



2026

1st Quarter Financial Report
and
OTC Pink Basic Disclosure



BONAL INTERNATIONAL, INC.

Bonal International, Inc. and Subsidiary

Consolidated Balance Sheets

	June 30, 2025	March 31, 2025
Assets		
Current Assets		
Cash	\$ 975,436	\$ 1,057,375
Accounts receivable-trade, net	157,872	192,970
Inventories, net	579,641	608,937
Prepaid expenses and other current assets:		
Prepaid expenses	26,510	38,365
Refundable income taxes	17,572	11,700
Other current assets	52,256	35,464
	<u>1,809,287</u>	<u>1,944,811</u>
Property and Equipment, Net	16,445	18,857
Deferred Tax Asset	64,200	64,200
Other Assets		
Operating lease right-of-use assets	25,273	44,491
Finance lease right-of-use assets - Net	20,651	21,477
	<u>20,651</u>	<u>21,477</u>
Total assets	<u><u>\$ 1,935,856</u></u>	<u><u>\$ 2,093,836</u></u>
Liabilities and Stockholders' Equity		
Current Liabilities		
Accounts payable	\$ 49,651	\$ 80,143
Accrued and other current liabilities:		
Accrued compensation	61,862	103,644
Customer deposits and advances	27,000	59,770
Accrued income tax liabilities	91	200
Other accrued liabilities	2,483	1,576
Current portion of lease liabilities	26,086	45,501
Current portion of finance lease liabilities	4,567	4,500
Total current liabilities	<u>171,740</u>	<u>295,334</u>
Long-Term Liabilities		
Finance lease liabilities	16,405	17,573
Stockholders' Equity		
	<u>1,747,711</u>	<u>1,780,929</u>
Total liabilities and stockholders' equity	<u><u>\$ 1,935,856</u></u>	<u><u>\$ 2,093,836</u></u>

The accompanying notes are an integral part of these consolidated financial statements.

B O N A L I N T E R N A T I O N A L , I N C .

Consolidated Statements of Operations

	First Quarter Ended June 30,	
	2025	2024
Net Sales		
Contract revenue	\$ 250,739	\$ 320,629
Rental revenue	90,760	53,850
Total net sales	<u>341,499</u>	<u>374,479</u>
Cost of Sales	<u>95,367</u>	<u>89,510</u>
Gross Profit	246,132	284,969
General and Administrative Expenses	288,267	276,416
Operating Income (Loss)	<u>(42,135)</u>	<u>8,553</u>
Nonoperating Income (Expense)		
Interest income (expense)	3,317	2,299
Other income (expense)	(272)	(190)
Total nonoperating income	<u>3,045</u>	<u>2,109</u>
Income (Loss) - Before income taxes	(39,090)	10,662
Income Tax Expense (Benefit)	(5,872)	2,351
Net Income (Loss)	<u><u>\$ (33,218)</u></u>	<u><u>\$ 8,311</u></u>
Per-Share Data - Net Income (Loss)	\$ (0.02)	\$ 0.00
Average Number of Shares Used in per Share Computation	1,747,922	1,747,922

The accompanying notes are an integral part of these consolidated financial statements.

Bonal International, Inc. and Subsidiary

Consolidated Statements of Stockholders' Equity

	Class A Common Stock	Additional Paid-in Capital	Retained Earnings	Total
Balance - April 1, 2022	8,740	688,212	969,941	1,666,893
Net Income	-	-	51,321	51,321
Dividends (\$0.05 per share)	-	-	(87,396)	(87,396)
Balance - March 31, 2023	8,740	688,212	933,866	1,630,818
Net Income	-	-	6,934	6,934
Balance - March 31, 2024	8,740	688,212	940,800	1,637,752
Net Income	-	-	143,177	143,177
Balance - March 31, 2025	8,740	688,212	1,083,977	1,780,929
Net Loss	-	-	(33,218)	(33,218)
Balance - June 30, 2025	\$ 8,740	\$ 688,212	\$ 1,050,759	\$ 1,747,711

The accompanying notes are an integral part of these consolidated financial statements.

Bonal International, Inc. and Subsidiary

Consolidated Statements of Cash Flows

	Quarter Ended June 30,	
	2025	2024
Cash Flows Provided by (Used in) Operating Activities		
Net income (loss)	\$ (33,218)	\$ 8,311
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation and amortization	3,812	2,397
Operating lease expense	19,218	18,307
Finance lease expense	826	
Net change in:		
Accounts receivable-trade, net	35,098	49,142
Inventories, net	29,296	11,701
Prepaid expenses and other	(4,937)	17,564
Refunable income taxes	(5,872)	2,710
Accounts payable	(30,492)	(1,436)
Accrued liabilities and other	(73,754)	(57,651)
Operating lease liabilities	(19,415)	
Finance lease liabilities	(1,101)	(18,457)
Net cash provided by (used in) operating activities	(80,539)	32,588
Cash Flows Used in Investing Activity		
Purchase of property and equipment	(1,400)	(2,888)
Net Increase (Decrease) in Cash	(81,939)	29,700
Cash - Beginning of year	1,057,375	872,501
Cash - End of year	<u>\$ 975,436</u>	<u>\$ 902,201</u>

The accompanying notes are an integral part of these consolidated financial statements.

Bonal International, Inc. and Subsidiary

Notes to Consolidated Financial Statements
June 30, 2025, and June 30, 2024

Note 1 – Nature of Business and Summary of Significant Financial Accounting Policies

Principles of Consolidation – The accompanying consolidated financial statements include the accounts of Bonal International, Inc. and its wholly - owned subsidiary, Bonal Technologies, Inc. (collectively, the “Company”). All material intercompany accounts and transactions have been eliminated in the accompanying consolidated financial statements.

Nature of Business – Headquartered in Royal Oak, Michigan, Bonal Technologies, Inc. provides a complete variety of consulting, training, program design, and metal stress relief services to several industries including: automotive, aerospace, mining, petroleum, shipbuilding, welding, machine tooling, plastic molding, racing, engine building, armament, and die casting. The Company’s patented technology and its three distinct product lines: (1) Meta-Lax Stress Relief, (2) Pulse Puddle Arc Welding (PPAW), and (3) Black Magic, are sold throughout the United States and in 64 foreign countries.

Basis of Accounting – The Company maintains its books on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP).

Cash and Cash Equivalents - The Company considers all highly liquid investments with original maturities of six months or less to be cash equivalents. The Company maintains balances in various cash accounts which may, at times, exceed the amount of related federal insurance. The Company has not experienced any losses on such accounts and believes it is not exposed to any significant credit risk on cash. At June 30, 2025 and 2024, cash and cash equivalents consisted of the following:

	<u>June 30, 2025</u>	<u>June 30, 2024</u>
Cash in financial institutions	\$ 643,046	\$ 687,013
Certificates of deposit	<u>332,390</u>	<u>215,188</u>
	<u>\$ 975,436</u>	<u>\$ 902,201</u>

Concentrations - The Company had four customers that accounted for approximately 75% and four different customers that accounted for approximately 63% of accounts receivable-trade, net at March 31, 2025 and 2024, respectively. Due to the nature of the Company’s business, the customers that comprise these concentrations change from year to year.

Use of Estimates – The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting year. Actual results could differ from those estimates, and such differences may be material.

Accounts Receivable, Contract Assets, and Allowance for Credit Losses - The Company operates in the metal working industries and its accounts receivable and contract assets are primarily derived from wholesale customers. Since the Company’s trade receivables and contract assets are largely similar, the Company evaluates its allowance for credit losses as one portfolio segment. Accounts receivable are uncollateralized customer obligations due under normal trade terms requiring -

Note 1 – Nature of Business and Summary of Significant Financial Accounting Policies (Continued)

Accounts Receivable, Contract Assets, and Allowance for Credit Losses (continued) payment within 30 days from the invoice date. The Company does not charge interest on unpaid accounts receivable balances. Accounts receivable are stated at amounts billed to the customer.

At each consolidated balance sheet date, the Company recognizes an expected allowance for credit losses. In addition, also at each reporting date, this estimate is updated to reflect any changes in credit risk since the receivable or contract asset was initially recorded. This estimate is calculated on a pooled **Accounts Receivable, Contract Assets, and Allowance for Credit Losses (continued)** - basis where similar risk characteristics exist. Accounts receivable are evaluated individually when they do not share similar risk characteristics which could exist in circumstances where amounts are considered at risk or uncollectible.

The allowance estimate is derived from a review of the Company's historical losses based on the aging of receivables. This estimate is adjusted for management's assessment of current conditions, reasonable and supportable forecasts regarding future events, and any other factors deemed relevant by the Company. The Company believes historical loss information is a reasonable starting point in which to calculate the expected allowance for credit losses as the Company's portfolio segment has remained consistent since the Company's inception.

The Company writes off receivables and contract assets when there is information that indicates the debtor is facing significant financial difficulty and there is no possibility of recovery. If any recoveries are made from any accounts previously written off, they will be recognized in income or as an offset to credit loss expense in the year of recovery, in accordance with the Company's accounting policy election. The total amount of write-offs was immaterial to the consolidated financial statements as a whole for the year ended March 31, 2025.

Prior to the adoption of ASC 326, the carrying amount of accounts receivable was reduced by a valuation allowance that reflected management's best estimate of the amounts that would not be collected. Management individually reviewed all overdue accounts receivable and based on an assessment of current creditworthiness, estimated the portion, if any, of the balance that would not be collected. Additionally, management estimated an allowance for the aggregate remaining accounts receivable based on historical collectability. Balances that were still outstanding after management had used reasonable efforts to collect were written off through a charge to the valuation allowance and a credit to accounts receivable.

Inventories – Inventories consist of raw materials, work in progress, and finished goods and are stated at the lower of cost, determined on the first-in, first-out (FIFO) method, or net realizable value. Finished goods includes a rental fleet for units rented to customers on a short term basis. At June 30, 2025 and 2024, approximately \$87,000 relate to rental units within finished goods. A valuation allowance is provided for obsolete and slow-moving inventory to write down costs to net realizable value. The Company has recorded an obsolescence reserve as of June 30, 2025 and 2024, of approximately \$10,000.

Note 1 – Nature of Business and Summary of Significant Financial Accounting Policies (Continued)

Property and Equipment – Property and equipment are recorded at cost. Depreciation and amortization of property and equipment is provided by use of the straight-line and accelerated methods over the estimated useful lives of the assets as follows:

Machinery and equipment	7 – 10 years
Displays	5 years
Transportation equipment	5 years
Office furniture and equipment	3 – 10 years
Leasehold improvements	lease term

Revenue Recognition – The Company’s revenues primarily result from the sale of new and used metal stress relief products and accessories and related rental, servicing, repair, and training services. The issuance of a purchase order is generally the point at which a contract is identified for accounting and financial reporting purposes. The Company recognizes revenue for the sale of new and used units, and the related servicing, repair, and training services when the Company satisfies its performance obligation under the contract by transferring the promised product or service to the customer when the customer obtains control of the product or service. For products, this generally happens at the point of shipment. Products sold by the Company are delivered via shipment from the Company’s facilities. For services, this happens upon completion of the service. The Company’s contracts primarily consist of a single performance obligation.

The Company utilizes the following practical expedients and policy elections when recognizing revenue and related costs: (1) to apply certain practical expedients available with respect to disclosure requirements, (2) the transaction price is not adjusted for any significant financing component, as the expected time period between when the Company transfers the promised goods to the customer and payment is less than one year, (3) incremental costs of obtaining a contract are expensed when the amortization period is one year or less, (4) ASC 606 is applied to a portfolio of contracts (or performance obligations) with similar characteristics, (5) all shipping and handling activities are accounted for as activities to fulfill the promise to transfer the good, not as a separate performance obligation, and (6) the transaction price excludes tax amounts assessed by governmental authorities that are both (i) imposed on and concurrent with a specific to nonpublic companies with respect to disclosure requirements and (ii) collected from customers.

The Company provides a warranty for its products. Such warranties, however, are limited to standard contractually based periods and are not separately sold, and are considered to be assurance-type warranties that are not separate performance obligations.

Rental revenues are recognized over the term of the lease agreement as the customer receives/consumes the benefit, typically monthly. Generally, rental customers are required to provide security deposits at the inception of the contract. Any remaining deposits are returned within 30 days of the end of the contract.

Note 1 – Nature of Business and Summary of Significant Financial Accounting Policies (Continued)

Leases - The Company determines if an arrangement is, or contains, a lease at the inception date. In evaluating contracts to determine if they qualify as a lease, the Company considers factors such as if the Company has obtained substantially all of the rights to the underlying asset through exclusivity, if the Company can direct the use of the asset by making decisions about how and for what purpose the asset will be used, and if the lessor has substantive substitution rights. This evaluation may require significant judgment.

Right-of-use (ROU) assets represent the right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. Operating lease ROU assets and lease liabilities are recognized at the commencement date based primarily on the present value of lease payments over the lease term. In determining the discount rate used to measure the ROU assets and lease liabilities, the Company uses rates implicit in the lease, when available. If the rate implicit in the lease is not readily available, the Company has elected to use a risk-free rate for all classes of assets. The risk-free rate used is the “U.S. Treasury Bill Rate” in effect at the commencement of the lease for a similar term. The operating lease ROU assets also include any lease payments made at commencement and exclude lease incentives. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise that option. Lease expense is recognized on a straight-line basis over the lease term.

The Company elected to apply the short-term lease exemption. Under this exemption, ROU assets and lease liabilities are not recognized for leases with an initial term of 12 months or less. The Company does not currently have any material short-term lease arrangements.

The Company elected the practical expedient to account for lease and non-lease components as a single lease component. For arrangements accounted for as a single lease component, there may be variability in future lease payments as the amount of the non-lease components is typically revised from one period to the next. Payments for non-lease components, which are primarily comprised of common area maintenance, utilities, insurance, capital expenditures, and real estate taxes that are passed on from the lessor in proportion to the space leased, are recognized in operating expenses in the period in which the obligation for those payments was incurred.

Income Taxes – Deferred tax assets and liabilities are recognized for the future tax benefits and consequences attributable to differences between the consolidated financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized.

Bonal International, Inc. and Subsidiary

Notes to Consolidated Financial Statements
June 30, 2025, and June 30, 2024

Note 1 – Nature of Business and Summary of Significant Financial Accounting Policies (Continued)

Income Taxes (continued) - The Company recognizes and discloses uncertain tax positions in accordance with GAAP. As of March 31, 2025 and 2024, and for the years ended March 31, 2025, 2024, and 2023, the Company did not have a liability for unrecognized tax benefits.

Earnings per Common Share – Earnings per common share are based on the number of common shares outstanding at the end of the year.

Note 2 – Inventories

Major classes of inventories are as follows:

	June 30, 2025	March 31, 2025
Raw materials	\$ 289,699	\$ 305,016
Work in process	148,991	162,995
Finished goods	151,022	150,997
Total	589,712	619,008
Reserve for obsolescence	(10,071)	(10,071)
Total Inventories, Net	\$ 579,641	\$ 608,937

Note 3 – Property and Equipment

Major classes of property and equipment are as follows:

	June 30, 2025	March 31, 2025
Machinery and equipment	\$ 61,810	\$ 60,410
Displays	29,078	29,078
Transportation equipment	46,448	46,448
Office furniture and equipment	236,587	236,587
Leasehold improvements	18,823	18,823
Total cost	392,746	391,346
Accumulated depreciation and amortization	(376,302)	(372,489)
Property and equipment – Net	\$ 16,445	\$ 18,857

Depreciation and amortization expense was \$3,812 and \$2,397 for the months ended June 30, 2025 and 2024, respectively.

Bonal International, Inc. and Subsidiary

Notes to Consolidated Financial Statements
June 30, 2025, and June 30, 2024

Note 4 – Income Taxes

The provision for (benefit from) income taxes consists of the following for the first quarter ending:

	<u>2025</u>	<u>2024</u>
Current expense (benefit)	\$ (5,872)	\$ 2,351
Net income tax expense (benefit)	<u>\$ (5,872)</u>	<u>\$ 2,351</u>

Deferred tax assets result primarily from differences in the year of deductibility of certain expenses as well as capitalization of research and development expenses. Deferred tax liabilities result from different methods used for depreciation for financial reporting and income tax purposes. The Company had no valuation allowance on its deferred tax asset in either year.

Note 5 - Commitments

Leases

The Company maintains operating and finance leases primarily for office and warehouse space and copy machine. These leases have remaining lease terms expiring through August 2029.

For the years ended March 31, 2025 and 2024, the Company's expenses relating to leases consist of the following:

	<u>2025</u>	<u>2024</u>
<u>Finance lease expense:</u>		
Amortization of ROU assets	\$ 3,304	
Interest on lease liabilities	931	
Total finance lease expense	<u>\$ 4,235</u>	<u>\$</u>
Operating lease expense	\$ 76,076	\$ 76,076

At March 31, 2025 and 2024, other information related to the Company's leases consisted of the following:

	<u>2025</u>	<u>2024</u>
Weighted average remaining lease term:		
Operating leases	0.58 years	1.58 years
Finance leases	4.42 years	
Weighted average discount rate:		
Operating leases	2.63%	2.63%
Finance leases	6.00%	

Bonal International, Inc. and Subsidiary

Notes to Consolidated Financial Statements June 30, 2025, and June 30, 2024

Note 5 - Commitments (Continued)

Leases (continued)

At March 31, 2025, future minimum lease payments under non-cancellable leases are as follows:

	Operating Leases	Finance Leases
2026	\$ 45,800	\$ 5,701
2027		5,701
2028		5,701
2029		5,701
2030		1,900
Total undiscounted cash flows	45,800	24,704
Less: Present value discount	(299)	(2,631)
Total lease liabilities	<u>\$ 45,501</u>	<u>\$ 22,073</u>

Note 6 – Stockholders’ Equity

The Company’s stock at June 30, 2025 and 2024, consists of the following:

- Class A common, voting stock, 5,000,000 authorized shares, with \$.005 par value.
A total of 1,747,922 shares were issued and outstanding at June 30, 2025 and 2024.
- Class B common, nonvoting stock, 5,000,000 authorized shares, with \$.01 par value.
There were no shares issued or outstanding at June 30, 2025 and 2024.
- Preferred stock, 200,000 authorized shares, with \$.01 par value.
There were no shares issued or outstanding at June 30, 2025 and 2024.

Note 7 – Employee Benefit Plan

The Company sponsors a 401(k) plan that provides retirement benefits for its employees according to the provisions of the plan document. There were no contributions made by the Company during the three months ended June 30, 2025, and 2024.

Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines

Bonal International, Inc.

A Delaware Corporation
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Royal Oak, MI 48067

(248) 582-0900
www.Bonal.com
Investor@Bonal.com
SIC Code: 3829

Quarter Report **For the Period Ending: June 30, 2025** (the "Reporting Period")

As of June 30, 2025, the number of shares outstanding of our Common Stock was: 1,747,922

As of March 31, 2025, the number of shares outstanding of our Common Stock was: 1,747,922

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933 and Rule 12b-2 of the Exchange Act of 1934):

Yes: No:

Indicate by check mark whether the company's shell status has changed since the previous reporting period:

Yes: No:

Indicate by check mark whether a Change in Control¹ of the company has occurred over this reporting period:

Yes: No:

1) Name of the issuer and its predecessors (if any)

In answering this item, please also provide any names used by predecessor entities in the past five years and the dates of the name changes.

None

¹ "Change in Control" shall mean any events resulting in:

(i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities;

(ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets;

(iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or

(iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

Date and state (or jurisdiction) of incorporation (also describe any changes to incorporation since inception, if applicable)
Please also include the issuer's current standing in its state of incorporation (e.g. active, default, inactive):

On August 17, 1990 the Company incorporated in State of Delaware and is currently considered "active."

Has the issuer or any of its predecessors ever been in bankruptcy, receivership, or any similar proceeding in the past five years?

Yes: No:

2) Security Information

Trading symbol: BONL
Exact title and class of securities outstanding: Common Class A
CUSIP: 097-770-200
Par or stated value: \$0.005 per share

Total shares authorized: 5,000,000 as of date: June 30, 2025
Total shares outstanding: 1,747,922 as of date: June 30, 2025
Number of shares in the Public Float²: 805,620 as of date: June 30, 2025
Total number of shareholders of record: 213 as of date: July 31, 2025
Additional class of securities (if any):

Trading symbol: _____
Exact title and class of securities outstanding: _____
CUSIP: _____
Par or stated value: _____
Total shares authorized: _____ as of date: _____
Total shares outstanding: _____ as of date: _____

Transfer Agent

Name: Pacific Stock Transfer Company
Phone: (702) 361-3033
Email: ALamb@PacificStockTransfer.com

Is the Transfer Agent registered under the Exchange Act?³ Yes: No:

Describe any trading suspension orders issued by the SEC concerning the issuer or its predecessors:

None

List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

None

² "Public Float" shall mean the total number of unrestricted shares not held directly or indirectly by an officer, director, any person who is the beneficial owner of more than 10 percent of the total shares outstanding (a "control person"), or any affiliates thereof, or any immediate family members of officers, directors and control persons.

³ To be included in the Pink Current Information tier, the transfer agent must be registered under the Exchange Act.

3) Issuance History

The goal of this section is to provide disclosure with respect to each event that resulted in any direct changes to the total shares outstanding of any class of the issuer's securities **in the past two completed fiscal years and any subsequent interim period**.

Disclosure under this item shall include, in chronological order, all offerings and issuances of securities, including debt convertible into equity securities, whether private or public, and all shares or any other securities or options to acquire such securities issued for services. Using the tabular format below, please describe these events.

A. Changes to the Number of Outstanding Shares

Check this box to indicate there were no changes to the number of outstanding shares within the past two completed fiscal years and any subsequent periods:

Debt Securities, Including Promissory and Convertible Notes

Use the chart and additional space below to list and describe any issuance of promissory notes, convertible notes or convertible debentures **in the past two completed fiscal years and any subsequent interim period**.

Check this box if there are no outstanding promissory, convertible notes or debt arrangements:

4) Financial Statements

A. The following financial statements were prepared in accordance with:

- U.S. GAAP
 IFRS

B. The financial statements for this reporting period were prepared by (name of individual)⁴:

Name: Harold Y. Hebel, CPA
Title: CFO
Relationship to Issuer: Chief Financial Officer of Bonal International, Inc. & Bonal Technologies, Inc.

Provide the financial statements described below for the most recent fiscal year or quarter. (Presented earlier in this report.)

- A. Balance sheet;
- B. Statement of income;
- C. Statement of cash flows;
- D. Financial notes; and
- E. Audit letter, if audited

Financial statement information is considered current until the due date for the subsequent report (as set forth in the qualifications section above). To remain qualified for Limited Information status, a company must post its Annual Report within 120 days from its fiscal year-end date and Quarterly Reports within 45 days of each fiscal quarter-end date.

⁴ The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS by persons with sufficient financial skills.

5) Issuer's Business, Products and Services

The purpose of this section is to provide a clear description of the issuer's current operations. In answering this item, please include the following:

- A. Summarize the issuer's business operations (If the issuer does not have current operations, state "no operations")

Business Operations

Bonal *International* has no operations. However, its subsidiary, Bonal *Technologies*, Inc., is the operations arm of the Company.

Date and Domicile

Bonal *International* is a corporation, duly organized and active under the laws of the State of Delaware as of August 17, 1990.

Fiscal Year End Date

March 31 is the fiscal year end date of the Bonal *International*, Inc.

- B. Describe any subsidiaries, parents, or affiliated companies, if applicable, and a description of their business contact information for the business, officers, directors, managers or control persons. Subsidiary information may be included by reference

Subsidiaries.

The business conducted by Bonal *International* is the business that is conducted by Bonal *Technologies*, the Company's wholly owned subsidiary. Bonal *Technologies* is the pioneer, patent holder and world's leading provider of sub-harmonic vibrational stress relief and weld conditioning equipment for metal. Bonal *Technologies* offers electronically controlled vibrational Meta-Lax® stress relieving equipment to treat work pieces ranging in weight from ounces to one million pounds. Besides manufacturing Meta-Lax stress relief and weld conditioning systems, Bonal *Technologies* also provides stress relief service to customers in the automotive, aerospace, shipbuilding, machine tool, mold making and die casting industries. The primary and secondary SIC codes for the products of Bonal *Technologies* are 3829 and 3549 respectively.

Date and Domicile

The Company's wholly owned subsidiary and operations arm, Bonal *Technologies*, Inc., was incorporated in the State of Michigan on April 25, 1984.

Officers and Directors

The directors of Bonal *Technologies*, Inc. are the same as for the Company. For officers, Torsten Warnatsch is the president and CEO for both Bonal *Technologies*, Inc. and the Company. Thomas Hebel is the vice president, Harold Y. Hebel is the CFO and John A. Hebel is the secretary for both Bonal *Technologies*, Inc. and the Company.

Fiscal Year End Date

March 31 is the fiscal year end date of the Bonal *Technologies*, Inc.

- C. Describe the issuers' principal products or services, and their markets

Description of Technology – Meta-Lax®

Introduction / Opportunity. Within the metal working industry, when metal parts are welded, machined, or used in service, often these parts are subjected to a sharp temperature drop. That temperature drop causes internal stress which can potentially lead to distortion or premature fatigue. Stress relieving helps prevent these problems. The traditional method of stress relieving has been to heat metal parts to a high temperature, then slow cool. Heat treat stress relief, although effective, is expensive, takes much time, consumes large amounts of energy, and has numerous negative side effects including treatment distortion, changing of mechanical properties, and size and weight limitations. These problems present an opportunity for Bonal's high-tech alternative stress relief process.

Bonal Alternative. Bonal *Technologies* developed and patented a high-tech sub-harmonic vibrational stress relieving process for metal parts called “Meta-Lax®.” Meta-Lax stress relief is accomplished by using a precise, non-destructive, low frequency (sub-harmonic) vibration energy applied to the work piece. The equipment has the ability to provide certification that stress removal has occurred, a feature not provided by any other known method of stress relief in use today. In comparison to heat treat stress relief, Meta-Lax is as effective and consistent as heat treat stress relief yet can be applied at a fraction of the time, cost and energy as when using heat. Also Meta-Lax does not generate any of the negative side effects.

Description of Products

Bonal *Technologies* has a product line utilizing Meta-Lax technology which offers three types of control consoles and five different size force inducers. Each complete system consists of an electric motor driven force inducer, a transducer, and an electronic control console.

Meta-Lax® Equipment (Exhibit A). Meta-Lax equipment is Bonal *Technologies*’ product line. The Meta-Lax equipment can be used to stress relieve metal work pieces in place of heat treat stress relief and/or can be used during welding to gain many desirable benefits.

Series 2000. The Series 2000 is a portable Meta-Lax system designed for basic stress relief and weld conditioning applications. Series 2000 features a front flat-panel touch-screen display for ease of operation. Manual stress relief certification can be produced with this system. The Series 2000 is ideal for the small machine and fab shops.

Series 2400. The Series 2400 is an upgrade to the Series 2000 and features graphic certification and the capacity to save data up to 100,000 treated work pieces onto a flash drive for later retrieval and printout. The Series 2400 system is ideal for machine and fab shops where stress relief or weld conditioning is specified by another organization, or when graphic certification is desired, or for companies that are ISO 9000 compliant.

Series 2800. The Series 2800 is an upgrade to the Series 2400 and features computerized stress relief and weld conditioning operations. The operator sets up the equipment, inputs data, then lets the computer take over the stress relief operation for most workpieces. The Series 2800 is ideal for those metal working companies that want the equipment to make the decisions regarding the stress relieving of the parts.

6) Issuer’s Facilities

The goal of this section is to provide a potential investor with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer.

In responding to this item, please clearly describe the assets, properties or facilities of the issuer, give the location of the principal plants and other property of the issuer and describe the condition of the properties. If the issuer does not have complete ownership or control of the property (for example, if others also own the property or if there is a mortgage on the property), describe the limitations on the ownership.

If the issuer leases any assets, properties or facilities, clearly describe them as above and the terms of their leases.

Building.

Bonal *Technologies* currently leases 12,268 square feet of office and light industrial space in Royal Oak, Michigan on a five-year contract that extends through October 31, 2025. The Company also uses the facility for office space.

Machinery

Bonal *Technologies* maintains assets for assembly of their products, including electronic workstations, soldering equipment and hand tools. They also have shelving and pallet racks for inventory organization, some small machinery (lathe, mill and drill press) for modification and prototyping, testing and calibration equipment, and a commercial delivery van and a fork truck. A cube style partition system and other office furniture, file cabinets and supporting equipment and a Ricoh printing station for the sales and administrative areas, along with an intranet server with desktop workstations for all sales, marketing, customer service and administration departments. All assets are maintained in good condition and Bonal *Technologies* currently owns all of its assets.

7) Officers, Directors, and Control Persons

The goal of this section is to provide an investor with a clear understanding of the identity of all the persons or entities that are involved in managing, controlling or advising the operations, business development and disclosure of the issuer, as well as the identity of any significant or beneficial shareholders.

Using the tabular format below, please provide information regarding any person or entity owning 5% or more of the issuer, as well as any officer, and any director of the company, regardless of the number of shares they own. **If any listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information of an individual representing the corporation or entity in the note section.**

Name of Officer/Director and Control Person	Affiliation with Company (e.g. Officer/Director/Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Note
<u>Thomas E. Hebel</u>	<u>Director, Chairman, VP</u>	<u>Canton, MI</u>	<u>226,356</u>	<u>Common</u>	<u>13.0</u>	<u>None</u>
<u>Paul Y. Hebel</u>	<u>Director</u>	<u>Dbn. Hts., MI</u>	<u>226,356</u>	<u>Common</u>	<u>13.0</u>	<u>None</u>
<u>Betty Jean Hebel</u>	<u>Director</u>	<u>Farm. Hills, MI</u>	<u>125,620</u>	<u>Common</u>	<u>7.2</u>	<u>None</u>
<u>John A. Hebel</u>	<u>Director, Sec.</u>	<u>Shelby Twp., MI</u>	<u>3,600</u>	<u>Common</u>	<u>-</u>	<u>None</u>
<u>Harold Y. Hebel</u>	<u>Director, CFO</u>	<u>Howell, MI</u>	<u>1,000</u>	<u>Common</u>	<u>-</u>	<u>None</u>
<u>Torsten Warnatsch</u>	<u>President, CEO</u>	<u>Goodells, MI</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>None</u>
<u>Marilyn S. Hebel</u>	<u>5%+ Owner</u>	<u>Shelby Twp., MI</u>	<u>332,644</u>	<u>Common</u>	<u>19.0</u>	<u>Via Trust of AG Hebel, III</u>

8) Legal/Disciplinary History

A. Please identify whether any of the persons listed above have, in the past 10 years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);

None

2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities;

None

3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or

None

4. The entry of an order by a self-regulatory organization that permanently or temporarily barred, suspended, or otherwise limited such person's involvement in any type of business or securities activities.

None

- B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

None

9) Third Party Providers

Please provide the name, address, telephone number and email address of each of the following outside providers:

Securities Counsel

Name: Justin G. Klimko, Esq.
Firm: Butzel Long Attorneys
Address 1: 150 W. Jefferson Ave., Suite 100
Address 2: Detroit, MI 48226
Phone: (313) 225-7000
Email: KlimkoG@Butzel.com

Accountant or Auditor

Name: Daniel Sexton, CPA
Firm: Cohen and Company
Address 1: 21420 Greater Mack Ave.
Address 2: St. Claire Shores, MI 48080
Phone: (586) 772-8100
Email: DSexton@CohenCPA.com

Other Service Providers

Provide the name of any other service provider(s), including, counsel, advisor(s) or consultant(s) **that assisted, advised, prepared or provided information with respect to this disclosure statement**, or provided assistance or services to the issuer during the reporting period.

Name: Skye Suh
Firm: Skye Suh, PLC
Nature of Services: General Legal Counsel
Address 1: 32000 Northwestern Hwy. Suite 260
Address 2: Farmington Hills, MI 48334
Phone: (248) 932-8844
Email: SSuh@SkyeSuhPLC.com

Name: Steven B. Walmsely, Esq
Firm: Reising, Ethington, Barnes, Kisselle, P.C.
Nature of Services: Legal Counsel – Intellectual Property
Address 1: P.O. Box 4390
Address 2: Troy, MI 48099-4390
Phone: (248) 689-3500
Email: Walmsely@Reising.com

10) Issuer Certification

Chairman:

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles but having the same responsibilities).

The certifications shall follow the format below:

I, Thomas E. Hebel certify that:

1. I have reviewed this quarter disclosure statement of Bonal International, Inc.;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

08/11/2025

/S/ [Thomas E. Hebel]

(Digital Signatures should appear as "/s/ [OFFICER NAME]")

Principal Financial Officer:

I, Harold Y. Hebel certify that:

1. I have reviewed this quarter disclosure statement of Bonal International, Inc.;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

08/11/2025

/S/ [Harold Y. Hebel]

(Digital Signatures should appear as "/s/ [OFFICER NAME]")

Console Selection Guide

Stress Relief and Weld Conditioning Systems



2800 Series

- **Computer Controlled with Touch Screen Controls**
- Two touch Automatic Stress Relief and Weld Conditioning operation, for ultimate ease of use
- 10" High definition color touch screen display
- Saves data on a flash drive for graphic printout
- Saves 500 customer and part profiles
- Model: 2800 for 110 volt; 2820 for 220 volt



2401 Series

- **Graphic Certification with Touch Screen Controls**
- Semi-Auto Stress Relief and Weld Conditioning
- 7" High definition color touch screen control panel
- Saves data on a flash drive for graphic printout
- Three languages; English, French, and Spanish
- Model: 2401 for 110 volt
- Model: 2420 for 220 volt

2001 Series

- **Manual Certification System:**
- Lowest Cost Meta-Lax System
- Manual Stress Relief & Weld Conditioning
- 7" color touch screen control panel
- Three languages; English, French, and Spanish
- Model: 2001 for 110 volt
- Model: 2020 for 220 volt



Meta-Lax Stress Relief Equipment Force Inducer Selection Guide



1F Force Inducer

Weight Range: 60 - 500 lbs. (27 - 225)
Energy Level: 190 lbs. (86) @ 100 Hz
Adjustment Time: N/A
Size: H: 5" x W: 9" D: 8" (13 x 23 x 20)
Weight: 24 lbs. (11)



FD Force Inducer

Weight Range: 120 - 7,000 lbs. (55 - 3,175)
Energy Level: 400 lbs. (180) @ 100 Hz
Adjustment Time: 12 minutes
Size: H: 7" x W: 10" D: 10 1/2" (18 x 25 x 27)
Weight: 41 lbs. (19)



V8(i) Force Inducer

Weight Range: 100 - 20,000 lbs. (45 - 9,000)
Energy Level: 650 lbs. (295) @ 100 Hz
Adjustment Time: 15 seconds
Size: H: 7 1/2" x W: 10" D: 11" (19 x 25 x 28)
Weight: 36 lbs. (16)



2A(i) Force Inducer

Weight Range: 150 - 40,000 lbs. (70 - 18,000)
Energy Level: 770 lbs. (350) @ 100 Hz
Adjustment Time: 15 seconds
Size: H: 7" x W: 10" D: 12" (18 x 25 x 31)
Weight: 47 lbs. (21)



3A(i) Force Inducer

Weight Range: 5,000 - over lbs. (2,250 - over)
Energy Level: 1,465 lbs. (655) @ 100 Hz
Adjustment Time: 15 seconds
Size: H: 8" x W: 11" D: 13" (20 x 28 x 33)
Weight: 63 lbs. (29)

() = cm/kg



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