

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 2021 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2021 or fiscal plan year beginning <u>01/01/2021</u> and ending <u>12/31/2021</u>	
A This return/report is for:	☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) ☒ a single-employer plan ☐ a DFE (specify) _____
B This return/report is:	☐ the first return/report ☐ the final return/report ☐ 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:	☒ 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 <u>SFS GROUP USA 401(K) PLAN</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>002</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>01/01/1987</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>002</u>	1c Effective date of plan <u>01/01/1987</u>	
1b Three-digit plan number (PN) ▶	<u>002</u>				
1c Effective date of plan <u>01/01/1987</u>					
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) <u>SFS GROUP USA, INC.</u> <u>1045 SPRING STREET</u> <u>WYOMISSING, PA 19610</u> <u>1045 SPRING STREET</u> <u>WYOMISSING, PA 19610</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>23-2332520</u></td> </tr> <tr> <td>2c Plan Sponsor's telephone number <u>610-790-2646</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>332700</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>23-2332520</u>	2c Plan Sponsor's telephone number <u>610-790-2646</u>	2d Business code (see instructions) <u>332700</u>	
2b Employer Identification Number (EIN) <u>23-2332520</u>					
2c Plan Sponsor's telephone number <u>610-790-2646</u>					
2d Business code (see instructions) <u>332700</u>					

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.	10/07/2022	JEROME SIMCIK
	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

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Form 5500 (2021)
v. 210624

3a Plan administrator's name and address ☒ 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: a Sponsor's name c Plan Name		4b EIN 4d PN	
5 Total number of participants at the beginning of the plan year		5	855
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)	670
a(2) Total number of active participants at the end of the plan year		6a(2)	769
b Retired or separated participants receiving benefits.....		6b	5
c Other retired or separated participants entitled to future benefits		6c	197
d Subtotal. Add lines 6a(2) , 6b , and 6c		6d	971
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.		6e	2
f Total. Add lines 6d and 6e		6f	973
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)		6g	904
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested		6h	2
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 Characteristics Codes in the instructions: 2F 2G 2E 2J 2K 2S 2T 3H 3D			
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:			
9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor		9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (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) ☒ 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		b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ <u>0</u> A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☒ 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 2021 Form M-1 annual report. If the plan was not required to file the 2021 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 C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider 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
		2021
		This Form is Open to Public Inspection.
For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021		
A Name of plan SFS GROUP USA 401(K) PLAN	B Three-digit plan number (PN) ▶	002
C Plan sponsor's name as shown on line 2a of Form 5500 SFS GROUP USA, INC.	D Employer Identification Number (EIN) 23-2332520	

Part I	Service Provider Information (see instructions)
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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
FIDELITY INVESTMENTS INSTITUTIONAL
04-2647786

(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)

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

(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?
37 64 65	RECORDKEEPER	106070	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

MORGAN STANLEY

20-8764829

(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?
27	INVESTMENT ADVISOR	69676	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ 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 ☐

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)

(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 ☐

(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 ☐

(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
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(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 2021 This Form is Open to Public Inspection.
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For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

A Name of plan <u>SFS GROUP USA 401(K) PLAN</u>	B Three-digit plan number (PN) ►	<u>002</u>
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>SFS GROUP USA, INC.</u>	D Employer Identification Number (EIN) <u>23-2332520</u>	

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)
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a Name of MTIA, CCT, PSA, or 103-12 IE: <u>FA STABLE VALUE III</u>		
b Name of sponsor of entity listed in (a): <u>FIDELITY MANAGEMENT TRUST COMPANY</u>		
c EIN-PN <u>04-3022712-026</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>1915707</u>
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>GS STABLE VAL INST1</u>		
b Name of sponsor of entity listed in (a): <u>GOLDMAN SACHS TRUST COMPANY NA</u>		
c EIN-PN <u>13-4166989-025</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>1392590</u>
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>FH CAP PRESRVN R6P</u>		
b Name of sponsor of entity listed in (a): <u>FEDERATED INVESTORS TRUST COMPANY</u>		
c EIN-PN <u>22-2712853-001</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>2815066</u>
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)

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
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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)

(Complete as many entries as needed to report all participating plans)

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
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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 2021 This Form is Open to Public Inspection
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For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021		
A Name of plan SFS GROUP USA 401(K) PLAN	B Three-digit plan number (PN) ►	002
C Plan sponsor's name as shown on line 2a of Form 5500 SFS GROUP USA, INC.	D Employer Identification Number (EIN) 23-2332520	

Part I	Asset and Liability Statement
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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)	4	775
(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)	713714	1066693
(9) Value of interest in common/collective trusts	1c(9)	3677442	6123363
(10) Value of interest in pooled separate accounts	1c(10)	0	0
(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)	43832954	74038984
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)	0	0
(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
e	Buildings and other property used in plan operation	1e 0	0
f	Total assets (add all amounts in lines 1a through 1e)	1f 48224114	81229815
Liabilities			
g	Benefit claims payable	1g 0	0
h	Operating payables	1h 0	0
i	Acquisition indebtedness.....	1i 0	0
j	Other liabilities.....	1j 0	0
k	Total liabilities (add all amounts in lines 1g through 1j)	1k 0	0
Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l 48224114	81229815

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.

		(a) Amount	(b) Total
Income			
a	Contributions:		
(1)	Received or receivable in cash from: (A) Employers	2a(1)(A) 1206907	
	(B) Participants	2a(1)(B) 2622187	
	(C) Others (including rollovers).....	2a(1)(C) 92592	
(2)	Noncash contributions.....	2a(2) 0	3921686
(3)	Total contributions. Add lines 2a(1)(A), (B), (C), and line 2a(2)	2a(3)	
b	Earnings on investments:		
(1)	Interest:		42425
(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) 42425	
(F)	Other	2b(1)(F) 0	
(G)	Total interest. Add lines 2b(1)(A) through (F).....	2b(1)(G)	42425
(2)	Dividends: (A) Preferred stock.....	2b(2)(A) 0	5199446
	(B) Common stock	2b(2)(B) 0	
	(C) Registered investment company shares (e.g. mutual funds).....	2b(2)(C) 5199446	
(D)	Total dividends. Add lines 2b(2)(A), (B), and (C)	2b(2)(D)	5199446
(3)	Rents	2b(3)	0
(4)	Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A) 0	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)	
(5)	Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A) 0	0
	(B) Other	2b(5)(B) 0	
	(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)	

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts.....	2b(6)		49095
(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)		1626058
c Other income.....	2c		0
d Total income. Add all income amounts in column (b) and enter total.....	2d		10838710
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	3872037	
(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)		3872037
f Corrective distributions (see instructions).....	2f		0
g Certain deemed distributions of participant loans (see instructions).....	2g		5748
h Interest expense.....	2h		0
i Administrative expenses: (1) Professional fees.....	2i(1)	0	
(2) Contract administrator fees.....	2i(2)	0	
(3) Investment advisory and management fees.....	2i(3)	0	
(4) Other.....	2i(4)	175747	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		175747
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		4053532
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d.....	2k		6785178
l Transfers of assets:			
(1) To this plan.....	2l(1)		26220523
(2) From this plan.....	2l(2)		0

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) ☒ 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) ☒ 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: HERBEIN AND COMPANY, INC.

(2) EIN: 23-2415973

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, 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.

During the plan year:

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.).....

	Yes	No	Amount
4a	X		106294

	Yes	No	Amount
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?	X		2000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
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.)	X		
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		X	
5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?..... ☐ Yes ☒ 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 2021 This Form is Open to Public Inspection.
For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021		
A Name of plan SFS GROUP USA 401(K) PLAN		B Three-digit plan number (PN) ► 002
C Plan sponsor's name as shown on line 2a of Form 5500 SFS GROUP USA, INC.		D Employer Identification Number (EIN) 23-2332520
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
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): 04-6568107		
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		
For Paperwork Reduction Act Notice, see the Instructions for Form 5500.		
Schedule R (Form 5500) 2021 v. 201209		

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (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) through (c)

a Enter the percentage of plan assets held as:

Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:

☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate line 19(b)?

☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

- 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 _____



SFS GROUP USA 401(K) PLAN

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

Years Ended December 31, 2021 and 2020



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INDEPENDENT AUDITOR'S REPORT

To the Participants and Plan Administrator SFS Group USA 401(k) Plan

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit for the 2021 Financial Statements

We have performed an audit of the financial statements of SFS Group USA 401(k) Plan, an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) (ERISA Section 103(a)(3)(C) audit). The financial statements comprise the statement of net assets available for benefits as of December 31, 2021, and the related statement of changes in net assets available for benefits for the year then ended, and the related notes to the financial statements (2021 Financial Statements).

Management, having determined it is permissible in the circumstances, has elected to have the audit of the 2021 financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audit need not extend to any statements or information related to assets held for investment of the plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained a certification from a qualified institution as of and for the year ended December 31, 2021, stating that the certified investment information, as described in Note 6 to the financial statements, is complete and accurate.

Opinion on the 2021 Financial Statements

In our opinion, based on our audit and on the procedures performed as described in the Auditor's Responsibilities for the Audit of the 2021 Financial Statements section:

- The amounts and disclosures in the accompanying 2021 financial statements, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.
- The information in the accompanying 2021 financial statements related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Basis for Opinion on the 2021 Financial Statements

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 2021 Financial Statements section of our report. We are required to be independent of SFS Group USA 401(k) Plan 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 ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the 2021 Financial Statements

Management is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about SFS Group USA 401(k) Plan's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments; administering the plan; and determining that the plan's transactions that are presented and disclosed in the financial statements are in conformity with the plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor's Responsibilities for the Audit of the 2021 Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit for the 2021 Financial Statements section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 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 financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the 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 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 SFS Group USA 401(k) Plan'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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about SFS Group USA 401(k) Plan's ability to continue as a going concern for a reasonable period of time.

Our audit did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the 2021 financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of accounting principles generally accepted in the United States of America.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

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.

Other Matters

2021 Supplemental Schedules Required by ERISA

The supplemental schedules of Schedule H, Line 4a - Schedule of Delinquent Participant Contributions and Schedule H, Line 4i - Schedule of Assets (Held at End of Year) as of or for the year ended December 31, 2021 are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. For information included in the supplemental schedules that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, other than the information agreed to or derived from the certified investment information, including their form and content, are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion:

- the form and content of the supplemental schedules, other than the information in the supplemental schedules that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.
- the information in the supplemental schedules related to assets held by and certified to by a qualified institution agrees to or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Auditor's Report on the 2020 Financial Statements

We were engaged to audit the 2020 financial statements of SFS Group USA 401(k) Plan. As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA, the Plan Administrator instructed us not to perform and we did not perform any auditing procedures with respect to the information certified by a qualified institution. In our report dated October 6, 2021, we indicated that (a) because of the significance of the information that we did not audit, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, we did not express an opinion on the 2020 financial statements, and (b) the form and content of the information included in the 2020 financial statements other than that derived from the certified information were presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

Herbein + Company, Inc.

**Reading, Pennsylvania
October 4, 2022**

SFS GROUP USA 401(K) PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

	December 31	
	2021	2020
ASSETS		
Investments at fair value	\$ 80,163,122	\$ 47,510,400
Receivables:		
Notes receivable from participants	<u>1,066,693</u>	<u>713,714</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u><u>\$ 81,229,815</u></u>	<u><u>\$ 48,224,114</u></u>

See accompanying notes.

SFS GROUP USA 401(K) PLAN**STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS****Year Ended December 31, 2021****ADDITIONS:**

Investment income:

Net appreciation in fair value of investments	\$ 1,675,153
Interest and dividends	5,199,446
	<u>6,874,599</u>

Interest income on notes receivable from participants	42,425
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Contributions:

Participants	2,622,187
Employer	1,206,907
Rollovers	92,592
	<u>3,921,686</u>

Total additions	10,838,710
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DEDUCTIONS:

Benefits paid to participants	3,872,037
Deemed distributions	5,748
Administrative expenses	<u>175,747</u>

Total deductions	<u>4,053,532</u>
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NET INCREASE	6,785,178
---------------------	-----------

TRANSFERS IN FROM OTHER PLAN	26,220,523
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NET ASSETS AVAILABLE FOR BENEFITS AT BEGINNING OF YEAR	<u>48,224,114</u>
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NET ASSETS AVAILABLE FOR BENEFITS AT END OF YEAR	<u><u>\$ 81,229,815</u></u>
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SFS GROUP USA 401(K) PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2021 and 2020

NOTE 1 - DESCRIPTION OF PLAN

The following description of the SFS Group USA 401(k) Plan (the “Plan”) provides only general information. Participants should refer to the plan agreement for a more complete description of the Plan’s provisions.

General

The Plan is a safe harbor nonelective contribution plan covering all full-time employees of SFS Group USA (the “Company”) who have one month of service, and are age 18 or older, except union employees whose employment is governed by a collective bargaining agreement and nonresident aliens who have no earned income from sources within the United States. The Plan is subject to the provisions of the Employee Retirement Income Security Act (ERISA). The Plan Administrator is responsible for the oversight of the plan, the appropriateness of the Plan’s investment offerings, and monitors investment performance.

Contributions

Each year participants may contribute up to 100% of pretax annual compensation, as defined in the Plan. Participants who have attained the age of 50 before the end of the plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans (rollover). Due to this being a safe harbor nonelective contribution plan, management has elected to make safe harbor nonelective contributions to eligible participants in accordance with statutory requirements in an amount equal to 3% of eligible compensation. Participants direct the investment of their contributions into various investment options offered by the Plan. The Plan includes an auto-enrollment provision whereby all newly eligible employees are automatically enrolled in the Plan unless they affirmatively elect not to participate in the Plan. Automatically enrolled participants have their deferral rate set at 5% of eligible compensation and their contributions are invested in a designated balanced fund until changed by the participant. The Company may make discretionary matching and discretionary nonelective contributions for each active participant based on a percentage of the employee’s eligible compensation. The Company limits the discretionary matching contributions up to 4% of an employee’s eligible compensation. In order to participate in the Company discretionary nonelective contributions, an employee must be employed on the last day of the plan year and have completed at least one year of services based upon the elapsed time method. However, exceptions to these qualifications for Company discretionary contributions are death, disability, and retirement. For each of the years ended December 31, 2021 and 2020, the Company did not make any discretionary contributions to the Plan. Additionally, the Company may also make qualified nonelective contributions. Contributions are subject to certain limitations.

Participant Accounts

Each participant’s account is credited with the participant’s contribution and an allocation of the Company’s contributions and plan earnings. Participant accounts are charged with an allocation of administrative expenses that are paid by the Plan. Allocations are based on participant earnings, account balances, or specific transactions, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant’s vested account.

SFS GROUP USA 401(K) PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2021 and 2020

NOTE 1 - DESCRIPTION OF PLAN - CONTINUED

Vesting

Participants are vested immediately in their contributions, the Company's safe harbor nonelective contributions, and any qualified nonelective contributions plus actual earnings thereon. Vesting in the Company's discretionary matching and discretionary nonelective contribution is based on years of continuous service. A participant is 100% vested after four years of credited service. Participants that merged in the Plan from the Triangle Fastener Corporation Retirement Plan and Truelove & Maclean, Inc. Retirement Savings Plan who did not work an hour of service on or after January 1, 2020 or December 1, 2021, respectively, will become fully vested after six years of credited service.

Notes Receivable from Participants

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their vested account balance. The loans are secured by the balance in the participant's account. The loan interest rate is set at 1% above the federal prime rate, as defined. Principal and interest are paid ratably through bi-weekly payroll deductions.

Payment of Benefits

On termination of service for any reason, a participant may elect to receive an amount equal to the value of the participant's vested interest in his or her account in a lump-sum amount, a direct rollover distribution, or as an annuity. In addition, the Plan allows for hardship distributions if certain criteria are met.

Forfeited Accounts

At December 31, 2021 and 2020, forfeited nonvested accounts totaled \$34,563 and \$87,113, respectively. These accounts will be used first to pay administrative expenses and any remaining amounts will be used to reduce future employer contributions. Also, in 2021, administrative expenses were reduced by \$69,953 from forfeited nonvested accounts.

CARES Act

The Plan has implemented certain requirements by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), which change the Plan to, among others, allow certain eligible individuals to receive coronavirus-related relief for loan repayment, suspend required minimum distributions, and delay the commencement date for required minimum distributions. Written amendments to the Plan to reflect these operation changes will be adopted at a later date in accordance with applicable law and IRS guidance.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Plan are prepared on the accrual basis of accounting.

SFS GROUP USA 401(K) PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2021 and 2020

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan Administrator determines the Plan's valuation policies utilizing information provided by the investment advisers and trustee. See Note 3 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are reported on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Investment Concentration

The Plan holds certain investments that represent 10% or more of the Plan's total investments at December 31:

	2021	2020
American Century Investments One Choice In Retirement Portfolio R6 Class	\$ 9,592,407	*
American Century Investments One Choice 2025 Portfolio R6 Class	8,497,994	*
Invesco Core Plus Bond Fund Class R6	*	\$ 5,566,754

*Investment did not represent 10% or more of Plan's total investments in respective year.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2021 or 2020.

Payment of Benefits

Benefits are recorded when paid.

SFS GROUP USA 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS

December 31, 2021 and 2020

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Administrative Expenses

Certain expenses of maintaining the Plan are paid by the Plan, unless otherwise paid by the Company. Expenses that are paid by the Company are excluded from these financial statements. Fees related to the administration of notes receivable from participants are charged directly to the participant's account and are included in administrative expenses. Investment related expenses are included in net appreciation of fair value of investments.

Subsequent Events

In preparing these financial statements, the Plan has evaluated events and transactions for potential recognition or disclosure through October 4, 2022, the date the financial statements were available to be issued.

Effective March 15, 2022, management of the Plan approved an amendment to absorb the assets of Tegra Medical 401(k) Retirement Plan. An aggregate of \$34,769,374 was transferred into the Plan on April 4, 2022.

NOTE 3 - FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2: Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets.
- quoted prices for identical or similar assets or liabilities in inactive markets.
- inputs other than quoted prices that are observable for the asset or liability.
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

SFS GROUP USA 401(K) PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2021 and 2020

NOTE 3 - FAIR VALUE MEASUREMENTS - CONTINUED

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2021 and 2020.

Money market fund: Valued at a stable \$1.00 per share which approximates fair value. The money market fund held by the Plan is deemed to be actively traded.

Mutual funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the Securities Exchange Commission. The mutual funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Stable value collective trust funds: Valued at the NAV of participation units held by the Plan at year end. The value of these units is determined by the trustee based on the current market values of the underlying assets of the collective trust funds as based on information reported by the investment adviser using the audited financial statements of the collective trust funds at year end and is used as a practical expedient to estimate fair value.

Common collective trust fund: Valued at NAV of units of a common collective trust. The NAV, as provided by the trustee, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. This practical expedient is not used when it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV.

SFS GROUP USA 401(K) PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2021 and 2020

NOTE 3 - FAIR VALUE MEASUREMENTS - CONTINUED

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2021 and 2020:

Assets at Fair Value as of December 31, 2021				
	Level 1	Level 2	Level 3	Total
Money market fund	\$ 775	\$ -	\$ -	\$ 775
Mutual funds	74,038,984	-	-	74,038,984
Total assets in the fair value hierarchy	74,039,759	-	-	74,039,759
Total investments measured at net asset value*	-	-	-	6,123,363
Investments at fair value	\$ 74,039,759	\$ -	\$ -	\$ 80,163,122
Assets at Fair Value as of December 31, 2020				
	Level 1	Level 2	Level 3	Total
Money market fund	\$ 4	\$ -	\$ -	\$ 4
Mutual funds	43,832,954	-	-	43,832,954
Total assets in the fair value hierarchy	43,832,958	-	-	43,832,958
Total investments measured at net asset value*	-	-	-	3,677,442
Investments at fair value	\$ 43,832,958	\$ -	\$ -	\$ 47,510,400

* In accordance with Subtopic 820-10, certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statements of net assets available for benefits.

Transfer Between Levels

For the years ended December 31, 2021 and 2020, there were no significant transfers between levels.

SFS GROUP USA 401(K) PLAN**NOTES TO FINANCIAL STATEMENTS****December 31, 2021 and 2020****NOTE 3 - FAIR VALUE MEASUREMENTS - CONTINUED****Investment Measured Using the Net Asset Value Per Share Practical Expedient (or Its Equivalent)**

The following table summarizes investments for which fair value is measured using the net asset value per share practical expedient as of December 31, 2021 and 2020. There are no participant redemption restrictions for these investments; the redemption notice period is applicable only to the Plan.

<u>December 31, 2021</u>	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency (If Currently Eligible)</u>	<u>Redemption Notice Period</u>
Stable value collective trust funds	\$ 3,308,297	N/A	Daily	12 months
Common collective trust fund	2,815,066	N/A	Daily	12 months
<u>December 31, 2020</u>	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency (If Currently Eligible)</u>	<u>Redemption Notice Period</u>
Stable value collective trust fund	\$ 2,608,215	N/A	Daily	12 months
Common collective trust fund	1,069,227	N/A	Daily	12 months

NOTE 4 - PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to provisions of ERISA. In the event of Plan termination, participants would become 100% vested in their employer contributions.

NOTE 5 - TAX STATUS

The Company has adopted a non-standardized pre-approved profit sharing plan with CODA sponsored by FMR LLC. The volume submitter profit sharing plan has received an opinion letter from the Internal Revenue Service (IRS) dated June 30, 2020, as to the volume submitter profit sharing plan's qualified status. The volume submitter profit sharing plan opinion letter has been relied upon by the Plan. Although the Plan has been amended since receiving the opinion letter, the plan administrator and the Plan's tax counsel believe that the Plan is designed and is currently being operated in compliance with the applicable requirements of the Internal Revenue Code and, therefore, believe the Plan is qualified, and the related trust is tax exempt.

SFS GROUP USA 401(K) PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2021 and 2020

NOTE 5 - TAX STATUS - CONTINUED

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

NOTE 6 - CERTIFIED INFORMATION

Certain information related to investments and notes receivable from participants disclosed in the accompanying financial statements and ERISA-required supplemental schedules, including investments and notes receivable from participants held at December 31, 2021 and 2020, and net appreciation in fair value of investments, interest and dividends, and interest income on notes receivable from participants for the year ended December 31, 2021, was obtained by management and agreed to or derived from information certified as complete and accurate by Fidelity Management Trust Company (the trustee of the Plan).

NOTE 7 - RISKS AND UNCERTAINTIES

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near-term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

NOTE 8 - DELINQUENT PARTICIPANT CONTRIBUTIONS

The Company failed to remit certain employee deferrals and loan repayments to the Plan in a timely manner according to DOL regulations during 2021 aggregating to \$106,294. The Company has calculated lost earnings and deposited the lost earnings into the Plan during 2021.

SFS GROUP USA 401(K) PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2021 and 2020

NOTE 9 - TRANSFER OF PLAN ASSETS FROM OTHER PLAN

Effective December 1, 2021, management of the Plan approved an amendment to absorb the assets of Truelove & Maclean, Inc. Retirement Savings Plan. An aggregate of \$312,562 was transferred into the Plan on December 9, 2021, \$25,905,808 was transferred into the Plan on December 15, 2021, and the remaining assets totaling \$2,153 were transferred to the Plan on December 17, 2021.

NOTE 10 - RELATED-PARTY TRANSACTIONS AND PARTY-IN-INTEREST TRANSACTIONS

Certain plan investments are managed by Fidelity Management Trust Company. Fidelity Management Trust Company is the trustee for the Plan and, therefore, these transactions qualify as party-in-interest transactions. All other transactions, which may be considered related-party transactions or parties-in-interest transactions, relate to normal plan management, administrative services, and the related payment of fees.

SUPPLEMENTARY INFORMATION

SFS GROUP USA 401(K) PLAN

SCHEDULE H, LINE 4a - SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS

December 31, 2021

EIN 23-2332520

PLAN No. 002

Participant Contributions Transferred Late to Plan	Total that Constitute Nonexempt Prohibited Transactions			Total Fully Corrected Under VFCP and PTE 2002-51
	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	
\$ 106,294 *	\$ -	\$ 106,294	\$ -	\$ -

* Amount includes participant loan repayments.

SFS GROUP USA 401(K) PLAN

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

December 31, 2021

EIN 23-2332520 PLAN No. 002				
(a)	(b)	(c)	(d)	(e)
	Identity of Issue, Borrower, Lessor, or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	Cost (\$)	Current Value (\$)
	Federated Capital Preservation Fund R6	Common Collective Trust Fund	**	\$ 2,815,066
	Goldman Sachs Stable Value Institutional Series Class 1	Stable Value Collective Trust Fund	**	1,392,590
*	Fidelity Advisors Stable Value	Stable Value Collective Trust Fund	**	1,915,707
*	Fidelity Government Money Market	Money Market Fund	**	775
	American Century Investments One Choice 2025 Portfolio R6 Class	Mutual Fund	**	8,497,994
	American Century Investments One Choice 2030 Portfolio R6 Class	Mutual Fund	**	7,240,029
	American Century Investments One Choice 2035 Portfolio R6 Class	Mutual Fund	**	3,942,922
	American Century Investments One Choice 2040 Portfolio R6 Class	Mutual Fund	**	2,317,616
	American Century Investments One Choice 2045 Portfolio R6 Class	Mutual Fund	**	3,106,384
	American Century Investments One Choice 2050 Portfolio R6 Class	Mutual Fund	**	2,053,941
	American Century Investments One Choice 2055 Portfolio R6 Class	Mutual Fund	**	1,070,497
	American Century Investments One Choice 2060 Portfolio R6 Class	Mutual Fund	**	884,288
	American Century Investments One Choice In Retirement Portfolio R6 Class	Mutual Fund	**	9,592,407
	American Funds American Mutual Fund Class R-6	Mutual Fund	**	5,041,780
	American Funds Capital Income Builder Class R-6	Mutual Fund	**	1,924,010
	American Funds New World Fund Class R-6	Mutual Fund	**	914,533
	BlackRock Advantage Small Cap Core Fund Class K	Mutual Fund	**	2,425,316
	DWS RREEF Real Estate Securities Fund - Class R6	Mutual Fund	**	1,149,314
	Invesco Core Plus Bond Fund Class R6	Mutual Fund	**	5,361,940
	MFS International Diversification Fund Class R6	Mutual Fund	**	3,323,289
	MFS Massachusetts Investors Growth Stock Fund Class R6	Mutual Fund	**	3,796,037
	MFS Mid Cap Value Fund Class R6	Mutual Fund	**	3,695,515
*	Fidelity 500 Index Fund	Mutual Fund	**	5,127,348
*	Fidelity Global ex U.S. Index Fund	Mutual Fund	**	229,103
*	Fidelity Mid Cap Index Fund	Mutual Fund	**	1,875,581
*	Fidelity Small Cap Index Fund	Mutual Fund	**	469,140
				<u>80,163,122</u>
*	Participant loans	Interest rates: 4.25% - 6.50% Maturity: 2022 - 2027		<u>1,066,693</u>
				<u><u>\$ 81,229,815</u></u>

* A party-in-interest as defined by ERISA.

** Historical cost has not been presented as all investments are participant-directed.



SFS GROUP USA 401(K) PLAN

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

Years Ended December 31, 2021 and 2020



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INDEPENDENT AUDITOR'S REPORT

To the Participants and Plan Administrator SFS Group USA 401(k) Plan

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit for the 2021 Financial Statements

We have performed an audit of the financial statements of SFS Group USA 401(k) Plan, an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) (ERISA Section 103(a)(3)(C) audit). The financial statements comprise the statement of net assets available for benefits as of December 31, 2021, and the related statement of changes in net assets available for benefits for the year then ended, and the related notes to the financial statements (2021 Financial Statements).

Management, having determined it is permissible in the circumstances, has elected to have the audit of the 2021 financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audit need not extend to any statements or information related to assets held for investment of the plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained a certification from a qualified institution as of and for the year ended December 31, 2021, stating that the certified investment information, as described in Note 6 to the financial statements, is complete and accurate.

Opinion on the 2021 Financial Statements

In our opinion, based on our audit and on the procedures performed as described in the Auditor's Responsibilities for the Audit of the 2021 Financial Statements section:

- The amounts and disclosures in the accompanying 2021 financial statements, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.
- The information in the accompanying 2021 financial statements related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Basis for Opinion on the 2021 Financial Statements

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 2021 Financial Statements section of our report. We are required to be independent of SFS Group USA 401(k) Plan 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 ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the 2021 Financial Statements

Management is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about SFS Group USA 401(k) Plan's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments; administering the plan; and determining that the plan's transactions that are presented and disclosed in the financial statements are in conformity with the plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor's Responsibilities for the Audit of the 2021 Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit for the 2021 Financial Statements section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 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 financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the 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 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 SFS Group USA 401(k) Plan'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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about SFS Group USA 401(k) Plan's ability to continue as a going concern for a reasonable period of time.

Our audit did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the 2021 financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of accounting principles generally accepted in the United States of America.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

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.

Other Matters

2021 Supplemental Schedules Required by ERISA

The supplemental schedules of Schedule H, Line 4a - Schedule of Delinquent Participant Contributions and Schedule H, Line 4i - Schedule of Assets (Held at End of Year) as of or for the year ended December 31, 2021 are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. For information included in the supplemental schedules that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, other than the information agreed to or derived from the certified investment information, including their form and content, are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion:

- the form and content of the supplemental schedules, other than the information in the supplemental schedules that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.
- the information in the supplemental schedules related to assets held by and certified to by a qualified institution agrees to or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Auditor's Report on the 2020 Financial Statements

We were engaged to audit the 2020 financial statements of SFS Group USA 401(k) Plan. As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA, the Plan Administrator instructed us not to perform and we did not perform any auditing procedures with respect to the information certified by a qualified institution. In our report dated October 6, 2021, we indicated that (a) because of the significance of the information that we did not audit, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, we did not express an opinion on the 2020 financial statements, and (b) the form and content of the information included in the 2020 financial statements other than that derived from the certified information were presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

Herbein + Company, Inc.

Reading, Pennsylvania
October 4, 2022

SFS GROUP USA 401(K) PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

	December 31	
	2021	2020
ASSETS		
Investments at fair value	\$ 80,163,122	\$ 47,510,400
Receivables:		
Notes receivable from participants	<u>1,066,693</u>	<u>713,714</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u><u>\$ 81,229,815</u></u>	<u><u>\$ 48,224,114</u></u>

See accompanying notes.

SFS GROUP USA 401(K) PLAN**STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS****Year Ended December 31, 2021****ADDITIONS:**

Investment income:

Net appreciation in fair value of investments	\$ 1,675,153
Interest and dividends	5,199,446
	<u>6,874,599</u>

Interest income on notes receivable from participants	42,425
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Contributions:

Participants	2,622,187
Employer	1,206,907
Rollovers	92,592
	<u>3,921,686</u>

Total additions	10,838,710
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DEDUCTIONS:

Benefits paid to participants	3,872,037
Deemed distributions	5,748
Administrative expenses	<u>175,747</u>

Total deductions	<u>4,053,532</u>
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NET INCREASE	6,785,178
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TRANSFERS IN FROM OTHER PLAN	26,220,523
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NET ASSETS AVAILABLE FOR BENEFITS AT BEGINNING OF YEAR	<u>48,224,114</u>
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NET ASSETS AVAILABLE FOR BENEFITS AT END OF YEAR	<u><u>\$ 81,229,815</u></u>
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SFS GROUP USA 401(K) PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2021 and 2020

NOTE 1 - DESCRIPTION OF PLAN

The following description of the SFS Group USA 401(k) Plan (the “Plan”) provides only general information. Participants should refer to the plan agreement for a more complete description of the Plan’s provisions.

General

The Plan is a safe harbor nonelective contribution plan covering all full-time employees of SFS Group USA (the “Company”) who have one month of service, and are age 18 or older, except union employees whose employment is governed by a collective bargaining agreement and nonresident aliens who have no earned income from sources within the United States. The Plan is subject to the provisions of the Employee Retirement Income Security Act (ERISA). The Plan Administrator is responsible for the oversight of the plan, the appropriateness of the Plan’s investment offerings, and monitors investment performance.

Contributions

Each year participants may contribute up to 100% of pretax annual compensation, as defined in the Plan. Participants who have attained the age of 50 before the end of the plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans (rollover). Due to this being a safe harbor nonelective contribution plan, management has elected to make safe harbor nonelective contributions to eligible participants in accordance with statutory requirements in an amount equal to 3% of eligible compensation. Participants direct the investment of their contributions into various investment options offered by the Plan. The Plan includes an auto-enrollment provision whereby all newly eligible employees are automatically enrolled in the Plan unless they affirmatively elect not to participate in the Plan. Automatically enrolled participants have their deferral rate set at 5% of eligible compensation and their contributions are invested in a designated balanced fund until changed by the participant. The Company may make discretionary matching and discretionary nonelective contributions for each active participant based on a percentage of the employee’s eligible compensation. The Company limits the discretionary matching contributions up to 4% of an employee’s eligible compensation. In order to participate in the Company discretionary nonelective contributions, an employee must be employed on the last day of the plan year and have completed at least one year of services based upon the elapsed time method. However, exceptions to these qualifications for Company discretionary contributions are death, disability, and retirement. For each of the years ended December 31, 2021 and 2020, the Company did not make any discretionary contributions to the Plan. Additionally, the Company may also make qualified nonelective contributions. Contributions are subject to certain limitations.

Participant Accounts

Each participant’s account is credited with the participant’s contribution and an allocation of the Company’s contributions and plan earnings. Participant accounts are charged with an allocation of administrative expenses that are paid by the Plan. Allocations are based on participant earnings, account balances, or specific transactions, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant’s vested account.

SFS GROUP USA 401(K) PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2021 and 2020

NOTE 1 - DESCRIPTION OF PLAN - CONTINUED

Vesting

Participants are vested immediately in their contributions, the Company's safe harbor nonelective contributions, and any qualified nonelective contributions plus actual earnings thereon. Vesting in the Company's discretionary matching and discretionary nonelective contribution is based on years of continuous service. A participant is 100% vested after four years of credited service. Participants that merged in the Plan from the Triangle Fastener Corporation Retirement Plan and Truelove & Maclean, Inc. Retirement Savings Plan who did not work an hour of service on or after January 1, 2020 or December 1, 2021, respectively, will become fully vested after six years of credited service.

Notes Receivable from Participants

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their vested account balance. The loans are secured by the balance in the participant's account. The loan interest rate is set at 1% above the federal prime rate, as defined. Principal and interest are paid ratably through bi-weekly payroll deductions.

Payment of Benefits

On termination of service for any reason, a participant may elect to receive an amount equal to the value of the participant's vested interest in his or her account in a lump-sum amount, a direct rollover distribution, or as an annuity. In addition, the Plan allows for hardship distributions if certain criteria are met.

Forfeited Accounts

At December 31, 2021 and 2020, forfeited nonvested accounts totaled \$34,563 and \$87,113, respectively. These accounts will be used first to pay administrative expenses and any remaining amounts will be used to reduce future employer contributions. Also, in 2021, administrative expenses were reduced by \$69,953 from forfeited nonvested accounts.

CARES Act

The Plan has implemented certain requirements by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), which change the Plan to, among others, allow certain eligible individuals to receive coronavirus-related relief for loan repayment, suspend required minimum distributions, and delay the commencement date for required minimum distributions. Written amendments to the Plan to reflect these operation changes will be adopted at a later date in accordance with applicable law and IRS guidance.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Plan are prepared on the accrual basis of accounting.

SFS GROUP USA 401(K) PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2021 and 2020

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan Administrator determines the Plan's valuation policies utilizing information provided by the investment advisers and trustee. See Note 3 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are reported on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Investment Concentration

The Plan holds certain investments that represent 10% or more of the Plan's total investments at December 31:

	2021	2020
American Century Investments One Choice In Retirement Portfolio R6 Class	\$ 9,592,407	*
American Century Investments One Choice 2025 Portfolio R6 Class	8,497,994	*
Invesco Core Plus Bond Fund Class R6	*	\$ 5,566,754

*Investment did not represent 10% or more of Plan's total investments in respective year.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2021 or 2020.

Payment of Benefits

Benefits are recorded when paid.

SFS GROUP USA 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS

December 31, 2021 and 2020

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Administrative Expenses

Certain expenses of maintaining the Plan are paid by the Plan, unless otherwise paid by the Company. Expenses that are paid by the Company are excluded from these financial statements. Fees related to the administration of notes receivable from participants are charged directly to the participant's account and are included in administrative expenses. Investment related expenses are included in net appreciation of fair value of investments.

Subsequent Events

In preparing these financial statements, the Plan has evaluated events and transactions for potential recognition or disclosure through October 4, 2022, the date the financial statements were available to be issued.

Effective March 15, 2022, management of the Plan approved an amendment to absorb the assets of Tegra Medical 401(k) Retirement Plan. An aggregate of \$34,769,374 was transferred into the Plan on April 4, 2022.

NOTE 3 - FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2: Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets.
- quoted prices for identical or similar assets or liabilities in inactive markets.
- inputs other than quoted prices that are observable for the asset or liability.
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

SFS GROUP USA 401(K) PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2021 and 2020

NOTE 3 - FAIR VALUE MEASUREMENTS - CONTINUED

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2021 and 2020.

Money market fund: Valued at a stable \$1.00 per share which approximates fair value. The money market fund held by the Plan is deemed to be actively traded.

Mutual funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the Securities Exchange Commission. The mutual funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Stable value collective trust funds: Valued at the NAV of participation units held by the Plan at year end. The value of these units is determined by the trustee based on the current market values of the underlying assets of the collective trust funds as based on information reported by the investment adviser using the audited financial statements of the collective trust funds at year end and is used as a practical expedient to estimate fair value.

Common collective trust fund: Valued at NAV of units of a common collective trust. The NAV, as provided by the trustee, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. This practical expedient is not used when it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV.

SFS GROUP USA 401(K) PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2021 and 2020

NOTE 3 - FAIR VALUE MEASUREMENTS - CONTINUED

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2021 and 2020:

Assets at Fair Value as of December 31, 2021				
	Level 1	Level 2	Level 3	Total
Money market fund	\$ 775	\$ -	\$ -	\$ 775
Mutual funds	74,038,984	-	-	74,038,984
Total assets in the fair value hierarchy	74,039,759	-	-	74,039,759
Total investments measured at net asset value*	-	-	-	6,123,363
Investments at fair value	\$ 74,039,759	\$ -	\$ -	\$ 80,163,122
Assets at Fair Value as of December 31, 2020				
	Level 1	Level 2	Level 3	Total
Money market fund	\$ 4	\$ -	\$ -	\$ 4
Mutual funds	43,832,954	-	-	43,832,954
Total assets in the fair value hierarchy	43,832,958	-	-	43,832,958
Total investments measured at net asset value*	-	-	-	3,677,442
Investments at fair value	\$ 43,832,958	\$ -	\$ -	\$ 47,510,400

* In accordance with Subtopic 820-10, certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statements of net assets available for benefits.

Transfer Between Levels

For the years ended December 31, 2021 and 2020, there were no significant transfers between levels.

SFS GROUP USA 401(K) PLAN**NOTES TO FINANCIAL STATEMENTS****December 31, 2021 and 2020****NOTE 3 - FAIR VALUE MEASUREMENTS - CONTINUED****Investment Measured Using the Net Asset Value Per Share Practical Expedient (or Its Equivalent)**

The following table summarizes investments for which fair value is measured using the net asset value per share practical expedient as of December 31, 2021 and 2020. There are no participant redemption restrictions for these investments; the redemption notice period is applicable only to the Plan.

<u>December 31, 2021</u>	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency (If Currently Eligible)</u>	<u>Redemption Notice Period</u>
Stable value collective trust funds	\$ 3,308,297	N/A	Daily	12 months
Common collective trust fund	2,815,066	N/A	Daily	12 months
<u>December 31, 2020</u>	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency (If Currently Eligible)</u>	<u>Redemption Notice Period</u>
Stable value collective trust fund	\$ 2,608,215	N/A	Daily	12 months
Common collective trust fund	1,069,227	N/A	Daily	12 months

NOTE 4 - PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to provisions of ERISA. In the event of Plan termination, participants would become 100% vested in their employer contributions.

NOTE 5 - TAX STATUS

The Company has adopted a non-standardized pre-approved profit sharing plan with CODA sponsored by FMR LLC. The volume submitter profit sharing plan has received an opinion letter from the Internal Revenue Service (IRS) dated June 30, 2020, as to the volume submitter profit sharing plan's qualified status. The volume submitter profit sharing plan opinion letter has been relied upon by the Plan. Although the Plan has been amended since receiving the opinion letter, the plan administrator and the Plan's tax counsel believe that the Plan is designed and is currently being operated in compliance with the applicable requirements of the Internal Revenue Code and, therefore, believe the Plan is qualified, and the related trust is tax exempt.

SFS GROUP USA 401(K) PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2021 and 2020

NOTE 5 - TAX STATUS - CONTINUED

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

NOTE 6 - CERTIFIED INFORMATION

Certain information related to investments and notes receivable from participants disclosed in the accompanying financial statements and ERISA-required supplemental schedules, including investments and notes receivable from participants held at December 31, 2021 and 2020, and net appreciation in fair value of investments, interest and dividends, and interest income on notes receivable from participants for the year ended December 31, 2021, was obtained by management and agreed to or derived from information certified as complete and accurate by Fidelity Management Trust Company (the trustee of the Plan).

NOTE 7 - RISKS AND UNCERTAINTIES

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near-term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

NOTE 8 - DELINQUENT PARTICIPANT CONTRIBUTIONS

The Company failed to remit certain employee deferrals and loan repayments to the Plan in a timely manner according to DOL regulations during 2021 aggregating to \$106,294. The Company has calculated lost earnings and deposited the lost earnings into the Plan during 2021.

SFS GROUP USA 401(K) PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2021 and 2020

NOTE 9 - TRANSFER OF PLAN ASSETS FROM OTHER PLAN

Effective December 1, 2021, management of the Plan approved an amendment to absorb the assets of Truelove & Maclean, Inc. Retirement Savings Plan. An aggregate of \$312,562 was transferred into the Plan on December 9, 2021, \$25,905,808 was transferred into the Plan on December 15, 2021, and the remaining assets totaling \$2,153 were transferred to the Plan on December 17, 2021.

NOTE 10 - RELATED-PARTY TRANSACTIONS AND PARTY-IN-INTEREST TRANSACTIONS

Certain plan investments are managed by Fidelity Management Trust Company. Fidelity Management Trust Company is the trustee for the Plan and, therefore, these transactions qualify as party-in-interest transactions. All other transactions, which may be considered related-party transactions or parties-in-interest transactions, relate to normal plan management, administrative services, and the related payment of fees.

SUPPLEMENTARY INFORMATION

SFS GROUP USA 401(K) PLAN

SCHEDULE H, LINE 4a - SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS

December 31, 2021

EIN 23-2332520

PLAN No. 002

Participant Contributions Transferred Late to Plan	Total that Constitute Nonexempt Prohibited Transactions			Total Fully Corrected Under VFCP and PTE 2002-51
	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	
\$ 106,294 *	\$ -	\$ 106,294	\$ -	\$ -

* Amount includes participant loan repayments.

SFS GROUP USA 401(K) PLAN

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

December 31, 2021

EIN 23-2332520 PLAN No. 002				
(a)	(b)	(c)	(d)	(e)
	Identity of Issue, Borrower, Lessor, or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	Cost (\$)	Current Value (\$)
	Federated Capital Preservation Fund R6	Common Collective Trust Fund	**	\$ 2,815,066
	Goldman Sachs Stable Value Institutional Series Class 1	Stable Value Collective Trust Fund	**	1,392,590
*	Fidelity Advisors Stable Value	Stable Value Collective Trust Fund	**	1,915,707
*	Fidelity Government Money Market	Money Market Fund	**	775
	American Century Investments One Choice 2025 Portfolio R6 Class	Mutual Fund	**	8,497,994
	American Century Investments One Choice 2030 Portfolio R6 Class	Mutual Fund	**	7,240,029
	American Century Investments One Choice 2035 Portfolio R6 Class	Mutual Fund	**	3,942,922
	American Century Investments One Choice 2040 Portfolio R6 Class	Mutual Fund	**	2,317,616
	American Century Investments One Choice 2045 Portfolio R6 Class	Mutual Fund	**	3,106,384
	American Century Investments One Choice 2050 Portfolio R6 Class	Mutual Fund	**	2,053,941
	American Century Investments One Choice 2055 Portfolio R6 Class	Mutual Fund	**	1,070,497
	American Century Investments One Choice 2060 Portfolio R6 Class	Mutual Fund	**	884,288
	American Century Investments One Choice In Retirement Portfolio R6 Class	Mutual Fund	**	9,592,407
	American Funds American Mutual Fund Class R-6	Mutual Fund	**	5,041,780
	American Funds Capital Income Builder Class R-6	Mutual Fund	**	1,924,010
	American Funds New World Fund Class R-6	Mutual Fund	**	914,533
	BlackRock Advantage Small Cap Core Fund Class K	Mutual Fund	**	2,425,316
	DWS RREEF Real Estate Securities Fund - Class R6	Mutual Fund	**	1,149,314
	Invesco Core Plus Bond Fund Class R6	Mutual Fund	**	5,361,940
	MFS International Diversification Fund Class R6	Mutual Fund	**	3,323,289
	MFS Massachusetts Investors Growth Stock Fund Class R6	Mutual Fund	**	3,796,037
	MFS Mid Cap Value Fund Class R6	Mutual Fund	**	3,695,515
*	Fidelity 500 Index Fund	Mutual Fund	**	5,127,348
*	Fidelity Global ex U.S. Index Fund	Mutual Fund	**	229,103
*	Fidelity Mid Cap Index Fund	Mutual Fund	**	1,875,581
*	Fidelity Small Cap Index Fund	Mutual Fund	**	469,140
				<u>80,163,122</u>
*	Participant loans	Interest rates: 4.25% - 6.50% Maturity: 2022 - 2027		<u>1,066,693</u>
				<u><u>\$ 81,229,815</u></u>

* A party-in-interest as defined by ERISA.

** Historical cost has not been presented as all investments are participant-directed.



SFS GROUP USA 401(K) PLAN

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

Years Ended December 31, 2021 and 2020



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INDEPENDENT AUDITOR'S REPORT

To the Participants and Plan Administrator SFS Group USA 401(k) Plan

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit for the 2021 Financial Statements

We have performed an audit of the financial statements of SFS Group USA 401(k) Plan, an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) (ERISA Section 103(a)(3)(C) audit). The financial statements comprise the statement of net assets available for benefits as of December 31, 2021, and the related statement of changes in net assets available for benefits for the year then ended, and the related notes to the financial statements (2021 Financial Statements).

Management, having determined it is permissible in the circumstances, has elected to have the audit of the 2021 financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audit need not extend to any statements or information related to assets held for investment of the plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained a certification from a qualified institution as of and for the year ended December 31, 2021, stating that the certified investment information, as described in Note 6 to the financial statements, is complete and accurate.

Opinion on the 2021 Financial Statements

In our opinion, based on our audit and on the procedures performed as described in the Auditor's Responsibilities for the Audit of the 2021 Financial Statements section:

- The amounts and disclosures in the accompanying 2021 financial statements, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.
- The information in the accompanying 2021 financial statements related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Basis for Opinion on the 2021 Financial Statements

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 2021 Financial Statements section of our report. We are required to be independent of SFS Group USA 401(k) Plan 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 ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the 2021 Financial Statements

Management is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about SFS Group USA 401(k) Plan's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments; administering the plan; and determining that the plan's transactions that are presented and disclosed in the financial statements are in conformity with the plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor's Responsibilities for the Audit of the 2021 Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit for the 2021 Financial Statements section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 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 financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the 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 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 SFS Group USA 401(k) Plan'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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about SFS Group USA 401(k) Plan's ability to continue as a going concern for a reasonable period of time.

Our audit did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the 2021 financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of accounting principles generally accepted in the United States of America.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

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.

Other Matters

2021 Supplemental Schedules Required by ERISA

The supplemental schedules of Schedule H, Line 4a - Schedule of Delinquent Participant Contributions and Schedule H, Line 4i - Schedule of Assets (Held at End of Year) as of or for the year ended December 31, 2021 are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. For information included in the supplemental schedules that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, other than the information agreed to or derived from the certified investment information, including their form and content, are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion:

- the form and content of the supplemental schedules, other than the information in the supplemental schedules that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.
- the information in the supplemental schedules related to assets held by and certified to by a qualified institution agrees to or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Auditor's Report on the 2020 Financial Statements

We were engaged to audit the 2020 financial statements of SFS Group USA 401(k) Plan. As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA, the Plan Administrator instructed us not to perform and we did not perform any auditing procedures with respect to the information certified by a qualified institution. In our report dated October 6, 2021, we indicated that (a) because of the significance of the information that we did not audit, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, we did not express an opinion on the 2020 financial statements, and (b) the form and content of the information included in the 2020 financial statements other than that derived from the certified information were presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

Herbein + Company, Inc.

**Reading, Pennsylvania
October 4, 2022**

SFS GROUP USA 401(K) PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

	December 31	
	2021	2020
ASSETS		
Investments at fair value	\$ 80,163,122	\$ 47,510,400
Receivables:		
Notes receivable from participants	<u>1,066,693</u>	<u>713,714</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u><u>\$ 81,229,815</u></u>	<u><u>\$ 48,224,114</u></u>

See accompanying notes.

SFS GROUP USA 401(K) PLAN**STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS****Year Ended December 31, 2021****ADDITIONS:**

Investment income:

Net appreciation in fair value of investments	\$ 1,675,153
Interest and dividends	5,199,446
	<u>6,874,599</u>

Interest income on notes receivable from participants	42,425
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Contributions:

Participants	2,622,187
Employer	1,206,907
Rollovers	92,592
	<u>3,921,686</u>

Total additions	10,838,710
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DEDUCTIONS:

Benefits paid to participants	3,872,037
Deemed distributions	5,748
Administrative expenses	<u>175,747</u>

Total deductions	<u>4,053,532</u>
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NET INCREASE	6,785,178
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TRANSFERS IN FROM OTHER PLAN	26,220,523
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NET ASSETS AVAILABLE FOR BENEFITS AT BEGINNING OF YEAR	<u>48,224,114</u>
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NET ASSETS AVAILABLE FOR BENEFITS AT END OF YEAR	<u><u>\$ 81,229,815</u></u>
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SFS GROUP USA 401(K) PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2021 and 2020

NOTE 1 - DESCRIPTION OF PLAN

The following description of the SFS Group USA 401(k) Plan (the “Plan”) provides only general information. Participants should refer to the plan agreement for a more complete description of the Plan’s provisions.

General

The Plan is a safe harbor nonelective contribution plan covering all full-time employees of SFS Group USA (the “Company”) who have one month of service, and are age 18 or older, except union employees whose employment is governed by a collective bargaining agreement and nonresident aliens who have no earned income from sources within the United States. The Plan is subject to the provisions of the Employee Retirement Income Security Act (ERISA). The Plan Administrator is responsible for the oversight of the plan, the appropriateness of the Plan’s investment offerings, and monitors investment performance.

Contributions

Each year participants may contribute up to 100% of pretax annual compensation, as defined in the Plan. Participants who have attained the age of 50 before the end of the plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans (rollover). Due to this being a safe harbor nonelective contribution plan, management has elected to make safe harbor nonelective contributions to eligible participants in accordance with statutory requirements in an amount equal to 3% of eligible compensation. Participants direct the investment of their contributions into various investment options offered by the Plan. The Plan includes an auto-enrollment provision whereby all newly eligible employees are automatically enrolled in the Plan unless they affirmatively elect not to participate in the Plan. Automatically enrolled participants have their deferral rate set at 5% of eligible compensation and their contributions are invested in a designated balanced fund until changed by the participant. The Company may make discretionary matching and discretionary nonelective contributions for each active participant based on a percentage of the employee’s eligible compensation. The Company limits the discretionary matching contributions up to 4% of an employee’s eligible compensation. In order to participate in the Company discretionary nonelective contributions, an employee must be employed on the last day of the plan year and have completed at least one year of services based upon the elapsed time method. However, exceptions to these qualifications for Company discretionary contributions are death, disability, and retirement. For each of the years ended December 31, 2021 and 2020, the Company did not make any discretionary contributions to the Plan. Additionally, the Company may also make qualified nonelective contributions. Contributions are subject to certain limitations.

Participant Accounts

Each participant’s account is credited with the participant’s contribution and an allocation of the Company’s contributions and plan earnings. Participant accounts are charged with an allocation of administrative expenses that are paid by the Plan. Allocations are based on participant earnings, account balances, or specific transactions, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant’s vested account.

SFS GROUP USA 401(K) PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2021 and 2020

NOTE 1 - DESCRIPTION OF PLAN - CONTINUED

Vesting

Participants are vested immediately in their contributions, the Company's safe harbor nonelective contributions, and any qualified nonelective contributions plus actual earnings thereon. Vesting in the Company's discretionary matching and discretionary nonelective contribution is based on years of continuous service. A participant is 100% vested after four years of credited service. Participants that merged in the Plan from the Triangle Fastener Corporation Retirement Plan and Truelove & Maclean, Inc. Retirement Savings Plan who did not work an hour of service on or after January 1, 2020 or December 1, 2021, respectively, will become fully vested after six years of credited service.

Notes Receivable from Participants

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their vested account balance. The loans are secured by the balance in the participant's account. The loan interest rate is set at 1% above the federal prime rate, as defined. Principal and interest are paid ratably through bi-weekly payroll deductions.

Payment of Benefits

On termination of service for any reason, a participant may elect to receive an amount equal to the value of the participant's vested interest in his or her account in a lump-sum amount, a direct rollover distribution, or as an annuity. In addition, the Plan allows for hardship distributions if certain criteria are met.

Forfeited Accounts

At December 31, 2021 and 2020, forfeited nonvested accounts totaled \$34,563 and \$87,113, respectively. These accounts will be used first to pay administrative expenses and any remaining amounts will be used to reduce future employer contributions. Also, in 2021, administrative expenses were reduced by \$69,953 from forfeited nonvested accounts.

CARES Act

The Plan has implemented certain requirements by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), which change the Plan to, among others, allow certain eligible individuals to receive coronavirus-related relief for loan repayment, suspend required minimum distributions, and delay the commencement date for required minimum distributions. Written amendments to the Plan to reflect these operation changes will be adopted at a later date in accordance with applicable law and IRS guidance.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Plan are prepared on the accrual basis of accounting.

SFS GROUP USA 401(K) PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2021 and 2020

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan Administrator determines the Plan's valuation policies utilizing information provided by the investment advisers and trustee. See Note 3 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are reported on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Investment Concentration

The Plan holds certain investments that represent 10% or more of the Plan's total investments at December 31:

	2021	2020
American Century Investments One Choice In Retirement Portfolio R6 Class	\$ 9,592,407	*
American Century Investments One Choice 2025 Portfolio R6 Class	8,497,994	*
Invesco Core Plus Bond Fund Class R6	*	\$ 5,566,754

*Investment did not represent 10% or more of Plan's total investments in respective year.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2021 or 2020.

Payment of Benefits

Benefits are recorded when paid.

SFS GROUP USA 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS

December 31, 2021 and 2020

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Administrative Expenses

Certain expenses of maintaining the Plan are paid by the Plan, unless otherwise paid by the Company. Expenses that are paid by the Company are excluded from these financial statements. Fees related to the administration of notes receivable from participants are charged directly to the participant's account and are included in administrative expenses. Investment related expenses are included in net appreciation of fair value of investments.

Subsequent Events

In preparing these financial statements, the Plan has evaluated events and transactions for potential recognition or disclosure through October 4, 2022, the date the financial statements were available to be issued.

Effective March 15, 2022, management of the Plan approved an amendment to absorb the assets of Tegra Medical 401(k) Retirement Plan. An aggregate of \$34,769,374 was transferred into the Plan on April 4, 2022.

NOTE 3 - FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2: Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets.
- quoted prices for identical or similar assets or liabilities in inactive markets.
- inputs other than quoted prices that are observable for the asset or liability.
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

SFS GROUP USA 401(K) PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2021 and 2020

NOTE 3 - FAIR VALUE MEASUREMENTS - CONTINUED

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2021 and 2020.

Money market fund: Valued at a stable \$1.00 per share which approximates fair value. The money market fund held by the Plan is deemed to be actively traded.

Mutual funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the Securities Exchange Commission. The mutual funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Stable value collective trust funds: Valued at the NAV of participation units held by the Plan at year end. The value of these units is determined by the trustee based on the current market values of the underlying assets of the collective trust funds as based on information reported by the investment adviser using the audited financial statements of the collective trust funds at year end and is used as a practical expedient to estimate fair value.

Common collective trust fund: Valued at NAV of units of a common collective trust. The NAV, as provided by the trustee, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. This practical expedient is not used when it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV.

SFS GROUP USA 401(K) PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2021 and 2020

NOTE 3 - FAIR VALUE MEASUREMENTS - CONTINUED

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2021 and 2020:

Assets at Fair Value as of December 31, 2021				
	Level 1	Level 2	Level 3	Total
Money market fund	\$ 775	\$ -	\$ -	\$ 775
Mutual funds	74,038,984	-	-	74,038,984
Total assets in the fair value hierarchy	74,039,759	-	-	74,039,759
Total investments measured at net asset value*	-	-	-	6,123,363
Investments at fair value	\$ 74,039,759	\$ -	\$ -	\$ 80,163,122
Assets at Fair Value as of December 31, 2020				
	Level 1	Level 2	Level 3	Total
Money market fund	\$ 4	\$ -	\$ -	\$ 4
Mutual funds	43,832,954	-	-	43,832,954
Total assets in the fair value hierarchy	43,832,958	-	-	43,832,958
Total investments measured at net asset value*	-	-	-	3,677,442
Investments at fair value	\$ 43,832,958	\$ -	\$ -	\$ 47,510,400

* In accordance with Subtopic 820-10, certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statements of net assets available for benefits.

Transfer Between Levels

For the years ended December 31, 2021 and 2020, there were no significant transfers between levels.

SFS GROUP USA 401(K) PLAN**NOTES TO FINANCIAL STATEMENTS****December 31, 2021 and 2020****NOTE 3 - FAIR VALUE MEASUREMENTS - CONTINUED****Investment Measured Using the Net Asset Value Per Share Practical Expedient (or Its Equivalent)**

The following table summarizes investments for which fair value is measured using the net asset value per share practical expedient as of December 31, 2021 and 2020. There are no participant redemption restrictions for these investments; the redemption notice period is applicable only to the Plan.

<u>December 31, 2021</u>	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency (If Currently Eligible)</u>	<u>Redemption Notice Period</u>
Stable value collective trust funds	\$ 3,308,297	N/A	Daily	12 months
Common collective trust fund	2,815,066	N/A	Daily	12 months
<u>December 31, 2020</u>	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency (If Currently Eligible)</u>	<u>Redemption Notice Period</u>
Stable value collective trust fund	\$ 2,608,215	N/A	Daily	12 months
Common collective trust fund	1,069,227	N/A	Daily	12 months

NOTE 4 - PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to provisions of ERISA. In the event of Plan termination, participants would become 100% vested in their employer contributions.

NOTE 5 - TAX STATUS

The Company has adopted a non-standardized pre-approved profit sharing plan with CODA sponsored by FMR LLC. The volume submitter profit sharing plan has received an opinion letter from the Internal Revenue Service (IRS) dated June 30, 2020, as to the volume submitter profit sharing plan's qualified status. The volume submitter profit sharing plan opinion letter has been relied upon by the Plan. Although the Plan has been amended since receiving the opinion letter, the plan administrator and the Plan's tax counsel believe that the Plan is designed and is currently being operated in compliance with the applicable requirements of the Internal Revenue Code and, therefore, believe the Plan is qualified, and the related trust is tax exempt.

SFS GROUP USA 401(K) PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2021 and 2020

NOTE 5 - TAX STATUS - CONTINUED

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

NOTE 6 - CERTIFIED INFORMATION

Certain information related to investments and notes receivable from participants disclosed in the accompanying financial statements and ERISA-required supplemental schedules, including investments and notes receivable from participants held at December 31, 2021 and 2020, and net appreciation in fair value of investments, interest and dividends, and interest income on notes receivable from participants for the year ended December 31, 2021, was obtained by management and agreed to or derived from information certified as complete and accurate by Fidelity Management Trust Company (the trustee of the Plan).

NOTE 7 - RISKS AND UNCERTAINTIES

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near-term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

NOTE 8 - DELINQUENT PARTICIPANT CONTRIBUTIONS

The Company failed to remit certain employee deferrals and loan repayments to the Plan in a timely manner according to DOL regulations during 2021 aggregating to \$106,294. The Company has calculated lost earnings and deposited the lost earnings into the Plan during 2021.

SFS GROUP USA 401(K) PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2021 and 2020

NOTE 9 - TRANSFER OF PLAN ASSETS FROM OTHER PLAN

Effective December 1, 2021, management of the Plan approved an amendment to absorb the assets of Truelove & Maclean, Inc. Retirement Savings Plan. An aggregate of \$312,562 was transferred into the Plan on December 9, 2021, \$25,905,808 was transferred into the Plan on December 15, 2021, and the remaining assets totaling \$2,153 were transferred to the Plan on December 17, 2021.

NOTE 10 - RELATED-PARTY TRANSACTIONS AND PARTY-IN-INTEREST TRANSACTIONS

Certain plan investments are managed by Fidelity Management Trust Company. Fidelity Management Trust Company is the trustee for the Plan and, therefore, these transactions qualify as party-in-interest transactions. All other transactions, which may be considered related-party transactions or parties-in-interest transactions, relate to normal plan management, administrative services, and the related payment of fees.

SUPPLEMENTARY INFORMATION

SFS GROUP USA 401(K) PLAN

SCHEDULE H, LINE 4a - SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS

December 31, 2021

EIN 23-2332520

PLAN No. 002

Participant Contributions Transferred Late to Plan	Total that Constitute Nonexempt Prohibited Transactions			Total Fully Corrected Under VFCP and PTE 2002-51
	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	
\$ 106,294 *	\$ -	\$ 106,294	\$ -	\$ -

* Amount includes participant loan repayments.

SFS GROUP USA 401(K) PLAN

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

December 31, 2021

EIN 23-2332520 PLAN No. 002				
(a)	(b)	(c)	(d)	(e)
	Identity of Issue, Borrower, Lessor, or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	Cost (\$)	Current Value (\$)
	Federated Capital Preservation Fund R6	Common Collective Trust Fund	**	\$ 2,815,066
	Goldman Sachs Stable Value Institutional Series Class 1	Stable Value Collective Trust Fund	**	1,392,590
*	Fidelity Advisors Stable Value	Stable Value Collective Trust Fund	**	1,915,707
*	Fidelity Government Money Market	Money Market Fund	**	775
	American Century Investments One Choice 2025 Portfolio R6 Class	Mutual Fund	**	8,497,994
	American Century Investments One Choice 2030 Portfolio R6 Class	Mutual Fund	**	7,240,029
	American Century Investments One Choice 2035 Portfolio R6 Class	Mutual Fund	**	3,942,922
	American Century Investments One Choice 2040 Portfolio R6 Class	Mutual Fund	**	2,317,616
	American Century Investments One Choice 2045 Portfolio R6 Class	Mutual Fund	**	3,106,384
	American Century Investments One Choice 2050 Portfolio R6 Class	Mutual Fund	**	2,053,941
	American Century Investments One Choice 2055 Portfolio R6 Class	Mutual Fund	**	1,070,497
	American Century Investments One Choice 2060 Portfolio R6 Class	Mutual Fund	**	884,288
	American Century Investments One Choice In Retirement Portfolio R6 Class	Mutual Fund	**	9,592,407
	American Funds American Mutual Fund Class R-6	Mutual Fund	**	5,041,780
	American Funds Capital Income Builder Class R-6	Mutual Fund	**	1,924,010
	American Funds New World Fund Class R-6	Mutual Fund	**	914,533
	BlackRock Advantage Small Cap Core Fund Class K	Mutual Fund	**	2,425,316
	DWS RREEF Real Estate Securities Fund - Class R6	Mutual Fund	**	1,149,314
	Invesco Core Plus Bond Fund Class R6	Mutual Fund	**	5,361,940
	MFS International Diversification Fund Class R6	Mutual Fund	**	3,323,289
	MFS Massachusetts Investors Growth Stock Fund Class R6	Mutual Fund	**	3,796,037
	MFS Mid Cap Value Fund Class R6	Mutual Fund	**	3,695,515
*	Fidelity 500 Index Fund	Mutual Fund	**	5,127,348
*	Fidelity Global ex U.S. Index Fund	Mutual Fund	**	229,103
*	Fidelity Mid Cap Index Fund	Mutual Fund	**	1,875,581
*	Fidelity Small Cap Index Fund	Mutual Fund	**	469,140
				<u>80,163,122</u>
*	Participant loans	Interest rates: 4.25% - 6.50% Maturity: 2022 - 2027		<u>1,066,693</u>
				<u><u>\$ 81,229,815</u></u>

* A party-in-interest as defined by ERISA.

** Historical cost has not been presented as all investments are participant-directed.