



2027

1st Quarter Financial Report and OTC Pink Basic Disclosure



BONAL INTERNATIONAL, INC.

Bonal International, Inc. and Subsidiary

Consolidated Balance Sheets

	June 30, 2026	March 31, 2026
Assets		
Current Assets		
Cash	\$ 1,148,563	\$ 958,779
Accounts receivable-trade, net	310,593	180,956
Inventories, net	544,122	568,672
Prepaid expenses and other current assets:		
Prepaid expenses	27,673	40,047
Refundable income taxes	16,500	16,500
Other current assets	64,657	48,788
	<u>2,112,108</u>	<u>1,813,742</u>
Property and Equipment, Net	9,942	9,084
Deferred Tax Asset	18,500	18,500
Other Assets		
Operating lease right-of-use assets	371,556	389,784
Finance lease right-of-use assets - Net	<u>15,695</u>	<u>16,934</u>
Total assets	<u>\$ 2,527,801</u>	<u>\$ 2,248,044</u>
Liabilities and Stockholders' Equity		
Current Liabilities		
Accounts payable	\$ 95,820	\$ 79,738
Accrued and other current liabilities:		
Accrued compensation	132,854	66,728
Customer deposits and advances	71,038	27,945
Accrued income tax liabilities	27,934	-
Other accrued liabilities	2,814	4,803
Current portion of operating lease liabilities	70,287	69,043
Current portion of finance lease liabilities	<u>4,873</u>	<u>4,801</u>
Total current liabilities	405,620	253,058
Long-Term Liabilities		
Operating lease liabilities	302,938	321,159
Finance lease liabilities	<u>11,139</u>	<u>12,385</u>
Total long-term liabilities	314,077	333,544
Stockholders' Equity	<u>1,808,104</u>	<u>1,661,442</u>
Total liabilities and stockholders' equity	<u>\$ 2,527,801</u>	<u>\$ 2,248,044</u>

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

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

Consolidated Statements of Operations

	First Quarter Ended June 30,	
	2026	2025
Net Sales		
Contract revenue	\$ 637,034	\$ 250,739
Rental revenue	38,400	90,760
Total net sales	675,434	341,499
Cost of Sales	170,753	95,367
Gross Profit	504,681	246,132
General and Administrative Expenses	334,216	288,267
Operating Income (Loss)	170,465	(42,135)
Nonoperating Income (Expense)		
Interest income (expense)	2,841	3,317
Other income (expense)	(760)	(272)
Total nonoperating income	2,081	3,045
Income (Loss) - Before income taxes	172,546	(39,090)
Income Tax Expense (Benefit)	25,884	(5,872)
Net Income (Loss)	\$ 146,662	\$ (33,218)
Per-Share Data - Net Income (Loss)	\$ 0.08	\$ (0.02)
Average Number of Shares Used in per Share Computation	1,747,922	1,747,922

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

Bonal International, Inc. and Subsidiary

Consolidated Statements of Stockholders' Equity

	Class A Common Stock	Additional Paid-in Capital	Retained Earnings	Total
Balance - April 1, 2023	8,740	688,212	933,866	1,630,818
Net Income	-	-	6,934	6,934
Balance - March 31, 2024	8,740	688,212	940,800	1,637,752
Net Income			143,177	143,177
Balance - March 31, 2025	8,740	688,212	1,083,977	1,780,929
Net Loss			(119,487)	(119,487)
Balance - March 31, 2026	8,740	688,212	964,490	1,661,442
Net Income			146,662	146,662
Balance - June 30, 2026	<u>\$ 8,740</u>	<u>\$ 688,212</u>	<u>\$ 1,111,152</u>	<u>\$ 1,808,104</u>

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

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

Consolidated Statements of Cash Flows

	Quarter Ended June 30,	
	2026	2025
Cash Flows Provided by (Used in) Operating Activities		
Net income (loss)	\$ 146,662	\$ (33,218)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation and amortization	1,153	3,812
Operating lease expense	18,228	19,218
Finance lease expense	1,239	826
Net change in:		
Accounts receivable-trade, net	(129,637)	35,098
Inventories, net	24,550	29,296
Prepaid expenses and other	(3,495)	(4,937)
Refunable income taxes	-	(5,872)
Accounts payable	16,082	(30,492)
Accrued liabilities and other	135,164	(73,754)
Operating lease liabilities	(16,977)	(19,415)
Finance lease liabilities	(1,174)	(1,101)
Net cash provided by (used in) operating activities	191,795	(80,539)
Cash Flows Used in Investing Activity		
Purchase of property and equipment	(2,011)	(1,400)
Net Increase (Decrease) in Cash	189,784	(81,939)
Cash - Beginning of year	958,779	1,057,375
Cash - End of year	\$ 1,148,563	\$ 975,436

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

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

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

Nature of Business – Headquartered in Royal Oak, Michigan, Bonal Technologies, Inc. provides a complete variety of consulting, training, program design, and metal stress relief services to several industries including: automotive, aerospace, mining, petroleum, shipbuilding, welding, machine tooling, plastic molding, racing, engine building, armament, and die casting. The Company’s patented technology and its three distinct product lines: (1) Meta-Lax Stress Relief, (2) Pulse Puddle Arc Welding (PPAW), and (3) Black Magic, are sold throughout the United States and in over 60 countries.

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

Cash and Cash Equivalents - The Company considers all highly liquid investments with original maturities of six months or less to be cash equivalents. The Company maintains balances in various cash accounts which may, at times, exceed the amount of related federal insurance. The Company has not experienced any losses on such accounts and believes it is not exposed to any significant credit risk on cash. At June 30, 2026 and 2025, cash and cash equivalents consisted of the following:

	<u>June 30, 2026</u>	<u>June 30, 2025</u>
Cash in financial institutions	\$ 805,016	\$ 643,046
Certificates of deposit	<u>343,547</u>	<u>332,390</u>
	<u>\$ 1,148,563</u>	<u>\$ 975,436</u>

Concentrations - The Company had four customers that accounted for approximately 70% and four different customers that accounted for approximately 75% of accounts receivable-trade, net at March 31, 2026 and 2025, respectively. Due to the nature of the Company’s business, the customers that comprise these concentrations change from year to year.

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

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

Accounts Receivable, Contract Assets, and Allowance for Credit Losses - The Company operates in the metal working industries and its accounts receivable are primarily derived from wholesale customers. Since the Company's trade receivables are largely similar, the Company evaluates its allowance for credit losses as one portfolio segment. Accounts receivable are uncollateralized customer obligations due under normal trade terms requiring - payment within 30 days from the invoice date. The Company does not charge interest on unpaid accounts receivable balances. Accounts receivable are stated at amounts billed to the customer.

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

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

The Company has elected to early adopt Accounting Standards Update 2025-05, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets*. The Company has elected the practical expedient to assume that current conditions as of the consolidated balance sheet do not change for the remaining life of the accounts receivable. The Company has also elected to apply the subsequent collection policy election by considering collection activity through the date the consolidated financial statements are available to be issued, when estimating expected credit losses for these assets.

The Company writes off receivables when there is information that indicates the debtor is facing significant financial difficulty and there is no possibility of recovery. If any recoveries are made from any accounts previously written off, they will be recognized in income or as an offset to credit loss expense in the year of recovery, in accordance with the Company's accounting policy election. The total amount of write-offs was immaterial to the consolidated financial statements as a whole for the year's ended March 31, 2026 and 2025.

Inventories – Inventories consist of raw materials, work in progress, and finished goods and are stated at the lower of cost, determined on the first-in, first-out (FIFO) method, or net realizable value. Finished goods includes a rental fleet for units rented to customers on a short-term basis. At June 30, 2026 and 2025, approximately \$90,000 and \$87,000, respectively, relate to rental units within finished

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

Inventories (continued) goods. A valuation allowance is provided for obsolete and slow-moving inventory to write down costs to net realizable value. The Company has recorded an obsolescence reserve as of June 30, 2026 and 2025, of approximately \$10,000.

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

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

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

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

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

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

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

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

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

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

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

Income Taxes – Deferred tax assets and liabilities are recognized for the future tax benefits and consequences attributable to differences between the consolidated financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. Deferred tax assets are reduced by a valuation allowance when, in the opinion of

Bonal International, Inc. and Subsidiary

Notes to Consolidated Financial Statements June 30, 2026, and June 30, 2025

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

Income Taxes (continued) management, it is more likely than not that some portion or all of the deferred tax assets will not be realized.

The Company recognizes and discloses uncertain tax positions in accordance with GAAP. As of March 31, 2026 and 2025, and for the years ended March 31, 2026, 2025, and 2024, the Company did not have a liability for unrecognized tax benefits.

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

Note 2 – Inventories

Major classes of inventories are as follows:

	June 30, 2026	March 31, 2026
Raw materials	\$ 305,937	\$ 317,144
Work in process	125,832	134,977
Finished goods	122,424	126,622
Total	554,193	578,743
Reserve for obsolescence	(10,071)	(10,071)
Total Inventories, Net	\$ 544,122	\$ 568,672

Note 3 – Property and Equipment

Major classes of property and equipment are as follows:

	June 30, 2026	March 31, 2026
Machinery and equipment	\$ 63,821	\$ 61,810
Displays	29,078	29,078
Transportation equipment	46,448	46,448
Office furniture and equipment	236,587	236,587
Leasehold improvements	18,823	18,823
Total cost	394,757	392,746
Accumulated depreciation and amortization	(384,815)	(383,662)
Property and equipment – Net	\$ 9,942	\$ 9,084

Depreciation and amortization expense was \$1,153 and \$3,812 for the months ended June 30, 2026 and 2025, respectively.

Note 4 – Income Taxes

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

	2026	2025
Current expense (benefit)	\$ 25,884	\$ (5,872)
Net income tax expense (benefit)	\$ 25,884	\$ (5,872)

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

Note 5 – Leases

The Company maintains operating and finance leases primarily for office and warehouse space and copy machine. These leases have remaining lease terms expiring through March 1, 2031.

For the years ended March 31, 2026 and 2025, the Company's expenses relating to leases consist of the following:

	2026	2025
<u>Finance lease expense:</u>		
Amortization of ROU assets	\$ 4,956	\$ 3,304
Interest on lease liabilities	<u>1,179</u>	<u>931</u>
Total finance lease expense	<u>\$ 6,135</u>	<u>\$ 4,235</u>
Operating lease expense	\$ 51,487	\$ 76,076

At March 31, 2026 and 2025, other information related to the Company's leases consisted of the following:

	2026	2025
Weighted average remaining lease term:		
Operating leases	4.92 years	.58 years
Finance lease	3.42 years	4.42 years
Weighted average discount rate:		
Operating leases	3.62%	2.63%
Finance lease	6.00%	6.00%

Note 5 – Leases (Continued)

At March 31, 2026, future minimum lease payments under non-cancellable leases are as follows:

	Operating Leases	Finance Lease
2027	\$ 81,787	\$ 5,701
2028	84,240	5,701
2029	86,704	5,701
2030	89,291	1,900
2031	84,118	
Total undiscounted cash flows	426,140	19,003
Less: Present value discount	(35,938)	(1,817)
Total lease liabilities	<u>\$ 390,202</u>	<u>\$ 17,186</u>

Note 6 – Stockholders' Equity

The Company's stock at June 30, 2026 and 2025, consists of the following:

- Class A common, voting stock, 5,000,000 authorized shares, with \$.005 par value.
A total of 1,747,922 shares were issued and outstanding at June 30, 2026 and 2025.
- Class B common, nonvoting stock, 5,000,000 authorized shares, with \$.01 par value.
There were no shares issued or outstanding at June 30, 2026 and 2025.
- Preferred stock, 200,000 authorized shares, with \$.01 par value.
There were no shares issued or outstanding at June 30, 2026 and 2025.

Note 7 – Employee Benefit Plan

The Company sponsors a 401(k) plan that provides retirement benefits for its employees according to the provisions of the plan document. There were no contributions made by the Company during the three months ended June 30, 2026, and 2025.

Bonal International, Inc.

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Info@Bonal.com

Quarterly Report

For the period ending March 31, 2026 (the "Reporting Period")

Outstanding Shares

The number of shares outstanding of our Common Stock was:

1,747,922 as of June 30, 2026

1,747,922 as of March 31, 2026

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 Control⁵ of the company has occurred during this reporting period:

Yes: ☐ No: ☒

⁵ "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.

Bonal International, Inc., formerly Sport Connection. Named changed August 17, 1990.

Current State and Date of Incorporation or Registration: Delaware, Incorporated August 17, 1990

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

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

None

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:

1300 North Campbell Road

Suite A

Royal Oak, MI 48067

Address of the issuer's principal place of business:

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

Same

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:

2) Security Information

Transfer Agent

Name: Pacific Stock Transfer

Phone: (702) 361-3033

Email: ALamb@PacificStockTransfer.com

Address: 6725 Via Vista Parkway

Suite 300

Las Vegas, NV 89119

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:	<u>BONL</u>	
Exact title and class of securities outstanding:	<u>Common Class A</u>	
CUSIP:	<u>097-770-200</u>	
Par or stated value:	<u>\$0.005 per share</u>	
Total shares authorized:	<u>5,000,000</u>	as of date: <u>June 30, 2026</u>
Total shares outstanding:	<u>1,747,922</u>	as of date: <u>June 30, 2026</u>
Total number of shareholders of record:	<u>216</u>	as of date: <u>July 31, 2026</u>

Please provide the above-referenced information for all other publicly quoted or traded securities of the issuer.

None

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 the security:	_____	
Par or stated value:	_____	
Total shares authorized:	_____	as of date: _____
Total shares outstanding:	_____	as of date: _____
Total number of shareholders of record:	_____	as of date: _____

Please provide the above-referenced information for all other classes of authorized or outstanding equity securities.

None

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.

The Company's stock at June 30, 2026:

- Class A common, voting stock, 5,000,000 authorized shares, with \$.005 par value. A total of 1,747,922 shares were issued and outstanding at March 31, 2026.
- Class B common, nonvoting stock, 5,000,000 authorized shares, with \$.01 par value. There were no shares issued or outstanding at June 30, 2026.

2. For preferred stock, describe the dividend, voting, conversion, and liquidation rights as well as redemption or sinking fund provisions.

- Preferred stock, 200,000 authorized shares, with \$.01 par value. There were no shares issued or outstanding at June 30, 2026.

3. Describe any other material rights of common or preferred stockholders.

No other material rights of common or preferred stockholders.

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.

No modifications.

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)

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.

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.

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

Bonal *International* has no operations. However, its wholly owned subsidiary, Bonal *Technologies*, Inc., is the operations arm of the Company. Therefore, the business conducted by Bonal *International* is the business that is conducted by Bonal *Technologies*. Bonal *Technologies* developed and patented a high-tech sub-harmonic vibrational stress relieving process, and subsequent equipment, for metal parts called "Meta-Lax®." Meta-Lax stress relief is accomplished by using a precise, non-destructive, low frequency (sub-harmonic) vibration energy applied to the work piece. The Meta-Lax equipment can provide certification showing that stress relief is complete, a feature not provided from any other known method of stress relief in use today. In comparison to heat treat stress relief, the past traditional choice of stress relief, Meta-Lax is as effective and consistent as heat treat stress relief yet can be applied at a fraction of the time, cost and energy. Also, Meta-Lax does not generate any of the heat treat's negative side effects. Additionally, because the level of vibrational energy that Meta-Lax processing uses is so mild, they can be used during welding to prevent most

of the weld distortion and weld cracking. Weld distortion and cracking are two of the most challenging problems facing the welding industry. Meta-Lax processing can treat work pieces ranging in weight from ounces to one million pounds. Bonal *Technologies* markets and provides services to customers in the aerospace, automotive, defense, die casting, machine tool, mold making, racing, shipbuilding, and welding industries among others. The primary and secondary SIC codes for the products of Bonal *Technologies* are 3829 and 3549 respectively.

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

Bonal Technologies, Inc., a wholly owned subsidiary of the Company

- C. Describe the issuers' principal products or services.

Description of Products – Meta-Lax Equipment

Bonal *Technologies* has a product line utilizing Meta-Lax technology which offers three types of control consoles and five different size force inducers. Each complete Meta-Lax system consists of an electric motor driven force inducer, a transducer, and an electronic control console. The Meta-Lax equipment can be used to stress relieve metal work pieces in place of heat treat stress relief and/or can be used during welding (weld conditioning) to gain many desirable benefits.

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

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

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

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.

Building.

Bonal *Technologies* currently leases 12,268 square feet of office and light industrial space in Royal Oak, Michigan on a contract basis that extends until March 1, 2031. The Company also uses the facility for office space.

Machinery

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

6) All Officers, Directors, and 5% Beneficial Owners of the Company

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.

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

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

Confirm that the information in this table matches your public company profile on www.OTCMarkets.com. If any updates are needed to your public company profile, log in to www.OTCIQ.com to update your company profile.

7) Legal/Disciplinary History

A. Identify and provide a brief explanation as to whether any of the persons or entities listed above in Section 6 have, in the past 10 years:

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. If any updates are needed to your public company profile, update your company profile.

Securities Counsel

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

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

All other means of Investor Communication:

X (Twitter): [x.com/BonalTech](https://twitter.com/BonalTech)
Discord: _____
LinkedIn: [LinkedIn.com/Bonal-Technologies](https://www.linkedin.com/company/bonal-technologies)
Facebook: [Facebook.com/Bonal-Technologies](https://www.facebook.com/Bonal-Technologies)
[Other]: [YouTube.com/Bonal-Technologies](https://www.youtube.com/Bonal-Technologies)

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.

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

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

9) Disclosure & Financial Information

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

Name: Thomas E. Hebel
Title: Chairman
Relationship to Issuer: Chairman

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: Harold Y. Hebel
Title: CFO
Relationship to Issuer: CFO

Describe the qualifications of the person or persons who prepared the financial statements:⁷ CPA

Provide the following qualifying financial statements:

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

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.

⁷ The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS and by persons with sufficient financial skills.

10) Issuer Certification

Chairman:

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

The certifications shall follow the format below:

I, Thomas E. Hebel certify that:

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

August 11, 2026

/s/ Thomas E. Hebel, Chairman

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

Principal Financial Officer:

I, Harold Y. Hebel certify that:

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

August 11, 2026

/s/ Harold Y. Hebel, CFO

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

META-LAX[®] Exhibit A

Console Selection Guide

Stress Relief and Weld Conditioning Systems



2800 Series

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



2401 Series

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

2001 Series

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



Meta-Lax Stress Relief Equipment

Force Inducer Selection Guide



1F Force Inducer

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



FD Force Inducer

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



V8(i) Force Inducer

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



2A(i) Force Inducer

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



3A(i) Force Inducer

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

() = cm/kg



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