Light AI Reports Financial Results for Three and Six Months ended June 30, 2026

Vancouver, B.C. – August 17th, 2026 – Light AI Inc. ("**Light AI**" or the "**Company**") (CBOE CA: ALGO / FSE: 0HC / OTCQB: OHCFF), a digital healthcare technology company specializing diagnostic digital healthcare solutions, announced its second quarter 2026 financial and operating results for the three and six month periods ended June 30, 2026. Results are based on the unaudited consolidated financial statements for the three and six months ended June 30, 2026 and 2025 (the "**Financial Statements**") and related Management's Discussion & Analysis ("**MD&A**") prepared under IFRS, with figures in Canadian dollars unless stated otherwise.

Financial and Operating Results Summary for the three and six months ended June 30, 2026

Summary Operating Results	Three Months Jun 30 - 26 $	Six Months Jun 30 - 26 $	Three Months Jun 30 - 25 $	Six Months Jun 30 - 25 $
Research and Development	604,382	1,419,867	1,415,145	2,632,388
General and Administrative(1)	616,010	1,168,955	419,278	979,753
Share-based Compensation	332,338	640,539	134,304	268,609
Marketing and Investor Relations	79,636	468,625	2,149,897	4,561,736
Total operating costs	1,632,366	3,697,986	4,118,624	8,442,486
Interest, amortization and other charges	(3,020)	(6,216)	(93,477)	(126,532)
Net comprehensive loss	1,629,346	3,691,770	4,025,147	8,315,954
Basic and fully diluted Earnings per Share	(0.01)	(0.03)	(0.03)	(0.07)
Weighted average shares outstanding	122,441,449	122,397,337	118,989,065	118,159,994

Notes:
(1) Excluding share-based compensation.

During the three months ended June 30, 2026, the Company incurred a net and comprehensive loss of $1,629,346, inclusive of noncash, share-based compensation expense of $332,338, compared with a net and comprehensive loss of $4,025,147 for the same quarter of last year, inclusive of noncash, share-based compensation expense of $134,304. The reduction of net and comprehensive loss $2,395,801 is mainly due to a $2,070,261 reduction in marketing and investor relations and a $810,763 decrease in research and development costs, offset by a $196,732 increase in general and administrative expense and a $198,034 increase in share-based compensation expense.

Net loss and comprehensive loss for the quarter decreased by $433,078 over the preceding quarter, inclusive of share-based compensation expense of $308,201. The reduction of net and comprehensive loss is mainly due to a $312,263 reduction in marketing and investor relations and a $211,103 decrease in research and development costs.

The progressive reduction in quarterly net and comprehensive loss over the past seven quarters is mainly due to a reduction in marketing costs incurred in the two quarters following the Company's reverse takeover transaction ("RTO") commencing in December 2024. Research and development expenses were highest in the quarters following the Company's RTO and have been declining in the most recent quarters due to a reduction in personnel and third-party consultants as the Company completes its initial product development activities and shifts focus to testing and regulatory initiatives for commercialization. The Company expects to increase regulatory and testing expenses over the remainder of the fiscal year to reach commercialization of its QuickScan™ Strep A software in 2027 and continue to develop future diagnostic software applications under the QuickScan™ platform. Light AI QuickScan™ Strep A software helps healthcare providers make informed decisions at the point of care, supporting better patient outcomes by guiding lab testing and antibiotic treatment. The Company is currently conducting clinical trials and seeking regulatory approval.

During the six months ended June 30, 2026, the Company incurred a net and comprehensive loss of $3,691,770, inclusive of noncash, share-based compensation expense of $640,539, compared with a net and comprehensive loss of $ 8,315,954 for the same period of last year, inclusive of noncash, share-based compensation expense of $268,609. The $4,624,184 reduction in net and comprehensive was due mainly to a $4,093,111 decrease in marketing and investor relations expenses and $1,212,521 to a reduction in research and development costs offset by an increase of $189,202 in general and administrative expenses and a $371,930 increase in share-based compensation expense.

On June 30, 2026, the Company had Net Working Capital of $7,312,040 (December 31, 2025- $5,445,333), cash and cash equivalents of $7,848,624 (December 31, 2025 - $6,455,977), current liabilities of $963,188 (December 31, 2025 - $1,475,258) and had a deficit of $ 47,268,554(December 31, 2025 - $43,576,784). On June 19, 2026, the Company issued secured convertible debentures in the total amount of $5,000,000, bearing interest at an annual rate of 12% compounding quarterly. The Debentures, along with accrued interest, mature on June 19, 2028.
Net cash outflows in operating activities during the six months ended June 30, 2026, were $3,484,191 (2025 – $7,798,120). The cash used in operating activities during the three months ended June 30, 2026, consisted primarily of net operating losses of $1,629,346 (2025 – $4,025,147) and changes in working capital balances. During the six months ended June 30, 2026, the Company used $512,070 for accounts payable, $63,814 for an increase in goods and service tax receivable, offset by a reduction in prepaid expense and deposits in the amount of $101,824. The Company recorded an increase in cash in the amount of $4,921,361 from the issuance of convertible debentures, net of issue costs.

"Light AI continues to build momentum following the completion of its first commercially ready QuickScan™ Strep A application," said John R. Luna, CEO. "Over the past month and a half, we have made incremental progress on our dual-track strategy, advancing clinical trial readiness and regulatory processes, to prepare for multiple commercialization opportunities. With a sizable and underserved global market, Light AI remains well positioned to establish early leadership, leveraging our patented technology and maintaining our first-mover advantage. Our ongoing focus is on disciplined execution to capture near-term revenue and deliver sustained shareholder value."

Financial Statements and Management Discussion & Analysis

Please see the Company's Financial Statements and MD&A for more details, which have been reviewed and approved by the Company's Audit Committee and Board of Directors. For a more detailed explanation and analysis, please refer to the MD&A that has been filed on SEDAR+ at www.sedarplus.ca.

Non-IFRS and Other Financial Measures

This press release refers to the following non-IFRS measures:

"Net Working Capital" is comprised of current assets less current liabilities. Management believes Net Working Capital is a useful indicator for investors, and is used by management for evaluating the operating liquidity to the Company. See "Net Working Capital Reconciliation" for a quantitative reconciliation of Adjusted Working Capital to the most directly comparable financial measure.

Such non-IFRS measures and non-IFRS ratio do not have a standardized meaning under IFRS and may not be comparable to a similar measure disclosed by other issuers.

Net Working Capital Reconciliation	*June 30, 2026 $*	*December 31, 2025 $*
Current Assets	*8,275,228*	*6,920,591*
Less: Current Liabilities	*(963,188)*	*(1,475,258)*
Net Working Capital	*7,312,040*	*5,445,333*

About Light AI, Inc. (CBOE CA: ALGO / FSE: 0HC / OTCQB: OHCFF)

Light AI Inc. is a healthcare technology company focused on developing artificial intelligence-powered Software as a Medical Device (SaMD) solutions designed to support rapid, accessible clinical assessment at the point of care.

The Company's core technology, Light AI QuickScan™, is a device-agnostic software platform that applies proprietary artificial intelligence and machine learning algorithms to medical images to provide healthcare professionals with actionable clinical information within seconds. The QuickScan™ platform is designed to operate across compatible imaging and computing hardware, providing flexibility for integration into a range of healthcare devices, clinical workflows and care settings without dependence on a single proprietary hardware platform.

The first product being brought to market on the platform, Light AI QuickScan™ Strep A, uses artificial intelligence to analyze images of the throat and provide clinical decision support regarding the likelihood of Group A Streptococcus (GAS) pharyngitis. QuickScan™ Strep A is designed to provide a rapid, non-invasive assessment without requiring a throat swab or laboratory test as part of the QuickScan analysis.

Light AI is developing the QuickScan™ platform with the potential to support additional medical conditions and clinical applications over time. The Company's long-term vision is to combine its QuickScan™ SaMD platform, advanced imaging, and cloud-based artificial intelligence to create a scalable "Digital Clinical Lab" capable of delivering rapid and accessible clinical insights across multiple diseases and conditions.

In pre-FDA validation studies, Light AI's Strep A algorithm demonstrated 96.57% accuracy in differentiating between viral and bacterial pharyngitis and achieved a Negative Predictive Value of 100% for Group A Streptococcus. Viral and GAS pharyngitis affect hundreds of millions of people globally each year, and untreated GAS infection can result in serious complications, including rheumatic heart disease. Light AI believes its device-agnostic software architecture and artificial intelligence platform have the potential to expand access to rapid clinical decision support across diverse healthcare environments worldwide.

ON BEHALF OF THE COMPANY

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Forward-Looking Information:

This news release includes information, statements, beliefs and opinions which are forward-looking, and which reflect current estimates, expectations and projections about future events, including, but not limited to, the Company's clinical trials and regulatory approval processes, the anticipated commercialization of the Company's QuickScan™ Strep A software, the development of future diagnostic software applications under the QuickScan™ platform, the Company's dual-track commercialization strategy, the Company's ability to establish early market leadership and capture near-term revenue, the Company's financial and operational performance and outlook and other statements that contain words such as "believe," "expect," "project," "should," "seek," "anticipate," "will," "intend," "positioned," "risk," "plan," "may," "estimate" or, in each case, their negative and words of similar meaning. By its nature, forward-looking information involves a number of risks, uncertainties and assumptions that could cause actual results or events to differ materially from those expressed or implied by the forward-looking information. These risks, uncertainties and assumptions could adversely affect the outcome of the plans and events described herein. Readers should not place undue reliance on forward-looking information, which is based on the information available as of the date of this news release. For a list of the factors that may affect any of the Company's forward-looking statements, please refer to the Company's annual information form dated April 14, 2025 and other filings made by the Company with the Canadian securities regulatory authorities (which may be viewed under its SEDAR+ profile at www.sedarplus.ca). Light AI disclaims any intention or obligation to update or revise any forward-looking information contained in this news release, whether as a result of new information, future events or otherwise, unless required by applicable law. The forward-looking information included in this news release is expressly qualified in its entirety by this cautionary statement.