepared)

	Three Months Ended March 31, 2026
NON-CORE / ANCILLARY REVENUE	
Total revenues	—
OPERATING EXPENSES	
Consulting services	\$26,612.00
Advertising and marketing	\$1,625.00
Consultant reimbursements	\$1,004.87
Travel expenses	\$4,534.98
Accounting and legal fees	\$1,639.50
Meals and entertainment	\$719.94
Office expenses and supplies	\$1,204.28
Investor referral fees	\$55.00
Phone, utilities, website, and email	\$1,547.78
General business and other	\$750.30
Total Operating Expenses	\$39,693.65
Net Operating Loss	(\$39,693.65)
Other income — credit card rewards	\$3.00
Other expense — vehicle	(\$164.38)
NET LOSS	(\$39,855.03)

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

RxAir360, Inc.
Statement of Cash Flows
For the Three Months Ended March 31, 2026
(Unaudited — Management Prepared)

	Three Months Ended March 31, 2026
OPERATING ACTIVITIES	
Net loss	(\$39,855.03)
Adjustments for working capital changes	—
Net cash used in operating activities	(\$39,855.03)
INVESTING ACTIVITIES	
No investing activity	—
Net cash used in investing activities	—
FINANCING ACTIVITIES	
SAFE notes payable — proceeds	\$34,325.00
Founder contributions	\$5,005.00
Net cash provided by financing activities	\$39,330.00
NET CHANGE IN CASH	
Cash — beginning of period	\$1,992.90
Cash — end of period	\$1,467.87

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

RxAir360, Inc.
Statement of Changes in Stockholders' Equity

For the Three Months Ended March 31, 2026
(Unaudited — Management Prepared)

	Three Months Ended March 31, 2026
Beginning stockholders' deficit — January 1, 2026	(\$291,806.77)
Founder contributions	\$5,005.00
Net loss	(\$39,855.03)
Ending stockholders' deficit — March 31, 2026	(\$326,656.80)

Management has presented the interim equity statement in summary rollforward form. See Note 6 for a description of the components of stockholders' deficit.

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 March 31, 2026 was \$1,467.87.

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 three months ended March 31, 2026, as it remains in a pre-commercial stage. No revenue has yet been generated from the Company's primary HBOT commercialization activities.

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. No principal payments were made on this obligation during the three months ended March 31, 2026. The balance was \$2,535,825 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 — SAFE NOTES PAYABLE

During 2025, the Company issued Simple Agreements for Future Equity (SAFEs) to multiple accredited investors as part of its structured capital formation strategy. These instruments were not present in prior periods.

SAFE proceeds are classified as liabilities in accordance with applicable GAAP guidance, as these instruments represent obligations to issue a variable number of equity shares upon the occurrence of a triggering event.

All SAFEs share a Post-Money Valuation Cap of \$600,000,000 and a Series B benchmark price of \$0.60 per share. The discount structure is tiered by investment date: investors at the 25% discount tier convert at 75% of the qualifying round price (approximately \$0.45 per share at the benchmark); investors at the 50% discount tier convert at 50% of the qualifying round price (approximately \$0.30 per share); and investors at the 75% discount tier convert at 25% of the qualifying round price (approximately \$0.15 per share).

Upon a liquidity event or dissolution, SAFE holders are entitled to receive the greater of their purchase amount (Cash-Out Amount) or the as-converted value (Conversion Amount), junior to outstanding indebtedness but senior to common stockholders. SAFE holders have no voting rights prior to conversion.

NOTE 5 — RELATED-PARTY TRANSACTIONS

Note Payable — Inventor. The reimbursement obligation described in Note 3 represents the Company's most significant related-party obligation and remained outstanding throughout the periods presented.

Short-Term Officer Loan. During 2025, an officer of the Company provided an informal short-term loan of \$19,983.56 to support working capital needs. The obligation is non-interest-bearing and repayable when funds become available from operations or capital raises. The balance remained outstanding at March 31, 2026.

Officer and Affiliated Entities. An officer of the Company, through affiliated entities, holds equity interests and has participated in SAFE instruments and prior capital formation activities. All related-party transactions continue to be conducted in support of the Company's capital formation and pre-commercial operations.

Founder and Related Parties. The Founder and Chief Executive Officer has made ongoing equity contributions to support the Company's operations. A related party serving in an executive capacity holds common stock issued in consideration for services rendered. All related-party transactions have been conducted in support of the Company's capital formation and pre-commercial operations.

NOTE 6 — EQUITY STRUCTURE AND CAPITALIZATION

The Company maintained the capital structure established during 2025, including the February 2025 forward stock split, the June 2025 common stock reclassification and conversion event, and the ongoing use of SAFE instruments. No separate capital restructuring occurred during the first quarter of 2026. Dynamic Stock Transfer (DST) serves as the Company's transfer agent.

Components of stockholders' deficit at March 31, 2026 are as follows: preferred stock \$27.28; additional paid-in capital \$2,722,635.56; equity adjustment clearing \$5,000.00; founder contributions \$31,081.76; other equity \$78.47; accumulated deficit (\$3,085,479.87).

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, 2025 was \$3,045,624.84, with an additional net loss of \$39,855.03 during the three months ended March 31, 2026. Cash was \$1,467.87 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 — 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 9 — 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. Leasehold improvement costs are reflected in investing activities in the statement of cash flows.

NOTE 10 — SUBSEQUENT EVENTS

Management evaluated subsequent events through April 10, 2026, the date these interim financial statements were available for issuance. The Company continued to advance its FDA regulatory submission, engineering finalization, and capital formation activities. No matter requiring adjustment to the March 31, 2026 interim financial statements was identified.

NOTE 11 — CAPITAL STRUCTURE EVOLUTION

During 2025, the Company formalized its capital structure in preparation for institutional financing and public market entry. This included the completion of Series A equity financing, the implementation of SAFE instruments for interim capital formation, a 100:1 forward stock split, and the reclassification and conversion of preferred shares to common stock. The Company carried these structural elements forward into 2026 as it continues its advance toward regulatory approval and commercialization.

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.