EQUITY RESEARCH — MOMENTUM DESK

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GMM Rips Premarket on a China Micro-Cap Frenzy — a 1.68M Float Doing All the Work

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◆ DESK TAKE

Gapping hard premarket July 10 on a China micro-cap sympathy frenzy — no GMM-specific PR, just a ~1.7M post-split float meeting massive volume after Thursday's 100x volume spike at the 52-week low. Dilution machinery is live: $300M shelf on file and an $8M raise done in May at far lower prices, so paper into strength is a real risk. Watch the $5 area as resistance and the ~$4 premarket VWAP zone as first support into the open; below that it's air to the high-$2s.

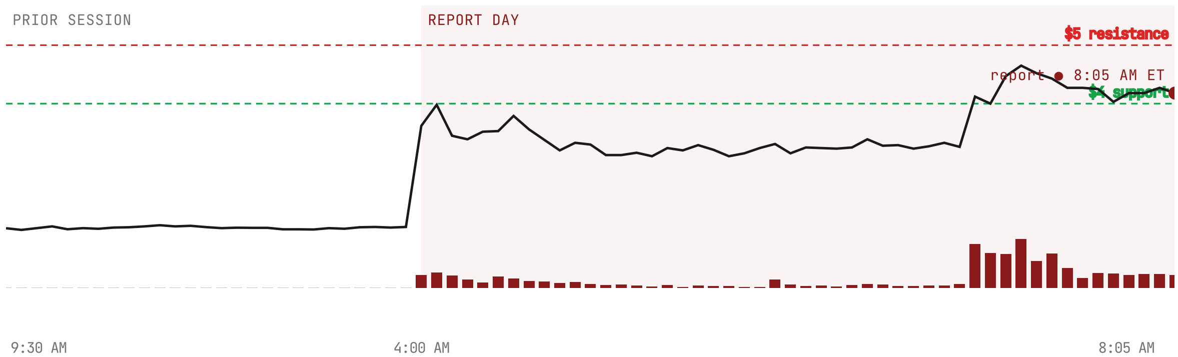
DATA BOX

Price	$5.14
Change	+177.79%
Volume	6.38M
Float	1.68M
Mkt cap	$9.20M

MECHANICS

GMM has roughly 1.79M Class A shares outstanding (1.68M float) after a 1-for-50 reverse split effective June 11, 2026, enacted to maintain Nasdaq minimum bid compliance. A $300M mixed securities shelf was filed in March 2026, an $8M registered direct offering closed in May 2026, and a $4.8M private placement closed in December 2025; over 2.4M Class B shares were granted to executives in March 2026. The company reported a full-year net loss of roughly $19M; no going-concern determination was identified in reviewed materials.

GMM — PRIOR SESSION → REPORT TIME



DATA BOX — MACHINE-VERIFIED

Data Box — GMM · as of 8:22 AM ET, 2026-07-10 · Pre-market session

METRIC	VALUE
Price	$5.14
Previous close	$1.85
Change	+177.79%
Volume	6.38M
Float	1.68M
Shares outstanding	1.79M
Market cap	$9.20M
52-week range	$1.80 - $164.50
Avg daily volume (20d)	3.03M
Relative volume	N/A (premarket)

All figures machine-sourced from market data APIs at publication time.

GMM owns the premarket tape this morning, July 10. Global Mofy AI closed Thursday in the mid-$1.80s, sitting a nickel off its 52-week low, and by the early session it had tagged the $5 area before settling back into the mid-$4s.

Premarket volume alone has turned the float over dozens of times before the bell. Wild? Yes. News-driven? Not exactly.

There's no company press release on the wire this morning. The move is riding a China small-cap frenzy — a Finviz-carried headline flagged "ZBAO partnership news ignites China small-cap frenzy driving GMM 96% premarket surge", and it's not alone: fellow Chinese micro-cap ZCMD has roughly doubled in the past 24 hours. That's sector sympathy meeting a sub-2M float. Structural move, not a fundamental one — useful information either way.

The tell was Thursday

Wednesday July 8 printed the 52-week low. Thursday July 9, volume exploded to roughly 100x the prior sessions' pace — and price went nowhere, closing flat. Somebody was churning millions of shares at the low without moving the tape. When a dead low-floater suddenly absorbs that kind of turnover and then gaps 150%+ overnight, that's the loaded-spring signature. The company itself is a Beijing-based AI content shop: an AI-driven technology solutions provider in virtual content production and digital assets, using its "Mofy Lab" platform of 3D rebuild and AI interactive technology to create virtual versions of physical-world objects. Recent operational headlines are real, if not new: a Gausspeed generative-AI platform milestone integrating its 3D asset library, an application to join the Snowflake Partner Network, and a strategic equity stake in Moonshot AI, developer of China's Kimi LLM.

The mechanics you can't ignore

The float is this thin because of surgery, not scarcity. A 1-for-50 reverse split took effect June 11, cutting Class A shares from roughly 89.58 million to about 1.79 million, done to maintain Nasdaq minimum bid compliance. The dilution machinery is warm:

- A $300M mixed securities shelf filed in March 2026
- An $8 million registered direct offering in May 2026 and a $4.8 million private placement in December 2025
- Over 2.4 million Class B shares granted to top executives in March

A company that raised $8M at dramatically lower split-adjusted prices, with a live shelf, now has a tape trading multiples of Thursday's close. Fresh paper into this strength is a mechanical risk, not a hypothetical.

The bracket into the open

Resistance is the $5 area — this morning's premarket ceiling, and a level flagged post-split as a psychological and technical barrier that previously acted as support before the breakdown. Clear it on sustained volume and there's little overhead structure until split-adjusted air much higher. First support is the premarket VWAP zone around $4 — holding above it says buyers still control the session; losing it with the float this churned opens a fast round trip toward the high-$2s premarket low, and the $1.80s below that is Thursday's world. Halt risk is extreme at this velocity — size for gap-through-your-stop outcomes, not clean fills. One more date for the calendar: earnings are due July 28, which keeps a second-act catalyst on the board if this consolidates rather than collapses.

Not investment advice — do your own research; micro-cap volatility of this magnitude can produce total loss of capital.

MECHANICS BOX — THE STRUCTURAL READ

- Shares outstanding: 1.79M · Float: 1.68M
- Dilution-relevant SEC filings (30d): none found in the last 30 days
- Splits: 1-for-50 reverse (2026-06-11), 1-for-15 reverse (2024-11-26)
- GMM has roughly 1.79M Class A shares outstanding (1.68M float) after a 1-for-50 reverse split effective June 11, 2026, enacted to maintain Nasdaq minimum bid compliance. A $300M mixed securities shelf was filed in March 2026, an $8M registered direct offering closed in May 2026, and a $4.8M private placement closed in December 2025; over 2.4M Class B shares were granted to executives in March 2026. The company reported a full-year net loss of roughly $19M; no going-concern determination was identified in reviewed materials.

The Setup: This is a Float Squeeze play — read the pattern guide to learn how these setups typically unfold.