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| <b>Form 5500</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security<br>Administration<br><br>Pension Benefit Guaranty Corporation | <b>Annual Return/Report of Employee Benefit Plan</b><br>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).<br><br><p style="text-align: center;">▶ <b>Complete all entries in accordance with the instructions to the Form 5500.</b></p> | OMB Nos. 1210-0110<br>1210-0089<br><br><b>2021</b><br><br><b>This Form is Open to Public Inspection</b> |
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| <b>Part I</b>                                                                                            | <b>Annual Report Identification Information</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| For calendar plan year 2021 or fiscal plan year beginning <u>01/01/2021</u> and ending <u>12/31/2021</u> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>A</b>                                                                                                 | This return/report is for: <div style="display: flex; justify-content: space-between;"> <div> <input type="checkbox"/> a multiemployer plan<br/><br/> <input checked="" type="checkbox"/> a single-employer plan         </div> <div> <input type="checkbox"/> a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)<br/> <input type="checkbox"/> a DFE (specify) _____         </div> </div> |
| <b>B</b>                                                                                                 | This return/report is: <div style="display: flex; justify-content: space-between;"> <div> <input type="checkbox"/> the first return/report<br/> <input type="checkbox"/> an amended return/report         </div> <div> <input type="checkbox"/> the final return/report<br/> <input type="checkbox"/> a short plan year return/report (less than 12 months)         </div> </div>                                                                                                               |
| <b>C</b>                                                                                                 | If the plan is a collectively-bargained plan, check here. . . . . ▶ <input type="checkbox"/>                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>D</b>                                                                                                 | Check box if filing under: <div style="display: flex; justify-content: space-between;"> <div> <input checked="" type="checkbox"/> Form 5558<br/> <input type="checkbox"/> special extension (enter description)         </div> <div> <input type="checkbox"/> automatic extension<br/> <input type="checkbox"/> the DFVC program         </div> </div>                                                                                                                                          |
| <b>E</b>                                                                                                 | If this is a retroactively adopted plan permitted by SECURE Act section 201, check here. . . . . ▶ <input type="checkbox"/>                                                                                                                                                                                                                                                                                                                                                                     |

|                |                                                                                                                                                                                                                                                                                                                                                                       |
|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part II</b> | <b>Basic Plan Information—enter all requested information</b>                                                                                                                                                                                                                                                                                                         |
| <b>1a</b>      | Name of plan<br><u>LIBBY PERSZYK KATHMAN HOLDINGS, INC. EMPLOYEE STOCK OWNERSHIP PLAN</u>                                                                                                                                                                                                                                                                             |
| <b>1b</b>      | Three-digit plan number (PN) ▶ <u>003</u>                                                                                                                                                                                                                                                                                                                             |
| <b>1c</b>      | Effective date of plan<br><u>01/01/1994</u>                                                                                                                                                                                                                                                                                                                           |
| <b>2a</b>      | Plan sponsor's name (employer, if for a single-employer plan)<br>Mailing address (include room, apt., suite no. and street, or P.O. Box)<br>City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)<br><u>LIBBY PERSZYK KATHMAN HOLDINGS, INC</u><br><br><u>19 GARFIELD PLACE</u><br><u>CINCINNATI, OH 45202-4310</u> |
| <b>2b</b>      | Employer Identification Number (EIN)<br><u>31-1076158</u>                                                                                                                                                                                                                                                                                                             |
| <b>2c</b>      | Plan Sponsor's telephone number<br><u>513-241-6401</u>                                                                                                                                                                                                                                                                                                                |
| <b>2d</b>      | Business code (see instructions)<br><u>541400</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.

|                  |                                                   |            |                                                              |
|------------------|---------------------------------------------------|------------|--------------------------------------------------------------|
| <b>SIGN HERE</b> | Filed with authorized/valid electronic signature. | 10/13/2022 | BRENT MCCOY                                                  |
|                  | Signature of plan administrator                   | Date       | Enter name of individual signing as plan administrator       |
| <b>SIGN HERE</b> |                                                   |            |                                                              |
|                  | Signature of employer/plan sponsor                | Date       | Enter name of individual signing as employer or plan sponsor |
| <b>SIGN HERE</b> |                                                   |            |                                                              |
|                  | 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

|                                                                                                                                                                                                                                                                                                                                                                                                                            |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |     |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|
| <b>3a</b> Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor                                                                                                                                                                                                                                                                                                                   |  | <b>3b</b> Administrator's EIN                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |     |
|                                                                                                                                                                                                                                                                                                                                                                                                                            |  | <b>3c</b> Administrator's telephone number                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |     |
|                                                                                                                                                                                                                                                                                                                                                                                                                            |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |     |
| <b>4</b> 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:<br><b>a</b> Sponsor's name<br><b>c</b> Plan Name                                                                                                                                     |  | <b>4b</b> EIN<br><br><b>4d</b> PN                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |     |
| <b>5</b> Total number of participants at the beginning of the plan year                                                                                                                                                                                                                                                                                                                                                    |  | <b>5</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 110 |
| <b>6</b> Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines <b>6a(1)</b> , <b>6a(2)</b> , <b>6b</b> , <b>6c</b> , and <b>6d</b> ).                                                                                                                                                                                                                           |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |     |
| <b>a(1)</b> Total number of active participants at the beginning of the plan year.....                                                                                                                                                                                                                                                                                                                                     |  | <b>6a(1)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 76  |
| <b>a(2)</b> Total number of active participants at the end of the plan year .....                                                                                                                                                                                                                                                                                                                                          |  | <b>6a(2)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 64  |
| <b>b</b> Retired or separated participants receiving benefits.....                                                                                                                                                                                                                                                                                                                                                         |  | <b>6b</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 44  |
| <b>c</b> Other retired or separated participants entitled to future benefits .....                                                                                                                                                                                                                                                                                                                                         |  | <b>6c</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 0   |
| <b>d</b> Subtotal. Add lines <b>6a(2)</b> , <b>6b</b> , and <b>6c</b> .....                                                                                                                                                                                                                                                                                                                                                |  | <b>6d</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 108 |
| <b>e</b> Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. ....                                                                                                                                                                                                                                                                                                                 |  | <b>6e</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 0   |
| <b>f</b> Total. Add lines <b>6d</b> and <b>6e</b> .....                                                                                                                                                                                                                                                                                                                                                                    |  | <b>6f</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 108 |
| <b>g</b> Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) .....                                                                                                                                                                                                                                                                            |  | <b>6g</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 107 |
| <b>h</b> Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested .....                                                                                                                                                                                                                                                                                 |  | <b>6h</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 2   |
| <b>7</b> Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....                                                                                                                                                                                                                                                                                        |  | <b>7</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |     |
| <b>8a</b> If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:<br>2P 2Q 3H                                                                                                                                                                                                                                                   |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |     |
| <b>b</b> If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:                                                                                                                                                                                                                                                                |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |     |
| <b>9a</b> Plan funding arrangement (check all that apply)<br>(1) <input type="checkbox"/> Insurance<br>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br>(3) <input checked="" type="checkbox"/> Trust<br>(4) <input type="checkbox"/> General assets of the sponsor                                                                                                                              |  | <b>9b</b> Plan benefit arrangement (check all that apply)<br>(1) <input type="checkbox"/> Insurance<br>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br>(3) <input checked="" type="checkbox"/> Trust<br>(4) <input type="checkbox"/> General assets of the sponsor                                                                                                                                                                                                              |     |
| <b>10</b> Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)                                                                                                                                                                                                                                                          |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |     |
| <b>a Pension Schedules</b><br>(1) <input checked="" type="checkbox"/> <b>R</b> (Retirement Plan Information)<br><br>(2) <input type="checkbox"/> <b>MB</b> (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary<br><br>(3) <input type="checkbox"/> <b>SB</b> (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary |  | <b>b General Schedules</b><br>(1) <input checked="" type="checkbox"/> <b>H</b> (Financial Information)<br>(2) <input type="checkbox"/> <b>I</b> (Financial Information – Small Plan)<br>(3) <input type="checkbox"/> <u>0</u> <b>A</b> (Insurance Information)<br>(4) <input checked="" type="checkbox"/> <b>C</b> (Service Provider Information)<br>(5) <input type="checkbox"/> <b>D</b> (DFE/Participating Plan Information)<br>(6) <input type="checkbox"/> <b>G</b> (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 \_\_\_\_\_

|                                                                                                                                                                                                                           |                                                                                                                                                                                                                        |                                                             |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|
| <b>SCHEDULE C</b><br><b>(Form 5500)</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security Administration<br><br>Pension Benefit Guaranty Corporation | <b>Service Provider Information</b><br><br>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).<br><br>▶ <b>File as an attachment to Form 5500.</b> | OMB No. 1210-0110                                           |
|                                                                                                                                                                                                                           |                                                                                                                                                                                                                        | <b>2021</b>                                                 |
|                                                                                                                                                                                                                           |                                                                                                                                                                                                                        | <b>This Form is Open to Public Inspection.</b>              |
| For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021                                                                                                                                |                                                                                                                                                                                                                        |                                                             |
| <b>A</b> Name of plan<br>LIBBY PERSZYK KATHMAN HOLDINGS, INC. EMPLOYEE STOCK OWNERSHIP PLAN                                                                                                                               |                                                                                                                                                                                                                        | <b>B</b> Three-digit plan number (PN) ▶ 003                 |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br>LIBBY PERSZYK KATHMAN HOLDINGS, INC                                                                                                                      |                                                                                                                                                                                                                        | <b>D</b> Employer Identification Number (EIN)<br>31-1076158 |

|               |                                                        |
|---------------|--------------------------------------------------------|
| <b>Part I</b> | <b>Service Provider Information (see instructions)</b> |
|---------------|--------------------------------------------------------|

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

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

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

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

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

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

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

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

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**(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)

LATITUDE SERVICE COMPANY

82-1371994

| <b>(b)</b><br>Service Code(s) | <b>(c)</b><br>Relationship to employer, employee organization, or person known to be a party-in-interest | <b>(d)</b><br>Enter direct compensation paid by the plan. If none, enter -0-. | <b>(e)</b><br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | <b>(f)</b><br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | <b>(g)</b><br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | <b>(h)</b><br>Did the service provider give you a formula instead of an amount or estimated amount? |
|-------------------------------|----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|
| 10 12                         | NONE                                                                                                     | 300                                                                           | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                         | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                              |                                                                                                                                                                                        | Yes <input type="checkbox"/> No <input type="checkbox"/>                                            |

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

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

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

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

**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)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>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)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
|                        |                                                                                                   |                                                                        | Yes <input type="checkbox"/> No <input type="checkbox"/>                                             | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                       |                                                                                                                                                                                 | Yes <input type="checkbox"/> No <input type="checkbox"/>                                     |

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

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

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

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

**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<br>(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<br>(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<br>(see instructions)                                                                                                                            | (c) Enter amount of indirect compensation |
|                                                                     |                                                                                                                                                                    |                                           |
| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |                                           |
|                                                                     |                                                                                                                                                                    |                                           |

**Part II Service Providers Who Fail or Refuse to Provide Information**

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

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

**Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)**  
(complete as many entries as needed)

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                              |                                                                                                          |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|
| <b>SCHEDULE H</b><br><b>(Form 5500)</b><br><br><small>Department of the Treasury<br/>Internal Revenue Service</small><br><br><small>Department of Labor<br/>Employee Benefits Security Administration</small><br><br><small>Pension Benefit Guaranty Corporation</small> | <b>Financial Information</b><br><br>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).<br><br><b>► File as an attachment to Form 5500.</b> | <small>OMB No. 1210-0110</small><br><br><b>2021</b><br><br><b>This Form is Open to Public Inspection</b> |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|

|                                                                                                             |                                                                    |            |
|-------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------|------------|
| For calendar plan year 2021 or fiscal plan year beginning <u>01/01/2021</u> and ending <u>12/31/2021</u>    |                                                                    |            |
| <b>A</b> Name of plan<br><u>LIBBY PERSZYK KATHMAN HOLDINGS, INC. EMPLOYEE STOCK OWNERSHIP PLAN</u>          | <b>B</b> Three-digit plan number (PN) <b>►</b>                     | <u>003</u> |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><u>LIBBY PERSZYK KATHMAN HOLDINGS, INC</u> | <b>D</b> Employer Identification Number (EIN)<br><u>31-1076158</u> |            |

| Part I                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Asset and Liability Statement |                              |                        |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|------------------------------|------------------------|
| <b>1</b> 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. <b>Round off amounts to the nearest dollar.</b> 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. |                               |                              |                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <b>Assets</b>                 | <b>(a) Beginning of Year</b> | <b>(b) End of Year</b> |
| <b>a</b> Total noninterest-bearing cash.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>1a</b>                     | 250585                       | 284202                 |
| <b>b</b> Receivables (less allowance for doubtful accounts):                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                               |                              |                        |
| <b>(1)</b> Employer contributions .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>1b(1)</b>                  | 0                            | 926                    |
| <b>(2)</b> Participant contributions.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <b>1b(2)</b>                  |                              |                        |
| <b>(3)</b> Other .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>1b(3)</b>                  | 46673                        | 0                      |
| <b>c</b> General investments:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                               |                              |                        |
| <b>(1)</b> Interest-bearing cash (include money market accounts & certificates of deposit) .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>1c(1)</b>                  | 0                            | 500011                 |
| <b>(2)</b> U.S. Government securities .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <b>1c(2)</b>                  |                              |                        |
| <b>(3)</b> Corporate debt instruments (other than employer securities):                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                               |                              |                        |
| <b>(A)</b> Preferred .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>1c(3)(A)</b>               |                              |                        |
| <b>(B)</b> All other .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>1c(3)(B)</b>               |                              |                        |
| <b>(4)</b> Corporate stocks (other than employer securities):                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                               |                              |                        |
| <b>(A)</b> Preferred .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>1c(4)(A)</b>               |                              |                        |
| <b>(B)</b> Common .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>1c(4)(B)</b>               |                              |                        |
| <b>(5)</b> Partnership/joint venture interests .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <b>1c(5)</b>                  |                              |                        |
| <b>(6)</b> Real estate (other than employer real property) .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>1c(6)</b>                  |                              |                        |
| <b>(7)</b> Loans (other than to participants) .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <b>1c(7)</b>                  |                              |                        |
| <b>(8)</b> Participant loans .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <b>1c(8)</b>                  |                              |                        |
| <b>(9)</b> Value of interest in common/collective trusts .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <b>1c(9)</b>                  |                              |                        |
| <b>(10)</b> Value of interest in pooled separate accounts .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <b>1c(10)</b>                 |                              |                        |
| <b>(11)</b> Value of interest in master trust investment accounts .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>1c(11)</b>                 |                              |                        |
| <b>(12)</b> Value of interest in 103-12 investment entities .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <b>1c(12)</b>                 |                              |                        |
| <b>(13)</b> Value of interest in registered investment companies (e.g., mutual funds) .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <b>1c(13)</b>                 |                              |                        |
| <b>(14)</b> Value of funds held in insurance company general account (unallocated contracts).....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <b>1c(14)</b>                 |                              |                        |
| <b>(15)</b> Other.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>1c(15)</b>                 |                              |                        |

|                    |                                                                  | (a) Beginning of Year | (b) End of Year |
|--------------------|------------------------------------------------------------------|-----------------------|-----------------|
| <b>1d</b>          | Employer-related investments:                                    |                       |                 |
| (1)                | Employer securities.....                                         | 1d(1) 14198004        | 15125813        |
| (2)                | Employer real property.....                                      | 1d(2)                 |                 |
| <b>e</b>           | Buildings and other property used in plan operation .....        | 1e                    |                 |
| <b>f</b>           | Total assets (add all amounts in lines 1a through 1e) .....      | 1f 14495262           | 15910952        |
| <b>Liabilities</b> |                                                                  |                       |                 |
| <b>g</b>           | Benefit claims payable .....                                     | 1g 54382              | 0               |
| <b>h</b>           | Operating payables .....                                         | 1h 400                | 0               |
| <b>i</b>           | Acquisition indebtedness.....                                    | 1i 337812             | 181783          |
| <b>j</b>           | Other liabilities.....                                           | 1j                    |                 |
| <b>k</b>           | Total liabilities (add all amounts in lines 1g through 1j) ..... | 1k 392594             | 181783          |
| <b>Net Assets</b>  |                                                                  |                       |                 |
| <b>l</b>           | Net assets (subtract line 1k from line 1f) .....                 | 1l 14102668           | 15729169        |

**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 |
|----------|-----------------------------------------------------------------------------------------------------|------------------|-----------|
| <b>a</b> | <b>Contributions:</b>                                                                               |                  |           |
| (1)      | Received or receivable in cash from: <b>(A)</b> Employers .....                                     | 2a(1)(A) 1012627 |           |
|          | <b>(B)</b> Participants .....                                                                       | 2a(1)(B)         |           |
|          | <b>(C)</b> Others (including rollovers).....                                                        | 2a(1)(C)         |           |
| (2)      | Noncash contributions.....                                                                          | 2a(2) 435        |           |
| (3)      | Total contributions. Add lines 2a(1)(A), (B), (C), and line 2a(2) .....                             | 2a(3)            | 1013062   |
| <b>b</b> | <b>Earnings on investments:</b>                                                                     |                  |           |
| (1)      | Interest:                                                                                           |                  |           |
|          | <b>(A)</b> Interest-bearing cash (including money market accounts and certificates of deposit)..... | 2b(1)(A) 56      |           |
|          | <b>(B)</b> U.S. Government securities .....                                                         | 2b(1)(B)         |           |
|          | <b>(C)</b> Corporate debt instruments .....                                                         | 2b(1)(C)         |           |
|          | <b>(D)</b> Loans (other than to participants) .....                                                 | 2b(1)(D)         |           |
|          | <b>(E)</b> Participant loans.....                                                                   | 2b(1)(E)         |           |
|          | <b>(F)</b> Other .....                                                                              | 2b(1)(F)         |           |
|          | <b>(G)</b> Total interest. Add lines 2b(1)(A) through (F).....                                      | 2b(1)(G)         | 56        |
| (2)      | Dividends: <b>(A)</b> Preferred stock.....                                                          | 2b(2)(A)         |           |
|          | <b>(B)</b> Common stock .....                                                                       | 2b(2)(B)         |           |
|          | <b>(C)</b> Registered investment company shares (e.g. mutual funds).....                            | 2b(2)(C)         |           |
|          | <b>(D)</b> Total dividends. Add lines 2b(2)(A), (B), and (C) .....                                  | 2b(2)(D)         | 0         |
| (3)      | Rents .....                                                                                         | 2b(3)            |           |
| (4)      | Net gain (loss) on sale of assets: <b>(A)</b> Aggregate proceeds .....                              | 2b(4)(A)         |           |
|          | <b>(B)</b> Aggregate carrying amount (see instructions).....                                        | 2b(4)(B)         |           |
|          | <b>(C)</b> Subtract line 2b(4)(B) from line 2b(4)(A) and enter result .....                         | 2b(4)(C)         |           |
| (5)      | Unrealized appreciation (depreciation) of assets: <b>(A)</b> Real estate .....                      | 2b(5)(A)         |           |
|          | <b>(B)</b> Other .....                                                                              | 2b(5)(B) 927809  |           |
|          | <b>(C)</b> Total unrealized appreciation of assets.<br>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)  |            |           |
| (7) Net investment gain (loss) from pooled separate accounts.....                              | 2b(7)  |            |           |
| (8) Net investment gain (loss) from master trust investment accounts.....                      | 2b(8)  |            |           |
| (9) Net investment gain (loss) from 103-12 investment entities.....                            | 2b(9)  |            |           |
| (10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)..... | 2b(10) |            |           |
| c Other income.....                                                                            | 2c     |            |           |
| d Total income. Add all <b>income</b> amounts in column (b) and enter total.....               | 2d     |            | 1940927   |
| <b>Expenses</b>                                                                                |        |            |           |
| e Benefit payment and payments to provide benefits:                                            |        |            |           |
| (1) Directly to participants or beneficiaries, including direct rollovers.....                 | 2e(1)  | 295422     |           |
| (2) To insurance carriers for the provision of benefits.....                                   | 2e(2)  |            |           |
| (3) Other.....                                                                                 | 2e(3)  |            |           |
| (4) Total benefit payments. Add lines 2e(1) through (3).....                                   | 2e(4)  |            | 295422    |
| f Corrective distributions (see instructions).....                                             | 2f     |            |           |
| g Certain deemed distributions of participant loans (see instructions).....                    | 2g     |            |           |
| h Interest expense.....                                                                        | 2h     |            | 18704     |
| i Administrative expenses: (1) Professional fees.....                                          | 2i(1)  | 300        |           |
| (2) Contract administrator fees.....                                                           | 2i(2)  |            |           |
| (3) Investment advisory and management fees.....                                               | 2i(3)  |            |           |
| (4) Other.....                                                                                 | 2i(4)  |            |           |
| (5) Total administrative expenses. Add lines 2i(1) through (4).....                            | 2i(5)  |            | 300       |
| j Total expenses. Add all <b>expense</b> amounts in column (b) and enter total.....            | 2j     |            | 314426    |
| <b>Net Income and Reconciliation</b>                                                           |        |            |           |
| k Net income (loss). Subtract line 2j from line 2d.....                                        | 2k     |            | 1626501   |
| l Transfers of assets:                                                                         |        |            |           |
| (1) To this plan.....                                                                          | 2l(1)  |            |           |
| (2) From this plan.....                                                                        | 2l(2)  |            |           |

**Part III Accountant's Opinion**

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

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

(1) ☒ 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: CASSADY SCHILLER & ASSOCIATES

(2) EIN: 31-1311065

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  |        |

|                                                                                                                                                                                                                                                                                                                                                                                                 | Yes                 | No                 | Amount  |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|--------------------|---------|
| <b>b</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.) .....                                                                                |                     |                    |         |
| <b>4b</b>                                                                                                                                                                                                                                                                                                                                                                                       |                     | X                  |         |
| <b>c</b> 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.) .....                                                                                                                                                                                                            |                     |                    |         |
| <b>4c</b>                                                                                                                                                                                                                                                                                                                                                                                       |                     | X                  |         |
| <b>d</b> 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.) .....                                                                                                                                                                                                 |                     |                    |         |
| <b>4d</b>                                                                                                                                                                                                                                                                                                                                                                                       |                     | X                  |         |
| <b>e</b> Was this plan covered by a fidelity bond? .....                                                                                                                                                                                                                                                                                                                                        | X                   |                    | 1000000 |
| <b>f</b> Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? .....                                                                                                                                                                                                                                                         |                     | X                  |         |
| <b>4f</b>                                                                                                                                                                                                                                                                                                                                                                                       |                     | X                  |         |
| <b>g</b> 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? .....                                                                                                                                                                                                                      |                     |                    |         |
| <b>4g</b>                                                                                                                                                                                                                                                                                                                                                                                       |                     | X                  |         |
| <b>h</b> 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? .....                                                                                                                                                                                                            |                     |                    |         |
| <b>4h</b>                                                                                                                                                                                                                                                                                                                                                                                       |                     | X                  |         |
| <b>i</b> Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.) .....                                                                                                                                                                                                                                  | X                   |                    |         |
| <b>4i</b>                                                                                                                                                                                                                                                                                                                                                                                       | X                   |                    |         |
| <b>j</b> 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.) .....                                                                                                                                                                    |                     |                    |         |
| <b>4j</b>                                                                                                                                                                                                                                                                                                                                                                                       |                     | X                  |         |
| <b>k</b> Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? .....                                                                                                                                                                                                                             |                     |                    |         |
| <b>4k</b>                                                                                                                                                                                                                                                                                                                                                                                       |                     | X                  |         |
| <b>l</b> Has the plan failed to provide any benefit when due under the plan? .....                                                                                                                                                                                                                                                                                                              |                     |                    |         |
| <b>4l</b>                                                                                                                                                                                                                                                                                                                                                                                       |                     | X                  |         |
| <b>m</b> If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) .....                                                                                                                                                                                                                                                                    |                     |                    |         |
| <b>4m</b>                                                                                                                                                                                                                                                                                                                                                                                       |                     | X                  |         |
| <b>n</b> 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. ....                                                                                                                                                                                                        |                     |                    |         |
| <b>4n</b>                                                                                                                                                                                                                                                                                                                                                                                       |                     |                    |         |
| <b>5a</b> Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?..... <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No<br>If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.                                                                                                             |                     |                    |         |
| <b>5b</b> 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.)                                                                                                                                                                                    |                     |                    |         |
| <b>5b(1)</b> Name of plan(s)                                                                                                                                                                                                                                                                                                                                                                    | <b>5b(2)</b> EIN(s) | <b>5b(3)</b> PN(s) |         |
|                                                                                                                                                                                                                                                                                                                                                                                                 |                     |                    |         |
|                                                                                                                                                                                                                                                                                                                                                                                                 |                     |                    |         |
|                                                                                                                                                                                                                                                                                                                                                                                                 |                     |                    |         |
|                                                                                                                                                                                                                                                                                                                                                                                                 |                     |                    |         |
| <b>5c</b> 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.) ..... <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not determined<br>If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year _____. |                     |                    |         |

|                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|
| <div>SCHEDULE R<br/>(Form 5500)<br/><br/>Department of the Treasury<br/>Internal Revenue Service<br/><br/>Department of Labor<br/>Employee Benefits Security Administration<br/><br/>Pension Benefit Guaranty Corporation</div> | <div>Retirement Plan Information</div> <div>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).</div> <div>► File as an attachment to Form 5500.</div> | <div>OMB No. 1210-0110</div> <div>2021</div> <div>This Form is Open to Public Inspection.</div> |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|

For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

|                                                                                                      |                                                             |
|------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|
| <b>A</b> Name of plan<br>LIBBY PERSZYK KATHMAN HOLDINGS, INC. EMPLOYEE STOCK OWNERSHIP PLAN          | <b>B</b> Three-digit plan number (PN) ►<br>003              |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br>LIBBY PERSZYK KATHMAN HOLDINGS, INC | <b>D</b> Employer Identification Number (EIN)<br>31-1076158 |

|               |                      |
|---------------|----------------------|
| <b>Part I</b> | <b>Distributions</b> |
|---------------|----------------------|

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

|                                                                                                                                                                                                                                                             |          |   |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|---|
| <b>1</b> Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....                                                                                                                       | <b>1</b> | 0 |
| <b>2</b> 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):<br><br>EIN(s): 31-1480436 |          |   |
| Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.                                                                                                                                                                                            |          |   |
| <b>3</b> Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year .....                                                                                                                            | <b>3</b> |   |

|                |                                                                                                                                                                               |
|----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part II</b> | <b>Funding Information</b> (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.) |
|----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|                                                                                                                                                                                                                                                                                                                                                                    |                              |                             |                              |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-----------------------------|------------------------------|
| <b>4</b> Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? .....                                                                                                                                                                                                                                               | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| If the plan is a defined benefit plan, go to line 8.                                                                                                                                                                                                                                                                                                               |                              |                             |                              |
| <b>5</b> 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. <b>Date:</b> Month _____ Day _____ Year _____<br>If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule. |                              |                             |                              |
| <b>6 a</b> Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) .....                                                                                                                                                                                                                     | <b>6a</b>                    |                             |                              |
| <b>b</b> Enter the amount contributed by the employer to the plan for this plan year .....                                                                                                                                                                                                                                                                         | <b>6b</b>                    |                             |                              |
| <b>c</b> 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) .....                                                                                                                                                                                                                   | <b>6c</b>                    |                             |                              |
| If you completed line 6c, skip lines 8 and 9.                                                                                                                                                                                                                                                                                                                      |                              |                             |                              |
| <b>7</b> Will the minimum funding amount reported on line 6c be met by the funding deadline? .....                                                                                                                                                                                                                                                                 | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| <b>8</b> 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? .....                                                                                        | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |

|                 |                   |
|-----------------|-------------------|
| <b>Part III</b> | <b>Amendments</b> |
|-----------------|-------------------|

|                                                                                                                                                                                                                            |                                   |                                   |                               |                             |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|-------------------------------|-----------------------------|
| <b>9</b> 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..... | <input type="checkbox"/> Increase | <input type="checkbox"/> Decrease | <input type="checkbox"/> Both | <input type="checkbox"/> No |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|-------------------------------|-----------------------------|

|                |                                                                                                                                                   |
|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part IV</b> | <b>ESOPs</b> (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. |
|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------|

|                                                                                                                                                                                              |                                         |                                        |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|----------------------------------------|
| <b>10</b> Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? .....                                                      | <input type="checkbox"/> Yes            | <input checked="" type="checkbox"/> No |
| <b>11 a</b> Does the ESOP hold any preferred stock? .....                                                                                                                                    | <input type="checkbox"/> Yes            | <input checked="" type="checkbox"/> No |
| <b>b</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.) ..... | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No            |
| <b>12</b> Does the ESOP hold any stock that is not readily tradable on an established securities market? .....                                                                               | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> 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 \_\_\_\_\_

## **Independent Auditor's Report**

To the Trustees and Participants  
Libby Perszyk Kathman Holdings, Inc. Employee Stock Ownership Plan

### **Opinion**

We have audited the financial statements of Libby Perszyk Kathman Holdings, Inc. Employee Stock Ownership Plan (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), which comprise the statement of net assets (deficit) available for benefits as of December 31, 2021 and 2020, and the related statement of changes in net assets (deficit) available for benefits for the year ended December 31, 2021, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the net assets (deficit) available for benefits of Libby Perszyk Kathman Holdings, Inc. Employee Stock Ownership Plan as of December 31, 2021 and 2020, and the changes in net assets (deficit) available for benefits for the year ended December 31, 2021, in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the 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 audit opinion.

### **Responsibilities of Management for the 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.

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 the Plan's ability to continue as a going concern for one year after the date that 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 Financial Statements

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 the 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 the Plan's ability to continue as a going concern for a reasonable period of time.

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

## Supplemental Schedule Required by ERISA

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule of assets (held at end of year) as of December 31, 2021, is presented for purposes of additional analysis and is not a required part of the financial statements but is 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 has been subjected to the 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.

In forming our opinion on the supplemental schedule, we evaluated whether the supplemental schedule, including its form and content, is presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion, the information in the accompanying schedule is fairly stated, in all material respects, in relation to the financial statements as a whole, and the form and content are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

*Co. ready Schiller & Associates, Inc.*

Cincinnati, Ohio  
October 13, 2022

**LIBBY PERSZYK KATHMAN HOLDINGS, INC. EMPLOYEE STOCK OWNERSHIP PLAN**  
**STATEMENT OF NET ASSETS (DEFICIT) AVAILABLE FOR BENEFITS**  
**DECEMBER 31, 2021 AND 2020**

|                                             | 2021                 |                    |                      | 2020                 |                    |                      |
|---------------------------------------------|----------------------|--------------------|----------------------|----------------------|--------------------|----------------------|
|                                             | <u>Allocated</u>     | <u>Unallocated</u> | <u>Total</u>         | <u>Allocated</u>     | <u>Unallocated</u> | <u>Total</u>         |
| <b>ASSETS</b>                               |                      |                    |                      |                      |                    |                      |
| Cash and cash equivalents                   | \$ 284,202           | \$ -               | \$ 284,202           | \$ 250,585           | \$ -               | \$ 250,585           |
| Investments, at fair value                  | 15,444,972           | 180,852            | 15,625,824           | 13,871,545           | 326,459            | 14,198,004           |
| Other receivable                            | <u>926</u>           | <u>-</u>           | <u>926</u>           | <u>46,673</u>        | <u>-</u>           | <u>46,673</u>        |
| Total assets                                | 15,730,100           | 180,852            | 15,910,952           | 14,168,803           | 326,459            | 14,495,262           |
| <b>LIABILITIES</b>                          |                      |                    |                      |                      |                    |                      |
| Benefit claims payable                      | -                    | -                  | -                    | 54,782               | -                  | 54,782               |
| Loan payable                                | <u>-</u>             | <u>181,783</u>     | <u>181,783</u>       | <u>-</u>             | <u>337,812</u>     | <u>337,812</u>       |
| Total liabilities                           | <u>-</u>             | <u>181,783</u>     | <u>181,783</u>       | <u>54,782</u>        | <u>337,812</u>     | <u>392,594</u>       |
| NET ASSETS (DEFICIT) AVAILABLE FOR BENEFITS | \$ <u>15,730,100</u> | \$ <u>(931)</u>    | \$ <u>15,729,169</u> | \$ <u>14,114,021</u> | \$ <u>(11,353)</u> | \$ <u>14,102,668</u> |

See accompanying notes, supplemental schedule and independent auditor's report.

**LIBBY PERSZYK KATHMAN HOLDINGS, INC. EMPLOYEE STOCK OWNERSHIP PLAN**  
**STATEMENT OF CHANGES IN NET ASSETS (DEFICIT) AVAILABLE FOR BENEFITS**  
**YEAR ENDED DECEMBER 31, 2021**

|                                                                                        | <u>Allocated</u>     | <u>Unallocated</u> | <u>Total</u>         |
|----------------------------------------------------------------------------------------|----------------------|--------------------|----------------------|
| Investment income:                                                                     |                      |                    |                      |
| Net appreciation in fair value of investments                                          | \$ 906,476           | \$ 21,333          | \$ 927,809           |
| Interest                                                                               | 56                   | -                  | 56                   |
| Employer contributions                                                                 | 838,329              | 174,733            | 1,013,062            |
| Allocation of 2,000 shares of common stock<br>of sponsor company, at fair market value | <u>166,940</u>       | <u>-</u>           | <u>166,940</u>       |
|                                                                                        | 1,911,801            | 196,066            | 2,107,867            |
| Interest expense                                                                       | -                    | 18,704             | 18,704               |
| Benefits paid to participants                                                          | 295,422              | -                  | 295,422              |
| Administrative fees                                                                    | 300                  | -                  | 300                  |
| Allocation of 2,000 shares of common stock<br>of sponsor company, at fair market value | <u>-</u>             | <u>166,940</u>     | <u>166,940</u>       |
|                                                                                        | <u>295,722</u>       | <u>185,644</u>     | <u>481,366</u>       |
| Net increase in net assets                                                             | 1,616,079            | 10,422             | 1,626,501            |
| Net assets (deficit) available for benefits, beginning of year                         | <u>14,114,021</u>    | <u>(11,353)</u>    | <u>14,102,668</u>    |
| Net assets (deficit) available for benefits, end of year                               | <u>\$ 15,730,100</u> | <u>\$ (931)</u>    | <u>\$ 15,729,169</u> |

**LIBBY PERSZYK KATHMAN HOLDINGS, INC.  
EMPLOYEE STOCK OWNERSHIP PLAN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021 AND 2020**

**1. Plan description**

The following description of the Libby Perszyk Kathman Holdings, Inc. Employee Stock Ownership 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

Libby Perszyk Kathman Holdings, Inc. (the Company) established the Plan effective January 1, 1994. The Plan operates as an employee stock ownership plan (ESOP), and is designed to comply with Internal Revenue Code (IRC) Section 4975(e)(7) and the regulations thereunder, as amended, and is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA). The Plan is administered by an Administration Committee comprising up to three persons appointed by the Company's Board of Directors. An individual of the Company serves as the Plan's trustee.

At inception, the Plan purchased Company common stock using bank borrowings (which the Plan has repaid) and holds the common stock in a trust established under the Plan. In 2007, the Plan purchased additional Company common stock under a loan payable to the Company (see Note 8). As the Plan makes payments on the loan, an appropriate percentage of stock is allocated to eligible participants' accounts in accordance with applicable regulations under the IRC.

The Company has no rights against shares of common stock once they are allocated to participants under the ESOP. Accordingly, the financial statements of the Plan as of December 31, 2021 and 2020, and for the year ended December 31, 2021, present separately the assets and liabilities and changes therein pertaining to:

- The accounts of employees with vested rights in allocated common stock (allocated), and
- Common stock not yet allocated to employees (unallocated)

Eligibility

Employees of the Company and its participating subsidiaries are generally eligible to participate in the Plan after one year of service, provided that they have worked at least 1,000 hours during such plan year and are at least 21 years of age. Participants who do not have at least 1,000 hours of service during such plan year, or are not employed on the last working day of a plan year, are generally not eligible for an allocation of Company contributions for such year.

Contributions

The Company has elected to make contributions in cash to the Plan, which at a minimum, equals the amount necessary to enable the Plan to make its regularly scheduled payments of principal and interest due on its term loan. Employee contributions are not permitted.

Payment of benefits

Distributions on account of death, disability, or retirement are made in annual installment payments, starting within a year of the close of the plan year in which the participant terminated employment. The account balance of the participant determines the number of annual installment payments to be received. Distributions are made in cash or, if the participant elects, in the form of company stock plus cash for any fractional share of common stock. Under the provisions of the Plan, the Company is obligated to repurchase participant shares, which have been distributed under the terms of the Plan if the shares are not publically traded or if the shares are subject to trading limitations.

Distributions on account of termination of employment will be made in one lump-sum within two months after the end of the plan year in which the employee terminates. If the vested balance is greater than \$5,000, consent must be obtained from the participant.

Any participant who has reached age 40 and has been a participant in the Plan for 15 or more years while still employed may make a one-time election to receive a lump sum distribution.

#### Administrative expenses

As provided in the plan agreement, administrative expenses may be paid either by the Plan or by the Company. The Company has historically paid a portion of the operating expenses of the Plan. The amount included in the financial statements represents investment management fees incurred by the Plan. The Company provides other administrative services at no cost to the Plan, which are excluded from these financial statements.

#### Voting rights

Each participant is entitled to exercise voting rights attributable to the shares allocated to his or her account and is notified by the trustee prior to the time that such rights are to be exercised. The trustee is not permitted to vote any allocated share for which instructions have not been given by a participant.

#### Plan termination

The Company reserves the right to terminate the Plan at any time, subject to plan provisions. Upon termination of the Plan, the Administration Committee shall direct the trustee to pay all liabilities and expenses of the trust fund and to sell shares of financed common stock held in the loan suspense account to the extent it determines such sale to be necessary in order to repay the loan. Subsequently, the interest of each participant in the trust fund will be distributed to such participant or his or her beneficiary at the time prescribed by the plan terms and the IRC.

#### Participant accounts

The Plan is a defined contribution plan under which a separate individual account is established for each participant. Each participant's account is credited as of the last day of each plan year with an allocation of shares of the Company's common stock released by the trustee from the unallocated account, forfeitures of terminated participants' non-vested accounts, and shares purchased as a result of distributions to participants. Only those participants who are eligible employees of the Company as of the last day of the plan year will receive an allocation. Allocations are based on a participant's eligible compensation, relative to total eligible compensation. Plan earnings are allocated to each participant's account based on the ratio of the participant's account balance.

#### Vesting

If a participant's employment with the Company ends for any reason other than retirement, permanent disability or death, he or she will vest in the balances in his or her account based on total years of service with the Company. Participants vest 20% per year, beginning in year two if hired after December 31, 2000. If hired before January 1, 2001, participants vest 100% in year three. If a participant's employment with the Company ends due to retirement, which is age 65, permanent disability or death, he or she will become 100% vested.

### Put option

Under federal income tax regulations, the Company stock that is held by the Plan and its participants and is not readily tradable on an established market, or is subject to trading limitations, includes a put option. The put option is a right to demand that the Company buy any shares of its stock distributed to participants for which there is no market. The put price is representative of the current appraised value of the stock. The Company can pay for the purchase with interest over a period of five years. However, it may be extended to a date no later than the earlier of 10 years from the date the put option is exercised or from the date the proceeds of the loan used by the Plan to acquire the Company stock subject to the put option are entirely repaid. The purpose of the put option is to ensure that the participant has the ability to ultimately obtain cash for their stock.

### Diversification

Diversification is offered to participants close to retirement so that they may have the opportunity to move part of the value of their investment in Company common stock into investments which are more diversified. Participants who are at least age 55 with at least 10 years of participation in the Plan may elect to diversify a portion of their account. Diversification is offered to each eligible participant over a six-year period. In each of the first five years, a participant may diversify up to 25% of the Company shares allocated to his or her account, less any shares previously diversified. In the sixth year, the percentage changes to 50%. Participants who are at least age 60 with at least 15 years of participation in the Plan may also diversify 25% of their investment in Company common stock each year for a total of 10 years beginning with the year in which the participant is first eligible to make the election. Participants who elect to diversify may either transfer the balance to their account in the Libby Perszyk Kathman Holdings, Inc. Profit Sharing 401(k) Plan or to an individual retirement account.

### Forfeitures

Plan forfeitures may first be used to pay plan expenses. The remaining balance is allocated to each participant's account based upon the relation of the participant's eligible compensation to total eligible compensation for the plan year. At December 31, 2021 and 2020, there were no forfeited non-vested accounts. During 2021, there were no forfeited non-vested accounts used to pay plan expenses or allocated to plan participants.

## **2. Summary of accounting policies**

### Basis of accounting

The financial statements of the Plan are prepared under the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America.

### Use of estimates

The preparation of financial statements in conformity 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.

### Allocations

The financial statements of the Plan present separately the assets and liabilities and changes therein pertaining to (a) the accounts of employees with rights in allocated stock (allocated) and (b) stock not yet allocated to employees (unallocated), including shares that are committed to be released. Shares are released from collateral and become allocated generally in the period in which debt service is actually paid.

### Investment valuation and income recognition

Investments are reported at fair value. Fair value of a financial instrument 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's Administration Committee determines the Plan's valuation policies utilizing information provided by the investment advisor and independent valuation firm. See Note 6 for discussion of fair value measurements.

The common stock of the Company is valued annually by an independent appraiser. The fair value at December 31, 2021 and 2020 was \$83.47 and \$78.35 per share, respectively.

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

All investments are non-participant directed.

### Risks and uncertainties

The Plan utilizes various investment instruments, including sponsor company common stock, a money market fund, and interest bearing cash. Investment securities, in general, are exposed to various risks such as interest rate, credit and overall market volatility risks as well as valuation assumptions based on earnings, cash flow, and other such techniques. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the Statement of Net Assets Available for Benefits.

### Benefits

Benefit payments are recorded when paid.

## **3. Transactions with related parties**

The Plan invests in Company common stock and has indebtedness to the Company. These are related party and party-in-interest transactions. The Plan permits the payment of administrative expenses to be made from the Plan's assets and for them to be allocated either proportionately based on the value of the account balances or as an equal dollar amount based on the number of participants in the Plan. However, certain administrative expenses of the Plan are paid by the Company, as described in Note 1. Expenses relating to a specific participant transaction (i.e., distribution request) are charged directly against the appropriate participant's account.

## **4. Tax status**

The IRS has determined and informed the Company by a letter dated December 11, 2014, that the Plan and related trust were designed in accordance with the applicable requirements of the IRC. Although the Plan has been amended since that date, 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 IRC and, therefore, believe that the Plan is qualified, and the related trust is tax-exempt. Therefore, no provision for income taxes has been included in the Plan's financial statements.

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 (or asset) 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. The plan administrator believes it is no longer subject to income tax examinations for years prior to 2018.

## 5. Investments

The Plan's investment in sponsor company common stock, at December 31, is presented in the following table:

|                                                               | 2021          |             | 2020          |             |
|---------------------------------------------------------------|---------------|-------------|---------------|-------------|
|                                                               | Allocated     | Unallocated | Allocated     | Unallocated |
| Libby Perszyk Kathman Holdings, Inc.<br>Company common stock: |               |             |               |             |
| Number of shares                                              | 179,046       | 2,167       | 177,046       | 4,167       |
| Cost                                                          | \$ 3,287,783  | \$ 39,786   | \$ 3,251,057  | \$ 76,512   |
| Estimated fair value                                          | \$ 14,944,961 | \$ 180,852  | \$ 13,871,545 | \$ 326,459  |

## 6. 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.

The asset 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 used need to maximize the use of 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 methodologies used at December 31, 2021 and 2020.

*Sponsor company common stock:* Valued at the fair value based upon an independent appraisal. Consistent with prior year, this appraisal is based upon a combination of the market and income valuation techniques. In addition, the appraiser used the guideline public company method as a reasonableness check. The appraiser took into account historical and projected cash flow and net income, return on assets, return on equity, market comparables, and fair value of the Company's assets and liabilities. Plan management has concluded that a market participant would also recognize a discount for lack of marketability. The valuation process of the sponsor company common stock involves plan management's selection of an independent appraiser. Plan management accumulates the data for the appraiser from the reviewed financial statements of the Company. The appraiser prepares a preliminary report which plan management, along with the ESOP trustees, reviews in detail, discusses and approves.

*Money market fund:* Valued at the net asset value (NAV) of shares held by the Plan at year end, a quoted price in an active market. Accordingly, the fair value is established using the Level 1 input.

*Interest bearing cash:* Valued at cost, which approximates fair value.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

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                |
| Sponsor company common stock                 | \$ -              | \$ -        | \$ 15,125,813        | \$ 15,125,813        |
| Money market fund                            | 500,011           | -           | -                    | 500,011              |
| Investments, at fair value                   | <u>\$ 500,011</u> | <u>\$ -</u> | <u>\$ 15,125,813</u> | <u>\$ 15,625,824</u> |

| Assets at Fair Value as of December 31, 2020 |             |             |                      |                      |
|----------------------------------------------|-------------|-------------|----------------------|----------------------|
|                                              | Level 1     | Level 2     | Level 3              | Total                |
| Sponsor company common stock                 | \$ -        | \$ -        | \$ 14,198,004        | \$ 14,198,004        |
| Money market fund                            | -           | -           | -                    | -                    |
| Investments, at fair value                   | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 14,198,004</u> | <u>\$ 14,198,004</u> |

The table below sets forth a summary of changes in fair value of the Plan's Level 3 assets for the year ended December 31, 2021:

|                                                                                                                                                    | Investment in<br>sponsor company<br>common stock |
|----------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------|
| Balance, beginning of year                                                                                                                         | \$ 14,198,004                                    |
| Unrealized appreciation in estimated fair value                                                                                                    | <u>927,809</u>                                   |
| Balance, end of year                                                                                                                               | <u>\$ 15,125,813</u>                             |
| The amount of gains or losses for the period included in changes in unrealized gains or losses relating to assets still held at the reporting date | <u>\$ 927,809</u>                                |

Gains and losses (realized and unrealized) included in changes in net assets for the period above are reported in net appreciation in fair value of investments in the Statement of Changes in Net Asset Available for Benefits.

## 7. Reportable transactions

No reportable transactions were noted in 2021 and 2020.

## 8. Loan payable

As described in Note 1, in 2007, the Plan entered into a \$1,620,000 term loan agreement with the Company. The proceeds of this loan were used to purchase Company common stock. Unallocated shares are collateral for the loan. Shares are released from collateral and allocated to participants as payments of principal and interest are made. The number of shares released in any year is the number of shares held as collateral, times the ratio of the current year payments divided by the total of this year's payments plus all future years' principal and interest payments. This resulted in 2,000 shares being released and allocated for the year ended December 31, 2021.

The agreement provides for the loan to be repaid over 15 years. The loan bears interest at 7%. The loan payable as of December 31, 2021 **and 2020** was \$181,783 and \$337,812, respectively.

Annual maturities of the loan payable for the next five years are as follows:

| <u>Year ending December 31</u> |                   |
|--------------------------------|-------------------|
| 2022                           | \$ 167,308        |
| 2023                           | 14,475            |
| 2024                           | -                 |
| 2025                           | -                 |
| 2026                           | -                 |
|                                | <u>\$ 181,783</u> |

## 9. Fidelity bonding requirements

The Plan was covered by a \$1,000,000 fidelity bond during 2021 and 2020.

## 10. Reconciliation of financial statements to 5500

The following is a reconciliation of additions and deductions per the financial statements to the Form 5500:

|                                                            | <u>2021</u>         |
|------------------------------------------------------------|---------------------|
| Additions per financial statements                         | \$ 2,107,867        |
| Allocation of shares of common stock<br>of sponsor company | <u>(166,940)</u>    |
| Additions per Form 5500                                    | <u>\$ 1,940,927</u> |
| Deductions per financial statements                        | \$ 481,366          |
| Allocation of shares of common stock<br>of sponsor company | <u>(166,940)</u>    |
| Deductions per Form 5500                                   | <u>\$ 314,426</u>   |

## **11. Subsequent events**

The plan administrator has evaluated subsequent events through October 13, 2022, the date the financial statements were available to be issued. The plan administrator is not aware of any subsequent events that would require recognition or disclosure in the Plan's financial statements.

**Form 5500**Department of the Treasury  
Internal Revenue ServiceDepartment 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****Part I Annual Report Identification Information**

For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

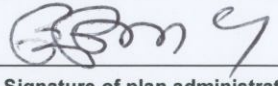
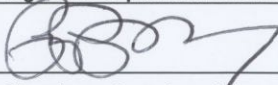
- A** This return/report is for: ☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)  
☒ a single-employer plan ☐ a DFE (specify) \_\_\_\_\_
- B** This return/report is: ☐ the first 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**

|                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                           |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>1a</b> Name of plan<br>LIBBY PERSZYK KATHMAN HOLDINGS, INC. EMPLOYEE STOCK OWNERSHIP PLAN                                                                                                                                                                                                                                                                  | <b>1b</b> Three-digit plan number (PN) ▶ 003                                                                                                                                              |
|                                                                                                                                                                                                                                                                                                                                                               | <b>1c</b> Effective date of plan<br>01/01/1994                                                                                                                                            |
| <b>2a</b> Plan sponsor's name (employer, if for a single-employer plan)<br>Mailing address (include room, apt., suite no. and street, or P.O. Box)<br>City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)<br>LIBBY PERSZYK KATHMAN HOLDINGS, INC<br><br>19 GARFIELD PLACE<br><br>CINCINNATI OH 45202-4310 | <b>2b</b> Employer Identification Number (EIN)<br>31-1076158<br><br><b>2c</b> Plan Sponsor's telephone number<br>513-241-6401<br><br><b>2d</b> Business code (see instructions)<br>541400 |

**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.

|                  |                                                                                     |          |                                                              |
|------------------|-------------------------------------------------------------------------------------|----------|--------------------------------------------------------------|
| <b>SIGN HERE</b> |  | 10/13/22 | Brent McCoy                                                  |
|                  | Signature of plan administrator                                                     | Date     | Enter name of individual signing as plan administrator       |
| <b>SIGN HERE</b> |  | 10/13/22 | Brent McCoy                                                  |
|                  | Signature of employer/plan sponsor                                                  | Date     | Enter name of individual signing as employer or plan sponsor |
| <b>SIGN HERE</b> |                                                                                     |          |                                                              |
|                  | 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. 201209

|                                                                                                                                                                                                                                                                                                                                                                                                                    |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>3a</b> Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor                                                                                                                                                                                                                                                                                                           |  | <b>3b</b> Administrator's EIN<br><br><b>3c</b> Administrator's telephone number                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>4</b> 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:<br><b>a</b> Sponsor's name<br><b>c</b> Plan Name                                                                                                                             |  | <b>4b</b> EIN<br><br><b>4d</b> PN                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>5</b> Total number of participants at the beginning of the plan year                                                                                                                                                                                                                                                                                                                                            |  | <b>5</b> 110                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>6</b> Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines <b>6a(1)</b> , <b>6a(2)</b> , <b>6b</b> , <b>6c</b> , and <b>6d</b> ).                                                                                                                                                                                                                   |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>a(1)</b> Total number of active participants at the beginning of the plan year.....                                                                                                                                                                                                                                                                                                                             |  | <b>6a(1)</b> 76                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>a(2)</b> Total number of active participants at the end of the plan year .....                                                                                                                                                                                                                                                                                                                                  |  | <b>6a(2)</b> 64                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>b</b> Retired or separated participants receiving benefits.....                                                                                                                                                                                                                                                                                                                                                 |  | <b>6b</b> 44                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>c</b> Other retired or separated participants entitled to future benefits .....                                                                                                                                                                                                                                                                                                                                 |  | <b>6c</b> 0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>d</b> Subtotal. Add lines <b>6a(2)</b> , <b>6b</b> , and <b>6c</b> .....                                                                                                                                                                                                                                                                                                                                        |  | <b>6d</b> 108                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>e</b> Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. ....                                                                                                                                                                                                                                                                                                         |  | <b>6e</b> 0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>f</b> Total. Add lines <b>6d</b> and <b>6e</b> .....                                                                                                                                                                                                                                                                                                                                                            |  | <b>6f</b> 108                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>g</b> Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) .....                                                                                                                                                                                                                                                                    |  | <b>6g</b> 107                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>h</b> Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested .....                                                                                                                                                                                                                                                                         |  | <b>6h</b> 2                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>7</b> Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) .....                                                                                                                                                                                                                                                                               |  | <b>7</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>8a</b> If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:<br>2P 2Q 3H                                                                                                                                                                                                                                           |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>b</b> If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:                                                                                                                                                                                                                                                        |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>9a</b> Plan funding arrangement (check all that apply)<br>(1) <input type="checkbox"/> Insurance<br>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br>(3) <input checked="" type="checkbox"/> Trust<br>(4) <input type="checkbox"/> General assets of the sponsor                                                                                                                      |  | <b>9b</b> Plan benefit arrangement (check all that apply)<br>(1) <input type="checkbox"/> Insurance<br>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br>(3) <input checked="" type="checkbox"/> Trust<br>(4) <input type="checkbox"/> General assets of the sponsor                                                                                                                                                                                                     |
| <b>10</b> Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)                                                                                                                                                                                                                                                  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>a Pension Schedules</b><br>(1) <input checked="" type="checkbox"/> <b>R</b> (Retirement Plan Information)<br>(2) <input type="checkbox"/> <b>MB</b> (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary<br>(3) <input type="checkbox"/> <b>SB</b> (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary |  | <b>b General Schedules</b><br>(1) <input checked="" type="checkbox"/> <b>H</b> (Financial Information)<br>(2) <input type="checkbox"/> <b>I</b> (Financial Information - Small Plan)<br>(3) <input type="checkbox"/> <b>A</b> (Insurance Information)<br>(4) <input checked="" type="checkbox"/> <b>C</b> (Service Provider Information)<br>(5) <input type="checkbox"/> <b>D</b> (DFE/Participating Plan Information)<br>(6) <input type="checkbox"/> <b>G</b> (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 \_\_\_\_\_

**LIBBY PERSZYK KATHMAN HOLDINGS, INC.  
EMPLOYEE STOCK OWNERSHIP PLAN**

**Financial Statements**

**December 31, 2021 and 2020**

**Independent Auditor's Report**

**LIBBY PERSZYK KATHMAN HOLDINGS, INC.  
EMPLOYEE STOCK OWNERSHIP PLAN  
FINANCIAL STATEMENTS  
DECEMBER 31, 2021 AND 2020**

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## **Independent Auditor's Report**

To the Trustees and Participants  
Libby Perszyk Kathman Holdings, Inc. Employee Stock Ownership Plan

### **Opinion**

We have audited the financial statements of Libby Perszyk Kathman Holdings, Inc. Employee Stock Ownership Plan (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), which comprise the statement of net assets (deficit) available for benefits as of December 31, 2021 and 2020, and the related statement of changes in net assets (deficit) available for benefits for the year ended December 31, 2021, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the net assets (deficit) available for benefits of Libby Perszyk Kathman Holdings, Inc. Employee Stock Ownership Plan as of December 31, 2021 and 2020, and the changes in net assets (deficit) available for benefits for the year ended December 31, 2021, in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the 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 audit opinion.

### **Responsibilities of Management for the 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.

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 the Plan's ability to continue as a going concern for one year after the date that 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 Financial Statements

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 the 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 the Plan's ability to continue as a going concern for a reasonable period of time.

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

## Supplemental Schedule Required by ERISA

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule of assets (held at end of year) as of December 31, 2021, is presented for purposes of additional analysis and is not a required part of the financial statements but is 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 has been subjected to the 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.

In forming our opinion on the supplemental schedule, we evaluated whether the supplemental schedule, including its form and content, is presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion, the information in the accompanying schedule is fairly stated, in all material respects, in relation to the financial statements as a whole, and the form and content are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

*Co. ready Schiller & Associates, Inc.*

Cincinnati, Ohio  
October 13, 2022

**LIBBY PERSZYK KATHMAN HOLDINGS, INC. EMPLOYEE STOCK OWNERSHIP PLAN**  
**STATEMENT OF NET ASSETS (DEFICIT) AVAILABLE FOR BENEFITS**  
**DECEMBER 31, 2021 AND 2020**

|                                                 | 2021                     |                     |                          | 2020                     |                        |                          |
|-------------------------------------------------|--------------------------|---------------------|--------------------------|--------------------------|------------------------|--------------------------|
|                                                 | <u>Allocated</u>         | <u>Unallocated</u>  | <u>Total</u>             | <u>Allocated</u>         | <u>Unallocated</u>     | <u>Total</u>             |
| <b>ASSETS</b>                                   |                          |                     |                          |                          |                        |                          |
| Cash and cash equivalents                       | \$ 284,202               | \$ -                | \$ 284,202               | \$ 250,585               | \$ -                   | \$ 250,585               |
| Investments, at fair value                      | 15,444,972               | 180,852             | 15,625,824               | 13,871,545               | 326,459                | 14,198,004               |
| Other receivable                                | <u>926</u>               | <u>-</u>            | <u>926</u>               | <u>46,673</u>            | <u>-</u>               | <u>46,673</u>            |
| <br>Total assets                                | <br>15,730,100           | <br>180,852         | <br>15,910,952           | <br>14,168,803           | <br>326,459            | <br>14,495,262           |
| <b>LIABILITIES</b>                              |                          |                     |                          |                          |                        |                          |
| Benefit claims payable                          | -                        | -                   | -                        | 54,782                   | -                      | 54,782                   |
| Loan payable                                    | <u>-</u>                 | <u>181,783</u>      | <u>181,783</u>           | <u>-</u>                 | <u>337,812</u>         | <u>337,812</u>           |
| <br>Total liabilities                           | <br><u>-</u>             | <br><u>181,783</u>  | <br><u>181,783</u>       | <br><u>54,782</u>        | <br><u>337,812</u>     | <br><u>392,594</u>       |
| <br>NET ASSETS (DEFICIT) AVAILABLE FOR BENEFITS | <br>\$ <u>15,730,100</u> | <br>\$ <u>(931)</u> | <br>\$ <u>15,729,169</u> | <br>\$ <u>14,114,021</u> | <br>\$ <u>(11,353)</u> | <br>\$ <u>14,102,668</u> |

See accompanying notes, supplemental schedule and independent auditor's report.

**LIBBY PERSZYK KATHMAN HOLDINGS, INC. EMPLOYEE STOCK OWNERSHIP PLAN**  
**STATEMENT OF CHANGES IN NET ASSETS (DEFICIT) AVAILABLE FOR BENEFITS**  
**YEAR ENDED DECEMBER 31, 2021**

|                                                                                        | <u>Allocated</u>     | <u>Unallocated</u> | <u>Total</u>         |
|----------------------------------------------------------------------------------------|----------------------|--------------------|----------------------|
| Investment income:                                                                     |                      |                    |                      |
| Net appreciation in fair value of investments                                          | \$ 906,476           | \$ 21,333          | \$ 927,809           |
| Interest                                                                               | 56                   | -                  | 56                   |
| Employer contributions                                                                 | 838,329              | 174,733            | 1,013,062            |
| Allocation of 2,000 shares of common stock<br>of sponsor company, at fair market value | <u>166,940</u>       | <u>-</u>           | <u>166,940</u>       |
|                                                                                        | 1,911,801            | 196,066            | 2,107,867            |
| Interest expense                                                                       | -                    | 18,704             | 18,704               |
| Benefits paid to participants                                                          | 295,422              | -                  | 295,422              |
| Administrative fees                                                                    | 300                  | -                  | 300                  |
| Allocation of 2,000 shares of common stock<br>of sponsor company, at fair market value | <u>-</u>             | <u>166,940</u>     | <u>166,940</u>       |
|                                                                                        | <u>295,722</u>       | <u>185,644</u>     | <u>481,366</u>       |
| Net increase in net assets                                                             | 1,616,079            | 10,422             | 1,626,501            |
| Net assets (deficit) available for benefits, beginning of year                         | <u>14,114,021</u>    | <u>(11,353)</u>    | <u>14,102,668</u>    |
| Net assets (deficit) available for benefits, end of year                               | <u>\$ 15,730,100</u> | <u>\$ (931)</u>    | <u>\$ 15,729,169</u> |

**LIBBY PERSZYK KATHMAN HOLDINGS, INC.  
EMPLOYEE STOCK OWNERSHIP PLAN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021 AND 2020**

**1. Plan description**

The following description of the Libby Perszyk Kathman Holdings, Inc. Employee Stock Ownership 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

Libby Perszyk Kathman Holdings, Inc. (the Company) established the Plan effective January 1, 1994. The Plan operates as an employee stock ownership plan (ESOP), and is designed to comply with Internal Revenue Code (IRC) Section 4975(e)(7) and the regulations thereunder, as amended, and is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA). The Plan is administered by an Administration Committee comprising up to three persons appointed by the Company's Board of Directors. An individual of the Company serves as the Plan's trustee.

At inception, the Plan purchased Company common stock using bank borrowings (which the Plan has repaid) and holds the common stock in a trust established under the Plan. In 2007, the Plan purchased additional Company common stock under a loan payable to the Company (see Note 8). As the Plan makes payments on the loan, an appropriate percentage of stock is allocated to eligible participants' accounts in accordance with applicable regulations under the IRC.

The Company has no rights against shares of common stock once they are allocated to participants under the ESOP. Accordingly, the financial statements of the Plan as of December 31, 2021 and 2020, and for the year ended December 31, 2021, present separately the assets and liabilities and changes therein pertaining to:

- The accounts of employees with vested rights in allocated common stock (allocated), and
- Common stock not yet allocated to employees (unallocated)

Eligibility

Employees of the Company and its participating subsidiaries are generally eligible to participate in the Plan after one year of service, provided that they have worked at least 1,000 hours during such plan year and are at least 21 years of age. Participants who do not have at least 1,000 hours of service during such plan year, or are not employed on the last working day of a plan year, are generally not eligible for an allocation of Company contributions for such year.

Contributions

The Company has elected to make contributions in cash to the Plan, which at a minimum, equals the amount necessary to enable the Plan to make its regularly scheduled payments of principal and interest due on its term loan. Employee contributions are not permitted.

Payment of benefits

Distributions on account of death, disability, or retirement are made in annual installment payments, starting within a year of the close of the plan year in which the participant terminated employment. The account balance of the participant determines the number of annual installment payments to be received. Distributions are made in cash or, if the participant elects, in the form of company stock plus cash for any fractional share of common stock. Under the provisions of the Plan, the Company is obligated to repurchase participant shares, which have been distributed under the terms of the Plan if the shares are not publically traded or if the shares are subject to trading limitations.

Distributions on account of termination of employment will be made in one lump-sum within two months after the end of the plan year in which the employee terminates. If the vested balance is greater than \$5,000, consent must be obtained from the participant.

Any participant who has reached age 40 and has been a participant in the Plan for 15 or more years while still employed may make a one-time election to receive a lump sum distribution.

#### Administrative expenses

As provided in the plan agreement, administrative expenses may be paid either by the Plan or by the Company. The Company has historically paid a portion of the operating expenses of the Plan. The amount included in the financial statements represents investment management fees incurred by the Plan. The Company provides other administrative services at no cost to the Plan, which are excluded from these financial statements.

#### Voting rights

Each participant is entitled to exercise voting rights attributable to the shares allocated to his or her account and is notified by the trustee prior to the time that such rights are to be exercised. The trustee is not permitted to vote any allocated share for which instructions have not been given by a participant.

#### Plan termination

The Company reserves the right to terminate the Plan at any time, subject to plan provisions. Upon termination of the Plan, the Administration Committee shall direct the trustee to pay all liabilities and expenses of the trust fund and to sell shares of financed common stock held in the loan suspense account to the extent it determines such sale to be necessary in order to repay the loan. Subsequently, the interest of each participant in the trust fund will be distributed to such participant or his or her beneficiary at the time prescribed by the plan terms and the IRC.

#### Participant accounts

The Plan is a defined contribution plan under which a separate individual account is established for each participant. Each participant's account is credited as of the last day of each plan year with an allocation of shares of the Company's common stock released by the trustee from the unallocated account, forfeitures of terminated participants' non-vested accounts, and shares purchased as a result of distributions to participants. Only those participants who are eligible employees of the Company as of the last day of the plan year will receive an allocation. Allocations are based on a participant's eligible compensation, relative to total eligible compensation. Plan earnings are allocated to each participant's account based on the ratio of the participant's account balance.

#### Vesting

If a participant's employment with the Company ends for any reason other than retirement, permanent disability or death, he or she will vest in the balances in his or her account based on total years of service with the Company. Participants vest 20% per year, beginning in year two if hired after December 31, 2000. If hired before January 1, 2001, participants vest 100% in year three. If a participant's employment with the Company ends due to retirement, which is age 65, permanent disability or death, he or she will become 100% vested.

### Put option

Under federal income tax regulations, the Company stock that is held by the Plan and its participants and is not readily tradable on an established market, or is subject to trading limitations, includes a put option. The put option is a right to demand that the Company buy any shares of its stock distributed to participants for which there is no market. The put price is representative of the current appraised value of the stock. The Company can pay for the purchase with interest over a period of five years. However, it may be extended to a date no later than the earlier of 10 years from the date the put option is exercised or from the date the proceeds of the loan used by the Plan to acquire the Company stock subject to the put option are entirely repaid. The purpose of the put option is to ensure that the participant has the ability to ultimately obtain cash for their stock.

### Diversification

Diversification is offered to participants close to retirement so that they may have the opportunity to move part of the value of their investment in Company common stock into investments which are more diversified. Participants who are at least age 55 with at least 10 years of participation in the Plan may elect to diversify a portion of their account. Diversification is offered to each eligible participant over a six-year period. In each of the first five years, a participant may diversify up to 25% of the Company shares allocated to his or her account, less any shares previously diversified. In the sixth year, the percentage changes to 50%. Participants who are at least age 60 with at least 15 years of participation in the Plan may also diversify 25% of their investment in Company common stock each year for a total of 10 years beginning with the year in which the participant is first eligible to make the election. Participants who elect to diversify may either transfer the balance to their account in the Libby Perszyk Kathman Holdings, Inc. Profit Sharing 401(k) Plan or to an individual retirement account.

### Forfeitures

Plan forfeitures may first be used to pay plan expenses. The remaining balance is allocated to each participant's account based upon the relation of the participant's eligible compensation to total eligible compensation for the plan year. At December 31, 2021 and 2020, there were no forfeited non-vested accounts. During 2021, there were no forfeited non-vested accounts used to pay plan expenses or allocated to plan participants.

## **2. Summary of accounting policies**

### Basis of accounting

The financial statements of the Plan are prepared under the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America.

### Use of estimates

The preparation of financial statements in conformity 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.

### Allocations

The financial statements of the Plan present separately the assets and liabilities and changes therein pertaining to (a) the accounts of employees with rights in allocated stock (allocated) and (b) stock not yet allocated to employees (unallocated), including shares that are committed to be released. Shares are released from collateral and become allocated generally in the period in which debt service is actually paid.

### Investment valuation and income recognition

Investments are reported at fair value. Fair value of a financial instrument 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's Administration Committee determines the Plan's valuation policies utilizing information provided by the investment advisor and independent valuation firm. See Note 6 for discussion of fair value measurements.

The common stock of the Company is valued annually by an independent appraiser. The fair value at December 31, 2021 and 2020 was \$83.47 and \$78.35 per share, respectively.

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

All investments are non-participant directed.

### Risks and uncertainties

The Plan utilizes various investment instruments, including sponsor company common stock, a money market fund, and interest bearing cash. Investment securities, in general, are exposed to various risks such as interest rate, credit and overall market volatility risks as well as valuation assumptions based on earnings, cash flow, and other such techniques. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the Statement of Net Assets Available for Benefits.

### Benefits

Benefit payments are recorded when paid.

## **3. Transactions with related parties**

The Plan invests in Company common stock and has indebtedness to the Company. These are related party and party-in-interest transactions. The Plan permits the payment of administrative expenses to be made from the Plan's assets and for them to be allocated either proportionately based on the value of the account balances or as an equal dollar amount based on the number of participants in the Plan. However, certain administrative expenses of the Plan are paid by the Company, as described in Note 1. Expenses relating to a specific participant transaction (i.e., distribution request) are charged directly against the appropriate participant's account.

## **4. Tax status**

The IRS has determined and informed the Company by a letter dated December 11, 2014, that the Plan and related trust were designed in accordance with the applicable requirements of the IRC. Although the Plan has been amended since that date, 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 IRC and, therefore, believe that the Plan is qualified, and the related trust is tax-exempt. Therefore, no provision for income taxes has been included in the Plan's financial statements.

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 (or asset) 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. The plan administrator believes it is no longer subject to income tax examinations for years prior to 2018.

## 5. Investments

The Plan's investment in sponsor company common stock, at December 31, is presented in the following table:

|                                                               | 2021          |             | 2020          |             |
|---------------------------------------------------------------|---------------|-------------|---------------|-------------|
|                                                               | Allocated     | Unallocated | Allocated     | Unallocated |
| Libby Perszyk Kathman Holdings, Inc.<br>Company common stock: |               |             |               |             |
| Number of shares                                              | 179,046       | 2,167       | 177,046       | 4,167       |
| Cost                                                          | \$ 3,287,783  | \$ 39,786   | \$ 3,251,057  | \$ 76,512   |
| Estimated fair value                                          | \$ 14,944,961 | \$ 180,852  | \$ 13,871,545 | \$ 326,459  |

## 6. 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.

The asset 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 used need to maximize the use of 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 methodologies used at December 31, 2021 and 2020.

*Sponsor company common stock:* Valued at the fair value based upon an independent appraisal. Consistent with prior year, this appraisal is based upon a combination of the market and income valuation techniques. In addition, the appraiser used the guideline public company method as a reasonableness check. The appraiser took into account historical and projected cash flow and net income, return on assets, return on equity, market comparables, and fair value of the Company's assets and liabilities. Plan management has concluded that a market participant would also recognize a discount for lack of marketability. The valuation process of the sponsor company common stock involves plan management's selection of an independent appraiser. Plan management accumulates the data for the appraiser from the reviewed financial statements of the Company. The appraiser prepares a preliminary report which plan management, along with the ESOP trustees, reviews in detail, discusses and approves.

*Money market fund:* Valued at the net asset value (NAV) of shares held by the Plan at year end, a quoted price in an active market. Accordingly, the fair value is established using the Level 1 input.

*Interest bearing cash:* Valued at cost, which approximates fair value.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

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                |
| Sponsor company common stock                 | \$ -              | \$ -        | \$ 15,125,813        | \$ 15,125,813        |
| Money market fund                            | 500,011           | -           | -                    | 500,011              |
| Investments, at fair value                   | <u>\$ 500,011</u> | <u>\$ -</u> | <u>\$ 15,125,813</u> | <u>\$ 15,625,824</u> |

| Assets at Fair Value as of December 31, 2020 |             |             |                      |                      |
|----------------------------------------------|-------------|-------------|----------------------|----------------------|
|                                              | Level 1     | Level 2     | Level 3              | Total                |
| Sponsor company common stock                 | \$ -        | \$ -        | \$ 14,198,004        | \$ 14,198,004        |
| Money market fund                            | -           | -           | -                    | -                    |
| Investments, at fair value                   | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 14,198,004</u> | <u>\$ 14,198,004</u> |

The table below sets forth a summary of changes in fair value of the Plan's Level 3 assets for the year ended December 31, 2021:

|                                                                                                                                                    | Investment in<br>sponsor company<br>common stock |
|----------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------|
| Balance, beginning of year                                                                                                                         | \$ 14,198,004                                    |
| Unrealized appreciation in estimated fair value                                                                                                    | <u>927,809</u>                                   |
| Balance, end of year                                                                                                                               | <u>\$ 15,125,813</u>                             |
| The amount of gains or losses for the period included in changes in unrealized gains or losses relating to assets still held at the reporting date | <u>\$ 927,809</u>                                |

Gains and losses (realized and unrealized) included in changes in net assets for the period above are reported in net appreciation in fair value of investments in the Statement of Changes in Net Asset Available for Benefits.

## 7. Reportable transactions

No reportable transactions were noted in 2021 and 2020.

## 8. Loan payable

As described in Note 1, in 2007, the Plan entered into a \$1,620,000 term loan agreement with the Company. The proceeds of this loan were used to purchase Company common stock. Unallocated shares are collateral for the loan. Shares are released from collateral and allocated to participants as payments of principal and interest are made. The number of shares released in any year is the number of shares held as collateral, times the ratio of the current year payments divided by the total of this year's payments plus all future years' principal and interest payments. This resulted in 2,000 shares being released and allocated for the year ended December 31, 2021.

The agreement provides for the loan to be repaid over 15 years. The loan bears interest at 7%. The loan payable as of December 31, 2021 **and 2020** was \$181,783 and \$337,812, respectively.

Annual maturities of the loan payable for the next five years are as follows:

| <u>Year ending December 31</u> |                   |
|--------------------------------|-------------------|
| 2022                           | \$ 167,308        |
| 2023                           | 14,475            |
| 2024                           | -                 |
| 2025                           | -                 |
| 2026                           | -                 |
|                                | <u>\$ 181,783</u> |

## 9. Fidelity bonding requirements

The Plan was covered by a \$1,000,000 fidelity bond during 2021 and 2020.

## 10. Reconciliation of financial statements to 5500

The following is a reconciliation of additions and deductions per the financial statements to the Form 5500:

|                                                            | <u>2021</u>         |
|------------------------------------------------------------|---------------------|
| Additions per financial statements                         | \$ 2,107,867        |
| Allocation of shares of common stock<br>of sponsor company | <u>(166,940)</u>    |
| Additions per Form 5500                                    | <u>\$ 1,940,927</u> |
| Deductions per financial statements                        | \$ 481,366          |
| Allocation of shares of common stock<br>of sponsor company | <u>(166,940)</u>    |
| Deductions per Form 5500                                   | <u>\$ 314,426</u>   |

## **11. Subsequent events**

The plan administrator has evaluated subsequent events through October 13, 2022, the date the financial statements were available to be issued. The plan administrator is not aware of any subsequent events that would require recognition or disclosure in the Plan's financial statements.

## **SUPPLEMENTAL SCHEDULE**

**LIBBY PERSZYK KATHMAN, INC. EMPLOYEE STOCK OWNERSHIP PLAN**  
**SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)**  
**DECEMBER 31, 2021**

EIN: 31-1076158

PLAN NUMBER: 003

| (a) | (b)<br>Identity of issue, borrower<br>lessor, or similar party | (c)<br>Description of investment<br>including maturity date, rate of<br>interest, collateral, par, or maturity<br>value, number of shares | (d)<br>Cost         | (e)<br>Current<br>value |
|-----|----------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|---------------------|-------------------------|
| *   | Libby Perszyk Kathman Holdings, Inc.                           | Sponsor company common stock                                                                                                              | \$ 3,327,569        | \$ 15,125,813           |
|     | BlackRock Liquidity Treasury Trust Fund                        | Money market fund                                                                                                                         | 500,000             | 500,011                 |
| *   | Morgan Stanley                                                 | Non-interest bearing cash                                                                                                                 | <u>284,202</u>      | <u>284,202</u>          |
| *   | Party-in-interest                                              |                                                                                                                                           | <u>\$ 4,111,771</u> | <u>\$ 15,910,026</u>    |

**LIBBY PERSZYK KATHMAN, INC. EMPLOYEE STOCK OWNERSHIP PLAN**  
**SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)**  
**DECEMBER 31, 2021**

EIN: 31-1076158

PLAN NUMBER: 003

| (a) | (b)<br>Identity of issue, borrower<br>lessor, or similar party | (c)<br>Description of investment<br>including maturity date, rate of<br>interest, collateral, par, or maturity<br>value, number of shares | (d)<br>Cost         | (e)<br>Current<br>value |
|-----|----------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|---------------------|-------------------------|
| *   | Libby Perszyk Kathman Holdings, Inc.                           | Sponsor company common stock                                                                                                              | \$ 3,327,569        | \$ 15,125,813           |
|     | BlackRock Liquidity Treasury Trust Fund                        | Money market fund                                                                                                                         | 500,000             | 500,011                 |
| *   | Morgan Stanley                                                 | Non-interest bearing cash                                                                                                                 | <u>284,202</u>      | <u>284,202</u>          |
| *   | Party-in-interest                                              |                                                                                                                                           | <u>\$ 4,111,771</u> | <u>\$ 15,910,026</u>    |