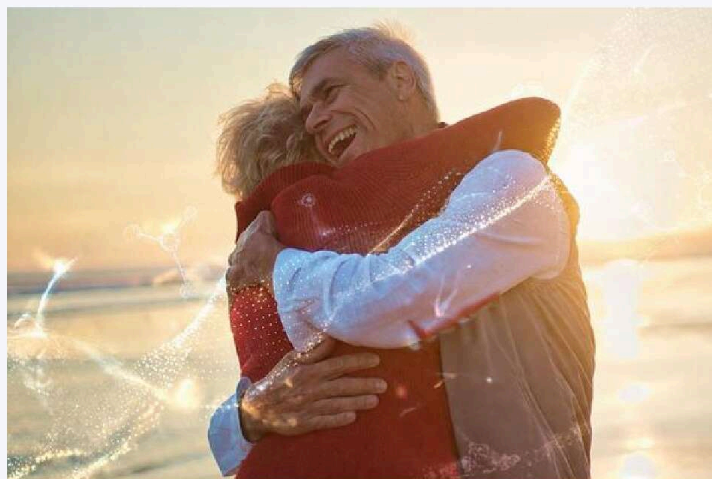


2025 REPORT

# Biostate AI



[LETTER](#) [REPORT CARD](#) [FINANCIALS](#) [THANKS](#) [DETAILS](#) [SAY HELLO](#)

## Dear investors,

This past year has been a defining step forward for Biostate.

From day one, our mission has been clear: to help 90% of people live to 90 by building a new foundation for precision medicine - one powered by large-scale molecular data and AI.

Over the past year, we made meaningful progress toward that vision.

We transitioned from building core technology to deploying it in real-world settings - launching our RNA sequencing services commercially, continuing to advance our wet lab platforms, and expanding our ability to generate high-quality molecular data at dramatically lower cost. At the same time, we developed and spun out K-Dense, our AI scientist platform, which is backed by Google and represents an important step toward building a general-purpose biomedical AI system.

We also expanded our global footprint, establishing subsidiaries in India and China and forming a joint venture with Kindstar. These efforts are enabling us to build access to one of the most important assets in this space: large-scale, diverse, longitudinal biological data.

In a world where AI is only as powerful as the data it learns from, we are building the infrastructure to generate, own, and learn from the datasets that will define the future of medicine.

We are grateful to be backed by an exceptional group of investors. Our Series A was led by Accel (early investors in Facebook, Scale AI, Slack, and Discord), with earliest investors including Dario Amodei (co-founder/CEO of Anthropic), Emily Leproust (co-founder/CEO of Twist Bioscience), and the California Institute of Technology.

Thank you for believing in this vision early.

We believe we are still at the very beginning and we're excited to continue building what we hope will become a foundational platform for the future of global health.

### **We need your help!**

1. **Dataset & Research Partnerships:** We're expanding our biomedical AI training data and actively seeking partnerships with hospitals, research institutions, biobanks, and biopharma companies, a warm intro would mean a lot to us.
2. **Series B Investors:** We're gearing up to kick off our Series B soon. If you know life science-focused VCs, family offices, or strategic investors who would be excited about Biostate AI, we'd love an introduction. In the meantime, please also help spread the word about our current crowdfunding campaign - every share counts!
3. **Enterprise Customers:** If you know decision-makers at biopharma, biotech, hospital systems, or CROs, please connect us. Our wet lab services and products are live and ready to scale.
4. **European Market Entry:** We're actively looking for the right joint venture partner or business development contact in Europe to establish a local presence. If you have relevant connections in EU life sciences or diagnostics, we'd love to connect.

Sincerely,

*Dave Zhang*

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Co-Founder/CEO

*Ashwin Gopinath*

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Co-Founder

*Jeremy Sobotta*

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CFO

## **How did we do this year?**

**REPORT CARD**



### ☺ The Good

Full commercial launch of RNA sequencing services with >80% gross margin and continued wet lab innovation with DNA sequencing.

Development, launch, and spinout of K-dense AI Scientist, backed by Google and Accel.

Established wholly-owned subsidiaries in India and China as well as a joint venture with Kindstar Global in China.

### ☹ The Bad

Wet lab capacity constraints limited our ability to take on all inbound partnership opportunities.

Geopolitical tensions in the Middle East slowed some partnerships.

Deployment of K-Dense in China and India was delayed by lack of availability of some of our dependent AI models.

## 2025 At a Glance

January 1 to December 31



**\$565,452 +748%**

Revenue



**-\$9,881,728**

Net Loss



**\$2,501,635 +174%**

Short Term Debt



**\$7,445,425**

Raised in 2025



**\$2,100,000**

Cash on Hand  
As of 04/1/26

INCOME

BALANCE

NARRATIVE



Net Margin: -1,748%    Gross Margin: -22%    Return on Assets: -220%    Earnings per Share: -\$0.37    Revenue per Employee: \$28,273

Cash to Assets: 52%    Revenue to Receivables: 383    Debt Ratio: 80%

[Biostate\\_AI\\_Financials\\_and\\_CPA\\_Review\\_Report\\_2022\\_and\\_2023\\_\\_1\\_.pdf](#)

[Biostate\\_AI\\_Incorporated\\_2025\\_Consolidated\\_Financials\\_DRAFT\\_v20260324.pdf](#)

## We ❤️ Our 151 Investors

Thank You For Believing In Us

Salem Alhajri  
Dennis Lordy  
Wilfrid Jean-francois  
Moonshot DisruptX  
Niren Narang  
Patrick DeShon  
Arul Thiagarajan Saravanan  
Liming Jin  
Laketh Lee  
Willie Abraham  
Corey Harmon  
James M Viggiano  
Colton Williams  
Robert Heard  
Phillip Tsai  
Lacey Vanderford  
Rainy Liu  
Truyen Dang  
Rogelio Toledo  
Yafen Niu  
Wendy Zhang  
Siddharth Srivastava  
Debbie Pryse  
Skanth Ganesan

Lance Bradley  
Roderick Hermon  
Jairinda Vide  
Hildi Perez  
Mohammed Harris  
Cassell Hudson  
Paul Montenegro  
Yihe Chang  
Terry Forde  
Ernest J King  
P KRUEB  
Morris Gelman  
Dorena Battagliano  
London Kent  
Mai Nguyen  
Gerald Tuma  
Daniel Kut  
Pawel Pirkil  
W Kim Collich  
Yazhen Gu  
Xiaojun Shen  
Joe Miller  
Thomas Kafsack  
Indevir Sangha

Prakash Ganapathy  
Deen A  
Matthew Milner  
Ross Dillon  
Tammy Morris  
Ghanshyam Bhutra  
Frank Zhang  
Kyra Campbell  
Collins Oflor  
Srinivasa Reddy Mukkala  
Jesus Adolfo Ortega Turrubiates  
Bernhard Köhler  
We Scott Wilson  
Jerome Scherbenski  
Danielle Furlong  
Griffin Herdegen  
Elizabeth Nguyen  
Elthalia Luzo  
Rovilla R. Copp  
Wen Liu  
Yuzhi Zhao  
Conor Sullivan  
Scott Furgerson  
Richard Higgins

Tom Rhodes  
Amanda Remark  
Jerry Irwin  
Christoph Heuermann  
Madhusudhan Rao Bommala  
Mark Iphone 14 Arland  
Jianchu Huang  
Jason Cui  
Devanshi Jain  
George Hauser  
Iqbal Singh  
Francis R Rinault  
Maciej Rumprecht  
Amit Maheshwari  
Carmen Williamson  
William Bourme  
Lina Li  
Susan Cupples  
Xi Chen  
Fachang Zhang  
Kristina Beaman  
Kandasamy Ravi  
Dionne Tennant

Jason Wade  
Anthony O'Neal Jr.  
Noah Posner  
Michael Lunsford  
Naga Sanika  
Varun Saraf  
Peter Zhang  
Rachel Schiff  
Steve Flanders  
Fay Cuson  
Keegan Franks  
Kristyn Ream  
Jonathan Estabrook  
Heather Rose  
Matthew Johnson  
Charles Figur  
Andrew Jay Sutton  
Jahong Liu  
Hongyu Zhang  
Summer Zhou  
Bo Chen  
Robert Chen  
Saizad Prasla

Ikenna Uzuogunam  
Vikrant Patil  
Offe Lac  
Shivram Sundaram  
Susan Andrews  
Jairzinho Reinaldo Augustin Tromp  
Fang Liu  
Satyendra Kumar  
Saran Peddinti  
Cherry Moriones  
Allisa Carpio  
Prakash Bhambhani  
Stacey Lamers-Bagabo  
Minjie Dai  
Steven Sommer  
Ahmed Muhammed  
Bryce Young  
Bobby Sliaphet  
Zhongkai Chen  
Michael Schnall-Levin  
Nitish Lakanpal  
Robert Sanchez  
Abelardo Garcia Jr.

## Thank You!

From the Biostate AI Team





**Dave Zhang**

Co-Founder/CEO

Presidential award-winning bioengineering professor with 60+ top publications and 40+ patents. Previously co-founder & CEO of innovative cancer diagnostics...



**Jeremy Sobotta**

CFO

Former CFO, Perimeter Medical Imaging AI (NASDAQ: PINK). Led \$4B+ in M&A capital across biotech & medtech. 15+ years...



**Kutapa Muthanna**

CEO, Bayosthiti.AI (India Subsidiary)

Former Director at KPMG; 20 years of finance and client relations leadership at KPMG and Fidelity Investments. Led...



**Zoe Zheng**

CEO, Baiaosheng (China Subsidiary)

Former venture capitalist at Matrix Partners China, Gaorong and other top VC funds, leading investments in technology and...



**Mohammad Alkheilewi**

CEO, Biostate AI MENA (KSA Subsidiary)

Former Managing Director at Eurofins Clinical Laboratories in Saudi Arabia with prior leadership roles at the Saudi...

## Details

### The Board of Directors

Director	Occupation	Joined
David Y Zhang	CEO @ Biostate AI, Inc	2023
Ashwin Gopinath	Co-Founder @ Biostate AI, Inc.	2023

### Officers

Officer	Title	Joined
David Y Zhang	CEO	2023
Jeremy Sobotta	CFO	2025

## Voting Power <sup>?</sup>

Holder	Securities Held	Voting Power
David Y Zhang	7,850,000 Class B	29.0%

## Past Equity & Loan Fundraises

Date	Amount	Security	Exemption
08/2023	\$1,100,000	Safe	Section 4(a)(2)
04/2024	\$696,000		Section 4(a)(2)
06/2024	\$3,290,000	Safe	Section 4(a)(2)
11/2024	\$3,667,000	Safe	Section 4(a)(2)
03/2025	\$2,000,000	Safe	Section 4(a)(2)
05/2025	\$70,621		4(a)(6)
05/2025	\$4,874,804	Preferred Stock	Regulation D, Rule 506(b)
12/2025	\$500,000	Safe	Section 4(a)(2)

*The use of proceeds is to fund general operations.*

## Outstanding Debts

Lender	Issued	Amount	Outstanding	Interest	Maturity	Current?
Capital Bank	04/17/2024	\$696,000	\$675,727 <sup>?</sup>	8.75%	04/17/2044	Yes

## Related Party Transactions

None.

## Capital Structure

Class of Security	Securities (or Amount) Authorized	Securities (or Amount) Outstanding	Voting Rights
Class A Common	37,372,187	220,000	Yes
Class B Common	15,000,000	15,000,000	Yes
Series A Preferred Stock	7,869,878	3,702,411	Yes
Series A 1 Preferred Stock	1,558,294	1,558,294	Yes
Series A 2 Preferred Stock	3,106,995	3,106,995	Yes
Series A 3 Preferred Stock	2,597,392	2,597,392	Yes
Series A 4 Preferred Stock	440,000	440,000	Yes

Warrants: 0

Options: 4

## Form C Risks:

Our current capital resources are not sufficient to fund our operations to profitability. We will need to secure additional financing, which may not be available on favorable terms or at all. Failure to obtain additional funding could significantly harm our business and development plans.

We are an early-stage company with limited operating history, making it difficult to evaluate our business and prospects. Our success depends on the development, commercialization, and adoption of our AI-powered biotech solutions, which are still in the research and development phase.

We are not yet profitable and may continue to incur losses in the foreseeable future as we invest in research, development, and commercialization efforts. Our ability to achieve profitability depends on several factors, including market acceptance of our solutions and successful fundraising efforts.

The biotech industry is subject to stringent regulations, including those governing clinical trials, data privacy, and AI technologies. Any failure to comply with these regulations or delays in obtaining necessary approvals could hinder our progress and increase costs.

The biotech and AI markets are highly competitive and rapidly evolving. We face competition from established companies with greater resources and newer entrants with innovative technologies. Our ability to capture market

share depends on the efficacy, safety, and affordability of our solutions.

Our success depends on the expertise and efforts of a small team of founders, researchers, and technical staff. The loss of any key personnel could disrupt our operations and slow down our progress. Additionally, attracting and retaining skilled talent in AI and biotech is highly competitive.

Our future success depends on the efforts of a small management team. The loss of services of the members of the management team may have an adverse effect on the company. There can be no assurance that we will be successful in attracting and retaining other personnel we require to successfully grow our business.

The development of AI for medical prognosis and diagnosis carries technical risk. This is mitigated by our recent Phase 1 results on multiple sclerosis showing >75% on 3 key clinical prediction targets, but there is risk of regression to mean for prospective clinical study needed before commercialization

## **Description of Securities for Prior Reg CF Raise**

Additional issuances of securities. Following the Investor's investment in the Company, the Company may sell interests to additional investors, which will dilute the percentage interest of the Investor in the Company. The Investor may have the opportunity to increase its investment in the Company in such a transaction, but such opportunity cannot be assured. The amount of additional financing needed by the Company, if any, will depend upon the maturity and objectives of the Company. The declining of an opportunity or the inability of the Investor to make a follow-on investment, or the lack of an opportunity to make such a follow-on investment, may result in substantial dilution of the Investor's interest in the Company.

Issuer repurchases of securities. The Company may have authority to repurchase its securities from shareholders, which may serve to decrease any liquidity in the market for such securities, decrease the percentage interests held by other similarly situated investors to the Investor, and create pressure on the Investor to sell its securities to the Company concurrently.

A sale of the issuer or of assets of the issuer. As a minority owner of the Company, the Investor will have limited or no ability to influence a potential sale of the Company or a substantial portion of its assets. Thus, the Investor will rely upon the executive management of the Company and the Board of Directors of the Company to manage the Company so as to maximize value for shareholders. Accordingly, the success of the Investor's investment in the Company will depend in large part upon the skill and expertise of the executive management of the Company and the Board of Directors of the Company. If the Board Of Directors of the Company authorizes a sale of all or a part of the Company, or a disposition of a substantial portion of the Company's assets, there can be no guarantee that the value received by the Investor, together with the fair market estimate of the value remaining in the Company, will be equal to or exceed the value of the Investor's initial investment in the Company.

Transactions with related parties. The Investor should be aware that there will be occasions when the Company may encounter potential conflicts of interest in its operations. On any issue involving conflicts of interest, the executive management and Board of Directors of the Company will be guided by their good faith judgement as to the Company's best interests. The Company may engage in transactions with affiliates, subsidiaries or other related parties, which may be on terms which are not arm's-length, but will be in all cases consistent with the duties of the management of the Company to its shareholders. By acquiring an interest in the Company, the Investor will be deemed to have acknowledged the existence of any such actual or potential conflicts of interest and to have waived any claim with respect to any liability arising from the existence of any such conflict of interest.

## **Minority Ownership**

An Investor in the Company will likely hold a minority position in the Company, and thus be limited as to its ability to control or influence the governance and operations of the Company.

The marketability and value of the Investor's interest in the Company will depend upon many factors outside the control of the Investor. The Company will be managed by its officers and be governed in accordance with the strategic direction and decision-making of its Board Of Directors, and the Investor will have no independent right to name or remove an officer or member of the Board Of Directors of the Company.

Following the Investor's investment in the Company, the Company may sell interests to additional investors, which will dilute the percentage interest of the Investor in the Company. The Investor may have the opportunity to increase its investment in the Company in such a transaction, but such opportunity cannot be assured.

The amount of additional financing needed by the Company, if any, will depend upon the maturity and objectives of the Company. The declining of an opportunity or the inability of the Investor to make a follow-on investment, or the lack of an opportunity to make such a follow-on investment, may result in substantial dilution of the Investor's interest in the Company.

## **Exercise of Rights Held by Principal Shareholders**

As holders of a majority-in-interest of voting rights in the Company, the shareholders may make decisions with which the Investor disagrees, or that negatively affect the value of the Investor's securities in the Company, and the

Investor will have no recourse to change these decisions. The Investor's interests may conflict with those of other investors, and there is no guarantee that the Company will develop in a way that is optimal for or advantageous to the Investor. For example, the shareholders may change the terms of the articles of incorporation for the company, change the terms of securities issued by the Company, change the management of the Company, and even force out minority holders of securities. The shareholders may make changes that affect the tax treatment of the Company in ways that are unfavorable to you but favorable to them. They may also vote to engage in new offerings and/or to register certain of the Company's securities in a way that negatively affects the value of the securities the Investor owns. Other holders of securities of the Company may also have access to more information than the Investor, leaving the Investor at a disadvantage with respect to any decisions regarding the securities he or she owns. The shareholders have the right to redeem their securities at any time. Shareholders could decide to force the Company to redeem their securities at a time that is not favorable to the Investor and is damaging to the Company. Investors' exit may affect the value of the Company and/or its viability. In cases where the rights of holders of convertible debt, SAFES, or other outstanding options or warrants are exercised, or if new awards are granted under our equity compensation plans, an Investor's interests in the Company may be diluted. This means that the pro-rata portion of the Company represented by the Investor's securities will decrease, which could also diminish the Investor's voting and/or economic rights. In addition, as discussed above, if a majority-in-interest of holders of securities with voting rights cause the Company to issue additional stock, an Investor's interest will typically also be diluted.


### Restrictions on Transfer

The securities offered via Regulation Crowdfunding may not be transferred by any purchaser of such securities during the one year period beginning when the securities were issued, unless such securities are transferred:

to the issuer;

to an accredited investor  ;

as part of an offering registered with the U.S. Securities and Exchange Commission; or

to a member of the family of the purchaser or the equivalent, to a trust controlled by the purchaser, to a trust created for the benefit of a member of the family of the purchaser or the equivalent, or in connection with the death or divorce of the purchaser or other similar circumstance. 

### **Valuation Methodology for Prior Reg CF Raise**

The offering price for the securities offered pursuant to this Form C has been determined arbitrarily by the Company, and does not necessarily bear any relationship to the Company's book value, assets, earnings or other generally accepted valuation criteria. In determining the offering price, the Company did not employ investment banking firms or other outside organizations to make an independent appraisal or evaluation. Accordingly, the offering price should not be considered to be indicative of the actual value of the securities offered hereby.

The initial amount invested in a SAFE is determined by the investor, and we do not guarantee that the SAFE will be converted into any particular number of shares of Preferred Stock . As discussed in Question 13, when we engage in an offering of equity interests involving Preferred Stock , Investors may receive a number of shares of Preferred Stock. Because there will likely be no public market for our securities prior to an initial public offering or similar liquidity event, the price of the Preferred Stock that Investors will receive, and/or the total value of the Company's capitalization, will be determined by our board of directors . Among the factors we may consider in determining the price of Preferred Stock are prevailing market conditions, our financial information, market valuations of other companies that we believe to be comparable to us, estimates of our business potential, the present state of our development and other factors deemed relevant. In the future, we will perform valuations of our stock (including both common stock and Preferred Stock) that take into account, as applicable, factors such as the following:

unrelated third party valuations;

the price at which we sell other securities in light of the relative rights, preferences and privileges of those securities;

our results of operations, financial position and capital resources;

current business conditions and projections;

the marketability or lack thereof of the securities;

the hiring of key personnel and the experience of our management;

the introduction of new products;

the risk inherent in the development and expansion of our products;

our stage of development and material risks related to our business;

the likelihood of achieving a liquidity event, such as an initial public offering or a sale of our company given the prevailing market conditions and the nature and history of our business;

industry trends and competitive environment;

trends in consumer spending, including consumer confidence;

overall economic indicators, including gross domestic product, employment, inflation and interest rates; and

the general economic outlook.

We will analyze factors such as those described above using a combination of financial and market-based methodologies to determine our business enterprise value. For example, we may use methodologies that assume that businesses operating in the same industry will share similar characteristics and that the Company's value will correlate to those characteristics, and/or methodologies that compare transactions in similar securities issued by us

that were conducted in the market.

### **Company**

Biostate AI, Incorporated  
Delaware Corporation  
Organized June 2023  
20 employees  
7505 Fannin Street  
Ste 610  
Houston TX 77054 <https://www.biostate.ai>

### **Business Description**

Refer to the Biostate AI profile.

### **EDGAR Filing**

The Securities and Exchange Commission hosts the official version of this annual report on their EDGAR web site. It looks like it was built in 1989.

### **Compliance with Prior Annual Reports**

Biostate AI is current with all reporting requirements under Rule 202 of Regulation Crowdfunding.

### **All prior investor updates**

You can refer to the company's updates page to view all updates to date. Updates are for investors only and will require you to log in to the Wefunder account used to make the investment.

**Show Less** 