# Nexalin Technology, Inc.

**NXL**

Nasdaq; healthcare; SIC 3845, Electromedical & Electrotherapeutic Apparatus; CIK 0001527352

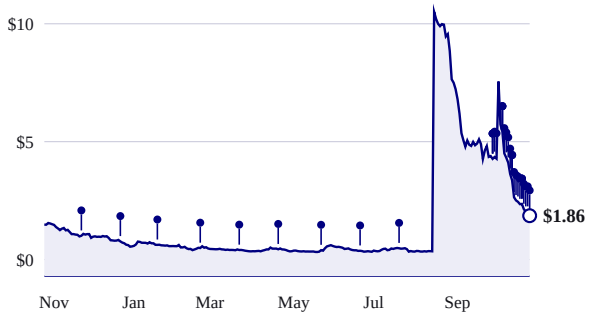
# None

### No letter

6 of 14 inputs computable; 7 are required, with a score in every sleeve

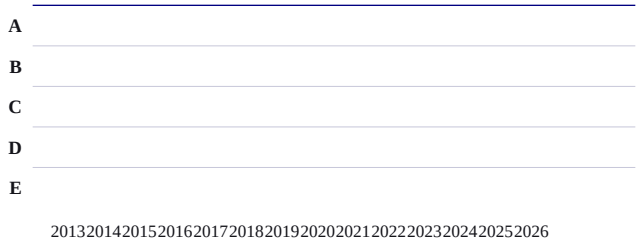
| Scoreboard | |
|---|---|
| **Reliability** | 0.76 AUC<br>filers with under $12.5M assets; 95% interval 0.65 to 0.86; 63 events, 2020 to 2025 |
| **Peer failure rate** | 0.60% a year<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | under $12.5M assets<br>total assets $4.6M |
| **Standard universe** | outside<br>revenue above $1M and assets above $10M |
| **Warnings** | short runway, thin data<br>not computable: dilution, distress, fortress balance sheet |
| **Inputs computable** | 6 of 14 |
| **Graded from** | filings received through Mar 25, 2026<br>215 days before the rescan; latest periodic filing 10-Q received Aug 12, 2026 |
| **Last close** | $2.12<br>2026-10-21; market equity $46.7M; no price enters the letter |

**Share price, twelve months to the rescan**




*Split-adjusted close. Each lollipop is a rescan and carries the letter held then.*

**Letter at every rescan, 2012 to 2026**




*Sector percentile at each rescan, stronger toward the top; facts filed by each date only.*

## Business, in the company's words

*opening of Item 1 of the 10-K received Mar 25, 2026*

Nexalin is headquartered, and maintains its base of management and operations, in Houston, Texas. We design and develop innovative neurostimulation products to uniquely and effectively help combat the ongoing global mental health epidemic. We developed an easy-to-administer medical device - referred to as "Generation 1" or "Gen-1" - that utilizes bioelectronic medical technology to treat anxiety, insomnia and depression without the need for drugs or psychotherapy. Our original Gen-1 devices are cranial electrotherapy stimulation (CES) devices that emit a waveform at 4 milliamps during treatment and are presently classified by the U.S.

## The fourteen inputs

*lower percentile is stronger; sleeves and inputs within a sleeve carry equal weight*

| Input | Value | Peer median | Percentile, 0 to 100 | Pct | Peers | Period end |
|---|---|---|---|---|---|---|
| **Profitability, sleeve percentile 44.7** | | | | | | |
| Gross profitability | 5.2% | 32.3% | | 83.9 | 368 | 2025-12-31 |
| Return on invested capital | not computable | 9.3% | | | | |

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| | | | | | | |
|---|---|---|---|---|---|---|
| *one or more required annual facts are missing* | | | | | | |
| Accruals ratio | (73.7%) | (6.6%) | | 5.5 | 807 | 2025-12-31 |
| Gross margin stability, five years | not computable | 2.8 pts | | | | |
| *five annual gross margins are required; found 4* | | | | | | |
| **Solvency, sleeve percentile 65.3** | | | | | | |
| Twelve-month failure probability | not computable | 0.07% | | | | |
| *latest liabilities, cash plus short-term investments, book equity, and shares are required* | | | | | | |
| Altman Z double-prime | (68.21) | (0.33) | | 92.0 | 752 | 2025-12-31 |
| Net debt to EBITDA | not computable | 1.82x | | | | |
| *one or more required annual facts are missing* | | | | | | |
| Interest coverage | not computable | (4.51x) | | | | |
| *interest expense must exceed $100,000* | | | | | | |
| Current ratio | 4.85x | 2.94x | | 38.5 | 834 | 2025-12-31 |
| **Growth and financing, sleeve percentile 84.7** | | | | | | |
| Revenue growth, three-year compound | (38.9%) | 10.1% | | 93.7 | 413 | 2025-12-31 |
| Free cash flow growth, three-year compound | not computable | 10.9% | | | | |
| *four consecutive annual FCF observations are required; found 0* | | | | | | |
| Reinvestment rate | not computable | 37.1% | | | | |
| *one or more required annual facts are missing* | | | | | | |
| Asset growth, three years | (14.6%) | 2.1% | | 75.7 | 700 | 2025-12-31 |
| Net share issuance, one year | not computable | 2.5% | | | | |
| *prior share count is 182 days earlier* | | | | | | |

## Warnings

*2 of 7 checks triggered; none of them enters the letter*

| Check | Measured |
|---|---|
| Short runway | cash runway is 2.0 months |
| Thin data | 6 of 14 grade factors are computable; minimum is 7 |

## What the price implies

*at the 2026-10-21 close; none of these enters the grade*

| Measure | Value | Peer median | Percentile |
|---|---|---|---|
| Twelve-month price change, skipping the latest month | 688.3% | 7.7% | 100 |
| Distance from 52-week high | (82.3%) | (31.4%) | 8 |
| EBIT to enterprise value | not computable | (1.5%) | |
| Free cash flow yield | not computable | (1.0%) | |
| Book value to price | 0.04 | 0.28 | 17 |
| Sales to price | 0.01 | 0.30 | 5 |
| Composite equity issuance, five years | not computable | 20.5% | |
| Relative strength against the sector, log excess return | 1.85 | (0.14) | 100 |

## Diagnostics

*shown on every report; none enters the grade*

| Measure | Value |
|---|---|
| **Piotroski F-score None of 9, period end 2025-12-31** | |
| Return on assets above zero | fail |
| Operating cash flow above zero | fail |
| Return on assets improved | pass |
| Operating cash flow exceeds net income | pass |
| Long-term leverage fell | fail |
| Current ratio improved | fail |
| No new shares issued | fail |

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| | |
|---|---|
| Gross margin improved | pass |
| Asset turnover improved | pass |
| **Cash, filings, liquidity** | |
| Cash and equivalents | $1.0M |
| Operating cash flow, four quarters | -$6.1M |
| Months of runway | 2.0 |
| Days since last periodic filing | 75 (10-Q received Aug 12, 2026) |
| Median daily dollar volume, 63 sessions | $52,401 |

## Sources

*every fact behind the inputs; each row links to its filing index on sec.gov*

| # | Concept | XBRL tag | Value | Period end | Received | Form | Accession |
|---|---|---|---|---|---|---|---|
| 1 | gross profit | us-gaap:GrossProfit | $240,274 | 2025-12-31 | 2026-03-25 | 10-K | 26-002673 |
| 2 | assets | us-gaap:Assets | $4.6M | 2025-12-31 | 2026-03-25 | 10-K | 26-002673 |
| 3 | net income | us-gaap:NetIncomeLoss | -$8.2M | 2025-12-31 | 2026-03-25 | 10-K | 26-002673 |
| 4 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$5.0M | 2025-12-31 | 2026-03-25 | 10-K | 26-002673 |
| 5 | assets | us-gaap:Assets | $4.2M | 2024-12-31 | 2026-03-25 | 10-K | 26-002673 |
| 6 | current assets | us-gaap:AssetsCurrent | $4.3M | 2025-12-31 | 2026-03-25 | 10-K | 26-002673 |
| 7 | current liabilities | us-gaap:LiabilitiesCurrent | $887,333 | 2025-12-31 | 2026-03-25 | 10-K | 26-002673 |
| 8 | retained earnings | us-gaap:RetainedEarningsAccumulatedDeficit | -$92.9M | 2025-12-31 | 2026-03-25 | 10-K | 26-002673 |
| 9 | operating income | us-gaap:OperatingIncomeLoss | -$8.4M | 2025-12-31 | 2026-03-25 | 10-K | 26-002673 |
| 10 | book equity | us-gaap:StockholdersEquity | $3.7M | 2025-12-31 | 2026-03-25 | 10-K | 26-002673 |
| 11 | liabilities | us-gaap:Liabilities | $887,333 | 2025-12-31 | 2026-03-25 | 10-K | 26-002673 |
| 12 | interest expense | us-gaap:InterestExpense | -$8,240 | 2025-12-31 | 2026-03-25 | 10-K | 26-002673 |
| 13 | revenue | us-gaap:Revenues | $301,647 | 2025-12-31 | 2026-03-25 | 10-K | 26-002673 |
| 14 | revenue | us-gaap:Revenues | $168,721 | 2024-12-31 | 2026-03-25 | 10-K | 26-002673 |
| 15 | revenue | us-gaap:Revenues | $110,748 | 2023-12-31 | 2025-09-23 | 10-K/A | 25-007610 |
| 16 | revenue | us-gaap:Revenues | $1.3M | 2022-12-31 | 2024-03-27 | 10-K | 24-001935 |
| 17 | assets | us-gaap:Assets | $3.6M | 2023-12-31 | 2025-09-23 | 10-K/A | 25-007610 |
| 18 | assets | us-gaap:Assets | $7.4M | 2022-12-31 | 2024-03-27 | 10-K | 24-001935 |
| 19 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 20,581,646 | 2026-03-23 | 2026-03-25 | 10-K | 26-002673 |
| 20 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 17,647,130 | 2025-09-22 | 2025-09-23 | 10-K/A | 25-007610 |

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