

QLOK, INC.

UNAUDITED FINANCIAL STATEMENTS

Period from April 8, 2025, inception, through December 31, 2025

Prepared in accordance with U.S. generally accepted accounting principles

June 20, 2026

Qlok, Inc.

Unaudited Balance Sheet, December 31, 2025

Account	Amount
Assets	
Cash and cash equivalents	\$3,741.91
Patent applications, at cost	\$888.00
Total assets	\$4,629.91
Liabilities	
Credit card payable	\$27.07
Accrued Delaware franchise tax and annual report fee	\$450.00
Total liabilities	\$477.07
Stockholders' equity	
Common stock, \$0.0001 par value	\$1,000.00
Additional paid-in capital	\$319,935.55
Accumulated deficit	(\$316,782.71)
Total stockholders' equity	\$4,152.84
Total liabilities and stockholders' equity	\$4,629.91

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

Qlok, Inc.

Unaudited Statement of Operations and Comprehensive Loss
Period from April 8, 2025, inception, through December 31, 2025

Account	Amount
Revenue	
Revenue	-
Operating expenses	
Research and development	\$138,557.20
Stock-based compensation	\$155,208.33
Professional fees	\$20,518.00
Computer equipment and supplies	\$972.67
Advertising and promotion	\$723.18
Delaware franchise tax and annual report fee	\$450.00
Rent and virtual office	\$264.00
Printing and stationery	\$89.33
Total operating expenses	\$316,782.71
Net loss	(\$316,782.71)
Comprehensive loss	(\$316,782.71)

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

Qlok, Inc.

Unaudited Statement of Cash Flows

Period from April 8, 2025, inception, through December 31, 2025

Account	Amount
Operating activities	
Net loss	(\$316,782.71)
Stock-based compensation	\$155,208.33
Increase in credit card payable	\$27.07
Increase in accrued franchise tax and annual report fee	\$450.00
Net cash used in operating activities	(\$161,097.31)
Investing activities	
Patent application filing costs	(\$888.00)
Net cash used in investing activities	(\$888.00)
Financing activities	
Capital contributions from Edward R. Starrs	\$165,727.22
Net cash provided by financing activities	\$165,727.22
Net increase in cash	\$3,741.91
Cash at inception	-
Cash at December 31, 2025	\$3,741.91

Supplemental noncash disclosure: stock-based compensation of \$155,208.33 was recognized during 2025.

Qlok, Inc.

Unaudited Statement of Changes in Stockholders' Equity Period from April 8, 2025, inception, through December 31, 2025

Item	Common stock	Additional paid-in capital	Accumulated deficit	Total equity
Balance at inception	-	-	-	-
Founder and owner capital contributions	\$1,000.00	\$164,727.22	-	\$165,727.22
Share-based compensation awards	-	\$155,208.33	-	\$155,208.33
Net loss	-	-	(\$316,782.71)	(\$316,782.71)
Balance at December 31, 2025	\$1,000.00	\$319,935.55	(\$316,782.71)	\$4,152.84

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

Qlok, Inc.

Notes to Unaudited Financial Statements

1. Organization and basis of presentation

Qlok, Inc. was incorporated in Delaware on April 8, 2025. The financial statements cover the period from inception through December 31, 2025 and are prepared on the accrual basis in conformity with U.S. generally accepted accounting principles. They are unaudited and management-prepared.

2. Significant accounting policies

Cash and cash equivalents are carried at cost. Research and development costs are expensed as incurred. Equipment purchases below the Company's \$2,500 capitalization threshold are expensed. Patent application filing costs are capitalized and are not amortized while applications are pending. The Company had no revenue in 2025.

3. Patent applications

Management identified the \$888 legal-fee balance in the 2025 source statements as patent application filing costs. The amount is recorded at cost. No amortization or impairment was recorded in 2025.

4. Delaware franchise tax

The Company accrued \$400 of Delaware franchise tax under the Assumed Par Value Capital Method and a \$50 annual report fee as of December 31, 2025.

5. Stock-based compensation

The Company recognized \$155,208.33 of noncash compensation expense for consulting equity awards. Management estimated the grant-date fair value at \$1.00 per common share based primarily on a contemporaneous board-authorized seed financing price. No independent valuation was obtained. The estimate includes 50,000 shares vested under the June 2, 2025 grant, 100,000 shares vested on December 1, 2025, and one month of service cost for a 250,000-share award vesting over 48 months. Approximately \$244,791.67 remained unrecognized at December 31, 2025, subject to future service and corporate ratification.

6. Capital structure and corporate ratification

At December 31, 2025, the Company's filed certificate authorized 10,000,000 shares of common stock at \$0.0001 par value, all attributed to founder shares. The Company is completing a certificate amendment and related corporate ratification intended to validate additional share awards. These financial statements present the consulting awards as equity-classified share-based compensation based on management's intent and expectation that ratification will be completed before the statements are certified and used in the offering.

7. Income taxes

The Company has not filed its 2025 federal or state income tax returns. No current income tax expense is recorded because the Company incurred a loss. Deferred tax assets arising from net operating losses and other temporary differences are fully offset by a valuation allowance because realization is not more likely than not.

8. Related-party transactions

Edward R. Starrs contributed \$165,727.22 of cash during 2025. The Company paid no dividends and recorded no officer compensation in 2025.

9. Going concern

The Company has generated no material revenue, incurred a substantial loss, and had \$3,741.91 of cash at December 31, 2025. These conditions raise substantial doubt about the Company's ability to continue as a going concern. Management's plans include obtaining additional financing, controlling expenditures, launching commercial products, and generating revenue. There is no assurance that these plans will be successful.

10. Subsequent events

Management evaluated subsequent events through June 20, 2026. In February 2026, the Company received a \$300,000 equity investment for approximately 1% ownership. Through June 19, 2026, the Company also received \$46,000 of additional owner contributions and recorded \$25,854.50 of owner distributions. Cash was \$44,297.50 on June 19, 2026. On June 1, 2026, the Company renewed a consulting agreement at \$18,750 per month plus a \$1,250 monthly taxable health allowance, terminable on 30 days notice.

11. Federal income tax return information for Regulation Crowdfunding

Qlok, Inc. was formed in 2025 and, as of June 20, 2026, had not filed a federal income tax return for the year ended December 31, 2025. Accordingly, no federal tax return line items are presented.

Principal Executive Officer Certification

Regulation Crowdfunding, maximum offering amount of \$124,000

I, Edward R. Starrs, certify that the accompanying financial statements of Qlok, Inc. are true and complete in all material respects. Qlok, Inc. was formed in 2025 and, as of the date of this certification, has not filed a federal income tax return for the year ended December 31, 2025. Accordingly, no federal income tax return information is included in these financial statements.

Signature: /Edward R. Starrs/

Edward R. Starrs

CEO

Date: June 22, 2026