

## **Markray Corp**

a Delaware Corporation  
3707 E. Southern Ave, Floors 1 & 2, Mesa, AZ 85206

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markraycorp.com  
info@markraycorp.com  
SIC Code: 9661

## **Annual Report**

For the period ending December 31, 2025 (the "Reporting Period")

### **Outstanding Shares**

The number of shares outstanding of our Common Stock was:

305,276,488 Common Shares outstanding as of December 31, 2025.

45,699,661 Preferred Shares outstanding as of December 31, 2025.

### **Shell Status**

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933, Rule 12b-2 of the Exchange Act of 1934 and Rule 15c2-11 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:

### **Change in Control**

Indicate by check mark whether a Change in Control<sup>1</sup> of the company has occurred during this reporting period:

Yes:  No:

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<sup>1</sup> "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.

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

In answering this item, provide the current name of the issuer and names used by predecessor entities, along with the dates of the name changes.

The Company was established under the name Open Sea Corporation in 1998, changed its name to Nebo Products, Inc. in 2000, to Laxican, Inc in 2007, and then to Boulan, Inc shortly thereafter in 2007. In 2008, the Company merged with Osage Enterprise Corp. ("Osage"), with Osage designated the surviving entity. In 2009, the Company changed its name to R'Vibrant, Inc, and then changed its name to Markray Corp at the beginning of 2011.

Current State and Date of Incorporation or Registration: State of Delaware

Standing in this jurisdiction: (e.g. active, default, inactive): Active

Prior Incorporation Information for the issuer and any predecessors during the past five years:

The Company's Articles of Incorporation were filed with the State of Delaware in 2007 by Osage, who merged with, and became the Company in 2008.

Describe any trading suspension or halt orders issued by the SEC or FINRA concerning the issuer or its predecessors since inception:

None

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

None

Address of the issuer's principal executive office:

3707 E. Southern Ave, Floor 1 & 2, Mesa, AZ 85206

Address of the issuer's principal place of business:

*Check if principal executive office and principal place of business are the same address:*

3707 E. Southern Ave, Floor 1 & 2, Mesa, AZ 85206

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

No:  Yes:  If Yes, provide additional details below:

NA

**2) Security Information**

**Transfer Agent**

Name: Colonial Stock Transfer Co

Phone: 801-355-5740

Email: amyparker@colonialstock.com

Address: 7840 S 700 E, Sandy, UT 84070

**Publicly Quoted or Traded Securities:**

*The goal of this section is to provide a clear understanding of the share information for its publicly quoted or traded equity securities. Use the fields below to provide the information, as applicable, for all outstanding classes of securities that are publicly traded/quoted.*

Trading symbol: RVBR  
Exact title and class of securities outstanding: Common Stock  
CUSIP: 570693101  
Par or stated value: \$0.001 par value per share  
Total shares authorized: 3,000,000,000 as of date: December 31, 2025  
Total shares outstanding: 305,276,488 as of date: December 31, 2025  
Total number of shareholders of record: 134 as of date: December 31, 2025

There were no changes to the number of outstanding shares subsequent to December 31, 2025.

**Other classes of authorized or outstanding equity securities that do not have a trading symbol:**

*The goal of this section is to provide a clear understanding of the share information for its other classes of authorized or outstanding equity securities (e.g., preferred shares that do not have a trading symbol). Use the fields below to provide the information, as applicable, for all other authorized or outstanding equity securities.*

Exact title and class of securities outstanding: Preferred Stock Series (blank check)  
Preferred Stock Series B  
Par or stated value: \$0.001 par value per share  
Total shares authorized: 100,000,000 as of date: December 31, 2025  
Total shares outstanding: 45,699,661 as of date: December 31, 2025  
Total number of shareholders of record: 2 as of date: December 31, 2025

No other series of Preferred Stock are issued or outstanding.

There were no changes to the number of outstanding preferred shares subsequent to December 31, 2025.

**Security Description:**

*The goal of this section is to provide a clear understanding of the material rights and privileges of the securities issued by the company. Please provide the below information for each class of the company's equity securities, as applicable:*

1. **For common equity, describe any dividend, voting and preemption rights.**
  - Dividends may be paid as and when declared by the Company's Board of Directors.
  - At any meeting of the stockholders, wherein a vote is to take place, each holder of Common Stock shall be entitled to one vote for each share outstanding in the name of each shareholder, on the books of the Company, on the date fixed for determination of voting rights.
  - Unless otherwise determined by the Company's board of directors, no stockholder shall have preemptive rights to subscribe for any additional shares of stock, or for other securities of any class, or for rights, warrants or options to purchase stock.
2. **For preferred stock, describe the dividend, voting, conversion, and liquidation rights as well as redemption or sinking fund provisions.**
  - Dividends may be paid as and when declared by the Company's Board of Directors. Any dividends issued by the Company will include distribution to Preferred Stockholders on an as-converted-to-common basis.
  - Each Series B Preferred stock is provided with 200 votes for each Preferred Shareholder on the books of the Company, on the date fixed for determination of voting rights, on any matters brought before our shareholders for a vote.
  - Each Series B Preferred Share is convertible into 30 shares of common stock.
  - In the event of liquidation, dissolution, or winding up of the Company, any available funds and assets shall be paid out to the Preferred Shareholders prior to any payout to Common Shareholders.
3. **Describe any other material rights of common or preferred stockholders.**

None

4. Describe any material modifications to rights of holders of the company's securities that have occurred over the reporting period covered by this report.

None

3) Issuance History

The goal of this section is to provide disclosure with respect to each event that resulted in any 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 for the two most recently completed fiscal years and any subsequent period.

Indicate by check mark whether there were any changes to the number of outstanding shares within the past two completed fiscal years:

No:  Yes:  (If yes, you must complete the table below)

Shares Outstanding Opening Balance:			*Right-click the rows below and select "Insert" to add rows as needed.						
Date: <u>January 1, 2024</u> Common: <u>50,276,488</u> Preferred: <u>54,198,991</u>									
Date of Transaction	Transaction type (e.g., new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to.  ***You must disclose the control person(s) for any entities listed.	Reason for share issuance (e.g. for cash or debt conversion) - OR- Nature of Services Provided	Restricted or Unrestricted as of this filing.	Exemption or Registration Type.
01/29/2025	Shares Returned for Conversion to Common	(8,500,000)	Series B Preferred Stock	N/A	N/A	Mehran T. Keshe	Conversion of Preferred into Common	Restricted	Exempt
01/29/2025	Shares Issued upon Conversion of Preferred Series B	255,000,000	Common	N/A	N/A	Mehran T. Keshe	Conversion of Preferred into Common	Restricted	Exempt
03/06/2025	Shares Issued	670	Series B Preferred Stock	\$0.90	No	Milan Vrchovník	Compensation for Consulting Services	Restricted	Exempt
Shares Outstanding on Date of This Report:									
Ending Balance:									
Date: <u>December 31, 2025</u> Common: <u>305,276,488</u> Preferred: <u>45,699,661</u>									

Any additional material details, including footnotes to the table are below:

None

B. Convertible Debt

The following is a complete list of the Company's Convertible Debt which includes all promissory notes, convertible notes, convertible debentures, or any other debt instruments convertible into a class of the issuer's equity securities. The table

includes all issued or outstanding convertible debt at any time during the last complete fiscal year and any interim period between the last fiscal year end and the date of this Certification.

Check this box to confirm the Company had no Convertible Debt issued or outstanding at any point during this period.

Date of Note Issuance	Principal Amount at Issuance (\$)	Outstanding Balance (\$)  (include accrued interest)	Maturity Date	Conversion Terms (e.g., pricing mechanism for determining conversion of instrument to shares)	# Shares Converted to Date	# of Potential Shares to be Issued Upon Conversion <sup>4</sup>	Name of Noteholder (entities must have individual with voting / investment control disclosed).	Reason for Issuance (e.g., Loan, Services, etc.)

Any additional material details, including footnotes to the table are below:

None

**4) Issuer’s Business, Products and Services**

The purpose of this section is to provide a clear description of the issuer’s current operations. Ensure that these descriptions are updated on the Company’s Profile on [www.OTCMarkets.com](http://www.OTCMarkets.com).

A. Summarize the issuer’s business operations (If the issuer does not have current operations, state “no operations”)

Markray is a development-stage license-holding company engaged in acquiring, managing, and sublicensing proprietary technologies derived from cosmic ray plasma and field-interaction science. The Company is focused on establishing strategic sublicensing and partnership agreements to support commercialization and technology development efforts.

B. List any subsidiaries, parent company, or affiliated companies.

The Company has the following wholly owned subsidiaries:

- Keshe Foundation Global, Inc. (“KF Global”)
- Keshe Foundation USA (“KF USA”)
- Keshe Technology USA, Inc. (“KTech”)
- Markray Corp (“Markray AZ”)
- Keshe Foundation USA (“KF USA AZ”)
- Keshe Technology USA, Inc. (“KTech AZ”)

C. Describe the issuers’ principal products or services.

Markray Corp’s principal business activities consist of the licensing and sublicensing of proprietary technologies based on cosmic ray plasma and field-interaction science developed by Mehran Tavakoli Keshe (“MTK”) and the Keshe Foundation network.

The Company’s licensing portfolio includes technologies designed for use in flight and motion systems, life-support and environmental systems, energy generation, materials production, health and wellness applications, communications, and other space-related fields.

Markray also licenses and facilitates the commercialization of derivative and spin-off applications of Keshe Technology for both space and terrestrial industries. All underlying technology originates from research and development conducted by MTK and affiliated institutions worldwide.

<sup>4</sup> The total number of shares that can be issued upon full conversion of the Outstanding Balance. The number should not factor any “blockers” or limitations on the percentage of outstanding shares that can be owned by the Noteholder at a particular time. For purposes of this calculation, please use the current market pricing (e.g. most recent closing price, bid, etc.) of the security if conversion is based on a variable market rate.

## 5) Issuer's Facilities

The goal of this section is to provide investors with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer and the extent in which the facilities are utilized.

In responding to this item, please clearly describe the assets, properties or facilities of the issuer. Describe the location of office space, data centers, principal plants, and other property of the issuer and describe the condition of the properties. Specify if the assets, properties, or facilities are owned or leased and the terms of their leases. If the issuer does not have complete ownership or control of the property, describe the limitations on the ownership.

During the Reporting Period, we transitioned to virtual offices. Effective April 4, 2025, we leased office space at 3707 E. Southern Ave, Floors 1 & 2, Mesa, AZ 85206 under the following terms: \$82 per month, under a month-to-month lease agreement. The Company does not maintain dedicated physical operations beyond this administrative lease.

## 6) Officers, Directors, and Control Persons

Using the table below, please provide information, as of the period end date of this report, regarding all officers and directors of the company, or any person that performs a similar function, regardless of the number of shares they own.

In addition, list all individuals or entities controlling 5% or more of any class of the issuer's securities.

If any insiders 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 (City, State) of an individual representing the corporation or entity. Include Company Insiders who own any outstanding units or shares of any class of any equity security of the issuer.

We confirm that the information in this table matches your public company profile on [www.OTCMarkets.com](http://www.OTCMarkets.com).

Individual Name (First, Last) or Entity Name (Include names of control person(s) if a corporate entity)	Position/Company Affiliation (ex: CEO, 5% Control person)	City and State (Include Country if outside U.S.)	Number of Shares Owned (List common, preferred, warrants and options separately)	Class of Shares Owned	Percentage of Class of Shares Owned (undiluted)
Mehran T. Keshe <sup>(1)</sup>	Chief Executive Officer, Chairman of the Board, Corporate Secretary 5% or More Shareholder	Puchenau, Austria	45,698,991	Preferred Stock (Series B)	99%
Mehran T. Keshe <sup>(1)</sup>	Chief Executive Officer, Chairman of the Board, Corporate Secretary 5% or More Shareholder	Puchenau, Austria	255,000,000	Common Stock	83.5%
Mehran T. Keshe <sup>(1)</sup>	Chief Executive Officer, Chairman of the Board, Corporate Secretary 5% or More Shareholder	Puchenau, Austria	30,000,000	Options <sup>(2)</sup> Preferred Stock (Series B)	100%
Mehran T. Keshe <sup>(1)</sup>	Chief Executive Officer, Chairman of the Board, Corporate Secretary 5% or More Shareholder	Puchenau, Austria	400,000,000	Options <sup>(3)</sup> Common Stock	100%
Christian S. Kargbo <sup>(1,4)</sup>	Chief Financial Officer	Freetown, Sierra Leone	-	-	-
Jackie Carlos Douglass <sup>(1,4)</sup>	Treasurer	Knoxville, TN	-	-	-

(1) The address for these individuals is: c/o Markray Corp., 3707 E. Southern Ave, Floor 1&2, Mesa, AZ 85206.

(2) As compensation for his services to Markray, a grant of non-qualified stock options of Series B Convertible Preferred Stock, with an exercise price of \$0.90 per share, were granted March 31, 2025. Options shall vest upon the earlier to occur of (i) four (4) equal annual installments with the first 1/4th vesting on March 31, 2026, and (ii) the Company receiving at least \$100M under sublicense agreements from third parties introduced by Mehran T. Keshe to the Company to sublicense Keshe Technology under the Company's Manufacturing License Agreement (see Note 7).

(3) As compensation for his services to Markray, a grant of non-qualified stock options of Common Stock, with an exercise price of \$0.03 per share, were granted March 31, 2025. Options shall vest upon the earlier to occur of (i) four (4) equal annual installments with the first 1/4th vesting on March 31, 2026, and (ii) the Company receiving at least \$100M under sublicense agreements from third parties introduced by Mehran T. Keshe to the Company to sublicense Keshe Technology under the Company's Manufacturing License Agreement (see Note 7).

(4) On April 17, 2025, our board of directors appointed Dr. Christian S. Kargbo as our Chief Financial Officer and Jackie Carlos Douglass as our Treasurer. Neither are compensated for their service to the Company at this point.

## 7) Legal/Disciplinary History

A. Identify whether any of the persons or entities listed above have, in the past 10 years, been the subject of:

1. Been the subject of an indictment or conviction in a criminal proceeding or plea agreement or named as a defendant in a pending criminal proceeding (excluding minor traffic violations);

None

2. Been the subject of 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, financial- or investment-related, insurance or banking activities;

None

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

None

4. Named as a defendant or a respondent in a regulatory complaint or proceeding that could result in a "yes" answer to part 3 above; or

None

5. Been the subject 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

6. Been the subject of a U.S Postal Service false representation order, or a temporary restraining order, or preliminary injunction with respect to conduct alleged to have violated the false representation statute that applies to U.S mail.

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 to 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

## 8) Third Party Service Providers

Provide the name, address, telephone number and email address of each of the following outside providers. You may add additional space as needed.

Confirm that the information in this table matches your public company profile on [www.OTCMarkets.com](http://www.OTCMarkets.com). If any updates are needed to your public company profile, update your company profile. Confirmed

Securities Counsel (must include Counsel preparing Attorney Letters): N/A

Accountant or Auditor: N/A

Investor Relations: N/A

All other means of Investor Communication: N/A

### Other Service Providers

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

N/A

## **9) Disclosure & Financial Information**

A. This Disclosure Statement was prepared by (name of individual):

Name: Mehran T. Keshe

Title: Chief Executive Officer

Relationship to Issuer: Officer

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

IFRS

U.S. GAAP

C. The following financial statements were prepared by (name of individual):

Name: Mehran T. Keshe

Title: Chief Executive Officer

Relationship to Issuer: Officer

Describe the qualifications of the person or persons who prepared the financial statements:

Experienced Business Leader, with extensive knowledge of financial statements

Provide the following qualifying financial statements:

- Audit letter, if audited; N/A
- Balance Sheet: Included
- Statement of Income: Included
- Statement of Cash Flows: Included
- Statement of Retained Earnings (Statement of Changes in Stockholders' Equity): Included
- Financial Notes: Included

### **Financial Statement Requirements:**

- Financial statements must be published together with this disclosure statement as one document.
- Financial statements must be "machine readable." Do not publish images/scans of financial statements.
- Financial statements must be presented with comparative financials against the prior FYE or period, as applicable.
- Financial statements must be prepared in accordance with U.S. GAAP or International Financial Reporting Standards (IFRS) but are not required to be audited.

## 10) Issuer Certification

### *Principal Executive Officer and Principal Financial Officer*

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) in each Quarterly Report or Annual Report.

I, Mehran T. Keshe, certify that:

1. I have reviewed this Disclosure Statement for Markray;
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.

January 31, 2026  
/s/ Mehran T. Keshe

**Markray Corp**  
**Statement of Consolidated Balance Sheets**  
(unaudited)

	December 31, 2025	as of December 31, 2024
<b>ASSETS</b>		
Current Assets		
Cash	6,586	6,658
<b>Total Current Assets</b>	<b>\$ 6,586</b>	<b>\$ 6,658</b>
Manufacturing License Agreements	16,930,949	23,394,326
<b>Total Assets</b>	<b>\$ 16,937,535</b>	<b>\$23,400,984</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Short Term Loans	-	14,067
<b>Total Current Liabilities</b>	<b>\$ -</b>	<b>\$ 14,067</b>
<b>Long Term Liabilities</b>		
Loans	24,470	181,198
<b>Total Long Term Liabilities</b>	<b>\$ 24,470</b>	<b>\$ 181,198</b>
<b>Total Liabilities</b>	<b>\$ 24,470</b>	<b>\$ 195,266</b>
<b>EQUITY</b>		
Preferred Stock: \$0.001 par value, 100,000,000 shares authorized; 45,699,661 shares issued and outstanding December 31, 2025 and 54,198,991 shares issued and outstanding at December 31, 2024.	45,700	54,199
Common Stock: \$0.001 par value, 3,000,000,000 shares authorized, 305,276,488 issued and outstanding as of December 31, 2025 and 50,276,488 shares issued and outstanding at December 31, 2024.	305,276	50,276
Paid-In Capital	85,017,777	69,014,503
Accumulated Other Comprehensive Income (Loss)	12,061	12,061
Retained Earnings (Loss)	(45,925,322)	(41,067,017)
Net Income	(22,542,428)	(4,858,304)
<b>Total Equity</b>	<b>\$ 16,913,064</b>	<b>\$ 23,205,718</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>\$ 16,937,535</b>	<b>\$ 23,400,984</b>

**Markray Corp**  
**Statement of Consolidated Operations**  
(unaudited)

	for the		for the	
	Twelve Months Ended		Three Months Ended	
	December 31,		December 31,	
	2025	2024	2025	2024
<b>REVENUE</b>				
Sales	-	3,000	-	1,200
<b>Total Revenue</b>	<b>\$ -</b>	<b>\$ 3,000</b>	<b>\$ -</b>	<b>\$ 1,200</b>
Cost of Goods Sold				\$
<b>Gross Profit</b>	<b>\$ -</b>	<b>\$ 3,000</b>	<b>\$ -</b>	<b>\$ 1,200</b>
<b>EXPENSES</b>				
General & Administrative	72	9,527	-	1,104
Share Based Compensation	16,248,707	-	-	-
Legal & Professional Services	24,470	21,775	1,020	-
<b>Total Expenses</b>	<b>\$ 16,273,249</b>	<b>\$ 31,302</b>	<b>\$ 1,020</b>	<b>\$ 1,104</b>
<b>Net Operating Income</b>	<b>\$(16,273,249)</b>	<b>\$ (28,302)</b>	<b>\$ (1,020)</b>	<b>\$ 96</b>
<b>Other Expenses (Income)</b>				
Loan Forgiveness (Income)	(194,198)	-	-	-
Depreciation & Amortization	6,463,377	4,830,002	2,032,321	1,207,500
<b>Total Other Expenses</b>	<b>\$ 6,269,179</b>	<b>\$4,830,002</b>	<b>\$2,032,321</b>	<b>\$ 1,207,500</b>
<b>Net Other Income (Expense)</b>	<b>\$ (6,269,179)</b>	<b>\$ (4,830,002)</b>	<b>\$(2,032,321)</b>	<b>\$ (1,207,404)</b>
<b>NET INCOME</b>	<b>\$(22,542,428)</b>	<b>\$(4,858,304)</b>	<b>\$(2,033,341)</b>	<b>\$ (1,207,308)</b>

**Markray Corp**  
**Statement of Consolidated Cash Flows**  
(unaudited)

	<b>For the Twelve Months ended December 31,</b>	
	<b>2025</b>	<b>2024</b>
<b>OPERATING ACTIVITIES</b>		
Net Income	\$ (22,542,428)	\$ (4,858,304)
<b>Adjustments to reconcile Net Income to Net Cash provided by operations:</b>		
Accounts Payable	(59,215)	-
<b>Total Adjustments to reconcile Net Income to Net Cash provided by operations:</b>	<b>(59,215)</b>	<b>-</b>
<b>Net cash provided by operating activities</b>	<b>\$ (22,601,643)</b>	<b>\$ (4,858,304)</b>
<b>INVESTING ACTIVITIES</b>		
Manufacturing License Agreements	6,463,377	4,830,002
<b>Net cash provided by investing activities</b>	<b>\$ 6,463,377</b>	<b>\$ 4,830,002</b>
<b>FINANCING ACTIVITIES</b>		
Loans	(111,580)	27,000
Shares Issued	246,501	-
Paid in Capital	16,003,274	2,088
<b>Net cash provided by financing activities</b>	<b>\$ 16,138,194</b>	<b>\$ 29,088</b>
Net cash increase (decrease) for period	(72)	785
Cash at beginning of period	6,658	5,873
<b>Cash at end of period</b>	<b>\$ 6,586</b>	<b>\$ 6,658</b>

**Markray Corp**  
**Statement of Consolidated Changes to Stockholders' Equity**  
**(unaudited)**

	<u>Stock</u>				Retained Earnings	Accumulated Other Comprehensive Income / (Loss)	Paid In Capital	Total Equity
	Common Shares	Amount	Preferred Shares	Amount				
<b>Balance, Dec 31, 2022</b>	<b>50,276,488</b>	<b>50,276</b>	<b>54,198,991</b>	<b>54,199</b>	<b>(15,537,670)</b>	<b>24,332</b>	<b>69,412,772</b>	<b>54,003,910</b>
<b>Period ended Dec 31, 2023</b>					(25,529,347)	(12,271)	(400,357)	(412,628)
<b>Balance, Dec 31, 2023</b>	<b>50,276,488</b>	<b>50,276</b>	<b>54,198,991</b>	<b>54,199</b>	<b>(41,067,017)</b>	<b>12,061</b>	<b>69,012,415</b>	<b>28,061,935</b>
<b>Period ended Dec 31, 2024</b>					(4,858,304)		2,088	(4,856,216)
<b>Balance, Dec 31, 2024</b>	<b>50,276,488</b>	<b>50,276</b>	<b>54,198,991</b>	<b>54,199</b>	<b>(45,925,321)</b>	<b>12,061</b>	<b>69,014,503</b>	<b>23,205,718</b>
<b>Period ended Dec 31, 2025</b>	255,000,000	255,000	(8,499,330)	(8,499)	(22,542,428)		16,003,274	(6,292,654)
<b>Balance, Dec 31, 2025</b>	<b>305,276,488</b>	<b>305,276</b>	<b>45,699,661</b>	<b>45,700</b>	<b>(68,467,750)</b>	<b>12,061</b>	<b>85,017,777</b>	<b>16,913,064</b>

## NOTES TO THE AMENDED FINANCIAL STATEMENTS

(Unaudited)

### NOTE 1 - NATURE OF BUSINESS

#### ORGANIZATION

Markray Corp (“Markray” or the “Company”) is a development-stage license-holding company engaged in acquiring, holding, and sublicensing proprietary technologies related to cosmic ray plasma science (also referred to as Keshe Technology). The Company’s objective is to create long-term shareholder value through strategic licensing, sublicensing, and selective acquisitions of intellectual property in advanced energy, materials, and field-interaction applications.

The Company holds exclusive rights in the United States to license and sublicense technologies developed by Mehran Tavakoli Keshe (“MTK”) and organizations under his direction, collectively referred to as the Keshe Foundation network. These technologies are based on research into magnetic-gravitational (Magrav) and cosmic-field interactions, commonly described as plasma or field-interaction science.

Markray plans to grant sublicenses to qualified entities for the research, development, and potential commercialization of systems and applications utilizing cosmic ray plasma technology. These may include areas such as advanced materials, energy production, environmental systems, communications, health, and space-related lift and motion technologies.

The Company also anticipates sublicensing certain derivative or spin-off applications of the licensed technology for use in conventional industrial sectors, subject to further development, validation, and regulatory review as required.

All technology licensed or sublicensed by the Company originates from MTK and affiliated institutions that have conducted research and experimentation in plasma-field interaction science. Markray’s role is limited to the management, sublicensing, and facilitation of commercialization opportunities arising from this body of intellectual property. The Company does not currently conduct its own research and development activities but may do so in the future in collaboration with licensees or partners.

The Company was established under the name Open Sea Corporation in 1998, changed its name to Nebo Products, Inc. in 2000, to Laxican, Inc in 2007, and then to Boulan, Inc shortly thereafter in 2007. In 2008, the Company merged with Osage Enterprise Corp. (“Osage”), with Osage designated the surviving entity. In 2009, the Company changed its name to R’Vibrant, Inc, and then changed its name to Markray Corp at the beginning of 2011.

Our Articles of Incorporation were filed with the State of Delaware in 2007 by Osage, who merged with, and became the Company in 2008. The Company is currently active in the State of Delaware.

On or about September 19, 2019, Markray acquired Keshe Foundation Global, Inc. (“KF Global”). KF Global was founded in California, February 8, 2018, and owns three subsidiaries: Keshe Foundation USA (“KF USA”), and Keshe Technology USA, Inc. (“KTech”).

For accounting and reporting purposes, we deemed the acquisition of KF Global a “*Reverse Acquisition*,” with KF Global designated the “*accounting acquirer*” and Markray designated the “*accounting acquiree*.”

Subsequently, we established three companies in Arizona: Markray Corp (“Markray AZ”), Keshe Foundation USA (“KF USA AZ”), and Keshe Technology USA, Inc. (“KTech AZ”).

Our headquarters is located in Mesa, Arizona.

Our SIC Code is 9661.

Unless the context otherwise requires, all references to “Markray,” or the “Company,” “we,” “our,” or “us” refer to Markray Corp.

#### SIGNIFICANT TRANSACTIONS

On or about August 29, 2019, Markray entered into a three-party Share Exchange Agreement (the “Exchange Agreement”) with Keshe Foundation Global, Inc. (“KF Global”) and David Brown, the former officer, director and controlling shareholder of Markray (“Brown”). Under the Exchange Agreement, Markray agreed to acquire 100% of KF Global in exchange for

5,000,000 shares of its Series B Convertible Preferred Stock and 2,000,000 shares of Markray's common stock, to be issued to KF Global's shareholders (the "Acquisition Consideration"). Additionally, Markray agreed to sell its wholly owned subsidiary Universal Garment Wash & Dye, LLC ("Universal") to Brown, in exchange for Brown's assumption of all debt obligations of Universal and returning 517,133,405 shares of Markray's common stock (the "Universal Shares") to Markray.

On or about September 19, 2019, pursuant to the Exchange Agreement, Brown surrendered the Universal Shares and Markray issued the Acquisition Consideration, cancelled the returned Universal Shares, completed the divestiture of Universal, and completed the acquisition of KF Global.

During the Reporting Period, certain legacy related-party obligations were extinguished through forgiveness, as further described in Note 8.

## **NOTE 2 – BASIS OF PRESENTATION**

The financial statements include the combined accounts of Markray, KF Global, KF USA, KTech, Markray AZ, KF USA AZ, and KTech AZ. All amounts are presented in U.S. Dollars unless otherwise stated. The accompanying financial statements have been prepared in accordance with generally accepted accounting principles ("GAAP") in the United States of America.

For accounting and reporting purposes, Markray deemed its acquisition of KF Global a "*Reverse Acquisition*" with KF Global designated the "*accounting acquirer*" and Markray designated the "*accounting acquiree*." Per Reverse Acquisition accounting and reporting requirements, the Universal business is *disregarded*, the business of KF Global becomes the business of Markray, and Markray reports on a consolidated basis with KF Global's business and KF Global's subsidiaries. Additionally, we adopted KF Global's fiscal year, which is the calendar year.

## **CASH AND CASH EQUIVALENTS**

Cash and cash equivalents consist of cash on hand, cash on deposit with banks, and highly liquid debt investments with a maturity of three months or less when purchased.

## **GOING CONCERN**

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern, which contemplates the realization of assets and the liquidation of liabilities in the normal course of business.

The Company intends to raise additional capital through private placements of debt and equity securities, but there can be no assurance that these funds will be available on terms acceptable to the Company, or that such funds will be sufficient to enable the Company to fully complete its development activities or sustain operations. These factors, among others, raise substantial doubt about the Company's ability to continue as a going concern. The accompanying financial statements do not include any adjustments that might result from the outcome of this uncertainty.

## **BUSINESS COMBINATION**

The Company accounts for all business acquisitions at fair value and expenses acquisition costs as they are incurred. Any identifiable assets acquired, and liabilities assumed, are recognized and measured at their respective fair values on the acquisition date. If information about facts and circumstances existing as of the acquisition date is incomplete at the end of the reporting period in which a business acquisition occurs, the Company will report provisional amounts for the items for which the accounting is incomplete. The measurement period ends once the Company receives sufficient information to finalize the fair values; however, the period will not exceed one year from the acquisition date.

## **CONSIDERATION**

The Company accounts for Consideration per ASC 805-10-25-20, which states "The acquirer shall recognize as part of applying the acquisition method only the consideration transferred for the acquiree, and the assets acquired, and liabilities assumed in the exchange for the acquiree."

## **FAIR VALUE MEASUREMENTS AND DISCLOSURES**

Pursuant to ASC 820, *Fair Value Measurements and Disclosures*, an entity is required to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. ASC 820 establishes a fair value hierarchy based on the level of independent, objective evidence surrounding the inputs used to measure fair value. A financial

instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. ASC 820 prioritizes the inputs into three levels that may be used to measure fair value:

- Level 1: Inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.
- Level 2: Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.
- Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The Company's financial instruments consist principally of cash and prepaid expenses. Pursuant to ASC 820, the fair value of our cash is determined based on "Level 1" inputs, which consist of quoted prices in active markets for identical assets. We believe that the recorded values of all our other financial instruments approximate their current fair values because of their nature and respective maturity dates or durations.

The fair value of our portfolio of options is measured using Level 3 inputs in accordance with ASC 820. These valuations primarily rely on internal models that consider factors such as the underlying asset's expected future cash flows, estimated volatility, and other market conditions that are not directly observable in the market. The valuations also incorporate management's best estimates for these inputs, where market data is limited or not readily available.

Due to the inherent uncertainties associated with Level 3 valuations, these estimates are subject to judgment. Changes in the assumptions used within the models could result in a different fair value. For instance, a change in the underlying asset's volatility could significantly impact the option's value.

We believe that the fair value measurements presented in these financial statements are reasonable based on the available information and our best estimates. However, we acknowledge the inherent uncertainties associated with Level 3 valuations, which are reflected in our classification of these assets as Level 3.

## **CONVERTIBLE PROMISSORY NOTES**

The Company accounts for convertible promissory notes in accordance with ASC 470-20, *Debt with Conversion and Other Options*. The Company evaluates embedded conversion features within convertible debt to determine whether the embedded conversion feature should be bifurcated from the host instrument and accounted for as a derivative at fair value with changes in fair value recorded in the Income Statement. If the conversion feature does not require recognition of a bifurcated derivative, the convertible debt instrument is evaluated for consideration of any beneficial conversion feature ("BCF") requiring separate recognition. When the Company records a BCF, the intrinsic value of the BCF is recorded as a debt discount against the face amount of the respective debt instrument with an offset to additional paid-in capital and amortized to interest expense over the life of the debt.

## **USE OF ESTIMATES**

The preparation of 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 reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

## **COMMITMENTS AND CONTINGENCIES**

The Company's operations are subject to significant risks and uncertainties including financial, operational, and regulatory risks, including the potential risk of business failure.

The Company follows ASC 450-20, *Loss Contingencies*, to report accounting for contingencies. Liabilities for loss contingencies arising from claims, assessments, litigation, fines and penalties and other sources are recorded when it is probable that a liability has been incurred and the amount of the assessment can be reasonably estimated.

## **PROPERTY, EQUIPMENT AND LONG-LIVED ASSETS**

Property and equipment are recorded at cost. Depreciation is provided over the estimated useful lives of the assets, utilizing the straight method. Maintenance and repairs are expensed as incurred. Expenditures which significantly increase value or extend useful asset lives are capitalized. When property or equipment is sold or retired, the related costs and accumulated

depreciation are removed from the accounts and any gain or loss is recognized. The carrying amount of all long-lived assets is evaluated periodically to determine if adjustment to the depreciation period or the undepreciated balance is warranted.

Long-lived assets such as property, equipment and identifiable intangibles are reviewed for impairment whenever facts and circumstances indicate that the carrying value may not be recoverable. When required, impairment losses on assets to be held and used are recognized based on the fair value of the asset. The fair value is determined based on estimates of future cash flows, market value of similar assets, if available, or independent appraisals, if required. If the carrying amount of the long-lived asset is not recoverable from its undiscounted cash flows, an impairment loss is recognized for the difference between the carrying amount and fair value of the asset. When fair values are not available, the Company estimates fair value using the expected future cash flows discounted at a rate commensurate with the risk associated with the recovery of the assets.

## **LEASES**

Lease for office space at our corporate headquarters is classified as an operating lease in accordance with ASC 840, *Leases*. Rent expense is recognized on a straight-line basis over the terms of the leases and, accordingly, we record the cumulative difference between cash rent payments and the recognition of rent expense as a deferred rent liability. When an operating lease includes lease incentives, such as a rent abatements or leasehold improvement allowances, or requires fixed escalations of the minimum lease payments, the aggregate rental expense, including such incentives or increases, is recognized on a straight-line basis over the term of the lease.

## **REVENUE RECOGNITION**

Accounting Standards Codification ("ASC") 606, *Revenue from Contracts with Customers* outlines the basic criteria that must be met to recognize revenue and provide guidance for presentation of revenue and for disclosure related to revenue recognition policies in financial statements filed with the Securities and Exchange Commission. Management believes the Company's revenue recognition policies conform to ASC 606.

The Company recognizes revenue when 1) it is realized or realizable and earned, 2) there is persuasive evidence of an arrangement, 3) delivery and performance has occurred, 4) there is a fixed or determinable sales price, and 5) collection is reasonably assured.

## **SHARE-BASED COMPENSATION**

ASC 718, *Compensation – Stock Compensation*, prescribes accounting and reporting standards for all share-based payment transactions in which employee services are acquired. Transactions include incurring liabilities, or issuing or offering to issue shares, options, and other equity instruments such as employee stock ownership plans and stock appreciation rights. Share-based payments to employees, including grants of employee stock options, are recognized as compensation expense in the financial statements based on their fair values. That expense is recognized in the period of grant.

The Company accounts for stock-based compensation issued to non-employees and consultants in accordance with the provisions of ASC 505-50, *Equity – Based Payments to Non-Employees*. Measurement of share-based payment transactions with non-employees is based on the fair value of whichever is more reliably measurable: (a) the goods or services received; or (b) the equity instruments issued. The fair value of the share-based payment transaction is determined at the earlier of performance commitment date or performance completion date.

## **INCOME TAXES**

The Company accounts for income taxes under ASC 740, *Income Taxes*. Under the asset and liability method of ASC 740, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statements 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 the enactment occurs. A valuation allowance is provided for certain deferred tax assets if it is more likely than not that the Company will not realize tax assets through future operations.

## **RECENT ACCOUNTING PRONOUNCEMENTS**

From time to time, new accounting pronouncements are issued by the FASB or other standard setting bodies that are adopted by the Company as of the specified effective date. Unless otherwise discussed, we believe that the impact of

recently issued standards that are not yet effective will not have a material impact on our financial position or results of operations upon adoption.

### **NOTE 3 – REVERSE ACQUISITION**

On or about August 29, 2019, Markray entered into a three-party Share Exchange Agreement (the “Exchange Agreement”) with Keshe Foundation Global, Inc. (“KF Global”) and David Brown, the former officer, director and controlling shareholder of Markray (“Brown”). Under the Exchange Agreement, Markray agreed to acquire 100% of KF Global in exchange for 5,000,000 shares of its Series B Convertible Preferred Stock and 2,000,000 shares of Markray’s common stock, to be issued to KF Global’s shareholders (the “Acquisition Consideration”). Additionally, Markray agreed to sell its wholly owned subsidiary Universal Garment Wash & Dye, LLC (“Universal”) to Brown, in exchange for Brown’s assumption of all debt obligations of Universal and returning 517,133,405 shares of Markray’s common stock (the “Universal Shares”) to Markray.

On or about September 19, 2019, Brown surrendered the Universal Shares, Markray issued the Acquisition Consideration, cancelled the returned Universal Shares, completed the divestiture of Universal and the acquisition of KF Global, and KF Global became a subsidiary of Markray.

For accounting and reporting purposes, Markray deemed the acquisition of KF Global a “Reverse Acquisition” with KF Global designated the “*accounting acquirer*” and Markray designated the “*accounting acquiree*.” Because of the Reverse Acquisition, the Universal business is *disregarded*, and the Company reports on a consolidated basis with KF Global and KF Global’s subsidiaries, including the presentation of financial information of KF Global for previous periods.

### **NOTE 4 – DIRECTORS AND OFFICERS**

Our officers and directors during the Reporting Period are:

- Mehran T. Keshe, who serves as our Chairman, Chief Executive Officer, and Corporate Secretary.
- Christian S. Kargbo, who serves as our Chief Financial Officer.
- Jackie Carlos Douglass, who serves as our Treasurer.

### **NOTE 5 – CONTROL AND PROCEDURES**

Our management, with the participation of our officers (hereinafter, the “Officers”), evaluated the effectiveness of our disclosure controls and procedures pursuant to OTC Markets guidelines. In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures must reflect the fact that there are resource constraints, and that management is required to apply its judgment in evaluating the benefits of possible controls and procedures relative to their costs. Based on management’s evaluation, our Officers concluded that, as a result of the material weaknesses described below, as of the Reporting Period, our disclosure controls and procedures are not designed at a reasonable assurance level and are ineffective to provide reasonable assurance that information we are required to disclose in reports that we file or submit under the in compliance with OTC Markets guidelines is recorded, processed, summarized, and reported within the time periods specified in the OTC Markets guidelines and that such information is accumulated and communicated to our management, including our Officers, as appropriate, to allow timely decisions regarding required disclosure. The material weakness, which relates to internal control over financial reporting, is identified as:

We did not have enough personnel in our accounting and financial reporting functions. As a result, we were not able to achieve adequate segregation of duties and were not able to provide for adequate reviewing of the financial statements. This control deficiency, which is pervasive in nature, results in a reasonable possibility that material misstatements of the financial statements will not be prevented or detected on a timely basis. We will continue to monitor and evaluate the effectiveness of our disclosure controls and procedures and our internal controls over financial reporting on an ongoing basis and are committed to taking further action and implementing additional enhancements or improvements, as necessary and as funds allow.

## **NOTE 6 – EQUITY**

### **COMMON STOCK**

The Company is authorized to issue 3,000,000,000 shares of common stock, \$0.001 par value.

On December 31, 2025, there were 305,276,488 shares of our common stock issued and outstanding.

### **PREFERRED STOCK**

The Company is authorized to issue 100,000,000 shares of Preferred Stock, \$0.001 par value. All of our Preferred Stock may be issued as Series B Convertible Preferred Stock (“Series B Preferred”).

Each Series B Preferred Share is convertible into 30 shares of common stock. Series B Preferred provides for 200 votes for each share of preferred stock on any matters brought before our shareholders for a vote.

As a result, the primary holder of our Series B Preferred has voting control over any matter brought before our shareholder for a vote, including certain corporate and business decisions.

On December 31, 2025, there were 45,699,661 shares of our Series B Convertible Preferred Stock issued and outstanding.

## **NOTE 7 – MANUFACTURING LICENSE AGREEMENTS**

**KF USA:** On or about March 15, 2018, our subsidiary, KF USA, entered into a Manufacturing License Agreement (“MLA”) with Mehran Tavakoli Keshe (“MTK”), a related party (see Note 9). Under the MLA, MTK granted KF USA the use of manufacturing and intellectual property rights to technology (see Note 10) through March 15, 2028, and KF USA agreed to pay MTK royalties on products sold, as well as a Front-End Fee (“FEF”) of €20,000,000, which was \$24,617,500 at the time the MLA was issued. Royalties on future sales are assessed at a scaling rate, starting at 0% and increasing to 40% over the duration of the MLA. Royalties are due no more than 30 calendar days after the end of each quarter. As of this Reporting Period, no royalties have been issued.

**Markray:** On or about March 22, 2021, Markray entered into an MLA with MTK, through KF Global. In exchange for the use of manufacturing and intellectual rights through March 31, 2031, and the Company agreed to pay MTK royalties and a FEF of €20,000,000, which was \$23,682,520 at the time the MLA was issued. Royalties on future sales are assessed at a scaling rate, starting at 0% and increasing to 40% over the duration of the MLA. Royalties are due no more than 30 calendar days after the end of each quarter. As of this Reporting Period, no royalties have been issued.

On or about March 31, 2025, we amended the MLA between Markray and MTK. In the event MTK introduces us to a third party who signs a sublicense agreement with us, to manufacture, use, and sell Keshe Technology, we have agreed that MTK will receive 20% of all funds received by Markray under the sublicense agreement and 20% of any equity of the third party received by Markray under the sublicense agreement.

## **NOTE 8 – RELATED PARTY DEBT DUE TO FORMER CEO**

The Company’s former CEO, Jon Bliven, who died in November 2024, had made loans of \$136,050 to the Company, with an interest rate of zero percent. During the Reporting Period, attorneys for Mr. Bliven’s family notified us that Mr. Bliven’s family has no interest in pursuing collection of such sums related to any loans from Mr. Bliven to Markray Corp. Accordingly, the related liability was derecognized during the period and recognized as other income.

## **NOTE 9 – RELATED PARTY AND CONTROL RELATIONSHIP DISCLOSURE**

Mehran Tavakoli Keshe (“MTK”) serves as the Chief Executive Officer, Chairman of the Board, Corporate Secretary, and controlling shareholder of Markray Corp (“Markray” or the “Company”), which owns Keshe Foundation Global, Inc. (“KF Global”), Keshe Foundation USA (“KF USA”), Keshe Technology USA, Inc. (“KTech”), Markray Corp (“Markray AZ”), Keshe Foundation USA (“KF USA AZ”), and Keshe Technology USA, Inc. (“KTech AZ”) – collectively, the “Markray Entities”. KF Global and KF USA both hold licensing agreements with the Keshe Foundation.

In addition to MTK’s executive and board positions, MTK is the founder and principal of the Keshe Foundation (“KF”) and its affiliated entities.

As a result, MTK simultaneously controls both the public issuer (Markray) and the Keshe Foundation which owns the underlying intellectual property upon which the Company's licensing and commercialization strategy is based.

This structure establishes a related-party relationship between the Company, MTK, the Keshe Entities and the Keshe Foundation and its affiliated entities.

Related-party obligations involving former management are described separately in Note 8.

### **Ownership and Control**

While Markray is a publicly traded company with more than 130 shareholders, MTK holds a controlling interest and owns the majority of the Company's outstanding equity securities, as shown below:

- 45,698,991 shares of Series B Preferred Stock (of 45,699,661 issued and outstanding)
- Options for 30,000,000 additional Series B Preferred shares
- 255,000,000 Common Shares (of 305,276,488 issued and outstanding)
- Options for 400,000,000 additional Common Shares

Each Series B Preferred share carries the voting rights equivalent to 200 common shares and converts to common stock on a 30:1 basis.

As of December 31, 2025, MTK's investments in the Company included:

- Cash contributions totaling approximately \$2,300,000
- Loans to Markray and Markray-owned companies totaling approximately \$945,000
- Rights to use certain intellectual property under Manufacturing License Agreements ("MLAs") (see Note 7)

The outstanding balance owed to MTK as of the reporting period was \$24,470.

### **Related Party Agreements and Transactions**

MTK owns the intellectual property associated with Keshe Technology, which the Company licenses under MLAs executed with MTK and the Keshe Entities (see Notes 7 and 10).

These agreements grant Markray the right to sublicense, manufacture, and commercialize Keshe-based systems for use in materials, energy, environmental, health, communications, space, and other applications.

Because MTK is both the control person of the Company and the owner of the intellectual property licensed by the Company, these transactions constitute related-party transactions as defined under applicable accounting and disclosure standards.

The Company does not conduct independent scientific research nor has it conducted technical validation of Keshe Technology, but relies solely on the Keshe Foundation for technical information, demonstrations, and ongoing research.

This reliance creates potential conflicts of interest, as well as operational and business continuity risks, should any change occur in MTK's role, the Keshe Foundation's operations, or their ability to provide technology access and support.

### **Governance and Oversight**

All related-party transactions are subject to review and approval by the Board of Directors, excluding MTK where appropriate or possible.

The Company continues to evaluate and implement governance procedures designed to promote transparency, compliance, and independent oversight of related-party relationships and control structures.

### **Investor Considerations**

Investors should recognize that the Company's dependence on Keshe Technology and its close operational relationship with MTK and the Keshe Entities may not be equivalent to transactions conducted at arm's-length terms.

The Company's business performance, access to technology, and ability to commercialize licensed products are substantially dependent upon the continued cooperation and performance of MTK and the Keshe Foundation network.

## NOTE 10 – KESHE TECHNOLOGY

Keshe Technology, developed by Mehran Tavakoli Keshe (“MTK”), represents what the Company believes may be a significant advancement in plasma and field-interaction science — a body of research that seeks to describe and apply the principles governing magnetic-gravitational (“Magrav”) and cosmic-field interactions.

The foundation of Keshe Technology is believed to be based on more than four decades of MTK’s theoretical and experimental work in nuclear, plasma, and quantum sciences. Through continued development, this work has evolved into a unified field-interaction framework known as “cosmic ray plasma technology”.

The Company’s understanding is that Keshe Technology enables the conversion of matter to energy and energy to matter, permitting the production of high-purity materials – directly from field interactions, without combustion, radiation, or chemical reaction. These processes reportedly allow for control of atomic composition, isotopic structure, and alloy purity at the field level, with the ability to produce materials finer than nano — down to the pico scale.

Recent demonstrations by the Keshe Foundation in Beijing (May 2025) and other regions of China have showcased what the Foundation describes as repeatable element-creation processes, including the transformation of base materials into gold, copper, zinc, and rare-earth analogs under ambient conditions. According to the Foundation, these findings mark the beginning of a new scientific era and have potential applications across energy, materials science, computing, and space technologies.

Through its Manufacturing License Agreements (“MLAs”) with MTK and the Keshe Foundation (see Note 7), Markray Corp (“Markray”) holds the exclusive rights to sublicense Keshe Technology in the United States and intends to grant sublicenses for the development and production of systems utilizing this technology. These systems include flight and motion systems, life-support and environmental systems, materials production, communications, wellness, energy generation, and other space-related applications.

Markray also plans to license and facilitate commercialization of derivative and spin-off technologies derived from Keshe Technology for both space and terrestrial industries.

### Principal Components of Keshe Technology

**Plasma:** fundamental medium of universal field interaction, controllable at room temperature and atmospheric pressure.

**GANS (Gases in Nano Solid State)** a new matter state of gas-based nano-particles enabling matter-to-energy and energy-to-matter conversion through magnetic field interaction.

**Nanomaterials:** materials produced or organized at the nano or sub-nano (pico) scale for field-level engineering of matter.

**Magravs (Magnetic-Gravitational Fields):** field forces generated by magnetic and gravitational interaction forming the basis for lift, motion, and shielding applications.

The Company continues to monitor and document developments from the Keshe Foundation network for integration into future sublicensing and commercialization programs.

## NOTE 11 – RECENT DEVELOPMENTS

In May 2025, the Keshe Foundation conducted a series of public demonstrations in Beijing, China, showcasing what it described as the successful conversion of base materials into pure elemental substances, including gold, copper, zinc, and rare-earth analogs, under ambient laboratory conditions using its cosmic ray plasma technology.

The demonstrations were attended by representatives from Chinese academia, industry, and government, including senior scientific and military observers, and were followed by field-based validations in Hebei Province and Qingdao City. Laboratory analyses of produced samples reportedly confirmed the presence of high-purity metallic and oxide compounds consistent with Keshe’s field-interaction model.

Management believes these events are indicative of a material advancement in the scientific validation and public awareness of Keshe Technology and mark the first major demonstration of its potential commercial and industrial applications.

As a result, Markray intends to expand its sublicensing and commercialization activities related to Keshe Technology and to evaluate the implications of these developments for potential industrial, materials, and energy applications in both space and terrestrial markets.

On or about October 21, 2025, Markray issued a press release announcing recent advancements and demonstrations related to Keshe Technology, the proprietary plasma and field-interaction system developed by Mehran Tavakoli Keshe (“MTK”) and the Keshe Foundation.

The release, titled “Markray Corp and Keshe Foundation Announce Quantum-Level Breakthrough in Matter Creation and Energy Conversion,” summarized the results of public demonstrations held in Beijing, China (May 10–12, 2025), and other locations in China, where the Keshe Foundation presented the reported transformation of base materials into high-purity elemental substances through the use of its cosmic ray plasma technology.

The press release described these events as a significant proof-of-concept milestone in the field of plasma-based material science, noting potential implications for future applications in energy generation, materials science, and aerospace systems.

Management believes that the announcement represents an important step in the Company’s commercialization strategy, highlighting the potential impact of Keshe Technology while reaffirming that Markray does not conduct independent research or validation, and that all technical data are provided by the Keshe Foundation.

## **NOTE 12 – RISK FACTORS**

### **Risks Relating to our Business**

**We are at an exceedingly early operational stage, and our success is subject to the substantial risks inherent in the establishment of a new business venture.**

The implementation of our business strategy is in an early stage. We are in the process of assisting in developing our energy water and wellness centers, but neither are commercially operational yet. Our business and operations should be considered to be in an early stage and subject to all of the risks inherent in the establishment of a new business venture. Accordingly, our intended business and operations may not prove to be successful in the near future, if at all. Any future success that we might achieve will depend on many factors, which may be beyond our control, or which cannot be predicted at this time, or which could have a material adverse effect on our financial condition, business prospects and operations and the value of an investment in our company.

**We have a limited operating history, and our business plan is unproven and may not be successful.**

We recently adopted a new business plan and investment strategy that has not been proven to be successful. We have not sold any substantial number of products or services commercially and have not proven that our business model will allow us to identify and develop commercially feasible products or technologies.

**We may have difficulty raising additional capital, which could deprive us of necessary resources, and you may experience dilution or subordinate stockholder rights, preferences and privileges as a result of our financing efforts.**

We expect to continue to devote significant capital resources to fund the acquisition and development of new products and processes. In order to support the initiatives envisioned in our business plan, we will need to raise additional funds through the sale of assets, public or private debt or equity financing or other arrangements. Our ability to raise additional financing depends on many factors beyond our control, including the state of capital markets, the market price of our Common Stock and the development or prospects for development of competitive products and services by others. Because our Common Stock is not listed on a national stock exchange, many investors may not be willing or allowed to purchase it or may demand steep discounts. Sufficient additional financing may not be available to us or may be available only on terms that would result in further dilution to the current owners of our Common Stock.

**Failure to effectively manage our growth could place strains on our managerial, operational and financial resources and could adversely affect our business and operating results.**

Our growth has placed, and is expected to continue to place, a strain on our managerial, operational and financial resources.

Further, if our businesses grow, then we will be required to manage multiple relationships. Any further growth by us, or any increase in the number of our strategic relationships, will increase this strain on our managerial, operational and financial resources. This strain may inhibit our ability to achieve the rapid execution necessary to implement our business plan and could have a material adverse effect on our financial condition, business prospects and operations and the value of an investment in our company.

**There are substantial inherent risks in attempting to commercialize new products and services, and, as a result, we may not be able to successfully develop products or services for commercial use.**

Our company intends to acquire or invest in products in numerous fields. We have limited experience in some of these fields. Often development requires significant amounts of capital and takes an extremely long time to reach commercial viability, if at all. During the development process, we may experience barriers that we may be unable to overcome. Because of these uncertainties, it is possible that many of our product candidates may never be successfully developed. If we are unable to successfully develop products or technology for commercial use, then we will be unable to generate revenue or build a sustainable or profitable business.

**We will need to achieve commercial acceptance of our products to generate revenues and achieve profitability.**

Even if our efforts to acquire or develop products yields technologically feasible applications, we may not successfully develop commercial products, and even if we do, we may not do so on a timely basis. If our research efforts are successful on the technology side, it could take at least several years before this technology will be commercially viable. During this period, superior competitive products may be introduced, or customer tastes may change, which will diminish or extinguish the commercial uses for our products. We cannot predict when significant commercial market acceptance for our products will develop, if at all, and we cannot reliably estimate the projected size of any such potential market. If the markets fail to accept our products, then we may not be able to generate revenues from the commercial application of our products. Our revenue growth and achievement of profitability will depend substantially on our ability to introduce new products that are accepted by customers. If we are unable to cost-effectively achieve acceptance of our products by customers, or if the associated products do not achieve wide market acceptance, then our business will be materially and adversely affected.

**Keshe Technology may never reach its ambitions goals and may never develop a commercially viable product.**

The Company cannot guarantee that Keshe Technology will evolve to a point where commercially viable products are possible or that we will be able to develop or sell products based upon Keshe Technology. If the Company is unable to commercialize Keshe Technology, the Company's business, cash flow and operational results will be adversely affected.

**The terms of our future agreements are unknown and may not be as compliant to the Company as we would like.**

The Company intends to enter into agreements for intellectual property, manufacturing, extraction services and production in the future. The terms of such agreements are unknown. If the Company is unable to enter into such contracts on desirable terms, it may adversely affect the Company's business, cash flows and results of operations.

**The Company may be adversely affected if it does not maintain adequate internal control over financial reporting, which could result in a material misstatement of the financial statements.**

The Company is responsible for establishing and maintaining adequate internal control over financial reporting designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. If the Company fails to maintain adequate internal controls, they may be unable to (i) maintain records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company, (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, (iii) ensure that receipts and expenditures are being made only in accordance with authorizations of management and directors of the Company, and (iv) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of Company's assets that could have a material effect on the financial statements. Any such potential material misstatement, if not prevented or detected, could have a material adverse effect on the business, results of operations, and financial condition.

**The Company may not be able to achieve the expected benefits from acquiring a business or assets or adequate consideration for disposing of a business or assets.**

As part of our strategy and business plan, the Company may consider a number of measures designed to manage the business, the products and services offered, and the asset levels, credit exposures, or liquidity position, including potential business or asset acquisitions or sales. There can be no assurance that the Company will be successful in completing all or any of these transactions. There is no assurance that the Company will receive adequate consideration for any dispositions. These transactions, if completed, may reduce the size of the business and may not be able to replace the volume associated with these businesses. As a result, the future disposition of assets could have a material adverse effect on business, financial condition and results of operations.

**Adverse or volatile market conditions could continue to negatively impact fees and other income.**

A portion of the Company's revenue base is generated through fees and participation income, advisory fees, servicing fees, and other types of fee income, which are recorded in other income. These revenue streams are dependent on market conditions and the confidence of clients, customers, and partners in the ability to perform their obligations. Current market conditions, including lower liquidity levels in the market, have significantly reduced activity, and have resulted in significantly lower income. If the markets are disrupted or if they otherwise fail to produce increased fees and other income, it could adversely affect the financial condition and results of operations.

**Control by Management.**

Management will continue to own a substantial percentage of the Company's issued and outstanding shares of common stock (if all preferred stock is converted into equity), which carries the right to elect all directors and appoint the officers and directors of both the Company. As a result, thereof, the holders of the Common Stock will not have the ability to direct any of the affairs of the Company.

**No Dividends on Common Stock; Limits on Common Stock Dividends.**

The Company has never paid dividends on its shares of Common Stock. At some time as the Board of Directors deems appropriate and economically viable, the Company may declare a dividend on its Common Stock. There can be no assurance that the operations of the Company will result in sufficient revenues to enable the Company to pay dividends.

**Benefits to be Realized by Current Shareholders.**

If the Company's future operations are successful, the present shareholders of the Company will realize benefits from the Company's growth. If the Company's future operations are unsuccessful, the persons who purchase the Common Stock will sustain the principal loss of such cash investment.

**No Assurance of Success or Profitability.**

Investors should be aware of the difficulties normally encountered by a relatively new enterprise. No information is presented in this Risk Factor upon which to base an assumption that the Company's plan will prove successful, or the Company will ever operate profitably.

**We may be unable to adequately protect our proprietary rights.**

Our ability to compete partly depends on the superiority, uniqueness and value of our intellectual property. To protect our proprietary rights, we will rely on a combination of patent, copyright and trade secret laws, confidentiality agreements with our employees and third parties, and protective contractual provisions. Despite these efforts, any of the following occurrences may reduce the value of our intellectual property:

- Our applications for patents relating to our business may not be granted and, if granted, may be challenged or invalidated;
- Issued patents may not provide us with any competitive advantages;
- Our efforts to protect our intellectual property rights may not be effective in preventing misappropriation of our technology;
- Our efforts may not prevent the development and design by others of products or technologies similar to or competitive with, or superior to those we develop; or
- Another party may obtain a blocking patent and we would need to either obtain a license or design around the patent in order to continue to offer the contested feature or service in our products.

**We may become involved in lawsuits to protect or enforce our patents that would be expensive and time consuming.**

In order to protect or enforce our patent rights, we may initiate patent litigation against third parties. In addition, we may become subject to interference or opposition proceedings conducted in patent and trademark offices to determine the priority and patentability of inventions. The defense of intellectual property rights, including patent rights through lawsuits, interference or opposition proceedings, and other legal and administrative proceedings, would be costly and divert our technical and management personnel from their normal responsibilities. An adverse determination of any litigation or defense proceedings could put our pending patent applications at risk of not being issued.

Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential information could be compromised by disclosure during this type of litigation. For example, during the course of this kind of litigation, confidential information may be inadvertently disclosed in the form of documents or testimony in connection with discovery requests, depositions or trial testimony. This disclosure could have a material adverse effect on our business and our financial results.

**Because we face intense competition, we may not be able to operate profitably in our markets.**

The market for our products and services is highly competitive and is becoming more so, which could hinder our ability to successfully market our products and services. We may not have the resources, expertise or other competitive factors to compete successfully in the future. We expect to face additional competition from existing competitors and new market entrants in the future. Many of our competitors have greater name recognition and more established relationships in the industry than we do. As a result, these competitors may be able to:

- develop and expand their product offerings more rapidly;
- adapt to new or emerging changes in customer requirements more quickly;
- advantage of acquisition and other opportunities more readily; and
- greater resources to the marketing and sale of their products and adopt more aggressive pricing policies than we can.

**We expect to rely on third parties for the worldwide marketing and distribution of our product candidates, who may not be successful in selling our products.**

We currently do not have adequate resources to market and distribute products worldwide and expect to engage third party marketing and distribution companies to perform these tasks. While we believe that distribution partners will be available, we cannot assure you that the distribution partners, if any, will succeed in marketing our products on a global basis. We may not be able to maintain satisfactory arrangements with our marketing and distribution partners, who may not devote adequate resources to selling our products. If this happens, we may not be able to successfully market our products, which would decrease or eliminate our ability to generate revenues.

**We may have funds at banks and other financial institutions in amounts greater than FDIC insurance covers, as a result, if the financial institution were to suffer a loss of those funds, we may be left without recourse to recover those funds.**

The Company's cash will likely be held in bank depository accounts. While the FDIC insures deposits up to \$250,000 per depositor per insured institution in most cases, the Company may have deposits at financial institutions in excess of the FDIC limits. The failure of any financial institution in which the Company has funds on deposit in excess of the applicable FDIC limits may result in the Company's loss of such excess amounts, which would adversely impact the Company's performance.

**We may indemnify our directors and officer against liability to us and holders of our securities, and such indemnification could increase our operating costs.**

Our bylaws allow us to indemnify our directors and officers against claims associated with carrying out the duties of their offices. Our Bylaws also allow us to reimburse them for the costs of certain legal defenses. Insofar as indemnification for liabilities arising under the Securities Act of 1933 (the "Securities Act") may be permitted to our directors, officers or control persons, we have been advised by the SEC that such indemnification is against public policy and is therefore unenforceable.

Since our officers and directors are aware that they may be indemnified for carrying out the duties of their offices, they may be less motivated to meet the standards required by law to properly carry out such duties, which could increase our operating costs. Further, if our officers and directors file a claim against us for indemnification, the associated expenses could also increase our operating costs.

**If critical components become unavailable or our suppliers delay their production of our key components, our business will be negatively impacted.**

Our ability to get components to build our equipment is crucial to our ability to manufacture our products. These components are supplied by certain third-party manufacturers, and we may be unable to acquire necessary amounts of key components at competitive prices. If we are successful in our growth, outsourcing the production of certain parts and components would be one way to reduce manufacturing costs. We plan to select these particular manufacturers based on their ability to consistently produce these products according to our requirements in an effort to obtain the best quality product at the most cost-effective price. However, the loss of all or one of these suppliers or delays in obtaining shipments would have an adverse effect on our operations until an alternative supplier could be found, if one may be located at all. If we get to that stage of growth, such loss of manufacturers could cause us to breach any contracts we have in place at that time and would likely cause us to lose sales.

**We rely on third party contractors for some of our operations. If we are unable to find quality contractors, it would severely impact our business.**

The Company outsources certain aspects of the business to third party contractors. The Company is subject to the risks associated with such contractors' ability to successfully provide the necessary services to meet the needs of the business. If the contractors are unable to adequately provide the contracted services, and the Company is unable to find alternative service providers in a timely manner, the Company's ability to operate the business may be disrupted, which may adversely affect the Company's business, financial condition, results of operations and cash flows.

**Union activities could adversely impact our business.**

While none of the Company's employees are currently members of unions, the Company may become adversely effected by union activities. The Company is not subject to any collective bargaining or union agreement; however, it is possible that future employees may join or seek recognition to form a labor union or may be required to become a labor agreement signatory. If some or all of the employees of the Company become unionized, it could adversely affect productivity, increase labor costs and increase the risk of work stoppages. If a work stoppage were to occur, it could interfere with the business operations and have a material adverse effect on the Company's business, financial condition, results of operations and cash flows.

**We need additional financing to continue our business plan and operations.**

The Company may need to obtain additional financing for the business in the future in the form of capital or debt. In the event the Company requires additional financing, the amount and terms of such financing is uncertain. If the revenues of the business are insufficient to pay debt service and operating expenses, the Company may be required to seek additional working capital. There can be no assurance that such additional funds will be available. In the event additional funds are not available, the lender could foreclose on the Company, and you could lose your investment in the Company. In addition, the degree to which the Company is leveraged could have an adverse impact on the Company, including (i) increased vulnerability to adverse general economic and market conditions, (ii) impaired ability to expand and to respond to increased competition, (iii) impaired ability to obtain additional financing for future working capital, capital expenditures, general corporate or other purposes and (iv) requiring that a significant portion of cash provided by operating activities be used for the payment of debt obligations, thereby reducing funds available for operations and future business opportunities.

**Current economic conditions and capital markets are in a period of disruption and instability which could adversely affect our ability to access the capital markets, and thus adversely affect our business and liquidity.**

The current economic conditions largely caused by the coronavirus pandemic have had, and likely will continue to have for the foreseeable future, a negative impact on our ability to access the capital markets, and thus have a negative impact on our business and liquidity. Our ability to access the capital markets has been and continues to be severely restricted at a time when we need to access such markets, which could have a negative impact on our business plans. Even if we are able to raise capital, it may not be at a price or on terms that are favorable to us. We cannot predict the occurrence of future disruptions or how long the current conditions may continue.

## **Market Risks**

### **Risks Relating to our Stock**

We have issued shares of Series B Preferred Stock, which have super voting rights, permitting the holder of voting power over those shares to control a majority vote over certain business aspects. Our Series B Preferred Stock provides for 200

votes for each share of preferred stock on any matters properly brought before our shareholders for a vote. As a result, the holder of our Series B Preferred Stock has voting control over any matters brought before our shareholders for a vote, including certain corporate and business decisions.

**The sale of shares of our Common Stock and securities convertible into shares or our Common Stock in private placements could cause the price of our Common Stock to decline.**

The trading volume in our shares of Common Stock may be extremely low. A sale of shares at any given time could cause the trading price of our Common Stock to decline. The sale of a substantial number of shares of our Common Stock, or the anticipation of such sales, could make it more difficult for us to sell equity or equity-related securities in the future at a time and at a price at which we otherwise might desire to effect sales.

**Our Common Stock is traded on the OTC Markets, which may deprive stockholders of the full value of their shares.**

Our Common Stock is expected to have fewer market makers, lower trading volumes and larger spreads between bid and asked prices than securities listed on an exchange such as the NYSE or the NASDAQ Stock Market. These factors may result in higher price volatility and less market liquidity for our Common Stock.

**A low market price would severely limit the potential market for our Common Stock.**

Since trading commenced, our Common Stock has traded at a price substantially below \$5.00 per share, subjecting trading in the stock to certain SEC rules requiring additional disclosures by broker-dealers. These rules generally apply to any non-FINRA equity security that has a market price share of less than \$5.00 per share, subject to certain exceptions (a “penny stock”). Such rules require the delivery, before any penny stock transaction, of a disclosure schedule explaining the penny stock market and the risks associated therewith and impose various sales practice requirements on broker-dealers who sell penny stocks to persons other than established customers and institutional or wealthy investors. For these types of transactions, the broker-dealer must make a special suitability determination for the purchaser and have received the purchaser’s written consent to the transaction before the sale. The broker-dealer also must disclose the commissions payable to the broker-dealer and current bid and offer quotations for the penny stock, and, if the broker-dealer is the sole market maker, the broker-dealer must disclose that fact and the broker-dealer’s presumed control over the market. Such information must be provided to the customer orally or in writing before or with the written confirmation of trade sent to the customer. Monthly statements must be sent disclosing recent price information for the penny stock held in the account and information on the limited market in penny stocks. The additional burdens imposed on broker-dealers by such requirements could discourage broker-dealers from effecting transactions in our Common Stock.

**FINRA sales practice requirements also may limit a stockholder’s ability to buy and sell our Common Stock.**

In addition to the penny stock rules promulgated by the SEC, which are discussed in the immediately preceding risk factor, FINRA rules require that, in recommending an investment to a customer, a broker-dealer must have reasonable grounds for believing that the investment is suitable for that customer. Before recommending speculative low-priced securities to their non-institutional customers, broker-dealers must make reasonable efforts to obtain information about the customer’s financial status, tax status, investment objectives and other information. Under interpretations of these rules, FINRA believes that there is a high probability that speculative low-priced securities will not be suitable for at least some customers. FINRA requirements make it more difficult for broker-dealers to recommend that their customers buy our Common Stock, which may limit the ability to buy and sell our Common Stock and have an adverse effect on the market value for our shares.

**A stockholder’s ability to trade our Common Stock may be limited by trading volume.**

A consistently active trading market for our Common Stock may not occur on the OTC Markets Pink Sheets. A limited trading volume may prevent our stockholders from selling shares at such times or in such amounts as they otherwise may desire.

**Our company has a concentration of stock ownership and control, which may have the effect of delaying, preventing or deterring a change of control.**

Our stock ownership is highly concentrated. One holder of our Series B Preferred Stock holds 99% of all issued and outstanding preferred stock. Our Series B Preferred has super voting rights to control certain business aspects. This same shareholder holds 255,000,000 shares of our common stock. As a result of this concentrated ownership of our stock, this stockholder will be able to control all matters requiring stockholder approval, including the election of directors and approval of mergers and other significant corporate transactions. This concentration of ownership may have the effect of delaying,

preventing or deterring a change in control of our company. It also could deprive our stockholders of an opportunity to receive a premium for their shares as part of a sale of our company, and it may affect the market price of our Common Stock.

**We have not voluntarily implemented various corporate governance measures, in the absence of which stockholders may have more limited protections against interested director transactions, conflicts of interest and similar matters.**

Recent federal legislation, including the Sarbanes-Oxley Act of 2002, has resulted in the adoption of various corporate governance measures designed to promote the integrity of corporate management and the securities markets. Some of these measures have been adopted in response to legal requirements. Others have been adopted by companies in response to the requirements of national securities exchanges, such as the NYSE or the NASDAQ Stock Market, on which their securities are listed. Among the corporate governance measures that are required under the rules of national securities exchanges and FINRA are those that address board of directors' independence, audit committee oversight and the adoption of a code of ethics. While our board of directors has adopted a Code of Ethics and Business Conduct, we have not yet adopted any of these corporate governance measures and, since our securities are not listed on a national securities exchange or NASDAQ, we are not required to do so. It is possible that, if we were to adopt some or all of these corporate governance measures, stockholders would benefit from somewhat greater assurances that internal corporate decisions were being made by disinterested directors and that policies had been implemented to define responsible conduct. For example, in the absence of audit, nominating and compensation committees comprised of at least a majority of independent directors, decisions concerning matters such as compensation packages to our senior officers and recommendations for director nominees may be made by a majority of directors who have an interest in the outcome of the matters being decided. Prospective investors should bear in mind our current lack of corporate governance measures in formulating their investment decisions.

**Our board of directors has the authority to issue shares of "blank check" Preferred Stock, which may make an acquisition of our company by another company more difficult.**

We have adopted and may in the future adopt certain measures that may have the effect of delaying, deferring or preventing a takeover or other change in control of our company that a holder of our Common Stock might consider in its best interest. Specifically, our board of directors, without further action by our stockholders, has the authority to issue additional shares of Preferred Stock and to fix the rights (including voting rights), preferences and privileges of these shares ("blank check" Preferred Stock). Such Preferred Stock may have rights, including economic rights, senior to our Common Stock. As a result, the issuance of the Preferred Stock could have a material adverse effect on the price of our Common Stock and could make it more difficult for a third party to acquire a majority of our outstanding Common Stock.

**Because we will not pay dividends on our Common Stock in the foreseeable future, stockholders will only benefit from owning Common Stock if it appreciates.**

We have never paid cash dividends and do not intend to do so in the foreseeable future on our Common Stock. We intend to retain any future earnings to finance our growth. Accordingly, any potential investor who anticipates the need for current dividends from his investment should not purchase our Common Stock.

### **Technology Risks – Keshe Technology**

Keshe Technology is at a formative stage of scientific and commercial development, and its potential has not yet been independently verified or demonstrated under market conditions.

The Company's reliance on a single source of unproven technology presents significant business, operational, and investment risk. There can be no assurance that Keshe Technology will achieve technical validation or commercial success, or that Markray will be able to generate revenues or operate profitably.

### **Dependence on Keshe Foundation Technology and Lack of Independent Verification**

The Company's business model depends entirely on the successful development, validation, and commercialization of Keshe Technology, which is owned and controlled by Mehran Tavakoli Keshe ("MTK") and the Keshe Foundation network.

Markray does not conduct its own scientific research or testing and has not independently verified the claims or data provided by the Keshe Foundation regarding the performance, repeatability, or scalability of its plasma-based technologies.

The Company's understanding of Keshe Technology is based solely on information, demonstrations, and materials provided by MTK and affiliated institutions. If subsequent testing or third-party validation fails to confirm the claimed results or if the technology does not perform as described, the Company's business prospects, financial condition, and ability to generate revenue could be materially and adversely affected.

### **Early-Stage and Unproven Technology**

Keshe Technology represents a new and largely unproven scientific approach to plasma and field-interaction systems. The technology has not yet been commercially deployed at scale, and its long-term functionality, safety, and economic viability remain uncertain.

As with any emerging technology, significant technical, regulatory, and market risks exist. There can be no assurance that Keshe Technology will perform as intended, achieve commercial acceptance, or meet applicable safety or regulatory requirements.

Investors should understand that the development and commercialization of new technologies involve substantial risk, including technical failure, lack of market demand, the emergence of competing innovations, and delays in product development.

### **Reliance on Third-Party Research and Foreign Entities**

Because the Company does not maintain its own laboratory facilities, it relies on third-party research centers, many of which are located outside the United States, for validation and demonstration activities.

Dependence on foreign institutions subjects the Company to additional risks, including variations in regulatory standards, intellectual property protection, political or trade restrictions, and limited access to verifiable data. Any disruption in the Keshe Foundation's operations or its ability to share technology and results could adversely affect the Company's ability to advance or commercialize its licensing portfolio.

### **Uncertainty of Commercial Adoption**

Even if Keshe Technology proves technically viable, there is no guarantee that it will achieve market adoption. The technology challenges established scientific and industrial paradigms, and its acceptance will require time, education, and independent validation.

Commercialization may also depend on the Company's ability to attract qualified licensees and strategic partners willing to invest in the development and production of Keshe-based systems. If industry participants, regulators, or potential customers remain skeptical of the technology's underlying principles or applications, market adoption could be limited or delayed indefinitely.

### **Dependence on a Single Source of Intellectual Property**

All of the Company's current and planned sublicensing activities depend on intellectual property licensed from MTK and the Keshe Foundation. If these parties terminate or materially alter the license agreements, or if the underlying patents and intellectual property rights are challenged, invalidated, or deemed unenforceable, Markray would have no alternative source of comparable technology and would likely be unable to continue operations in their current form.

### **Dependence on Related Parties and Lack of Arm's-Length Transactions**

The Company's operations, technology access, and commercialization activities are entirely dependent on Keshe Technology and the ongoing cooperation of Mehran Tavakoli Keshe ("MTK") and the Keshe Foundation.

Because MTK simultaneously serves as the Company's Chief Executive Officer, Chairman, and controlling shareholder, as well as the founder and principal of the Keshe Foundation and its affiliated entities, all material agreements between the Company and the Keshe Entities are related-party transactions and may not be conducted on terms equivalent to arm's-length negotiations.

This unified control structure means the Company's business performance, intellectual property access, and ability to commercialize licensed products are dependent upon the continued participation, cooperation, and performance of MTK and the Keshe Foundation network.

Any breakdown in this relationship, change in leadership, dispute over intellectual property rights, or loss of access to Keshe Technology could materially and adversely affect the Company's financial condition, operations, and prospects.

### **Technological, Legal, and Regulatory Risks**

The development and deployment of novel plasma-field technologies may be subject to evolving regulatory and safety standards, both in the United States and abroad. Because Keshe Technology involves interactions at atomic and subatomic levels, regulators may impose additional scrutiny regarding environmental impact, safety, or classification of its applications (for example, energy, health, or aerospace use).

Compliance costs and delays in obtaining regulatory approvals could materially affect the Company's operations, future revenues, and access to capital.

### **Political, Geopolitical, and Trade Risks**

A significant portion of the research and testing associated with Keshe Technology has been conducted through entities and research centers located outside the United States, including facilities in China and Austria.

The Company's principal technology licensor, Mehran Tavakoli Keshe ("MTK"), is an Austrian citizen who was born in Iran and resides in Austria. Although these facts have no bearing on the legality or validity of the Company's agreements, the international nature of the Keshe Foundation network introduces additional political and regulatory exposure that may be beyond the Company's direct control.

Geopolitical tensions, export restrictions, tariffs, or sanctions involving any of the jurisdictions in which Keshe-related research is conducted could disrupt the transfer of data, materials, or intellectual property, or otherwise delay commercialization activities.

For example, heightened trade restrictions between the United States and China could limit the Company's ability to access future testing, validation, or manufacturing capabilities located within China.

Changes in U.S. or foreign government policies, including tariffs, licensing controls, national security reviews, or cross-border technology transfer regulations, could adversely impact the Company's operations, relationships with foreign affiliates, and overall ability to execute its business plan.

Because Markray relies on foreign entities and research networks for technology development and data verification, the Company is exposed to risks arising from political instability, shifts in diplomatic relations, and variations in local regulatory enforcement. Any of these factors could materially and adversely affect the Company's business, operations, or prospects.

### **NOTE 13 - LEGAL AND OTHER MATTERS**

In the normal course of business, the Company may become a party to litigation matters involving claims against the Company. The Company's management is unaware of any pending or threatened assertions and there are no current matters that would have a material effect on the Company's financial position or results of operations.

### **NOTE 14 - SUBSEQUENT EVENTS**

The Company follows the guidance in FASB ASC Topic 855, Subsequent Events ("ASC 855"), which provides guidance to establish general standards of accounting for and disclosures of events that occur after the balance sheet date but before the consolidated financial statements are issued or are available to be issued. ASC 855 sets forth (i) the period after the balance sheet date during which management of a reporting entity evaluates events or transactions that may occur for potential recognition or disclosure in the consolidated financial statements, (ii) the circumstances under which an entity should recognize events or transactions occurring after the balance sheet date in its consolidated financial statements, and (iii) the disclosures that an entity should make about events or transactions that occurred after the balance sheet date.