

Virtuix Holdings, Inc.
NASDAQ: VTI

March 31, 2026

Price (as of close Mar 30th, 2026)
\$6.83

Rating
Buy

12- Month Target Price
\$10.90

Gowshi Sriharan, CFA
818-222-6234
research@singularresearch.com

Company Description

Virtuix Holdings Inc. develops and manufactures omni-directional treadmills that enable full-body movement inside virtual environments for gaming, fitness, enterprise training, and defense simulation. Its flagship Omni One system combines a compact treadmill with an integrated VR headset and proprietary software platform, allowing users to walk, run, crouch, and jump in 360 degrees while accessing a curated library of VR titles and online multiplayer services. Virtuix also offers Omni One Enterprise for professional applications and Virtual Terrain Walk (VTW), a multi-user mission-planning solution that fuses geo-specific 3D terrain with immersive locomotion for defense customers. With 25 issued patents, vertically integrated manufacturing capacity and growing recurring revenues from subscriptions and content, Virtuix aims to be a key enabler of active XR experiences across consumer, enterprise, and defense markets. The Company is headquartered in Austin, Texas, USA.

Virtuix (NASDAQ: VTI), a pioneer in Omni-directional VR treadmills, offers leveraged exposure to the convergence of gaming, connected fitness, and XR-enabled training. Initiating with a Buy rating and \$10.90 target, implying material upside from current levels. Omni One, its “Peloton for gamers” system, is beginning to scale, with attractive unit economics, growing software attach, and substantial unused factory capacity that can drive operating leverage. A differentiated IP portfolio, U.S. footprint, and Virtual Terrain Walk (VTW) provide dual-use optionality into higher-margin defense and enterprise simulation markets. While early-stage and volatile, we see a favorable risk-reward skew for investors seeking asymmetric participation in the next leg of XR adoption.

52-Week Range	\$4.79 – \$92.74	Total Debt	\$5.3million
Shares Outstanding	30.9 million	Debt/Equity	NM
Insider/Institutional	38%/NA	ROE (LTM)	NM
Public Float	6.1 million	Book Value/Share	NM
Market Capitalization	\$211 Million	Daily Volume (90-day)	294K

FYE Sept EPS (\$)	FY 2025A ACTUAL	FY 2026E CURRENT PREVIOUS	FY 2027E CURRENT PREVIOUS
Q1 Jun		\$(0.08)A	\$(0.25)E
Q2 Sept		\$(0.06)A	\$(0.15)E
Q3 Dec		\$(0.09)A	\$(0.09)E
Q4 Mar		\$(0.42)E	\$(0.09)E
Year*	\$(0.50)A**	\$(0.87)E	\$(0.57)E
P/E Ratio	NA	NA	NA
Change	-3.4%	-54.2%	40.4%

FYE Dec Revenue (\$ in 000.)	FY 2025A ACTUAL	FY 2026E CURRENT PREVIOUS	FY 2027E CURRENT PREVIOUS
Q1 Jun		\$1,032A	\$669E
Q2 Sept		\$985A	\$1,008E
Q3 Dec		\$964A	\$2,069E
Q4 Mar		\$950E	\$1,315E
Year*	\$3,590A	\$3,931E	\$5,063E
Change	49%	9.5%	28.8%

* Numbers may not add due to rounding and changes in diluted shares outstanding.

** Pro forma EPS reflects reclassification of all outstanding capital stock into common shares; actual FY25 GAAP net loss per share was \$1.78

Investment Thesis

- VTI provides a rare pure-play on **active** XR: rather than selling another headset, Virtuix monetizes the locomotion layer that turns VR into a whole-body experience for gaming, fitness, and training, with Omni One already proving demand beyond core VR enthusiasts.
- Compelling early economics (premium ASP, improving ~30–40% hardware margins, strong software attach, and factory capacity sized for ~\$100M of revenue) combine with a defensible IP stack and U.S. positioning to create real operating leverage if management scales Omni One efficiently.
- Multiple near-term catalysts against a small base. Omni One’s ramp, Meta/Quest integration, European rollout, and VTW/enterprise pilots provide several ways to win over the next 3–5 years, with today’s <\$5M revenue base amplifying the impact of execution—while funding needs, dilution, and hardware execution risk remain the key constraints an investor must underwrite.
- We initiate with a Buy rating and \$10.90 target: at a sizable discount to our blended intrinsic value, VTI offers asymmetric upside tied to Omni One’s ramp and even

modest VTW penetration, balanced by execution and capital-access risks typical of early-stage hardware platforms.

Primary Risks

- Revenue is increasingly concentrated in Omni One, so weaker demand for consumer VR, slower order growth, or mis execution in marketing, logistics, or customer support could materially pressure sales and delay the scaling needed for profitability.
- The VTW defense opportunity is early-stage and long-dated; if procurement cycles extend or meaningful contracts fail to materialize, Virtuix will remain heavily dependent on its consumer business for growth and cash generation.
- Manufacturing is concentrated in China (with suppliers in China and Taiwan), exposing Virtuix to tariffs, export controls, and geopolitical tensions that could disrupt supply chains, increase costs, or constrain access to key end markets.
- The company is ramping production under tight working-capital conditions; missteps in inventory management, cost control, or logistics could increase cash burn and necessitate additional external financing sooner than anticipated.
- Virtuix remains loss-making and reliant on external financing.
- Use of convertible notes, equity-line arrangements, and stock-based compensation creates ongoing dilution risk and potential stock-price overhang as these instruments convert into common equity.
- Major shareholder – control

Introduction

Company Background

Virtuix Holdings Inc. (NASDAQ: VTIX) was incorporated in Delaware in 2013 by founder and CEO Jan Goetgeluk to solve a specific limitation of early virtual reality: users could look around but not **move** naturally inside virtual worlds. The company's core innovation is the Omni, an omni-directional treadmill that allows users to walk, run, crouch, and jump in 360 degrees while remaining safely in place, enabling full-body locomotion for gaming, simulation, and training applications.

Virtuix's first commercially successful product, Omni Pro, launched in 2016 as a commercial-grade system for VR arcades, entertainment venues, and enterprise users. More than 4,000 Omni Pro units were shipped to over 45 countries, establishing Virtuix as an early leader in VR locomotion and giving the company years of field experience with hardware durability, motion tracking, and content integration. In 2019, Virtuix introduced Omni Arena, a turnkey four-station esports attraction for out-of-home entertainment centers. Omni Arena achieved an installed base of approximately 80 systems and built a registered player database of over 500,000 users, generating recurring revenue from game credits, maintenance contracts, and replacement parts.

As the consumer VR market matured, Virtuix shifted its focus toward the home segment. Omni One, a compact consumer treadmill paired with a standalone VR headset and proprietary software platform, was officially launched in September 2024. The system is sold direct-to-consumer in the U.S. at a price point comparable to high-end gaming PCs and connected fitness equipment, with additional revenue from Omni Online subscriptions and game sales. By September 2025, Virtuix had shipped about 1,800 Omni One units, generating more than \$4 million in revenue and contributing to a fourfold increase in quarterly revenue from the first to the fourth quarter of fiscal 2025.

To support scaling, the company operates a vertically integrated facility in Zhuhai, China, with capacity to produce up to 3,000 Omni One units per month, representing more than \$100 million of potential annual revenue at current price points. Alongside the consumer business, Virtuix is developing Virtual Terrain Walk (VTW), a multi-user, geo-specific mission-planning system for defense customers that uses AI-driven 3D reconstruction to turn real-world imagery into walkable virtual terrain; early test units have been purchased by the U.S. Military Academy at West Point, the U.S. Air Force Academy, and Yokota Air Force Base though management does not expect meaningful VTW revenue before fiscal 2027. The Company is headquartered in Austin, Texas.

Business Overview

Virtuix operates at the intersection of gaming hardware, connected fitness, and immersive simulation, producing omni-directional treadmills—precision electromechanical platforms that enable users to walk, run, crouch, kneel, and jump naturally in 360 degrees inside virtual reality environments. As the category creator and patent holder of low-friction concave-base locomotion technology, the Company serves three distinct end markets: consumers seeking active gaming and fitness experiences, enterprises deploying VR for training and entertainment, and defense organizations requiring photorealistic mission rehearsal systems. Its value proposition hinges on proprietary hardware design protected by 25 patents, a vertically integrated production model with 3,000-unit monthly capacity in Zhuhai, China, and a dual-use strategy pairing high-volume consumer sales (Omni One) with high-margin defense contracts (Virtual Terrain Walk), all underpinned by recurring software and subscription revenues that drive long-term customer lifetime value

What Are Omni-Directional Treadmills?

Exhibit 1: Omni Directional Treadmill

Omni
Applications

Extend Beyond
Entertainment





Military & corporate
training and
simulation



Exercise
and fitness



Virtual
museums



Virtual tradeshow
and events



Virtual
tourism



Architectural design
and walkthroughs



Physical
therapy



Education

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Source: Company's Investor Presentation

Omni-directional treadmills are specialized locomotion platforms that convert natural human movement—walking, running, and actions such as turning or crouching—into motion inside virtual environments without requiring large physical spaces. Unlike conventional treadmills, which allow only linear forward motion, they support 360-degree movement so that users can navigate expansive digital worlds while remaining effectively stationary in the real world. This architecture addresses VR’s “locomotion problem” by eliminating reliance on thumb stick controls or warehouse-scale play areas and instead using physical movement as the primary input.

Virtuix’s Omni system uses a low-friction, bowl-shaped base, an adjustable support harness, and specialized footwear with slip-resistant inserts to enable controlled sliding steps in any direction. The harness help maintain balance and prevent falls, while embedded and headset-based sensors track body motion and orientation, translating these signals

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into in-game locomotion with high spatial accuracy and low latency. The resulting experience more closely mirrors real-world movement—users lean and stride to accelerate, rotate their torso to change direction, and physically crouch or sprint—creating a highly immersive form of “active VR” that can also provide meaningful cardiovascular exercise.

Omni-directional treadmills are a critical enabling layer for three high-value markets and give Virtuix multiple monetization paths.

Exhibit 2: Diversified Revenue Streams



Source: Company's Investor Presentation

- **Consumer gaming and fitness:** Omni One converts sedentary gaming into full-body activity, effectively functioning as a “Peloton for gamers,” with early users reporting significant calorie burn and weight loss. The system supports standalone VR, PC VR, and Meta Quest via the Made for Meta program, targeting roughly 17 million higher-income U.S. households with existing gaming hardware and expanding into Europe from 2026.
- **Enterprise training and location-based entertainment:** Omni Arena (four-player attraction) and Omni One Enterprise (SDK-enabled unit) serve amusement centers, corporates, and universities, with about 80 Arena installs and over 500,000 registered players. These deployments generate recurring, high-margin revenue through Omni Care maintenance, usage-based Omni verse credits, and enterprise licensing, with management targeting 60–70% gross margins versus roughly 30–40% on consumer hardware.
- **Defense simulation and mission planning:** Virtual Terrain Walk (VTW) pairs Omni locomotion with AI-generated, geo-specific 3D terrain to support multi-user mission rehearsal for U.S. and allied forces. Early prototypes are in use at the U.S. Military Academy at West Point, the U.S. Air Force Academy, and Yokota Air Force Base, and management views VTW as a longer-dated but higher-margin opportunity, with meaningful revenue expected only after fiscal 2027 as procurement, security, and sourcing requirements are met.

Products & Revenue Model

Virtuix's business model rests on a vertically integrated platform that generates revenue through both **one-time hardware sales** and **recurring software and service income**, deliberately designed to create long-term customer value and predictable cash flows while maintaining healthy gross margins. The Company sells products across three distinct end markets—consumer, enterprise, and defense—each with tailored offerings, pricing structures, and margin profiles that collectively support management's dual-use growth strategy.

Product Portfolio: Hardware Foundation

Consumer Products

Exhibit 3: Consumer Sales

Consumer Sales
Revenues From Both Hardware and Software



Source: Company's Investor Presentation

Omni One (Complete System) is Virtuix’s flagship consumer product, bundling the Omni-directional treadmill with an integrated standalone VR headset, so no external hardware is required. Priced at **\$3,495** (or roughly **\$122/month** via Affirm), it targets “exergamers” seeking combined gaming and cardiovascular exercise, with customer testimonials highlighting significant calorie burn and weight-loss outcomes. At current pricing and cost structure, management estimates **~40% hardware gross margin**: loaded COGS of **~\$2,100** and a **~\$1,400** per-unit contribution. With an estimated **~\$1,000** customer acquisition cost, hardware economics alone nearly cover CAC, and first-year software attach (roughly **\$140** Omni Online subscription plus **~\$60** of game purchases) adds about **\$180** of high-margin contribution, taking total first-year contribution to roughly **\$1,580** and supporting an

immediate payback on acquisition spend. Even before considering multi-year subscription renewals and additional game purchases, Omni One’s unit economics compare favorably with other premium gaming hardware, while providing upside from recurring software revenue.

Omni One Core (Treadmill-Only) – \$2,595

Omni One Core is a treadmill-only configuration for customers who already own a VR headset and gaming PC, priced at **\$2,595** (about **\$90/month** via financing). It targets more experienced VR users—roughly 40% of Omni One purchasers—by lowering upfront cost while maintaining **~40% gross margins**, as simpler hardware offsets the lower ASP. Core units connect to PCs through Virtuix’s Omni Connect Windows application, providing access to a broad catalog of SteamVR titles without requiring proprietary content, and serving as a bridge into the wider PC-VR ecosystem.

Omni One for Quest (Meta Partnership) – Launching CY26

In February 2026, Virtuix joined Meta’s “**Made for Meta**” program and that management expects will become the primary consumer offering. This version is designed for Meta Quest’s large installed base (about 20 million headsets, with roughly 6 million active users) and will be sold as a premium locomotion accessory within the Quest ecosystem. The Quest SKU is expected to carry **~30% hardware gross margins**—versus ~40% for the standalone system—reflecting Meta licensing and revenue-sharing, and initially will rely mainly on Quest native titles rather than Virtuix’s Omni Online subscription and game store, reducing near-term software contribution but expanding reach and lowering customer-acquisition friction. This margin-for-scale trade-off is similar to that seen in console accessory markets and is central to Virtuix’s strategy to drive higher unit volumes through platform alignment with Meta.

Enterprise Products

Exhibit 4: Enterprise Sales

Enterprise Sales

Bring in High-Value Revenues



Corporate training and simulation



Education



Medical



Real estate & design

ENTERPRISE OMNI ONE
(US, EU, Asia)

Treadmill only without VR headset

Pioneering AI-driven 3D reconstruction of real-world environments for industrial training and other applications

Integrating Omni One with Embodied AI for robot teleoperation and training data capture

Selling price: \$4,995

Target gross margin:

70%

OMNI ARENA
(US only)

Secondary market sales

Recurring revenues:

- ✓ Game credits
- ✓ Replacement parts
- ✓ Omni Care fees

Target gross margin:

70%

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Source: Company’s Investor Presentation

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Omni One Enterprise – \$4,995

Omni One Enterprise is a commercial-grade configuration aimed at corporate training, education, and institutional research, priced at **\$4,995** per unit. It includes an enterprise license, access to Virtuix's SDK for custom application development, and one year of developer support, with management targeting **60–70% gross margins**, materially above consumer hardware given buyers' need for support, customization, and commercial usage rights. Applications span workforce and safety training, architectural and real-estate walkthroughs, virtual museums and tourism, and academic studies requiring precise motion capture. Sales are handled directly in the U.S. and via distributors in Europe and Asia, allowing Virtuix to leverage local partners for compliance, localization, and service without building full in-country commercial infrastructure.

Omni Arena (Legacy) – \$174,000

Omni Arena, launched in 2019, is a turnkey four-player esports attraction built around four Omni Pro treadmills, multiplayer software, esports contests, and automated operations, historically priced at **\$174,000** per installation. The company sold approximately **80 systems**, generating about **\$12 million** in cumulative revenue and over **500,000 registered players**, with survey data showing 98% repeat-play intent and 45% of visitors attending venues specifically for the Omni experience. New system sales ceased in 2025 following the strategic shift to Omni One, but the installed base now delivers high-margin recurring revenue via mandatory **Omni Care** maintenance contracts (around **\$2,000 per quarter**), Omniverse time-based gameplay credits (roughly **\$0.10 per minute**), and replacement parts and secondary-market transactions, at gross margins near **70%**. This evolution from capital-intensive hardware deployments to a service-oriented revenue stream complements Virtuix's consumer DTC focus and improves overall economic resilience.

Defense Products (In Development)

Exhibit 5: Defense Sales

Virtual Terrain Walk

"VTW" Summary



Virtuix

VTW enables commanders and units to walk through geo-specific terrain for immersive mission planning, terrain reconnaissance, and leader rehearsals.

Walk The Terrain Before You Fight On It

Immersive Mission Planning
Physically walk high-fidelity, geo-specific virtual terrain in 360 degrees to familiarize yourself with the battlespace.

Modern Decision-Support
Identify key terrain, NAIs for intelligence collection, determine kill zones, place weapons, and mark routes.

Distributed Leader Rehearsals
Eliminate assembly risk with 12+ geographically distributed stations for multi-user planning and rehearsals.

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Source: Company's Investor Presentation

Virtual Terrain Walk (VTW) – Pricing TBD

Virtual Terrain Walk (VTW) is Virtuix's flagship defense product and the core of its dual-use strategy, pairing Omni Omni-directional treadmills with AI-driven 3D reconstruction to create walkable, geo-specific digital twins of real-world terrain from drone and ground imagery. Multi-user VTW stations allow geographically dispersed units to conduct mission planning and leader rehearsals by physically "walking the terrain" with full 360-degree movement inside photorealistic virtual replicas of operational environments.

Management expects VTW to be priced with targeted gross margins of **60–70%** on hardware and up to **75%** on software and services, putting it in line with other high-end defense simulation platforms. The U.S. Air Force's YokoWERX innovation cell has acquired two prototype stations for experimentation, and Virtuix aims to deliver a proof-of-concept to additional defense customers, but does not anticipate meaningful revenue contribution before fiscal **2027–2028** given multi-year procurement cycles and regulatory requirements under FAR, DFARS, export controls, and domestic-sourcing rules.

VTW's defensibility rests on three factors: Virtuix's portfolio of **25 issued patents** on omni-directional locomotion, its status as a U.S.-based company in a procurement environment that increasingly favors domestic, secure supply chains, and the high switching costs once a system is integrated into training doctrine and infrastructure, which can translate early program wins into long-duration, sole-source or incumbent-favored relationships.

Revenue Streams: Hardware + Recurring Software

Virtuix's model combines one-time hardware margin with growing, high-margin recurring software and service revenue, similar to connected-fitness and console ecosystems. Management currently estimates that recurring streams contribute roughly 10% of Omni One system revenue, with scope to increase as the installed base and customer lifetime extend beyond year one.

On the consumer side, **Omni Online** is a subscription service offering multiplayer functionality, leaderboards, free games, and community features at **\$14 per month or \$140 per year**, with gross margins approaching 100% after modest hosting costs. About **50% of Omni One purchasers** buy an annual subscription at checkout, creating immediate \$140 software attach per subscribing customer and helping offset customer-acquisition spending. Virtuix also runs a proprietary game store with roughly **60 titles**, where games are priced between **\$19.99 and \$44.99** and Virtuix retains a **30% revenue share**, comparable to other digital storefronts. Around **40% of buyers** add two games on average at checkout, generating approximately **\$60** in upfront software revenue and incremental contribution on top of hardware economics.

Omni One systems additionally support third-party content through PC-based SteamVR (via Omni Connect) and, for the upcoming Quest SKU, Meta's native game catalog, which emphasizes ecosystem breadth and user value over maximizing proprietary store revenue. Notably, the Quest-compatible Omni One will initially rely on Meta's multiplayer and content infrastructure rather than Omni Online, trading some recurring revenue per unit for greater platform reach and lower friction in customer acquisition.

Monthly Subscriptions & Game Sales

Deliver Recurring Revenue Upside

RECURRING REVENUES

- ✓ Monthly subscription for online gameplay, leaderboards, esports contests, free games, and more

- ✓ Game purchases from Omni One store



Games for sale
\$19.99 - \$39.99

\$14

"Omni Online" monthly subscription (*nearly 100% margin*)

\$30

Average game purchase (*minimum 30% margin*)

Comparables:



PlayStation.Plus

WHEN BUYING OMNI ONE:

~50% of customers add annual subscription (\$140)

~40% of customers add 2 games on average (~\$60)

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Source: Company's Investor Presentation

Enterprise recurring revenue primarily comes from servicing and monetizing the installed base of Omni Arena and legacy Omni Pro systems, at structurally higher margins than consumer hardware.

Omni Care maintenance: Omni Arena operators are required to purchase Omni Care maintenance contracts, typically **\$2,000 per quarter** per system, which cover U.S.-based support, software and game updates, and replacement of wear-and-tear components such as footwear and harness parts. These contracts carry gross margins of roughly **70%** and, on the current base of about **80 systems**, represent up to **\$640,000** of high-visibility annual recurring revenue at full utilization.

Omniverse credits and parts/secondary sales: Certain games on Omni Arena and Omni Pro require **per-minute Omniverse credits** sold to venues at approximately **\$0.10 per minute**, providing additional ~100%-margin revenue aligned with system usage. Virtuix also supplies out-of-warranty repairs and upgrades, and facilitates secondary sales of refurbished Arena systems when venues churn or reconfigure attractions, capturing incremental profit without incurring original manufacturing costs.

Market Opportunity & Total Addressable Market

Exhibit 7: Market Opportunity and Trends



Source: Company's Investor Presentation

Virtuix sits at the intersection of three secular growth markets—video gaming, VR hardware, and connected fitness—leveraging Omni One to create an active-gaming category that targets consumers who would not otherwise buy VR. Survey data show that **55%** of Omni One customers had never owned a VR headset and **40%** seldom play video games, indicating that demand is driven by the promise of immersive exercise rather than traditional gaming alone. These positioning frames Omni One as a “Peloton for gamers,” expanding its opportunity beyond the existing ~20 million Meta Quest installed base to a broader pool of health- and experience-oriented households.

U.S. consumer TAM. Virtuix defines its core U.S. market as households with both higher income and existing console ownership: roughly **131 million** total U.S. households, of which **24%** earn at least **\$75,000** (about **31.5 million**), and **53%** own a dedicated game console, yielding an estimated **~17 million** households that meet both criteria. At a **\$3,495** Omni One price point, this implies a theoretical **~\$59 billion** gross U.S. TAM, though more realistic penetration rates of **1–5%** over time translate to a **\$600 million–\$3 billion** revenue opportunity in the domestic consumer segment. Management’s customer survey, showing meaningful uptake among first-time VR users and light gamers, supports the view that this TAM is not constrained by current VR adoption but by broader demand for engaging, home-based fitness and entertainment.

International expansion. To date, Omni One sales are U.S.-only via direct-to-consumer e-commerce, but management plans to enter Europe beginning in calendar Q2 2026, with longer-term ambitions in selected Asia-Pacific markets. Target regions include Western Europe and affluent Asia-Pacific countries with high console penetration, strong

connected-fitness adoption, and income levels comparable to the U.S., which management believes could add **30–40 million** incremental addressable households over the next three to five years. Successful expansion will depend on navigating regulatory requirements (e.g., CE marking), building logistics capacity, and tailoring marketing to local norms, and management has signaled that deploying IPO proceeds to support European rollout and international DTC marketing is a key strategic priority.

Macro Market Tailwinds: Gaming, VR, and Fitness Convergence

Virtuix's growth prospects are reinforced by three independent but converging secular trends—video gaming, VR hardware, and fitness equipment—each expanding at attractive CAGRs and supported by heavy investment from major technology platforms. Omni One sits at the intersection of these markets, offering an active-gaming experience that appeals to users who are motivated by fitness as much as entertainment, and importantly, to many consumers who have never previously owned a VR headset.

1. Video gaming market – scale and content breadth

The global video games market was about **\$278 billion in 2024** and is projected to reach roughly **\$722 billion by 2034**, a **10.2% CAGR**, driven by live-service and subscription models, mobile and cloud expansion, and more social, persistent game worlds. Omni One positions itself as a premium peripheral within this ecosystem—similar in price to high-end racing wheels or flight simulator setups—but with broader applicability across shooters, adventure titles, fitness apps, and social VR. Compatibility with SteamVR libraries today and the Meta Quest ecosystem from 2026 ensures that buyers access substantial existing content without relying solely on Virtuix-developed games, reducing content risk.

2. VR headset market – platform investment without direct competition

The global VR headset market was approximately **\$9.1 billion in 2024** and is expected to grow to **\$51.9 billion by 2034**, implying a **19.7% CAGR**, as devices become lighter, wireless, and more affordable and as AI tools accelerate virtual-world creation. While this rising headset base is a structural positive, Virtuix notes that **55% of Omni One customers did not previously own a VR headset**, and **40% seldom play games**, indicating that demand is not strictly tethered to existing VR penetration. This partial decoupling offers downside protection if VR adoption is slower than forecast, while the “Made for Meta” partnership lets Virtuix piggyback on Meta’s platform scale without competing directly in headset hardware.

3. Fitness equipment market – durable health-spend tailwind

The global fitness equipment market is estimated at **\$18 billion in 2024** and projected to reach **\$31 billion by 2034**, a **5.5% CAGR**, reflecting sustained at-home fitness habits, growth of connected fitness, and rising health and wellness priorities among higher-income households. Omni One’s “Peloton for gamers” positioning directly targets this trend: customer testimonials highlight substantial calorie burn and notable weight-loss outcomes, and some buyers use HSA/FSA funds, underscoring its perception as health equipment rather than pure entertainment. In combination, these three tailwinds give Virtuix multiple ways to win—through gaming, XR, or fitness budgets—while Omni One’s cross-category appeal broadens the addressable pool beyond any single market silo.

Platform Validation: Tech Giants’ XR Spend

Virtuix’s opportunity is underpinned by unprecedented, largely irreversible investment in XR platforms by Meta, Apple, and Google, which validates immersive computing as a long-term category without putting these companies in direct competition on locomotion hardware.

- **Meta:** Since acquiring Oculus in 2014, Meta has invested an estimated **\$80 billion+** in VR/AR via Reality Labs. Its strategic goal is to establish the “next computing platform” and monetize via hardware, app stores, and advertising in virtual environments; for Virtuix, the **~20 million-unit Quest installed base** plus the **Made for Meta** program provide access to a scaled ecosystem without Meta needing to build competing locomotion devices.
- **Apple:** Industry estimates suggest Apple has invested approximately **\$20–30 billion** over several years in Vision Pro and the broader spatial computing stack. This spend is aimed at premium productivity, entertainment, and communication experiences tightly integrated with the iOS ecosystem. For Virtuix, Apple’s commitment signals that consumers will pay for high-end immersive hardware, and it preserves a potential future compatibility path if Vision Pro matures into a meaningful installed base.

- **Google:** In December 2024, Google launched **Android XR** in partnership with Samsung and Qualcomm as an open XR operating system, with initial headsets expected from 2025 onward. The intent is to position Android as the default OS layer for XR devices, competing with Meta's closed ecosystem and enabling a multi-vendor hardware landscape. A more fragmented, multi-platform XR future increases the strategic value of a **platform-agnostic locomotion layer** like Omni, which can be paired with different headsets rather than tied to a single stack.

For investors, the key implication is that Meta, Apple, and Google have already sunk tens of billions of dollars into XR ecosystems and have strong incentives to continue driving adoption. Virtuix can “surf” this wave—selling complementary hardware that improves immersion—without bearing the cost of funding headsets, app stores, or large-scale content development, and without facing these players as direct treadmill competitors.

Enterprise & Defense TAM: High-Margin, Lower-Volume Opportunities

Enterprise TAM – Training, Simulation, Experiential

Omni One Enterprise, priced at **\$4,995** with targeted **60–70% gross margins**, serves corporate training, real estate and architecture, healthcare, education, and experiential marketing use cases. Example applications include warehouse and safety training, virtual property and design walkthroughs, rehab and exposure therapy, and immersive classroom experiences. While Virtuix has not published a formal TAM estimate, third-party research places the broader corporate VR training market at roughly **\$2–3 billion** annually and growing more than **25% per year**, as enterprises replace classroom and 2D simulation with immersive tools. Virtuix competes by offering SDK access and compatibility with multiple headsets (standalone VR, PC VR, Quest), allowing integrators to build custom applications without being locked into a single proprietary platform.

Defense TAM – VTW and Simulation Systems

Virtual Terrain Walk (VTW) targets the military simulation and training market, estimated at **\$15–20 billion** globally, of which the U.S. Department of Defense accounts for roughly **\$8–10 billion** across mission rehearsal, terrain reconnaissance, and multi-domain operations. Management expects VTW systems to be priced with **60–70% hardware margins** and up to **75%** on software and services, comparable to established defense simulation offerings from large primes. A single sizable program of record—for example, deployment across dozens of brigade-level units—could generate tens of millions of dollars in revenue and high-margin gross profit, materially changing Virtuix's earnings profile relative to its current **~\$4 million** annual revenue base.

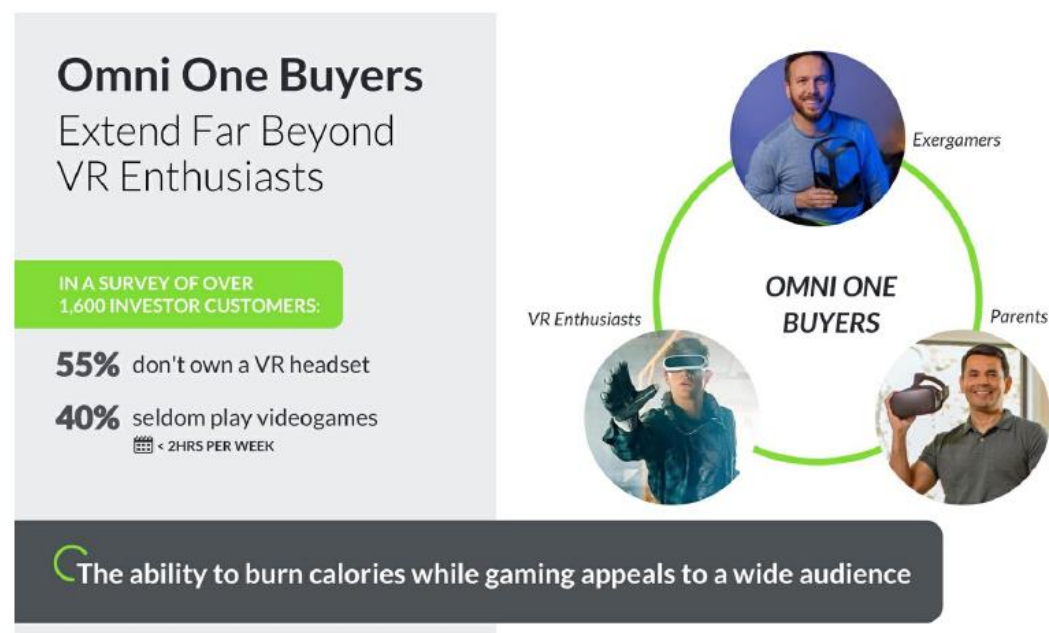
Management stresses that VTW should be viewed as a **call option** rather than a near-term base case: meaningful revenue is unlikely before fiscal **2027–2028**, given 18–36 month procurement cycles, FAR/DFARS and export-control compliance, domestic-sourcing rules, and broader U.S. budget uncertainty. In upside scenarios where VTW secures one or more programs of record, the incremental value could be several times Virtuix's present enterprise value; in downside scenarios where VTW fails to gain traction, the consumer and enterprise Omni One businesses remain intact and continue to drive the core thesis.

Category Definition: Exergaming vs. Traditional VR

Omni One should be viewed as an **exergaming** platform, not as a niche VR accessory competing only for existing headset users. Management's surveys of more than 1,600 buyers show three primary segments: roughly **40% VR enthusiasts** seeking superior locomotion and immersion, **40% exergamers** motivated by calorie burn and “guilt-free” screen time, and **20% parents/families** looking to get children more active. The majority (exergamers plus parents) are comparing Omni One to Peloton bikes, home gyms, or family entertainment options—not to other VR treadmills—which makes the **\$3,495** price point more comparable to connected-fitness hardware than to a typical gaming peripheral.

Survey data further indicate that **55% of Omni One customers had never owned a VR headset** and **40% report playing fewer than two hours of video games per week**, yet about **70% cite exercise as a key purchase reason**. Early testimonials documenting 1,700-calorie sessions and 40-pound weight-loss outcomes support the view that Omni One delivers tangible fitness benefits, reinforcing its positioning as a dual-purpose device rather than a novelty gadget. For investors, this has three implications: (1) TAM is anchored in broader health and family-entertainment budgets rather than just the VR enthusiast niche; (2) the product may prove more resilient in downturns, as health-related spending tends to be stickier than pure entertainment spend; and (3) if users achieve real fitness outcomes, Omni One is more likely to become a habitual, high-engagement product, supporting better subscription and content economics over time.

Exhibit 8: Customer Segmentation



Source: Company's Investor Presentation

Go-to-Market Strategy & Customer Acquisition

Virtuix uses a direct-to-consumer, digitally focused go-to-market model, selling Omni One exclusively through Virtuix.com rather than third-party retailers. This approach lets the company retain the full retail margin, own the customer relationship for upselling software and future hardware, and iterate quickly on messaging and product based on real-time feedback. Management estimates a blended **CAC of ~\$1,000** per Omni One customer versus **~\$1,400** hardware contribution on the complete system, implying near-immediate payback before considering high-margin software attach.

Consumer acquisition spend is concentrated in three channels. First, **paid digital advertising** on Facebook, Instagram, YouTube, and search targets higher-income gamer and fitness audiences, with creative emphasizing Omni One's combined gaming and workout benefits; retargeting and ROAS-driven bidding are core tactics. Second, **influencer partnerships** with a small group of VR and gaming creators operate on a commission basis (roughly 6–8% per sale), generating performance-linked exposure and social proof without large upfront media commitments. Third, a broader **affiliate/referral program** pays up to \$150 per completed sale via tracked links, turning satisfied customers, bloggers, and community moderators into a variable-cost sales channel that should become more meaningful as the installed base grows.

Financing and health-benefit positioning further lower purchase friction. Through Affirm, Virtuix offers plans as low as **\$122/month** for the full system and **\$90/month** for Omni One Core, reframing the decision from a \$3,495 lump-sum to a monthly commitment comparable to other subscription-style services, at the cost of incremental merchant fees. In addition, Omni One is eligible for **HSA/FSA** purchases with a Letter of Medical Necessity, and management reports that **10–20%** of units are bought using pre-tax health funds—effectively reducing after-tax price and reinforcing the product's positioning as fitness equipment as much as entertainment hardware.

Enterprise & Defense Go-to-Market: Direct Sales and Partners

In enterprise and defense, Virtuix targets lower-volume but higher-margin opportunities using a direct-plus-partner model rather than pure DTC.

Enterprise. Omni One Enterprise (priced at **\$4,995** with **60–70%** target gross margins) is sold directly in the U.S. by a small business-development team focused on training departments, universities, and experiential agencies. Sales cycles typically run **3–6 months** and involve demos, pilots, and integration work with existing training or VR platforms. Outside the U.S., Virtuix relies on distributors in Europe and Asia who handle localization, support, and customer training for a share of hardware economics, allowing the company to access key markets without building full local sales organizations. Enterprise demand is developed through trade shows (e.g., AWE), live demonstrations, and upsell into the existing base of roughly 80 Omni Arena installations, where Virtuix already has operational relationships with venue operators.

Defense. For VTW, Virtuix is pursuing a dual-channel go-to-market model typical of emerging defense technology vendors. Early deployments, such as prototype systems sold to the U.S. Air Force’s YokoWERX innovation cell, are handled through **direct contracts** in the tens to hundreds of thousands of dollars for experimentation. At the same time, for larger, more complex programs of record, management plans both to pursue opportunities **directly and to partner with major defense integrators**, who can prime contracts, integrate VTW into broader simulation solutions, and provide procurement and program-management infrastructure in exchange for a share of project margin. Virtuix guides that meaningful VTW revenue is unlikely before fiscal 2027–2028, reflecting 18–36-month procurement cycles and requirements around FAR/DFARS compliance, cybersecurity, and domestic-sourcing rules; investors should therefore treat VTW as longer-dated upside rather than a near-term revenue driver.

Competition

Virtuix competes in a tiny, technically complex VR locomotion niche where only a handful of players operate, and its edge comes more from time-in-market, IP, and positioning than from any single feature.

Market structure and barriers

The omni-directional treadmill category has fewer than five meaningful global competitors and demands long development cycles, specialized manufacturing, and patented mechanics, which make fast-follower strategies difficult. Virtuix has been in the market since 2013 and has shipped thousands of units commercially, giving it accumulated know-how, supply chain relationships, and regulatory familiarity that new entrants must build from scratch.

Direct competitors by segment

Consumer competition is primarily from KAT VR and, to a lesser extent, Cyberith, both of which skew more enterprise/prosumer in price and positioning. At the other extreme, Infinadeck targets defense and high-end enterprise with a very expensive, facility-class platform, and does not address the consumer market at all. Emerging projects like Xelerate or HexVR are still pre-scale and face typical hardware execution and crowdfunding risks, so they are more 2027+ considerations than near-term share threats.

Price–feature positioning

Omni One sits in a “Goldilocks” band: a complete, integrated system at a mid-thousands price point aimed at mass-affluent households, versus competitors that either undercut on price but with accessory-like products, or price 3–10x higher for enterprise-only solutions. This lets Virtuix frame Omni One against Peloton-class fitness and premium gaming rigs rather than \$10–50k simulators, expanding TAM while preserving roughly 40% hardware gross margins.

Exhibit 9: Treadmill Landscape Snapshot

Product	Approx. price	Core buyer	Key strength (user feedback)	Key weakness (user feedback)
Omni One	Mid-\$3k range	Consumer / exergame	Feels like a complete system (treadmill, headset, content) that makes cardio feel like gaming; hardware feels solid and mature for a first-gen home product.	Learning curve and concave plastic dish feel "awkward" at first; harness can feel restrictive; noise is noticeable when running, and some users report motion mismatch or VR sickness if tuning is off.
KAT Walk C2 / C2+	~\$2–4k+ tiers	Prosumer / arcade	Strong sense of active movement (walk, jog, strafe, pivot) with good tracking; many owners say it becomes comfortable after an adjustment period and can double as light fitness.	Requires proprietary shoes that can wear out and aren't cheap to replace; still not truly "natural" walking and backward/sideways movement feels odd to many users; setup, calibration and space needs remain non-trivial.
Cyberith Virtualizer Elite 2	~\$10–15k (est.)	Enterprise	Highly adjustable and robust platform tuned for training centres; tracking is precise and low-latency, and the second-gen design is much closer to natural walking than the original, with better ease-of-use and safety features.	A specialist, commercial-grade system: high price, large footprint and limited availability for home users; aesthetics seen as less modern than some rivals.
Infinadeck	Very high (defense / enterprise)	Defense / high-end enterprise	True motorised omnidirectional belt allows unlimited, shoe-agnostic walking and feels close to "Ready Player One" for enterprise demos and defence training.	Extremely expensive (often cited in the \$40k–60k range), heavy and bulky; clearly positioned for labs and institutions rather than consumers, with price and install complexity still "work in progress."
Source: YouTube, Vrone, Reddit LearnwithTravis				

Source: Comments from YouTube, Reddit, Vrone

User feedback summary

- Omni One is perceived as the only truly turnkey “fun + fitness” home solution, with most users praising how quickly it feels like a real workout rather than a tech demo. (learnwithtravis- YouTube)
- Competing home treadmills like KAT Walk C2 are seen as tinkerer gear—PC-dependent, calibration-heavy, and less plug-and-play—while enterprise rigs (Cyberith, Infinadeck) sit at 3–10x+ the price and are effectively non-consumer. (YouTube reviews & vrone)
- This leaves Virtuix uniquely positioned in user eyes: premium enough to feel like cutting-edge VR, but packaged and priced as a realistic home appliance rather than a lab installation. (vrone & YouTube)

Enterprise and defense defensibility

In enterprise, Virtuix mostly competes against “do nothing” (classroom/2D sims) or other training tools, so the hurdle is proving ROI rather than beating another treadmill vendor. In defense, Infinadeck and large simulation primes are the closest substitutes, but Virtuix benefits from U.S. domicile, relevant IP, and a lighter, cheaper platform that can slot into larger programs via partners rather than trying to own the full stack.

Structural moats

Defensibility is underpinned by 5–7 year development timelines, proprietary mechanics, and a still-small but real installed base that supports software ecosystems and recurring revenue. Large incumbents like Sony or Microsoft have so far chosen not to build their own treadmills, and Meta has instead moved toward partnership (e.g., “Made for Meta”—type alignments), which effectively endorses specialized players like Virtuix rather than disintermediating them.

Investment Thesis

Thesis Summary

Virtuix offers early-stage exposure to a vertically integrated VR locomotion platform at the point where unit economics are beginning to work but financials are not yet fully de-risked in the public markets. Over more than a decade, the company has developed Omni, a patented omni-directional treadmill portfolio, and is now concentrating growth on Omni One, a home system positioned at the intersection of **gaming**, fitness, and XR, with around 1,800 units shipped by September 2025 and over 20 million of cumulative hardware sales across product generations.

From an investment perspective, the core appeal is that contribution margins and capacity are in place ahead of demand scaling. Omni One is priced at \$3,495 for the complete system, with management targeting roughly 40% hardware gross margins over time and already delivering about 30% for the nine months ended December 31, 2025, as the mix shifted from discounted investor units to full-price sales. Virtuix operates its own assembly facility in Zhuhai with capacity to produce up to 3,000 Omni One units per month, implying more than \$100 million of annualized hardware revenue potential if the order book fills, while recurring software and subscription revenue (Omni Online, game sales) provides higher-margin LTV uplift.

Beyond the consumer channel, management is adding higher-margin optionality via enterprise and defense. Omni One Enterprise, priced at \$4,995, is being deployed into training and simulation use cases with targeted 60–70% gross margins, and the in-development Virtual Terrain Walk system is in early evaluation with entities such as YokoWERX and other U.S. defense stakeholders, with meaningful revenue guided no earlier than fiscal 2027. The current set-up resembles a small-cap inflection: Virtuix has just listed on Nasdaq, posted 41% year-over-year revenue growth in the nine months ended December 31, 2025, improved gross margin from negative to positive territory, and now must prove that customer acquisition, balance-sheet management, and channel expansion (including international roll-out and collaboration with major headset ecosystems) can bridge from a sub-\$10 million run-rate to a \$50–\$100 million revenue base with embedded upside from defense over a three- to five-year horizon. Investors should expect near-term reported results to reflect a meaningful step-up in public company costs — including D&O insurance, legal and accounting fees, IR infrastructure, and equity-based compensation — alongside one-time non-cash charges related to the listing itself. These are the predictable costs of accessing the public markets and should be viewed as such rather than as a signal of deteriorating fundamentals. The underlying revenue trajectory, unit economics, and capacity story remain intact, and it is those factors — not near-term EPS — that we believe will define the investment outcome over the next three to five years..

Omni One: A New Category, Not a Niche Peripheral

Omni One is behaving like a new **exergaming** category at the intersection of gaming and fitness, not a high-end peripheral for the existing VR installed base. Internally, Virtuix's survey of 1,600+ buyers shows that 55% had never owned a VR headset and 40% played fewer than two hours of videogames per week, meaning a majority of customers are entering VR through Omni One and do not fit the traditional enthusiast gamer profile. These users are buying an at-home, high-engagement fitness experience that happens to be delivered through VR, as evidenced by prominent testimonials around 1,700-calorie sessions, 40-pound weight loss, and parents explicitly citing getting kids off the couch as a core benefit.

That demand profile matters because it decouples Omni One's TAM from the relatively small VR hardware base and anchors it into much larger, faster-growing pools: the global VR headset market was roughly \$9.1 billion in 2024, but the video game market was about \$275 billion and is projected to reach around \$722 billion by 2034 (10.2% CAGR), while the fitness equipment market was about \$18 billion in 2024 and is expected to reach \$31 billion by 2034 (5.5% CAGR). Virtuix explicitly positions the business model alongside premium connected hardware and console ecosystems, and U.S. TAM work suggests roughly 17 million households with income of at least 75,000 and existing gaming devices—of which Virtuix has penetrated well under 1% with roughly 1,800 units shipped—leaving meaningful runway even if adoption remains a niche within that segment. Against the backdrop of large-cap capital spending into immersive platforms (Meta, Apple, Google) and a VR headsets market projected to grow to \$51.9 billion by 2034 at a 19.7% CAGR, Omni One's category logic is that Virtuix is not waiting on VR attach; it is onboarding fitness and gaming households into VR through a dual-use device that monetizes both hardware and recurring digital content.

Exhibit 10: Omni One vs. Addressable Pools

Market segment	2024 size	2034 projection	CAGR ('25–'34)	Omni One linkage
VR headsets (global)	\$9.1B	\$51.9B	19.70%	Indirect; 55% buyers new to VR
Video games (global)	\$275B	\$722B	10.20%	Direct; content consumption layer
Fitness equipment (global)	\$18B	\$31B	5.50%	Direct; primary motivation for many
U.S. Omni One TAM (households)	17M HH	—	—	<1% penetrated at ~1,800 units

Source GM Insights Precedence Research, Allied Market Research

Attractive Unit Economics & Operating Leverage

Omni One's current pricing and margin structure already supports positive contribution per unit and near-term CAC payback, with substantial fixed-cost leverage available as production scales. The full system is priced at \$3,495 (Core at \$2,595), and management targets roughly 40% hardware gross margin over time; this is consistent with an implied fully loaded COGS in the low-\$2,000s and ~\$1,400 of hardware contribution per full-system unit. At the consolidated level, Virtuix has already moved gross margin from a loss to about 29% for the nine months ended December 31, 2025, with nine-month revenue up 41% year-on-year to roughly 3.0 million, indicating that Omni One at scale can pull the P&L toward those 40% targets.

On the revenue stack, the model is deliberately constructed to layer high-margin software and services on top of hardware economics. Approximately 50% of Omni One buyers attach an annual Omni Online subscription at checkout (around \$140), and about 40% add two games on average (about \$60 total) with minimum 30% margin, while Omni Online itself is described as nearly 100% margin recurring revenue. That implies a typical year-one software uplift of at least \$200 of largely incremental contribution, with further upside from subscription renewals and incremental game purchases; structurally, once an estimated ~\$1,000 CAC is recovered, incremental software and accessory sales flow through at very high incremental margin.

The capacity side gives clear operating-leverage visibility. Virtuix's vertically integrated facility in Zhuhai is already configured to produce up to 3,000 Omni One units per month, which management equates to roughly \$100 million of annual revenue potential at current price points, versus a current run-rate in the low-single-digit millions. As volumes ramp toward that installed manufacturing capacity, fixed factory overhead, engineering, and core G&A can be spread across a far larger revenue base; the early evidence is a reduction in operating loss from about \$11.7 million to \$5.4 million year-on-year for the first nine months of FY26, even as Virtuix invests in marketing and VTW development. In a hardware-led consumer name, that combination—positive unit contribution, software LTV uplift, and underutilized but in-place capacity—suggests the primary risk is demand generation and execution, not the underlying economic engine.

Exhibit 11: Omni One Unit Framework

Component	Approx. value	Basis
ASP (full system)	\$3,495	Official product pricing
Implied fully loaded COGS	~\$2,100	Consistent with ~40% target hardware margin
Hardware contribution	~\$1,400	ASP minus implied COGS
CAC per unit	~\$1,000 (assumed)	Management commentary on performance marketing efficiency
Year-one software uplift	\$200+	50% attach to \$140 sub, 40% attach to \$60 games
Factory capacity	3,000 units/month	Zhuhai facility disclosure
Revenue at full capacity	>\$100M per year	Management estimate at current pricing

Source: Company Filings and Singular Estimates

Large, Growing, and Validated End Markets

Virtuix is levered to three large, secularly growing end markets—gaming, VR, and fitness—while operating in a narrow hardware niche that the platform majors have chosen not to contest directly. Global video games revenue was roughly \$278 billion in 2024 and is projected to reach about \$722 billion by 2034 (10.2% CAGR), the VR headsets market is expected to grow from \$10.3 billion in 2025 to \$51.9 billion by 2034 (19.7% CAGR), and fitness equipment is forecast to expand from approximately \$18 billion in 2024 to \$31 billion by 2034, with home fitness equipment alone rising from \$12.9 billion in 2025 to \$23.0 billion in 2034 (6.8% CAGR). At the same time, Meta, Apple, and Google have collectively invested well over 100 billion into XR hardware and platforms—Meta alone has spent an estimated \$80+ billion cumulatively through Reality Labs—yet none are building omni-directional treadmills, leaving Virtuix to specialize in the locomotion layer while piggybacking on their ecosystem and content spend.

For Omni One, this positioning means it can monetize at the intersection of all three curves: it is sold and used like a premium gaming device (high ASP, content and subscription stack), its core consumer motivation set is fitness and active entertainment rather than pure VR curiosity, and it rides on VR/AR headsets and content that others fund and market. Virtuix's own survey data underscores that dependence on VR penetration is muted—55% of Omni One customers did not previously own a VR headset, implying that the system is their entry point into immersive content rather than an add-on for existing VR power users. From an investor's standpoint, this creates an attractive asymmetry: Virtuix gets exposure to structurally expanding gaming, VR, and at-home fitness budgets, with incremental tailwinds from big-tech XR capex, but faces limited risk of direct displacement by a vertically integrated headset-plus-treadmill offering from Meta, Apple, or Google in its current horizon.

Exhibit 12: End-Market Overview

Market	2024/2025 size	2034E size	CAGR	Relevance to Virtuix
Video games (global)	\$278B (2024)	~\$722B	10.20%	Content demand, entertainment framing for Omni One
VR headsets (global)	\$10.3B (2025)	\$51.9B	19.70%	Underlying XR platform penetration
Fitness equipment (global)	\$18B (2024)	\$31B	5.50%	Fitness/health justification for purchase
Home fitness equipment	\$12.9B (2025)	\$23.0B	6.80%	At-home premium hardware pool
XR platform capex (big tech)	\$100B+ cum.	—	—	Ecosystem validation, but no direct treadmill play

Source: Global Market Insights; Precedence Research; Allied Market Research, Company filings

Moat, Defensibility, and Dual-Use Optionality

Virtuix has built a defensible position in omni-directional treadmills and is one of the few players with a credible path to monetize both consumer and defense/enterprise use cases off a common hardware platform.

On the moat side, the company holds 25 issued patents (with additional applications pending) covering mechanical design, motion tracking, and related systems, alongside 14 registered trademarks across the Omni family, and management explicitly notes that attempts to copy the product in China, Korea, the U.S., and Europe have not produced true substitutes at scale. The Omni platform also demands an unusual combination of competencies—electromechanical design, embedded sensing and algorithms, networked software and content distribution, VR game integration, and low-cost volume manufacturing in Asia—which raises execution barriers beyond what a typical VR accessory maker or indie hardware startup can easily assemble. Competitive offerings illustrate the point: KAT’s C-series treadmills cluster around roughly \$1,000–\$1,500 at the low end and materially higher for commercial systems, Cyberith’s Virtualizer Elite 2 sits in a near-\$20,000 professional price band, and Infinadeck’s large-format platforms are priced in the tens of thousands of dollars and targeted squarely at industrial and defense buyers. By contrast, Omni One delivers a fully integrated home system at about \$3,495 (with a \$2,595 Core option) and is being manufactured at volume in Virtuix’s Zhuhai facility, positioning it in a relatively uncontested “middle ground” between prosumer/consumer rigs and industrial simulators.

For dual-use optionality, Virtual Terrain Walk (VTW) and Omni One Enterprise extend this core hardware into higher-margin, stickier markets. VTW is a multi-station mission-planning and rehearsal system that lets units walk geo-specific, photorealistic terrain generated from drone and camera feeds using Gaussian splatting and other AI-driven reconstruction, with planning tools, symbology, and mission-command exports tailored to defense workflows. Early deployment with innovation units such as YokoWERX and testing at U.S. installations (including Air Force and West Point

academies) validate interest, while management guides that meaningful revenue is unlikely before fiscal 2027, effectively framing VTW as medium-term upside rather than near-term dependence. Because VTW is built around a commercial Omni platform and standard headsets, but must comply with FAR/DFARS, export controls, and sourcing rules like the Buy American Act and Berry Amendment, Virtuix's U.S. domicile and IP portfolio are material advantages versus foreign treadmill vendors in defense and sensitive enterprise contexts.

In parallel, Omni One Enterprise (around \$4,995, with a 70% target gross margin) targets corporate training, education, medical, and design use cases, while the installed base of roughly 80 Omni Arena systems continues to generate recurring revenue via maintenance contracts, credits, and parts. From an investor's perspective, these pillars mean that if the consumer Omni One business scales, Virtuix's patent- and know-how-driven moat limits direct treadmill competition and supports pricing power, while the same platform unlocks a second, higher-margin profit pool in defense and enterprise that should exhibit long contracts, high switching costs, and attractive incremental returns on R&D.

Growth Catalysts Over the Next 3–5 Years

Exhibit 13: 3-5 Year Catalyst Overview

Catalyst	Timing indication	What to watch (quantitative)	Impact on thesis
Omni One ramp & software metrics	FY26–FY29 (ongoing)	Units, net sales, GM%, sub/game ARPU, churn	Validates LTV/CAC, supports re-rating toward recurring mix
Quest / “Made for Meta” integration	Rolling over next 1–3 years	% of sales tied to Quest, CAC trends, co-marketing visibility	Expands funnel, lowers CAC, strengthens ecosystem position
European & international rollout	Europe from April 2026 onward	Intl revenue mix, regional CAC, retention	Adds second growth leg, de-risks U.S. dependence
VTW: prototypes → pilots → contracts	POC by ~YE25; meaningful revenue from FY27	Pilot count/size, initial contracts, progress to programs record	Adds high-margin, less cyclical defense upside
Omni One Enterprise & Omni Arena recurring	Ongoing	Enterprise units, Omni Care/credits/parts revenue	Incremental high-margin contribution, vertical validation

Source: Company Filings

Virtuix has identifiable catalysts that can take it from a niche device to a scaled, dual-use platform across consumer, enterprise, and defense.

Omni One ramp and software disclosure. By September 2025, Virtuix had shipped about 1,800 Omni One units, generating over \$4 million of Omni One revenue. For the nine months ended December 31, 2025, net sales were \$2.98 million, up 41% year-on-year from \$2.11 million, and gross margin improved to 29% from a 17% loss. Management targets ~40% hardware gross margin on Omni One and reports that ~50% of buyers add a \$140 annual Omni Online subscription and ~40% buy roughly \$60 of games at checkout, driving meaningful high-margin software uplift per unit. As the base grows and Virtuix discloses ARPU, churn, and attach rates, investors can underwrite LTV/CAC instead of treating it as a “black box” hardware story.

Meta / XR platform integration. Omni One is positioned as compatible with major standalone and PC-based headsets, and Virtuix has joined Meta's “Made for Meta” program, enabling Omni One compatibility with Quest headsets and opening the door to co-marketing. Meta remains the dominant consumer XR platform, and the VR headsets market is projected to grow from ~\$10.3 billion in 2025 to \$51.9 billion by 2034 (19.7% CAGR), while AR+VR together are estimated

to reach ~\$261.9 billion by 2034. Being an endorsed locomotion option inside the Quest ecosystem broadens Omni One's funnel and can lower CAC versus pure DTC.finance.

European and international rollout. To date, Omni One has been U.S.-only, with Virtuix sizing its U.S. TAM at ~17 million households earning \$75k+ and owning at least one gaming device. In February 2026, Virtuix announced expansion of Omni One to Europe, with first shipments planned for April 2026, leveraging existing Zhuhai capacity of up to 3,000 units per month (>\$100 million annual revenue potential at current pricing). Global home fitness equipment is expected to grow from ~\$12.9 billion in 2025 to ~\$23.0 billion by 2034 (6.8% CAGR), and the video game market from ~\$275–278 billion in 2024 to ~\$722 billion by 2034 (10.2% CAGR), suggesting that a portable U.S. playbook in Europe could add a second growth leg if CAC and retention are comparable.

VTW and enterprise. VTW is a multi-station, geo-specific mission-planning and rehearsal system built on Omni hardware and AI-generated terrain. Virtuix has sold two prototype stations to the U.S. Air Force academy, the YokoWERX (innovation unit at Yokota Air Force Base) and the U.S Military Academy at West Point, and targets broader proofs of concept, but guides that meaningful VTW defense revenue is unlikely before FY27. Meanwhile, Omni One Enterprise (priced at \$4,995, 70% target margin) and an installed base of ~80 Omni Arena systems generate higher-margin enterprise and LBE revenue via licenses, Omni Care maintenance, game credits, and replacement parts.

These catalysts turn Virtuix from a “cool product” into a company with specific, trackable growth vectors: Omni One units and software ARPU (U.S. + Europe), ecosystem leverage via Meta, and incremental high-margin enterprise/defense income. If Omni One can sustain ~40% hardware margin and strong subscription/game attach, the consumer base alone can drive revenue growth and margin expansion, with VTW and enterprise treated as upside rather than core to the thesis.

Management and shareholders

Jan Goetgeluk founded Virtuix in 2013 and serves as Chief Executive Officer and Chairman of the Board, leading strategy, product development (Omni Pro, Omni Arena, Omni One), and corporate development after earlier roles as an Investment Banking Associate at J.P. Morgan and Project Engineer at Belgian logistics group Katoen Natie. He holds BSc and MSc degrees in Mechanical Engineering (Mechanical Engineering & Industrial Management) from Ghent University and an MBA from Rice University, and is the largest shareholder; his ownership of all Class B common stock (20 votes per share) gives him majority voting control.

David Allan serves as President, Chief Operating Officer, and Director, overseeing global operations and Virtuix's Asian manufacturing footprint. He previously built and ran factories in Zhuhai and Malaysia for ERP Power and Flex, helped grow ERP Power to ~\$50 million in sales and 700 employees, and spent twelve years as co-owner of a Taiwan-based OEM hardware business; he holds a BSc in Systems Design Engineering from the University of Waterloo and is fluent in Mandarin.

Thomas McGinnis has been Chief Financial Officer since October 2025 and is the principal financial and accounting officer, responsible for SEC reporting, FP&A, treasury, internal controls, and investor relations, including the Nasdaq listing and equity-linked structures. A CPA licensed in Texas, he previously served as Controller of Ammo, Inc. and as an auditor at Durbin & Company, and holds BS and MS degrees from Arizona State University and the University of Texas at Dallas.

Lauren Premo serves as Head of Marketing, leading brand, performance, and partnership marketing for Omni One after senior roles at Turtle Beach (Senior Director of Brand Marketing), Corsair Gaming (including Senior Director of Software and Services), and Razer in business development and community management. She holds a BS in Business Administration (Marketing) from the University of Colorado at Boulder and drives Virtuix's digital-first customer acquisition strategy.

The Board of Directors is divided into three staggered classes and currently comprises Mr. Goetgeluk (Chairman and CEO), David Allan (President, COO, and Director), and non-management directors Brett Moyer, Ugo de Charette, John Cunningham, Parthkumar Jani, and Randolph Read;

- **Brett Moyer (Director)** is CFO and Chairman of Datavault AI (NASDAQ) and was a founding member, President, and CEO of WISA Technologies before its combination with Data Vault; he previously held CEO roles at Focus

Enhancements and leadership roles at Zenith, and has served on multiple public boards including RYVYL Inc., bringing public-company, capital markets, and operating experience.

- **Ugo de Charette (Director)** is a long-time media and rights executive who spent nearly two decades as General Manager of Tous Contes Fées managing a catalogue of musical rights and overseeing a diversified media/technology/real-estate investment portfolio, contributing a global perspective and investment-management background; he holds a BA in International Economics and International Affairs from the American University in Paris.
- **John Cunningham (Director)** is founder and CEO of Spatial Synergy, focused on digital transformation for defense and manufacturing, and previously headed Government and Aerospace at Unity Technologies and served as CRO at The DiSTI Corporation, where he led pivots toward SaaS and federal business; he holds a BS in Data Processing from Florida A&M and an MBA in Technology Management.
- **Parthkumar Jani (Director)** is founder and CEO of JC Team Capital, a venture fund investing across entertainment, hospitality, and real estate, and brings experience in portfolio management and growth investing; he holds a BA in Business Administration from Centennial College in Toronto.
- **Randolph Read (Director)** is President and CEO of Nevada Strategic Credit Investments and International Capital Markets Group, with extensive board experience across public companies including New York REIT, SandRidge Energy, Enzon Pharmaceuticals, and Luby's; he is a CPA and holds an MBA in Finance from Wharton and a BS from Tulane University, contributing deep capital-markets and governance expertise.

To align management and director incentives with shareholders, Virtuix granted approximately 2.15 million RSUs under the 2025 Omnibus Incentive Plan (aggregate fair value of ~\$3.56 million) that vest over roughly six months to four years following listing, and maintains a separate 2025 Long-Term Incentive Plan under which nonqualified stock options, including awards to David Allan, have been issued. Following the preferred-to-common reclassification and introduction of high-vote Class B shares, Mr. Goetgeluk's holdings provide effective control over stockholder votes, while other executives and directors each hold less than 10% of voting power and the remaining Class A equity is widely held by institutional investors, prior crowdfunding participants, and Streeterville-related holders.

Latest Quarterly Results

Virtuix Holdings Inc. – Q3 FY2026 Update (Quarter Ended Dec 31, 2025)

Virtuix delivered strong year-to-date growth and margin expansion in Q3 FY2026 as Omni One scaled, while remaining in investment mode and reliant on external capital.

Headline results and cash flow

- For the nine months ended December 31, 2025, net sales grew 41% to \$2.98M from \$2.11M, driven primarily by Omni One shipments and fulfillment of earlier preorders, **with new Omni One and Omni One Core orders in December 2025 up 60% year-on-year, underscoring strong holiday demand supporting that growth trajectory.**
- Over the same period, gross margin improved from -17% (gross loss \$0.36M) to 29% (gross profit \$0.87M), reflecting the Omni One price increase from \$2,595 to \$3,495, better factory utilization, and the roll-off of discounted investor units.
- Q3 net sales were \$0.96M, down 24% year-on-year versus \$1.26M, as the company lapped a heavy Omni One preorder-fulfillment quarter and shifted mix toward in-period, holiday-driven consumer orders.
- For the nine months, net loss narrowed to \$6.89M from \$12.02M, helped by stronger gross profit and the absence of a \$4.65M stock-based compensation charge booked in the prior year.
- Q3 gross profit was \$0.29M (30% margin) versus a small gross loss in the prior-year quarter (-2% margin), as higher pricing and better overhead absorption offset lower volume.
- Q3 operating expenses were \$2.13M (vs. \$1.82M), with higher selling expense for Omni One holiday marketing partially offset by lower G&A and R&D.

- Q3 net loss was \$2.73M (vs. \$1.97M), as higher gross profit was more than offset by increased interest expense, amortization of debt discounts, and elevated advertising.
- Adjusted EBITDA was -\$4.68M for the nine months versus -\$6.71M a year earlier, and -\$1.63M in Q3 versus -\$1.63M in the prior-year quarter, indicating gradual improvement in underlying cash earnings despite continued investment.
- Operating cash outflow for the nine months was \$5.54M (vs. \$6.34M), and cash at December 31, 2025 was \$1.07M.

Segment and product performance

- Omni One (home system). For the nine months, Omni One revenue was \$2.13M (vs. \$1.36M), cementing its role as Virtuix's primary growth driver. Q3 Omni One revenue was \$0.76M vs. \$0.93M a year ago, reflecting a tough comparison against a backlog-heavy quarter rather than weaker underlying demand. Management noted that new Omni One and Omni One Core orders in December 2025 were up 60% year-on-year, highlighting strong holiday momentum and reinforcing the health of the run-rate consumer business exiting the quarter.
- Omni Arena / location-based. For the nine months, Omni Arena revenue increased to \$0.46M from \$0.33M, reflecting deliveries earlier in the year before Virtuix shifted the product into "maintenance mode." Q3 Omni Arena revenue declined to \$22K from \$193K as the focus moved from new installs to servicing the installed base.
- Other revenue. Omni Pro, Omniverse credits, and Omni Care contributed \$0.43M of revenue in the nine months, roughly flat versus \$0.42M in the prior year. Gift card liabilities tied to converted preorders and investor incentives reached \$0.45M, representing future product deliveries that will convert to revenue upon redemption.

Strategic initiatives and positioning

- Omni One scale-up and margin improvement. Higher ASPs on Omni One, better absorption of manufacturing overhead, and the roll-off of discounted investor units have already taken gross margin from negative territory to the high-20s/low-30s. Management expects further margin expansion as volumes scale, logistics efficiencies improve, and a greater share of units are sold at full price.
- Dual-use strategy: consumer + defense (VTW). Virtuix is scaling Omni One as a consumer platform while developing Virtual Terrain Walk (VTW) for defense and simulation customers, with recent activity including demonstrations at I/ITSEC and test deployments at the U.S. Air Force Academy, YokoWERX, and West Point; management continues to guide that meaningful VTW defense revenue is unlikely before FY2027.
- Manufacturing diversification. Production remains centered in China, but Virtuix has built Taiwan as an alternative manufacturing base to mitigate tariff and geopolitical risk and plans to shift more output there if trade frictions with China persist.

Balance sheet, funding, and capital structure

- As of December 31, 2025, Virtuix reported \$6.36M of total assets, \$9.31M of total liabilities, and a stockholders' deficit of \$2.95M, with an accumulated deficit of \$69.38M.
- The capital structure is heavily equity-linked and debt-like:
 - \$3.34M of secured convertible notes held by Streeterville Capital, tied to a prepaid equity-purchase structure and ultimately settleable in stock at a discount.
 - \$1.97M of unsecured 2024 Notes plus roughly \$0.4M of accrued interest, extended to March 31, 2026, which management is seeking to refinance or equitize.
 - \$1.65M of Second 2025 subordinated convertible notes (principal equal to 110% of invested cash), maturing March 31, 2026 and convertible at a 15% discount to the \$8.75 reference price; about \$0.72M of these notes converted to equity after quarter-end.
 - A \$50M Equity Purchase Agreement with Streeterville, under which an initial \$8.0M advance (principal \$8.64M) was funded at listing in January 2026 and is convertible into stock, subject to market-cap and volume thresholds.
- Subsequent to quarter-end, liquidity improved via the initial \$8.0M Streeterville advance, roughly \$3.14M from Streeterville warrant exercises, \$0.30M from Western Technology warrant exercises, and the \$0.72M reduction in Second 2025 Notes principal through conversion to equity.
- Management believes that, assuming successful refinancing or conversion of the 2024 Notes and remaining Second 2025 Notes by March 31, 2026, current cash plus committed facilities are sufficient to fund at least nine months of operations from the filing date; to fully execute its 12-month plan, Virtuix estimates it needs approximately \$2.0M of additional capital, likely via further use of the Streeterville facility and related equity-linked transactions.

Outlook and key watchpoints

Management expects continued operating losses in 2026 as it prioritizes Omni One scale-up, marketing, and public-company costs, but sees a path to better profitability through:

- Higher Omni One volumes at current ASPs and improving manufacturing efficiency.
- A mix shift toward full-price consumer units as discounted investor preorders are largely fulfilled.
- Longer-term layering in of VTW defense revenues from FY2027 onward.

Key risks include sustained negative cash flow, reliance on external capital (particularly Streeterville and equity markets), tariff and geopolitical exposure from China manufacturing, and long, uncertain defense procurement timelines. Over the next 12–18 months, investors should watch:

- Omni One order trends, unit volumes, gross margin progression, and the durability of holiday-driven strength such as the 60% YoY growth in December 2025 orders.
- Progress on refinancing or converting the 2024 Notes and remaining Second 2025 Notes ahead of their March 31, 2026 maturity.
- Utilization of the Streeterville equity line, associated dilution, and covenant compliance.
- Early VTW traction, including movement from prototypes to funded pilots and, in time, programs of record with U.S. defense customers.

Valuation

We value VTIX using a blend of peer-group multiples and a Discounted Cash Flow (DCF) model, with our WACC derived from the capital structure and risk assumptions summarized below. Our VTIX peer set is composed of small-cap XR/immersive hardware and software names and higher-growth gaming/fitness platform companies, reflecting Virtuix's positioning at the intersection of gaming, VR, and connected fitness rather than as a traditional consumer electronics OEM. We apply the industry-average Price/Sales multiples from this group to our forward VTIX revenue forecasts to derive a set of relative valuation outcomes; averaging these outputs and discounting them back one year at VTIX's estimated cost of equity of **11.0%** yields a peer-based intrinsic value estimate that forms the first leg of our valuation framework.

The exhibit below summarizes our peer group multiples

Exhibit 14: VTIX Peer Group Multiples and Price Targets

Company Name	Ticker	Market Cap (\$MM)	Price-to-Sales NTM	Price-to-Book TTM	Trailing P/E
Vuzix Corp	VUZI	\$ 204.33	16.34	7.26	NM
Turtle Beach Corp	TBCH	\$ 250.06	0.66	2.26	15.01
Unity Software Inc.	U	\$ 8,594.85	4.02	2.65	NM
Peloton Interactive Inc.	PTON	\$ 1,629.63	0.67	NM	NM
Sony Group Corp	6768 JP	\$ 133,686.85	1.66	2.54	NM
Corsair Gaming Inc.	CRSR	\$ 634.63	0.44	1.00	NM
CAE Inc.	CAE	\$ 9,585.11	2.64	2.51	34.46
Booz Allen Hamilton	BAH	\$ 9,875.12	0.86	9.66	12.17
Sogecclair SA	ALSOG	\$ 111.81	0.59	NM	NM
Industry Averages			3.10	3.14	15.01

VTIX Target Multiples	4.65
FY30 (Sales)	\$ 120.97
Target Price	\$ 18.23
Target Price Discounted	\$ 10.80

Source: Factset (March 11th 2026)

Our DCF model complements the relative valuation by explicitly capturing operating leverage and Omni One/VTW optionality. We project detailed income statement and cash flow items for the first three forecast years, then assume that EBIT grows at a constant compound annual rate over years four through eight, reflecting a maturing, but still high-growth, Omni One franchise with incremental contribution from enterprise and early VTW contracts. We discount projected free cash flows and a terminal value back to present using a **WACC of 10.95%**, which is based on an unlevered beta of **1.22**, a 10-year Treasury yield of **4.15%**, an equity risk premium of **5.50%**, a 21% tax rate, and a modest debt load that results in a market-value debt-to-capital ratio of **2.5%**; these inputs imply a **cost of equity of 11.03%** and an after-tax cost of debt of **7.9%**. The DCF produces an intrinsic value estimate of approximately **\$10.96 per share**, modestly above our peer-based outcome, reflecting the model's sensitivity to medium-term revenue growth and margin expansion from today's sub-scale base.

We then average the output from our peer-group valuation and the DCF value to arrive at our final VTIX price target of \$10.91, which we round down to **\$10.90**. Against a current share price this implies roughly a **34% discount** to our blended intrinsic value and corresponds to an equity market value of about **\$336 million** on 30.9 million shares outstanding and a de minimis net debt position. Given VTIX's early-stage risk profile, limited operating history as a public company, and sensitivity to execution on Omni One scaling and VTW commercialization, we view this blended approach as more appropriate than relying solely on any single framework: the peer-group anchors VTIX to how the market values comparable growth and risk, while the DCF lets us underwrite the specific cash-flow trajectory we see as most likely over the next 5–10 years.

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Rating Definitions

BUY, 30% or greater increase in the next 12 months.

BUY-Long-Term, near-term EPS horizon is challenging, attractive long-term appreciation potential.

BUY-Venture, initial stages with little to no revenue and the potential for outsized returns with higher amounts of risk and volatility.

HOLD, perform in line with the market.

SELL, 30% or more declines in the next 12 months.

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Technical Analysis



VTIX

PE based on Proforma EPS

Virtuix Holdings, Inc.

Quarterly Results & Estimates

\$ in 000s

	2025 Actual	2026 Estimated					2027 Estimated				
	Fiscal 2025A	1QA Jun-25	2QA Sep-25	3QA Dec-25	4QE Mar-26	Fiscal 2026E	1QE Jun-26	2QE Sep-26	3QE Dec-26	4QE Mar-27	Fiscal 2027E
Total Revenues	\$ 3,590.44	\$ 1,032.14	\$ 984.81	\$ 963.82	\$ 950.87	\$ 3,931.63	\$ 669.48	\$ 1,008.38	\$ 2,069.25	\$ 1,315.89	\$ 5,063.00
Revenue Growth(y-o-y)	49.0%	218.7%	88.3%	-23.8%	-35.7%	9.5%	-35.1%	2.4%	114.7%	38.4%	28.8%
Cost of Sales	\$ 3,817.82 106%	\$ 856.06 82.9%	\$ 577.26 58.6%	\$ 674.40 70.0%	\$ 679.87 71.5%	\$ 2,787.59 71%	\$ 488.72 73.0%	\$ 736.12 73.0%	\$ 1,531.25 74.0%	\$ 973.76 74.0%	\$ 3,729.84 74%
Gross Profit	\$ (227.38)	\$ 176.08	\$ 407.55	\$ 289.42	\$ 271.00	\$ 1,144.04	\$ 180.76	\$ 272.26	\$ 538.01	\$ 342.13	\$ 1,333.16
Gross margin	-6.3%	17.1%	41.4%	30.0%	28.5%	29.1%	27.0%	27.0%	26.0%	26.0%	26.3%
Selling expenses	\$ 1,645.15 45.8%	\$ 1,049.66 101.7%	\$ 345.79 35.1%	\$ 733.66 76.1%	\$ 665.61 70.0%	\$ 2,794.72 71.1%	\$ 749.82 112.0%	\$ 705.87 70.0%	\$ 827.70 40.0%	\$ 592.15 45.0%	\$ 2,875.53 56.8%
General and administrative expenses	\$ 10,129.11 280%	\$ 959.39 93.0%	\$ 1,407.06 142.9%	\$ 1,172.33 121.6%	\$ 6,172.25 260%	\$ 9,711.03 247.0%	\$ 2,374.54 180%	\$ 2,315.08 180%	\$ 2,362.33 90%	\$ 2,342.25 140%	\$ 9,394.20 185.5%
Research and development expenses	\$ 2,185.13 50%	\$ 208.72 20.2%	\$ 189.47 19.2%	\$ 226.57 23.5%	\$ 237.72 25%	\$ 862.48 25%	\$ 334.74 50%	\$ 352.93 35%	\$ 351.77 17%	\$ 394.77 30%	\$ 1,434.21 30%
Total operating expenses	\$ 13,959.39	\$ 2,217.77	\$ 1,942.32	\$ 2,132.57	\$ 7,075.57	\$ 13,368.22	\$ 3,459.10	\$ 3,373.88	\$ 3,541.80	\$ 3,329.16	\$ 13,703.95
% of sales	388.8%	214.9%	197.2%	221.3%	744.1%	340.0%	516.7%	334.6%	171.2%	253.0%	270.7%
Operating Profit	\$ (14,186.77)	\$ (2,041.69)	\$ (1,534.77)	\$ (1,843.14)	\$ (6,804.58)	\$ (12,224.18)	\$ (3,278.34)	\$ (3,101.62)	\$ (3,003.79)	\$ (2,987.03)	\$ (12,370.79)
Operating Margin	-395.1%	-197.8%	-155.8%	-191.2%	-715.6%	-310.9%	-489.7%	-307.6%	-145.2%	-227.0%	-244.3%
Interest expense	\$ (369.42)	\$ (119.30)	\$ (318.97)	\$ (870.72)	\$ (3,800.00)	\$ (5,108.98)	\$ (4,650.00)	\$ (1,950.00)	\$ (150.00)	\$ (150.00)	\$ (6,900.00)
Interest income	\$ 1.37	\$ 0.19	\$ 0.11	\$ 0.27	\$ -	\$ 0.57	\$ 60.00	\$ 60.00	\$ -	\$ -	\$ 120.00
Loss on debt extinguishment	\$ -	\$ (122.86)	\$ -	\$ -	\$ -	\$ (122.86)	\$ -	\$ -	\$ -	\$ -	\$ -
Other income (expenses)	\$ (0.07)	\$ -	\$ 0.17	\$ 5.28	\$ (2,500.00)	\$ (2,494.56)	\$ -	\$ -	\$ -	\$ -	\$ -
Pretax Income	\$ (14,554.89)	\$ (2,283.67)	\$ (1,853.45)	\$ (2,708.31)	\$ (13,104.58)	\$ (19,950.01)	\$ (7,868.34)	\$ (4,991.62)	\$ (3,153.79)	\$ (3,137.03)	\$ (19,150.79)
Total Income Taxes	\$ 78.96	\$ 23.42	\$ 0.75	\$ 22.63	\$ -	\$ 46.80	\$ -	\$ -	\$ -	\$ -	\$ -
Share of Loss in Joint Venture	\$ (14.95)	\$ (0.07)	\$ -	\$ -	\$ -	\$ (0.07)	\$ -	\$ -	\$ -	\$ -	\$ -
Net Income (loss)	\$ (14,648.79)	\$ (2,307.16)	\$ (1,854.20)	\$ (2,730.94)	\$ (13,104.58)	\$ (19,996.88)	\$ (7,868.34)	\$ (4,991.62)	\$ (3,153.79)	\$ (3,137.03)	\$ (19,150.79)
Shares for Basic EPS (000)	29,462.51	15,000.00	15,000.00	30,839.24	30,839.24	22,919.62	32,000.00	33,000.00	34,000.00	34,500.00	33,375.00
Shares for Diluted EPS (000)	29,462.51	15,000.00	15,000.00	30,839.24	30,839.24	22,919.62	32,000.00	33,000.00	34,000.00	34,500.00	33,375.00
EPS Basic	\$ (0.50)	\$ (0.15)	\$ (0.12)	\$ (0.09)	\$ (0.42)	\$ (0.87)	\$ (0.25)	\$ (0.15)	\$ (0.09)	\$ (0.09)	\$ (0.57)
EPS Diluted	\$ (0.50)	\$ (0.15)	\$ (0.12)	\$ (0.09)	\$ (0.42)	\$ (0.87)	\$ (0.25)	\$ (0.15)	\$ (0.09)	\$ (0.09)	\$ (0.57)

VTIX
Virtuix Holdings Inc.
Balance Sheet
\$ in 000

	2025 Actual	2026 Estimated					2027 Estimated				
	Fiscal 2025A	1QA Jun-25	2QA Sep-25	3QA Dec-25	4QE Mar-26	Fiscal 2026E	1QE Jun-26	2QE Sep-26	3QE Dec-26	4QE Mar-27	Fiscal 2027E
Cash and Cash Equivalents	\$ 477.91	\$ 477.91	\$ 564.57	\$ 1,074.64	\$ 10,918.91	\$ 10,918.91	\$ 8,417.22	\$ 5,798.50	\$ 3,453.96	\$ 528.91	\$ 528.91
Accounts Receivables	\$ 125.67	\$ 125.67	\$ 233.91	\$ 215.91	\$ 162.40	\$ 162.40	\$ 114.34	\$ 172.23	\$ 353.42	\$ 224.75	\$ 224.75
Inventories	\$ 1,456.25	\$ 1,456.25	\$ 1,132.78	\$ 1,380.27	\$ 1,038.23	\$ 1,038.23	\$ 401.69	\$ 605.03	\$ 1,241.55	\$ 789.53	\$ 789.53
Prepaid Expenses and other assets	\$ 306.15	\$ 306.15	\$ 611.19	\$ 735.91	\$ 553.55	\$ 553.55	\$ 334.74	\$ 504.19	\$ 1,034.63	\$ 657.95	\$ 657.95
Total Current Assets	\$ 2,365.98	\$ 2,365.98	\$ 2,542.44	\$ 3,406.72	\$ 12,673.08	\$ 12,673.08	\$ 9,267.99	\$ 7,079.95	\$ 6,083.55	\$ 2,201.14	\$ 2,201.14
Property and Equipment, net	\$ 464.90	\$ 464.90	\$ 399.16	\$ 418.62	\$ 331.14	\$ 331.14	\$ 371.14	\$ 409.80	\$ 449.80	\$ 489.80	\$ 489.80
Intangible Assets, Net	\$ 1,981.70	\$ 1,981.70	\$ 1,754.25	\$ 1,648.13	\$ 1,648.13	\$ 1,648.13	\$ 1,648.13	\$ 1,648.13	\$ 1,648.13	\$ 1,648.13	\$ 1,648.13
Investment in joint venture	\$ 40.69	\$ 40.69	\$ 40.62	\$ 40.62	\$ 40.62	\$ 40.62	\$ 40.62	\$ 40.62	\$ 40.62	\$ 40.62	\$ 40.62
Other Assets	\$ 86.26	\$ 86.26	\$ 185.15	\$ 125.98	\$ 125.98	\$ 125.98	\$ 125.98	\$ 125.98	\$ 125.98	\$ 125.98	\$ 125.98
Right-of-use asset – operating	\$ 835.49	\$ 835.49	\$ 757.47	\$ 715.60	\$ 715.60	\$ 715.60	\$ 715.60	\$ 715.60	\$ 715.60	\$ 715.60	\$ 715.60
TOTAL ASSETS	\$ 5,775.02	\$ 5,775.02	\$ 6,679.09	\$ 6,355.67	\$ 15,534.56	\$ 15,534.56	\$ 12,169.46	\$ 10,020.08	\$ 9,063.68	\$ 5,221.27	\$ 5,221.27
Accounts Payables	\$ 807.40	\$ 807.40	\$ 1,137.47	\$ 1,275.99	\$ 959.79	\$ 959.79	\$ 669.48	\$ 1,008.38	\$ 2,069.25	\$ 1,315.89	\$ 1,315.89
Accrued expenses	\$ 502.00	\$ 502.00	\$ 734.11	\$ 808.47	\$ 608.13	\$ 608.13	\$ 401.69	\$ 605.03	\$ 1,241.55	\$ 789.53	\$ 789.53
Deferred revenue	\$ 1,769.56	\$ 1,769.56	\$ 738.20	\$ 727.27	\$ 727.27	\$ 727.27	\$ 727.27	\$ 727.27	\$ 727.27	\$ 727.27	\$ 727.27
Gift card liability	\$ -	\$ -	\$ 456.55	\$ 448.09	\$ 448.09	\$ 448.09	\$ 448.09	\$ 448.09	\$ 448.09	\$ 448.09	\$ 448.09
Due to related party	\$ 40.00	\$ 40.00	\$ 63.90	\$ 21.80	\$ 21.80	\$ 21.80	\$ 21.80	\$ 21.80	\$ 21.80	\$ 21.80	\$ 21.80
Current Portion of Long-term Debt	\$ 2,589.98	\$ 2,589.98	\$ 2,759.54	\$ 5,287.06	\$ 9,887.06	\$ 9,887.06	\$ 9,887.06	\$ 9,887.06	\$ 9,887.06	\$ 9,887.06	\$ 9,887.06
Current Portion of EDIL loans	\$ 0.55	\$ 0.55	\$ 0.56	\$ 0.57	\$ 0.57	\$ 0.57	\$ 0.57	\$ 0.57	\$ 0.57	\$ 0.57	\$ 0.57
Lease liability - operating	\$ 204.05	\$ 204.05	\$ 170.79	\$ 175.42	\$ 175.42	\$ 175.42	\$ 175.42	\$ 175.42	\$ 175.42	\$ 175.42	\$ 175.42
Total Current Liabilities	\$ 5,913.53	\$ 5,913.53	\$ 6,061.11	\$ 8,744.66	\$ 12,828.12	\$ 12,828.12	\$ 12,331.36	\$ 12,873.60	\$ 14,570.99	\$ 13,365.62	\$ 13,365.62
Long-term Debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
EDIL loan	\$ 24.09	\$ 24.09	\$ 23.81	\$ 23.66	\$ 23.66	\$ 23.66	\$ 23.66	\$ 23.66	\$ 23.66	\$ 23.66	\$ 23.66
Lease liability	\$ 631.44	\$ 631.44	\$ 586.68	\$ 540.18	\$ 540.18	\$ 540.18	\$ 540.18	\$ 540.18	\$ 540.18	\$ 540.18	\$ 540.18
TOTAL LIABILITIES	\$ 655.52	\$ 6,569.06	\$ 6,671.60	\$ 9,308.50	\$ 13,391.96	\$ 563.84	\$ 12,895.21	\$ 13,437.45	\$ 15,134.84	\$ 13,929.46	\$ 563.84
Preferred stock	\$ 21.69	\$ 21.69	\$ -	\$ -	\$ -	\$ -	\$ 27.50	\$ 28.50	\$ 29.50	\$ 30.00	\$ 30.00
Common Stock - Class A	\$ 8.26	\$ 8.26	\$ 25.27	\$ 26.35	\$ 26.35	\$ 26.35	\$ 4.50	\$ 4.50	\$ 4.50	\$ 4.50	\$ 4.50
Common Stock - Class B	\$ -	\$ -	\$ 5.50	\$ 4.50	\$ 4.50	\$ 4.50	\$ -	\$ -	\$ -	\$ -	\$ -
Additional Paid in Capital	\$ 61,668.61	\$ 61,668.61	\$ 65,630.66	\$ 66,401.21	\$ 84,601.21	\$ 84,601.21	\$ 89,600.06	\$ 91,899.06	\$ 92,398.06	\$ 92,897.56	\$ 92,897.56
SAFE notes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retained Earnings (Deficit)	\$ (62,492.59)	\$ (62,492.59)	\$ (66,653.95)	\$ (69,384.89)	\$ (82,489.47)	\$ (82,489.47)	\$ (90,357.81)	\$ (95,349.43)	\$ (98,503.22)	\$ (101,640.26)	\$ (101,640.26)
TOTAL EQUITY	\$ (794.03)	\$ (794.03)	\$ (992.51)	\$ (2,952.83)	\$ 2,142.60	\$ 2,142.60	\$ (725.75)	\$ (3,417.37)	\$ (6,071.16)	\$ (8,708.19)	\$ (8,708.19)
TOTAL LIABILITIES & EQUITY	\$ 5,775.02	\$ 5,775.02	\$ 5,679.09	\$ 6,355.67	\$ 15,534.56	\$ 15,534.56	\$ 12,169.46	\$ 10,020.08	\$ 9,063.68	\$ 5,221.27	\$ 5,221.27

Streeterville holds convertible instruments and warrants that, at its option, can convert funded debt into equity and provide additional cash proceeds;

VTIX
Virtuix Holdings Inc.
Cash Flow Statement
\$ in 000

	2025 Actual	2026 Estimated					2027 Estimated				
	Fiscal 2025A	1QA Jun-25	2QA Sep-25	3QA Dec-25	4QE Mar-26	Fiscal 2026E	1QE Jun-26	2QE Sep-26	3QE Dec-26	4QE Mar-27	Fiscal 2027E
Net Income	\$ (14,648.79)	\$ (2,307.16)	\$ (1,854.20)	\$ (2,730.94)	\$ (13,104.58)	\$ (19,996.88)	\$ (7,868.34)	\$ (4,991.62)	\$ (3,153.79)	\$ (3,137.03)	\$ (19,150.79)
Depreciation and Amortization	\$ 482.39	\$ 158.78	\$ 157.01	\$ 151.31	\$ 152.14	\$ 619.23	\$ 160.00	\$ 161.34	\$ 160.00	\$ 160.00	\$ 641.34
Amortization of discount on notes payable	\$ 13.73	\$ 0.97	\$ 217.58	\$ 717.61	\$ 3,000.00	\$ 3,936.16	\$ -	\$ -	\$ -	\$ -	\$ -
Amortization of loan cost	\$ -	\$ 1.13	\$ 3.04	\$ 9.37	\$ 2,500.00	\$ 2,513.54	\$ 4,500.00	\$ 1,800.00	\$ -	\$ -	\$ 6,300.00
Credit (recovery) loss expense	\$ (17.91)	\$ 36.92	\$ (9.30)	\$ 12.00	\$ -	\$ 39.62	\$ -	\$ -	\$ -	\$ -	\$ -
Share-based Compensation Expense	\$ 5,860.70	\$ 10.90	\$ 10.95	\$ 14.17	\$ 1,500.00	\$ 1,536.02	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 2,000.00
Loss on debt extinguishment	\$ -	\$ 122.86	\$ -	\$ 0.02	\$ -	\$ 122.88	\$ -	\$ -	\$ -	\$ -	\$ -
Stock issuance in exchange for services	\$ -	\$ -	\$ -	\$ 232.58	\$ -	\$ 232.58	\$ -	\$ -	\$ -	\$ -	\$ -
Share of loss in joint venture	\$ 14.95	\$ 0.07	\$ -	\$ -	\$ -	\$ 0.07	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts Receivable	\$ (78.09)	\$ (53.22)	\$ (82.64)	\$ 6.00	\$ 53.50	\$ (76.35)	\$ 48.06	\$ (57.88)	\$ (181.19)	\$ 128.67	\$ (62.34)
Inventories	\$ (485.76)	\$ 292.56	\$ 30.91	\$ (247.48)	\$ 342.04	\$ 418.02	\$ 636.54	\$ (203.34)	\$ (636.52)	\$ 452.02	\$ 248.69
Prepaid Expenses and Other Assets	\$ 648.43	\$ 86.97	\$ (348.78)	\$ (65.56)	\$ 182.36	\$ (145.00)	\$ 218.81	\$ (169.45)	\$ (530.44)	\$ 376.68	\$ (104.40)
Accounts Payable	\$ 410.62	\$ 351.19	\$ (21.12)	\$ 138.53	\$ (316.20)	\$ 152.39	\$ (290.31)	\$ 338.90	\$ 1,060.87	\$ (753.36)	\$ 356.10
Accrued Expenses	\$ 272.87	\$ 193.65	\$ (113.46)	\$ 74.34	\$ (200.34)	\$ (45.83)	\$ (206.44)	\$ 203.34	\$ 636.52	\$ (452.02)	\$ 181.41
Operating lease liabilities	\$ (282.59)	\$ (68.17)	\$ (73.95)	\$ -	\$ -	\$ (142.12)	\$ -	\$ -	\$ -	\$ -	\$ -
Gift card liability	\$ -	\$ -	\$ 456.55	\$ (8.47)	\$ -	\$ 448.09	\$ -	\$ -	\$ -	\$ -	\$ -
Deferred revenue	\$ (80.79)	\$ (339.91)	\$ (691.45)	\$ (10.93)	\$ -	\$ (1,042.29)	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Activities - Net Cash Flow	\$ (7,890.25)	\$ (1,512.47)	\$ (2,124.22)	\$ (1,899.11)	\$ (5,891.08)	\$ (11,426.87)	\$ (2,301.69)	\$ (2,418.71)	\$ (2,144.55)	\$ (2,725.04)	\$ (9,589.99)
Purchase Of Property and Equipment	\$ (113.15)	\$ (1.30)	\$ (19.08)	\$ (64.65)	\$ (64.65)	\$ (149.70)	\$ (200.00)	\$ (200.00)	\$ (200.00)	\$ (200.00)	\$ (800.00)
Purchase of Intangible Assets	\$ (354.04)	\$ (2.19)	\$ -	\$ -	\$ -	\$ (2.19)	\$ -	\$ -	\$ -	\$ -	\$ -
Investing Activities - Net Cash Flow	\$ (467.19)	\$ (3.50)	\$ (19.08)	\$ (64.65)	\$ (64.65)	\$ (151.89)	\$ (200.00)	\$ (200.00)	\$ (200.00)	\$ (200.00)	\$ (800.00)
Issuance of preferred stock	\$ 2,999.05	\$ 1,493.87	\$ 451.48	\$ -	\$ -	\$ 1,945.35	\$ -	\$ -	\$ -	\$ -	\$ -
Proceeds from SAFE notes	\$ 3,598.81	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Payments on short-term notes payable	\$ (411.25)	\$ (110.99)	\$ (332.19)	\$ -	\$ -	\$ (443.19)	\$ -	\$ -	\$ -	\$ -	\$ -
Payments on long-term notes payable	\$ (0.36)	\$ (0.13)	\$ (0.14)	\$ (0.14)	\$ -	\$ (0.41)	\$ -	\$ -	\$ -	\$ -	\$ -
Proceeds from short-term notes payable	\$ 2,367.50	\$ 217.68	\$ -	\$ 1,515.49	\$ -	\$ 1,733.17	\$ -	\$ -	\$ -	\$ -	\$ -
Payment for equity repurchase	\$ (2.75)	\$ -	\$ -	\$ -	\$ 3,400.00	\$ 3,400.00	\$ -	\$ -	\$ -	\$ -	\$ -
Proceeds from convertible note	\$ -	\$ -	\$ 2,000.00	\$ 1,000.00	\$ (3,400.00)	\$ (400.00)	\$ -	\$ -	\$ -	\$ -	\$ -
Warrants exercised	\$ 0.10	\$ 0.08	\$ 2.38	\$ 0.58	\$ 7,800.00	\$ 7,803.03	\$ -	\$ -	\$ -	\$ -	\$ -
Due to related parties	\$ 14.23	\$ 21.35	\$ 2.55	\$ (42.10)	\$ -	\$ (18.20)	\$ -	\$ -	\$ -	\$ -	\$ -
Cash Advance	\$ -	\$ -	\$ -	\$ -	\$ 8,000.00	\$ 8,000.00	\$ -	\$ -	\$ -	\$ -	\$ -
Financing Activities - Net Cash Flow	\$ 8,565.32	\$ 1,621.85	\$ 2,124.08	\$ 2,473.83	\$ 15,800.00	\$ 22,019.76	\$ -	\$ -	\$ -	\$ -	\$ -
Exchange Rate Effect	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cash and Equivalents - Change	\$ 207.88	\$ 105.89	\$ (19.23)	\$ 510.07	\$ 9,844.27	\$ 10,441.00	\$ (2,501.69)	\$ (2,618.71)	\$ (2,344.55)	\$ (2,925.04)	\$ (10,389.99)
Cash Beginning	\$ 270.03	\$ 477.91	\$ 583.79	\$ 564.57	\$ 1,074.64	\$ 477.91	\$ 10,918.91	\$ 8,417.22	\$ 5,798.50	\$ 3,453.96	\$ 10,918.91
Cash End	\$ 477.91	\$ 583.79	\$ 564.57	\$ 1,074.64	\$ 10,918.91	\$ 10,918.91	\$ 8,417.22	\$ 5,798.50	\$ 3,453.96	\$ 528.91	\$ 528.91

Streeterville's warrants could, if exercised, provide incremental cash inflows that help offset operating cash burn;

Virtuix Holdings, Inc.: Valuation

