Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2025

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2025 or fiscal plan year beginning 01/01/2025 and ending 12/31/2025

A This return/report is for:
- [ ] a multiemployer plan
- [ ] a multiple-employer plan (Filers checking this box must provide participating employer information in accordance with the form instructions.)
- [X] a single-employer plan
- [ ] a DFE (specify) _____

B This return/report is:
- [ ] the first return/report
- [ ] the final return/report
- [X] an amended return/report
- [ ] a short plan year return/report (less than 12 months)

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

D Check box if filing under:
- [X] Form 5558
- [ ] automatic extension
- [ ] the DFVC program
- [ ] special extension (enter description)

E If this is a retroactively adopted plan permitted by SECURE Act section 201, check here. . . . . ▶ [ ]

Part II Basic Plan Information—enter all requested information

1a Name of plan
TARGAN INC. RETIREMENT PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 05/01/2019

2a Plan sponsor's name (employer, if for a single-employer plan)
Mailing address (include room, apt., suite no. and street, or P.O. Box)
City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)
TARGAN INC.

350 E SIX FORKS RD
RALEIGH, NC 27609

2b Employer Identification Number (EIN)
82-0946945

2c Plan Sponsor's telephone number
919-636-1811

2d Business code (see instructions)
333100

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/15/2026	MICHAEL GRESHES
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a	Plan administrator's name and address [X] Same as Plan Sponsor	**3b**	Administrator's EIN
		3c	Administrator's telephone number
4	If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report:	**4b**	EIN
a	Sponsor's name	**4d**	PN
c	Plan Name		

5	Total number of participants at the beginning of the plan year	**5**	153
6	Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines **6a(1), 6a(2), 6b, 6c,** and **6d**).		
a(1)	Total number of active participants at the beginning of the plan year	**6a(1)**	141
a(2)	Total number of active participants at the end of the plan year	**6a(2)**	135
b	Retired or separated participants receiving benefits	**6b**	0
c	Other retired or separated participants entitled to future benefits	**6c**	15
d	Subtotal. Add lines **6a(2)**, **6b**, and **6c**.	**6d**	150
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	0
f	Total. Add lines **6d** and **6e**.	**6f**	150
g(1)	Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item)	**6g(1)**	134
g(2)	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g(2)**	136
h	Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.	**6h**	0
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:

2F 2G 2J 2K 2S 2T 3B 3D

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply)		**9b** Plan benefit arrangement (check all that apply)	
(1) [X]	Insurance	**(1)** [X]	Insurance
(2) [ ]	Code section 412(e)(3) insurance contracts	**(2)** [ ]	Code section 412(e)(3) insurance contracts
(3) [X]	Trust	**(3)** [X]	Trust
(4) [ ]	General assets of the sponsor	**(4)** [ ]	General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- **(1)** [X] **R** (Retirement Plan Information)
- **(2)** [ ] **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- **(3)** [ ] **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary
- **(4)** [ ] **DCG** (Individual Plan Information) – Number Attached _____
- **(5)** [ ] **MEP** (Multiple-Employer Retirement Plan Information)

b General Schedules

- **(1)** [X] **H** (Financial Information)
- **(2)** [ ] **I** (Financial Information – Small Plan)
- **(3)** [X] **A** (Insurance Information) – Number Attached 1
- **(4)** [X] **C** (Service Provider Information)
- **(5)** [X] **D** (DFE/Participating Plan Information)
- **(6)** [ ] **G** (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2025 Form M-1 annual report. If the plan was not required to file the 2025 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code_____

SCHEDULE A (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Insurance Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).

OMB No. 1210-0110

2025

This Form is Open to Public Inspection

For calendar plan year 2025 or fiscal plan year beginning 01/01/2025 and ending 12/31/2025

A Name of plan
TARGAN INC. RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
TARGAN INC.

D Employer Identification Number (EIN)
82-0946945

Part I Information Concerning Insurance Contract Coverage, Fees, and Commissions

Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.

1 Coverage Information:

(a) Name of insurance carrier
EMPOWER ANNUITY INSURANCE COMPANY OF AMERICA

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
84-0467907	68322	519525-01	58	01/01/2025	12/31/2025

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in line 3 the agents, brokers, and other persons in descending order of the amount paid.

(a) Total amount of commissions paid	(b) Total amount of fees paid

3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4	Current value of plan's interest under this contract in the general account at year end	4	37066
5	Current value of plan's interest under this contract in separate accounts at year end	5	0

6 Contracts With Allocated Funds:

a State the basis of premium rates ▶

b	Premiums paid to carrier	6b	
c	Premiums due but unpaid at the end of the year	6c	
d	If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount.	6d	

Specify nature of costs ▶

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity

(3) ☐ other (specify) ▶

f If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ▶ ☐

7 Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)

a Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee

(3) ☐ guaranteed investment (4) ☒ other ▶ GROUP ANNUITY CONTRACT

b	Balance at the end of the previous year			7b	18905
c	Additions: (1) Contributions deposited during the year	7c(1)	7224		
	(2) Dividends and credits	7c(2)	0		
	(3) Interest credited during the year	7c(3)	826		
	(4) Transferred from separate account	7c(4)	34402		
	(5) Other (specify below)	7c(5)	60		
	▶ LOAN REPAYMENT(S)				
	(6)Total additions			7c(6)	42512
d	Total of balance and additions (add lines **7b** and **7c(6)**).			7d	61417
e	Deductions:				
	(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	13613		
	(2) Administration charge made by carrier	7e(2)	99		
	(3) Transferred to separate account	7e(3)	10639		
	(4) Other (specify below)	7e(4)			
	▶				
	(5) Total deductions			7e(5)	24351
f	Balance at the end of the current year (subtract line **7e(5)** from line **7d**)			7f	37066

Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organizations(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

8 Benefit and contract type (check all applicable boxes)

- **a** ☐ Health (other than dental or vision)
- **b** ☐ Dental
- **c** ☐ Vision
- **d** ☐ Life insurance
- **e** ☐ Temporary disability (accident and sickness)
- **f** ☐ Long-term disability
- **g** ☐ Supplemental unemployment
- **h** ☐ Prescription drug
- **i** ☐ Stop loss (large deductible)
- **j** ☐ HMO contract
- **k** ☐ PPO contract
- **l** ☐ Indemnity contract
- **m** ☐ Other (specify) ▶

9 Experience-rated contracts:				
a Premiums: (1) Amount received	**9a(1)**			
(2) Increase (decrease) in amount due but unpaid	**9a(2)**			
(3) Increase (decrease) in unearned premium reserve	**9a(3)**			
(4) Earned (**(1)** + **(2)** - **(3)**)			**9a(4)**	0
b Benefit charges (1) Claims paid	**9b(1)**			
(2) Increase (decrease) in claim reserves	**9b(2)**			
(3) Incurred claims (add **(1)** and **(2)**)			**9b(3)**	0
(4) Claims charged			**9b(4)**	
c Remainder of premium: (1) Retention charges (on an accrual basis) --				
(A) Commissions	**9c(1)(A)**			
(B) Administrative service or other fees	**9c(1)(B)**			
(C) Other specific acquisition costs	**9c(1)(C)**			
(D) Other expenses	**9c(1)(D)**			
(E) Taxes	**9c(1)(E)**			
(F) Charges for risks or other contingencies	**9c(1)(F)**			
(G) Other retention charges	**9c(1)(G)**			
(H) Total retention			**9c(1)(H)**	0
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.)			**9c(2)**	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement			**9d(1)**	
(2) Claim reserves			**9d(2)**	
(3) Other reserves			**9d(3)**	
e Dividends or retroactive rate refunds due. (Do not include amount entered in line **9c(2)**.)			**9e**	
10 Nonexperience-rated contracts:				
a Total premiums or subscription charges paid to carrier			**10a**	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount.			**10b**	

Specify nature of costs.

Part IV Provision of Information

11 Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☒ No

12 If the answer to line 11 is "Yes," specify the information not provided. ▶

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.**	**2025** **This Form is Open to Public Inspection.**

For calendar plan year 2025 or fiscal plan year beginning 01/01/2025 and ending 12/31/2025

A Name of plan	**B** Three-digit plan number (PN) ▶	
TARGAN INC. RETIREMENT PLAN		001
C Plan sponsor's name as shown on line 2a of Form 5500	**D** Employer Identification Number (EIN)	
TARGAN INC.	82-0946945	

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. . . . . ☐ Yes ☒ No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

EMPOWER ADVISORY GROUP, LLC

8515 EAST ORCHARD ROAD
GREENWOOD VILLAGE, CO 80111

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28	INVESTMENT MGMT	4357	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

EMPOWER ANNUITY INSURANCE COMPANY O

8515 EAST ORCHARD ROAD
GREENWOOD VILLAGE, CO 80111

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
64	RECORDKEEPER	1712	Yes [X] No [ ]	Yes [X] No [ ]	0	Yes [X] No [ ]

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes [ ] No [ ]	Yes [ ] No [ ]		Yes [ ] No [ ]

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

a Name:

b EIN:

c Position:

d Address:

e Telephone:

Explanation:

a Name:

b EIN:

c Position:

d Address:

e Telephone:

Explanation:

a Name:

b EIN:

c Position:

d Address:

e Telephone:

Explanation:

a Name:

b EIN:

c Position:

d Address:

e Telephone:

Explanation:

a Name:

b EIN:

c Position:

d Address:

e Telephone:

Explanation:

SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

DFE/Participating Plan Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2025

This Form is Open to Public Inspection.

For calendar plan year 2025 or fiscal plan year beginning 01/01/2025 and ending 12/31/2025

A Name of plan
TARGAN INC. RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 001

C Plan or DFE sponsor's name as shown on line 2a of Form 5500
TARGAN INC.

D Employer Identification Number (EIN)
82-0946945

Part I **Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)**
(Complete as many entries as needed to report all interests in DFEs)

a Name of MTIA, CCT, PSA, or 103-12 IE: SMALL CAP GROWTH FUND CLASS R1

b Name of sponsor of entity listed in (a): GREAT GRAY

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
38-4097324-487	C	11397

a Name of MTIA, CCT, PSA, or 103-12 IE: STATE ST TARGET RET 2030 SL CL VI

b Name of sponsor of entity listed in (a): STATE STREET GLOBAL ADVISORS COLLECTIVE TRUSTS

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
90-0337987-316	C	0

a Name of MTIA, CCT, PSA, or 103-12 IE: T ROWE PRICE RETIREMENT BLEND 2040

b Name of sponsor of entity listed in (a): T. ROWE PRICE COLLECTIVE TRUSTS

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
30-6596089-001	C	234220

a Name of MTIA, CCT, PSA, or 103-12 IE: T ROWE PRICE RETIREMENT BLEND 2050

b Name of sponsor of entity listed in (a): T. ROWE PRICE COLLECTIVE TRUSTS

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
35-7192720-001	C	508917

a Name of MTIA, CCT, PSA, or 103-12 IE: T ROWE PRICE RETIREMENT BLEND 2045

b Name of sponsor of entity listed in (a): T. ROWE PRICE COLLECTIVE TRUSTS

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
35-2611309-001	C	212505

a Name of MTIA, CCT, PSA, or 103-12 IE: EMERGING MARKETS FUND CL R1

b Name of sponsor of entity listed in (a): GREAT GRAY

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
86-1819869-672	C	31556

a Name of MTIA, CCT, PSA, or 103-12 IE: T ROWE PRICE RETIREMENT BLEND 2025

b Name of sponsor of entity listed in (a): T. ROWE PRICE COLLECTIVE TRUSTS

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
37-6658226-001	C	324531

a Name of MTIA, CCT, PSA, or 103-12 IE: STATE ST TARGET RET 2045 SL CL VI

b Name of sponsor of entity listed in (a): STATE STREET GLOBAL ADVISORS COLLECTIVE TRUSTS

c EIN-PN 90-0337987-319	**d** Entity code C	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0

a Name of MTIA, CCT, PSA, or 103-12 IE: T ROWE PRICE RETIREMENT BLEND 2055

b Name of sponsor of entity listed in (a): T. ROWE PRICE COLLECTIVE TRUSTS

c EIN-PN 30-1011718-001	**d** Entity code C	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 318637

a Name of MTIA, CCT, PSA, or 103-12 IE: T ROWE PRICE RETIREMENT BLEND 2020

b Name of sponsor of entity listed in (a): T. ROWE PRICE COLLECTIVE TRUSTS

c EIN-PN 32-6493445-001	**d** Entity code C	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 220

a Name of MTIA, CCT, PSA, or 103-12 IE: STATE ST TARGET RET 2055 SL CL VI

b Name of sponsor of entity listed in (a): STATE STREET GLOBAL ADVISORS COLLECTIVE TRUSTS

c EIN-PN 90-0337987-325	**d** Entity code C	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0

a Name of MTIA, CCT, PSA, or 103-12 IE: STATE ST TARGET RET 2025 SL CL VI

b Name of sponsor of entity listed in (a): STATE STREET GLOBAL ADVISORS COLLECTIVE TRUSTS

c EIN-PN 90-0337987-315	**d** Entity code C	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0

a Name of MTIA, CCT, PSA, or 103-12 IE: STATE ST TARGET RET 2020 SL CL VI

b Name of sponsor of entity listed in (a): STATE STREET GLOBAL ADVISORS COLLECTIVE TRUSTS

c EIN-PN 90-0337987-314	**d** Entity code C	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0

a Name of MTIA, CCT, PSA, or 103-12 IE: STATE STREET TARGET RETIREMENT SL C

b Name of sponsor of entity listed in (a): STATE STREET GLOBAL ADVISORS COLLECTIVE TRUSTS

c EIN-PN 90-0337987-326	**d** Entity code C	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0

a Name of MTIA, CCT, PSA, or 103-12 IE: STATE ST TARGET RET 2060 SL CL VI

b Name of sponsor of entity listed in (a): STATE STREET GLOBAL ADVISORS COLLECTIVE TRUSTS

c EIN-PN 90-0337987-454	**d** Entity code C	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0

a Name of MTIA, CCT, PSA, or 103-12 IE: SSGA REAL ASSET FUND CLASS C

b Name of sponsor of entity listed in (a): STATE STREET GLOBAL ADVISORS COLLECTIVE TRUSTS

c EIN-PN 90-0337987-280	**d** Entity code C	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 108769

a Name of MTIA, CCT, PSA, or 103-12 IE: T ROWE PRICE RETIREMENT BLEND 2065

b Name of sponsor of entity listed in (a): T. ROWE PRICE COLLECTIVE TRUSTS

c EIN-PN 85-1790880-001	**d** Entity code C	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 144015

a Name of MTIA, CCT, PSA, or 103-12 IE: T. ROWE PRICE RETIREMENT BLEND 2005

b Name of sponsor of entity listed in (a): T. ROWE PRICE COLLECTIVE TRUSTS

c EIN-PN 35-7193113-001	**d** Entity code C	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 350949

a Name of MTIA, CCT, PSA, or 103-12 IE: STATE ST TARGET RET 2050 SL CI VI

b Name of sponsor of entity listed in (a): STATE STREET GLOBAL ADVISORS COLLECTIVE TRUSTS

c EIN-PN 90-0337987-320	**d** Entity code C	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0

a Name of MTIA, CCT, PSA, or 103-12 IE: T. ROWE PRICE RETIREMENT BLEND 2035

b Name of sponsor of entity listed in (a): T. ROWE PRICE COLLECTIVE TRUSTS

c EIN-PN 37-6658473-001	**d** Entity code C	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 147681

a Name of MTIA, CCT, PSA, or 103-12 IE: STATE ST TARGET RET 2040 SL CI VI

b Name of sponsor of entity listed in (a): STATE STREET GLOBAL ADVISORS COLLECTIVE TRUSTS

c EIN-PN 90-0337987-318	**d** Entity code C	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0

a Name of MTIA, CCT, PSA, or 103-12 IE: STATE ST TARGET RET 2065 SL CL VI

b Name of sponsor of entity listed in (a): STATE STREET GLOBAL ADVISORS COLLECTIVE TRUSTS

c EIN-PN 04-0025081-326	**d** Entity code C	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0

a Name of MTIA, CCT, PSA, or 103-12 IE: STATE ST TARGET RET 2035 SL CI VI

b Name of sponsor of entity listed in (a): STATE STREET GLOBAL ADVISORS COLLECTIVE TRUSTS

c EIN-PN 90-0337987-317	**d** Entity code C	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0

a Name of MTIA, CCT, PSA, or 103-12 IE: T. ROWE PRICE RETIREMENT BLEND 2030

b Name of sponsor of entity listed in (a): T. ROWE PRICE COLLECTIVE TRUSTS

c EIN-PN 35-7192509-001	**d** Entity code C	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 166216

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

Part II **Information on Participating Plans (to be completed by DFEs, other than DCGs)**
(Complete as many entries as needed to report all participating plans. DCGs must report each participating plan using Schedule DCG.)

a Plan name

b Name of plan sponsor | **c** EIN-PN

a Plan name

b Name of plan sponsor | **c** EIN-PN

a Plan name

b Name of plan sponsor | **c** EIN-PN

a Plan name

b Name of plan sponsor | **c** EIN-PN

a Plan name

b Name of plan sponsor | **c** EIN-PN

a Plan name

b Name of plan sponsor | **c** EIN-PN

a Plan name

b Name of plan sponsor | **c** EIN-PN

a Plan name

b Name of plan sponsor | **c** EIN-PN

a Plan name

b Name of plan sponsor | **c** EIN-PN

a Plan name

b Name of plan sponsor | **c** EIN-PN

a Plan name

b Name of plan sponsor | **c** EIN-PN

a Plan name

b Name of plan sponsor | **c** EIN-PN

a Plan name

b Name of plan sponsor | **c** EIN-PN

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2025

This Form is Open to Public Inspection

For calendar plan year 2025 or fiscal plan year beginning 01/01/2025 and ending 12/31/2025

A Name of plan
TARGAN INC. RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
TARGAN INC.

D Employer Identification Number (EIN)
82-0946945

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	0	0
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	0	0
(2) Participant contributions	1b(2)	0	0
(3) Other	1b(3)	0	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	0	0
(2) U.S. Government securities	1c(2)	0	0
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	0	0
(B) All other	1c(3)(B)	0	0
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	0
(B) Common	1c(4)(B)	0	0
(5) Partnership/joint venture interests	1c(5)	0	0
(6) Real estate (other than employer real property)	1c(6)	0	0
(7) Loans (other than to participants)	1c(7)	0	0
(8) Participant loans	1c(8)	7017	4617
(9) Value of interest in common/collective trusts	1c(9)	2224305	2559613
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)	0	0
(12) Value of interest in 103-12 investment entities	1c(12)	0	0
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	877127	1885102
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)	18905	37066
(15) Other	1c(15)	0	0

		(a) Beginning of Year	(b) End of Year
1d Employer-related investments:			
(1) Employer securities	1d(1)	0	0
(2) Employer real property	1d(2)	0	0
1e Buildings and other property used in plan operation	1e	0	0
1f Total assets (add all amounts in lines 1a through 1e)	1f	3127354	4486398
Liabilities			
1g Benefit claims payable	1g	0	0
1h Operating payables	1h		
1i Acquisition indebtedness	1i	0	0
1j Other liabilities	1j	0	0
1k Total liabilities (add all amounts in lines 1g through1j)	1k	0	0
Net Assets			
1l Net assets (subtract line 1k from line 1f)	1l	3127354	4486398

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	12498	
(B) Participants	2a(1)(B)	849619	
(C) Others (including rollovers)	2a(1)(C)	164920	
(2) Noncash contributions	2a(2)	0	
(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		1027037
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	0	
(B) U.S. Government securities	2b(1)(B)	0	
(C) Corporate debt instruments	2b(1)(C)	0	
(D) Loans (other than to participants)	2b(1)(D)	0	
(E) Participant loans	2b(1)(E)	667	
(F) Other	2b(1)(F)	826	
(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		1493
(2) Dividends: **(A)** Preferred stock	2b(2)(A)	0	
(B) Common stock	2b(2)(B)	0	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	57004	
(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		57004
(3) Rents	2b(3)		0
(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)	0	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	0	
(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0
(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)	0	
(B) Other	2b(5)(B)	0	
(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		418461
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		0
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		184558
c Other income	2c		0
d Total income. Add all **income** amounts in column (b) and enter total	2d		1688553
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	310842	
(2) To insurance carriers for the provision of benefits	2e(2)	0	
(3) Other	2e(3)	0	
(4) Total benefit payments. Add lines **2e(1)** through **(3)**	2e(4)		310842
f Corrective distributions (see instructions)	2f		0
g Certain deemed distributions of participant loans (see instructions)	2g		12598
h Interest expense	2h		0
i Administrative expenses:			
(1) Salaries and allowances	2i(1)	0	
(2) Contract administrator fees	2i(2)	0	
(3) Recordkeeping fees	2i(3)	1712	
(4) IQPA audit fees	2i(4)	0	
(5) Investment advisory and investment management fees	2i(5)	4357	
(6) Bank or trust company trustee/custodial fees	2i(6)	0	
(7) Actuarial fees	2i(7)	0	
(8) Legal fees	2i(8)	0	
(9) Valuation/appraisal fees	2i(9)	0	
(10) Other trustee fees and expenses	2i(10)	0	
(11) Other expenses	2i(11)	0	
(12) Total administrative expenses. Add lines **2i(1)** through **(11)**	2i(12)		6069
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		329509
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		1359044
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) [X] Unmodified **(2)** [ ] Qualified **(3)** [ ] Disclaimer **(4)** [ ] Adverse

b Check the appropriate box(es) to indicate whether the IQPA performed an ERISA section 103(a)(3)(C) audit. Check both boxes (1) and (2) if the audit was performed pursuant to both 29 CFR 2520.103-8 and 29 CFR 2520.103-12(d). Check box (3) if pursuant to neither.

(1) [X] DOL Regulation 2520.103-8 **(2)** [ ] DOL Regulation 2520.103-12(d) **(3)** [ ] neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: PRICE WATERHOUSE COOPERS **(2)** EIN: 13-4008324

d The opinion of an independent qualified public accountant is **not attached** as part of Schedule H because:

(1) [ ] This form is filed for a CCT, PSA, DCG or MTIA. **(2)** [ ] It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l. DCGs do not complete lines 4e, 4f, 4k, 4l, and 5, and DCGs generally complete the rest of Part IV collectively for all plans in the DCG, except as otherwise provided (see instructions).

During the plan year:

		Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	**4a**		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	**4b**		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	**4c**		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	**4d**		X	
e Was this plan covered by a fidelity bond?	**4e**	X		516
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	**4f**		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	**4g**		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	**4h**		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	**4i**	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)	**4j**		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	**4k**		X	
l Has the plan failed to provide any benefit when due under the plan?	**4l**		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	**4m**		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	**4n**			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? [ ] Yes [X] No

If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

5c Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) ..... ☐ Yes ☐ No ☐ Not determined

If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year _____.

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2025

This Form is Open to Public Inspection.

For calendar plan year 2025 or fiscal plan year beginning 01/01/2025 and ending 12/31/2025

A Name of plan
TARGAN INC. RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
TARGAN INC.

D Employer Identification Number (EIN)
82-0946945

Part I Distributions

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions ..... | 1 | 0

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 84-1455663

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year ..... | 3 |

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ Yes ☐ No ☐ N/A

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6	a	Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a	
	b	Enter the amount contributed by the employer to the plan for this plan year	6b	
	c	Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)	6c	

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ Yes ☐ No ☐ N/A

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ Yes ☐ No ☐ N/A

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ..... ☐ Increase ☐ Decrease ☐ Both ☐ No

Part IV ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ Yes ☐ No

11 a Does the ESOP hold any preferred stock? ..... ☐ Yes ☐ No

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ Yes ☐ No

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ Yes ☐ No

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that (1) contributed more than 5% of total contributions to the plan during the plan year or (2) was one of the top-ten highest contributors (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14 Enter the number of deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for:

a The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: ☐ last contributing employer ☐ alternative ☐ reasonable approximation (see instructions for required attachment)	**14a**	
b The plan year immediately preceding the current plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment)	**14b**	
c The second preceding plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment)	**14c**	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	**15a**	
b The corresponding number for the second preceding plan year	**15b**	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	**16a**	
b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	**16b**	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

19 If the total number of participants is 1,000 or more, complete lines (a) and (b):

a Enter the percentage of plan assets held as:
Public Equity: _____% Private Equity: _____% Investment-Grade Debt and Interest Rate Hedging Assets: _____%
High-Yield Debt: _____% Real Assets: _____% Cash or Cash Equivalents: _____% Other: _____%

b Provide the average duration of the Investment-Grade Debt and Interest Rate Hedging Assets:
☐ 0-5 years ☐ 5-10 years ☐ 10-15 years ☐ 15 years or more

20 **PBGC missed contribution reporting requirements.** If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20.

a Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? ☐ Yes ☐ No

b If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:

☐ Yes.

☐ No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.

☐ No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.

☐ No. Other. Provide explanation._____

Part VII IRS Compliance Questions

21a Does the plan satisfy the coverage and nondiscrimination tests of Code sections 410(b) and 401(a)(4) by combining this plan with any other plans under the permissive aggregation rules? ☐ Yes ☒ No

21b If this is a Code section 401(k) plan, check all boxes that apply to indicate how the plan is intended to satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under Code sections 401(k)(3) and 401(m)(2).

☐ Design-based safe harbor method

☐ "Prior year" ADP test

☒ "Current year" ADP test

☐ N/A

22 If the plan sponsor is an adopter of a pre-approved plan that received a favorable IRS Opinion Letter, enter the date of the Opinion Letter 11 / 14 / 2022 (MM/DD/YYYY) and the Opinion Letter serial number Q702518A .

TARGAN Inc.

Consolidated Financial Statements
December 31, 2025 and 2024

TARGAN Inc.
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Report of Independent Auditors

To the Management and Board of Directors of TARGAN Inc.

Opinion

We have audited the accompanying consolidated financial statements of TARGAN Inc. and its subsidiaries (the "Company"), which comprise the consolidated balance sheets as of December 31, 2025 and 2024, and the related consolidated statements of operations, of changes in stockholders' equity and of cash flows for the years then ended, including the related notes (collectively referred to as the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Substantial Doubt about the Company's Ability to Continue as a Going Concern

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1 to the consolidated financial statements, the Company expects operating losses and negative cash flows to continue for the foreseeable future and has stated that substantial doubt exists about the Company's ability to continue as a going concern. Management's evaluation of the events and conditions and management's plans regarding these matters are also described in Note 1. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date the consolidated financial statements are available to be issued.

PricewaterhouseCoopers LLP,
4114 Center At North Hills Street, Suite 500
Raleigh, North Carolina 27609
(919) 791 4000



Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

PricewaterhouseCoopers LLP

Raleigh, North Carolina

May 20, 2026

TARGAN Inc.
Consolidated Balance Sheets
December 31, 2025 and 2024

(in thousands, except share and per share amounts)	2025	2024
Assets		
Cash and cash equivalents	$11,064	$ 4,711
Accounts receivable, net	1,296	2,230
Prepaid expenses and other current assets	1,493	882
Total current assets	13,853	7,823
Property & equipment, net	20,662	13,852
Intangible assets, net	1,100	1,200
Operating lease right-of-use assets, net	22,802	25,647
Finance lease right of use assets, net	835	1,120
Other long-term assets	829	847
Total noncurrent assets	46,228	42,666
Total assets	$60,081	$50,489
Liabilities and Stockholders' Equity		
Accounts payable	1,738	$ 1,105
Accrued expenses	2,838	2,723
Contract liabilities	3,724	3,965
Operating lease obligation, current portion	3,032	2,977
Finance lease obligation, current portion	471	400
Debt, current portion	-	7,000
Total current liabilities	11,803	18,170
Contract liabilities, net of current portion	1,514	3,636
Warrant liability	121	-
Debt, net of current portion	59,850	14,840
Operating lease obligation, net of current portion	25,781	28,587
Finance lease obligation, net of current portion	397	740
Total noncurrent liabilities	87,663	47,803
Total liabilities	99,466	65,973
Commitments and contingencies (Note 10)		
Series C convertible preferred stock; $0.00001 par value, 65,000,000 shares authorized; 63,880,253 shares issued and outstanding; (liquidation preference: $35,000)	1	1
Series B convertible preferred stock; $0.00001 par value, 14,708,976 shares authorized; 14,708,976 shares issued and outstanding; (liquidation preference: $7,000)	-	-
Series A convertible preferred stock; $0.00001 par value, 32,198,512 shares authorized; 32,198,512 shares issued and outstanding; (liquidation preference: $9,055)	-	-
Class A common stock; $0.00001 par value, 67,700,000 shares authorized; 67,700,000 shares issued and outstanding (liquidation preference: $25,000)	1	1
Class B common stock; $0.00001 par value, 163,000,000 shares authorized; 19,634,356 and 17,897,655 shares issued and outstanding as of December 31, 2025 and 2024, respectively	-	-
Additional paid-in capital	52,988	52,008
Accumulated deficit	(92,375)	(67,494)
Total stockholders' equity	(39,385)	(15,484)
Total liabilities & stockholders' equity	$60,081	$50,489

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

TARGAN Inc.
Consolidated Statements of Operations
For the Years Ended December 31, 2025 and 2024

(in thousands)	2025	2024
Revenue	$ 14,869	$ 6,882
Operating Expenses		
Costs of revenue	11,740	9,879
Operating expenses	19,409	20,176
Total operating expenses	31,149	30,055
Operating loss	(16,280)	(23,173)
Other income (expense)		
Interest income	100	212
Interest expense	(8,189)	(2,729)
Other income (expense)	(512)	(27)
Total other income (expense), net	(8,601)	(2,544)
Loss before income taxes	(24,881)	(25,717)
Income tax expense	-	-
Net loss	$ (24,881)	$ (25,717)

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

TARGAN Inc.
Consolidated Statements of Changes in Stockholders' Equity
For the Years Ended December 31, 2025 and 2024

(in thousands, except share amounts)

	Series C Convertible Preferred Stock		Series B Convertible Preferred Stock		Series A Convertible Preferred Stock		Class A Common Stock		Class B Common Stock		Additional	Accumulated	Total
	Issued	Amount	Issued	Amount	Issued	Amount	Issued	Amount	Issued	Amount	Capital	Deficit	Stockholders' Equity
Balances at December 31, 2023	63,880,253	$ 1	14,708,976	$ -	32,198,512	$ -	67,700,000	$ 1	15,447,959	$ -	$ 51,183	$ (41,777)	$ 9,408
Exercise of Stock Option		-		-		-		-	2,449,696	-	112	-	112
Class B Warrants Issued		-		-		-		-	-	-	586	-	586
Stock based Compensation		-		-		-		-	-	-	127	-	127
Net Loss		-		-		-		-	-	-	-	(25,717)	(25,717)
Balances at December 31, 2024	63,880,253	$ 1	14,708,976	$ -	32,198,512	$ -	67,700,000	$ 1	17,897,655	$ -	$ 52,008	$ (67,494)	$ (15,484)
Exercise of Stock Option		-		-		-		-	1,736,701	-	106	-	106
Class B Warrants Issued		-		-		-		-	-	-	747	-	747
Stock based Compensation		-		-		-		-	-	-	127	-	127
Net Loss		-		-		-		-	-	-	-	(24,881)	(24,881)
Balances at December 31, 2025	63,880,253	$ 1	14,708,976	$ -	32,198,512	$ -	67,700,000	$ 1	19,634,356	$ -	$ 52,988	$ (92,375)	$ (39,385)

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

TARGAN Inc.
Consolidated Statements of Cash Flows
For the Years Ended December 31, 2025 and 2024

(in thousands)

	2025	2024
Operating activities		
Net loss	(24,881)	(25,717)
Adjustments to reconcile net income to net cash used in operating activities		
Depreciation and amortization	2,057	932
Amortization of right-of-use assets	2,845	2,998
Amortization of debt issuance costs	1,054	74
Amortization of finance leases	420	339
Stock-based compensation	127	127
Paid in-kind interest expense	1,507	426
Allowance for doubtful accounts	-	30
Changes in operating assets and liabilities		
Accounts receivable	934	(2,105)
Prepaid expenses and other current assets	(611)	(326)
Other long-term assets	18	833
Finance leases	-	(191)
Accounts payable	(343)	384
Accrued expenses & other liabilities	(77)	1,686
Obligations under operating leases	(2,751)	(1,513)
Contract liabilities	(2,363)	5,301
Net cash used in operating activities	(22,064)	(16,722)
Investing activities		
Purchase of property & equipment, tooling	(7,791)	(8,036)
Net cash used in investing activities	(7,791)	(8,036)
Financing activities		
Proceeds from debt issuances	64,600	24,850
Additions of debt issuance costs	(1,482)	-
Repayment of debt	(26,600)	(3,000)
Payments of the principal portion of finance leases	(416)	(316)
Proceeds from exercises of Class B common stock options	106	112
Net cash provided by financing activities	36,208	21,646
Net increase (decrease) in cash and cash equivalents	6,353	(3,112)
Cash and cash equivalents		
Beginning of period	4,711	7,823
End of period	11,064	4,711
Supplemental disclosures of cash flow information		
Cash paid during the period for interest	$ 5,823	$ 2,224
Supplemental disclosures of noncash activities		
Property and equipment, accrued but not paid	$ 976	$ 188
Right of use assets obtained in exchange for new lease liabilities	144	987
Warrants issued in exchange for debt issuance costs	868	586

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

(in thousands, except share and per share amounts)

1. Description of Business

TARGAN Inc. and its subsidiaries (the "Company") has been addressing significant challenges in animal protein production through its comprehensive research and development efforts. In late 2023, the Company commercialized a gender identification system for the poultry industry called WingScan™. WingScan™ utilizes a number of technology-enabled solutions, including robotic handling, machine vision, high-speed imaging, artificial intelligence, and machine learning algorithms to deliver a solution to its customers.

2. Summary of Significant Accounting Policies

Basis of Presentation

The consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles ("U.S. GAAP") and include the accounts of TARGAN Inc., Entreprises TARGAN Canada Inc. (a wholly owned subsidiary of TARGAN Inc.) and TARGAN Europe B.V. (a wholly owned subsidiary of TARGAN Inc.).

Going Concern

The Company's financial statements have been prepared assuming the Company will continue as a going concern, which contemplates the realization of assets and the settlement of liabilities and commitments in the normal course of business. The Company has incurred operating losses since its inception and management expects operating losses and negative cash flows to continue for the foreseeable future and, as a result, the Company will require additional capital to fund its operations and execute its business plan.

The Company's primary use of cash is to fund its operating expenses. As of December 31, 2025, the Company had $11,064 in cash and cash equivalents. The Company also has a debt agreement with a financial covenant that requires additional equity funding by May 31, 2026, a date that may be extended at the lender's discretion (see Note 7). As of December 31, 2025, the Company may not have sufficient funds for its planned operations through one year after the date the financial statements are available to be issued; accordingly, there is substantial doubt about the Company's ability to continue as a going concern.

The financial statements for the years ended December 31, 2025 and 2024 do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classification of liabilities that may result from uncertainty related to the Company's ability to continue as a going concern.

Use of Estimates

The Company prepares its financial statements in conformity with accounting principles generally accepted in the United States, which 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 financial statements and the reported amounts of revenues and expenses during the reporting periods. Significant items subject to such estimates and assumptions include, for revenue recognition, determining the stand-alone selling prices of performance obligations, and the allowance for expected credit losses; valuation of deferred income tax assets; stock-based compensation; and certain accrued expenses. Estimates are based on historical experience and on various assumptions that the Company believes are reasonable under current circumstances. Actual results could differ from estimates and these differences could be material.

(in thousands, except share and per share amounts)

Cash and Cash Equivalents
The Company considers highly liquid investments with original maturities of three months or less at the date of purchase to be cash equivalents. The Company has a policy of making investments only with commercial institutions that have at least an investment-grade credit rating. The Company's investments in cash equivalents consisted of money market funds totaling $75 and $0 as of December 31, 2025 and 2024, respectively.

Accounts Receivable
Accounts receivable consist of current trade receivables from customers, net of an allowance for credit losses, and are recorded at invoiced amounts and recognized upon invoicing.

The Company maintains an allowance for credit losses, which is recorded as an offset to accounts receivable, and changes in such are classified as operating expenses in the statement of operations, up to the amount of revenues recognized to date. Any incremental allowance is recorded as an offset to deferred revenue on the balance sheet. The allowance is based upon the Company's assessment of the collectability of its customer accounts. The Company regularly reviews the composition of the accounts receivable aging, historical bad debts, customer creditworthiness, current economic trends, reasonable forecasts of future economic conditions, and specific identification of balances at risk for not being collected.

The Company's accounts receivable balances were $1,326 and $2,260 as of December 31, 2025 and 2024, respectively. Allowance for credit losses were $30 and $30 as of December 31, 2025 and 2024, respectively.

Concentration of Credit Risk
Financial instruments that are exposed to the concentration of credit risk consist primarily of cash and cash equivalents and accounts receivable. As of December 31, 2025 and 2024, the Company's cash held in financial institutions in excess of the insured limit was held in demand deposit accounts under FDIC insurance.

Property and Equipment, Net
Property and equipment are stated at historical cost, net of accumulated depreciation. The Company utilized the straight-line method of depreciation over the estimated useful lives of the assets:

Computer equipment	3-5 years
Office equipment, furniture, and fixtures	4-5 years
Tooling and other equipment	7 years
Leasehold improvements	Shorter of the estimated lease term or useful life

Expenditures for maintenance and repairs are charged to operating expense as incurred. Major expenditures for renewals and betterments are capitalized and depreciated over their useful lives.

The Company reviews its property and equipment and other long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If the sum of the expected undiscounted future cash flows from the use of the asset and its eventual disposition is less than the carrying amount of the asset, an impairment loss is recognized based on the fair value of the asset. For the year ended December 31, 2025 and 2024, there were no impairment losses.

(in thousands, except share and per share amounts)

Intangible Assets
The Company has acquired certain intangible assets that consist of trademarks and certain patents. Intangible assets are amortized on a straight-line basis over their estimated useful lives of 15 years, which was determined by the Company to be the most appropriate useful life. The Company evaluates intangible assets for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. If such assets are considered to be impaired, a write-down would be recorded to reduce the related asset to its estimated fair value. There were no impairment charges recorded for the years ended December 31, 2025 and 2024.

Leases
The Company determines whether an arrangement is or contains a lease at inception. A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To determine whether a contract is or contains a lease, the Company considers all relevant facts and circumstances to assess whether the Company has both (i) the right to obtain substantially all of the economic benefits from use of the identified asset and (ii) the right to direct the use of the identified asset. The Company recognizes lease liabilities and right-of-use (ROU) assets at lease commencement. ROU assets represent the Company's right to use the underlying asset, and lease liabilities represent the Company's obligation for lease payments in exchange for the ability to use the asset for the duration of the lease term.

Operating leases are presented as operating lease ROU assets, net and the corresponding lease liabilities are included in operating lease obligation and operating lease obligation, net of current portion on the Company's balance sheet. Finance leases are recognized as finance lease ROU assets, net and corresponding liabilities are included in finance lease obligation and finance lease obligation, net of current portion on the Company's balance sheet. The Company does not recognize ROU assets or lease liabilities for short-term leases, which have a lease term of twelve months or less and recognizes the associated lease payments in the statement of operations on a straight-line basis over the lease term.

Lease liabilities are recognized based on the present value of lease payments over the lease term discounted using the rate implicit in the lease when that rate is readily determinable or the risk-free interest rate. The lease term may include options to extend when it is reasonably certain that the Company will exercise that option. ROU assets include lease payments made in advance and exclude any incentives received or initial direct costs incurred. The Company begins recognizing rent expense when the lessor makes the underlying asset available. Rent expense under its operating leases is recognized on a straight-line basis. For finance leases, the Company records interest expense on the lease liabilities in addition to amortizing the ROU asset (generally straight-line) over the shorter of the lease term or the useful life of the ROU asset. Variable lease payments are expensed as incurred and are not included within the lease liabilities and ROU assets calculation.

The Company accounts for the lease and nonlease components as a single lease component for all its leases. Recoverability of its ROU assets for possible impairment is evaluated in accordance with the Company's other long-lived assets policy.

(in thousands, except share and per share amounts)

Revenue Recognition
Under ASC 606, the Company recognizes revenue when control of the promised goods or services is transferred to customers in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is presented net of sales and other taxes the Company collects on behalf of governmental authorities. Specifically, the Company determines revenue recognition through the following steps:

- Identification of the contract, or contracts, with a customer
- Identification of the performance obligations in the contract
- Determination of the transaction price
- Allocation of the transaction price to the performance obligations in the contract
- Recognition of revenue when, or as, the Company satisfies a performance obligation

The Company's contracts include terms such as the rate applied to the number of chicks processed by TARGAN devices, as well as the customer down payment and minimum fees, as applicable. Contract identification includes the determination that collection of substantially all consideration for goods or services is probable based on the customer's intent and ability to pay.

Contracts are generally sold as noncancellable contracts evidenced through a signed customer sales order with service terms that vary in length. Customers have the right to terminate their contract for cause if the Company fails to perform in accordance with the contractual terms.

Services are typically sold with a combination of up-front fixed fees and usage-based fees. Fixed fees are recognized ratably over the life of the contract and usage-based fees are included in the transaction price of an arrangement as variable consideration and meet the criteria to be allocated to and recognized in the period in which they are earned.

Customers occasionally modify their arrangements without incurring penalties. Each time a contract is modified or a customer purchases additional equipment or services, the Company evaluates the change in scope or price of the contract to determine whether the modification should be treated as a new contract or whether it should be considered a change of the existing contract.

Contract Balances
Contract liabilities arise when the Company invoices and receives consideration in advance of providing the goods or services promised in the contract. Contract liabilities are recognized as revenue when services or goods are provided to the customer.

Costs of Revenues
Costs of revenues consist primarily of installation, support services and maintenance costs incurred during the initial set up and operation of the TARGAN devices and depreciation of systems.

(in thousands, except share and per share amounts)

Operating Expense
Operating expense includes all employee salaries and benefits not directly associated in providing the Company's subscription or its products, research and development costs, sales and marketing expenses, nontechnical customer service support, payment processing fees, stock-based compensation, facility overhead charges, and other general corporate expenses.

Stock-Based Compensation
The Company accounts for stock-based compensation expense related to stock-based awards granted to employees and nonemployees at the fair value of the award on the grant date. Stock-based compensation expense is recognized on a straight-line basis over the requisite service period, which is generally four years. The fair value is determined on the grant date using a Black-Scholes-Merton option pricing model.

The Black-Scholes-Merton option pricing model requires the use of objective and subjective assumptions, which determine the fair value of stock-based awards. These assumptions include the following:

- *Fair value of the Company's common stock. T*he fair value of the shares of the Company's *common* stock underlying stock options has historically been established by the Board of Directors. Numerous objective and subjective factors that were considered included, but were not limited to, the following: (i) contemporaneous independent, third-party valuations of the Company's common stock; (ii) the rights, preferences, and privileges of the Company's Class A voting common stock relative to those of the Company's Class B nonvoting common stock; (iii) the Company's results of operations, financial position, and capital resources; (iv) current business conditions and projections; (v) the lack of marketability of the Company's common stock; (vi) the hiring of key personnel and the experience of the Company's management; (vii) the introduction of new products; (viii) the risk inherent in the development and expansion of the Company's products; (ix) the fact that the option grants involve illiquid securities in a private company; (x) the likelihood of achieving a liquidity event, such as an initial public offering or a sale of the Company, given the prevailing market conditions; (xi) industry trends and competitive environment; and (xii) overall economic indicators, including gross domestic product, employment, inflation, and interest rates.

- *Expected term. T*he expected term was estimated using the simplified method allowed under the accounting guidance, as the Company does not have sufficient historical data to use any other method to estimate the expected term.

- *Expected volatility. T*he expected volatility is derived from an average of the historical volatilities of the common stock of several entities with characteristics similar to those of the Company, such as the size and operational and economic similarities to its principal business operations. The Company uses this method because it has limited information on the volatility of its common stock.

- *Risk-free interest rate. T*he risk-free interest rate is based on the yields of U.S. Treasury securities with maturities similar to the expected term of the options for each option group as of the grant date.

- *Expected dividends. T*he expected dividend is assumed to be zero, as the Company has never paid dividends and has no current plans to pay any dividends on its common stock.

(in thousands, except share and per share amounts)

Income Taxes

The Company accounts for income taxes under the asset and liability method. Under this method, deferred tax assets and liabilities are determined based on temporary differences between the financial statement and tax bases of assets and liabilities using enacted tax rates. The Company recognizes the effect of a change in tax rates on deferred tax assets and liabilities in the period that includes the enactment date.

The Company reduces the measurement of a deferred tax asset, if necessary, by a valuation allowance if it is more likely than not that it will not realize some or all of the deferred tax asset.

Annually, the Company reviews the deferred tax assets for recoverability based on historical taxable income, projected future taxable income, the expected timing of the reversals of existing temporary differences, and the implementation of prudent and feasible tax planning strategies. The evaluation of the recoverability of deferred tax assets requires judgment in assessing future profitability. Should there be a change in the ability to recover deferred tax assets, the Company's income tax provision would increase or decrease in the period in which the assessment is changed.

The Company accounts for uncertain tax positions by recognizing the financial statement effects of a tax position only when, based upon technical merits, it is more likely than not that the position will be sustained upon examination. The tax benefit recognized is measured as the largest amount of benefit determined on a cumulative probability basis that the Company believes is more likely than not to be realized upon ultimate settlement of the position. The Company recognizes potential accrued interest and penalties associated with unrecognized tax positions in interest expense and operating expense, respectively.

Recent Accounting Pronouncements Not Yet Adopted

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures* ("ASU 2023-09"). The amendments in this update require that entities on an annual basis (1) disclose specific categories in the rate reconciliation and (2) provide additional information for reconciling items that meet a quantitative threshold. The amendments also require entities on an annual basis to disclose disaggregated amounts of income taxes paid. ASU 2023-09 is effective for nonpublic entities in periods beginning after December 15, 2025. The Company is evaluating the effect of adopting this new accounting guidance on its financial statements.

(in thousands, except share and per share amounts)

3. Property and Equipment, net

Property and equipment consist of the following as of December 31, 2025 and 2024:

	2025	2024
Leasehold improvements	$ 2,077	$ 2,086
Systems	15,713	7,979
Computer equipment	111	79
Furniture & fixtures	76	70
Other equipment	802	797
Construction in progress	4,962	3,963
Total property & equipment	23,741	14,974
Less: Accumulated depreciation	(3,079)	(1,122)
Net property and equipment	$ 20,662	$ 13,852

Depreciation expense of $765 and $247 is included in operating expenses for the years ending December 31, 2025 and 2024, respectively. Depreciation expense of $1,192 and $585 is included in costs of revenue for the years ended December 31, 2025 and 2024, respectively.

4. Intangible Assets, net

Intangible assets consist of the following as of December 31, 2025 and 2024:

	2025	2024
Patents	$ 1,500	$ 1,500
Accumulated amortization	(400)	(300)
Intangible assets, net	$ 1,100	$ 1,200

In June of 2021, the Company acquired relevant patents and intellectual property from Applied LifeSciences and Systems, LLC (ALSS), a related party. The purchase totaled $1,500. Amortization expense of patents totaled $100 for both the years ending December 31, 2025 and 2024.

5. Accrued Expenses

Accrued expenses consist of the following as of December 31, 2025 and 2024:

	2025	2024
Accrued payroll	$ 231	$ 698
Accrued bonus	1,100	1,100
Accrued taxes	771	341
Software, professional services and other	736	584
	$ 2,838	$ 2,723

(in thousands, except share and per share amounts)

6. Fair Value of Financial Instruments

The Company records certain of its financial assets and liabilities at fair value on a recurring basis. The Company's financial instruments, which include cash, cash equivalents, accounts receivable, and accounts payable, are recorded at their carrying amounts, which approximate their fair values due to their short-term nature.

The accounting guidance for fair value provides a framework for measuring fair value, clarifies the definition of fair value, and expands disclosures regarding fair value measurements. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (an exit price) in an orderly transaction between market participants at the reporting date. The accounting guidance establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three broad levels. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the instrument's fair value measurement. The three levels within the fair value hierarchy are described as follows:

Level 1 Observable inputs based on unadjusted quoted prices in active markets for identical, unrestricted assets or liabilities.

Level 2 Inputs, other than quoted prices in active markets, that are observable either directly or indirectly.

Level 3 Unobservable inputs for which there is little or no market data, which requires the Company to develop its own assumptions.

The Company monitors the availability of observable market data to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period. There were no transfers between Levels 1, 2, or 3 during the years ended December 31, 2025 or 2024.

The money market account with remaining maturities of three months or less is included in cash and cash equivalents on the balance sheet of $75 and $0 as of December 31, 2025 and 2024, respectively, and is a Level 1 asset.

Warrants are valued using unobservable inputs and are thereby Level 3 instruments (see Note 8).

7. Debt

On July 14, 2022, the Company entered into a loan and security agreement (the "Loan Agreement") with availability for term loan advances of up to $9,000 with a maturity date of March 31, 2024. The loan advances bear interest at an annual rate equal to the greater of (A) 1.50% above the Prime Rate or (B) the Interest Rate Floor (9.50%). The amount available to be advanced is based on the commercial placement of the Company's equipment. The original $9,000 loan advance availability was converted from a term loan to a line of credit facility and the maturity date was extended to June 12, 2025 (as amended, "Line 1"). Line 1 bears interest at an annual rate equal to the greater

(in thousands, except share and per share amounts)

of (A) 1.50% above the Prime Rate or (B) the Interest Rate Floor (9.50%). Amounts borrowed, once repaid, may not be reborrowed. Additionally, a new facility of $16,000 ("Line 2") was added with an availability of $3,750 in addition to the amount available based on the commercial placement of equipment. The Line 2 has a maturity of June 12, 2025 and bears interest at a per annum rate equal to the greater of (A) 1.50% above the Prime Rate or (B) 11.50%. Amounts borrowed, once repaid, may not be reborrowed. On March 4, 2025, the Loan Agreement was further amended to change the borrowing base and to change the maturity date to March 12, 2026. The Company recorded debt issuance costs of $174. Warrants for shares of Class B common stock were issued in connection with the Loan Agreement and recorded as debt discounts of $56 (see Note 8.)

On June 12, 2024, the Company entered into a $15,000 Term Loan Agreement (the "Term Loan Agreement") with a maturity date of June 12, 2029. The amount of the Term Loan Agreement bears interest (1) at a per annum rate equal to the greater of (A) Term SOFR and (B) 4.50%, and (2) accrues a payable in-kind (PIK) interest (5.00%) which is added to the outstanding principal of the Term Loan Agreement. On February 27, 2025, the Company amended the Term Loan Agreement to borrow an additional $15,000 and add new lenders to the syndication. The Company recorded debt issuance costs of $76. Warrants for shares of Class B common stock were issued in connection with the Term Loan Agreement and recorded as debt discounts of $691 (see Note 8.) Under the terms of the agreement, the Company is subject to certain financial covenants. The Term Loan Agreement is payable in full along with all accrued interest on the maturity date.

On December 11, 2025, the Company entered into a senior, secured loan and security agreement (the "Senior Loan Agreement") and fully repaid the Loan Agreement, along with accrued interest. Under the Senior Loan Agreement, the Company borrowed an initial tranche of $30,000 which bears interest at a per annum rate equal to the sum of (A) the greater of Prime or 7.00% plus (B) 5.00%. At the Company's election and through December 31, 2026, up to 3.25% of the interest can be accrued as payable-in-kind (PIK) interest which is added to the outstanding principal of the Senior Loan Agreement. The Company recorded debt issuance costs of $1,232. Warrants for shares of Class B common stock were issued in connection with the Senior Loan Agreement and recorded as debt discounts of $121 (see Note 8). The Senior Loan Agreement is payable in full along with all accrued interest on its maturity date of December 11, 2030. Under the terms of the agreement, the Company is subject to certain financial covenants, including minimum cash of at least 10% of the outstanding principal balance and the requirement to raise at least $50,000 of equity by May 31, 2026, a date that may be extended at the lender's discretion. The Senior Loan Agreement also provides for a second tranche totaling $35,000 to be made available upon the Company's issuance of the additional equity.

On December 11, 2025, the Term Loan Agreement was subordinated to the Senior Loan Agreement and amended to change the maturity date to March 12, 2031 and to permit principal payments prior to the maturity date only under certain conditions. As of December 31, 2025, the Company assumed these conditions would not be met.

(in thousands, except share and per share amounts)

As of December 31, 2025 and 2024, respectively, the Company had debt outstanding as follows:

	2025	2024
Current debt under the Loan Agreement	$ -	$ 7,000
Debt under the Term Loan Agreement	31,878	15,426
Debt under the Senior Loan Agreement	30,054	-
Unamortized debt issuance costs	(2,082)	(586)
Total debt	$ 59,850	$ 21,840

Future maturities on total debt are as follows:

	Debt
Year Ending December 31,	
2026	$ -
2027	-
2028	-
2029	-
2030	30,054
Thereafter	31,878
Total debt	$ 61,932

8. Warrants

Warrants are evaluated at issuance to determine their appropriate classification as liability or equity. Classification as a liability is typically triggered by nonstandard anti-dilution provisions.

In connection with the Loan Agreement, warrants for shares of Class B Common stock were issued in the years ended December 31, 2025 and 2024, respectively, and recorded as debt discounts of $56 and $221.

In connection with the Term Loan Agreement, warrants for shares of Class B common stock were issued in the years ended December 31, 2025 and 2024, respectively, and recorded as debt discounts of $691 and $365.

In connection with the Senior Loan Agreement, warrants for shares of Class B Common stock were issued in the year ended December 31, 2025. The warrants have an anti-dilution provision and were therefore classified as a liability and recorded as a debt discount of $121.

(in thousands, except share and per share amounts)

	Number of Warrants	Weighted Average Exercise Price	Weighted Average Remaining (Contractual Life in Years)	Aggregate Intrinsic Value
Outstanding at January 1, 2023	329,026	$ 0.10	9.61	$ -
Issued	7,955,734	0.43	9.45	-
Outstanding at December 31, 2024	8,284,760	0.42	9.42	-
Issued	5,150,332	0.18	8.71	170
Outstanding at December 31, 2025	13,435,092	0.33	8.53	357

The aggregate intrinsic value in the table above is before applicable income taxes and is calculated based on the difference between the exercise price of the warrants and the estimated fair market value of the Company's Class B common stock as of the respective dates.

The following table summarizes additional information about the Company's warrants as of December 31, 2025.

	Number of Warrants	Weighted Average Exercise Price	Weighted Average Remaining Life (years)	Aggregate Intrinsic Value
Classification of Warrants				
Liability	1,161,487	$ 0.15	8.66	$ -
Equity	12,273,605	0.34	7.16	357
	13,435,092			

(in thousands, except share and per share amounts)

9. Income Taxes

Deferred income taxes arise from temporary differences between the tax bases of assets and liabilities and their reported amounts in the financial statements.

The following table presents the significant components of the Company's net deferred tax assets and liabilities as of December 31, 2025 and 2024:

	2025	2024
Deferred Tax Assets		
Section 174 amortization	$ 6,244	$ 3,864
Loss carryforwards	12,714	8,609
Credit carryforwards	3,627	658
Lease liability	6,563	6,854
Deferred revenue	649	1,218
Other	(120)	946
Total deferred tax asset	$ 29,677	$ 22,149
Deferred tax liabilities		
Right of use asset	(5,194)	(5,926)
Total deferred tax liability	(5,194)	(5,926)
Net deferred tax asset (liability)	24,483	16,223
Less: Valuation allowance	(24,483)	(16,223)
Net deferred tax asset	-	-

As of December 31, 2025 and 2024, the Company assessed the realizability of net deferred tax assets and evaluated the need for a valuation allowance against the net deferred tax assets. This evaluation utilizes the framework contained in ASC 740, *Income Taxes*, whereby the Company considers all available positive and negative evidence as of the balance sheet date to determine whether all or some portion of the Company's net deferred tax assets will be realized. Under this guidance, a valuation allowance must be established for net deferred tax assets when it is more likely than not (a probability level of more than 50%) that the asset will not be realized.

The Company followed the guidance in ASC 740, which states that "a cumulative loss in recent years is a significant piece of negative evidence that is difficult to overcome" and concluded based on the continuing operations cumulative performance that the Company's net deferred tax assets were not realizable as of December 31, 2025 and 2024. Accordingly, a valuation allowance of $24,483 and $16,223, has been recorded to offset the net deferred tax assets as of December 31, 2025 and 2024, respectively.

The difference between actual income tax expense for the year ended December 31, 2025 and 2024, and the statutory federal income tax rate is primarily due to the change in valuation allowance.

(in thousands, except share and per share amounts)

The Company did not have any uncertain tax positions as of December 31, 2025 and 2024. As of December 31, 2025 and 2024, the Company had no accrued interest or penalties related to certain tax positions. The total unrecorded benefit would not impact the effective tax rate due to the Company's valuation allowance. The Company does not expect a material change in unrecognized tax benefits within the next 12 months.

As of December 31, 2025, the Company has $54,626 and $55,226 of federal and state net operating loss carryforwards, respectively. Of the $54,626 federal net operating loss, $54,573 are indefinite-lived net operating losses with no expiration date. The remaining $53 has a 20-year carryforward which will expire in 2038 if not utilized. The state net operating losses will begin to expire in 2034 if not utilized. The future utilization of net operating losses may be limited if certain changes in ownership occur.

10. Commitments and Contingencies

Leases

In July 2022, the Company entered into a noncancelable operating lease agreement (the lease) for office space in Raleigh, North Carolina. The term of the lease began on April 10, 2023 (the Commencement Date) and expires on June 15, 2034 (the Term), with a monthly rental rate starting at $283 and escalating to a maximum monthly rental rate of $354 in the final 12 months of the Term. The landlord provided the premises to the Company free of charge for the first twelve months of the Term and a maximum tenant improvement allowance of $2,000. The Company delivered a cash deposit to the landlord (the deposit) in the amount of $1,658 in July 2022. The landlord will retain the security deposit during the term of the lease. In the event the Company obtains binding contractual commitments from third parties in the amount of $10,000 in annual recurring revenue, $829 of the security deposit will be returned to the Company prior to the end of the lease. In 2024, $829 of the security deposit was returned to the Company upon meeting the above-mentioned contractual commitments. Throughout the Term, the Company is responsible for paying certain expenses, which are primarily maintenance and utility charges for our office.

The Company also financed certain office equipment under a noncancelable finance lease.

(in thousands, except share and per share amounts)

The components of lease expenses, which were included in operating expense in our statement of operations for the years ended December 31, 2025 and 2024, were as follows:

	2025	2024
Finance lease cost:		
Amortization of finance lease right-of-use assets	$ 420	$ 339
Interest on finance lease	121	10
Operating lease cost	4,202	4,091
Total lease expenses	$ 4,743	$ 4,440

	Operating Lease	Finance Lease
Year Ending December 31,		
2026	3,541	598
2027	3,630	232
2028	3,721	58
2029	3,814	14
Thereafter	17,647	-
Total lease payments	32,353	902
Less: Imputed interest	(3,540)	(34)
Present value of total lease liabilities	28,813	868

Supplemental cash flow information related to leases is as follows:

	Operating Lease	Finance Lease
Cash paid for amounts included in the measurement of lease liabilities		
Year Ended December 31,		
2025	$ 2,752	$ 416
2024	1,513	306

	Operating Lease	Finance Lease
Weighted average remaining lease term (in years)		
As of December 31,		
2025	8.4	1.9
2024	9.4	2.7
Weighted average remaining discount rate (%)		
As of December 31,		
2025	2.75%	16.17%
2024	2.75%	14.59%

(in thousands, except share and per share amounts)

Legal Matters
The Company is subject to various legal matters and claims in the ordinary course of business. Although the results of legal proceedings and claims cannot be predicted with certainty, in the opinion of management, there are currently no such known matters that will have a material effect on the Company's financial position, results of operations, or cash flows.

From time to time, the Company may become subject to legal proceedings, claims, and litigation arising in the ordinary course of business, including those related to patents, product liability, and government investigations. The Company is not presently a party to any litigation that it believes to be material and is not aware of any pending or threatened litigation against the Company that it believes could have a material effect on its financial statements. The Company accrues contingent liabilities when it is probable that a future liability has been incurred and such liability can be reasonably estimated.

11. Stockholders' Equity

The share capital of the Company consists of:

Preferred Stock
As of December 31, 2025 and 2024, 65,000,000 shares of Series C Preferred Stock were authorized and 63,880,253 shares were issued and outstanding at a $0.00001 par value per share.

As of December 31, 2025 and 2024, 14,708,976 shares of Series B Preferred Stock were authorized, issued and outstanding at a $0.00001 par value per share.

As of December 31, 2025 and 2024, 32,198,512 shares of Series A Preferred Stock were authorized, issued and outstanding at a $0.00001 par value per share.

As of December 31, 2025 and 2024, 67,700,000 shares of Class A voting common stock were authorized, issued and outstanding at a $0.00001 par value per share.

Common Stock
163,000,000 shares of Class B voting common stock were authorized and 19,634,356 and 17,897,655 shares were issued and outstanding as of December 31, 2025 and 2024, respectively, at a $0.00001 par value per share.

13,435,092 warrants for shares of Class B common stock were outstanding as of December 31, 2025 (see Note 8).

Voting Rights
The holders of Class A and B common stock have voting rights and vote together as one class and are entitled to elect three directors of the Company, except as below.

The holders of Series A, B, and C convertible preferred stock have voting rights equal to an equivalent number of shares of Class B voting common stock into which it is convertible and vote together as one class and are entitled to elect three directors of the Company, except as below.

The holders of Series A, B, and C convertible preferred stock, voting together as a single class on an as-converted basis, are entitled to certain protective provisions, which require a majority of holders of the Series A convertible preferred stock to approve, among other actions, a liquidation event, an amendment or repeal of provisions of the Certificate of Incorporation or bylaws, a change to the

number of directors on the Board of Directors, and a declaration or payment of any dividend, as long as other parties who also have a protective provision requiring their approval, approve the payment of such dividends.

Dividends
The holders of Series C convertible preferred stock shall be entitled to receive, out of any funds legally available, noncumulative dividends of 6% per annum of the original issue price, prior and in preference to dividends paid on any other class of shares, when, as and if, declared by the Board of Directors. The holders of Series B and Series A convertible preferred stock (collectively the "Junior Preferred Stock") shall be entitled to receive, out of any funds legally available, noncumulative dividends of 6% per annum of the original issue price, prior and in preference to any dividends paid on the Class A or B common stock. During the years ended December 31, 2025 and 2024, no dividends were declared.

Liquidation
In the event of any liquidation, dissolution, or winding up of the Company or any deemed liquidation event (as defined in the Amended and Restated Incorporation), the holders of Series A, B, and C convertible preferred stock and Class A common Stock shall be entitled to receive, prior and in preference to any distribution of the assets or funds of the Company to the holders of Class B common stock, an amount equal to the greater of (a) the original issuance price per share as adjusted for stock splits, stock dividends, combinations, recapitalizations, and similar transactions, plus any declared but unpaid dividends, or (b) such amount per share as would have been payable had all shares of such series of convertible preferred stock been converted into Class B Common Stock immediately prior to such liquidation, dissolution, winding up, or deemed liquidation event (the Liquidation Preference). The liquidation preference, in order of preference, is Series C preferred shares equal to $35,000, Series B preferred shares equal to $7,000, Series A preferred shares equal to $9,055 and Class A common stock equal to $25,000. If the Company has insufficient assets to permit payment of the liquidation preference in full to all holders of a certain class of stock, then the remaining assets of the Company shall be distributed ratably to the holders of such class in proportion to the liquidation preference such holders would otherwise be entitled to receive.

Conversion
Each share of Series A, B, and C convertible preferred stock is convertible at the option of the holder, at any time after the date of issuance of such shares, into shares of Class B voting common stock as is determined by dividing the original purchase price of Series A, B, and C convertible preferred stock by the conversion price in effect at the time of the conversion (Series A, B, and C Conversion Price). The Series A Conversion Price is $0.28120 per share, the Series B Conversion Price is $0.4759 per share, and the Series C Conversion Price is $0.5479 per share. As of December 31, 2025 and 2024, the conversion ratio for Series A, B, and C convertible preferred stock was one to one. As of December 31, 2025 and 2024, preferred shares were convertible into 110,787,741 shares of Class B common stock, which have been reserved for conversion of preferred stock.

Each share of Series A, B, and C convertible preferred stock will automatically be converted into shares of Class B voting common stock at the then-effective conversion rate of such shares upon the earlier of (i) the closing of a firm-commitment underwritten public offering pursuant to an effective registration statement under the Securities Act of 1933, as amended, resulting in at least $75,000,000 net proceeds to the Company or (ii) the consent of holders of at least a majority of the then-outstanding shares of Series A, B, and C convertible preferred stock, voting together as a single class on an as-converted basis.

(in thousands, except share and per share amounts)

Contingent Redemption
The Series A, B, and C convertible preferred stock has deemed liquidation provisions which require the shares to be redeemed upon a change in control or other deemed liquidation events. Although the Series A, B, and C convertible preferred stock is not mandatorily or currently redeemable, a deemed liquidation event would constitute a redemption event outside the Company's control. The carrying values of the Company's Series A, B, and C convertible preferred stock have not been accreted to their redemption values as these events are not considered probable of occurring.

Subsequent adjustments of the carrying values to redemption values will be made only if and when it becomes probable the series A, B, and C convertible preferred shares will become redeemable.

12. Stock Options and Equity Incentive Plan

As of December 31, 2025 and 2024, a total of 31,706,912 Class B shares of common stock were reserved for issuance under the TARGAN 2019 Stock Option Plan (the 2019 Plan). Eligible plan participants include employees, directors, and consultants. The 2019 Plan permits the granting of incentive stock options, nonqualified stock options, restricted stock, and stock awards.

The terms of the awards are determined by the Board of Directors.

Stock Option Grants
The Company's stock options vest based on terms in the stock option agreements, which is generally over four years. The stock options have a contractual life of ten years.

The fair value of options granted is estimated on the date of grant using the Black-Scholes-Merton option pricing model based on the assumptions in the table below.

	2025	2024
Expected dividend yield	0%	0%
Expected stock price volatility	40.03%	38.29%
Average risk-free interest rate	4.03%	4.05%
Expected life	6	6

(in thousands, except share and per share amounts)

The following summarizes the stock option activity for the years ended December 31, 2025 and 2024, respectively:

	Number of Options Outstanding	Weighted Average Exercise Price	Average Remaining Useful Life
Outstanding as of December 31, 2023	15,214,541	$ 0.06	7.51
Granted	5,087,219	0.09	-
Exercised	(2,731,780)	0.05	-
Forfeited or Canceled	(1,667,087)	0.09	-
Outstanding as of December 31, 2024	15,902,893	$ 0.07	7.15
Granted	5,372,875	0.08	-
Exercised	(1,740,763)	0.06	-
Forfeited or Canceled	(3,514,978)	0.08	-
Outstanding as of December 31, 2025	16,020,027	$ 0.13	6.94
Options Vested and Exerciseable at:			
December 31, 2024	15,875,598	$ 0.07	7.16
December 31, 2025	9,111,251	$ 0.06	5.49
Options Vested and Expected to vest as of:			
December 31, 2024	15,981,495	$ 0.07	7.16
December 31, 2025	16,067,079	$ 0.09	6.94

The weighted average grant date fair value of stock options granted during the periods ended December 31, 2025 and 2024, were $0.06 and $0.08 per share, respectively.

Stock-based employee compensation cost was $127 and $127 for the years ended December 31, 2025 and 2024, respectively. The expense was included in operating expense within the statement of operations.

13. Subsequent Events

The Company has performed an evaluation of subsequent events through May 20, 2026, which is the date the financial statements were available to be issued.

On February 19, 2026, the Company amended its Certificate of Incorporation to increase the number of authorized shares of Class B voting common stock to 252,000,000.

On February 20, 2026, the Company received $10,000 in funding under a Simple Agreement for Future Equity (SAFE). On February 27, 2026, the Company received an additional $5,000 and on April 14, 2026, the Company received an additional $15,000. The total amount of funding received under the SAFE is $30,000.

On April 3, 2026, the Company amended the Senior Loan Agreement to join certain of its subsidiaries as loan parties. On April 30, 2026, the Company further amended the Senior Loan Agreement in

respect of the requirement to raise additional equity. The Company is required to raise at least $50,000 of equity by May 31, 2026, a date that may be extended at the lender's discretion.

SCHEDULE OF ASSETS (HELD AT END OF YEAR)

TARGAN Inc. Retirement Plan

01-JAN-25 to 31-DEC-25

INVESTMENT OPTION	MATURITY DATE	INTEREST RATE	COST OF ASSETS	CURRENT VALUE
1TR20TG			215.75	219.90
1TR25TG			317,804.25	324,531.46
1TR30TG			162,373.07	166,216.30
1TR35TG			143,804.53	147,681.37
1TR40TG			227,646.97	234,219.58
1TR45TG			206,281.89	212,504.67
1TR50TG			492,981.48	508,916.77
1TR55TG			308,730.55	318,636.58
1TR60TG			340,353.23	350,949.42
1TR65TG			139,649.84	144,014.90
1FTIHX			271,908.56	311,217.20
1MDIZX			161,042.07	169,860.99
1EMFCR1			30,225.13	31,556.49
1SREASC			95,914.25	108,768.98
1AVUVX			15,934.87	16,266.81
1FSSNX			77,701.19	87,240.08
1ASTSG1			10,617.53	11,396.76
1FSMDX			144,114.07	153,519.83
1FITLX			73,855.45	75,689.26
1FXAIX			471,904.52	546,198.99
1JLGMX			180,570.77	190,673.46
1PEQSX			74,056.78	80,406.07
1FTKFX			105,338.91	106,555.66
1FXNAX			144,458.00	147,474.42
1GWAQ10		2.700	36,349.86	37,065.94
			4,233,833.52	**4,481,781.89**
PARTICIPANT LOANS	VARIOUS	9.500-10.500	4,616.51	4,616.51

Attachment to Form 5500, Schedule H, Part 4, Item I
EIN # 82-0946945

SCHEDULE OF ASSETS (HELD AT END OF YEAR)

TARGAN Inc. Retirement Plan

01-JAN-25 to 31-DEC-25

INVESTMENT OPTION	MATURITY DATE	INTEREST RATE	COST OF ASSETS	CURRENT VALUE

LEGEND

INVESTMENT OPTION:

1TR20TG	T Rowe Price Retirement Blend 2020 Tr G	1TR25TG	T Rowe Price Retirement Blend 2025 Tr G
1TR30TG	T Rowe Price Retirement Blend 2030 Tr G	1TR35TG	T Rowe Price Retirement Blend 2035 Tr G
1TR40TG	T Rowe Price Retirement Blend 2040 Tr G	1TR45TG	T Rowe Price Retirement Blend 2045 Tr G
1TR50TG	T Rowe Price Retirement Blend 2050 Tr G	1TR55TG	T Rowe Price Retirement Blend 2055 Tr G
1TR60TG	T Rowe Price Retirement Blend 2060 Tr G	1TR65TG	T Rowe Price Retirement Blend 2065 Tr G
1FTIHX	Fidelity Total International Index	1MDIZX	MFS Intl Diversification R6
1EMFCR1	Emerging Markets Fund CL R1	1SREASC	SSgA Real Asset Fund Class C
1AVUVX	Avantis U S Small Cap Value Instl	1FSSNX	Fidelity Small Cap Index
1ASTSG1	Small Cap Growth Fund Class R1	1FSMDX	Fidelity Mid Cap Index
1FITLX	Fidelity U.S. Sustainability Index Instl	1FXAIX	Fidelity 500 Index
1JLGMX	JPMorgan Large Cap Growth R6	1PEQSX	Putnam Large Cap Value R6
1FTKFX	Fidelity Total Bond K6	1FXNAX	Fidelity US Bond Index
1GWAQ10	EI Fixed Account - Series Class VI		

COST OF ASSETS: The original cost of the assets in each investment option as of the last day of the plan year
CURRENT VALUE: The value of all assets in each investment option as of the last day of the plan year